IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the draft preliminary offering circular following this notice (the "**draft document**"), whether received via email, accessed from an internet page or otherwise received as a result of electronic communication, and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached draft document. In accessing the draft document, you agree to be bound by the following terms and conditions and each of the restrictions set out in the draft document, including any modifications to them from time to time, each time you receive any information from Banque du Caire S.A.E. ("**BdC**"), Banque Misr S.A.E. (the "**Selling Shareholder**"), CI Capital Investment Banking S.A.E. or EFG Hermes Promoting & Underwriting S.A.E. (together, the "**Joint Global Coordinators and Bookrunners**") as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached draft document is confidential and intended only for you and you agree you will not forward, reproduce, copy, download or publish this electronic transmission or the attached draft document (electronically or otherwise) to any other person.

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NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED IN THE UNITED STATES EXCEPT (1) IN ACCORDANCE WITH RULE 144A TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QIB, OR (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

This draft document and the offer referenced therein when made are only addressed to and directed at persons in member states of the European Economic Area (the "**EEA**") who are qualified investors within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). In addition, in the United Kingdom, this draft document is being distributed only to, and is directed only at, persons in the United Kingdom that are qualified investors as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 and that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); or (ii) who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**").

Confirmation of your representation: By accessing or accepting electronic delivery of this draft document, you are deemed to have represented to BdC, the Selling Shareholder and the Joint Global Coordinators and Bookrunners that (i) you are acting on behalf of, or you are either (a) an institutional investor outside the United States (as defined in Regulation S under the Securities Act), or (b) in the United States and a QIB that is acquiring securities for your own account or for the account of another QIB; (ii) if you are in the United Kingdom, you are a relevant person; (iii) if you are in any member state of the EEA other than the United Kingdom, you are a qualified investor; and (iv) if you are outside the United States, the United Kingdom and the EEA (and the electronic mail addresses that you gave BdC, the Selling Shareholder and/or the Joint Global Coordinators and Bookrunners and to which this draft document has been delivered are not located in such jurisdictions), you are a person into whose possession this draft document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

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You are reminded that this draft document has been made available to you solely on the basis that you are a person into whose possession this draft document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this draft document, electronically or otherwise, to any other person.

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None of the Joint Global Coordinators and Bookrunners accepts any responsibility whatsoever for the contents of this draft document or for any other statement made or purported to be made by it or any of them or on its or their behalf in connection with BdC or the securities described herein. Each of the Joint Global Coordinators and Bookrunners accordingly disclaims, to the fullest extent permitted by applicable law, any and all liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this draft document or any such statement.

Each of the Joint Global Coordinators and Bookrunners is acting exclusively for BdC and the Selling Shareholder and no one else in connection with the transactions described herein. None of the Joint Global Coordinators and Bookrunners will be responsible to any other person (whether or not a recipient of this draft document) for providing the protections afforded to their respective clients or for providing advice in relation to any transaction or arrangement referred to in this draft document.

You are responsible for protecting against viruses and other destructive items. Your receipt of this draft document via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

The information contained in this preliminary offering circular is not complete and may be changed. This preliminary offering circular is not an offer to sell securities and is not soliciting an offer to buy securities in any jurisdiction where the offer or sale is not permitted or to any person or entity to whom it is unlawful to make an offer or sale. Investors should not subscribe for any securities referred to herein except on the basis of information contained in the final form offering circular, which will be published in due course. This preliminary offering circular has not been, and will not be, approved by any regulatory body in Egypt or elsewhere.

DRAFT OFFERING CIRCULAR – SUBJECT TO CHANGE AS A RESULT OF VERIFICATION PROCESS – INVESTORS SHOULD ONLY RELY ON THE FINAL FORM OF OFFERING CIRCULAR IN RELATION TO THEIR INVESTMENT DECISION

SUBJECT TO COMPLETION

PRELIMINARY OFFERING CIRCULAR DATED 18 OCTOBER 2026

Banque du Caire S.A.E.

(a joint stock company incorporated under the laws of the Arab Republic of Egypt with limited liability)

Combined Offering of Ordinary Shares including an Institutional Offering of 4,346,250,000[1] Ordinary Shares at a price of EGP [●] per Ordinary Share (the "Offer Price")

This offering circular relates to an offering (the "**Institutional Offering**") of 4,346,250,000[2] existing ordinary shares (the "**Ordinary Shares**"), each with a nominal value of EGP 2 (the "**Institutional Offer Shares**"), of Banque du Caire S.A.E. ("**BdC**"), a joint stock company incorporated under the laws of the Arab Republic of Egypt with limited liability by Banque Misr S.A.E. (the "**Selling Shareholder**" or "**Banque Misr**"). In this Offering Circular, "**Shareholders**" refers to the Selling Shareholder together with Misr Capital S.A.E. and Misr Abu Dhabi for Real Estate Investments S.A.E.

This Offering Circular has been prepared solely in connection with the Institutional Offering. Concurrently with the Institutional Offering, the Selling Shareholder is offering 228,750,000[3] Ordinary Shares ("**Egyptian Retail Offer Shares**" and, together with the Institutional Offer Shares, the "**Offer Shares**") to Egyptian retail investors (the "**Egyptian Retail Offering**" and together with the Institutional Offering, the "**Combined Offering**") at the Offer Price. Prospective Egyptian retail and Egyptian institutional investors should refer to and will be purchasing Ordinary Shares solely in reliance on a public subscription notice approved by the FRA (the "**Public Subscription Notice**") and should not rely on this Offering Circular. The Combined Offering is being managed by CI Capital Investment Banking S.A.E. as lead global coordinator and joint bookrunner and EFG Hermes Promoting & Underwriting S.A.E. as joint global coordinator and joint bookrunner (together, the "**Joint Global Coordinators**", the "**Joint Bookrunners**" or the "**Managers**").

Offer Price Range: EGP 4.82 to EGP 5.30 per Ordinary Share

There will be no stabilisation activities undertaken in connection with the Institutional Offering. In connection with the Egyptian Retail Offering, CI Capital Investment Banking S.A.E., as stabilisation manager (the "**Stabilisation Manager**"), or any of its agents, may, in a single trading day following the lapse of the period starting on the date of the commencement of trading of Ordinary Shares on the EGX and ending 30 days after that date (the "**Stabilisation Period**"), effect transactions in the Ordinary Shares on the EGX with a view to supporting or maintaining the market price of the Ordinary Shares at the Offer Price. The Stabilisation Manager will withhold from the payment of the proceeds of the Combined Offering an amount equal to the gross proceeds of the sale of all Egyptian Retail Offer Shares at the Offer Price, which will be deposited in a stabilisation account (the "**Stabilisation Fund**"), for these purposes. For further detail, see *"Plan of Distribution — Stabilisation"*.

There is currently no market for the Ordinary Shares. The Ordinary Shares were listed on the EGX on 8 February 2017. Trading is restricted until admission to trading ("**Admission**") is approved by the EGX, which is conditional on the satisfaction of certain conditions set out in the EGX Listing Rules, including, without limitation, the completion of the Combined Offering. In accordance with the regulations of the EGX Listing Rules, the Ordinary Shares will be quoted on the EGX in single units. It is expected that trading of the Ordinary Shares on the EGX will commence on or about 2 November 2026 (the "**Closing Date**") under the symbol "BQDC".

Although it is expected that 4,346,250,000 Ordinary Shares will be sold pursuant to the Institutional Offering and 228,750,000 Ordinary Shares will be sold pursuant to the Egyptian Retail Offering (in each case subject to increase), Ordinary Shares may be reallocated from either the Institutional Offering to the Egyptian Retail Offering or from the Egyptian Retail Offering to the Institutional Offering depending on the level and nature of demand for the Offer Shares (the "**Right of Reallocation**"). The Right of Reallocation will be at the discretion of the Selling Shareholder (in consultation with the Joint Global Coordinators).

BdC and the Selling Shareholder have entered into share purchase commitment agreements (the "**Cornerstone Investor Agreements**") with the investors set forth under *"Plan of Distribution — Cornerstone Investors"* (the "**Cornerstone Investors**"), pursuant to which each of the Cornerstone Investors, severally (and not jointly or jointly and severally), has committed to purchase Institutional Offer Shares in the Institutional Offering, and the Selling Shareholder has agreed to sell, and procure the transfer of, Institutional Offer Shares to the Cornerstone Investors at the Offer Price. The Cornerstone Investor Agreements are conditional upon certain conditions being satisfied, including the closing of the Institutional Offering and the final Offer Price, and each Cornerstone Investor Agreement may be terminated (save for certain underlying

[1] Subject to increase. See "*The Combined Offering*".
[2] Subject to increase.
[3] Subject to increase.

surviving provisions) by the relevant Cornerstone Investors if any of its conditions are not fulfilled (or waived by such Cornerstone Investor) by certain specified dates in November 2026 (or such other date as may be agreed among BdC, the Selling Shareholder and the Cornerstone Investors). For further detail, see *"Plan of Distribution — Cornerstone Investors"*.

Investing in the Securities involves risks. See "*Risk Factors*" beginning on page 23.

The Offer Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"). The Institutional Offer Shares will be offered and sold only (i) outside the United States in "offshore transactions" in reliance on Regulation S under the Securities Act ("**Regulation S**") to institutional investors in certain jurisdictions, including Egypt and (ii) in the United States only to "qualified institutional buyers" ("**QIBs**") as defined in Rule 144A under the Securities Act ("**Rule 144A**"), in reliance on Rule 144A or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Prospective purchasers that are QIBs are hereby notified that the sellers of the Offer Shares may be relying on an exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A or other applicable exemptions from the registration requirements of the Securities Act.

The Offer Shares are subject to transfer restrictions in certain jurisdictions. Prospective purchasers should read the restrictions described under "*Selling and Transfer Restrictions*".

Joint Global Coordinators

CI Capital Investment Banking S.A.E.
Lead Global Coordinator and Joint Bookrunner

EFG Hermes Promoting & Underwriting S.A.E.
Joint Global Coordinator and Joint Bookrunner

Offering Circular dated [●] 2026

IMPORTANT INFORMATION ABOUT THIS OFFERING CIRCULAR

General

Each prospective investor, by accepting delivery of this Offering Circular, agrees that this Offering Circular is being furnished solely for the purpose of enabling a prospective investor to consider the purchase of the Offer Shares. Any reproduction or distribution of this Offering Circular, in whole or in part, any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Offer Shares, is prohibited.

None of the Joint Global Coordinators or any of their respective affiliates or advisors makes any representation or warranty, express or implied, nor accepts any responsibility, as to the accuracy or completeness of any of the information in this Offering Circular. This Offering Circular should not be considered as a recommendation by any of BdC, the Selling Shareholder or the Joint Global Coordinators that any recipient of this Offering Circular should purchase the Offer Shares. Each potential purchaser of Offer Shares should determine for itself the relevance of the information contained in this Offering Circular, and its purchase of Offer Shares should be based upon such investigation, as it deems necessary.

This Offering Circular does not constitute an offer to the public to purchase or otherwise acquire the Offer Shares. In making an investment decision regarding the Offer Shares, prospective investors must rely on their own investigation and analysis of BdC and the terms of the Institutional Offering, including the merits and risks involved, and prospective investors should rely only on the information contained in this Offering Circular. None of BdC, the Selling Shareholder or the Joint Global Coordinators has authorised any other person to provide prospective investors with different information. If anyone provides prospective investors with different or inconsistent information, prospective investors should not rely on it. Prospective investors should assume that the information appearing in this Offering Circular is accurate only as of its date. BdC's business, financial condition, results of operations, prospects and the information set out in this Offering Circular may have changed since the date hereof.

This Offering Circular does not constitute an advertisement or an offer of securities in the Arab Republic of Egypt ("**Egypt**"). It is not intended to be and must not be distributed publicly and/or to, or for the benefit of, any person within Egypt, except as may be permitted by Egyptian law. This Offering Circular has not been, and will not be, approved by any regulatory body in Egypt or elsewhere.

The Institutional Offering is being made solely on the basis of this Offering Circular and any decision to invest in the Offer Shares should be based solely on the information contained in the Offering Circular.

None of the Joint Global Coordinators accepts any responsibility whatsoever for the contents of this Offering Circular or for any other statement made or purported to be made by it or on its behalf in connection with BdC or the Offer Shares. The Joint Global Coordinators accordingly disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this Offering Circular or any such statement.

Prospective investors should not consider any information in this Offering Circular to be investment, legal or tax advice. Prospective investors should consult their own legal, tax, financial and other advisors for legal, tax, business, financial and related advice regarding purchasing the Offer Shares. In making an investment decision, prospective investors must rely on their own examination and analysis of BdC and the terms of the Institutional Offering, including all of the merits and risks involved. None of BdC, the Selling Shareholder or the Joint Global Coordinators makes any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under appropriate investment or similar laws.

The Joint Global Coordinators are acting exclusively for BdC and the Selling Shareholder and no one else in connection with the Institutional Offering. The Joint Global Coordinators will not be responsible to any other person (whether or not a recipient of this Offering Circular) for providing the protections afforded to their respective clients or for providing advice in relation to the Institutional Offering or any transaction or arrangement referred to therein.

In connection with the Institutional Offering, the Joint Global Coordinators and any of their respective affiliates acting as an investor for their own account or accounts may subscribe for or purchase, as the case may be, Offer Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account or accounts in such Offer Shares, any other securities of BdC or other related investments in connection with the Institutional Offering or otherwise. Accordingly, references in this Offering Circular to the Offer Shares being issued, offered, subscribed or otherwise dealt with should be read as including any issue or offer to, or subscription or dealing by, the Joint Global Coordinators and any of their respective affiliates acting as an investor for its or their own account or accounts. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

The Offering Circular does not constitute or form part of an offer to sell, or a solicitation of an offer to buy, any security other than the Institutional Offer Shares. The distribution of this Offering Circular and the offer and sale of the Offer Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular comes are required to inform themselves about, and observe any such restrictions. See "*Selling and Transfer Restrictions*" elsewhere in this Offering Circular. None of BdC, the Selling Shareholder or the Joint Global Coordinators accepts any legal responsibility for any violation by any person, whether or not a prospective investor, of any such restrictions. Prospective investors must comply with all applicable laws and regulations in force in any jurisdiction in which they purchase, offer or sell the Offer Shares or possess or distribute this Offering Circular and prospective investors must obtain any consent, approval or permission required for their purchase, offer or sale of the Offer Shares under the laws and regulations in force in any jurisdiction to which they are subject or in which they make such purchases, offers or sales. None of BdC, the Selling Shareholder or the Joint Global Coordinators is making an offer to sell the Offer Shares or a solicitation of an offer to buy any of the Offer Shares to any person in any jurisdiction except where such an offer or solicitation is permitted.

No action has been taken or will be taken in any jurisdiction, other than the Egyptian Retail Offering pursuant to the Public Subscription Notice, that would permit a public offering of the Offer Shares, or possession or distribution of this Offering Circular or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons in whose possession this Offering Circular comes should inform themselves about and observe any restrictions on the distribution of this Offering Circular and the offer, purchase and sale of the Institutional Offer Shares, including those set forth under "*Selling and Transfer Restrictions*". Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Offering Circular does not constitute an offer to subscribe for or buy any of the Institutional Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

STABILISATION

There will be no stabilisation activities undertaken in connection with the Institutional Offering.

In connection with the Egyptian Retail Offering, the Stabilisation Manager, or any of its agents, may effect transactions, in a single trading session, in the Ordinary Shares on the EGX with a view to supporting or maintaining the market price of the Ordinary Shares at a level higher than that which might have otherwise prevailed in the open market. The Stabilisation Manager will withhold from the payment of the proceeds of the Combined Offering an amount equal to the gross proceeds of the sale of all Egyptian Retail Offer Shares at the Offer Price, which will be deposited in the Stabilisation Fund. If the trading price per Ordinary Share falls below the Offer Price during the Stabilisation Period, purchasers of Egyptian Retail Offer Shares in the Egyptian Retail Offer may submit sell orders and the Stabilisation Manager will submit purchase orders for Ordinary Shares at the Offer Price, which will remain open until the end of the Stabilisation Period. At the end of the Stabilisation Period, open purchase orders submitted by the Stabilisation Manager will be matched with open sale orders and executed on the EGX. All Ordinary Shares purchased in this manner will be placed in the Stabilisation Fund. The Stabilisation Manager will remit to the Selling Shareholder at the end of the Stabilisation Period any funds then remaining in the Stabilisation Fund and any remaining Ordinary Shares purchased during the Stabilisation Period using the Stabilisation Fund. The Stabilisation Manager will disclose the stabilisation transactions to the EGX at the end of the Stabilisation Period.

NOTICE TO CERTAIN INVESTORS

Notice to Investors in the United States

The Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the Securities Act and in compliance with all applicable securities laws of any state or other jurisdiction of the United States. The Offer Shares will be offered and sold only (i) in the United States, to persons reasonably believed to be QIBs or (ii) outside the United States in "offshore transactions" in reliance on Regulation S to institutional investors in certain jurisdictions, including Egypt. Prospective investors that are QIBs are hereby notified that the sellers of the Offer Shares may be relying on the exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A thereunder.

Recipients of this Offering Circular in the United States are hereby notified that this Offering Circular has been furnished to them on a confidential basis solely for the purpose of enabling a prospective investor to consider purchasing the Institutional Offer Shares. Distribution of this Offering Circular to any person other than the offerees specified by the Joint Global Coordinators, or their respective representatives, and those persons, if any, retained to

advise such offerees with respect thereto, is unauthorised, and any disclosure of its contents is prohibited. Any reproduction or distribution of this Offering Circular in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This Offering Circular is personal to each offeree and in the United States does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the Offer Shares.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES NOR ANY OTHER U.S. REGULATORY AUTHORITY HAS APPROVED OF THE INSTITUTIONAL OFFERING OR PASSED UPON OR ENDORSED THE MERITS OF THE INSTITUTIONAL OFFERING OR THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

Notice to Investors in the European Economic Area

In relation to each Member State of the European Economic Area and the United Kingdom (each a "**Relevant State**"), no shares have been offered or will be offered pursuant to the Combined Offering to the public in that Relevant State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Offer Shares at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require BdC, the Selling Shareholder or the Joint Global Coordinators to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Offer Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to Investors in the United Kingdom

This Offering Circular and any other material in relation to the Offer Shares described herein is only being distributed in the United Kingdom to, and is only directed at, persons in the United Kingdom that are qualified investors ("**qualified investors**") as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024 (the "**POATRs**") and that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); or (ii) who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). The Offer Shares are only available in the United Kingdom to, and any invitation, offer or agreement to purchase or otherwise acquire the Offer Shares will be engaged in only with, the relevant persons. This Offering Circular and its contents should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Offering Circular or any of its contents.

Notice to Investors in Egypt

The Offer Shares may not be offered or sold in any form of general solicitation or general advertising or in a public offering in Egypt, unless the Public Subscription Notice has been submitted to Financial Regulatory Authority (the "**FRA**") for review (whether or not such Public Subscription Notice has been approved by the FRA). Institutional Offer Shares may only be offered or sold in Egypt through a private placement to Egyptian QIBs and Professionally Experienced Investors (each as defined below) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments for the purposes of their business and only in accordance with the Public Subscription Notice and applicable Egyptian law and regulations, including the applicable provisions of the Capital

Market Law No. 95 of 1992, as amended (the "**Capital Market Law**"), its Executive Regulations, as amended, the EGX Listing Rules and the FRA Decree No. 48 of 2019, as amended, concerning private and public placements.

Each purchaser of the Institutional Offer Shares offered under the private placement in Egypt will be deemed to have represented that it is an Egyptian QIB or a Professionally Experienced Investor within the meaning of the FRA's Decree no. 48 for the year 2019, as amended, concerning private and public placements.

An "**Egyptian QIB**" is an institutional investor that falls within any of the following categories: (i) a public insurance and/or a public pension fund; or (ii) capital companies with a paid in capital of not less than EGP 1 million; or (c) a financial institution, which includes: (i) Egyptian banks and branches of foreign banks that are subject to the supervision of the CBE; (ii) investment banks; (iii) companies for the formation and management of securities portfolios; (iv) insurance and reinsurance companies; (v) venture capital companies; (vi) private equity/direct investment companies; (vii) real estate mortgage companies; (viii) financial leasing companies; (ix) factoring companies; (x) private insurance funds with an investment portfolio exceeding EGP 100 million; (xi) investment funds; (xii) foreign, regional and Arab financial institutions' investment funds; or (xiii) regional and international financial institutions. Such financial institutions shall either: (a) have an equity amount of at least EGP 20 million at book value; (b) hold investments in existing securities with a value of at least EGP 10 million in joint stock companies, other than the Company or other securities relating the Combined Offering at the date of the Egyptian Retail Offering; or (c) have a licensed objective covering subscription to securities.

A "**Professionally Experienced Investor**" is an individual investor who owns liquid assets with a minimum value of EGP 5 million and who has experience in stock markets and capital markets locally and globally for a period of five years.

Notice to Investors in Other Countries

For further offering and selling restrictions, and limitations on eligible offerees, see "*Selling and Transfer Restrictions*".

ENFORCEMENT OF ARBITRAL DECISIONS, FOREIGN COURT JUDGEMENTS AND CIVIL LIABILITIES

Each of the United Kingdom, the United States and Egypt is a party to the United Nations (New York) Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958 (the "**New York Convention**"). Egypt acceded to the New York Convention on 2 February 1959 through Presidential Decree No. 171/1959. Consequently, Egyptian courts should recognise and enforce in Egypt a valid arbitral award made in the United Kingdom or the United States, on the basis of the rules of the New York Convention, subject to qualifications provided for in the New York Convention and compliance with Egyptian procedural regulations and arbitration law. However, in practice, it may be difficult to enforce arbitral awards in Egypt due to:

(a) the relatively limited precedents brought before Egyptian courts with regards to enforcement of international commercial arbitral awards;

(b) the Egyptian courts' not enforcing such awards; or

(c) legal grounds (for example, the concept of "public order") and/or technical grounds (for example, the lack of capacity of the parties, the lack of notice given to defendants or the invalidity of an arbitration clause).

Egyptian law also provides for a procedure of annulment of arbitration awards, including in case of an absence or nullity of an arbitration agreement, denial of justice or due process or failure to observe the latter as well as in case the tribunal has not applied the law applicable to a dispute. Furthermore, an enforcement of an arbitration award requires as a prerequisite for enforcement, deposit of the arbitral award with the arbitration technical bureau at the Ministry of Justice, which is authorised to reject for procedural reasons such deposit which may consequently delay the process of its enforcement.

In addition, BdC is an Egyptian joint stock company and its shareholders' liability therein is limited to their capital contributions. A majority of members of the Board of Directors and BdC's executive officers reside in Egypt. A substantial portion of BdC's assets and the assets of the executive members of the Board of Directors and executive officers are located outside the United States and the United Kingdom, principally in Egypt. It may not be possible for investors to effect service of process within the United States and the United Kingdom upon BdC or such persons or to enforce against them judgements obtained in the courts of the United States or the United Kingdom predicated upon the civil liability provisions of the securities laws of the United States and the United Kingdom, respectively.

Enforcement of foreign judgements in Egypt is subject to bilateral and multilateral treaties, and generally the following conditions:

(a) the foreign courts rendering the relevant judgement offer reciprocal treatment to judgements obtained in the courts of Egypt. If such reciprocal treatment is not offered by the court where judgement is obtained, then the Egyptian courts will re-examine the merits of the case;

(b) the courts of Egypt are not exclusively competent to hear the dispute which constituted the object of the foreign judgement while the foreign courts are shown to have been competent to hear the dispute in accordance with their own laws;

(c) the parties to the dispute were duly notified and properly represented in the proceedings;

(d) the foreign judgement is final and conclusive in accordance with the relevant law; and

(e) the foreign judgement does not conflict with a prior Egyptian judgement in the same case and is not contrary to public order or morality in Egypt.

Judgements of the courts of the United States or the United Kingdom may not be enforceable in Egypt because there are no bilateral treaties between Egypt and the United States or the United Kingdom on the enforcement of judgements and the courts of the United States and the United Kingdom may be deemed not to offer reciprocal treatment to judgements obtained in the courts of Egypt. See *"Risk Factors — Risks Relating to Egypt and the MENA Region — The enforceability of judgments in Egypt may be subject to uncertainty"*.

Egyptian courts are competent to hear disputes brought against Egyptians whether or not resident in Egypt, which may result in rejection of a request of exequatur of a non-Egyptian judgement rendered against BdC. Furthermore, since a review of whether the judgement conflicts with Egyptian public policy is a matter for Egyptian courts to decide, foreign court judgements would not be enforceable without being re-examined on the merits. The only exception is where an international treaty providing for the recognition and enforcement of judgements in civil cases exists between Egypt and the country where the judgement is rendered. No such treaty exists between Egypt and the United States or the United Kingdom for the reciprocal enforcement of foreign court judgements.

FORWARD-LOOKING STATEMENTS

Certain statements in this Offering Circular are not historical facts and constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act and section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). These forward-looking statements can be identified by the use of forward-looking terminology such as "aims", "anticipates", "assumes", "believes", "continues", "could", "estimates", "expects", "intends", "is of the opinion", "may", "plans", "potential", "predicts", "positioned", "projects", "risk", "shall", "should", "target", "to the knowledge of", "will", "would" or, in each case, their negatives or other similar expressions, which are intended to identify a statement as forward-looking. This applies, in particular, to statements containing information on future financial results, plans or expectations regarding BdC's business and management, BdC's future growth or profitability and general economic and regulatory conditions and other matters affecting BdC.

Forward-looking statements are based on BdC's current views of future events, are based on assumptions and involve known and unknown risks, uncertainties and other factors that may cause BdC's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by these forward-looking statements. BdC's business is subject to a number of risks and uncertainties that could also cause forward-looking statements, estimates or predictions to become inaccurate. These risks and uncertainties and other factors include, but are not limited to:

- political unrest, terrorist attacks, security and social concerns affecting MENA and particularly Egypt, the region in which BdC operates;
- economic developments in and affecting the Egyptian markets, such as Egypt's fiscal deficit and high levels of debt, depreciation of the Egyptian Pound, inflation and the failure to implement structural reforms;
- reliance on statistics published by Egypt, which, due in part to a significant portion of Egypt's economy being unrecorded, may differ from those produced by other sources;
- uncertainty regarding BdC's ability to achieve its strategic objectives, manage customer and sector concentration levels and successfully manage its loan and investment portfolios;

- BdC continuing to be owned by Banque Misr as the major shareholder ;
- increasing levels of competition;
- the impact of the evolution of market interest rates;
- operational and liquidity risks common to banks operating in Egypt;
- BdC's ability to attract and retain key personnel;
- changes in credit ratings;
- technological developments and dependence on IT systems;
- legal proceedings; and
- regulatory developments and the impact of the measures which may be adopted by regulatory agencies.

AVAILABLE INFORMATION

BdC will, for so long as any of the Offer Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, during any period in which it is neither subject to Section 13 or Section 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities, or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered to such persons pursuant to Rule 144A(d)(4) under the Securities Act (or any successor provision thereto).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

The financial statements included in this Offering Circular beginning on page F-1 consist of (i) unaudited interim consolidated financial statements as of and for the six months ended 30 June 2026 (which include comparative information for the six months ended 30 June 2025) (the "**Interim Financial Statements**"); and (ii) audited consolidated financial statements in the English language (x) as at and for the financial years ended 31 December 2025 (with comparative information as at and for the year ended 31 December 2024) (the "**2025 Financial Statements**") and (y) as at and for the year ended 31 December 2024 (with comparative information as at and for the year ended 31 December 2023) (the "**2024 Financial Statements**" and, together with the 2025 Financial Statements, the "**Audited Financial Statements**", and the Audited Financial Statements together with the Interim Financial statements, the "**Financial Statements**"). See *"Legal Matters and Independent Auditors"*.

The Financial Statements have been prepared in accordance with the instructions of the Central Bank of Egypt (the "**CBE**") approved by the board of directors on 16 December 2008, with the addition of the requirements of IFRS 9 'Financial Instruments' ("**IFRS 9**") in accordance with instructions issued by the CBE on 28 January 2018 and final instructions for the issued on 26 February 2019 ("**CBE Standards**"). CBE Standards differ from International Financial Reporting Standards ("**IFRS**"). For a description of significant differences between IFRS and CBE Standards as they relate to the Financial Statements, see *"Summary of Significant Differences Between IFRS and CBE Standards"*. It is possible that the net effect of differences between the application of CBE Standards and IFRS may be, individually or in the aggregate, material. If a reconciliation were performed or an attempt were otherwise made to quantify the relevant differences between CBE Standards and IFRS as they apply to the Financial Statements, particular items presented under CBE Standards could vary materially from the corresponding items presented under IFRS. In making an investment decision, prospective investors must rely upon their own examination of the Financial Statements and should consult their own professional advisors for an understanding of the differences between CBE Standards and IFRS and how these differences might affect the Financial Statements.

Unless otherwise noted, all financial information appearing in this Offering Circular has been extracted from the Financial Statements.

Financial Measures not in Accordance with CBE Standards

This Offering Circular includes certain measures and ratios not in accordance with CBE Standards, such as net interest margin, cost-to-income ratio, the ratio of non-performing loans to gross loans, cost of risk and return on

average equity, that are not required by, or presented in accordance with, CBE Standards. For the definition of certain of these terms, see *"Selected Consolidated Financial Information"*.

Management believes that the presentation of these measures and ratios is helpful to investors because these and other similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance, financial position and liquidity. These measures and ratios may not be comparable to similarly titled measures or ratios used by other banks, and they should not be considered as substitutes for the information contained in the Financial Statements.

Management information

Within this Offering Circular, certain information is presented which differs from the information presented in the Financial Statements.

Different breakdowns of BdC's loan portfolio (as well as certain other data deriving therefrom, such as loans yields, non-performing loans, expected credit loss and coverage ratios) and its deposit base are presented. A breakdown of gross loans and advances to customers that is based on Note 18 to the 2025 Financial Statements and a breakdown of customers' deposits that is based on Note 26 to the 2025 Financial Statements are presented. These breakdowns show loans and advances to customers and customers' deposits for retail and corporate customers. In addition, a breakdown of non-performing loans and expected credit loss based on Note A-5 to the 2025 Financial Statements is presented. This breakdown is based on loans to retail customers, large and medium corporate customers and small corporate customers.

Separately, a breakdown of loans and advances to customers (as well as loan yields, non-performing loans, expected credit losses and coverage ratios) and customers' deposits is presented on the basis of BdC's internal customer classifications, which includes retail, microfinance, small- and medium-sized enterprises ("**SME**"), corporate, non-banking financial institutions ("**NBFIs**") and subsidiaries. This breakdown does not appear in the Financial Statements and differs from the presentation in Notes 18, 26 and A-5. Specifically, a portion of loans or deposits, as the case may be, to SME customers is included in corporate in Notes 18 and 26, loans to microfinance customers are included in retail in Notes 18 and 26 and loans to NBFIs are included in corporate in Note 18. Although Note A-5 to the 2025 Financial Statements separates corporate loans into loans to large and medium corporate customers and loans to small corporate customers, this does not fully align with BdC's internal customer classifications.

In addition to the breakdowns of BdC's loan portfolio and deposit base, certain other financial information has been included which is not derived directly from the Financial Statements. Throughout this Offering Circular, where the information presented has not been derived from the Financial Statements, this has been indicated in a footnote. Certain of this information (coverage ratio (adjusted for collateral) ratio and non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020)) is presented on a standalone rather than consolidated basis. Where applicable, this has been indicated in a footnote.

Rounding

Some numerical figures included in this Offering Circular have been subject to rounding adjustments. Accordingly, numerical figures shown for the same category presented in different tables may vary slightly and numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that preceded them.

Presentation of Third-Party Statistical and Other Information

Certain information and statistics relating to the Egyptian economy, the Egyptian securities market and the Egyptian banking sector included in this Offering Circular have been extracted or derived from official and other public sources that management believes to be reliable, including the Central Bank of Egypt (the "**CBE**"), the Egyptian Credit Bureau "I-Score" (which maintains a database of credit information for SMEs and consumers) ("**I-Score**"), the FRA, the World Bank and the International Monetary Fund (the "**IMF**"). Such information and statistics may be approximations or estimates or use rounded numbers. Similar statistics may be obtainable from other sources, but the underlying assumptions, methodology and, consequently, the results, may vary from source to source. Management has not independently verified such information or statistics and does not guarantee their accuracy and completeness. However, management confirms that such information, data and statistics have been accurately reproduced and, as far as BdC is aware and is able to ascertain from relevant publicly available information published by the aforementioned sources, no facts have been omitted which would render the reproduced information, data and statistics inaccurate or misleading.

For information regarding the Egyptian economy, unless otherwise indicated, annual information is presented for periods from 1 July through 30 June, the fiscal year maintained by the Government of Egypt for budgeting and official statistics.

In addition, certain statements are made in this Offering Circular regarding BdC's competitive position in its industry based on statistical information published by certain bodies mentioned above and management experience and assessment of such market conditions, as well as publicly available information regarding BdC's competitors. While management believes these statements to be reasonable and fair approximations, to the extent that such statements are in part derived from management's estimates or third-party information, individually and on an aggregate, industry-wide basis, these statements cannot and have not been verified by management, and independent sources have not verified such statements. Accordingly, neither a prospective investor nor any other person, firm or company may rely on the accuracy and completeness of that information.

Currency Presentation and Exchange Rate Information

The Egyptian Pound, the official currency of Egypt, is the functional currency used by BdC in the preparation of the Financial Statements.

References in this Offering Circular to "EGP" and "Egyptian Pounds" are to the currency of the Arab Republic of Egypt; references to "U.S. Dollars" and "U.S.$" are to the currency of the United States; and references to "Euros" and "EUR" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union.

Pursuant to Egypt's Banking Law No. 194 of 2020 (the "**Banking Law**"), the CBE, registered banks and other authorised entities are free to determine the applicable exchange rate. The Banking Law also permits the free transfer of foreign currency inside and outside Egypt, provided such transfer is effected through a registered or authorised bank in Egypt.

The following tables show, for the periods indicated, certain information regarding the exchange rate between the Egyptian Pound and the U.S. Dollar, extracted from the CBE's official website and Refinitiv-FEMF:

	Egyptian Pounds per U.S. Dollar			
Years ended 31 December	**High**	**Low**	**Average**	**Period End**
2021	15.7617	15.6019	15.6982	15.7167
2022	24.7463	15.7115	19.2643	24.7434
2023	30.9008	24.7442	30.6834	30.8932
2024	51.0757	30.8903	45.3427	50.8388
2025	51.6826	47.0579	49.2061	47.6712

	Egyptian Pounds per U.S. Dollar			
Month	**High**	**Low**	**Average**	**Period End**
March 2026	54.5946	48.7544	52.0077	54.5946
April 2026	54.7180	51.7447	52.9690	53.6197
May 2026	53.7531	52.2894	53.0267	52.2894
June 2026	52.1591	49.2294	50.7273	49.2294
July 2026	51.3520	48.8129	50.3057	51.1475
August 2026	50.9243	49.7878	50.3589	50.9243
September 2026	52.2142	50.8781	51.5780	51.9887
October 2026 (through 15 October)	53.4614	52.2944	52.6440	53.4614

The exchange rate between the Egyptian Pound and the U.S. Dollar quoted by the CBE on 15 October 2026 was 53.4614 Egyptian Pounds per U.S. Dollar.

No representation is made that the U.S. Dollar amounts referred to in this Offering Circular could be converted into Egyptian Pounds at the above exchange rates or at all.

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SUMMARY

Overview

BdC is one of the oldest and largest Egyptian banks, with over 70 years of history. BdC provides a comprehensive range of banking and ancillary financial products and services to retail, microfinance, SME, corporate and NBFI customers. BdC had the fourth largest balance sheet in Egypt (excluding Banque Misr and National Bank of Egypt ("**NBE**")) based on total assets, based on individual banks' disclosures as at 30 June 2026.

BdC has a wide-reaching geographical presence, with a network of 233 Branches and 2,205 ATMs across all 27 governorates in Egypt as at 30 June 2026. BdC intends to open nine new Branches in locations for which agreements have already been entered into during late 2026 and 2027, which would bring the total number of Branches to 242. BdC believes this would make it the largest banking network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt). The majority of BdC's Branches are located outside of Cairo, providing BdC with a competitive advantage in reaching an otherwise largely untapped banking population.

BdC has approximately 3.2 million customers, with whom it maintains strong and longstanding relationships. BdC Branch personnel have a strong awareness of cultural expectations in remote locations across Egypt and have developed strong ties with local customers.

BdC operates under a customer-centric business model, offering a wide range of banking products and services across the following customer segments:

- **Retail**. BdC was the leading provider of retail loans and had the fourth largest retail deposit base of any bank in Egypt (excluding Banque Misr and NBE) as at 30 June 2026. BdC also had the largest retail customer base (excluding Banque Misr, NBE and Agricultural Bank of Egypt), and the largest branch network nationwide (excluding Banque Misr, NBE and Agricultural Bank of Egypt), as well as a digital banking proposition with over 1 million mobile banking customers. BdC is growing its current accounts and savings accounts rapidly, driving a decrease in its cost of funding, and is focusing on higher yielding fixed-rate loan products. As at 30 June 2026, BdC had EGP 98.1 billion of retail loans (excluding microfinance) on its balance sheet, comprising 35.0% of total gross loans. BdC offers salary transfer loans (which are personal loans (excluding auto loans and credit cards), of which approximately 88.9% relate to the public sector and 11.1% relate to the private sector), personal loans, mortgages, auto loans, credit cards and secured and overdraft loans. While BdC has historically had a large concentration of public sector salary transfer loans, reflecting its legacy as a state-owned bank, it has been focusing on other types of retail loans, resulting in the share of public sector salary transfer loans in the gross retail loan portfolio decreasing to 30.6% as at 30 June 2026, compared to 52.6% as at 31 December 2021. In addition to retail loans and deposits, BdC offers other products such as bancassurance products and debit and pre-paid cards.

- **Microfinance**. BdC maintains one of the largest and most inclusive microfinance portfolios in the Egyptian market, serving a wide range of microfinance customers. As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans on its balance sheet, comprising 3.1% of total gross loans[4]. Since 2001, BdC has offered a range of specially designed short- to medium-term microfinance loans to individuals with micro businesses, including small traders, retailers and manufacturers. Microfinance customers are defined as customers with annual sales turnover of less than EGP 1 million. According to I-Score, BdC had a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026.

- **SME**. BdC has a strong SME franchise, with a growing SME deposit base, offering customised financing solutions and support for entrepreneurs. As at 30 June 2026, BdC had EGP 20.9 billion of loans to SME customers on its balance sheet, comprising 7.5% of total gross loans[5]. SME customers are defined as customers with annual sales turnover of over EGP 1 million but less than EGP 200 million (small-sized enterprises comprising customers with annual sales turnover of between EGP 1 million and EGP 50 million, and medium-sized enterprise customers are customers with annual sales turnover of between EGP 50 million and EGP 200 million). BdC provides SME customers with a range of financing solutions, including credit facilities as overdrafts and short- and medium-term loans, supporting working capital requirements and capital expenditure. BdC also offers specialised lending tailored to specific segments and sectors, as well as trade finance, cash management and treasury products. As at 30 June 2026, approximately 69% of the SME financing portfolio was attributable to CBE programmes intended to increase lending to SMEs[6].

[4] This financial data is based on management information and is not derived from the Financial Statements.
[5] This financial data is based on management information and is not derived from the Financial Statements.
[6] This financial data is based on management information and is not derived from the Financial Statements.

- **Corporate**. BdC is a trusted partner to Egypt's leading corporates and institutions, offering comprehensive corporate banking solutions, including direct facilities (comprising working capital short-term loans, medium-term loans, project financing, structured financing and syndicated loans), payables and receivables products and services, trade finance, securities services, treasury optimisation and electronic solutions. BdC had the fourth largest corporate loan book in Egypt (excluding Banque Misr and NBE) based on gross corporate loans, based on individual banks' disclosures as at 30 June 2026. As at 30 June 2026, BdC had EGP 115.0 billion of corporate loans on its balance sheet, comprising 41.0% of total gross loans[7]. Corporate customers are defined as customers with annual sales turnover of greater than EGP 200 million.

- **Financial Institutions**. BdC has a dedicated Financial Institutions Division, which manages BdC's relationships with local and international banks through a correspondent banking network of more than 500 banks, as well as its relationships with developmental and multilateral international financial institutions ("**IFIs**") and all major NBFIs in the local market, including leasing, factoring, consumer finance, microfinance, mortgage, brokerage, auto finance, e-payments and insurance companies and investment funds, on both the assets and liabilities side. The division is also mandated to increase BdC's market share of Egyptian expatriate remittances received from over 90 money transfer companies globally. As at 30 June 2026, BdC had EGP 10.3 billion of NBFI loans on its balance sheet, comprising 3.7% of total gross loans[8] and EGP 27.2 billion of loans and advances to banks on its balance sheet.

BdC has successfully executed a multi-year transformation plan focused on strengthening its balance sheet, optimising its funding structure and accelerating digital adoption. This has positioned BdC for sustained profitability and leadership within Egypt's banking sector. This transformation has been built around the following pillars:

- **Higher value customer base**: a shift to a more profitable customer mix;

- **Growing cheaper deposits**: a shift in funding towards lower cost current accounts and savings accounts;

- **Strong risk culture**: building a superior track record of solid credit performance (excluding the legacy loan book (i.e. loans granted prior to 2020));

- **More profitable assets**: the introduction of new, higher yielding products and the optimisation of liquidity to enhance yields;

- **Customer-centric business**: BdC has expanded its product suite and ways for its customers to bank, evolving its customer-centric solutions and enhancing the customer experience; and

- **Modernisation of the bank**: completion of a cultural refresh and rebrand, a revamping of Branches and digital channels, the introduction of data analytics across the organisation and employee training.

The transformation, launched in 2018, has resulted in customers' deposits growing at a CAGR of 16.1% from EGP 122.6 billion as at 31 December 2017 to EGP 404.5 billion as at 31 December 2025 (and further to EGP 443.9 billion as at 30 June 2026), with the proportion of current accounts and savings accounts in the deposit base shifting from 35.2% to 51.4% (and to 53.4% as at 30 June 2026). The loan to deposit ratio increased from 36.6% as at 31 December 2017 to 63.8% as at 31 December 2025 (30 June 2026: 63.1%) as BdC deployed more of its funding into the loan book. BdC increased its net interest margin from 3.6% in 2017 to 7.3% in 2025 (30 June 2026: 7.4%), driven by a lower cost of funds. BdC was also able to increase its net fee and commission income at a CAGR of 28.1% from EGP 0.9 billion in 2017 to EGP 6.5 billion in 2025 (and EGP 3.4 billion in the first six months of 2026). Cost reduction initiatives, together with robust growth in net interest income and fee and commission income, led to a decrease in the cost to income ratio from 48.7% in 2017 to 34.2% in 2025 (30 June 2026: 35.9%). In terms of credit quality, the non-performing loan ratio (including loans and advances to banks) decreased from 5.0% as at 31 December 2017 to 3.7% as at 31 December 2025 and 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) was 2.5% as at 30 June 2026[9].

BdC also has several subsidiaries, including CLC, which provides tailored financial leasing, factoring and mortgage financing products and services to meet corporate capital expenditure needs for a wide variety of assets, CBU which is a bank focused on lending to SMEs and retail customers in Uganda, CEC, which provides foreign exchange services across Egypt, and Taly, a digital payments company. BdC also owns a 9.9% stake in IBAG, one of the

[7] This financial data is based on management information and is not derived from the Financial Statements.
[8] This financial data is based on management information and is not derived from the Financial Statements.
[9] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.6%, 3.6%, 4.6% and 4.9% as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

leading money transfer and remittances payout networks in Egypt. BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money market instruments), which are externally managed. These include an Islamic fund, a money market fund, an equity fund and a fixed income fund.

Key Strengths

Management believes that BdC possesses the following key strengths:

Measured play on Egypt's macroeconomic reform momentum

An investment in BdC offers exposure to Egypt's large economy and attractive demographic and macroeconomic fundamentals. Egypt is one of the most populous countries, with a population of 109 million as of August 2026. It has one of the highest expected population growth rates in the region, with the IMF expecting Egypt's population to grow at a CAGR of 2% over the period from 2025 to 2030. Egypt has a sizeable consumer base with robust consumption patterns and demand levels. Consumer expenditure was U.S.$349 billion in 2025, compared to U.S.$614 billion for Saudi Arabia, U.S.$355 billion for the UAE, U.S.$137 billion for Iraq, U.S.$116 billion for Algeria, U.S.$112 billion for Morocco, U.S.$57 billion for Qatar, U.S.$53 billion for Kuwait, U.S.$49 billion for Tunisia, U.S.$42 billion for Oman, U.S.$41 billion for Jordan and U.S.$4 billion for Yemen.

Egypt's economy has been recovering strongly underpinned by key reforms undertaken by the Government, which have included economic reform measures, attracting FDI through the privatisation programme and asset sales and the preservation of debt sustainability. Egypt is positioned at the forefront of emerging markets economies in terms of growth prospects, with the Egypt's economy expected by the IMF to grow at a CAGR of 4.9% over the period from 2026 to 2030, compared to 2.9% for the broader Middle East region. A prudent monetary policy is supporting stability while bringing inflation under control. Although inflation had previously shown signs of stabilising, recent events in the Middle East have increased uncertainty around the inflation outlook and the timing and extent of any easing in monetary conditions. In addition, significant foreign exchange inflows are driving stability, with tourism receipts reaching U.S.$14.4 billion in the nine months to 31 March 2026, compared to full year amounts of U.S.$16.7 billion in 2024/25, U.S.$14.4 billion in 2023/24 and U.S.$9.9 billion in 2019/20 and net FDI reaching U.S.$46.1 billion in 2023/24, compared to U.S.$7.5 billion in 2019/20 (although this reflects the U.S.$35 billion ADQ Ras El-Hekma Investment in 2024). Net FDI was U.S.$13.0 billion in the nine months to 31 March 2026 and U.S.$12.2 billion in 2024/25. Although geopolitical disruptions caused Suez Canal inflows to decrease to U.S.$3.6 billion in 2024/25, compared to U.S.$6.6 billion in 2023/24 and U.S.$8.8 billion in 2022/23, the situation began to stabilise, although recent tensions in the Gulf region may adversely affect the Suez Canal. Remittances increased to U.S.$36.5 billion in 2024/25 from U.S.$21.9 billion in 2023/24. Remittances further increased to U.S.$47.3 billion in 2025/26.

In addition, the Government's reform efforts have helped to steer Egypt's economy back on course. Egypt is actively executing its privatisation policy, which has included landmark transactions such as the U.S.$35 billion ADQ Ras El-Hekma Investment in 2024 with ADQ. The privatisation programme is expected to unlock private investment growth and establish a more competitive market landscape.

The Government has also sought to facilitate trade through reduced customs times, the Nafeza single window system and a bilateral agreement to reduce custom clearance times with Saudi Arabia. The Government has provided support for strategic industries to attract inward FDI in the form of tax exemptions for periods of up to five years, as well as financing and subsidised lending initiatives based on eligibility requirements promulgated by the CBE and the Ministry of Finance.

In terms of its tax regime, the Government has introduced a simplified tax regime for small projects with annual revenues of up to EGP 20 million, applying a flat rate based on revenue thresholds. Tax settlements have been simplified via central clearing, with capped late penalties and a simplified VAT refund process, among other initiatives. The Government has also announced a second tax facilitation package, introducing measures including the removal of capital gains tax on listed securities, the elimination of double taxation on dividend distributions between resident companies and their parent holding companies, and targeted VAT adjustments for vital domestic sectors. The Ministry of Finance has further announced that it is preparing a third tax facilitation package, intended to address remaining structural tax distortions and to consolidate the tax system into a unified electronic infrastructure.

The General Authority for Investment and Free Zones ("**GAFI**") is launching four new public free zones by the end of 2026, which will be focused on export-oriented production. The initiative is aimed at driving Egypt's U.S.$145 billion export target, attracting strategic investors and leveraging world-class incentives for rapid growth.

The above developments have contributed to economic growth of 4.4% in 2024/2025 and a reduction in inflation to 12.3% in December 2025, compared to 27.5% in June 2024. Egypt also had net international reserves of U.S.$56.3 billion as at 31 July 2026 and net foreign assets of U.S.$28.0 billion as at 30 June 2026. Risk sentiment

has improved significantly, with the five-year credit default swap for Egypt decreasing to 2.6% as of 31 August 2026, compared to a peak of 19.1% during 2023. Similarly, Egypt's Eurobond yields decreased to 7.4% in August 2026, compared to a peak of 15.5% during 2023. Egypt's credit rating was also upgraded by S&P to B in October 2025 from B-.

Resilient, large and growing banking sector

The Egyptian banking sector has maintained growth despite significant macroeconomic challenges, including high levels of inflation and foreign currency pressures. This has been supported by a strong regulatory framework, which has enhanced Egyptian banks' ability to withstand global and local shocks. Stability has been bolstered by Government initiatives such as CBE Law No. 194, introduced in 2020, which enhanced governance across the banking sector, established the National Payments Council, enhanced security and privacy regarding data use and introduced a licensing programme for e-payments and fintech providers. Egyptian banks are also now required to comply with Basel II and III norms, and the CBE has adopted a new standardised approach for operational risk based on Basel IV. Banks are also now required to report in accordance with IFRS 9 and to utilise their ICAAP to allocate risk capital to all significant risks and stress testing results, and are required to implement a recovery plan. In September 2022, the CBE increased the required reserve ratio for Egyptian banks from 14% to 18%, before reducing the required reserve ratio to 16% in February 2026.

In addition, the Government has introduced various initiatives intended to enhance the penetration of banking services in Egypt. For example, the CBE lowered the account opening age to 15. To encourage and support the growth of small projects, the Government has also introduced a tax initiative pursuant to which projects with annual revenue of up to EGP 20 million are taxed based on their revenue bracket, with a tax of 0.4% for projects with revenue of up to EGP 500,000, 0.5% for projects with revenue of between EGP 500,000 and EGP 2 million, 0.75% for projects with revenue of between EGP 2 million and EGP 3 million, 1.0% for projects with revenue of between EGP 3 million and EGP 10 million and 1.5% for projects with revenue of between EGP 10 million and EGP 20 million. The CBE has also implemented several initiatives to promote e-payments, including the introduction of the Instant Payment Network ("**IPN**"), among others.

These measures are expected to increase the penetration of financial products across the Egyptian banking sector, which remains underpenetrated compared to peer countries. In 2024, 43% of Egypt's population was banked (based on the population over 15 years of age), compared to 79% for Saudi Arabia, 74% for Kuwait, 70% for Oman, 46% for Jordan and 44% for Morocco, according to WB Findex. In 2024, Egypt also had 7 branches and 37 ATMs per 100,000 adults and 133 borrowers per 1,000 adults, compared to regional averages of 10, 41 and 259, respectively. As penetration grows, this is expected to drive demand for products offered by Egyptian banks, including BdC. Management believes that BdC is particularly well placed to benefit from the expected increase in banking penetration, given its strong Branch presence outside of Cairo relative to its competitors.

Leading bank offering scale and brand

BdC is a leading bank in Egypt, with the largest retail loan portfolio and fourth largest deposit base among Egyptian banks (excluding Banque Misr and NBE), based on individual banks' disclosures as at 30 June 2026. BdC has been growing rapidly since it launched its multi-year transformation plan in 2018 and has 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027) and 2,205 ATMs, compared to 221 Branches and 700 ATMs as at 31 December 2018. Its customer base has expanded to reach 3.2 million as at 30 June 2026. After launching digital banking in 2019, BdC had over 1 million mobile banking customers as at 30 June 2026, and 20,450 business subscribers as at the same date. The expansion of its network and its transformation investments have enabled BdC to grow its loan portfolio and deposit base significantly during a period of challenging macroeconomic conditions in Egypt. Gross loans and advances to customers grew from EGP 106.5 billion as at 31 December 2021 to EGP 239.5 billion as at 31 December 2025, reflecting a CAGR of 22.5%, and further to EGP 253.0 billion as at 30 June 2026. The deposit base grew from EGP 198.7 billion as at 31 December 2021 to EGP 404.5 billion as at 31 December 2025, reflecting a CAGR of 19.5%, and further to EGP 443.9 billion as at 30 June 2026. BdC has delivered attractive returns for its shareholders, with a return on average equity of 29.7% in 2025 and 27.6% in the first half of 2026, and has maintained a strong capital position, with a total capital ratio of 22.1% as at 30 June 2026.

BdC has received several awards and recognitions reflecting its achievements across key areas of the business, with notable achievements including: Corporate Social Responsibility Excellence Award from Global Business & Finance in 2026, Egypt's Best Financial Institutions Deal from Euromoney 2025, Best Foreign Exchange Bank in Egypt from International Finance 2025, Global Brands Magazine – Best Marketing Campaign in Egypt 2025, Fastest Growing Corporate Bank in Egypt 2024 at the Banking and Finance Awards, Platinum winner in the SME Financier of the Year MENA category at the Global SME Finance Awards 2023 and Gold winner in the Product Innovation of the Year MENA category of the Global SME Finance Awards 2024, managed by the IFC.

Leading client-centric retail and institutional banking franchises offering comprehensive solutions

BdC's diverse product offering appeals to a wide range of customers with solutions for their financial needs. BdC's Retail Banking division offers a variety of loan and deposit products and digital offerings for individuals, including salary transfer loans, secured and unsecured personal loans, auto loans, mortgages, secured and overdraft loans and credit cards. BdC offers these products through various sales channels, including its network of 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027) and 2,205 ATMs across all 27 governorates in Egypt. As at 30 June 2026, BdC had EGP 98.1 billion in retail loans (excluding microfinance) and EGP 334.4 billion in retail deposits[10].

BdC's Microfinance division offers a full range of diversified and tiered products catering to a broad customer base, including formal and informal microfinance loans. BdC had approximately 145 thousand microfinance customers as at 30 June 2026 and, according to I-Score, a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026. As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans[11].

BdC's SME Banking division offers a differentiated value proposition to SME clients through a comprehensive range of financial solutions and non-financial services designed to meet their specific needs. These offerings include credit facilities, comprising overdrafts and short- and medium-term loans, to support working capital requirements and capital expenditure, as well as specialised and programme-based financing solutions and access to CBE programmes and initiatives. BdC also offers trade finance, cash management and treasury solutions. BdC had adopted a decentralised credit approach in assisting SMEs to reach their full potential given their crucial role in national economy, providing various financial and non-financial services, and continuously working to improve, automate, and digitalise products and services. BdC has automated credit process using business process management ("**BPM**") workflows. As at 30 June 2026, BdC had EGP 20.9 billion in SME loans[12]. After meeting the CBE's targets for MSME lending, BdC has shifted its focus to SME deposits and SME deposit growth has been significant in recent periods.

BdC's Corporate Banking division offers a comprehensive portfolio of products and services positioning it for further growth. It has introduced a re-aligned client-centric structure based on a new coverage- and product-based approach to maximise relationship monetisation across its corporate customer base. BdC also has one of the largest underwriting capacities in the market, with obligors at approximately EGP 10.0 billion per single client and EGP 13.3 billion per group. As at 30 June 2026, it had EGP 115.0 billion of corporate loans and EGP 67.2 billion of corporate deposits[13].

As at 30 June 2026, the Financial Institutions division had total assets of EGP 69.0 billion, composed of EGP 38.5 billion of funded assets and EGP 30.4 billion of unfunded assets. As at the same date, EGP 58.4 billion of assets were attributable to banks, with EGP 10.6 billion of those assets attributable to NBFIs. As at 30 June 2026, the Financial Institutions division had EGP 42.5 billion of liabilities, composed of EGP 24.9 billion of deposits and EGP 17.6 billion of foreign currency funding from IFIs (including EGP 7.7 billion in Tier 2 loans)[14].

The Global Transactions Banking ("**GTB**") division offers institutional products for customers ranging from small companies to large corporates in the areas of trade finance, cash management and securities. It is focused on return optimisation from deal initiation and finalisation and cross-selling and maximising BdC's share of wallet. The division also delivers digital innovation for institutional banking customers through a dedicated digital banking team, enhancing its digital product offering using an agile methodology.

Through its Treasury and Capital Markets division, BdC is focused on maximising profit and returns from diversified revenue streams and hedging strategies. Its products in this area include foreign exchange, fixed income instruments and derivatives, in addition to carry trade solutions for foreign investors and treasury sales led generation. As at 30 June 2026, the Treasury and Capital Markets division had assets under management ("**AuM**") of EGP 212.2 billion, including local currency AuM of EGP 143.8 billion and foreign currency AuM of EGP 68.4 billion[15].

BdC's Investments division encompasses investments across strategic industries, including NBFIs, fintech and security services. These include its subsidiaries, CBU, CLC, CEC and Taly, as well as investments IBAG, one of the leading money transfer and remittances payout networks in Egypt, in which BdC owns a 9.9% stake. BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money

[10] This financial data is based on management information and is not derived from the Financial Statements.
[11] This financial data is based on management information and is not derived from the Financial Statements.
[12] This financial data is based on management information and is not derived from the Financial Statements.
[13] This financial data is based on management information and is not derived from the Financial Statements.
[14] This financial data is based on management information and is not derived from the Financial Statements.
[15] This financial data is based on management information and is not derived from the Financial Statements.

market instruments), which are externally managed. These include an Islamic fund, a money market fund, an equity fund and a fixed income fund.

Availability to customers when, where and how they want, with national reach

BdC has a wide physical network across Egypt, complemented by a comprehensive digital offering. It has the largest branch network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt), with 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027), as well as the largest number of ATMs, at 2,205. A key advantage for BdC is its Branch network outside of Cairo, which positions it favourably for accessing underserved retail and SME customers while serving as a key enabler of financial inclusion in cash-based and underbanked regions. In 2024, 43% of Egypt's population was banked (based on the population over 15 years of age), according to WB Findex. Including Branches that will be opened during 2026 and 2027, BdC's Branch network will include 99 Branches and 758 ATMs in Greater Cairo, 40 Branches and 587 ATMs in the Delta Region, 56 Branches and 440 ATMs in Upper Egypt, 28 Branches and 297 ATMs in Alexandria and Al Behira and 19 Branches and 123 ATMs in Suez Canal and Sinai. The Branches to be added in late 2026 and 2027 include new branches in New Minya, Sohag and El Gouna during the second half of 2026, five new Branches in Greater Cairo by the third quarter of 2027, and a new Branch in New Aswan in the second quarter of 2027.

The network of Branches and ATMs is complemented by a network of 13,410 point of sale terminals as at 30 June 2026, compared to 11,904 installed terminals as at 31 December 2024, 6,007 as at 31 December 2023 and 571 as at 31 December 2022. Transaction volumes through point of sale terminals have grown from EGP 56 million in 2022 to EGP 1.2 billion in 2023, EGP 5.7 billion in 2024, EGP 16.4 billion in 2025 and EGP 13.8 billion in the first six months of 2026. BdC has been rapidly expanding its digital banking channels since 2019, when it initially introduced digital banking. Its mobile banking customer base has grown from 258,816 as at 31 December 2021 to 1,035,887 as at 30 June 2026, and its mobile banking transaction volumes have grown from EGP 2.2 billion in 2021 to EGP 28.0 billion in 2025 and EGP 24.5 billion in the first six months of 2026. Its mobile banking active customers were approximately 298 thousand as at 30 June 2026, resulting in an active ratio (defined as active mobile banking customers divided by total mobile banking customers) of 28.8%. As at 30 June 2026, BdC had 20,450 BdC Business subscribers (customers subscribed to BdC's Internet banking platform), and 1,556 digital engagement subscribers (representing the number of digital products to which customers have subscribed or been onboarded, other than BdC Business), compared to 581 and 278, respectively, as at 31 December 2021. In 2025, the BdC Business transaction value was EGP 87.0 billion, compared to EGP 1.1 billion in 2021. As at 30 June 2026, BdC had a mobile wallet "QaheraCash" customer base of approximately 471 thousand, with its mobile wallet transaction volume having grown from EGP 732 million in 2021 to EGP 16.6 billion in 2025 and EGP 10.2 billion in the first six months of 2026. Its mobile wallet active ratio (defined as active mobile wallet customers divided by total mobile wallet customers) was 49% as at 30 June 2026, with mobile wallet active customers of approximately 231 thousand.

Team of industry veterans with diverse backgrounds, driving a well-orchestrated structure, strong governance and a defined business focus

BdC is led by a team of veterans of the Egyptian banking sector, including Hussein Abaza, its Managing Director and CEO, who joined in 2024 and has over 30 years of banking experience, including at CIB. Mr. Abaza is supported by three Deputy CEOs: Bahaa El-Shafie, who joined in 2021 and has over 30 years of banking experience, including at QNB Al Ahli; Hisham M. Abdelaal, who joined in 2024 and has over 30 years of banking experience, including at Bank NXT, Arab African International Bank, Arab Bank and National Bank of Abu Dhabi ("**NBAD**"); and Ahmed Effat, who joined in 2023 and has over 25 years of experience, including at Citibank Egypt, Banque Misr and Abu Dhabi Islamic Bank - Egypt. BdC's CFO, Mohamed Ibrahim, its Chief Risk Officer, Hala El Kasar, and its Head of Treasury and Capital Markets, Mohamed Aly, have all been at BdC since the launch of its transformation team, with Ms. Kasar having joined in 2010 and Messrs. Ibrahim and Aly having joined in 2018. They have a wealth of experience in the Egyptian banking industry, including at institutions such as QNB Al Ahli, Citibank, Barclays and ADIB.

Robust governance, risk discipline, strong frameworks and sound sustainability principles contributing to operational resilience

BdC has robust corporate governance, with a reputable Board of Directors led by Mohamed Özalp. In addition to BdC's CEO and two of its Deputy CEOs (Bahaa El Shafie and Hisham Abdelaal), the Board of Directors includes six additional members, of whom two are independent. The Board of Directors also has several committees, including the Audit Committee, the Risk Committee, the Governance and Nominations Committee, the Remuneration and Compensation Committee, the Information Technology Systems Committee, the Investment Policy Committee and the Sustainability and Sustainable Finance Committee. BdC adheres to the highest standards of internal audit.

BdC's risk management function is underpinned by solid risk frameworks, which are continuously updated in line with regulatory changes, with regular monitoring of exposures, timely escalation, ongoing reassessment of risk

appetite and tolerance, and rigorous stress testing to identify vulnerabilities. Its credit decision-making entails clear, tailored and comprehensive policies and guidelines, and operates within tiered delegation authorities to minimise turnaround time. Credit decisions are designed to optimise the risk-adjusted return while considering exposure limits. BdC provides regular training for its employees, with multiple lines of defence, management of conduct risk (e.g. rotations and enforced leave) and controls designed to detect and prevent fraud. BdC's rigorous approach to risk management has contributed to the reduction in its non-performing loans ratio (including loans and advances to banks) from 5.0% as at 31 December 2022 to 3.7% as at 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[16]. This improvement occurred despite significant expansion in lending.

BdC's approach to capital, regulatory and compliance ensures that it has adequate levels of capital resources, with rigorous stress testing. It has high cybersecurity and information security standards, protecting its clients' assets and data. It complies with international AML and KYC standards, as well as local and international sanctions regimes. BDC's ICAAP documentation is prepared annually and is independently reviewed by external auditors. BdC has a highly liquid position allowing for optimised assets allocation. As at 30 June 2026, its liquidity coverage ratio ("**LCR**") and net stable funding ratio ("**NSFR**") were 841% and 172%, respectively.

Optimisation measures, centralisation and efficiency have been significant areas of focus for BdC. BdC has well-articulated workflows and guidelines and a clearly defined authority matrix across its business units, facilitating faster turnaround times and increasing efficiency and scalability. BdC has reduced its workforce through employee retirement from 8,998 employees as at 31 December 2022 to 8,238 employees as at 30 June 2026, contributing to a reduction in the cost to income ratio from 43.4% in 2022 to 35.9% in the first six months of 2026. A further 2,073 employees are expected to retire during the next five years (i.e. between 2026 and 2030), which is expected to have a continued favourable effect on the cost to income ratio.

BdC has embedded sustainability across its operations, with specified sustainable business growth solutions for SME, microfinance, retail and MSME customers. It has developed an E&S lending policy, two Environmental and Social Risk Management ("**ESRM**") Frameworks covering large corporate and MSMEs. BdC is also finalising a new Climate Risk Framework and Environmental Social Management Systems ("**ESMS**") in line with the approved Climate Finance Strategy. It has also introduced ESG training for the Board of Directors and senior management and has raised sustainability awareness throughout the organisation. It has a Sustainability and Sustainable Finance Committee, as well as a Climate Corporate Governance Action Plan, Sustainability Ambassadors Network, Climate Finance Task Force and Climate Finance Strategy.

Strong financial performance and balance sheet with an emphasis on sustainable growth and returns

BdC has delivered a strong financial performance, with net interest income having grown from EGP 10.5 billion in 2021 to EGP 35.0 billion in 2025, reflecting a CAGR of 35.0%, and reaching EGP 18.8 billion in the six months ended 30 June 2026. The net interest margin expanded from 4.9% to 7.3% over the period from 2021 to 2025 and was 7.4% for the six months ended 30 June 2026. BdC was able to achieve this increase in the net interest margin notwithstanding interest rate cuts by the MPC, due to the decreasing contribution of high-cost certificates of deposit and their replacement by lower-cost current accounts and savings accounts, which accounted for 51.4% of the deposit base as at 31 December 2025 and 53.4% as at 30 June 2026, as well as its optimised liquidity management. As at 30 June 2026, 77.6% of BdC's retail loan portfolio was fixed-rate, providing a stable and largely insulated source of interest income. By comparison, the net interest margin of BdC's peers has largely been negatively affected during the declining rate environment. BdC's other operating income (which includes net fee and commission income, dividend income, net trading income, gain from financial investments and share of results in associates) increased from EGP 2.3 billion in 2021 to EGP 7.6 billion in 2025, reflecting a CAGR of 34.1%, and reached EGP 4.0 billion in the six months ended 30 June 2026. This allowed BdC to grow its net profit after tax from EGP 3.5 billion in 2021 to EGP 16.1 billion in 2025, reflecting a CAGR of 45.9%, with net profit after tax of EGP 8.9 billion for the six months ended 30 June 2026 compared to EGP 7.3 billion for the same period in 2025, reflecting year-on-year growth of 21.8%.

This performance has been accompanied by a resilient balance sheet. BdC's gross loans to customers grew from EGP 106.5 billion as at 31 December 2021 to EGP 239.5 billion as at 31 December 2025, reflecting a CAGR of 22.5%, and further to EGP 253.0 billion as at 30 June 2026. BdC was able to reduce its non-performing loan ratio (including loans and advances to banks) as it expanded its loan book, from 4.3% as at 31 December 2021 to 3.7% as at 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[17]. The loan to deposit ratio grew from 55.2% as at 31 December 2021 to 63.1% as at 30 June 2026. BdC has been able to reduce its cost of funds through low-

[16] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.6%, 4.6% and 4.9% as at 31 December 2025, 2024 and 2023, respectively.

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cost current accounts and savings accounts. Its local currency deposit cost of funds was 14.3% for the year ended 31 December 2025 and 11.8% for the six months ended 30 June 2026, which was low relative to the benchmark rate. BdC's total equity grew from EGP 19.4 billion as at 31 December 2021 to EGP 66.8 billion as at 30 June 2026 mainly through the accumulation of retained earnings. Its return on average equity increased from 19.1% in 2021 to 29.7% in 2025 and was 27.6% for the six months ended 30 June 2026. By comparison, the return on equity of its peers was negatively affected during the declining rate environment. BdC has maintained a robust capital adequacy ratio, which stood at 22.1% as at 30 June 2026.

Significant potential for cross-selling across the organisation

BdC is well positioned to unlock value through the cross-selling of financial and non-financial products and services. BdC's expansive Branch network, with particular strength outside of Cairo, provides it with national reach and physical client touchpoints. Locations outside of Cairo provide direct access to underbanked regions with potential for growth in the higher-margin mid-cap and retail segments. Its Branch and hub specialisation (including SME business centres and wealth corners) allows it to tailor offers by customer type. BdC is also well positioned to grow in bancassurance through its Branch network. Integration between BdC's physical Branch network and its digital channels provides further potential for growth. BdC intends to leverage in-Branch activation of customers to boost digital usage and is focused on data-driven targeting of customers through product bundling (e.g. in loans, payroll and digital payments).

The potential for cross-selling is also evident from BdC's large non-borrowing customer base. BdC intends to deepen its banking penetration of these customers through fee-based products such as point of sale, payroll, cash management and mobile wallet products, and there is also potential for the migration of non-borrowing customers to borrowing customers.

Within the SME segment, BdC has the potential to promote non-lending products and services to its existing customer base. The expansion of tailored solutions for mid-cap customers is expected to serve as an anchor for cross-selling other products and services, including cash management and trade finance. SME business centres play an important role in the cross-selling strategy by attracting customers and serving as a channel for onboarding them onto the Bank's digital ecosystem. Going forward, following the achievement of the CBE's MSME lending targets, BdC is focused on expanding its financial and non-financial solutions for mid-cap companies, which typically generate higher lending yields than large corporate customers.

BdC earns a relatively high proportion of its income from non-interest income sources, with the ratio of its non-interest banking income to net banking income standing at 17.8% in the year ended 31 December 2025 compared to 17.7%, 14.6%, 14.0%, and 10.0% for Credit Agricole Egypt, ADIB, QNB Al Ahli, and CIB, respectively, as of the same date. BdC intends to continue to grow its non-interest banking income in future periods, with fee and commission income being driven by ecosystem connectivity, realignment of key performance indicators ("**KPIs**"), deeper monetisation of the non-borrowing customer base, increased focus on mid-caps and increased focus on trade finance (including letters of credit and letters of guarantee), among other initiatives.

Strategy

BdC's strategy is agile and constantly evolves in response to market developments. Its strategic mission is built around six pillars:

- **Strengthen core banking profitability**: optimise balance sheet structure, funding mix and capital efficiency to achieve resilient returns. This entails the following pillars:
    - leverage Branch network for growth in low cost deposits outside Cairo;
    - maintain position as number one retail bank in Egypt (excluding Banque Misr and NBE), maintain leadership in corporate and enhance position in mid-cap lending;
    - expand foreign currency lending and increase the foreign currency loan to deposit ratio;
    - focus on liquidity and ALM to drive net interest margin expansion; and
    - continue solid risk management with prudent underwriting to maintain the quality of the loan portfolio;
- **Deepen cross-selling and ecosystem monetisation:** increase cross-selling of financial products across the organisation, with a particular focus on leveraging the network outside of Cairo and the non-borrowing customer base, while monetising client-centric solutions at scale;

- **Grow the customer franchise**: maximise the reach of the physical network and digital channels to make banking easier for customers in order to deliver exceptional experiences and enhance customer loyalty while continuing to develop customer-centric solutions;

- **Drive inclusive and sustainable growth**: champion sustainability and climate finance to shape a better future and drive financial inclusion across Egypt's underserved segments while accelerating digital adoption;

- **Deliver long-term value for shareholders**: maintain a well-capitalised and optimised balance sheet with a focus on return on equity, prudent resource deployment and strong risk culture while returning capital to shareholders through dividends; and

- **Foster a high performance, value-driven culture**: foster a skilled, engaged and empowered workforce, supported by solid operational frameworks and governance, with a focus on profitability-driven KPIs, talent development and training, data-driven decision-making and a culture of efficiency, agility and prudent risk management.

BdC is managed according to international banking models, and its strategy is built around a specific approach for each of its core business areas, namely Retail, Microfinance, SME, Corporate and Financial Institutions, supported by Debt and Structured Finance, GTB and Treasury and Capital Markets. BdC also has a specific strategy for its Investments division, as well as a Sustainability and Sustainable Finance strategy. These strategies are detailed below.

Retail

BdC's strategy for its Retail Banking division is focused on maintaining leadership amongst Egyptian banks while enhancing profitability. It is focused on continuing to expand its customer base on both the asset and liability sides, with assets customers and liabilities customers having grown from 509 thousand and 1.95 million as at 31 December 2021 to 670 thousand (excluding microfinance customers) and 2.38 million as at 30 June 2026, respectively. BdC intends to leverage its expansive Branch network to achieve this. It is also focused on expanding payroll deals to drive new account openings. Payroll deals have grown from 133 in 2021 to 927 in 2025 and 1,000 in the first half of 2026, exceeding the full-year 2025 total in only six months.

In terms of its retail loan portfolio, BdC is focused on high-margin loans to maximise its yields. The share of public sector salary transfer loans (which are personal loans, excluding auto loans and credit cards) in the gross retail loan portfolio decreased to 30.6% as at 30 June 2026, compared to 52.6% as at 31 December 2021[18]. BdC is continuing its strategy to diversify its product offering by focusing on higher-yielding loan products and addressing underpenetrated segments.

BdC has been successful at expanding its retail deposit base while lowering its cost of funds through lower-cost current accounts and savings accounts. Its retail deposits expanded from EGP 148 billion as at 31 December 2021 to EGP 334 billion as at 30 June 2026, and the percentage of current accounts and savings accounts in the retail deposit base increased from 34% to 54% over the same period[19]. BdC's Branch network, which has particular strength outside Cairo, will be crucial to its ability to expand its retail deposit base.

Fee and commission income growth is also an important part of BdC's retail strategy. BdC is focused on cards, with the number of issued cards having grown from approximately 2.7 million as at 31 December 2021 to 4.7 million as at 30 June 2026, driving transaction volumes, fee and commission income and cross-selling opportunities. Bancassurance is also boosting fee and commission income in the retail segment. In addition, BdC intends to expand its point of sale network to increase merchant acquisition and payment-related commissions.

Microfinance

BdC's strategy for its Microfinance division is focused on maintaining its market leadership. BdC had approximately 145 thousand microfinance customers as at 30 June 2026. Its microfinance operations are primarily based outside Cairo, with 94.7% of customers located outside Cairo as at 30 June 2026. For that reason, BdC's expansive Branch network will be crucial in providing it with accessibility to underserved and rural communities. Digital enablement is also a key part of the microfinance strategy, which will simplify application and approval processes. BdC is continuing to improve turnaround times for microfinance customers through streamlined credit workflows. BdC will continue to develop tailored products for microfinance customers to address their specific needs.

[18] This financial data is based on management information and is not derived from the Financial Statements.
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SME

BdC's strategy for its SME Banking division is focused on strengthening market leadership and enhancing profitability by leveraging its differentiated business model and extensive nationwide network. BdC aims to provide SMEs with accessible financing, tailored financial products and relevant non-financial services that support them throughout their growth journey and build long-term customer relationships. Its dedicated SME business centres across Egypt, supported by specialised relationship managers and its wide Branch network, provide BdC with significant proximity and accessibility to SMEs, particularly outside Greater Cairo.

BdC has successfully expanded its SME customer base from 3,371 as at 31 December 2021 to 10,585 as at 30 June 2026, while increasing the proportion of non-borrowing customers from 17% to 23% over the same period. BdC intends to continue expanding its customer base, deepening relationships with existing customers and offering a wider range of financial and non-financial services. BdC also intends to improve turnaround times and customer experience through the continued digitisation and streamlining of its credit workflows.

With regard to SME deposits, BdC has achieved significant growth in its SME deposit base, which increased from EGP 1.9 billion as at 31 December 2021 to EGP 13.9 billion as at 30 June 2026[20]. This growth reflects BdC's strategic focus on expanding its SME deposit franchise, achieving profitable growth and diversifying its funding base. Current accounts and savings accounts accounted for 51% of the SME deposit base as at 30 June 2026. BdC's extensive presence outside Greater Cairo also represents a key competitive advantage in supporting this strategy, with 49% of SME deposits attributable to customers outside Greater Cairo as at the same date[21].

Fee and revenue diversification is also an important part of BdC's strategy. BdC intends to expand its trade finance and transactional banking offering, including letters of credit, letters of guarantee and collections, particularly for mid-cap customers. Digital transformation, operational efficiency and customer excellence will support this strategy by enhancing service quality, strengthening customer relationships and improving speed and efficiency.

Corporate

BdC's strategy for its Corporate Banking division is focused on maintaining its leading corporate banking franchise. It intends to leverage its Branch network to support nationwide corporate coverage and to introduce referral programmes to drive new corporate client acquisition. It also intends to enhance its network coverage across key industrial and commercial zones and continue to offer tailored services for corporate customers to solidify its long-term relationships.

With regard to the corporate loan portfolio, BdC is focused on expanding its lending activities in key sectors through specialised relationship managers and sector-based coverage. Its aim is to position itself as a key player in loan syndications with active participation and structuring roles leveraging its position as one of the largest lending and underwriting banks in the market. Lending to mid-caps is an important area of focus for BdC. It intends to leverage its Branch network, particularly outside of Cairo, to focus on expanding its mid-cap customer base.

BdC's focus within corporate deposits is on pursuing selective growth with a focus on profitability. It plans to broaden the range of liability products to attract diversified corporate deposits while continuing to increase the proportion of current accounts and savings accounts in its corporate deposit base.

BdC also intends to continue to grow its fee and commission income from corporate products, including from letters of credit, letters of guarantee and trade products. BdC has been successful in growing its digital banking services tailored for corporates, with the number of subscribers increasing from 581 as at 31 December 2021 to 20,450 as at 30 June 2026 and transaction value increasing from EGP 1 billion as at 31 December 2021 to EGP 87 billion as of 31 December 2025, and EGP 50 billion in the six months to 30 June 2026, a trend it plans to continue. BdC is also focused on expanding its debt capital markets commissions from acting as an underwriter or placement agent, as well as on adding custodian and trustee services for institutional customers.

Financial Institutions

BdC's strategy for its Financial Institutions division comprises the following pillars:

- Grow NBFI assets and deposits while strengthening cash management, and custody services to maximise return on equity;

- Deploy BdC as a preferred bank for correspondents;

[20] This financial data is based on management information and is not derived from the Financial Statements.
[21] This financial data is based on management information and is not derived from the Financial Statements.

- Position BdC as a preferred banking gateway connecting Egyptian customers to African markets;
- Secure competitive funding and technical assistance from IFIs; and
- Expand partnerships with money transfer companies and boost non-counter remittances to grow market share in remittances.

Debt and Structured Finance

BdC's strategy for its Debt and Structured Finance division comprises the following pillars:

- Ensure and increase active roles in syndication and debt capital markets transactions, including but not limited to agency, security agent and placement and custodian agent roles;
- Position BdC as the bank of choice for sustainable and transition solutions;
- Strengthen BdC's role as an account bank in syndication transactions, including revenue accounts, equity accounts and debt service reserve accounts;
- Expand the coverage of trade products, particularly in key sectors; and
- Arrange new profitable transactions and maximise fees on existing transactions through initiating direct business involvement.

Global Transactions Banking (GTB)

Share of wallet and cross-selling remain at the core of GTB's strategy, driving deeper client penetration and positioning BdC as a true one-stop shop for comprehensive solutions. By adopting a bundled product approach, BdC has strengthened resilience and flexibility across its coverage teams and sales force. This integrated model not only enhances BdC's ability to deliver end-to-end offerings but also unlocks new opportunities, boosting cross-selling ratios and expanding client engagement. BdC's success is anchored by three main areas: innovation and digital solutions, product suite offering, and sales and commercialisation.

Specifically, BdC's strategy for its GTB division comprises the following pillars:

- Prioritise growth in liabilities and balance sheet optimisation (in terms of current accounts and savings accounts and operational balances) and strengthening liquidity fundamentals;
- Deepen client franchise and stickiness;
- Restore fee gap through gathering market intelligence and achieving pricing optimisation;
- Maximise revenue streams in terms of fees and net interest income, optimise revenue contribution and cross-selling ratio;
- Drive market penetration and visibility expansion; and
- Achieve digital and operational readiness by leveraging digital platforms for customer engagement and service excellence.

Treasury and Capital Markets

BdC's strategy for its Treasury and Capital Markets division comprises the following pillars:

- Boost foreign exchange profits by attracting foreign investors, expanding exchange networks;
- Grow fixed income volumes by actively engaging in trading Egyptian T-bills and T-bonds and focusing on Eurobond trading;
- Expand banknote market share by offering competitive pricing and close relationship management;
- Manage cash flow and liquidity, while seizing arbitrage opportunities in the market;
- Expand treasury product offering by tailoring hedging solutions for BdC customers; and

- Optimise asset allocation to maximise income and net interest margin according to a dynamic funds transfer pricing methodology.

Investments

BdC's strategy for its Investments division comprises the following pillars:

- Invest in high-yield assets that align with BdC's broader strategy, offload non-strategic investments to achieve capital gains and enhance value through a strong investor network;

- Expand high-return equity trading portfolios by increasing managed investments with a skilled trading team;

- Grow mutual funds in money market, fixed income and equity investments while launching multi-asset funds and expanding existing funds; and

- Expand alternative investment strategies through investing in private equity/credit, venture capital, real estate and other alternative fund structures.

Sustainability and Sustainable Finance

BdC's sustainability strategy is built around the following pillars:

- Increase green asset ratio through gradual increase of sustainability linked-financing;

- Diversify revenue streams by developing E&S products;

- Development of a digital reporting hub to consolidate data and integrate ESG principles into BdC's culture; and

- Integrate sustainability principles and the United Nations Sustainable Development Goals (the "**UNSDGs**") into BdC's culture through partnership development and capacity building.

RISK FACTORS

An investment in the Offer Shares involves a high degree of risk. Prospective investors should carefully review this entire Offering Circular and, in particular, should consider all risks inherent in making such an investment, including the risk factors set forth below, before making a decision to invest in the Offer Shares. BdC's business, prospects, financial condition or results of operations, and the actual outcomes of matters as to which forward-looking statements are made in this Offering Circular, could be materially adversely affected by any of the risks described below, individually or collectively. In that case, the value of the Ordinary Shares could decline and investors could lose all or part of their investment.

BdC believes that the factors described below represent the principal risks inherent in investing in the Offer Shares, but there may be additional risks and uncertainties that BdC currently considers immaterial or of which BdC is currently unaware, any of which could have similar effects to those set forth below.

Risks Relating to Egypt and the MENA Region

Egypt's deficit and debt levels

Egypt's fiscal deficit represented 6.8% of GDP in 2020/21, 6.1% of GDP in 2021/22 and 6.0% of GDP in 2022/23, before declining to 3.6% of GDP in 2023/24 (with the ADQ Ras El-Hekma Investment (as defined below) contributing to this reduction). The 2024/25 fiscal deficit was 7.1% of GDP.

Several factors have put pressure on the Egyptian economy in recent years, including ongoing regional conflicts and the Russia-Ukraine conflict, which have adversely affected foreign trade, Suez Canal and tourism receipts and global commodity prices. The Egyptian economy was also negatively impacted by the COVID-19 pandemic. Such pressures have, in turn, led to increased subsidy spending and have had a negative effect on inflation and exchange rates in Egypt, as well as on Egypt's deficit and debt levels. See *"—Inflation Risks"*, *"—Exchange Rate Risks"* and *"—Russia-Ukraine Conflict"*.

If Egypt is unable to reduce its fiscal deficit and the resulting effect on the public debt, it could further raise Egypt's cost of funding of its debt, negatively affect the Egyptian economy, strain the general resources of the Government and the Government's finances, hinder the Government's structural reform efforts and materially impair Egypt's capacity to service its debt.

Servicing the Government's debt has been expensive and challenging in recent years due to high external debt obligations, rising global interest rates (which have increased the Government's cost of borrowing) and depreciations of the Egyptian Pound against the U.S. Dollar and other currencies. Total budget sector debt represented 83.8% of GDP as at 30 June 2025, 89.4% of GDP as at 30 June 2024, 95.7% as at 30 June 2023 and 87.2% as at 30 June 2022. Net external debt was 20.1% of GDP as at 31 December 2025, 22.5% of GDP as at 30 June 2025, 20.3% as at June 2024, 20.5% as at June 2023 and 17.2% as at June 2022. See *"—Exchange Rate Risks"*.

As at 31 January 2026, Egypt's projected medium- and long-term public external debt service was U.S.$34.6 billion for 2026 and U.S.$19.6 billion for 2027. In November 2023, Fitch downgraded Egypt's long-term foreign currency issuer default rating to B- from B (which has subsequently been upgraded to B, in November 2024, which was affirmed in October 2025) and, in October 2023, S&P downgraded Egypt's long-term foreign and local currency sovereign credit ratings to B- from B (which has subsequently been upgraded to B, in October 2025, which was affirmed in April 2026), and in October 2023, Moody's downgraded Egypt's long-term foreign- and local-currency issuer ratings from B3 to Caa1 (with the outlook on such rating subsequently being revised from stable to positive in March 2024). Each of the credit ratings agencies cited debt affordability as a driver of their respective ratings actions. Continued high levels of indebtedness, which may increase as a result of continued borrowing, have had, and may continue to have, a material adverse effect on the Egyptian economy.

As at 30 June 2025, 86.1%, or EGP 9,517 billion, of outstanding domestic debt had a maturity of less than one year, compared to 57.0%, or EGP 4,977 billion, as at 30 June 2024. This high proportion of short-term debt has exposed, and could continue to expose, Egypt to increased refinancing risk with respect to its public debt. As part of its public debt management plan, the Government intends to extend the average maturity of Government debt, diversify debt sources and utilise international support, with the aim of securing external financing on favourable terms to assist with management of Egypt's debt obligations. There can be no assurance, however, that such efforts will be successful.

The Government's ability to finance fiscal deficits and refinance its existing debt also depends, in part, on the ability and willingness of Egyptian banks (including BdC) to purchase securities and other credit instruments issued by the Government. In addition, a significant portion of short-term treasury instruments issued by the Government are purchased by international investors.

Any market development which reduces foreign investor appetite for Egyptian government securities at current yields could force the CBE to issue new, higher coupon debt to continue to attract foreign investor inflows. Global macroeconomic turbulence, or a deterioration in investor perceptions of the creditworthiness of the Egyptian government and the broader health of the Egyptian economy could cause government security sell-offs, which could have an adverse effect on Egypt's foreign- and local-currency sovereign credit ratings, the economy and public finances, as well as its ability to service debt in the future.

In December 2022, the Executive Board of the IMF approved a 46-month extended arrangement under the Extended Fund Facility (the "**EFF**") for Egypt in an amount of approximately U.S.$3 billion. In March 2024, the IMF Executive Board completed the first and second reviews under the EFF and approved an augmentation of the arrangement by approximately U.S.$5 billion, increasing total access under the EFF to approximately U.S.$8 billion. In March 2025, the IMF Executive Board completed the fourth review under the EFF, enabling Egypt to draw approximately U.S.$1.2 billion and bringing total purchases under the EFF to approximately U.S.$3.207 billion; the IMF Executive Board also approved Egypt's request for an arrangement under the Resilience and Sustainability Facility (the "**RSF**") with access of approximately U.S.$1.3 billion. In February 2026, the IMF Executive Board completed the combined fifth and sixth reviews under the EFF and the first review under the RSF, enabling Egypt to draw approximately U.S.$2.0 billion under the EFF and approximately U.S.$273 million under the RSF. In July 2026, the IMF Executive Board completed the seventh review under the EFF and the second review under the RSF, enabling Egypt to draw approximately U.S.$1.5 billion under the EFF and approximately U.S.$272 million under the RSF, bringing total disbursements under the arrangements to approximately U.S.$7.3 billion. Disbursements of further amounts under these arrangements remain contingent on completion of applicable reviews, implementation of agreed reforms and satisfaction of other programme conditions. If Egypt is unable to satisfy the conditions for disbursement in order to receive further funding under arrangements with multilateral or bilateral creditors, or is otherwise unable to borrow at an acceptable cost, this could have a material adverse effect on the Egyptian economy, the Government's structural reform efforts, the Government's finances and its ability to service its debt. This could in turn adversely affect BdC's business, results of operations and prospects, given the concentration of its activities in Egypt.

The Government has also secured concessional rate funding from other international partners, including, among others, the World Bank and the EU. Disbursements under IMF and other funding is conditioned on the implementation of policy reforms and other measures. If Egypt is unable to satisfy the conditions for disbursement in order to allow it to receive further funding under arrangements with multilateral or bilateral creditors, including the EFF, or is otherwise unable to borrow at an acceptable cost, it could have a material adverse effect on the Egyptian economy, the Government's structural reform efforts and the Government's finances. This could in turn adversely affect BdC's business, results of operations and prospects.

Regional and International Considerations

Egypt is located in a region that has been subject to ongoing political and security challenges, especially in recent years. Several countries in the Middle East region in general are currently experiencing armed conflicts or social and political unrest, including conflicts or disturbances in Yemen, Syria, Libya, Iraq, Gaza and Lebanon, as well as continuing security threats associated with remnants of the so-called "Islamic State" in some of the region's countries. In some instances, the recent and ongoing conflicts are a continuation of, or have been exacerbated by, the significant political and military upheaval experienced by a number of Arab countries from 2011 onwards, commonly referred to as the Arab Spring. This led to the departure of long-time rulers in Tunisia, Egypt, Yemen and Libya. Among the effects of the Arab Spring has been a destabilisation of the region and increased political and social instability. This instability is likely to continue for some years for some neighbouring countries. In addition, a number of Arab countries, including Iraq, Libya, Syria and Yemen, have continued to experience significant civil unrest and internal conflict. In particular, the conflicts in Syria and Libya have been the subject of significant international attention and intervention, including by the Russian, Turkish and other national militaries. Any further escalation of these conflicts, additional international military intervention in these countries or elsewhere in the region, or a more aggressive stance by parties to such conflicts, could further destabilise the region.

On 7 October 2023, Hamas commenced hostilities against a number of targets in Israel from the Gaza Strip. Israel responded militarily, and Israeli military operations in Gaza continued for an extended period thereafter, notwithstanding temporary ceasefire arrangements, including a ceasefire agreed in January 2025 and a subsequent framework agreed in October 2025. Since the beginning of hostilities, Egypt has expressed its concern about the risks of security and military escalation, as well as the deterioration of humanitarian conditions. Egypt has acted as a key mediator between Israel and Hamas and, inter alia, has directed international humanitarian aid through its border with Gaza.

A large number of Gazans, many of whom are displaced as a result of the conflict, are currently living in southern Gaza, including in and around Rafah, close to Egypt's border. Egypt has taken steps to reinforce the Rafah border crossing. In May 2024, the Rafah border crossing was closed following Israel's seizure of the Gaza side of the

crossing; it was subsequently reopened only on a limited and restricted basis in February 2026. There can be no assurance, notwithstanding Government policy to the contrary, that continued or heightened hostilities will not result in large numbers of refugees coming, or attempting to come, from Gaza into Egypt. Any significant influx of refugees into Egypt could strain the general resources of the Government and negatively affect Egypt's economy.

On 1 October 2024, Israel commenced certain military operations in southern Lebanon and air strikes against targets that Israel has said are associated with Hezbollah. An initial 60-day ceasefire between Israel and Hezbollah began on 27 November 2024. However, the ceasefire remained fragile, and further flare-ups occurred in 2026, with Israel and Hezbollah reported to have agreed to renewed ceasefire arrangements in June 2026 amid continuing concerns regarding the status of Israeli forces in southern Lebanon and the disarmament of Hezbollah. Concurrently, there had also been an escalation of attacks and threats to shipping in the Red Sea and Gulf region emanating from Yemen by Houthi rebels, which has led to U.S. and other international allies conducting retaliatory strikes on Houthi bases in Yemen. The threat to commercial shipping in the Red Sea has continued to disrupt maritime traffic and has led many shipping operators to continue diverting vessels away from the Suez Canal route. In addition, Iran has engaged militarily with Israel on at least two occasions, and the conflict involving Iran, Israel and the United States has further increased regional security risks.

Egypt has re-affirmed its goal of achieving stability in the region involving a just and comprehensive solution based on a two-state solution. In January 2025, a ceasefire was agreed between Hamas and Israel. Subsequently, a diplomatic framework emerged in September 2025, setting the stage for hostage releases, a pullback of Israeli troops, humanitarian aid, a governance transition of Gaza and the disarmament of Hamas. On 9 October 2025, Israel and Hamas accepted the initial portion of the plan, with the release of all remaining living Israeli hostages by 13 October 2025, the partial release of Palestinian prisoners and a partial Israeli withdrawal. There can be no assurance, however, that the ceasefire will continue or that the related process will continue.

On 8 December 2024, opposition forces took control of Syria, with the former President Bashar al-Assad leaving the country. In December 2024, Israeli forces entered the United Nations buffer zone separating the Golan Heights from Syria and conducted certain other military operations in Syria. The continuation of such events or the occurrence of new, similar events in the region could further strain political stability in the region and the Government's finances. Moreover, these events have had, and are likely to continue to have, a material adverse impact on the Egyptian economy, including, but not limited to, by reducing revenues from transit of the Suez Canal and tourism (which historically has been an important source of foreign currency). As a result of the increase in attacks on Red Sea shipping, a number of commercial shipping companies have diverted their shipping routes. Accordingly, there was a 24.3% decrease in Suez Canal receipts in 2023/24, as compared to 2022/23, according to data published by the CBE. In FY2024/25, Suez Canal receipts declined further, by 45.5% to U.S.$3.6 billion, compared to U.S.$6.6 billion in FY2023/24, according to CBE balance of payments data. Continued such disruptions could lead to long-term declines in Suez Canal traffic should alternative shipping routes become more reliable or otherwise more attractive. These events could have a material adverse impact on Egypt's balance of trade and have a material adverse effect on the Egyptian economy. Any of the foregoing could also lead to a reduction in, and increased difficulty in, attracting foreign direct investment ("FDI") to Egypt, as well as the diversion of Government resources towards increased military and security spending.

Escalating hostilities involving Iran have also increased political, security and economic risks in the region. For example, in June 2025, the United States carried out direct air and missile strikes on Iran's nuclear facilities at Natanz, Fordow and Isfahan. In February 2026, hostilities escalated further into a broader confrontation involving the United States, Israel and Iran, including reported strikes on Iranian leadership, military and energy infrastructure and Iranian retaliatory missile and drone attacks across the region. Although ceasefire and de-escalation arrangements were subsequently reported, including a June 2026 memorandum of understanding intended to bring the conflict to a formal end, the situation remains fragile and subject to renewed escalation. These events have contributed to instability in the Middle East, as well as broader impacts such as oil price volatility, disruption to regional energy infrastructure, disruption to maritime trade routes and airspace closures.

International investors' reactions to events occurring in one emerging market, country or region sometimes appear to demonstrate a contagion effect, in which an entire region or class of investment is disfavoured by such investors. If such a "contagion" effect occurs, Egypt could be adversely affected by negative economic, security or financial developments in other emerging market countries, as well as macro-economic and other factors originating in more developed countries.

Inflation Risks

Average annual headline inflation, as measured by the CPI, was 4.9% in June 2021, 13.2% in June 2022 and 35.7% in June 2023. After reaching a record 38% in September 2023, annual headline CPI generally decreased in late 2023 and 2024 (save for a temporary increase in February 2024 and small increases in August to October 2024) to 25.5% in November 2024, its lowest level since December 2022. Average headline inflation for June 2024 was 27.5%.

During 2025, inflation continued to decrease, reaching 12.3% in December 2025, as food prices fell, supply pressures eased, monetary conditions improved and global commodity markets stabilised. During the first half of 2026, however, the pace of disinflation moderated and headline inflation increased slightly, amounting to 14.9% in July 2026. More recently, escalating geopolitical tensions in the Middle East, including conflict involving Iran, Israel and the United States, together with their impact on energy prices, shipping routes and supply chains, have given rise to renewed concerns surrounding inflation.

The CBE's primary objective remains achieving price stability through sustained disinflation, by assessing the cumulative impact of its tightening policy while ensuring financial stability. As a result of the general slowdown in global economic growth, the continued effect of policy rate increases by key central banks, and the uncertainty surrounding inflation forecasts given increasing geopolitical tensions and ongoing trade and supply-chain disruptions in the Red Sea, the MPC has introduced a number of policy rate increases in recent years. In March 2022, the CBE announced its current monetary policy tightening cycle. In order to anchor inflation expectations and contain demand-side pressures and secondary effects from supply shocks, the MPC raised the CBE's main operation policy rate by a cumulative 1,900 basis points since March 2022 (800 basis points in 2022, 300 basis points in 2023 and 800 basis points in the first quarter of 2024). In 2025, however, it lowered policy rates by 725 basis points and, in February 2026, it lowered policy rates by a further 100 basis points as inflation was deemed to be on a downward trajectory. Although certain central banks have commenced monetary easing cycles, the pace of future rate reductions remains uncertain in light of persistent inflationary pressures and heightened geopolitical risks. Following its February 2026 rate cut, the MPC maintained policy rates at its subsequent meetings while assessing the inflationary impact of regional developments and fuel-price adjustments.

Notwithstanding the recent downward trend in inflation, the Egyptian economy remains subject to a continued risk of high or increasing inflation due to, inter alia, any further potential depreciation or devaluations of the Egyptian Pound arising from future pressure on the Egyptian Pound, rising food prices (as a result of subsidy reform, volatility in global wheat harvests and supply chain issues, as well as other factors), sustained high or rising energy prices (as a result of recent events in the Gulf region, as well as subsidy reform, including recent increases in petroleum, gasoline, diesel, kerosene and fuel oil prices and electricity prices). In addition, the further planned phasing out of fuel subsidies and other measures as part of the Government's economic reform programme may have an adverse impact on inflation, and, in the past, price increases, particularly in respect of food and transportation, have led to social unrest. Further, the global economy is currently facing continuing inflationary pressures and heightened macroeconomic uncertainty. The recovery of global economies resulted in rising commodity prices and production inputs, as well as bottlenecks in supply chains. These pressures have been further amplified by the ongoing Russia-Ukraine conflict as well as recent tensions in the Gulf region. Increases in international commodity prices, such as oil, wheat, metals and minerals prices, as a result of further supply chain disruptions, have added to domestic inflationary pressures, as well as external imbalances. The global environment remains susceptible to a high level of uncertainty, with global growth projected to slow down and global inflation may remain high. Risks emanate domestically and globally from adverse weather-related events, which could impact harvests and contribute to already high food inflation, as well as from the continuation or intensification of the Russia-Ukraine conflict and regional conflicts in the Middle East, including involving Iran, Israel and the United States, and their repercussions on international commodity markets, global trade routes, energy prices and investor sentiment toward emerging markets.

There can be no assurance that measures taken by the CBE and the Government will be successful in meeting the CBE's inflation target or otherwise controlling inflation. A failure to control inflation could have a material adverse effect on the investment climate in Egypt and negatively affect the Egyptian economy.

Economic risk

The recent increase in geopolitical tensions and regional conflicts, high commodity prices and supply chain disruptions have had material negative macroeconomic consequences for the Egyptian economy. These events have contributed to declines in economic growth and have impacted tourism and Suez Canal revenues. Real GDP growth was 3.3% in 2020/21, increasing to 6.7% in 2021/22 and decreasing to 3.8% in 2022/23 and 2.4% in 2023/24. The lower rates of GDP growth in 2019/20 and 2020/21, as compared to prior periods, were primarily due to the impact of the COVID-19 pandemic. The decline in real GDP growth in 2023/24, as compared to 2022/23, was primarily due to consecutive external shocks, namely ongoing geopolitical tensions and continuing global economic uncertainty, which negatively impacted economic activity. GDP growth was 4.4% in 2024/2025. The March 2024 foreign exchange regime reset and continued multilateral backing (including support from the IMF) and assistance from the European Union have contributed to the return of stronger growth in the past year, with GDP growth of 5.2% in the nine months to 31 March 2026.

Tourism income accounted for 3.5%, 3.1% and 2.9% of GDP in 2024/25, 2023/24 and 2022/23, respectively. The tourism sector was negatively impacted by the COVID-19 pandemic in 2019/20 and security concerns, as a result of ongoing regional conflicts, have hindered the full recovery of the tourism sector (despite increasing tourist

receipts). In addition, further deterioration in regional security conditions or escalation of military conflicts in the Middle East could adversely affect travel demand and tourism revenues. There can be no assurance, however, that tourism revenues will continue to recover.

In 2023/24, the current account deficit widened by 341.7% to U.S.$20.8 billion, as compared to U.S.$4.7 billion in 2022/23. This was primarily due a widening of the trade deficit and the recording of a services and income deficit in 2023/24. Increases in the current account deficit could have a material adverse effect on the Egyptian economy, the Government's finances and its ability to service its foreign currency debt. Such factors have also contributed to Egypt's fiscal deficit. In 2024/2025, the current account deficit contracted by 25.9% to U.S.$15.4 billion, and amounted to U.S.$14.6 billion in the nine months to 31 March 2026. Nevertheless, disruptions to maritime traffic in the Red Sea and the Suez Canal, higher energy prices and other consequences of regional conflicts may continue to adversely affect Egypt's balance of payments and external financing position.

In February 2024, the Government announced that it had entered into an agreement with the Abu Dhabi Developmental Holding Company ("**ADQ**") for the development of the Ras El-Hekma peninsula (the "**ADQ Ras El-Hekma Investment**"). As a result of the deal, the New Urban Communities Authority, which is a government entity, received a one-off payment of U.S.$24 billion, and U.S.$11 billion in U.S. Dollar-denominated deposits held by the United Arab Emirates (the "**UAE**") at the CBE have been converted into Egyptian Pounds for investment by ADQ inside Egypt. Primarily as a result of this investment, in 2023/24, net FDI inflows increased by U.S.$36.0 billion, or 358.9%, to U.S.$46.1 billion, the highest annual net FDI inflows recorded to date. In 2024/2025, net FDI inflows normalised to U.S.$12.2 billion, showing a slight increase to U.S.$13.0 billion in the nine months to 31 March 2026. There can be no assurance that the Government will be able to attract similar levels of FDI in the future.

Net international reserves ("**NIR**") with the CBE were U.S.$48.7 billion as at 30 June 2025 (covering 6.4 months of merchandise imports), U.S.$46.4 billion as at 30 June 2024 (covering 7.7 months of merchandise imports), as compared to U.S.$34.8 billion as at 30 June 2023 (covering 5.9 months of merchandise imports). The increase in NIR since 30 June 2023 reflects, *inter alia*, the purchase by the CBE of approximately U.S.$15 billion of financing received under the ADQ Ras El-Hekma Investment in the first half of 2024. There can be no assurance, however, that NIR will increase or be maintained at such levels.

In the context of the EFF with the IMF, and as part of its structural reform agenda, the Government is implementing a programme of structural reforms. In June 2024, Parliament approved the Government's Economic and Social Development Plan for the 2024/25 fiscal year, which is designed to align with the policy initiatives set out in the Government's Egypt Vision 2030 strategy. Planned reforms are also intended to address the retargeting and reduction of subsidies, reduction of the public investment portfolio and preserving debt sustainability. Various sector-based reforms have also been announced. There can be no assurance that the Government's planned reforms will be fully implemented or that, if implemented, they will achieve the anticipated results or meet anticipated targets. In addition, continuing external shocks and regional geopolitical developments may adversely affect the timing and effectiveness of the Government's reform programme and its economic objectives.

There can be no assurance that Egypt will be able to address adequately these and other economic issues or that economic growth will continue. Any failure to maintain economic growth or address continuing economic issues will negatively affect investor confidence in Egypt and the willingness of investors to invest money, and engage in transactions in, Egypt.

Impact of the Ongoing Conflict between Russia and Ukraine

In February 2022, Russian forces invaded Ukraine, and a military conflict has continued since then between Russia and Ukraine. These actions led the United States, the EU and the United Kingdom, among others, to impose economic sanctions against Russia, Russian government officials and Russian corporates and financial institutions. The conflict has had a significant impact on international capital markets, investor sentiment and commodity prices (including oil and gas, which has led to rising fuel prices, and arable crops, which has led to rising food prices). Sanctions announced to date include restrictions on selling or importing goods, services or technology in or from affected regions, travel bans and asset freezes impacting connected individuals and political, military, business and financial organisations in Russia. Such sanctions have had direct and indirect effects on Egypt, as is the case with other participants in the global economy.

The Russia-Ukraine conflict has disrupted supply chains (which had already been affected in prior years by the COVID-19 pandemic) and caused further instability in the energy markets. Furthermore, Russia and Ukraine are major exporters of basic foods, such as oil seeds and wheat.

There remains a continuing risk of further escalation and a resulting further impact on geopolitical and global economic conditions that could, in turn, impact Egypt. The conflict could materially affect Egypt's finances, due, in

part, to the resulting effects on expenditures on relevant subsidies and the overall performance of Egypt's economy. See "*—Inflation Risks*".

Political Risks

On 25 January 2011, concurrent with the events around the Arab World known as the "Arab Spring", demonstrations and protests began in Cairo, Alexandria and a number of other Egyptian cities, with protestors demanding the overthrow of President Mubarak. Following several weeks of unrest, President Mubarak dissolved the Government and resigned, ending 30 years in power (the "**2011 Revolution**"). Power was then assumed by the Supreme Council of the Armed Forces (the "**SCAF**"), which suspended the constitution and announced it would govern Egypt until elections were held. Demonstrations and protests, which often escalated into violence, continued throughout 2011 in response to the perceived slow pace of political change, although the political climate has generally been stable since then.

The Government may face future social, economic and political challenges and the risk of instability from time-to-time. Any change in policy or any delay or reversal of economic reforms may lead to uncertainty regarding the completion of economic reforms, which could, in turn, negatively affect Egypt and its economy. These challenges have had and may continue to have a significant adverse effect on the Egyptian economy. There can be no assurance that further incidents will not directly or indirectly negatively affect Egypt and its economy.

Exchange Rate Risks

The exchange rate of the Egyptian Pound has been volatile when measured against the U.S. Dollar, the Euro and other major foreign currencies and has generally declined in recent years. While the CBE historically managed the Egyptian Pound/U.S. Dollar exchange rate, it no longer does so. The CBE has acted within its mandate to maintain national financial and price stability in response to dislocations in financial markets, and any such responses in the future may involve interventions in currency markets, which could lead to fluctuations in foreign reserve levels. The value of the Egyptian Pound has been, and continues to be, impacted by a number of factors, many of which are outside the control of the Government and the CBE.

In addition, restrictions in auctions and on the interbank market, as well as only partial clearance of foreign exchange requests from commercial banks, historically generated a parallel market for foreign exchange. From time to time, there has also been a shortage of U.S. Dollars in the Egyptian market to service foreign currency transactions, as a result of which, the ability to repatriate foreign currency has been limited or curtailed, which has resulted and may, in the future, continue to result in reduced FDI and, therefore, reduced economic growth in Egypt.

Following a depreciation in early January 2023 (after the approval of the EFF in December 2022), the official exchange rate remained unchanged between early March 2023 and March 2024, and a large local parallel market premium developed and persisted. The outbreak of the conflict in Gaza in October 2023 and subsequent disruptions in Red Sea trade and in tourism further strained Egypt's sources of foreign exchange earnings from tourism and the Suez Canal. As a result of such factors, the parallel market exchange rate declined, further credit default swap rates increased, and the credit ratings assigned to Egypt's debt were downgraded. As part of discussions relating to the EFF with the IMF, in March 2024, the official exchange rate and parallel market exchange rate were unified, resulting in an official devaluation of the Egyptian Pound against the U.S. Dollar of 38%. Following this unification, foreign exchange demand backlogs have largely been cleared, and daily interbank foreign exchange turnover has increased. The CBE has not conducted any foreign exchange sale interventions since the unification of the rates in March 2024. On 15 October 2026, the official exchange rate (buy rate), as published by the CBE, was U.S.$1.00 = EGP 53.4614. There can be no assurance that the currency will not depreciate further and exhibit a higher degree of volatility than it has historically displayed.

The depreciation of the Egyptian Pound against the U.S. Dollar, the Euro or other major foreign currencies could have an adverse effect on Egypt's ability to repay its debt denominated in currencies other than the Egyptian Pound. Furthermore, there may be mismatches between U.S. Dollar denominated loans and individual borrowers' access to U.S. Dollar denominated revenues (although there are CBE regulations in place that are intended to address such mismatches), as well as between U.S. Dollar denominated loans and deposits within individual banks, which could enhance the impact of any depreciation. In addition, a significant depreciation of the Egyptian Pound against the U.S. Dollar, the Euro or other foreign currencies may result in reduced Government and other revenues and outflows of capital from Egypt, each of which could have a material adverse effect on Egypt's economy.

Recent depreciations in the value of the Egyptian Pound have led, and any potential future depreciation could lead, to greater inflation, which, in turn, could have an adverse effect on the Egyptian economy, as well as on bank capitalisation. Significant interventions in the exchange rate (or a lack thereof), however, may affect Egypt's foreign currency reserves and may, in turn, have a material adverse effect on the Egyptian economy, the Government's finances and its ability to service its external debt.

Socio-Economic Challenges, including High Youth Unemployment

Egypt faces certain socio-economic challenges, including high levels of youth unemployment, which require continuing attention by the Government. According to figures published by the Central Agency for Public Mobilization and Statistics ("**CAPMAS**"), the unemployment rate was 5.8% in the second quarter of 2026, and in 2025, the percentage of unemployed people aged 15 to 29 was 13.2%.

Tourism is a key sector for the Egyptian economy and is a key contributor to employment and GDP. In the past, the impact of COVID-19, as well as terrorist attacks, in Egypt has negatively impacted tourism receipts. The tourism sector also remains vulnerable to security concerns as a result of ongoing regional conflicts, including those in Gaza and in the Sinai Peninsula. Declines in tourism receipts have led to an increase in unemployment in the tourism sector, as the difficulties in the tourism sector result in lay-offs and fewer seasonal job opportunities. In addition, structural reforms, which Egypt has implemented, and is in the process of continuing to implement, as a condition for receiving funds from creditors, require actions, including subsidy reform, which may have an adverse impact on the financial circumstances of certain sectors of the Egyptian population, which have in the past and may continue to lead to instances of social unrest.

Impact of EU and Global Economic Conditions

The EU is Egypt's largest trading partner. During 2024/2025, the EU imported 27.0% of Egyptian goods, compared to 29.1% in 2023/24 and 31.1% in 2022/23. In addition, FDI inflows from the EU were U.S.$5.8 billion for 2024/2025, representing 24.3% of total FDI inflows, U.S.$5.1 billion for 2023/24, representing 9.0% of total FDI inflows, and U.S.$6.8 billion for 2022/23, representing 29.5% of total FDI inflows. As a result, the Egyptian economy is impacted by events in the EU, including events affecting the Euro and the Eurozone.

A decline in economic growth in Eurozone countries, any inability of such countries to issue securities in the sovereign debt market or to service existing debt or a protracted period of slow or negative economic growth in the Eurozone would reduce demand for Egyptian imports and may lead to reduced levels of FDI and tourism revenues received from the Eurozone, which could, in turn, have a material adverse impact on Egypt's balance of trade and have a material adverse effect on the Egyptian economy and hence BdC's business, results of operations and prospects, given the concentration of its activities in Egypt.

In addition, economic weakness in the EU and other European and Mediterranean countries could lead to declines in Suez Canal traffic as import demand weakens in such countries, which could reduce the revenues the Government receives from such traffic. In addition, in March 2021, transport through the Suez Canal was disrupted when a ship became lodged sideways across the waterway, resulting in the temporary closure of the canal and significantly delaying shipping. Since late 2023, attacks on shipping in the Red Sea and Gulf region by Houthi rebels originating from Yemen, together with broader regional geopolitical tensions, have resulted in significant disruptions to maritime traffic in the Red Sea and surrounding waterways due to security concerns, causing a number of commercial shipping companies to divert their shipping routes. Accordingly, there was a 45.5% decrease in Suez Canal receipts in 2024/2025 and a 24.3% decrease in Suez Canal receipts in 2023/24, according to data published by the CBE. Continued disruptions could lead to long-term declines in Suez Canal traffic should alternative shipping routes become more reliable or otherwise more attractive. These events could have a material adverse impact on Egypt's balance of trade and have a material adverse effect on the Egyptian economy.

More broadly, Egypt's economy could be affected by external shocks, such as those which have previously been caused, and may in the future be caused, by instability in the global financial markets. Should macroeconomic conditions continue to deteriorate, as a result of geopolitical factors or otherwise, it could result in Egypt experiencing volatility in exchange rates, increases in interest rates or inflation or liquidity shortfalls. Furthermore, a negative external shock, particularly on a global level or to one or more of Egypt's primary export markets, could result in decreased demand for Egyptian goods and services, which would, in turn, put pressure on Egypt's balance of payments and foreign currency reserves.

Impact of Tariffs

President Donald J. Trump assumed office on 20 January 2025 following the U.S. presidential election held on 5 November 2024. Since taking office, the Trump administration has actively pursued a more protectionist trade agenda and has relied extensively on executive authorities to impose and expand tariffs on U.S. imports.

During 2025, the United States significantly expanded existing tariffs imposed under Section 232 of the Trade Expansion Act of 1962, particularly on steel, aluminium and derivative products. In March 2025, country-specific exemptions and product-based exclusions were eliminated and tariffs of 25% were applied broadly to imports of steel and aluminium from virtually all trading partners. In June 2025, these tariffs were further increased to 50% for most countries, substantially raising trade barriers and contributing to heightened uncertainty in global trade flows. In parallel, the Trump administration announced and, in some cases, implemented additional tariffs and tariff-related

measures under various statutory authorities, including reciprocal tariffs, sector-specific investigations and country-targeted duties. While certain tariff measures were postponed, modified or subject to ongoing negotiations (particularly with respect to China and certain U.S. allies), the overall trajectory of U.S. trade policy during 2025 has been characterised by increased use of tariffs as a tool of economic and foreign policy leverage. Several trading partners have announced or implemented retaliatory measures, and further escalations or policy reversals remain possible.

The cumulative impact of enacted and threatened tariffs, retaliatory measures and policy uncertainty has increased volatility in global trade, supply chains and financial markets. These developments may adversely affect global economic growth, capital flows and investor confidence, including in emerging markets such as Egypt. The extent of any such adverse effects, and their potential impact on Egypt's economy, banking sector and borrowers, remains uncertain and depends on future policy decisions in the United States and elsewhere.

Terrorism Risk

In recent years, Islamic militants, including purported members of the so-called "Islamic State", have operated in a number of countries in the region. In common with other countries in the Middle East, Egypt has experienced a number of terrorist attacks. Since the removal of President Morsi, terrorist attacks in North Sinai on Egyptian military bases, in particular, have increased, resulting in the deaths of soldiers and police. Although Egyptian security forces have significantly weakened militant groups operating in North Sinai and terrorist activity in the region has declined in recent years, isolated attacks and security incidents have continued to occur and there can be no assurance that militant groups will not remain active in the future. As a result of these attacks and the related security situation prevailing in North Sinai, Egyptian Natural Gas Holding Company ("**EGAS**") has faced difficulties transporting gas through the Sinai Peninsula to Jordan.

These events have affected the Egyptian economy and, in particular, the tourism sector. While combatting terrorism continues to be a priority of the Government, there can be no assurance that extremists or terrorist groups will not continue violent activities in Egypt. Terrorist attacks in Egypt have adversely affected, and may continue to adversely affect, the Egyptian economy.

Impact of Corruption Perceptions

The incidence and perception of elevated levels of corruption remains a significant issue in Egypt. Egypt was ranked 130 out of 182 countries in Transparency International's 2025 Corruption Perceptions Index. The Government has committed to take proactive actions to improve the business climate to attract more foreign and domestic investment. However, failure to address continued or perceived corruption and governance failures in the public sector and any future allegations, or perceived risk, of corruption in Egypt, as well as failure to implement the proposed reforms to improve Egypt's business climate, including proposed changes to investment, bankruptcy and corporate laws and regulations, could have a material adverse effect upon Egypt's ability to attract FDI, lead to further instances of political instability, and have a material adverse effect on the Egyptian economy and hence BdC's business, results of operations and prospects, given the concentration of its activities in Egypt.

Informal Economy

A significant portion of the Egyptian economy is comprised of an informal, or shadow, economy. The informal economy is not recorded and is only partially taxed. This results in a reduction of potential tax and other revenue for the Government in respect of this portion of the economy, ineffective regulation, unreliable statistical information (including a possible understatement of GDP and the contribution to GDP of various sectors) and an inability to otherwise monitor this portion of the economy.

The Government is making efforts to encourage the inclusion of the informal economy, including by way of financial inclusion and simplified tax systems for SMEs. The CBE's financial inclusion strategy aims to help draw SMEs into the formal economy by digitalising payments and providing support for financially distressed SMEs, including by easing certain regulations and tightening others, such as regulations on how banks manage non-performing loans. The development of micro-, small- and medium-sized enterprises ("**MSME**") has also been identified as a key pillar of the CBE's financial inclusion strategy.

Although the Government is attempting to reform the informal economy, there can be no assurance that such reforms will adequately address the issues and bring the informal economy into the formal economy, which could, in turn, have a material adverse effect on the Egyptian economy.

Nile Dam

In April 2011, the Ethiopian government began construction of the Grand Ethiopian Renaissance Dam ("**GERD**") on the Blue Nile River, a tributary of the Nile River. The Government has stated its opposition to the construction of this dam due to the potential impact on Nile River flows. Following a series of delays, in August 2023,

Government officials from Ethiopia, Egypt and Sudan re-opened negotiations regarding the operation of the GERD. These negotiations were terminated in December 2023. In September 2024, Ethiopia announced that it had completed the fifth phase of the filling of the dam. No agreement between Ethiopia, Egypt and Sudan has yet been reached regarding the management of operation of the GERD, particularly during drought periods. In September 2024, the Government sent a letter to the United Nations in respect of the filling of the dam in the absence of such agreement. There can be no assurance that negotiations as to an agreement between the countries will be restarted and, if continued, will be successful.

Nile River flows reaching Egypt may be reduced over several years as the reservoir behind the GERD fills. In future years, Nile River flows may also be reduced, which may, in turn, reduce the electricity-generation capacity of the Aswan High Dam, which represents a small but significant portion of Egypt's overall electricity-generation capacity. The impacts of such reduced flows cannot presently be assessed but may adversely affect agriculture and industry in Egypt, which may have an adverse effect on the Egyptian economy.

Egyptian Legal System

Egypt's legal and regulatory systems and institutions are in various stages of development and are not yet as sophisticated as similar institutions in more developed markets. As a result, procedural safeguards, as well as formal regulations and laws, may not be applied consistently. In certain circumstances, it may not be possible to obtain the legal remedies provided under the relevant law and regulations in a timely manner, or at all. As the legal environment remains subject to ongoing development, investors in Egypt may face uncertainty as to the security of their investments. Any unexpected changes in Egypt's legal system may have a material adverse effect on the rights of shareholders.

Risks Relating to BdC's Business and Industry

BdC will continue to be majority-owned by Banque Misr.

BdC is currently a wholly owned subsidiary of Banque Misr, a state-owned bank. Immediately after the closing of the Combined Offering, Banque Misr will hold 70% of BdC's issued and outstanding share capital, assuming 4,575,000,000 Offer Shares are sold and that no Offer Shares are returned to it in connection with stabilisation activities. BdC is operated independently from Banque Misr and, while its Board of Directors includes members representing Banque Misr, these individuals are not employed by Banque Misr and Banque Misr only receives information in relation to BdC for capital reporting purposes at the Banque Misr level. Furthermore, in accordance with the Banking Law, the CBE must approve the appointment of all members of the Board of Directors of Egyptian banks, including BdC. Nevertheless, Banque Misr will continue to have the right under BdC's constitutional documents to replace the majority of BdC's existing directors, elect new directors and control the outcome of all or substantially all matters to be decided by a vote of shareholders of BdC.

On September 1, 2026, the U.S. Department of the Treasury's Financial Crimes Enforcement Network published a Notice of Proposed Rulemaking ("NPRM") in respect of Banque Misr's UAE branches (see "*Principal and Selling Shareholders*"). This NPRM is limited to Banque Misr's UAE branches and is a non-final regulatory action that has not resulted in any final determination, restriction, or adverse measures with respect to such UAE branches. The NPRM does not extend to Banque Misr's head office, its branches in Egypt, or any of Banque Misr's other worldwide locations and does not impose any restrictions on BdC or on the access of Banque Misr's head office, its branches in Egypt, or any of Banque Misr's other worldwide locations to the U.S. correspondent banking system. Moreover, the Central Bank of the United Arab Emirates has issued its preliminary approval for National Bank of Egypt to acquire Banque Misr's UAE branches, and Banque Misr understands that the acquisition process is proceeding as planned. Nevertheless, completion of the acquisition remains subject to applicable approvals, closing conditions and other contingencies.

BdC is subject to credit risk in respect of customers and counterparties and may not be able to maintain the quality of its loan portfolio or ensure adequate provisions for loan losses.

BdC is exposed to credit risk in respect of its customers and counterparties. The quality of its loan portfolio is affected by changes in the creditworthiness of its customers, their ability to repay their loans on time and, to the extent that loans are collateralised, by BdC's ability to enforce collateral and the sufficiency of such collateral. While BdC's loan portfolio quality remains good, quality can deteriorate due to factors beyond BdC's control, including adverse macroeconomic or political developments in Egypt or globally. See *"—Risks Relating to Egypt and the MENA Region"*. A deterioration in the quality of BdC's loan portfolio may require BdC to increase its provisions for impairment, and it may incur actual losses if loans are unpaid and BdC is unable to recover the value of such loans from collateral, where relevant.

BdC's ability to evaluate credit risk (particularly for SME customers) may be adversely affected by the relatively limited information regarding potential borrowers in Egypt. Although there is a credit bureau in Egypt, the system

for gathering and publishing information relating to credit history is not as comprehensive as in countries with more established market economies. Accordingly, BdC may have less comprehensive information for its credit approval processes for SME and microfinance customers than that available to banks operating outside of Egypt.

Asset quality has generally been stable across BdC's loan portfolio. As at 30 June 2026, 3.7% of BdC's aggregate gross loans and advances to customers and loans and advances to banks was classified as non-performing, compared to 3.7%, 4.6% and 5.0% as at 31 December 2025, 2024 and 2023, respectively. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[22]. BdC has also maintained a relatively high coverage ratio, defined as the ratio of impairment provisions to non-performing loans, with a coverage ratio of 174.4% as at 30 June 2026, compared to 182.9%, 150.6% and 132.1% as at as at 31 December 2025, 2024 and 2023, respectively. The coverage ratio (adjusted for collateral) was 215.7% as at 30 June 2026, compared to 216.9%, 175.7% and 151.4% as at 31 December 2025, 2024 and 2023, respectively[23]. There can be no assurance, however, that BdC will not experience loan losses above the level for which it has provisioned or that it will not experience an increase in non-performing loans across its loan portfolio. In particular, to the extent it increases its lending to certain types of customers or expands its offerings of certain products, its non-performing loans may increase. The continued decrease in salary transfer loans as a percentage of BdC's retail loan portfolio may also result in heightened credit risk. Actual loan losses may differ materially from provisions for loan losses due to a number of factors, including factors that are inherently uncertain, such as macroeconomic conditions, borrower specific factors, industry and market trends, interest rates, unemployment rates and other external factors.

In addition to the credit risk arising from loans to customers, BdC has exposure to credit risk in relation to its exposure to off-balance sheet guarantees and commitments. Any failure to manage the credit risk to which it is exposed could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC is subject to concentration risk across its loan portfolio.

There is a degree of concentration across BdC's corporate and SME loan portfolios. The proportion of the 50 largest customers across BdC's loan portfolio was 41% as at 30 June 2026. In addition to increasing its concentration risk, any increase of this ratio above 50% would result in an additional capital charge. CBE regulations require that if the 50 largest borrowers account for more than 50% of the loan portfolio, a risk weight of 200% shall be applied (or 300% in cases where the concentration is above the 70% level). Moreover, BdC's exposure to particular industries might increase, although it has a policy limit of 20% for any one industry, with which it is compliant. 11.9% of BdC's aggregate corporate, SME and NBFI loan portfolio was comprised of loans to the oil and gas industry as at 30 June 2026. Any such concentration could increase its vulnerability to downturns or other events that disproportionately affect such industry. If BdC is unable to effectively manage the concentration risk to which it is exposed, this could have a material adverse effect on its business, results of operations and/or prospects.

A portion of BdC's loan portfolio is unsecured, and, with respect to its secured loans, BdC may be unable to enforce collateral in the event of a default.

BdC lends on the basis of a rigorous analysis of cash flows and repayment ability of its customers. In addition, BdC requires collateral for certain of its corporate loans and higher value SME loans and all of its mortgage loans, primarily consisting of security interests over residential properties, business assets such as premises and inventory and financial instruments such as debt securities and equities. It also has credit guarantees in respect of its SME loan portfolio as well as life insurance, property insurance (fire and theft) and default insurance. As at 30 June 2026, 19.9% of gross loans and advances to customers was secured, with 13.7% being salary transfer loans and 66.4% being unsecured[24].

If any downturn were to occur in the relevant markets, in particular in the real estate market, or if there were to be a general deterioration of macroeconomic conditions, this may result in declines in the value of collateral securing loans to levels below the amounts of the outstanding principal and accrued interest on those loans. If collateral values were to decline, they may not be sufficient to cover uncollectible amounts on BdC's secured loans, which may require BdC to reclassify the relevant loans, establish additional loan loss provisions and increase its capital reserves. In addition, the enforcement of security over assets in Egypt is generally more difficult, more time consuming and more expensive than it is within many Western countries. BdC may not be able to enforce security over collateral held in Egypt in a timely fashion or at all, and any difficulty or failure in enforcing its collateral may

[22] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.6% as at 30 June 2026 and 3.6%, 4.6% and 4.9% as at 31 December 2025, 2024 and 2023, respectively.

[23] Coverage ratio (adjusted for collateral) is presented on a standalone basis. By way of comparison, the coverage ratio was 176.4%, 185%, 152.5% and 133% on a standalone basis as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

[24] This financial data is based on management information and is not derived from the Financial Statements.

result in write-offs and losses and otherwise have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC could be negatively affected by actual or perceived deterioration in the soundness of other financial institutions and counterparties.

Given the high level of interdependence between financial institutions, BdC is and will continue to be subject to the risk of actual or perceived deterioration of the commercial and financial soundness, or perceived soundness, of other financial institutions. One institution defaulting, failing a stress test or requiring bail-in by its shareholders and/or creditors and/or bail-out by a government could lead to significant liquidity problems, losses or defaults by other institutions. Even the perceived lack of creditworthiness of, or questions regarding, a counterparty or major Egyptian financial institution may lead to market-wide liquidity problems and losses or defaults by BdC or by other institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, industry payment systems, clearing houses, banks, securities firms and exchanges with whom BdC interacts on a daily basis. Systemic risk, particularly within Egypt, could have a material adverse effect on BdC's ability to raise new funding and on its business, results of operations and/or prospects.

Changes in market interest rates may adversely affect BdC's net interest income, net interest margin and asset quality.

Interest rates, which are impacted by factors outside BdC's control, including the fiscal and monetary policies of the Government and the CBE, as well as Egyptian and international political and macroeconomic conditions, affect BdC in several ways.

Interest rates affect the cost and availability of BdC's principal sources of funding, including customers' deposits, which accounted for 94.7% of BdC's total funding (which includes customers' deposits, due to banks and other loans) as at 30 June 2026. Changes in interest rate curves and interest rate levels impact the economic value of BdC's assets and liabilities. BdC's results of operations are exposed to basis risk (i.e., an imperfect correlation in the adjustment of the rates earned and paid on different products with otherwise similar re-pricing characteristics). A declining interest rate environment could adversely impact BdC's results of operations through the compression of its net interest margin, to the extent its loan portfolio reprices more quickly than its deposit base. In 2025, the MPC lowered policy rates by 725 basis points and in February 2026, it lowered policy rates by a further 100 basis points as inflation was deemed to be on a downward trajectory. However, after a general cycle of interest rate reductions during 2024 and 2025, a number of major central banks have begun reversing course in response to persistent inflationary pressures, with the U.S. Federal Reserve having decreased rates by an aggregate of 100 basis points during 2024 and 75 basis points during 2025, before subsequently raising rates in 2026. Further MPC rate cuts, which had been anticipated on the back of stabilising inflation, now appear unlikely in the near term, as tensions in the Gulf and their corresponding effect on energy prices have given rise to significant concerns surrounding inflation, which will in turn have an impact on monetary policy.

Furthermore, BdC may experience sudden large increases or decreases or frequent increases or decreases in interest rates. As at 30 June 2026, 53.4% of the total deposit base was comprised of current accounts and savings accounts. BdC generally has the flexibility to reprice its current accounts and savings accounts. In addition, as at 30 June 2026, 22.0% of the total deposit base was comprised of certificates of deposit. On the other hand, BdC may have less flexibility to reprice its loan portfolio, since certain of its loan products, including many of its retail and microfinance loans, are fixed rate products. BdC has also invested in Egyptian Government securities in order to preserve its net interest margin amid rate cuts. To the extent rate cuts do not materialise as expected, this might adversely affect BdC's results of operations. As a result of the foregoing dynamics, BdC may not be able to respond to the market or re-price its assets and liabilities at the same time, giving rise to re-pricing gaps in the short term which can adversely affect its net interest margin.

Interest rates also affect the affordability of BdC's products to customers. A rise in interest rates, without sufficient improvements in customers' earnings levels, could lead to an increase in default rates among customers. This could in turn lead to increased expected credit losses and lower profitability for BdC. A high interest rate environment may also reduce demand for loan products, as customers are less likely or less able to borrow at the same levels when interest rates are high as when interest rates are low. Conversely, a low interest rate environment may reduce incentives for customers to save and may adversely affect BdC's deposit base.

Finally, the market value of BdC's investment portfolio is affected by changes in interest rates. Increasing interest rates will generally decrease the market value of existing debt securities held by BdC, particularly securities with long maturities, and decreasing rates will generally have the opposite effect.

Any failure to manage interest rate risk could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC's securities portfolio is concentrated in Egyptian Government securities.

Consistent with other banks in Egypt, BdC's securities portfolio is concentrated in Egyptian Government securities. As at 30 June 2026, treasury bills ("**T-bills**") and treasury bonds ("**T-bonds**") amounted to EGP 164.7 billion, representing 29% of total assets. The substantial majority of these holdings are denominated in Egyptian Pounds. The value of these instruments has fluctuated in the past, including due to changes in interest rates. Although this is not currently expected, any future rate increases could negatively impact the value of the portfolio, in particular with respect to instruments with longer maturities. The value and liquidity of BdC's portfolio of T-bills and T-bonds may also be negatively affected by any change in the perceived creditworthiness of the Government, including changes or the prospect of changes in the value of the Egyptian Pound, since a portion of Egypt's total public external debt is denominated in U.S. Dollars and in Euros. Any change in the credit ratings assigned to Egypt could also affect the value of T-bills and T-bonds held by BdC. For example, the rating of Egypt's long-term foreign currency debt was downgraded in the aftermath of the political and economic challenges faced by Egypt following, and as a result of, the political protests and uprisings in connection with the 2011 Revolution, although it was subsequently upgraded. Egypt's long-term foreign currency debt is currently assigned a rating of "B" with a stable outlook by S&P, a rating of Caa1 by Moody's and a rating of "B" by Fitch. Any credit rating downgrade may reduce the value or liquidity of BdC's securities portfolio. Moreover, a default by the Government could result in losses across the portfolio, which would have a material adverse effect on its business, results of operations and/or prospects. See also *"—Risks Relating to Egypt and the MENA Region"*.

BdC may have insufficient capital or liquidity to meet minimum regulatory requirements.

BdC is subject to minimum capital requirements as promulgated by the CBE. The CBE has introduced several of the requirements set forth in the reforms introduced by the Basel Committee on Banking Supervision (the "**BCBS**"). In 2012, Basel II was implemented and in April 2016, the CBE completed the implementation of Basel III. In connection therewith, it introduced a capital conservation buffer intended to ensure that banks build up capital buffers that can be drawn down during periods of stress as losses are incurred. The capital conservation buffer was initially set at 0.625% and was raised gradually every year to reach 2.5% by January 2019, where it currently stands. The required common equity Tier 1 ("**CET1**") ratio is 7.0%, the required Tier 1 ratio is 8.5% and the minimum capital adequacy ratio is 12.5%. In addition, from 1 January 2020, BdC has been subject to an additional buffer to the extent it is classified as a systemically important bank. The highest this buffer as applied to BdC has been in the past is 0.25%. As at 30 June 2026, BdC's CET1 ratio, Tier 1 ratio and capital adequacy ratio were 18.7%, 18.7% and 22.1%, respectively. A leverage requirement has also been introduced, pursuant to which banks must have Tier 1 capital in excess of 3% of the total of the bank's assets and off-balance sheet commitments. At its December 2020 meeting, the CBE's board of directors agreed on the application of the standardised approach to measure operational risk in line with the final set of reforms based on Basel III.

In July 2016, the CBE introduced the liquidity risk regulation which included the LCR, which will require banks to have sufficient high quality liquid assets ("**HQLA**") to withstand a 30-day stressed funding scenario and the NSFR, which is a long-term structural ratio designed to address liquidity mismatches. Egyptian banks must maintain a minimum NSFR and LCR of 100%. As at 30 June 2026, BdC's LCR and NSFR were 841% and 172%, respectively. See also *"—Risks Relating to Regulation of BdC — BdC is subject to substantial and increasing regulation and supervision, which may strain its resources and may have a significant impact on its capital requirements and business"* for further information regarding the capital and other regulatory requirements to which BdC is subject. As a result of these requirements, banks in Egypt have been, and will continue to be, required to increase the quantity and the quality of their regulatory capital. Furthermore, the capital requirements to which BdC is subject may become more stringent as the CBE introduces further reforms endorsed by the BCBS.

Banks are also required to maintain 16% of their deposits denominated in Egyptian pounds (amended from 18% in February 2026) and 10% of their deposits denominated in foreign currencies with the CBE. Egyptian currency reserves are non-interest bearing, while foreign currency deposits bear interest. In accordance with the CBE's instructions, certificates of deposit with a maturity of three years or more and initiatives for loans and facilities granted to small companies and enterprises are excluded from the reserve requirement calculation.

In March 2016, the CBE introduced the Internal Capital Adequacy Assessment Process ("**ICAAP**") regulation as an additional measure intended to ensure that Egyptian banks have in place internal procedures and processes to guarantee that they hold adequate capital. Banks have been required to run stress tests at least quarterly and to maintain internal policies and procedures for stress testing, in addition to the annual stress testing report submitted to the CBE. Following this, BdC evaluates the adequacy of its capital as part of its ICAAP. Nevertheless, there is a possibility that the economic performance over BdC's capital planning period may be worse than expected and/or that losses may be above forecast levels. Were such losses to be significantly greater than currently forecast, or capital requirements for other material risks to increase significantly, there is a risk that BdC's capital position could be eroded.

If BdC's capital position were to deteriorate, this could also impact its ability to pay dividends. See *"—Risks Relating to the Ordinary Shares — BdC may not pay dividends or declare dividends in the future"*. Any of the foregoing could have a material adverse effect on BdC's business, results of operations and/or prospects.

Constraints on BdC's access to funding, including a loss of confidence by depositors, may require BdC to seek alternative funding sources.

Currently, BdC funds its lending activities primarily from customers' deposits, which comprised 94.7% of BdC's total funding as at 30 June 2026. Consequently, a loss of confidence by depositors in BdC, the Egyptian banking industry or the Egyptian economy could ultimately lead to a reduction in the availability and/or increase in the cost of funding or liquidity resources. In addition, BdC's growth plans entail an expansion of its deposit base, which BdC may not be able to achieve.

Other funding (including interbank lending) comprised 5.3% of BdC's total funding as at 30 June 2026. Instability in the banking sector in Egypt could adversely affect BdC's access to interbank lending in the future. See *"—BdC could be negatively affected by actual or perceived deterioration in the soundness of other financial institutions and counterparties"*. In addition, to the extent BdC elects to access funding in the form of debt securities or regulatory capital instruments in the future, it might be adversely affected by dislocation in the market or concerns surrounding debt sustainability and/or sovereign downgrades in the MENA region. These sources of funding may also prove to be more expensive than BdC's existing sources of funding, which could have an adverse impact on its net interest margin. More generally, maturity mismatches between BdC's assets and liabilities (including by reason of the withdrawal of large deposits) could lead to liquidity gaps that BdC will need to cover. As at 30 June 2026, BdC had a positive total net liquidity gap of EGP 51.2 billion up to one year, on a standalone basis maturity ladder report.

In addition, the CBE requires Egyptian banks to meet certain liquidity and funding requirements, including the LCR and the NSFR. See *"—BdC may have insufficient capital to meet increased minimum regulatory requirements"* for further details of these ratios. Wholesale funding may prove difficult if BdC does not achieve LCR and NSFR ratios comparable to its peers. If BdC faces difficulties in accessing funding, managing maturity mismatches or in meeting the aforementioned ratios, its business, results of operations and/or prospects could be materially adversely affected. Downgrades to BdC's credit ratings or outlook could impair BdC's access to private sector funding, trigger additional collateral requirements and weaken its financial position.

On 27 October 2025, Fitch affirmed BdC's long-term issuer default rating at B with stable outlook and its short-term issuer default rating at B with stable outlook. Any downgrades in the credit ratings of BdC could have an adverse impact on the volume and pricing of its wholesale funding and its financial position, restrict its access to the debt capital and funding markets, trigger material collateral requirements or associated obligations in other secured funding arrangements or derivative contracts, make ineligible or lower the liquidity value of pledged securities and weaken BdC's competitive position in certain markets. Any of the foregoing could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC faces significant and increasing competition, and its performance may vary depending on changes in the intensity and source of such competition.

The Egyptian market for financial services and products is highly competitive, and BdC is subject to increasing competition from other domestic banks as well as foreign financial institutions operating in Egypt. BdC competes for retail, SME and corporate customers principally with Egypt's largest banks (NBE, Banque Misr, Commercial International Bank (Egypt) S.A.E. ("**CIB**"), QNB Al Ahli ("**QNB**"), Arab African International Bank ("**AAIB**"), FAB Misr Bank ("**FAB Misr**"), HSBC Bank Egypt ("**HSBC**"), Abu Dhabi Islamic Bank - Egypt ("**ADIB**"), Faisal Islamic Bank of Egypt ("**Faisal**"), Suez Canal Bank ("**SCB**") and National Bank of Kuwait - Egypt ("**NBK**"). As at 30 June 2026, BdC had a market share of 2.2% of gross customer loans in the Egyptian market, compared to 5.4%, 4.5%, 2.7%, 1.7%, 1.4%, 1.3%, 1.2%, 0.8%, 0.5% and 0.2% for CIB, QNB, AAIB, ADIB, FAB Misr, NBK, SCB, Alex Bank, HSBC and Faisal, respectively (and compared to 46.4% and 15.2% for NBE and Banque Misr, respectively, as at 30 September 2025), in each case on a standalone basis and based on individual banks' disclosures as at the respective dates. As at 30 June 2026, BdC had a market share of 2.6% of total deposits, compared to 7.6%, 5.3%, 4.7%, 1.9%, 1.7%, 1.6%, 1.4%, 1.2%, 1.2% and 1.2% for CIB, QNB, AAIB, ADIB, FAB Misr, HSBC, SCB, Alex Bank, Faisal and NBK, respectively (and compared to 36.7% and 18.9% for NBE and Banque Misr, respectively, as at 30 September 2025), in each case on a standalone basis and based on individual banks' disclosures as at the respective dates. It also competes with other foreign banks operating in Egypt, including Credit Agricole. Competition has resulted, and may in the future result, in pressure on BdC's net interest margin, in particular due to the pricing impact of competition for deposits and loans.

Management believes that the competition BdC faces is based primarily on geographic coverage, local customer relations and product offering. Competitors may expand their networks or product portfolios, which could increase

competition in the future. Certain of BdC's competitors have greater resources and lower costs of funding than BdC and may be able to make investments that enhance their competitive position at BdC's expense.

BdC also faces competition in retail and microfinance lending from non-bank financial institutions ("**NBFIs**") (and, in the case of auto loans, car dealerships).

Any failure by BdC to manage the competitive dynamics to which it is exposed could result in a loss of market share of loans or deposits in the Egyptian banking sector or could result in compression of its net interest margin, which could in turn have a material adverse effect on its business, results of operations and/or prospects.

There can be no assurance that BdC will be successful in implementing its strategic plans.

BdC's strategy includes strengthening its core banking profitability, deepening its cross-sell and ecosystem monetisation, growing the customer franchise, driving inclusive and sustainable growth, delivering long-term value for shareholders and fostering a high performance, value-driven culture. For further detail of BdC's strategy, see *"Business — Strategy"*. There can be no assurance that BdC will be successful in implementing these strategic plans. In particular, BdC may not be successful in attracting the types of customers that it is targeting or in developing products and services appropriate for these customers. Moreover, BdC's strategy is based on its view of future events, including data and assumptions that management believes to be reasonable but which may evolve or be revised as a result of uncertainties related to the legal, macroeconomic, financial, competitive, fiscal or regulatory environment. In addition, BdC's strategic plans may have less growth or profit potential, or may entail a higher level of investment, than BdC anticipates, and there can be no assurance that any of these initiatives will improve income and/or profitability to the extent that BdC desires if at all. Any of the foregoing may have a negative impact on BdC's ability to meet its future growth plans, as well as on its business, results of operations and/or prospects.

BdC has made significant investments in digitalisation and there can be no assurance that it will realise the expected returns on those investments.

BdC has invested significantly in digitalisation across its business, having launched its Internet banking for retail customers in April 2019. It is also focussed on developing innovative products and services using digital technologies, including Qahera Cash, its mobile money wallet, and Etisalat Cash, which it launched pursuant to a cooperation agreement with Etisalat Misr in December 2020 to manage the Etisalat Cash digital wallet platform. See *"Business — Distribution network — Mobile money wallets"*. BdC's mobile banking customer base has expanded rapidly over the past several years, from 258,816 as at 31 December 2021 to 1,035,887 as at 30 June 2026, reflecting a compound annual growth rate ("**CAGR**") of 36.1%. The QaheraCash customer base was 470,587 as at 30 June 2026 (compared to 780,369 as at 31 December 2021, which reflected a data cleansing exercise mandated by the CBE). BdC's mobile banking transaction volume expanded from EGP 2.2 billion in 2021 to EGP 28.0 billion in 2025 and its QaheraCash transaction volume expanded from EGP 732 million in 2021 to EGP 16.6 billion over the same period. In March 2023, BdC announced the launch of Taly, a digital payments company. BdC also has digital partnerships with Telda, IBAG and Moneygram.

In addition, BdC has been investing significantly in its information technology ("**IT**") functions to further enhance the customer experience and provide BdC with a competitive advantage. Its IT expenditure grew from EGP 199 million in 2021 to EGP 1,252 million in 2025, reflecting a CAGR of 58%. See *"Business — Information Technology"*. The integration of platforms with BdC's existing systems, as well as the replacement and upgrade of existing systems, has increased the general complexity of BdC's IT architecture. The integration of platforms can also lead to operational challenges and delays. Any further IT upgrades may take longer than anticipated and the associated costs, many of which are denominated in U.S. Dollars, may be higher than budgeted, which could constrain BdC's operations and increase its operating costs. Furthermore, if take-up of digital services by BdC's customers slows, if it does not realise the expected returns on its investments in digitalisation across its business or if the technologies in which it invests become obsolete, its business, results of operations and/or prospects could be materially adversely affected.

Damage to BdC's brand or reputation could adversely affect its relationships with customers, staff and regulators.

Management aims to ensure that BdC's brand is at the heart of its customers' financial lives by providing an exceptional customer experience. BdC's relationships with its stakeholders, including its customers, staff and regulators, could be adversely affected by any circumstance that causes real or perceived damage to its brands or reputation. In particular, any regulatory investigation or inquiry, sanction, fine, litigation or actual or perceived misconduct or poor market practice in relation to customer related issues could damage BdC's brand and/or reputation. Any damage to BdC's brand and/or reputation could have a material adverse effect on its business, results of operations and/or prospects.

The proper functioning of BdC's IT and communications systems and related operational processes is critical to its success, and these may not operate as expected.

BdC's operational processes and its IT and related communication systems are critical to its success. These systems are fundamental to BdC's business, including in the areas of product pricing and sales, assessing acceptable levels of risk exposure, determining product approvals, setting required levels of provisions and capital, and providing and maintaining customer service and meeting regulatory requirements, for example through accurate record-keeping. These processes and systems may not operate as expected, may not fulfil their intended purpose or may be damaged or interrupted by technical failures, human error, unauthorised access, cybercrime, natural hazards or disasters, or similarly disruptive events. Any failure of BdC's operational processes or IT systems, or any failure or delay in integrating new platforms (including in relation to the transfer of data and customer information), or failure of third-party processes, infrastructure and services on which BdC relies, could lead to significant costs, including regulatory fines, and could have an adverse effect on BdC's ability to deliver appropriate customer outcomes during the affected period and, in turn, adversely affect BdC's brand and reputation.

Given the interconnectedness of the financial markets, BdC may also be subject to a failure of processes and systems across other financial institutions or financial market infrastructures. Any disruptions to BdC's, or any other institution's or financial market infrastructures', operational processes or IT systems could adversely affect the overall operational or financial performance of its business, as well as harm BdC's reputation and/or attract increased regulatory scrutiny and intervention (including sanctions), any of which could have a material adverse effect on its business, results of operations and/or prospects.

BdC may be subject to privacy or data protection failures, cybercrime and fraudulent activity in relation to personal customer data, which could result in investigations by regulators, liability to customers and/or reputational damage.

BdC is subject to regulation regarding the processing (including disclosure and use) of personal data. BdC processes significant volumes of personal data relating to customers (including name, address and bank details) as part of its business, some of which may also be classified under legislation as sensitive personal data. BdC therefore must comply with strict data protection and privacy laws and regulations, including banking secrecy regulations under the Banking Law and the CBE regulations. BdC seeks to ensure that procedures are in place to ensure compliance with the relevant data protection and banking secrecy regulations by its employees and any third-party service providers and also implements security measures to help prevent cybercrime. Notwithstanding such efforts, BdC is exposed to the risk that personal customer data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection, privacy and banking secrecy laws and regulations, including as a result of human error. BdC is also subject to the risk of the occurrence of these events at its partners and other third parties with which it collaborates. If BdC and/or the third parties with which it collaborates fails to store or transmit personal customer data in a secure manner, or if any loss of personal customer data were otherwise to occur, it could be subject to investigative or enforcement action by relevant regulatory authorities, and could face liability under data protection, banking secrecy and privacy laws and regulations and/or reputational damage or damage to its brands. BdC could also be targeted by other forms of fraudulent activity. Any of these events could also result in the loss of the goodwill of its customers and deter new customers, which could have a material adverse effect on BdC's business, results of operation and/or prospects.

BdC relies on Internet-based remote access channels for customers and employees, including mobile banking, online banking and remote workforce connectivity, a trend that is expected to accelerate as digitalisation initiatives continue.

Any prolonged or large-scale inability of customers or employees to access BdC's systems, whether due to cyber attacks, telecommunications failures, cloud or third-party service disruptions or internal systems outages, could materially impair transaction processing, customer service, liquidity management and regulatory compliance and could have a material adverse effect on BdC's business, results of operation and/or prospects.

The expansion of remote access also structurally increases BdC's exposure to cyber threats, including ransomware, distributed denial-of-service attacks, account takeover, insider misuse and data exfiltration. While BdC maintains information security technologies, policies and controls, no control environment can fully eliminate these risks and a successful attack or control failure could result in financial losses, regulatory sanctions, litigation and reputational damage. The risk of the occurrence of these types of events is heightened by the increasing prevalence of artificial intelligence ("**AI**"), which may make incidents of fraud more difficult to detect.

Any failure of BdC's risk management system to detect unidentified or unanticipated risks in the future, or to correct operational risks, or any failure of third parties adequately to perform outsourced activities could have a material adverse effect on BdC's business.

The scope of the operational risks associated with BdC's employees is broad and may include risks that BdC is unable to identify or mitigate in advance. Such risks include the risk of financial losses resulting from employees' lack of knowledge and appropriate training or violation of laws, rules and regulations or any other misconduct or fraudulent behaviour. Misconduct and fraud have occurred across the global financial services industry and could involve conduct such as, but not limited to, the improper use or disclosure of confidential information or the violation of laws and regulations concerning financial abuse and money laundering. The occurrence of any type of misconduct or fraud could result in penalties or sanctions being levied against BdC, in addition to the risk of serious reputational or commercial harm as a result.

Any violation of BdC's internal risk management procedures, monitoring systems for foreign exchange transactions and control procedures on bond limits could also result in BdC inadvertently entering into binding transactions that exceed authorised limits. Such events may result in unknown and unmanageable losses. BdC processes a number of transactions manually which may further increase the risk that human error, employee tampering or manipulation will result in significant losses that may be difficult to detect. There is also a risk that human error may result in data being lost, IT systems downtime being increased or security for BdC being compromised. The occurrence of fraud or misconduct by BdC's employees or other operational risks may have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC's operations and financial results are affected by fluctuations in currency exchange rates.

BdC is subject to transactional currency exchange risk. While the majority of BdC's product offerings and transactions are denominated in Egyptian Pounds, BdC does provide products in other currencies, primarily U.S. Dollars. These products include, for example, corporate loans, trade finance and foreign currency remittances. As at 30 June 2026, 26.3% of BdC's total financial assets and 29.3% of its total financial liabilities were denominated in foreign currencies, primarily U.S. Dollars. Accordingly, BdC is exposed to the effects of fluctuations in foreign currency exchange rates against the Egyptian Pound. The Egyptian Pound began to depreciate in 2023 and 2024 due to severe external shocks, structural vulnerabilities and decisions tied to IMF programmes. In early 2023, the CBE carried out multiple devaluations. In 2024, Egypt allowed its currency to float, causing another sharp depreciation. See *"—Risks Relating to Egypt and the MENA Region — Exchange Rate Risks".* On 7 April 2026, the buy rate reached a high of U.S.$1.00 = EGP 54.6480. On 15 October 2026, the market exchange rate (buy rate), as published by the CBE, was U.S.$1.00 = EGP 53.4614. There can be no assurance that the currency will not depreciate further and exhibit a higher degree of volatility.

BdC has taken certain steps to mitigate the risk of depreciation of the Egyptian Pound against the U.S. Dollar by, among other things, strict management of open currency positions relating to U.S. Dollar denominated loans and reliance on U.S. Dollar deposits as a source of funding for U.S. Dollar loans. Nonetheless, this does not entirely eliminate the foreign currency risk and there can be no assurance that BdC will continue those measures in the future.

BdC is also affected by the translation of foreign currencies into Egyptian Pounds, which is its reporting currency. In particular, changes in exchange rates affect the total amount of foreign-currency denominated loans, as expressed in Egyptian Pounds. The devaluations of the Egyptian Pound in 2023 and 2024 increased the amount of BdC's foreign currency loans in EGP terms, which required BdC to maintain higher regulatory capital with respect to these loans. Furthermore, exchange rate fluctuations could impact BdC's financial results due to the translation of foreign currency transactions into Egyptian Pounds.

Finally, changes in currency exchange rates may affect demand for certain of BdC's products and services. The reduction in purchasing power has had a negative effect on savings and customers' deposits.

Future changes in currency exchange rates and any re-emergence of volatility of the Egyptian Pound may adversely affect BdC's foreign currency positions, which could in turn have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC's success depends on its ability to attract, train, retain and motivate key personnel and on the experience of its senior management.

BdC depends in large part on its ability to attract, train, retain and motivate highly skilled employees and management. In particular, BdC depends on its senior management team.

Furthermore, there is a shortage in Egypt of well-educated employees with experience in areas such as risk management. Accordingly, competition within the Egyptian banking industry for skilled personnel is intense,

especially in regions outside Cairo where the number of potential qualified personnel is relatively limited. BdC has hired highly qualified individuals at the senior and middle management levels and has focused on talent development by recruiting qualified entry level employees and providing them with intensive management and credit training programmes. It has also implemented programmes to transform its employee culture and foster a more motivated and dynamic workforce, making BdC more attractive to qualified candidates. Nonetheless, it may be increasingly difficult for BdC to retain qualified personnel. In addition, BdC may lose talented employees to competitors, including employees in which BdC has invested heavily in terms of training. It may also be required to increase salaries in order to retain its talented employees, which could adversely affect its cost to income ratio. This may particularly be the case as macroeconomic conditions in Egypt improve and the Egyptian banking sector continues to develop and become more competitive. If a shortage of adequately qualified banking personnel persists, BdC's ability to offer its desired range of products and services may be adversely affected, which could in turn have a material adverse effect on its business, results of operations and/or prospects.

BdC's financial results may be negatively affected by changes to, or the application of, accounting standards.

BdC reports its results of operations and financial position in accordance with CBE Standards. The preparation of BdC's financial statements requires management to make estimates and assumptions and to exercise judgement in selecting and applying relevant accounting policies, each of which may directly impact the reported amounts of assets, liabilities, income and expenses. One area in particular that involves a higher degree of judgement, and where assumptions are significant to the financial statements, is the level of provisions for loan losses.

Changes to CBE Standards or interpretations thereof may cause its future reported results of operations and financial position to differ from current expectations, or historical results to differ from those previously reported due to the adoption of accounting standards on a retrospective basis. Such changes may also affect BdC's regulatory capital position and regulatory ratios by requiring the recognition of additional provisions for loss on certain assets. BdC monitors potential accounting changes and when these are finalised, it determines the potential impact and discloses significant future changes in its financial statements. Where the application of a recently introduced CBE standard requires a large element of judgement, the risk of incorrect judgements being made may be heightened due to an absence of a developed practice in its application.

BdC may be subject to litigation, administrative proceedings or other legal proceedings.

BdC has from time to time been subject to litigation in the past. In the future, BdC may be subject to litigation by its customers, employees or other persons through private actions, administrative proceedings, regulatory actions or other litigation. The outcome of litigation or similar proceedings or actions is often difficult to assess or quantify. Claimants in these types of actions may, in particular, seek recovery of large or indeterminate amounts or other remedies, or challenge actions taken or resolutions adopted by BdC's Board or management. The cost of defending future actions may be significant and may divert the attention of BdC's management. There may also be adverse publicity associated with litigation that could negatively affect BdC's reputation, regardless of whether the allegations are valid or whether BdC is ultimately found liable. Any of the foregoing could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC's insurance policies may not cover, or may not fully cover, certain types of losses.

BdC generally maintains insurance policies covering its assets, operations and employees in line with general business practices in Egypt and as per approved coverage wording specified by the FRA. BdC's insurance policies include, for example, property insurance and ATM and cash insurance policies, subject to applicable deductibles. There can be no assurance, however, that the level of insurance BdC maintains is appropriate for the risks to its business or adequate to cover all potential claims. Certain types of losses (such as losses associated with credit risk, market risk, reputational risk, non-operational risk and standard policy exclusions) are not covered by BdC's insurance policies and may be either completely or partially uninsurable or not insurable on commercially reasonable terms. If BdC were to suffer a completely or partially uninsured loss, this could have a material adverse effect on its business results of operations and/or prospects.

Changes in Egyptian tax legislation or the interpretation thereof could adversely affect BdC.

Changes in Egyptian tax legislation or the interpretation of such legislation could adversely affect BdC. The Banking Law introduced the banking development and support fund, whereby licensed banks are required to contribute each financial year an amount equal to 1% of the net annual distributable profits for the previous financial year. The Government also introduced certain amendments to the tax laws in 2023, which included changes in exemptions for certain types of income, changes to the pool of income which is subject to taxation and certain other changes. Additional amendments to value-added tax ("**VAT**") laws were introduced during the course of 2025, which increased VAT on certain goods and services. The Government has also implemented several tax strategies by amending the tax law during the course of the 2025 and 2026 fiscal years. These or future amendments to the tax law could result in changes to the pool of income which is subject to taxation and/or introduce other changes which

could have an adverse impact on Egyptian banks, including BdC. There can also be no assurance that the Egyptian tax authorities and/or the Egyptian courts will not change their interpretations of existing tax law in a manner that is adverse to BdC. Any changes in Egyptian tax legislation or in the interpretation of such legislation could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC's actual performance may differ materially from the targets included in this Offering Circular.

This Offering Circular includes certain management targets relating to BdC's capital adequacy ratio and dividend payout ratio. These targets constitute forward-looking information that is subject to considerable uncertainty. BdC does not define, and does not intend to define, "medium-term", and these targets should not be read as indicating that BdC is targeting such metrics for any particular fiscal year. These financial objectives are internal objectives against which BdC's management measures BdC's operational performance and they should not be regarded as forecasts or expected results or otherwise as a representation by BdC or any other person that BdC will achieve these targets in any time period. BdC's ability to achieve these targets is subject to certain assumptions, including that BdC will be successful in executing its strategy as described under *"Business—Strategy"* and that there will not be any material adverse change in underlying market and macroeconomic factors.

BdC's actual business, results of operations and financial condition, the development of its industry and the macroeconomic environment in which BdC operates and other factors relevant to the management targets, are subject to significant uncertainty and may differ materially from BdC's targets and be more negative than anticipated. As a result, BdC's ability to achieve these targets is subject to such uncertainties and contingencies, some of which are beyond BdC's control, BdC may not be able to achieve these targets, and BdC's actual financial condition and results of operations may be materially different from the targets that management has set for themselves and included in this Offering Circular. See *"Forward-Looking Statements"*.

Risks Relating to Regulation of BdC

BdC is subject to substantial and increasing regulation and supervision, which may strain its resources and may have a significant impact on its capital requirements and business.

BdC is required to comply with Banking Law No. 194 of 2020 (the "**Banking Law**") and regulations, which regulate, among other things:

- Minimum capital adequacy requirements;
- Maximum limits for the concentration of banks' investments abroad;
- Maximum limits for foreign debt and guarantees;
- Maximum limits for the lending value of the collateral/guarantees provided against finance and credit facilities, and the determination of maturities;
- Determination of liquidity and reserve ratios;
- Maximum limits of banks' investments in securities in real estate finance and consumer credit;
- Regulations for opening accounts and for conducting banking transactions;
- Standards for determining the value of various categories of assets;
- Rules for public disclosure by banks;
- Maximum limits for bonds issued or guaranteed by banks and the conditions for such issuance;
- Maximum limits for exposure to a single customer and its connected parties as well as to related parties (see *"Egyptian Banking Sector — Banking Supervision — Credit Exposure Limits"*); and
- Compliance with data protection, anti-money laundering and anti-competitive practices.

Under the Banking Law and CBE regulations, BdC is required to file periodic reports with the CBE and is subject to supervision by the CBE through on-site and off-site inspections, licensing, macroprudential surveillance, regulation, central credit registry and legal cases and the implementation of Basel regulations.

The regulation of the financial services industry has been subject to significant change in recent years as governments and regulators have made and continue to make proposals to reform regulatory frameworks to enhance

the resilience of financial institutions against future crises. For example, the CBE has introduced several of the requirements set forth in the reforms introduced by the BCBS. Basel III imposes stricter requirements on banks' capital by increasing capital adequacy requirements in comparison with Basel II, making the regulations governing what may be counted as capital more stringent and tightening the regulations for calculating risk-weighted assets. In 2012, Basel II was implemented and in April 2016, the CBE completed the implementation of Basel III and introduced a capital conservation buffer intended to ensure that banks build up capital buffers that can be drawn down during periods of stress as losses are incurred. The capital conservation buffer was initially set at 0.625% and was raised gradually every year to reach 2.5% by January 2019, where it currently stands. This raised the required CET 1 ratio to 7.0%, the Tier 1 ratio to 8.5% and the minimum capital adequacy ratio to 12.5%. In addition, from 1 January 2020, BdC has been subject to an additional buffer to the extent it is classified as a systemically important bank. The highest this buffer as applied to BdC has been in the past is 0.25%. At its December 2020 meeting, the CBE's board of directors agreed on the application of the standardised approach to measure operational risk in line with the final set of reforms on Basel III. As at 30 June 2026, BdC's CET 1 ratio, Tier 1 ratio and total capital ratio were 18.7%, 18.7% and 22.1%, respectively. A leverage requirement has also been introduced, pursuant to which banks must have Tier 1 capital in excess of 3% of the total of the bank's assets and off-balance sheet commitments. Unlike traditional capital requirements, the leverage requirement does not take into account risks associated with different types of assets. This limits the extent to which a bank's balance sheet may be funded from debt. As at 30 June 2026, BdC's leverage ratio was 10.4%.

In July 2016, the CBE introduced the liquidity risk regulation which included the LCR and NSFR, as described in more detail under *"—Constraints on BdC's access to funding, including a loss of confidence by depositors, may result in BdC being required to seek alternative funding sources"*. The NSFR took immediate effect upon the issuance of the relevant regulation by the CBE in 2016 and the LCR was phased in to require full compliance by 2019. Following the full phasing in of these requirements, banks in Egypt must maintain a minimum NSFR and LCR of 100%. As at 30 June 2026, BdC's LCR and NSFR were 841% and 172%, respectively. Additionally, in March 2016, the CBE introduced the ICAAP regulation, as described under *"Risks Relating to BdC's Business and Industry — BdC may have insufficient capital to meet increased minimum regulatory requirements"*.

Banks are also required to maintain 16% of their deposits denominated in Egyptian pounds (amended from 18% in February 2026) and 10% of their deposits denominated in foreign currencies with the CBE. Egyptian currency reserves are non-interest bearing, while foreign currency deposits bear interest. In accordance with the CBE's instructions, certificates of deposit with a maturity of three years or more and initiatives for loans and facilities granted to small companies and enterprises are excluded from the reserve requirement calculation.

The CBE has also introduced several measures that go beyond the requirements of Basel III. For instance, in March 2016 it introduced additional risk weights in relation to acquisition finance activities by banks. It has also introduced limits on concentration in banks' portfolios. The limit for one obligor is now 15% of the bank's capital base and the limit for related parties is 20% of the capital base. Total exposure to exceeding 10% of a bank's capital base should not exceed eight times its capital base. Higher risk weights are applied in the event that the 50 largest borrowers exceed 50% of a bank's loan portfolio, with 200% risk weights applying if the concentration of such borrowers falls within the range of 50% to 70% and 300% risk weights applying if the concentration exceeds 70%.

There can be no assurance that the implementation of new regulations, the way in which such standards are interpreted or changes to the current Banking Law and regulations will not adversely affect BdC's future ability to pay dividends or require it to issue additional securities that qualify as regulatory capital, to liquidate assets, to curtail its business activities or to take other actions, any of which may have adverse effects on BdC's business, results of operations and/or prospects. Furthermore, increased capital requirements may negatively affect the Bank's return on equity and other financial performance indicators. There can also be no assurance that the Basel Committee will not amend its standards in a manner that would be adverse to BdC were these standards to be implemented in full in Egypt.

Any legislative or regulatory changes could restrict BdC's business, affect the value of its assets, impose additional costs on BdC or otherwise adversely affect BdC, which could in turn have a material adverse effect on its business, results of operations and/or prospects.

Breaches of the terms of BdC's banking licences may inhibit or prevent BdC from conducting its banking operations.

All banking operations and certain ancillary financial services in Egypt require licences from or registration with the CBE. Although BdC is registered with the CBE and has obtained the relevant licences to conduct its business, there is no assurance that BdC will be able to maintain such licences or obtain new licences if necessary in the future. Licensed entities in Egypt are subject to the CBE's supervision and are required to comply with mandatory requirements including as to capital adequacy, reserves, liquidity, exposure limits, asset classification and provisioning. Non-compliance with mandatory requirements may lead to the revocation of licenses. A breach of the

terms of a CBE licence by BdC or the failure to obtain a CBE licence in the future could result in penalties which could include the temporary administration of BdC by the CBE and/or the imposition of fines by the CBE on BdC, as well as reputational damage, any of which may, in turn, affect BdC's ability to fulfil its payment obligations, and have a material adverse effect on BdC's business, results of operations and/or prospects.

Similarly, non-banking finance activities, such as financial leasing, factoring and mortgages, are licensed by the FRA under the Financial Leasing and Factoring Law No. 176 for 2018. Any breach of the terms of a FRA licence by BdC or the failure to obtain a FRA license in the future may adversely affect the financial position of BdC or give rise to penalties or fines and could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC is also subject to similar risks in relation to its subsidiaries, including Cairo Bank Uganda ("**CBU**") in Uganda, as well as Cairo Lending Company ("**CLC**"), Cairo Exchange Company ("**CEC**") and Taly, its digital payments company.

BdC is exposed to risks in relation to compliance with anti-money laundering, anti-terrorism financing and anti-corruption laws and regulations, and sanctions programmes.

Financial institutions such as BdC are subject to complex and detailed laws, rules and regulations designed to prevent money laundering and the financing of terrorist activities, including in particular the regulations imposed by the CBE's anti-money laundering unit, the Anti Money Laundering Law and the Egyptian Penal Code. BdC is also subject to various anticorruption laws and economic sanctions programmes, including local laws as well as those administered by the United Nations, the European Union and the United States, including the U.S. Treasury Department's Office of Foreign Assets Control.

Regulatory scrutiny of compliance with these laws, rules and regulations and programmes is intense. Compliance with such laws, rules and regulations require sophisticated systems, enhanced monitoring procedures and dedicated compliance personnel, involve significant costs, and pose significant technical challenges.

BdC has comprehensive policies and procedures designed to ensure compliance with applicable laws, rules and regulations in this area. Nonetheless, as part of its ordinary course operations, BdC may not be able to prevent all violations of applicable laws, rules and regulations and sanctions regimes, which could lead to financial penalties being imposed on BdC, limits being placed on BdC's activities, BdC's authorisations and licenses being revoked, damage to BdC's reputation and other consequences, any of which could have a material adverse effect on BdC's business. Further, litigation or investigations related to alleged instances of non-compliance with applicable laws and sanction regulations could be costly and divert management's time and attention, any of which could have a material adverse effect on BdC's business, results of operations and/or prospects.

BdC is reliant on the adequacy of its compliance, audit and reporting systems.

BdC's ability to comply with the Banking Law and CBE regulations, including with respect to international sanctions and anti-money laundering, is largely dependent on its maintenance of compliance, audit and reporting systems and procedures, and its ability to attract and retain personnel qualified to manage and monitor such systems and procedures. BdC has established policies and procedures in this regard, which are reviewed and updated regularly. BdC is subject to extensive oversight by regulatory authorities, including regular examination activity. In addition, BdC performs regular internal audits and is subject to external audits to monitor and test its compliance systems. In the case of actual or alleged non-compliance with regulations, BdC could be subject to investigations and judicial or administrative proceedings that may result in substantial penalties or civil lawsuits, including by customers for damages. Any of these could have a material adverse effect on BdC's business, results of operations and/or prospects.

Risks Relating to the Ordinary Shares

There is no established prior market for the Ordinary Shares.

The Ordinary Shares were listed on the EGX on 8 February 2017. Trading is restricted until admission to trading is approved by the FRA and the EGX. Currently, there is no public market for the Ordinary Shares, and there can be no assurance that an active trading market for the Ordinary Shares will develop or be sustained after the Combined Offering. The Offer Price has been determined based upon several factors, including the history of and prospects for BdC's business and the industry in which it competes, and an assessment of BdC's management, operations and financial results.

Future sales of Ordinary Shares could have an adverse effect on the market trading price of the Ordinary Shares.

The Selling Shareholder (which, after completion of the Combined Offering, will hold 70% of the Ordinary Shares, assuming 4,575,000,000 Offer Shares are sold and that no Offer Shares are returned to it in connection with

stabilisation activities) has agreed that, subject to certain exceptions, for a period of 365 days following the Closing Date, it will not, without the prior consent of the Joint Global Coordinators, directly or indirectly, offer, sell, contract to sell, pledge, otherwise dispose of, enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition of, or publicly announce the offer of, any Ordinary Shares or any securities of BdC or other instruments that are substantially similar to the Ordinary Shares, including, but not limited to, any securities convertible into, or exercisable or exchangeable for, the Ordinary Shares or the intention to effect any such transaction. Ordinary Shares representing 51% of BdC's share capital held by the Selling Shareholder will be subject to a statutory lock-up imposed by the EGX, which is expected to expire on the lapse of two years and the issuance of two annual financial statements following commencement of trading. The Ordinary Shares locked up in accordance with the EGX Listing Rules requirements may be transferred during the lock-up period under certain circumstances, subject to FRA approval and the fulfilment of certain other EGX Listing Rules requirements. See *"Plan of Distribution — Lock-up Provisions"*.

Despite these lock-up restrictions on the Selling Shareholder, sales of substantial numbers of Ordinary Shares on the EGX or any other public market on which the Ordinary Shares may be listed in the future, and whether such sales are made voluntarily or pursuant to the enforcement of any security over such Ordinary Shares, or even the perception that such sales could occur, could have an adverse effect on the market trading price of the Ordinary Shares.

The market price of the Ordinary Shares may fluctuate significantly.

As with all tradable securities, the market price of the Ordinary Shares may be volatile and subject to wider fluctuations as a result of a variety of factors, including but not limited to those referred to in the risk factors described in this Offering Circular as well as period to period variations in BdC's operating results or changes in sales or profit estimates by BdC, industry participants or financial analysts. The market prices of the Ordinary Shares could also be affected by developments unrelated to BdC's operating performance such as the operating and share price performance of other companies or groups that investors may consider comparable to BdC, speculation about BdC in the media or the investment community, strategic actions by competitors, such as acquisitions and restructurings, and changes in market conditions and regulatory requirements.

Economic and political conditions in Egypt and in other emerging market countries may from time to time affect the securities markets in Egypt. There can be no assurance that economic and political conditions in other emerging market countries will not have a material adverse effect on the capital markets in Egypt generally, or BdC's business, results of operations and financial condition or the price of the Ordinary Shares.

The Egyptian securities market is less liquid than major world equity securities markets.

The Egyptian equity securities market is less liquid than major world equity securities markets and, therefore, prices of Egyptian securities have tended to be more volatile than in such other securities markets. In addition, a small number of stocks represent a disproportionately large percentage of the aggregate market capitalization and trading volume of the EGX. The limited market capitalization and liquidity of the EGX may impair the ability of holders of Ordinary Shares to sell the Ordinary Shares or impair the price realised from such a sale.

Although the EGX has a book entry system for trading dematerialised shares, settlement procedures in Egypt remain less developed than those in more established securities markets. Accordingly, while the official settlement period for trades effected on the EGX is up to two business days, settlement delays and administrative problems may occur.

There can be no assurance that BdC will pay or declare dividends in the future.

Listed companies in Egypt are required to distribute dividends in accordance with the law, their constitutional documents, and subject to a shareholders' resolution at a duly convened General Meeting of Shareholders. Subject to mandatory legal requirements relating to legal reserves and employee profit sharing, publicly listed companies may, in their discretion, distribute dividends to their shareholders out of retained earnings or realised profits in the form of cash and/or bonus shares, or retain its realised profits. Accordingly, BdC's shareholders have the full right to decide on the distribution of profits unless the distribution will affect BdC's ability to pay its future liabilities. BdC's ability to pay dividends is contingent on achieving adequate profits and the timing and amount of any future dividend payments will depend on BdC's existing and future financial condition, results of operations, liquidity needs, any restrictions on payment of dividends in BdC's financing agreements and other matters that BdC may consider relevant from time to time, including, without limitation, minimum capital requirements, financial performance and equity market conditions. In addition, according to the Banking Law, the Governor of the CBE may, in certain circumstances, issue a decision disapproving the distribution of profits to the shareholders and to those entitled to a share in the profits, if it is concluded that there is a deficiency in provisions, a decrease in the capital adequacy ratio below the minimum required level, or any reservation provided in the auditor's report that has a significant impact on distributable profits. Even if BdC generates significant profits, it may not pay dividends if the Board of Directors believes (subject to approval by the General Meeting of Shareholders) that shareholder

value may be increased more effectively by using the profit for other purposes, for example through re investment or in acquisitions. See *"Dividend Policy"*.

There is an Egyptian withholding tax on dividends payable on the Ordinary Shares, and there is also a stamp duty levied on the disposition of Ordinary Shares.

Under Egyptian law, a withholding tax is imposed on dividends distributed to resident and non-resident shareholders of Egyptian companies at rate of 10% and this rate is reduced to 5% for dividends distributions of companies listed on the EGX. Capital gains derived from the disposal of securities listed on the EGX are exempt from Egyptian income tax and the transactions related to such securities are subject instead to the stamp duty regime. See *"Taxation — Egyptian Tax Considerations"*.

Shareholders in the United States may be unable to participate in future rights offerings.

If BdC were to grant rights to participate in future equity offerings to shareholders, U.S. holders of Ordinary Shares may not be entitled to exercise these rights unless the rights and related securities are registered under the Securities Act or an exemption from the registration requirements of the Securities Act is available. No assurance can be given that BdC will choose to register any such rights and related securities or that an exemption from the registration requirements of the Securities Act will be available to enable such U.S. holders of Ordinary Shares to exercise such rights or, if available, that BdC will utilise any such exemption. A description of pre-emptive rights relating to the Ordinary Shares is set forth under the heading *"Description of Share Capital and Applicable Egyptian Law"*.

The issue of additional Ordinary Shares may dilute all other shareholdings.

Future issuances of Ordinary Shares or other securities may dilute the holdings of shareholders and could materially and adversely affect the price of the Ordinary Shares. Subject to BdC obtaining shareholder approval in an Extraordinary General Meeting of Shareholders, BdC may issue additional equity or securities convertible into Ordinary Shares through directed offerings in connection with future acquisitions, any share incentive or share option plan or otherwise. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Ordinary Shares, as well as the earnings per Ordinary Share and the net asset value per Ordinary Share. In the event the capital increase is made at par value, then the existing shareholders shall have the right to trade their pre-emptive rights separately from the Ordinary Shares.

Fluctuations in the value of the Egyptian Pound could significantly affect the value of an investment in U.S. Dollar terms and any dividends BdC pays in relation to the Ordinary Shares, if converted into U.S. Dollars.

The quoted price of the Ordinary Shares will be in Egyptian Pounds. In addition, any dividends that BdC pays in relation to the Ordinary Shares will be paid in Egyptian Pounds. As a result, fluctuations in the value of the Egyptian Pound in relation to other currencies, including the U.S. Dollar, can affect the value of such Ordinary Shares and dividend payments on conversion into those other currencies for investors outside Egypt. See *"Dividend Policy"*.

If BdC were classified as a passive foreign investment company for U.S. federal income tax purposes, U.S. Holders could be subject to adverse U.S. federal income tax consequences.

A non-U.S. corporation will be a passive foreign investment company (a "**PFIC**") for any taxable year if either: (a) at least 75% of its gross income is "passive income" for purposes of the PFIC rules; or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents and gains from commodities and securities transactions and from the sale or exchange of property that gives rise to passive income; however, under proposed U.S. Treasury regulations and a notice from the U.S. Internal Revenue Service, special rules apply to income derived in the active conduct of a banking, financing or similar business. Based upon the anticipated market price of the Ordinary Shares in the Institutional Offering, and the composition of BdC's income, assets and operations, BdC does not anticipate becoming a PFIC for its current taxable year or in the foreseeable future. This is a factual determination, however, that must be made annually after the close of each taxable year. In addition, the application of the special rules to income derived in the active conduct of a banking, financing or similar business is not entirely clear, and the proposed U.S. Treasury regulations may not be finalised in their current form. Therefore, there can be no assurance that BdC will not be a PFIC for the current taxable year or for any future taxable year. If BdC were to be a PFIC for any taxable year during which a U.S. Holder held Ordinary Shares, certain adverse U.S. federal income tax consequences could apply to such U.S. Holder. See "*Taxation—U.S. Federal Income Taxation—Passive Foreign Investment Company Considerations"*.

THE COMBINED OFFERING

BdC	Banque du Caire S.A.E., a joint stock company incorporated under the laws of the Arab Republic of Egypt with limited liability under registration number 80058, having its registered office at Banque du Caire Building 6, Dr Mustafa Bou Zahra Street, Nasr City Area, Cairo, Egypt with a telephone number of +20 2-2264-7997.
The Selling Shareholder	Banque Misr S.A.E.
Shareholders	The Selling Shareholder, Misr Capital S.A.E. and Misr Abu Dhabi for Real Estate Investments S.A.E. See "*Principal and Selling Shareholders*".
The Combined Offering	The Combined Offering consists of the Institutional Offering and the Egyptian Retail Offering. This Offering Circular relates solely to the Institutional Offering in relation to international institutional investors. Egyptian institutional investors should refer to and will be purchasing Ordinary Shares solely in reliance on the Public Subscription Notice, and should not rely on this Offering Circular.
Offer Shares	The Combined Offering consists of an offering of 4,575,000,000 Ordinary Shares. The final number of Offer Shares sold in the Offering may be subject to change prior to allocation as decided by BdC in consultation with the Joint Global Coordinators.
The Institutional Offering	The Institutional Offering consists of an offering of 4,346,250,000 Ordinary Shares by the Selling Shareholder (subject to increase).
The Egyptian Retail Offering	The Egyptian Retail Offering consists of an offering of 228,750,000 Ordinary Shares in a domestic offering by the Selling Shareholder (subject to increase). Egyptian retail investors should refer to and will be purchasing Ordinary Shares solely in reliance on the Public Subscription Notice, and should not rely on this Offering Circular.
Indicative Price Range for the Institutional Offering	EGP 4.82 to EGP 5.30 per Ordinary Share (the "**Indicative Price Range**")
Offer Price	The Offer Price per Ordinary Share in the Institutional Offering is expected to be within the Indicative Price Range but may be above, below or within the Indicative Price Range.
Stabilisation	There will be no stabilisation activities undertaken in connection with the Institutional Offering. In connection with the Egyptian Retail Offering, the Stabilisation Manager, or any of its agents, may, in a single trading session following the Stabilisation Period, effect transactions in the Ordinary Shares on the EGX with a view to supporting or maintaining the market price of the Ordinary Shares at the Offer Price. The Stabilisation Manager will withhold from the payment of the proceeds of the Combined Offering an amount equal to the gross proceeds of the sale of all Eqyptian Retail Offer Shares at the Offer Price, which will be deposited in the Stabilisation Fund, for these purposes. For further detail, see *"Plan of Distribution — Stabilisation"*.
Right of Reallocation	Although it is expected that 4,346,250,000 Ordinary Shares will be sold pursuant to the Institutional Offering and 228,750,000 Ordinary Shares will be sold pursuant to the Egyptian Retail Offering (in each case subject to increase), Ordinary Shares may be reallocated from either the Institutional Offering to the Egyptian Retail Offering or from the Egyptian Retail Offering to the Institutional Offering depending on the level and nature of demand for the Offer Shares. The Right of Reallocation will be at the discretion of the Selling Shareholder (in consultation with the Joint Global Coordinators).
Cornerstone Investors	BdC and the Selling Shareholder have entered into the Cornerstone Investor Agreements with the Cornerstone Investors set forth under *"Plan of Distribution — Cornerstone Investors"*, pursuant to which each of the Cornerstone Investors, severally (and not jointly or jointly and severally), has committed to purchase Institutional Offer Shares in the Institutional Offering, and the Selling Shareholder has agreed to sell, and procure the transfer of, Institutional Offer Shares to the Cornerstone Investors at the Offer Price. The Cornerstone Investor Agreements are conditional upon certain conditions being satisfied, including the closing of the Institutional Offering and the final Offer Price, and each Cornerstone Investor Agreement may be terminated (save for certain underlying surviving provisions) by the relevant Cornerstone Investors if any of its conditions are not fulfilled (or waived by such Cornerstone Investor) by certain specified dates in

	November 2026 (or such other date as may be agreed among BdC, the Selling Shareholder and the Cornerstone Investors). For further detail, see *"Plan of Distribution — Cornerstone Investors"*.
Closing Date	The Institutional Offer Shares are expected to be delivered on or about 2 November 2026.
Use of Proceeds	All of the proceeds of the Combined Offering will be received by the Selling Shareholder. The Combined Offering will allow the Selling Shareholder to deploy the proceeds of the Offering in its banking activities and to support the Egyptian economy in line with the strategy of the Egyptian Government to privatise certain assets and attract foreign investment.
Lead Global Coordinator and Joint Bookrunner	CI Capital Investment Banking S.A.E. has been appointed as Lead Global Coordinator and Joint Bookrunner for the Combined Offering.
Joint Global Coordinator and Joint Bookrunner	EFG Hermes Promoting & Underwriting S.A.E. has been appointed as Joint Global Coordinator and Joint Bookrunner for the Combined Offering.
Contractual Lock-up	The Selling Shareholder has agreed that, subject to certain exceptions, for a period of 365 days following the Closing Date, it will not, without the prior consent of the Joint Global Coordinators, directly or indirectly, offer, sell, contract to sell, pledge, otherwise dispose of, enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition of, or publicly announce the offer of, any Ordinary Shares or any securities of BdC or other instruments that are substantially similar to the Ordinary Shares, including, but not limited to, any securities convertible into, or exercisable or exchangeable for, the Ordinary Shares or the intention to effect any such transaction.
Statutory Lock-up	Ordinary Shares representing 51% of BdC's share capital held by the Selling Shareholder will be subject to a statutory lock-up imposed by the EGX, which is expected to expire on the lapse of two years and the issuance of two annual financial statements following commencement of trading. The Ordinary Shares locked up in accordance with the EGX Listing Rules requirements may be transferred during the lock-up period under certain circumstances, subject to FRA approval and the fulfilment of certain other EGX Listing Rules requirements.
Voting	Holders of Ordinary Shares will be entitled to receive notice of and attend General Meetings of Shareholders of BdC. Each Ordinary Share carries one vote. See "*Description of Share Capital and Applicable Egyptian law—Voting Rights and Shareholders' Meeting*".
Dividends	Distribution of profits and payments of dividends by BdC may only be made in compliance with the relevant laws of Egypt and BdC's articles of association. BdC is targeting a dividend payout ratio to shareholders of 20% to 30% while maintaining a target capital adequacy ratio of 18% to 22%. Where such distributions are expressed as a percentage of profits for a given financial year, payment is expected to be made in the subsequent year, subject to the approval of the relevant corporate bodies and regulators. This dividend policy reflects management's current expectations regarding BdC's earnings outlook, capital position and growth plans. Actual distributions may vary depending on a range of factors, including but not limited to BdC's financial performance, results of operations, cash flows, capital position, regulatory requirements, market conditions and other internal or external considerations. See "*Dividend Policy*".
Taxation	Please refer to "*Taxation*" section for summary of certain United States and Egyptian tax consequences of purchasing and holding the Ordinary Shares. If prospective investors are in any doubt as to their tax position, they should consult their tax advisors.
Selling and Transfer Restrictions	The Ordinary Shares are freely transferable on the EGX. Transfers of Ordinary Shares are, however, at all times subject to selling and transfer restrictions under the relevant laws in certain jurisdictions applicable to the transferor or transferee, including the United States, the United Kingdom, the EEA and Egypt and contractual and statutory lock-up arrangements applicable to the Selling Shareholder and BdC. See "*Selling and Transfer Restrictions*".

Regulatory Approvals	BdC has received the required regulatory approvals for the Combined Offering, including from the CBE on 27 January 2026 and 31 March 2026 and from the State-Owned Enterprises Unit on 15 October 2026.
Listing and Trading	The Ordinary Shares were listed on the EGX on 8 February 2017. Trading is restricted until Admission is approved by the EGX, which is conditional on the satisfaction of certain conditions set out in the EGX Listing Rules, including, without limitation, the completion of the Combined Offering. In accordance with the regulations of the EGX Listing Rules, the Ordinary Shares will be quoted on the EGX in single units. It is expected that trading of the Ordinary Shares on the EGX will commence on or about 2 November 2026 under the symbol "BQDC".
Settlement Procedures	The Institutional Offer Shares are expected to be delivered on or about 2 November 2026. The Institutional Offering Shares will be delivered in accordance with the relevant transfer and settlement procedures prescribed by the Capital Market Law and Misr for Central Clearing, Depositary and Registry S.A.E. for the settlement of shares. See "*Plan of Distribution – Settlement and Transfer of Shares*".
Securities Codes	The ISIN for the Ordinary Shares is EGS600K1C019.
Risk Factors	Prospective investors should consider carefully certain risks relating to investing in the Offer Shares. See "*Risk Factors*".

USE OF PROCEEDS

Proceeds of the Combined Offering

All of the proceeds of the Combined Offering will be received by the Selling Shareholder.

The Combined Offering will allow the Selling Shareholder to deploy the proceeds of the Offering in its banking activities and to support the Egyptian economy in line with the strategy of the Egyptian Government to privatise certain assets and attract foreign investment.

DIVIDENDS

Dividend Policy

Distribution of profits and payments of dividends by BdC may only be made in compliance with the relevant laws of Egypt and BdC's articles of association. BdC is targeting a dividend payout ratio to shareholders of 20% to 30% while maintaining a target capital adequacy ratio of 18% to 22%. Where such distributions are expressed as a percentage of profits for a given financial year, payment is expected to be made in the subsequent year, subject to the approval of the relevant corporate bodies and regulators. This dividend policy reflects management's current expectations regarding BdC's earnings outlook, capital position and growth plans. Actual distributions may vary depending on a range of factors, including but not limited to BdC's financial performance, results of operations, cash flows, capital position, regulatory requirements, market conditions and other internal or external considerations.

There can be no assurance that any dividends will be paid in the future or as to the level of any such dividends. The declaration, amount and payment of dividends is determined by the simple majority vote of the shareholders (i.e., 50% plus one vote of attending and represented shareholders) at the General Meeting of Shareholders generally, but not necessarily, on the recommendation of the Board of Directors. So long as the Principal Shareholders retain a majority shareholding in BdC, the Shareholders (in particular, the Selling Shareholder, which shall retain 70% of the Ordinary Shares after completion of the Combined Offering, assuming 4,575,000,000 Offer Shares are sold and that no Offer Shares are returned to it in connection with stabilisation activities) will continue to have the power to determine any distribution of dividends at the General Meeting of Shareholders.

Payment of Dividends and Legal Reserve

BdC's articles of association provide that dividends are paid annually based on profits generated based on BdC's statutory annual financial statements prepared in accordance with CBE Standards. BdC's articles of association further permit the distribution of dividends based on periodic financial statements prepared by BdC and certified by its auditor to the General Meeting of Shareholders. BdC must convene the General Meeting of Shareholders no later than three months after the end of its fiscal year to review the statutory annual financial statements and determine dividends to be distributed. BdC's after-tax earnings for each fiscal year based on these financial statements ("**Annual Net Profit**") are distributed as follows:

- BdC is required to establish and maintain a legal reserve (the "**Legal Reserve**") to which an amount equal to 5% of Annual Net Profit must be allocated each fiscal year until the Legal Reserve reaches 50% of more of BdC's issued share capital. As of 30 June 2026, the balance of the Legal Reserve was EGP 3,154 million;

- 5% of the issued and paid share capital shall initially be distributed to shareholders pro rata to their holdings of Ordinary Shares as a first shareholder distribution;

- a minimum of 10% of Annual Net Profit must be distributed to employees, provided that this amount must not exceed the aggregate amount of the annual salaries of its employees in the relevant fiscal year (the "**Employee Distribution**");

- a maximum of 10% of the remaining Annual Net Profit shall be distributable to the Board of Directors (the "**Board of Directors Distribution**"); and

- the remaining Annual Net Profit shall be (i) distributed to shareholders as a second shareholder distribution, (ii) carried forward to the next year pursuant to a resolution of the Board of Directors or (iii) allocated as an extraordinary reserve to support the capital base of the bank.

Aggregate dividends to shareholders of EGP 10,000 million were distributed in the year ended 31 December 2025. BdC did not distribute dividends to its shareholder in the years ended 31 December 2024 and 2023. The Employee Distribution for the years ended 31 December 2025, 2024 and 2023 was EGP 3,065 million, EGP 2,474 million and EGP 1,261 million and the Board of Directors Distribution was EGP 66 million, EGP 46 million and EGP 37 million, respectively.

The Employee Distribution represented 19% of Annual Net Profit for the 2025 financial year. For the financial years 2026 through 2028, the Employee Distribution is currently projected, for planning purposes, to range between approximately 14% and 16% of Annual Net Profit. Based on current internal planning assumptions, management anticipates that the Employee Distribution may gradually decline and normalise to approximately 10% of Annual Net Profit by 2029. This statement reflects a forward-looking expectation for indicative planning purposes only and does not constitute a commitment, guarantee or binding obligation.

Dividends declared by resolution of the General Meeting of Shareholders must be distributed within one month from the date of the resolution. Dividends are payable to shareholders of record whose names are recorded in the Misr for Central Clearing Depository and Registry ("**MCDR**") records. Dividends not claimed within fifteen years of the date of payment become barred by the statute of limitations and are remitted to the State Treasury.

CAPITALISATION

The following table sets forth BdC's capitalisation as at 30 June 2026. This information has been derived from, and should be read in conjunction with, "Selected Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements included elsewhere in this Offering Circular.

	As at 30 June 2026 (EGP billions)
Indebtedness	
Other loans	21.7
Total indebtedness	**21.7**
Equity	
Issued and paid up capital	30.5
Reserves	7.5
Net profit for the period and retained earnings	28.8
Net equity	**66.8**
Total capitalisation	**88.5**

There has been no material change in BdC's capitalisation since 30 June 2026.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The tables below set out selected consolidated financial information as at and for the years ended 31 December 2025, 2024 and 2023 and as at 30 June 2026 and for the six month periods ended 30 June 2026 and 2025. Unless otherwise indicated, this information has been extracted from the Financial Statements. The selected consolidated financial information should be read together with "Presentation of Financial and Other Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements included elsewhere in this Offering Circular.

Consolidated Income Statement Information

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(EGP billions)		
Interest and similar income	44.7	43.0	84.3	72.1	51.4
Interest and similar expense	(25.9)	(26.1)	(49.4)	(43.4)	(33.2)
Net interest income	**18.8**	**17.0**	**35.0**	**28.7**	**18.2**
Fee and commission income	3.9	3.3	7.2	6.4	4.3
Fee and commission expense	(0.5)	(0.3)	(0.7)	(0.6)	(0.4)
Net fee and commission income	**3.4**	**3.0**	**6.5**	**5.9**	**4.0**
Net interest, fee and commission income	**22.2**	**20.0**	**41.4**	**34.6**	**22.2**
Dividend income	0.1	0.6	0.6	0.5	0.2
Net trading income	0.1	0.1	0.1	0.1	–
Gains from financial investments	0.5	0.1	0.2	0.2	0.2
(Charged)/reversed of expected credit loss	(1.0)	(3.1)	(5.6)	(3.7)	(2.2)
Administrative expenses	(8.2)	(7.0)	(14.6)	(11.7)	(8.6)
Other operating revenues/(expenses)	(0.6)	0.2	0.9	(2.2)	(1.0)
Share of results of associates	(0.1)	(0.1)	0.2	0.1	0.1
Profit before income tax for the period	**13.0**	**10.7**	**23.3**	**17.9**	**10.9**
Income tax expense	(4.0)	(3.4)	(7.2)	(5.6)	(4.3)
Net profit after tax for the period	**8.9**	**7.3**	**16.1**	**12.3**	**6.6**

Consolidated Statement of Financial Position Information

	As at 30 June	As at 31 December		
	2026	**2025**	**2024**	**2023**
		(EGP billions)		
Assets				
Cash and balances at Central Bank	41.3	35.2	29.1	37.8
Due from banks	48.3	93.4	141.7	67.7
Loans and advances to banks	27.2	18.7	16.4	5.9
Loans and advances to customers	235.0	222.0	196.2	161.9
Financial investments				
At fair value through other comprehensive income	138.7	104.7	66.5	73.9
At amortised cost	39.3	39.8	18.6	41.5
At fair value through profit and loss	0.1	–	–	–
Investments in associates	1.2	1.6	0.9	0.7
Intangible assets	0.7	0.6	0.4	0.4
Investment property	–	–	–	–
Other assets	19.4	15.0	12.3	9.9
Deferred tax assets	1.2	0.8	1.1	0.7
Leasing fixed assets (net)	4.8	4.6	3.4	3.5
Property and equipment	4.0	3.8	2.7	1.9
Total assets	**561.2**	**540.4**	**489.4**	**405.7**
Liabilities and Equity				
Liabilities				
Due to banks	3.0	2.5	8.0	6.7
Customers' deposits	443.9	404.5	354.7	303.7
Other loans	21.7	46.3	59.7	41.7
Other liabilities	18.1	15.2	14.3	15.6
Other provisions	3.1	2.4	2.1	1.8
Current income tax liabilities	1.8	4.2	2.7	1.3
Deferred tax liabilities	0.5	0.5	0.3	0.1
Retirement benefit liabilities	2.3	2.1	1.8	1.6
Total liabilities	**494.4**	**477.8**	**443.7**	**372.6**

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
Equity				
Issued and paid up capital	30.5	20.5	19.0	10.0
Amounts paid under capital increase	–	10.0	1.5	10.5
Reserves	7.5	9.2	6.6	3.9
Difference between the present value and face value for subordinated deposit	–	–	1.2	1.6
Net profit for the period and retained earnings	28.8	22.9	17.4	7.1
Net equity	66.8	62.6	45.7	33.1
Non-controlling interest	–	–	–	–
Total equity	**66.8**	**62.6**	**45.7**	**33.1**
Total liabilities and equity	**561.2**	**540.4**	**489.4**	**405.7**

Other Financial Information

	As at and for the year ended 31 December		
	2025	2024	2023
Net interest margin[(1)]	7.3%	7.0%	5.5%
Net banking income [(2)] *(EGP billions)*	42.5	35.5	22.7
Cost to income ratio[(3)]	34.2%	32.9%	38.0%
Loan to deposit ratio[(4)]	63.8%	64.4%	59.1%
Non-performing loan ratio[(5)]	3.7%	4.6%	5.0%
Coverage ratio[(6)]	182.9%	150.6%	132.1%
Coverage ratio (adjusted for collateral)[(7)]	216.9%	175.7%	151.4%
Cost of risk[(8)]	2.3%	1.8%	1.3%
Return on average equity[(9)]	29.7%	31.2%	23.7%
Tier 1 ratio	18.4%	13.2%	13.5%
Capital adequacy ratio	22.1%	17.1%	17.3%
CET1 ratio	18.4%	12.9%	12.7%

Notes:

(1) Calculated as net interest income divided by average interest-earning assets (based on a simple average).
(2) Calculated as the sum of net interest income, net fee and commission income, dividend income and gains from financial investments.
(3) Calculated as administrative expenses divided by net banking income.
(4) Calculated as the sum of gross loans and advances to banks and gross loans and advances to customers divided by customers' deposits.
(5) Calculated as non-performing loans divided by gross loans (in each case including loans and advances to banks). Non-performing loans are defined as Stage 3 loans.
(6) Calculated as (charged)/reversed of expected credit loss divided by non-performing loans.
(7) Calculated (charged)/reversed of expected credit loss divided by non-performing loans less the value of high quality collateral (i.e. cash and guarantees provided by the CBE-backed Credit Guarantee Company) securing the relevant loans. Coverage ratio (adjusted for collateral) is presented on a standalone basis. By way of comparison, the coverage ratio was 185%, 152.5% and 133% on a standalone basis as at 31 December 2025, 2024 and 2023, respectively.
(8) Calculated as (charged)/reversed of expected credit loss for the period divided by average gross loans and advances to customers and loans and advances to banks.
(9) Calculated as net profit after tax for the year divided by average equity (calculated as total equity for the previous year plus total equity for the current year, divided by two).

	As at and for the six months ended 30 June	
	2026	2025
Net interest margin[(1)]	7.4%	7.2%
Net banking income[(2)] *(EGP billions)*	22.8	20.6
Cost to income ratio[(3)]	35.9%	34.0%
Loan to deposit ratio[(4)]	63.1%	64.0%
Non-performing loan ratio[(5)]	3.7%	4.7%
Coverage ratio[(6)]	174.4%	154.1%
Coverage ratio (adjusted for collateral)[(7)]	215.7%	178.0%
Cost of risk[(8)]	0.8%	2.6%
Return on average equity[(9)]	27.6%	30.5%
Tier 1 ratio	18.7%	13.8%
Capital adequacy ratio	22.1%	17.4%

	As at and for the six months ended 30 June	
	2026	**2025**
CET1 ratio.....	18.7%	13.5%

Notes:

(1) Calculated as annualised net interest income divided by average interest-earning assets (based on a simple average).

(2) Calculated as the sum of net interest income, net fee and commission income, dividend income, gains from financial investments, trading income and share of results from associates, annualised for interim periods.

(3) Calculated as administrative expenses divided by net banking income.

(4) Calculated as the sum of gross loans and advances to banks and gross loans and advances to customers divided by customers' deposits.

(5) Calculated as non-performing loans divided by gross loans (in each case including loans and advances to banks). Non-performing loans are defined as Stage 3 loans.

(6) Calculated as (charged)/reversed of provisions divided by non-performing loans.

(7) Calculated (charged)/reversed of provisions divided by non-performing loans less the value of high quality collateral (i.e. cash and guarantees provided by the CBE-backed Credit Guarantee Company) securing the relevant loans. Coverage ratio (adjusted for collateral) is presented on a standalone basis. By way of comparison, the coverage ratio was 176.4% and 155.9% on a standalone basis as at 30 June 2026 and 2025, respectively.

(8) Calculated as annualised (charged)/reversed of expected credit loss for the period divided by average gross loans and advances to customers and loans and advances to banks.

(9) Calculated as annualised net profit after tax for the period divided by average equity (calculated as total equity at the beginning of the period plus total equity at the end of the period, divided by two).

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN IFRS AND CBE STANDARDS

Overview

The Financial Statements presented in this Offering Circular have been prepared in conformity with CBE Standards. These standards differ in significant respects from IFRS. BdC has not prepared a reconciliation from the standards applicable to it to IFRS of the Financial Statements and the related explanatory notes included in this Offering Circular and has made no attempt to identify all differences between such standards and IFRS. There can be no assurance that such a reconciliation would not identify material quantitative and qualitative differences between the Financial Statements as prepared in accordance with the standards applicable to BdC and such financial statements as prepared on the basis of IFRS. Therefore, this summary is not intended to provide a comprehensive list of all existing differences between such standards and IFRS as they pertain to BdC. Other significant differences besides those described below could emerge from a further in depth review of potential significant differences based on the relevant facts and circumstances. In addition, the International Accounting Standards Board has ongoing projects that may significantly change the scope and the impact of potential differences between the standards applicable to BdC and IFRS.

Presentation of financial statements

While IFRS permits a single statement of profit or loss and other comprehensive income, CBE Standards do not permit this option. Rather, separate statements for profit or loss and other comprehensive income are required.

In addition, IFRS allows equity method accounting to be applied in separate financial statements under IAS 27, whereas CBE Standards do not permit this.

Profit sharing with employees and the Board of Directors

BdC is required to make distributions to employees and to members of its Board of Directors, as described under *"Dividends"*. Under IFRS, profit sharing with employees and members of the board of directors of a company is recognised when incurred in the income statement (using the accrual basis of accounting). Under CBE Standards, profit sharing with employees and members of the Board of Directors is recognised as a dividend distribution through equity and as a liability when approved by the relevant company's general meeting of shareholders.

IAS 21

Under IAS 21 *'The Effects of Changes in Foreign Exchange Rates'*, in preparing financial statements, each entity determines its functional currency in accordance with the standard. The entity translates foreign currency items into its functional currency and reports the effects of such translation. Many reporting entities comprise a number of individual entities. Under IAS 21, it is necessary for the results and financial position of each individual entity included in the reporting entity to be translated into the currency in which the reporting entity presents its financial statements. IAS 21 permits the presentation currency of a reporting entity to be any currency (or currencies). The results and financial position of any individual entity within the reporting entity whose functional currency differs from the presentation currency are translated in accordance with the standard. IAS 21 also permits a stand-alone entity preparing financial statements or an entity preparing separate financial statements in accordance with IAS 27 Separate Financial Statements to present its financial statements in any currency (or currencies). If the entity's presentation currency differs from its functional currency, its results and financial position are also translated into the presentation currency in accordance with the standard.

Under IAS 21, foreign currency transactions are initially recognised at the spot exchange rate on the transaction date. At the end of each reporting period, monetary items are translated using the closing rate, while non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Recent amendments to IAS 21 issued in August 2023 address the issue of lack of exchangeability. These amendments clarify how to assess whether a currency is exchangeable and how to determine a spot exchange rate when exchangeability is lacking. They also require disclosures to help users understand the impact of a lack of exchangeability.

IAS 21 as applied in Egypt differs from IAS as applied internationally. This mainly relates to the fact that Egypt has experienced significant currency devaluations. CBE Standards include Egypt-specific foreign currency translation rules, which means that Egyptian entities such as BdC may not record devaluation-related foreign exchange losses in the same period or in the same manner as IAS 21 would require.

IFRS 9

Since 1 January 2019, BdC has applied IFRS 9 in accordance with the instructions issued by the CBE on 28 January 2018 and 26 February 2019. Essentially, the implementation of IFRS 9 required BdC to move from an incurred loss

model to an expected loss model, requiring it to recognise not only credit losses that have already occurred but also losses that are expected to occur in the future. Prior to 1 January 2019, recognition of provisions for loan losses was delayed until objective evidence of a credit loss had been identified. By contrast, the provisions set aside for financial instruments under IFRS 9 are based on the lifetime probability of default. Therefore, the probability of a financial instrument becoming a non-performing loan is taken into account in the provision calculation under IFRS 9, effectively resulting in the implementation of upfront provisioning for banks under IFRS 9.

While CBE Standards apply the core principles of IFRS 9, there are certain differences between IFRS 9 as applied by the CBE and international IFRS 9. For instance, the CBE imposes unique treatment in certain areas such as foreign exchange related rules due to the impact of currency devaluations in Egypt. In addition, IFRS 9 is frequently amended and CBE Standards may lag behind some IFRS 9 amendments that are issued internationally. The reporting format under IFRS 9 as applied by the CBE also differs from that of international IFRS 9.

Retirement benefits

In accordance with CBE Standards, BdC prepares an annual analysis of its retirement benefits liability and any additional liability is amortised as an expense in the income statement. By contrast, such incremental liability would be recorded in other comprehensive income under IFRS.

IFRS 16

Under CBE instructions issued in 2008, leases are treated as operating leases, with rent expense only, and no right-of-use recognition as was the case in accordance with previous laws (Laws No. 49 of 1977 and No. 136 of 1981). By contrast, IFRS applies the right-of-use recognition model.

IAS 16

IAS 16 allows entities to choose between the historical cost model and the revaluation (fair value) model, enabling financial statements to reflect current asset values. By contrast, CBE Standards require exclusive use of the historical cost model, prohibiting revaluation of property, plant and equipment.

IFRS 15

Under CBE standards, revenue is recognised in accordance with the terms of the contract between the entity and the customer. Under IFRS 15, by contrast, revenue is recognised based on control, that is, it is recognised in accordance with the transfer of risk from the seller to the buyer.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the Financial Statements appearing elsewhere in this Offering Circular. Unless otherwise indicated, the financial information set out below and referred to in this section has been extracted without material adjustment from the Financial Statements.

The following discussion and analysis contains forward-looking statements that reflect BdC's plans, estimates and beliefs. BdC's actual results may differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Offering Circular, including under "Risk Factors" and "Forward-Looking Statements".

Overview

BdC is one of the oldest and largest Egyptian banks, with over 70 years of history. BdC provides a comprehensive range of banking and ancillary financial products and services to retail, microfinance, SME, corporate and NBFI customers. BdC had the fourth largest balance sheet in Egypt (excluding Banque Misr and National Bank of Egypt ("**NBE**")) based on total assets, based on individual banks' disclosures as at 30 June 2026.

BdC has a wide-reaching geographical presence, with a network of 233 Branches and 2,205 ATMs across all 27 governorates in Egypt as at 30 June 2026. BdC intends to open nine new Branches in locations for which agreements have already been entered into during late 2026 and 2027, which would bring the total number of Branches to 242. BdC believes this would make it the largest banking network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt). The majority of BdC's Branches are located outside of Cairo, providing BdC with a competitive advantage in reaching an otherwise largely untapped banking population.

BdC has approximately 3.2 million customers, with whom it maintains strong and longstanding relationships. BdC Branch personnel have a strong awareness of cultural expectations in remote locations across Egypt and have developed strong ties with local customers.

BdC operates under a customer-centric business model, offering a wide range of banking products and services across the following customer segments:

- **Retail**. BdC was the leading provider of retail loans and had the fourth largest retail deposit base of any bank in Egypt (excluding Banque Misr and NBE) as at 30 June 2026. BdC also had the largest retail customer base (excluding Banque Misr, NBE and Agricultural Bank of Egypt), and the largest branch network nationwide (excluding Banque Misr, NBE and Agricultural Bank of Egypt), as well as a digital banking proposition with over 1 million mobile banking customers. BdC is growing its current accounts and savings accounts rapidly, driving a decrease in its cost of funding, and is focusing on higher yielding fixed-rate loan products. As at 30 June 2026, BdC had EGP 98.1 billion of retail loans (excluding microfinance) on its balance sheet, comprising 35.0% of total gross loans. BdC offers salary transfer loans (which are personal loans (excluding auto loans and credit cards), of which approximately 88.9% relate to the public sector and 11.1% relate to the private sector), personal loans, mortgages, auto loans, credit cards and secured and overdraft loans. While BdC has historically had a large concentration of public sector salary transfer loans, reflecting its legacy as a state-owned bank, it has been focusing on other types of retail loans, resulting in the share of public sector salary transfer loans in the gross retail loan portfolio decreasing to 30.6% as at 30 June 2026, compared to 52.6% as at 31 December 2021. In addition to retail loans and deposits, BdC offers other products such as bancassurance products and debit and pre-paid cards.

- **Microfinance**. BdC maintains one of the largest and most inclusive microfinance portfolios in the Egyptian market, serving a wide range of microfinance customers. As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans on its balance sheet, comprising 3.1% of total gross loans[25]. Since 2001, BdC has offered a range of specially designed short- to medium-term microfinance loans to individuals with micro businesses, including small traders, retailers and manufacturers. Microfinance customers are defined as customers with annual sales turnover of less than EGP 1 million. According to I-Score, BdC had a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026.

- **SME**. BdC has a strong SME franchise, with a growing SME deposit base, offering customised financing solutions and support for entrepreneurs. As at 30 June 2026, BdC had EGP 20.9 billion of loans to SME customers on its balance sheet, comprising 7.5% of total gross loans[26]. SME customers are defined as customers with annual sales turnover of over EGP 1 million but less than EGP 200 million (small-sized

[25] This financial data is based on management information and is not derived from the Financial Statements.
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enterprises comprising customers with annual sales turnover of between EGP 1 million and EGP 50 million, and medium-sized enterprise customers are customers with annual sales turnover of between EGP 50 million and EGP 200 million). BdC provides SME customers with a range of financing solutions, including credit facilities as overdrafts and short- and medium-term loans, supporting working capital requirements and capital expenditure. BdC also offers specialised lending tailored to specific segments and sectors, as well as trade finance, cash management and treasury products. As at 30 June 2026, approximately 69% of the SME financing portfolio was attributable to CBE programmes intended to increase lending to SMEs[27].

- **Corporate**. BdC is a trusted partner to Egypt's leading corporates and institutions, offering comprehensive corporate banking solutions, including direct facilities (comprising working capital short-term loans, medium-term loans, project financing, structured financing and syndicated loans), payables and receivables products and services, trade finance, securities services, treasury optimisation and electronic solutions. BdC had the fourth largest corporate loan book in Egypt (excluding Banque Misr and NBE) based on gross corporate loans, based on individual banks' disclosures as at 30 June 2026. As at 30 June 2026, BdC had EGP 115.0 billion of corporate loans on its balance sheet, comprising 41.0% of total gross loans[28]. Corporate customers are defined as customers with annual sales turnover of greater than EGP 200 million.

- **Financial Institutions**. BdC has a dedicated Financial Institutions Division, which manages BdC's relationships with local and international banks through a correspondent banking network of more than 500 banks, as well as its relationships with developmental and multilateral international financial institutions ("**IFIs**") and all major NBFIs in the local market, including leasing, factoring, consumer finance, microfinance, mortgage, brokerage, auto finance, e-payments and insurance companies and investment funds, on both the assets and liabilities side. The division is also mandated to increase BdC's market share of Egyptian expatriate remittances received from over 90 money transfer companies globally. As at 30 June 2026, BdC had EGP 10.3 billion of NBFI loans on its balance sheet, comprising 3.7% of total gross loans[29] and EGP 27.2 billion of loans and advances to banks on its balance sheet.

BdC has successfully executed a multi-year transformation plan focused on strengthening its balance sheet, optimising its funding structure and accelerating digital adoption. This has positioned BdC for sustained profitability and leadership within Egypt's banking sector. This transformation has been built around the following pillars:

- **Higher value customer base**: a shift to a more profitable customer mix;

- **Growing cheaper deposits**: a shift in funding towards lower cost current accounts and savings accounts;

- **Strong risk culture**: building a superior track record of solid credit performance (excluding the legacy loan book (i.e. loans granted prior to 2020));

- **More profitable assets**: the introduction of new, higher yielding products and the optimisation of liquidity to enhance yields;

- **Customer-centric business**: BdC has expanded its product suite and ways for its customers to bank, evolving its customer-centric solutions and enhancing the customer experience; and

- **Modernisation of the bank**: completion of a cultural refresh and rebrand, a revamping of Branches and digital channels, the introduction of data analytics across the organisation and employee training.

The transformation, launched in 2018, has resulted in customers' deposits growing at a CAGR of 16.1% from EGP 122.6 billion as at 31 December 2017 to EGP 404.5 billion as at 31 December 2025 (and further to EGP 443.9 billion as at 30 June 2026), with the proportion of current accounts and savings accounts in the deposit base shifting from 35.2% to 51.4% (and to 53.4% as at 30 June 2026). The loan to deposit ratio increased from 36.6% as at 31 December 2017 to 63.8% as at 31 December 2025 (30 June 2026: 63.1%) as BdC deployed more of its funding into the loan book. BdC increased its net interest margin from 3.6% in 2017 to 7.3% in 2025 (30 June 2026: 7.4%), driven by a lower cost of funds. BdC was also able to increase its net fee and commission income at a CAGR of 28.1% from EGP 0.9 billion in 2017 to EGP 6.5 billion in 2025 (and EGP 3.4 billion in the first six months of 2026). Cost reduction initiatives, together with robust growth in net interest income and fee and commission income, led to a decrease in the cost to income ratio from 48.7% in 2017 to 34.2% in 2025 (30 June 2026: 35.9%). In terms of credit quality, the non-performing loan ratio (including loans and advances to banks) decreased from 5.0% as at 31

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[29] This financial data is based on management information and is not derived from the Financial Statements.

December 2017 to 3.7% as at 31 December 2025 and 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) was 2.5% as at 30 June 2026[30].

BdC also has several subsidiaries, including CLC, which provides tailored financial leasing, factoring and mortgage financing products and services to meet corporate capital expenditure needs for a wide variety of assets, CBU which is a bank focused on lending to SMEs and retail customers in Uganda, CEC, which provides foreign exchange services across Egypt, and Taly, a digital payments company. BdC also owns a 9.9% stake in IBAG, one of the leading money transfer and remittances payout networks in Egypt. BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money market instruments), which are externally managed. These include an Islamic fund, a money market fund, an equity fund and a fixed income fund.

Key Factors Affecting Results of Operations

BdC believes that the following key factors have affected its results of operations in recent periods, and it expects these factors to continue to affect its results of operations going forward:

Macroeconomic conditions in Egypt

Substantially all of BdC's net interest income is derived from Egypt. Consequently, BdC's results of operations are affected to a significant degree by macroeconomic conditions in Egypt.

GDP growth in Egypt weakened to 3.8% in 2022/2023 and 2.4% in 2023/2024 from 6.7% in 2021/2022 amid macroeconomic strains and external shocks, including the wars in Ukraine and Gaza, foreign exchange shortages and import restrictions, as well as disruptions to shipping in the Red Sea, which reduced Suez Canal revenues. GDP growth was 4.4% in 2024/2025 (based on statements made by the Minister of Planning and Economic Development). The March 2024 foreign exchange regime reset, structural reforms undertaken by the Government (See *"—Government Initiatives and Policies"* below) and continued multilateral backing (including support from the IMF) have contributed to the return of stronger growth in the past year.

The following table sets forth Egyptian macroeconomic indicators for the periods indicated:

	2024/2025	2023/2024	2022/2023	2021/2022
Real GDP growth	4.4%	2.4%	3.8%	6.7%
Inflation (headline consumer price index inflation, June of the relevant year)	14.9%	27.5%	35.7%	13.2%
Fiscal deficit - central Government balance (% of GDP)	7.1%	3.6%	6.0%	6.1%
Current account deficit (% of GDP)	4.2%	5.3%	1.2%	3.5%
Total international reserves held by the Government (U.S.$ billions)	48.7	46.4	34.8	33.4
Unemployment rate (%)	6.6%	7.0%	7.2%	7.4%

Source: CAPMAS, IMF, CBE.

The stabilisation of the macroeconomic environment in Egypt as it recovers from external shocks such as the wars in Ukraine and Gaza, foreign exchange shortages, import restrictions and disruptions to shipping in the Red Sea has contributed to increased demand for financing and hence growth in Egyptian banks' loan portfolios. During the period from 2010 to the first quarter of 2026, net customer loans across the Egyptian banking sector grew at a CAGR of 23.5%. Deposits grew at a CAGR of 20.8% over the same period, based on data from the CBE. The stabilisation of the macroeconomic environment has also contributed to improved capitalisation and asset quality across the Egyptian banking sector. The capital adequacy ratio across the sector increased from 14.1% as at 31 December 2016 to 18.5% as at 31 March 2026. The non-performing loan ratio decreased from 5.8% to 1.9% over the same period.

Declining interest rates may also serve as a catalyst for further loan growth (although they may also adversely affect NIM across the sector). Interest rates are expected to decline during the next several years as inflation abates and foreign exchange availability improves. Following a period of high inflation since the liberalisation of the Egyptian Pound in November 2016, inflation had been on a declining trend due to the actions of the CBE. Recently, however, inflation spiked due in part to foreign exchange shortages and import bottlenecks, reaching 35.7% in June 2023 and 27.5% in June 2024. During 2025, inflation declined significantly, reaching 12.3% in December 2025, as food prices fell, supply pressures eased, monetary conditions improved and global commodity markets stabilised. During the first half of 2026, however, the pace of disinflation moderated and headline inflation increased slightly, amounting to 14.9% in July 2026. More recently, escalating geopolitical tensions in the Middle East, including conflict

[30] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.6%, 3.6%, 4.6% and 4.9% as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

involving Iran, Israel and the United States, together with their impact on energy prices, shipping routes and supply chains, have given rise to renewed concerns surrounding inflation. The IMF is forecasting inflation of 14.8%, 9.6%, 7.1%, 5.5% and 5.3% in 2026, 2027, 2028, 2029 and 2030, respectively, as of the IMF World Economic Outlook (April 2026). Due to these improvements, the IMF is forecasting an easing of monetary conditions, although the stabilisation of inflation may be derailed by recent events in the Gulf region.

Finally, foreign exchange rate fluctuations can affect the Egyptian banking sector. The U.S. Dollar to Egyptian Pound exchange rate began to depreciate in 2023 and 2024 due to severe external shocks, structural vulnerabilities and decisions tied to IMF programmes. Egypt faced a crippling shortage of U.S. dollars and other hard currencies driven by weak inflows from tourism, which struggled to fully recover from the COVID-19 pandemic, and energy. The conflict in Ukraine also sharply increased global prices for wheat and commodities, raising Egypt's already large import bill. In addition, the IMF required Egypt to move to a more flexible exchange rate in connection with the EFF approved in 2022. In early 2023, the CBE carried out multiple devaluations. In 2024, Egypt allowed its currency to float, causing another sharp depreciation. The conflict in Gaza, instability in the Red Sea and the conflict involving Iran, Israel and the United States also adversely affected Egypt's foreign currency revenues from the Suez Canal, with the buy rate reaching a high of U.S.$1.00 = EGP 54.6480 on 7 April 2026. On 15 October 2026, the market exchange rate (buy rate), as published by the CBE, was U.S.$1.00 = EGP 53.4614. As the Egyptian Pound depreciated in 2023 and 2024, banks with open foreign exchange positions were adversely impacted.

Government Initiatives and Policy

The Government has introduced certain policies which have had an impact on BdC's results of operations, as well as the results of operations of other Egyptian banks. For example, it has introduced certain programmes to encourage lending to MSMEs. In particular, one of the mandates issued by the CBE in 2016 to support financial inclusion and MSME growth required banks to increase the share of MSME lending to reach 20% of their gross loan portfolios. In February 2021, the CBE revisited this mandate and introduced revised benchmarks, requiring banks to allocate 25% of their gross loan portfolios (based on balances as of December 2020) to the MSME segment, of which at least 10% was required to have been directed to the small-sized enterprises. These ratios were required to have been achieved by December 2022, with non-compliant banks subject to CBE sanctions. The CBE set interest rates for loans to small-sized enterprises meeting certain criteria under this programme at 5% but allowed participating banks to reduce their mandatory reserves by the amount of outstanding loans to such enterprises, which allows participating banks to earn interest on otherwise unproductive mandatory reserves. While BdC was able to benefit from this as a result of it having met the CBE's MSME lending targets, certain of its peers did not reach the targets and hence were unable to benefit. See *"Business — Operations — SME"* for further detail of the Government's initiatives for MSME lending. As at 30 June 2026 and 31 December 2025, 2024 and 2023, 69%, 67%, 61% and 64%, respectively, of BdC's gross SME loan portfolio was attributable to lending pursuant to Government programmes[31]. Since these programmes generally involve below market interest rates being offered to the SMEs participating in the programme, the yield for SME loans is lower than for other types of loans, at 10%, 12%, 13% and 12% for the six months ended 30 June 2026 and the years ended 31 December 2025, 2024 and 2023, respectively[32]. However, this does not reflect the benefit BdC receives in relation to its reserves in connection with CBE programmes to encourage lending to SMEs. Going forward, since it has met the Government targets, BdC is focused on expanding its financial and non-financial solutions for mid-cap companies, where yields tend to be higher compared to loans to large corporate customers.

Similarly, BdC offers mortgage loans to retail customers under an initiative introduced by the CBE in cooperation with the Government mortgage finance fund to aid low- and middle-income homebuyers. Under this programme, the Ministry of Housing builds affordable houses and the mortgage finance fund provides funding to eligible buyers. The Ministry of Finance subsidises participating banks so that they provide loans to customers at a rate of 8% to 12% across the loan tenure. This reduces the overall yield on retail loans. However, this does not reflect the benefit BdC receives in relation to its reserves in connection with the Government programme. See *"Business — Operations — Retail — Retail Lending — Mortgages"* for further detail of this programme.

Legislation can also affect demand for retail loans. For instance, in the past, the debt burden regulations issued by the CBE have adversely affected demand for retail loans. On 11 January 2016, the CBE issued new regulations regarding the debt burden ratio of banks' retail portfolios. Pursuant to the regulation, banks were not permitted to allow the monthly payments for certain consumer loans to exceed 35% of the client's monthly income (after taxes and social insurance contributions). The regulation applies to credit card loans, personal loans and car financing (for personal purposes), as well as to personal housing loans not subject to the 2001 Real Estate Financing Law. In the case of personal housing loans subject to the 2001 Real Estate Financing Law, the percentage is 50%.

[31] This financial data is based on management information and is not derived from the Financial Statements.

[32] This financial data is based on management information and is not derived from the Financial Statements. Yields are calculated on the basis of BdC's internal classification for loans, which differ slightly from its segmentation on which the breakdown of its loan portfolio is based.

Growth in the loan portfolio

As noted above under *"—Macroeconomic conditions in Egypt"* and *"—Government Initiatives and Policy"*, the stabilisation of the macroeconomic environment in Egypt and certain initiatives introduced by the Government have contributed to growth in the loan portfolios of Egyptian banks generally. Consistent with that trend, BdC's gross loans and advances to customers and gross loans and advances to banks collectively grew from EGP 179.6 billion as at 31 December 2023 to EGP 280.3 billion as at 30 June 2026. Its loan to deposit ratio (defined as the sum of gross loans and advances to banks and gross loans and advances to customers divided by customers' deposits) has increased as it has deployed more of its funding to loans, reaching 63.1% as at 30 June 2026, compared to 59.1% as at 31 December 2023. More recently, however, it has been focused on investing in high-yielding Government securities, resulting in the loan to deposit ratio decreasing slightly from 63.8% as at 31 December 2025 to 63.1% as at 30 June 2026.

Growth in the loan portfolio has come from both the corporate loan portfolio and the retail loan portfolio. BdC was historically primarily a retail focused bank, with a more limited focus on corporate lending. As part of its transformation plan, which it introduced nearly a decade ago, BdC began to focus on expanding its corporate lending and as a result its corporate loan book expanded rapidly. As it has achieved scale in corporate lending, however, growth in gross loans has been more evenly split across corporate and retail lending. Similarly, since reaching the Government target for MSME lending, growth in the SME loan book has been less rapid. Gross retail loans (excluding microfinance) grew from EGP 63.9 billion as at 31 December 2023 to EGP 92.9 billion as at 31 December 2025 (a CAGR of 20.6%), and to EGP 98.1 billion as at 30 June 2026. Gross microfinance loans remained relatively stable, contracting slightly (due to internal segment restructuring) from EGP 10.5 billion as at 31 December 2023 to EGP 9.4 billion as at 31 December 2025, and to EGP 8.8 billion as at 30 June 2026, primarily attributable to an intentional restructuring of the microfinance business focused on improving credit quality and generating new lending with a stronger risk profile. Gross SME loans grew from EGP 21.6 billion as at 31 December 2023 to EGP 23.0 billion as at 31 December 2025 (a CAGR of 3.2%), and to EGP 20.9 billion as at 30 June 2026. Gross corporate loans grew from EGP 72.4 billion as at 31 December 2023 to EGP 105.7 billion as at 31 December 2025 (a CAGR of 20.8%), and to EGP 115.0 billion as at 30 June 2026. Gross loans to NBFIs grew from EGP 5.5 billion as at 31 December 2023 to EGP 8.2 billion as at 31 December 2025 (a CAGR of 21.8%), and to EGP 10.3 billion as at 30 June 2026[33]. Gross loans and advances to banks grew from EGP 5.9 billion as at 31 December 2023 to EGP 18.7 billion as at 31 December 2025 (a CAGR of 78.3%), and to EGP 27.2 billion as at 30 June 2026.

The growth in BdC's loan portfolio has contributed to growth in net interest income, from EGP 18.2 billion for the year ended 31 December 2023 to EGP 35.0 billion for the year ended 31 December 2025, and to EGP 18.8 billion for the six months ended 30 June 2026. Most of the growth in net interest income has come from loans to customers, mainly from loans to corporate and retail customers.

Changes in the mix of interest-earning assets

BdC's net interest margin is affected by changes in the mix of its interest-earning assets. As a general matter, to the extent BdC is able to deploy excess liquidity to increase its loan to deposit ratio, this will tend to have a favourable effect on its net interest margin, as loans will typically have higher yields compared to other assets on BdC's balance sheet.

In addition, within its loan portfolio, different types of loans have different yields. Microfinance loans were the highest yielding loans in 2025, at 35%, while SME loans, corporate loans and retail loans had yields of 12%, 19% and 21%, respectively[34]. The yield on SME loans does not reflect the benefit BdC receives in relation to its reserves in connection with CBE programmes to encourage lending to SMEs. See *"Business — Operations — SME"* for details of these programmes and the benefit BdC receives in relation to its cost of funds.

The share of retail, microfinance, SME, corporate and NBFI loans in gross loans and advances to customers was 38.8%, 3.5%, 8.3%, 45.4% and 4.1%, respectively (with (0.03)% being attributable to subsidiaries), as at 30 June 2026, compared to 36.8%, 6.0%, 12.4%, 41.7% and 3.2%, respectively (with (0.1)% being attributable to subsidiaries), as at 31 December 2023[35]. To the extent that the balance shifts towards higher yielding loans, such as microfinance loans, this will tend to have a favourable impact on BdC's net interest margin.

Similarly, the change in the mix of retail lending has had a favourable impact on the net interest margin. In light of the declining interest rate environment, BdC has been locking in retail loans, which are typically at fixed rates. Moreover, historically, BdC has been increasing the share of high yielding retail loans, including auto loans, personal loans and credit cards. The yield for salary transfer loans, personal loans, auto loans, mortgages, secured

[33] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[34] This financial data is based on management information and is not derived from the Financial Statements. Yields are calculated on the basis of BdC's internal classification for loans, which differ slightly from its segmentation on which the breakdown of its loan portfolio is based.
[35] This financial data is based on management information and is not derived from the Financial Statements.

and overdraft loans and credit cards was 20%, 16%, 24%, 21%, 20% and 24%, respectively, for the six months ended 30 June 2026[36]. To the extent BdC is able to increase the share of higher yielding retail loans, this will have a favourable impact on its net interest margin. Recently, higher yielding loans have been displaying high levels of growth, which has had a favourable impact on BdC's net interest margin.

The following table sets forth the yield by type of loan for the period indicated[37]:

	Six months ended 30 June	Year ended 31 December		
	2026	2025	2024	2023
		(%)		
Retail	20%	21%	19%	16%
Salary transfer	20%	19%	19%	17%
Personal	16%	16%	16%	13%
Auto	24%	24%	21%	17%
Mortgages(1)	21%	25%	25%	16%
Secured and overdrafts	20%	22%	19%	15%
Credit cards	24%	26%	26%	20%
Microfinance	35%	35%	32%	27%
SME(2)	10%	12%	13%	12%
Corporate	17%	19%	20%	15%
NBFIs	21%	26%	28%	19%

Notes:

(1) Does not include impact of the reserve benefit BdC receives in connection with Government programme for the building of affordable houses.

(2) Does not include the impact of the reserve benefit BdC receives in connection with CBE programmes.

Changes in the mix of the funding base

In addition to the composition of its loan portfolio and financial investments, as discussed above under *"—Changes in the mix of interest-earning assets"*, changes in the mix of its funding base affect BdC's net interest margin. BdC's focus is on lower cost current accounts and savings accounts. The proportion of current accounts and savings accounts in the customer deposit base increased to 53.4% as at 30 June 2026, compared to 36.3% as at 31 December 2023. This was the case across both the corporate and the retail deposit bases. The proportion of current accounts and savings accounts in the corporate customer deposit base was 58% as at 30 June 2026, compared to 42% as at 31 December 2023. The proportion of current accounts and savings accounts in the retail customer deposit base was 54% as at 30 June 2026, compared to 38% as at 31 December 2023. The focus on current accounts and savings accounts contributed to the achievement of a deposit cost of funds of 9.5% (the local currency deposit cost of funds was 11.8% and the foreign currency deposit cost of funds was 3.1%) for the six months ended 30 June 2026, and 11% (the local currency deposit cost of funds was 14.3% and the foreign currency deposit cost of funds was 3.5%) for the year ended 31 December 2025. The local currency deposit cost of funds is low relative to the CBE benchmark rate (i.e., the CBE deposit corridor rate), representing a spread of approximately 744 basis points below the average CBE deposit corridor rate of 19.2% for the six months ended 30 June 2026, and approximately 979 basis points below the average CBE deposit corridor rate of 24.1% for the year ended 31 December 2025. BdC's deposit cost of funds for the years ended 31 December 2024 and 2023 was 10.6% (13.0% local currency deposit cost of funds and 4.5% foreign currency deposit cost of funds) and 9.5% (11.0% local currency deposit cost of funds and 3.9% foreign currency deposit cost of funds), respectively. BdC has been able to leverage its network of fully operational branches, agencies, units, currency exchange offices and work permit offices ("**Branches**") to achieve growth in current accounts and savings accounts, a strategy it intends to continue to pursue in areas outside of Cairo. This has had a favourable effect on its cost of funds and hence its net interest margin.

Management expects that the implementation of interest rate cuts would contribute to a lower cost of funds. BdC's current accounts and savings accounts can be repriced in real time and hence whenever the MPC cuts rates. In addition, BdC's floating rate certificates of deposit reprice automatically and hence also will contribute to a lower cost of funds when the MPC cuts rates.

The following table sets forth cost of funds for the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

[36] This financial data is based on management information and is not derived from the Financial Statements. Yields are calculated on the basis specified in the next footnote.

[37] This financial data in this table is based on management information and is not derived from the Financial Statements. Yields are calculated on the basis of BdC's internal classification for loans, which differ slightly from its segmentation on which the breakdown of its loan portfolio is based.

	Six months ended 30 June		Year ended 31 December		
	2026	2025	2025	2024	2023
			(%)		
Current accounts	9%	11%	10%	10%	6%
Savings accounts	8%	10%	9%	8%	3%
Time deposits	9%	12%	11%	12%	11%
Certificates of deposits	14%	15%	15%	13%	12%
Other deposits	0%	0%	0%	0%	0%

Fluctuations in interest rates

Fluctuations in interest rates affect the cost and availability of BdC's principal sources of funding, including customers' deposits, which accounted for 94.7% of BdC's total funding as at 30 June 2026, as well as the yield of its loan portfolio. As a general matter, deposits reprice more quickly than the loan portfolio, since a significant portion of the deposit base can be repriced quickly (i.e. current accounts and savings accounts) while a significant portion of the loan portfolio, particularly retail loans, is at fixed rates. Retail loans also tend to be longer term in nature (with 64.2% of the retail loan portfolio being for terms above five years as at 30 June 2026). This enables it to lock in higher loan yields in a declining interest rate environment. These factors position BdC favourably vis a vis its peers, which have larger portion of variable rate loans in their books. The impact of interest rate fluctuations on BdC's net interest margin will ultimately depend on BdC's ability to reprice its loan portfolio and deposit base, and any gaps in repricing may affect its net interest margin.

Interest rates are expected to decline during the next several years as inflation abates and foreign exchange availability improves, although the downward trend in inflation may be derailed by recent tensions in the Gulf region and their corresponding effect on energy prices. See *"—Macroeconomic conditions in Egypt"*. Management expects this to have a favourable impact on its cost of funds and hence its net interest margin.

Interest rates also affect the affordability of BdC's products to customers. A decrease in interest rates will generally make BdC's loan products more affordable to customers, thereby increasing demand. Conversely, a rise in interest rates would adversely impact the affordability of these products, thereby decreasing demand. Furthermore, increases in interest rates, without sufficient improvements in customers' earnings levels, could lead to an increase in default rates. This could in turn lead to increased impairment provisions and lower profitability for BdC. A low interest rate environment may also reduce incentives for customers to save and may adversely affect BdC's deposit base.

Finally, the market value of BdC's investment portfolio is affected by changes in interest rates. Increasing interest rates will generally decrease the market value of debt securities held by BdC, particularly securities with long maturities, and decreasing rates will generally have the opposite effect. As at 30 June 2026, T-bills and T-bonds with maturities of one year or longer represented 36.1% of the local currency portfolio and 25.6% of the foreign currency portfolio. .

Growth in non-interest income

BdC has recorded growth in net fee and commission income in the periods under review. Corporate fees and commissions have been an important driver of this growth, particularly in the area of trade finance. In 2024, the devaluation of the Egyptian Pound resulted in shortages in U.S. Dollars for a period of time, which in turn led to a backlog of trade finance transactions. When U.S. Dollars again started being available, a significant volume of trade finance transactions were processed, leading to the significant increase in 2024. In 2025, corporate fees and commissions reverted to more normal levels. Retail net fee and commission income mainly stems from loan fees, statement fees, card fees and bancassurance. Net fee and commission income grew to EGP 6.5 billion for the year ended 31 December 2025, compared to EGP 4.0 billion for the year ended 31 December 2023, which reflected a CAGR of 27.8%. Dividend income grew during the periods under review. This mainly related to BdC's investment in Afreximbank, which BdC sold in 2025. Net fee and commission income also grew to EGP 3.4 billion for the six months ended 30 June 2026, compared to EGP 3.0 billion for the six months ended 30 June 2025, representing a period-on-period increase of 14.5%.

Improvements in cost structure

BdC has recorded continuous improvement in its efficiency metrics during the periods under review, with its cost to income ratio decreasing to 35.9% in the six months ended 30 June 2026, compared to 38.0% in the year ended 31 December 2023. This has been due in part to economies of scale as BdC has expanded its network. In addition, while strategic investments in infrastructure and human capital have increased operating expenses, they have also helped BdC to realise certain efficiencies. The reduction in BdC's workforce has also contributed to the decline in the cost to income ratio. BdC has reduced its workforce through employee retirement from 8,998 employees as at

31 December 2022 to 8,238 employees as at 30 June 2026. A further approximately 2,073 employees (comprising approximately 25% of the workforce as of 30 June 2026) are expected to retire. This is expected not only to reduce BdC's workforce but also to drive down in real terms the average salary paid to employees as retirees are replaced by younger employees during the next five years, which is expected to have a continued favourable effect on the cost to income ratio.

Results of Operations

The following table sets forth BdC's results of operations for the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(EGP billions)		
Interest and similar income	44.7	43.0	84.3	72.1	51.4
Interest and similar expense	(25.9)	(26.1)	(49.4)	(43.4)	(33.2)
Net interest income	**18.8**	**17.0**	**35.0**	**28.7**	**18.2**
Fee and commission income	3.9	3.3	7.2	6.4	4.3
Fee and commission expense	(0.5)	(0.3)	(0.7)	(0.6)	(0.4)
Net fee and commission income	**3.4**	**3.0**	**6.5**	**5.9**	**4.0**
Net interest, fee and commission income	**22.2**	**20.0**	**41.4**	**34.6**	**22.2**
Dividend income	0.1	0.6	0.6	0.5	0.2
Net trading income	0.1	0.1	0.1	0.1	–
Gains from financial investments	0.5	0.1	0.2	0.2	0.2
(Charged)/reversed of expected credit loss	(1.0)	(3.1)	(5.6)	(3.7)	(2.2)
Administrative expenses	(8.2)	(7.0)	(14.6)	(11.7)	(8.6)
Other operating revenues/(expenses)	(0.6)	0.2	0.9	(2.2)	(1.0)
Share of results of associates	(0.1)	(0.1)	0.2	0.1	0.1
Profit before income tax for the period	**13.0**	**10.7**	**23.3**	**17.9**	**10.9**
Income tax expense	(4.0)	(3.4)	(7.2)	(5.6)	(4.3)
Net profit after tax for the period	**8.9**	**7.3**	**16.1**	**12.3**	**6.6**

Interest and similar income

BdC's interest and similar income increased by EGP 1.6 billion, or 3.8%, to EGP 44.7 billion for the six months ended 30 June 2026 compared to EGP 43.0 billion for the six months ended 30 June 2025. The increase was primarily due to growth in interest income from financial investments.

BdC's interest and similar income increased by EGP 12.2 billion, or 17.0%, to EGP 84.3 billion for the year ended 31 December 2025 compared to EGP 72.1 billion for the year ended 31 December 2024, and by EGP 20.6 billion, or 40.1%, in 2024 from EGP 51.4 billion for the year ended 31 December 2023. The increases were primarily due to growth in interest income from loans and advances.

BdC's local currency interest income increased by EGP 2.2 billion, or 5.7%, to EGP 40.5 billion for the six months ended 30 June 2026 compared to EGP 38.3 billion for the six months ended 30 June 2025, due to an increase in the average size of BdC's interest-earning asset base.

BdC's local currency interest income increased by EGP 13.5 billion, or 21.8%, to EGP 75.3 billion for the year ended 31 December 2025 compared to EGP 61.8 billion for the year ended 31 December 2024, and by EGP 16.3 billion, or 35.9%, in 2024 from EGP 45.5 billion for the year ended 31 December 2023. These increases were due to BdC continuing to secure attractive loan yields, benefiting from the high interest rate environment, as well as an increasing loan to deposit ratio.

The following table sets forth the components of BdC's interest income for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	2025	2025	2024	2023
			(EGP billions)		
Loans and advances	22.4	22.9	45.4	38.8	24.4
Banks	0.7	0.6	1.2	0.7	0.5
Customers	21.7	22.3	44.2	38.0	23.8
Deposits and current accounts	3.2	8.3	12.0	12.5	8.0
Investments in debt instruments at fair value through other comprehensive income and amortised cost	15.0	8.6	22.5	17.4	16.7
Revenue from leased contracts	4.0	3.2	4.4	3.4	2.4
Total	**44.7**	**43.0**	**84.3**	**72.1**	**51.4**

Loans and advances

Interest income from loans and advances decreased by EGP 0.5 billion, or 2.2%, to EGP 22.4 billion for the six months ended 30 June 2026 compared to EGP 22.9 billion for the six months ended 30 June 2025, primarily due to a decrease in average lending rates following the reduction in the corridor rate in the first half of 2026 compared to the first half of 2025.

Interest income from loans and advances increased by EGP 6.7 billion, or 17.2%, to EGP 45.4 billion for the year ended 31 December 2025 compared to EGP 38.8 billion for the year ended 31 December 2024, and by EGP 14.4 billion, or 59.0%, in 2024 from EGP 24.4 billion for the year ended 31 December 2023. The increases were primarily due to the expansion of the loan portfolio, as well as mix changes.

Deposits and current accounts

Deposits and current accounts to banks include nostro accounts. Interest income from these accounts decreased by EGP 5.1 billion, or 61.1%, to EGP 3.2 billion for the six months ended 30 June 2026 compared to EGP 8.3 billion for the six months ended 30 June 2025. The decrease was due to a decrease in average balances coupled with a drop in interest rates.

Interest income from deposits and current accounts to banks decreased by EGP 0.5 billion, or 4.0%, to EGP 12.0 billion for the year ended 31 December 2025 compared to EGP 12.5 billion for the year ended 31 December 2024, and increased by EGP 4.5 billion, or 56.6%, in 2024 from EGP 8.0 billion for the year ended 31 December 2023. The increase in 2024 was due to fluctuations in surplus liquidity.

Investments in debt instruments at fair value through other comprehensive income and amortised cost

Interest income from investments in debt instruments through other comprehensive income and amortised cost increased by EGP 6.4 billion, or 74.2%, to EGP 15.0 billion for the six months ended 30 June 2026 compared to EGP 8.6 billion for the six months ended 30 June 2025. The increase was due to an increase in average balances of debt instrument holdings.

Interest income from investments in debt instruments through other comprehensive income and amortised cost increased by EGP 5.1 billion, or 29.2%, to EGP 22.5 billion for the year ended 31 December 2025 compared to EGP 17.4 billion for the year ended 31 December 2024, and by EGP 0.8 billion, or 4.6%, in 2024 from EGP 16.7 billion for the year ended 31 December 2023. In 2024, BdC shifted its holdings towards short-term liquidity and away from holdings of securities but interest income nonetheless increased due to the higher rate environment. In 2025, BdC shifted its holdings towards Government securities, resulting in an increase in interest income.

Interest and similar expense

BdC's interest and similar expense decreased by EGP 0.2 billion, or 0.7%, to EGP 25.9 billion for the six months ended 30 June 2026 compared to EGP 26.1 billion for the six months ended 30 June 2025, mainly due to the growth in low-cost customer deposit balances, including current and savings accounts, coupled with lower interest rates, which led to a decline in overall interest expense despite the increase in average deposit volumes.

BdC's interest and similar expense increased by EGP 6.0 billion, or 13.8%, to EGP 49.4 billion for the year ended 31 December 2025 compared to EGP 43.4 billion for the year ended 31 December 2024, and by EGP 10.1 billion, or 30.5%, in 2024 from EGP 33.2 billion for the year ended 31 December 2023. The increase in 2024 was mainly due to rate hikes and in 2025, mainly due to growth in the deposit base. BdC was able to contain its cost of funds due to the shift in its deposit base towards current accounts and savings accounts, resulting in its interest and similar expense increasing at a lower rate than its interest income, which ultimately led to an improvement in its net interest

margin. BdC's net interest margin was 7.3%, 7.0% and 5.5% for the years ended 31 December 2025, 2024 and 2023, respectively.

BdC's local currency interest expense increased by EGP 0.6 billion, or 2.5%, to EGP 22.8 billion for the six months ended 30 June 2026 compared to EGP 22.2 billion for the six months ended 30 June 2025, due to an increase in interest expenses on other loans and due to banks, partially offset by a decrease in interest expenses on customer deposits.

BdC's local currency interest expense increased by EGP 7.0 billion, or 20.0%, to EGP 42.1 billion for the year ended 31 December 2025 compared to EGP 35.0 billion for the year ended 31 December 2024, and by EGP 6.4 billion, or 22.2%, in 2024 from EGP 28.7 billion for the year ended 31 December 2023. These increases were due to growth in the local currency deposit base.

The following table sets forth the components of BdC's interest expense for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(EGP billions)		
Deposits and current accounts	20.9	21.6	42.6	36.8	29.2
Banks	0.7	0.3	0.8	2.0	2.8
Customers	20.2	21.2	41.9	34.8	26.3
Other	4.9	4.5	6.7	6.6	4.1
Total	**25.9**	**26.1**	**49.4**	**43.4**	**33.2**

For the foregoing reasons, the net interest margin increased to 7.4% for the six months ended 30 June 2026, compared to 7.2% for the six months ended 30 June 2025. The local currency net interest margin decreased to 9.7% for the six months ended 30 June 2026, compared to 10.8% for the six months ended 30 June 2025. The foreign currency net interest margin increased to 1.5% for the six months ended 30 June 2026, compared to 1.0% for the six months ended 30 June 2025.

The net interest margin increased to 7.3% in 2025, compared to 7.0% in 2024 and 5.5% in 2023. The local currency net interest margin increased to 10.5% in 2025, compared to 9.8% in 2024 and 7.0% in 2023. The foreign currency net interest margin decreased to 1.1% in 2025, compared to 1.4% in 2024 and 1.6% in 2023.

Net fee and commission income

Net fee and commission income increased by EGP 0.4 billion, or 14.5%, to EGP 3.4 billion for the six months ended 30 June 2026 compared to EGP 3.0 billion for the six months ended 30 June 2025, mainly due to business growth, including new retail loan acquisitions and updated tariffs applied on several products.

Net fee and commission income increased by EGP 0.6 billion, or 10.1%, to EGP 6.5 billion for the year ended 31 December 2025 compared to EGP 5.9 billion for the year ended 31 December 2024, and by EGP 1.9 billion, or 48.3%, in 2024 from EGP 4.0 billion for the year ended 31 December 2023. The increases were mainly due to higher fees and commissions related to credit, which grew in line with the expansion of BdC's loan portfolio, as well as higher trust and custody fees and an increased focus on cross-selling.

The following table sets forth the components of BdC's net fee and commission income for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(EGP billions)		
Fees and commissions related to credit	1.8	1.6	3.4	3.5	2.7
Other fees	2.1	1.7	3.7	2.9	1.7
Total fee and commission income	3.9	3.3	7.2	6.4	4.3
Other fee and commission expense	(0.5)	(0.3)	(0.7)	(0.6)	(0.4)
Net fee and commission income	**3.4**	**3.0**	**6.5**	**5.9**	**4.0**

Within retail, growth was mainly attributable to card fees in the first six months of 2026. The number of cards issued increased from 4.5 million as at 30 June 2025 to 4.7 million as at 30 June 2026. BdC's point of sale network decreased from 13,691 installed terminals as at 30 June 2025 to 13,410 as at 30 June 2026. Notwithstanding this decrease, transaction volumes increased from EGP 6.2 billion for the six months ended 30 June 2025 to EGP 13.8 billion for the six months ended 30 June 2026, driven primarily by higher transaction volumes generated by existing merchant relationships as a result of continued demand, together with an increase in the number of cards issued.

Within retail, growth was mainly attributable to loan fees, statement fees, card fees and bancassurance. The number of cards issued grew from 3.7 million as at 31 December 2023 to 4.1 million as at 31 December 2024 and to 4.5 million as at 31 December 2025. BdC also significantly expanded its point of sale network during the periods under review, reflecting a strong shift towards digital payments and merchant onboarding in line with its financial inclusion goals. Its point of sale network grew from 6,007 installed terminals as at 31 December 2023 to 11,904 as at 31 December 2024 and to 13,691 as at 31 December 2025. This led to an increase in transaction volumes, from EGP 1.2 billion in 2023 to EGP 5.7 billion in 2024 and to EGP 16.4 billion in 2025. BdC also expanded its bancassurance customer base through enhanced distribution channels and product diversification. Finally, the number of payroll accounts increased from 78,136 as at 31 December 2023 to 91,717 as at 31 December 2024 and to 112,982 as at 31 December 2025, reflecting BdC's position as a preferred provider for salary disbursement solutions. This led to growth in payroll deals, from 544 in 2023 to 756 in 2024 and to 927 in 2025.

The following table sets forth a breakdown of retail fee and commission income by type for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023[38]:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(%)		
Statement and services fees	27%	32%	29%	30%	21%
Debt card and ATM fees	22%	23%	23%	20%	19%
Retail loans	15%	14%	16%	19%	32%
Credit cards	15%	15%	14%	14%	14%
Bancassurance	7%	6%	7%	8%	5%
Other fees	14%	10%	11%	9%	9%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Within corporate, fee and commission income was driven by growth in the loan portfolio as well as higher cash management and securities services fees. The following table sets forth a breakdown of corporate fee and commission income by type for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023[39]:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(%)		
Cash management	19%	19%	21%	11%	3%
Trade finance	77%	79%	77%	88%	94%
Securities services	3%	2%	2%	2%	2%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Dividend income

Dividend income decreased by EGP 0.5 billion, or 90.2%, to EGP 0.1 billion for the six months ended 30 June 2026 compared to EGP 0.6 billion for the six months ended 30 June 2025. The decrease was due to the sale of BdC's investment in Afreximbank in 2025, which resulted in no dividend income from Afreximbank being received in the six months ended 30 June 2026.

Dividend income increased by EGP 0.1 billion, or 12.7%, to EGP 0.6 billion for the year ended 31 December 2025 compared to EGP 0.5 billion for the year ended 31 December 2024, and by EGP 0.3 billion, or 142.3%, in 2024

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[39] The financial data in this table is based on management information and is not derived from the Financial Statements.

from EGP 0.2 billion for the year ended 31 December 2023. The increase was due to higher dividends from Afreximbank, in which BdC sold its investment during 2025.

Charged/(reversed) expected credit loss

Charged expected credit loss decreased by EGP 2.1 billion, or 67.3%, to EGP 1.0 billion for the six months ended 30 June 2026 compared to EGP 3.1 billion for the six months ended 30 June 2025, which reflected a provisioning strategy implemented during the year ended 31 December 2025, under which additional one-off provisions were recognised by year end. However, during the six months ended 30 June 2026, market conditions remained resilient, contributing to a reduction in provisioning requirements. The cost of risk decreased to 0.8% for the six months ended 30 June 2026, compared to 2.6% for the six months ended 30 June 2025.

Charged expected credit loss increased by EGP 1.9 billion, or 52.1%, to EGP 5.6 billion for the year ended 31 December 2025 compared to EGP 3.7 billion for the year ended 31 December 2024, and increased by EGP 1.5 billion, or 70.8%, in 2024 from EGP 2.2 billion for the year ended 31 December 2023. The increases were due to the expansion of the loan portfolio. The cost of risk increased during the periods under review, to 2.3% in 2025, compared to 1.8% in 2024 and 1.3% in 2023. BdC increased coverage on certain legacy loans (i.e. loans granted prior to 2020), which in turn increased the cost of risk in 2024 and 2025.

Administrative expenses

Administrative expenses increased by EGP 1.2 billion, or 16.7%, to EGP 8.2 billion for the six months ended 30 June 2026 compared to EGP 7.0 billion for the six months ended 30 June 2025, due to business growth and the depreciation of recently capitalised major IT capital expenditure. BdC's cost to income ratio was 35.9% and 34.0% for the six months ended 30 June 2026 and 2025, respectively.

Administrative expenses increased by EGP 2.9 billion, or 24.7%, to EGP 14.6 billion for the year ended 31 December 2025 compared to EGP 11.7 billion for the year ended 31 December 2024, and by EGP 3.0 billion, or 35.3%, in 2024 from EGP 8.6 billion for the year ended 31 December 2023. The increases were due to higher wages and salaries, due to inflation and transformation expenses, including in relation to licences for IT systems. Notwithstanding the increase in absolute terms, BdC's cost to income ratio was 34.2%, 32.9% and 38.0% in 2025, 2024 and 2023, respectively. The overall improvement reflected economies of scale as BdC's network grew and it expanded its loan portfolio and fee and commission income base as well as a reduction in BdC's workforce.

The following table sets forth a breakdown of administrative expenses by type for the six months ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	**2025**	**2025**	**2024**	**2023**
			(%)		
Wages and salaries	39.4%	41.9%	40.0%	41.9%	45.9%
Social insurance	1.8%	1.8%	1.8%	1.9%	2.2%
Other retirement benefits	5.7%	5.9%	5.7%	4.3%	4.1%
Other administrative expenses	53.1%	50.3%	52.5%	51.9%	47.8%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Other operating revenues/(expense)

Other operating expenses decreased by EGP 0.8 billion to EGP 0.6 billion for the six months ended 30 June 2026 compared to other operating revenues of EGP 0.2 billion for the six months ended 30 June 2025. The other operating expenses recorded in the six months ended 30 June 2026 were as a result of an increase in other provisions charge. The operating revenues recorded in the six months ended 30 June 2025 were mainly related to BdC's foreign currency position.

Other operating revenues increased by EGP 3.1 billion to EGP 0.9 billion for the year ended 31 December 2025 compared to an expense of EGP 2.2 billion for the year ended 31 December 2024. Other operating expense increased by EGP 1.2 billion, or 113.8%, in 2024 compared to EGP 1.0 billion in the year ended 31 December 2023. The other operating revenues recorded in the year ended 31 December 2025 and the other operating expenses recorded in the years ended 31 December 2024 and 2023 mainly related to gains and losses of translated monetary assets and liabilities in foreign currencies other than classified as held for trading items. These movements mainly related to foreign currency revaluations in connection with BdC's stake in Afreximbank, which it sold in 2025.

Income tax expense

Income tax expense increased by EGP 0.7 billion, or 20.4%, to EGP 4.0 billion for the six months ended 30 June 2026 compared to EGP 3.4 billion for the six months ended 30 June 2025. This reflected an effective tax rate of 31.1% and 31.4% for the six months ended 30 June 2026 and 2025, respectively.

Income tax expense increased by EGP 1.6 billion, or 28.7%, to EGP 7.2 billion for the year ended 31 December 2025 compared to EGP 5.6 billion for the year ended 31 December 2024, and by EGP 1.3 billion, or 30.6%, in 2024 from EGP 4.3 billion for the year ended 31 December 2023. This reflected an effective tax rate of 31.1%, 31.4% and 39.4% for the years ended 31 December 2025, 2024 and 2023, respectively. The decrease in 2024 was due to the diversification of income towards the core business and away from holding Government securities during the year. As a general matter, due to the way in which costs are allocated to profit pools, any increase in holdings of Government securities will tend to result in an increase in the effective tax rate.

Financial condition

The following table sets forth BdC's statement of financial position as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	**2025**	**2024**	**2023**
		(EGP billions)		
Assets				
Cash and balances at Central Bank	41.3	35.2	29.1	37.8
Due from banks	48.3	93.4	141.7	67.7
Loans and advances to banks	27.2	18.7	16.4	5.9
Loans and advances to customers	235.0	222.0	196.2	161.9
Financial investments				
At fair value through other comprehensive income	138.7	104.7	66.5	73.9
At amortised cost	39.3	39.8	18.6	41.5
At fair value through profit and loss	0.1	–	–	–
Investments in associates	1.2	1.6	0.9	0.7
Investment property	–	–	–	–
Intangible assets	0.7	0.6	0.4	0.4
Other assets	19.4	15.0	12.3	9.9
Deferred tax assets	1.2	0.8	1.1	0.7
Leasing fixed assets (net)	4.8	4.6	3.4	3.5
Property and equipment	4.0	3.8	2.7	1.9
Total assets	**561.2**	**540.4**	**489.4**	**405.7**
Liabilities and Equity				
Liabilities				
Due to banks	3.0	2.5	8.0	6.7
Customers' deposits	443.9	404.5	354.7	303.7
Other loans	21.7	46.3	59.7	41.7
Other liabilities	18.1	15.2	14.3	15.6
Other provisions	3.1	2.4	2.1	1.8
Current income tax liabilities	1.8	4.2	2.7	1.3
Deferred tax liabilities	0.5	0.5	0.3	0.1
Retirement benefit liabilities	2.3	2.1	1.8	1.6
Total liabilities	**494.4**	**477.8**	**443.7**	**372.6**
Equity				
Issued and paid up capital	30.5	20.5	19.0	10.0
Amounts paid under capital increase	–	10.0	1.5	10.5
Reserves	7.5	9.2	6.6	3.9
Difference between the present value and face value for subordinated deposit	–	–	1.2	1.6
Net profit for the period and retained earnings	28.8	22.9	17.4	7.1
Net equity	66.8	62.6	45.7	33.1
Non-controlling interest	–	–	–	–
Total equity	**66.8**	**62.6**	**45.7**	**33.1**
Total liabilities and equity	**561.2**	**540.4**	**489.4**	**405.7**

Total assets

Total assets increased by EGP 20.8 billion, or 3.9%, to EGP 561.2 billion as at 30 June 2026 compared to EGP 540.4 billion as at 31 December 2025, having previously increased by EGP 51.0 billion, or 10.4%, to EGP 540.4

billion as at 31 December 2025 compared to EGP 489.4 billion as at 31 December 2024, and by EGP 83.6 billion, or 20.6%, in 2024 from EGP 405.7 billion as at 31 December 2023. The increases were primarily due to growth in the loan portfolio. In 2024, growth in due from banks also contributed to the increase, which was partially offset by a decrease in cash and balances at Central Bank and financial investments.

Cash and balances at Central Bank

Cash and balances at Central Bank consist of cash on hand and balances with the CBE deposited as a mandatory reserve. Cash and balances at Central Bank increased by EGP 6.1 billion, or 17.4%, to EGP 41.3 billion as at 30 June 2026 compared to EGP 35.2 billion as at 31 December 2025, having previously increased by EGP 6.0 billion, or 20.8%, to EGP 35.2 billion as at 31 December 2025 compared to EGP 29.1 billion as at 31 December 2024, and decreased by EGP 8.7 billion, or 23.0%, in 2024 from EGP 37.8 billion as at 31 December 2023. BdC's cash balances fluctuate significantly during the year in the ordinary course of its business. Cash and balances at Central Bank also fluctuate in response to changes in the required reserve ratio established by the CBE. For example, in February 2026, the CBE reduced the ratio by 2 percentage points to 16%, resulting in a lower level of funds required to be maintained with the Central Bank.

The following table sets forth a breakdown of cash and balances at Central Bank as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Cash	16.7	13.2	11.8	10.9
Balances at the Central Bank of Egypt within the mandatory reserve ratio	24.6	21.9	17.3	26.9
Total	**41.3**	**35.2**	**29.1**	**37.8**

Due from banks

Due from banks primarily consists of BdC's deposits with the CBE (excluding mandatory reserves, which are included in cash and balances at Central Bank) as well as its deposits with other Egyptian banks. Due from banks decreased by EGP 45.1 billion, or 48.2%, to EGP 48.3 billion as at 30 June 2026 compared to EGP 93.4 billion as at 31 December 2025, having previously decreased by EGP 48.3 billion, or 34.0%, to EGP 93.4 billion as at 31 December 2025 compared to EGP 141.7 billion as at 31 December 2024, and increased by EGP 74.0 billion, or 109.4%, in 2024 from EGP 67.7 billion as at 31 December 2023. The decrease in the first half of 2026 reflected the settlement of a foreign currency transaction, which led to a U.S.$500 million drop in foreign currency amounts due from banks. This transaction was back-to-back in nature, and therefore did not have a negative impact on BdC's liquidity position. The decrease in 2025 was primarily due to the tactical allocation of assets from CBE deposits and interbank deposits to T-bills and T-bonds to lock in higher interest rates as rate cuts commenced in 2025, with further rate cuts expected.

The following table sets forth a breakdown of due from banks by type of deposit as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Current accounts	2.0	1.8	0.6	1.7
Deposits	46.3	91.6	141.1	66.0
Expected credit loss for due from banks	(–)	(–)	(–)	(–)
Total	**48.3**	**93.4**	**141.7**	**67.7**
Central Bank of Egypt	11.1	11.9	46.1	18.7
Local banks	13.5	55.7	65.9	42.5
Foreign banks	23.7	25.9	29.8	6.5
Expected credit loss provision for due from banks	(–)	(–)	(–)	(–)
Total	**48.3**	**93.4**	**141.7**	**67.7**
Balances without interest	1.1	1.9	0.7	1.8
Balances with fixed interest	47.2	91.5	141.0	65.9
Expected credit loss provision for due from banks	(–)	(–)	(–)	(–)
Total	**48.3**	**93.4**	**141.7**	**67.7**

Loans and advances to customers

Loans and advances to customers increased by EGP 13.0 billion, or 5.8%, to EGP 235.0 billion as at 30 June 2026 compared to EGP 222.0 billion as at 31 December 2025, having previously increased by EGP 25.8 billion, or 13.1%, to EGP 222.0 billion as at 31 December 2025 compared to EGP 196.2 billion as at 31 December 2024, and by EGP 34.3 billion, or 21.2%, in 2024 from EGP 161.9 billion as at 31 December 2023. The increases were due to growth in lending activities, including loans to both corporate (including SME and NBFI) and retail (including microfinance) customers. For a breakdown of loans and advances to customers by type of customer, see *"Business — Overview"*.

The following table sets forth a breakdown of loans and advances to customers by type of loan as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Retail				
Overdraft accounts	1.0	1.6	1.5	2.3
Credit cards	5.0	4.4	3.2	1.8
Direct loans	0.6	0.6	0.7	0.4
Personal loans	86.2	83.6	75.7	64.8
Mortgage loans	14.8	12.8	8.6	5.5
Total gross retail loans[(1)]	**107.6**	**103.0**	**89.5**	**74.8**
Corporate				
Overdraft accounts	46.9	41.6	41.4	42.9
Direct loans	59.8	59.6	49.7	32.8
Syndicated loans	36.6	33.9	30.6	23.0
Discounted documents	2.0	1.5	0.9	0.2
Total gross corporate loans[(2)]	**145.4**	**136.5**	**122.6**	**98.9**
Total gross loans to customers	**253.0**	**239.5**	**212.1**	**173.7**
Expected credit loss provisions	(18.0)	(17.5)	(15.9)	(11.8)
Unearned discount of discounted documents	(–)	(0.1)	(–)	(–)
Net loans and advances to customers	**235.0**	**222.0**	**196.2**	**161.9**

Notes:

(1) Includes loans to microfinance customers.
(2) Includes loans to SME and NBFI customers.

Retail loans. Gross retail loans (including loans to microfinance customers) increased by EGP 4.6 billion, or 4.5%, to EGP 107.6 billion as at 30 June 2026 compared to EGP 103.0 billion as at 31 December 2025, having previously increased by EGP 13.5 billion, or 15.0%, to EGP 103.0 billion as at 31 December 2025 compared to EGP 89.5 billion as at 31 December 2024, and by EGP 14.7 billion, or 19.7%, in 2024 from EGP 74.8 billion as at 31 December 2023. The increases were primarily due to growth in personal loans and mortgage loans. For a breakdown of retail loans by type of loan, see *"Business — Operations — Retail — Retail lending"*.

Corporate loans. Gross corporate loans (including loans to SME and NBFI customers) increased by EGP 8.9 billion, or 6.5%, to EGP 145.4 billion as at 30 June 2026 compared to EGP 136.5 billion as at 31 December 2025, having previously increased by EGP 14.0 billion, or 11.4%, to EGP 136.5 billion as at 31 December 2025 compared to EGP 122.6 billion as at 31 December 2024, and by EGP 23.7 billion, or 23.9%, in 2024 from EGP 98.9 billion as at 31 December 2023. The increases reflected growth in both direct loans and syndicated loans.

Loan portfolio by segment. The following table sets forth a breakdown of loans and advances to customers by corporate, retail, SME, microfinance and NBFIs as at 30 June 2026 and 31 December 2025, 2024 and 2023[40]:

[40] The financial data in this table is based on management information and is not derived from the Financial Statements.

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(%)		
Retail	38.8%	38.8%	36.7%	36.8%
Microfinance	3.5%	3.9%	5.2%	6.0%
SME	8.3%	9.6%	11.1%	12.4%
Corporate	45.4%	44.1%	42.5%	41.7%
NBFIs	4.1%	3.4%	4.1%	3.2%
Subsidiaries	(0.003)%	0.1%	0.6%	(0.1)%
Total gross loans and advances to customers	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Loan portfolio by industry. The following table sets forth a breakdown of gross loans and advances to customers by industry as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Financial institutions	–	–	–	–
Manufacturing	23.1	22.1	19.1	8.1
Real estate	16.2	13.4	14.5	9.6
Wholesale and retail trade	3.9	4.3	4.7	4.7
Government sector	39.7	36.6	29.2	18.4
Other activities	77.9	73.6	64.2	64.0
Individual[(1)]	92.3	89.6	80.3	68.9
Gross loans and advances to customers	**253.0**	**239.5**	**212.1**	**173.7**

Note:

(1) Certain microfinance loans are included in other industry categories above.

Loan portfolio by region. The following table sets forth a breakdown of gross loans and advances to customers by region as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Cairo	169.8	158.4	137.1	108.4
Alexandria and Delta - Sinai	55.1	53.3	47.8	42.2
Upper Egypt	25.8	25.5	24.6	21.6
Outside of Egypt	2.4	2.3	2.6	1.5
Gross loans and advances to customers	**253.0**	**239.5**	**212.1**	**173.7**

Credit quality of loan portfolio

The following table sets forth a breakdown of gross loans and advances to customers by credit quality as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Neither past due nor impaired	176.9	166.6	160.8	123.1
Past due but not impaired	64.0	60.8	39.4	41.0
Individually impaired	12.2	12.2	11.9	9.6
Total	**253.0**	**239.5**	**212.1**	**173.7**
Less:				
Expected credit loss	(18.0)	(17.5)	(15.9)	(11.8)
Unearned discount of discounted documents	(–)	(0.1)	(–)	–
Net loans and advances to customers	**235.0**	**222.0**	**196.2**	**161.9**

Neither past due nor impaired. The following tables set forth a breakdown of loans neither past due nor impaired by type of loan as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June 2026								
	Retail loans					Corporate loans			
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
	(EGP billions)								
Performing loans	0.6	4.5	81.2	0.4	14.8	2.7	21.5	4.9	130.6
Regular watch.....	(0.0)	–	–	(0.0)	–	0.8	24.8	19.6	45.2
Watch list.....	(0.0)	–	–	0.1	–	0.3	0.6	–	1.0
Total.....	**0.7**	**4.5**	**81.2**	**0.5**	**14.8**	**3.7**	**47.0**	**24.5**	**176.9**

	As at 31 December 2025								
	Retail loans					Corporate loans			
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
	(EGP billions)								
Performing loans	0.9	3.9	78.3	0.4	12.8	1.8	22.3	5.7	**126.2**
Regular watch.....	–	–	–	–	–	0.7	19.2	19.9	**39.9**
Watch list.....	–	–	–	0.1	–	0.2	0.2	–	**0.5**
Total.....	**1.0**	**3.9**	**78.3**	**0.5**	**12.8**	**2.7**	**41.7**	**25.6**	**166.5**

	As at 31 December 2024								
	Retail loans					Corporate loans			
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
	(EGP billions)								
Performing loans	1.3	3.1	71.8	0.5	8.5	3.0	28.4	7.4	**123.9**
Regular watch.....	–	–	–	–	–	2.0	14.0	19.8	**35.9**
Watch list.....	–	–	–	0.1	–	0.4	0.5	–	**1.0**
Total.....	**1.3**	**3.1**	**71.8**	**0.6**	**8.5**	**5.4**	**42.9**	**27.2**	**160.8**

	As at 31 December 2023								
	Retail loans					Corporate loans			
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Syndicated loans	Total loans and advances to customers
	(EGP billions)								
Performing loans	2.2	1.7	62.3	0.3	5.5	7.6	11.3	8.6	**99.5**
Regular watch.....	–	–	–	–	–	2.6	8.8	12.0	**23.4**
Watch list.....	–	–	–	–	–	–	0.2	–	**0.2**
Total.....	**2.3**	**1.7**	**62.3**	**0.3**	**5.5**	**10.2**	**20.3**	**20.5**	**123.1**

Past due but not impaired. Loans and advances past due but not impaired include loans and advances with delays in payment of up to 90 days but which are not considered impaired unless there is information to the contrary. The

following tables set forth a breakdown of loans and advances past due but not impaired as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June 2026					
	Retail loans		Corporate loans			
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total
	(EGP billions)					
Past due up to 30 days	–	–	32.3	11.4	5.2	52.9
Past due 30 to 60 days	–	0.1	2.3	1.0	3.1	6.5
Past due 60 to 90 days	–	–	0.3	0.4	0.1	0.8
Past due more than 90 days	–	–	–	–	3.7	3.7
Total	–	**0.1**	**38.9**	**12.8**	**12.1**	**64.0**

	As at 31 December 2025					
	Retail loans		Corporate loans			
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total
	(EGP billions)					
Past due up to 30 days	–	–	33.3	16.7	5.2	55.1
Past due 30 to 60 days	–	0.1	1.2	0.6	–	1.9
Past due 60 to 90 days	–	–	0.1	0.5	3.0	3.6
Past due more than 90 days	–	–	–	0.1	0.2	0.2
Total	–	**0.1**	**34.6**	**17.8**	**8.3**	**60.8**

	As at 31 December 2024					
	Retail loans		Corporate loans			
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total
	(EGP billions)					
Past due up to 30 days	–	–	28.0	5.5	2.6	**36.2**
Past due 30 to 60 days	–	0.1	0.8	0.7	–	**1.7**
Past due 60 to 90 days	–	–	0.2	0.2	0.7	**1.1**
Past due more than 90 days	–	–	–	0.2	0.1	**0.4**
Total	**–**	**0.1**	**29.2**	**6.7**	**3.4**	**39.4**

	As at 31 December 2023					
	Retail loans		Corporate loans			
	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total
	(EGP billions)					
Past due up to 30 days	–	–	23.5	11.7	1.5	**36.6**
Past due 30 to 60 days	–	–	1.5	0.4	0.8	**2.7**
Past due 60 to 90 days	–	–	0.2	0.3	–	**0.5**
Past due more than 90 days	–	–	0.9	0.1	0.2	**1.2**
Total	–	**0.1**	**26.0**	**12.4**	**2.5**	**41.0**

Individually impaired. Loans and advances subject to impairment on an individual basis, before taking into consideration cash flow from collateral amounted to EGP 12.2 billion, EGP 12.2 billion, EGP 11.9 billion and EGP 9.6 billion as at 30 June 2026, 31 December 2025, 2024 and 2023, respectively. The following tables set forth a breakdown of individually impaired loans as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June 2026							
	Retail loans					Corporate loans		
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Total loans and advances to customers
	(EGP billions)							
Individually impaired loans	0.3	0.5	5.0	–	–	6.3	–	**12.2**

	As at 31 December 2025							
	Retail loans					Corporate loans		
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Total loans and advances to customers
	(EGP billions)							
Individually impaired loans	0.6	0.5	5.3	–	–	5.7	0.1	**12.2**

	As at 31 December 2024							
	Retail loans					Corporate loans		
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Total loans and advances to customers
	(EGP billions)							
Individually impaired loans	0.1	0.1	3.9	–	–	7.7	0.1	**11.9**

	As at 31 December 2023							
	Retail loans					Corporate loans		
	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgage loans	Overdrafts	Direct loans	Total loans and advances to customers
	(EGP billions)							
Individually impaired loans	–	–	2.6	–	–	6.9	–	**9.6**

The value of the collateral held by BdC against these loans was EGP 3.6 billion, EGP 3.7 billion, EGP 2.9 billion and EGP 2.0 billion as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

Restructured loans. Restructuring activities include rescheduling arrangements, applying modification 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 judgement 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. Restructured loans amounted to EGP 8.8 billion, EGP 10.3 billion, EGP 9.2 billion and EGP 6.8 billion as at 30 June 2026, 31 December 2025, 2024 and 2023, respectively. The following table sets forth a breakdown of restructured loans and advances to customers as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
	(EGP billions)			
Retail				
Personal loans	–	–	–	–
Corporate				
Direct loans	0.3	0.4	0.5	0.3
Syndicated loans	8.5	9.9	8.7	6.5
Total restructured loans and advances	**8.8**	**10.3**	**9.2**	**6.8**

Non-performing loans by type of customer. The following tables set forth a breakdown of Stage 1, Stage 2 and Stage 3 loans as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	Loans and advances to retail			
	As at 30 June 2026			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	97.8	5.9	–	103.6
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	4.0	4.0
Total	**97.8**	**5.9**	**4.0**	**107.6**
Expected credit loss provision	(1.4)	(0.3)	(2.8)	(4.4)
Net carrying amount	**96.4**	**5.6**	**1.2**	**103.2**

	Loans and advances to large and medium corporate			
	As at 30 June 2026			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	80.2	41.5	–	121.8
Normal watch list	–	–	–	–
Special watch list	–	1.3	–	1.3
Non-performing loans	–	–	5.3	5.3
Total	**80.2**	**42.8**	**5.3**	**128.4**
Expected credit loss provision	(0.5)	(6.7)	(4.6)	(11.8)
Net carrying amount	**79.8**	**36.1**	**0.7**	**116.6**

	Loans and advances to small corporate			
	As at 30 June 2026			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	13.4	2.6	–	16.0
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	1.0	1.0
Total	**13.4**	**2.6**	**1.0**	**17.0**
Expected credit loss provision	(1.3)	(0.3)	(0.3)	(1.8)
Net carrying amount	**12.1**	**2.3**	**0.7**	**15.2**

	Loans and advances to retail			
	As at 31 December 2025			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	92.0	7.2	–	99.2
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	3.8	3.8
Total	**92.0**	**7.2**	**3.8**	**103.0**
Expected credit loss provision	(1.5)	(0.4)	(2.8)	(4.6)
Net carrying amount	**90.5**	**6.9**	1.0	**98.4**

	Loans and advances to large and medium corporate			
	As at 31 December 2025			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	78.7	33.5	–	112.2
Normal watch list	–	–	–	–
Special watch list	–	0.3	–	0.3
Non-performing loans	–	–	5.0	5.0
Total	**78.7**	**33.8**	**5.0**	**117.5**
Expected credit loss provision	(0.7)	(6.4)	(4.4)	(11.4)
Net carrying amount	**78.1**	**27.4**	**0.7**	**106.1**

	Loans and advances to small corporate			
	As at 31 December 2025			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	15.9	2.3	–	18.2
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	0.8	0.8
Total	**15.9**	**2.3**	**0.8**	**19.0**
Expected credit loss provision	(1.0)	(0.2)	(0.2)	(1.5)
Net carrying amount	**14.9**	**2.1**	**0.6**	**17.5**

	Loans and advances to retail			
	As at 31 December 2024			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	81.4	5.4	–	**86.8**
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	2.8	**2.8**
Total	81.4	5.4	2.8	**89.6**
Expected credit loss provision	(0.9)	(0.1)	(2.0)	**(3.0)**
Net carrying amount	**80.5**	**5.3**	**0.8**	**86.6**

	Loans and advances to large and medium corporate			
	As at 31 December 2024			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	71.5	25.9	–	**97.4**
Normal watch list	–	–	–	–
Special watch list	–	2.1	0.1	**2.3**
Non-performing loans	–	–	5.9	**5.9**
Total	71.5	28.1	6.0	**105.6**
Expected credit loss provision	(0.6)	(5.2)	(5.2)	**(10.9)**
Net carrying amount	**70.9**	**23.0**	**0.8**	**94.7**

	Loans and advances to small corporate			
	As at 31 December 2024			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	13.0	2.2	–	**15.2**
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	1.8	**1.8**
Total	13.0	2.2	1.8	**17.0**
Expected credit loss provision	(0.7)	(0.1)	(1.1)	**(1.9)**
Net carrying amount	**12.3**	**2.1**	**0.7**	**15.1**

	Loans and advances to retail			
	As at 31 December 2023			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	70.2	2.6	–	**72.8**
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	2.0	**2.0**
Total	70.2	2.6	2.0	**74.8**
Expected credit loss provision	(0.6)	(0.1)	(1.4)	**(2.1)**
Net carrying amount	**69.6**	**2.6**	**0.5**	**72.7**

	Loans and advances to large and medium corporate			
	As at 31 December 2023			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	57.5	20.9	–	**78.5**
Normal watch list	–	–	–	–
Special watch list	–	0.3	–	**0.3**
Non-performing loans	–	–	5.3	**5.3**
Total	57.5	21.2	5.3	**84.1**
Expected credit loss provision	(0.5)	(3.3)	(4.6)	**(8.4)**
Net carrying amount	**57.1**	**17.9**	**0.7**	**75.7**

	Loans and advances to small corporate			
	As at 31 December 2023			
	Stage 1 12 Months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
Credit rating				
Good debts	10.8	2.4	–	**13.2**
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	1.7	**1.7**
Total	10.8	2.4	1.7	**14.9**
Expected credit loss provision	(0.2)	(0.1)	(1.1)	**(1.4)**
Net carrying amount	**10.7**	**2.2**	**0.6**	**13.5**

As at 30 June 2026 and 31 December 2025, 2024 and 2023, the non-performing loan ratio (including loans and advances to banks) was 3.7%, 3.7%, 4.6% and 5.0%, respectively. As at 30 June 2026, non-performing loans for retail, microfinance, SME and corporate were 3.1%, 9.9%, 8.0% and 3.6%, respectively[41].

Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[42].

Expected credit loss

The following table sets forth an analysis of the movement in the expected credit loss as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	Loans and advances to retail			
	As at 30 June 2026			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2026	1.5	0.4	2.8	4.6
Cairo Bank Uganda adjustments	–	–	(–)	–
New financial assets purchased or issued	0.2	–	0.1	0.3
Financial assets matured or derecognised	(0.1)	(–)	(0.9)	(1.0)
Transfer to Stage 1	–	(–)	(–)	–
Transfer to Stage 2	(0.1)	0.1	(–)	–
Transfer to Stage 3	(0.4)	(0.5)	0.8	–
Changes	0.3	0.3	–	0.6
Written off during the period	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of period	**1.4**	**0.3**	**2.8**	**4.4**

[41] The financial data is based on management information and is not derived from the Financial Statements. Segmental non-performing loan ratios are presented on a standalone basis.

[42] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.7%, 3.6%, 4.6% and 4.9% as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

	Loans and advances to large and medium corporate			
	As at 30 June 2026			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2026	0.7	6.4	4.4	11.4
Cairo Bank Uganda adjustments	(–)	(–)	–	(–)
New financial assets purchased or issued	0.1	1.0	0.1	1.2
Financial assets matured or derecognised	(0.2)	(0.6)	(0.3)	(1.1)
Transfer to Stage 1	–	(–)	–	–
Transfer to Stage 2	(0.1)	0.1	–	–
Transfer to Stage 3	(–)	(0.2)	0.2	–
Commitments for loans (unused limits)	–	–	–	–
Loans written off during the year	–	–	(0.1)	(0.1)
Proceeds from written off during the period	–	–	0.2	0.2
Foreign exchange translation differences	–	0.1	0.1	0.1
Balance at end of period	**0.5**	**6.7**	**4.6**	**11.8**

	Loans and advances to small corporate			
	As at 30 June 2026			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2026	1.0	0.2	0.2	1.5
New financial assets purchased or issued	0.2	–	0.1	0.3
Financial assets matured or derecognised	(–)	(–)	(–)	(–)
Transfer to Stage 1	–	(–)	–	–
Transfer to Stage 2	(–)	–	–	–
Transfer to Stage 3	(–)	(–)	–	–
Loans written off during the period	–	–	(–)	(–)
Proceeds from written off	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of period	**1.3**	**0.3**	**0.3**	**1.8**

	Loans and advances to retail			
	As at 31 December 2025			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2025	0.9	0.1	2.0	3.0
Cairo Bank Uganda adjustments	–	–	(–)	(–)
New financial assets purchased or issued	0.4	0.1	0.2	0.7
Financial assets matured or derecognised	(0.1)	(–)	(1.2)	(1.2)
Transfer to Stage 1	–	(–)	(–)	–
Transfer to Stage 2	(0.2)	0.2	(–)	–
Transfer to Stage 3	(1.2)	(0.6)	1.9	–
Changes	1.7	0.6	(0.1)	2.2
Written off during the year	–	–	(–)	(–)
Foreign exchange translation differences	(–)	(–)	(–)	(–)
Balance at end of year	**1.5**	**0.4**	**2.8**	**4.6**

	Loans and advances to large and medium corporate			
	As at 31 December 2025			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2025	0.6	5.2	5.2	10.9
Cairo Bank Uganda adjustments	–	–	–	–
New financial assets purchased or issued	0.3	3.0	2.6	6.0
Financial assets matured or derecognised	(0.3)	(1.0)	(2.3)	(3.5)
Transfer to Stage 1	0.1	(0.1)	–	–
Transfer to Stage 2	(–)	–	–	–
Transfer to Stage 3	(–)	(0.7)	0.7	–
Commitments for loans (unused limits)	–	–	–	–
Loans written off during the year	–	–	(1.9)	(1.9)
Proceeds from written off during the year	–	–	0.1	0.1
Foreign exchange translation differences	(–)	(0.1)	(0.1)	(0.2)
Balance at end of year	**0.7**	**6.4**	**4.4**	**11.4**

	Loans and advances to small corporate			
	As at 31 December 2025			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2025	0.7	0.1	1.1	1.9
New financial assets purchased or issued	0.4	0.1	1.2	1.7
Financial assets matured or derecognised	(0.1)	(–)	(1.0)	(1.1)
Transfer to Stage 1	–	(–)	–	–
Transfer to Stage 2	(–)	–	–	–
Transfer to Stage 3	(–)	(–)	–	–
Loans written off during the year	–	–	(1.1)	(1.1)
Proceeds from written off	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of year	**1.0**	**0.2**	**0.2**	**1.5**

	Loans and advances to retail			
	As at 31 December 2024			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2024	0.6	0.1	1.4	**2.1**
Cairo Bank Uganda adjustments	(–)	–	(–)	(–)
New financial assets purchased or issued	0.3	–	0.2	**0.5**
Financial assets matured or derecognised	(–)	(–)	(0.6)	**(0.7)**
Transfer to Stage 1	–	(–)	(–)	–
Transfer to Stage 2	(0.1)	0.1	(–)	–
Transfer to Stage 3	(0.8)	(0.3)	1.1	–
Changes in balance during the year	0.9	0.3	(0.1)	**1.1**
Loans written off during the year	–	–	–	–
Recovery from written off during the year	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of year	**0.9**	**0.1**	**2.0**	**3.0**

	Loans and advances to large and medium corporate			
	As at 31 December 2024			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2024	0.5	3.3	4.6	**8.4**
Cairo Bank Uganda adjustments	–	–	–	–
New financial assets purchased or issued	0.1	1.6	2.2	**3.9**
Financial assets matured or derecognised	(0.2)	(0.7)	(1.1)	**(2.0)**
Transfer to Stage 1	0.1	(0.1)	–	–
Transfer to Stage 2	(–)	–	–	–
Transfer to Stage 3	(–)	(0.3)	0.3	–
Commitments for loans (unused limits)	–	–	–	–
Loans written off during the year	–	–	(1.7)	**(1.7)**
Recovery from written off during the year	–	–	–	–
Foreign exchange translation differences	0.1	1.3	0.9	**2.3**
Balance at end of year	**0.6**	**5.2**	**5.2**	**10.9**

	Loans and advances to small corporate			
	As at 31 December 2024			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2024	0.2	0.1	1.1	**1.4**
New financial assets purchased or issued	0.5	–	0.2	**0.8**
Financial assets matured or derecognised	(–)	(–)	(0.1)	**(0.1)**
Transfer to Stage 1	–	(–)	–	–
Transfer to Stage 2	(–)	–	(–)	–
Transfer to Stage 3	(–)	(–)	–	–
Loans written off during the year	–	–	(0.1)	**(0.1)**
Recovery from written off during the year	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of year	**0.7**	**0.1**	**1.1**	**1.9**

	Loans and advances to retail			
	As at 31 December 2023			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2023	0.3	0.1	1.4	**1.8**
Cairo Bank Uganda adjustments	–	(–)	–	–
New financial assets purchased or issued	0.3	–	0.1	**0.4**
Financial assets matured or derecognised	(0.1)	(–)	(0.8)	**(0.8)**
Transfer to Stage 1	–	(–)	(–)	–
Transfer to Stage 2	(–)	–	(–)	–
Transfer to Stage 3	(0.4)	(0.3)	0.7	–
Loans written off during the year	0.5	0.2	(0.1)	**0.7**
Recovery from written off during the year	–	–	(–)	(–)
Foreign exchange translation differences	(–)	(–)	(–)	(–)
Balance at end of year	**0.6**	**0.1**	**1.4**	**2.1**

	Loans and advances to large and medium corporate			
	As at 31 December 2023			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2023	0.5	2.8	3.9	**7.3**
Cairo Bank Uganda adjustments	(–)	(–)	(–)	(–)
New financial assets purchased or issued	0.1	1.1	1.4	**2.6**
Financial assets matured or derecognised	(0.1)	(0.4)	(0.9)	**(1.4)**
Transfer to Stage 1	0.1	(0.1)	–	–
Transfer to Stage 2	(0.1)	0.1	–	–
Transfer to Stage 3	(–)	(0.5)	0.5	–
Commitments for loans (unused limits)	(0.1)	(0.1)	–	**(0.2)**
Loans written off during the year	–	–	(0.8)	**(0.8)**
Recovery from written off during the year	–	–	–	–
Foreign exchange translation differences	–	0.4	0.5	**0.9**
Balance at end of year	**0.5**	**3.3**	**4.6**	**8.4**

	Loans and advances to small corporate			
	As at 31 December 2023			
	Stage 1 12 months	Stage 2 Life time	Stage 3 Life time	Total
	(EGP billions)			
ECL provision at 1 January 2023	0.1	0.9	0.2	**1.2**
New financial assets purchased or issued	0.1	0.1	0.4	**0.6**
Financial assets matured or derecognised	(0.1)	(0.1)	(0.1)	**(0.2)**
Transfer to Stage 1	–	(–)	–	–
Transfer to Stage 2	(–)	–	(–)	–
Transfer to Stage 3	(–)	(0.9)	0.9	–
Loans written off during the year	(–)	(–)	–	(–)
Recovery from written off during the year	–	–	–	–
Foreign exchange translation differences	–	–	–	–
Balance at end of year	**0.2**	**0.1**	**1.1**	**1.4**

Coverage ratio by type of customer. The following table sets forth coverage ratio by type of customer as at 30 June 2026 and 31 December 2025, 2024 and 2023[43]:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
			(%)	
Retail	115%	131%	123%	113%
Microfinance	99%	100%	80%	82%
SME	123%	127%	86%	72%
Corporate	252%	259%	216%	183%
NBFIs	N/A	N/A	N/A	N/A

The following table sets forth coverage ratio (adjusted for collateral) by type of customer as at 30 June 2026 and 31 December 2025, 2024 and 2023[44]:

[43] The financial data in this table is based on management information and is not derived from the Financial Statements.

[44] The financial data in this table is based on management information and is not derived from the Financial Statements. Coverage ratio (adjusted for collateral) is presented on a standalone basis. By way of comparison, the coverage ratio was 176.4%, 185%, 152.5% and 133% on a standalone basis as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
			(%)	
Retail	140%	151%	128%	115%
Microfinance	99%	100%	80%	82%
SME	358%	338%	147%	114%
Corporate	261%	267%	220%	187%
NBFIs	N/A	N/A	N/A	N/A

Cost of risk by type of customer. The following table sets forth cost of risk by type of customer for the six months ended 30 June 2026 and the years ended 31 December 2025, 2024 and 2023[45]:

	Six months ended 30 June	Year ended 31 December		
	2026	2025	2024	2023
		(%)		
Retail	0.7%	2.2%	1.3%	1.1%
Microfinance	2.5%	6.1%	3.0%	1.2%
SME	2.5%	2.6%	3.0%	0.3%
Corporate	0.2%	2.6%	2.2%	2.0%
NBFIs	0.4%	(0.1)%	0.3%	(1.4)%

Financial investments

For purposes of comparisons across periods, financial investments at fair value through other comprehensive income, profit and loss and at amortised cost have been aggregated. Financial investments increased by EGP 33.6 billion, or 23.3%, to EGP 178.2 billion as at 30 June 2026 compared to EGP 144.5 billion as at 31 December 2025, having increased by EGP 59.4 billion, or 69.8%, in 2025 from EGP 85.1 billion as at 31 December 2024, and decreased by EGP 30.3 billion, or 26.3%, in 2024 from EGP 115.4 billion as at 31 December 2023. The increase in the first six months of 2026 related to a tactical asset allocation shift into sovereign government securities. In 2025, BdC deployed a significant amount of liquidity to acquire Government securities. The decrease in 2024 was due to deploying liquidity in interbank and CBE placements as well as expansion of the loan portfolio.

The following table sets forth a breakdown of financial investments as at 30 June 2026 and 31 December 2025, 2024 and 2023:

[45] The financial data in this table is based on management information and is not derived from the Financial Statements.

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Financial investments at fair value through other comprehensive income				
Debt instruments				
Listed debt instruments (at fair value Stage 2)	41.9	37.1	22.8	15.7
Treasury bills and other governmental notes (Unlisted)				
Treasury bills at fair value - local currency (at fair value - Stage 2)	62.6	47.8	21.0	43.9
Treasury bills - foreign currency	19.2	18.9	19.7	12.1
Treasury notes - local currency	14.0	–	–	–
Total treasury bills and other governmental notes at fair value	**95.9**	**66.7**	**40.7**	**55.9**
Equity instruments				
Listed (at fair value - Stage 1)	0.2	0.1	0.1	0.1
Unlisted at cost	0.3	0.3	2.5	2.0
Investment certificates				
Unlisted certificate – recoverable amount (at fair value Stage 1)	0.5	0.4	0.4	0.2
Total financial investments at fair value through other comprehensive income	**138.7**	**104.7**	**66.5**	**73.9**
Financial investments at amortised cost				
Debt instruments at amortised cost				
Listed	39.0	39.5	18.5	40.4
Unlisted	0.1	0.1	0.1	0.1
Treasury bills at amortised cost				
Unlisted	0.2	0.3	–	1.1
Total financial investments at amortised cost	**39.3**	**39.8**	**18.6**	**41.5**
Financial investments at fair value through profit and loss				
Listed	0.1	–	–	–
Unlisted – recoverable amount	–	–	–	–
Total financial investments at fair value through profit and loss	**0.1**	–	–	–
Total financial investments	**178.2**	**144.5**	**85.1**	**115.4**

Total liabilities

Total liabilities increased by EGP 16.6 billion, or 3.5%, to EGP 494.4 billion as at 30 June 2026 compared to EGP 477.8 billion as at 31 December 2025. Total liabilities increased by EGP 34.1 billion, or 7.7%, to EGP 477.8 billion as at 31 December 2025 compared to EGP 443.7 billion as at 31 December 2024, and by EGP 71.1 billion, or 19.1%, in 2024 from EGP 372.6 billion as at 31 December 2023. The increases were primarily due to growth in the deposit base.

Due to banks

Due to banks increased by EGP 0.5 billion, or 18.5%, to EGP 3.0 billion as at 30 June 2026 compared to EGP 2.5 billion as at 31 December 2025. Due to banks decreased by EGP 5.5 billion, or 68.7%, to EGP 2.5 billion as at 31 December 2025 compared to EGP 8.0 billion as at 31 December 2024, and increased by EGP 1.3 billion, or 19.7%, in 2024 from EGP 6.7 billion as at 31 December 2023. Due to banks fluctuates significantly during the year in the ordinary course of BdC's business.

The following table sets forth a breakdown of due to banks as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Current accounts	1.7	1.2	2.1	0.4
Deposits	1.2	1.3	6.0	6.3
Total	**3.0**	**2.5**	**8.0**	**6.7**
Central Bank	1.4	1.3	1.5	1.5
Local banks	–	–	0.1	2.1
Foreign banks	1.6	1.2	6.5	3.1
Total	**3.0**	**2.5**	**8.0**	**6.7**
Balances with interest	3.0	2.5	8.0	6.7
Current balances	3.0	2.5	8.0	6.7

Customers' deposits

Customers' deposits increased by EGP 39.3 billion, or 9.7%, to EGP 443.9 billion as at 30 June 2026 compared to EGP 404.5 billion as at 31 December 2025, increased by EGP 49.8 billion, or 14.0%, to EGP 404.5 billion as at 31 December 2025 compared to EGP 354.7 billion as at 31 December 2024, and by EGP 51.0 billion, or 16.8%, in 2024 from EGP 303.7 billion as at 31 December 2023. The increases were due to BdC's efforts to expand its deposit base, particularly in areas outside of Cairo. In 2024 and 2025, corporate deposits (which for purposes of the table below include certain SME and NBFI deposits) did not grow significantly due to BdC allowing a portion of deposits to lapse. It then replaced these deposits with lower cost funding.

The following table sets forth a breakdown of customers' deposits as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(EGP billions)		
Demand deposits	169.0	138.4	102.5	69.8
Term and notice deposits	103.3	93.8	96.5	88.1
Certificates of savings and deposits	97.5	96.0	94.7	100.3
Saving deposits	68.0	69.6	55.4	40.3
Other deposits	6.0	6.7	5.7	5.2
Total	**443.9**	**404.5**	**354.7**	**303.7**
Corporate deposits	179.6	163.4	155.2	139.5
Retail deposits	264.3	241.1	199.5	164.2
Total	**443.9**	**404.5**	**354.7**	**303.7**
Balances without interest	7.3	7.5	6.5	5.7
Balances with fixed interest	412.2	373.7	336.9	295.6
Balances with variable interest	24.5	23.3	11.3	2.5

The following table sets forth a breakdown of current accounts and savings accounts and total deposits by geography as at 30 June 2026 and 31 December 2025, 2024 and 2023[46]:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
		(%)		
Current accounts and savings accounts	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Greater Cairo	57.7%	56.7%	58.4%	56.9%
Outside of Cairo	42.3%	43.3%	41.6%	43.1%
Total deposits	**100.0%**	**100.0%**	**100.0%**	**100.0%**
Greater Cairo	55.9%	56.2%	59.3%	59.9%
Outside of Cairo	43.3%	43.0%	40.0%	39.6%
Subsidiaries	0.8%	0.8%	0.7%	0.5%

[46] The financial data in this table is based on management information and is not derived from the Financial Statements.

Other loans

Other loans primarily include certain loans granted to BdC for its lending programmes. Other loans amounted to EGP 21.7 billion as at 30 June 2026, representing a 53.2% decrease compared to 31 December 2025. The decrease in the first half of 2026 reflected the settlement of a foreign currency transaction, which led to a U.S.$500 million drop in foreign currency amounts in other loans. This transaction was back-to-back in nature, and therefore did not have a negative impact on BdC's liquidity position. Other loans decreased by EGP 13.4 billion, or 22.5%, to EGP 46.3 billion as at 31 December 2025 compared to EGP 59.7 billion as at 31 December 2024, and increased by EGP 18.0 billion, or 43.3%, in 2024 from EGP 41.7 billion as at 31 December 2023. The decrease in 2025 was mainly due to decreases in loans with the European Investment Bank (the "**EIB**") and the European Bank for Reconstruction and Development (the "**EBRD**"). The movements were mainly due to currency impacts due to devaluation. In addition, in 2024, BdC had new loans from the EBRD. The following table sets forth a breakdown of these loans as at 30 June 2026 and 31 December 2025, 2024 and 2023:

		As at 30 June	As at 31 December		
	Currency	**2026**	**2025**	**2024**	**2023**
			(EGP billions)		
Loan of Micro, Small and Medium Enterprises Development Agency	EGP	0.7	0.6	0.6	1.4
Arabic Trade financing programme loan	USD	–	0.2	0.6	0.6
Arab Fund for Economic and Social Development loan – Kuwait	USD	2.7	2.7	2.6	1.3
Green for growth fund	USD	0.1	0.2	0.3	0.2
European Investment Bank	USD	2.8	3.5	5.6	4.4
European Bank for Reconstruction and Development	USD	0.1	0.1	3.3	1.6
African Export-Import Bank	USD	–	24.4	28.6	22.0
Saudi Fund for Development	EGP	–	–	0.1	0.1
International Finance Corporation	USD	1.5	1.8	2.5	–
Agence Francaise de Development	USD	1.8	1.9	1.6	0.2
Kreditanstalt für Wiederaufbau Bankengruppe	EUR	0.8	0.3	0.3	–
Present value – CBE subordinated deposit[(1)]	EGP	–	–	1.5	1.3
Present value – Banque Misr subordinated deposit[(2)]	EGP	–	–	2.3	2.0
Green fund for growth (subordinated loan)	USD	1.5	1.4	1.5	0.1
SANAD fund for MSME (subordinated loan)	USD	1.3	1.4	1.5	0.1
European Bank for Reconstruction and Development (subordinated loan)	USD	2.5	2.4	2.5	1.5
British international investment (subordinated loan)	USD	2.5	2.4	2.5	1.5
Others	EGP	3.4	2.8	1.9	1.6
Total other loans		**21.7**	**46.3**	**59.7**	**41.7**
Current balances		2.1	27.6	2.0	20.3
Non-current balances		19.6	18.7	57.7	21.4
Total		**21.7**	**46.3**	**59.7**	**41.7**

Notes:

(1) BdC was granted a subordinated deposit from the CBE in the amount of EGP 2 billion for 10 years without any interest or commission to meet capital adequacy requirements from 23 August 2016 to 22 August 2026. The loan was repaid early on 28 December 2025.

(2) BdC was granted a subordinated deposit from Banque Misr in the amount of EGP 3 billion for seven years from 30 June 2020 to 29 June 2027 to support BdC's capital base. The loan was repaid early on 28 December 2025. The loan was interest free.

Total equity

Total equity increased by EGP 4.2 billion, or 6.7%, to EGP 66.8 billion as at 30 June 2026 compared to EGP 62.6 billion as at 31 December 2025, and by EGP 16.9 billion, or 37.1%, to EGP 62.6 billion as at 31 December 2025 compared to EGP 45.7 billion as at 31 December 2024, and by EGP 12.5 billion, or 37.8%, in 2024 from EGP 33.1 billion as at 31 December 2023. The increases were primarily due to retained earnings.

Contingencies and Commitments

Capital commitments

BdC had capital commitments in the amount of EGP 1.4 billion as at 30 June 2026. These capital commitments included commitments to purchase fixed assets and intangible assets. In addition, as at 30 June 2026, BdC had

commitments in the amount of EGP 0.6 billion related to investments at fair value through other comprehensive income and investments in subsidiaries and associated companies.

Commitments related to loans, guarantees and facilities

BdC has outstanding credit-related commitments to extend loans. These commitments take the form of approved loans, credit card limits and overdraft facilities. BdC also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties.

The following table sets forth a breakdown of BdC's credit-related commitments as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	**2025**	**2024**	**2023**
		(EGP billions)		
Accepted documentation	3.0	2.6	2.0	1.4
Loan commitments	15.6	17.5	17.5	6.8
Letters of credit	9.8	6.3	5.1	5.1
Letters of guarantee	55.2	42.7	47.2	28.8
Total	**83.5**	**69.2**	**71.9**	**42.1**

Capital

As at 30 June 2026, BdC had a Tier 1 ratio, capital adequacy ratio and common equity Tier 1 ("**CET1**") ratio of 18.7%, 22.1% and 18.7%, respectively. As at 31 December 2025, BdC had a Tier 1 ratio, capital adequacy ratio and CET1 ratio of 18.4%, 22.1% and 18.4%, respectively. This compared to 13.2%, 17.1% and 12.9% as at 31 December 2024 and 13.5%, 17.3% and 12.7% as at 31 December 2023, respectively. The increase in BdC's capital ratios were mainly due to profit generation. The following table sets forth the calculation of BdC's capital adequacy ratios as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	**2025**	**2024**	**2023**
		(EGP billions, except percentages)		
Tier 1 capital (continuous basic capital and additional capital)				
Issued and paid up capital	30.5	20.5	19.0	10.0
Amount paid for capital increase	–	10.0	1.5	10.5
General reserve	0.2	0.2	0.2	0.2
Legal reserve	3.2	2.3	1.7	1.4
Other reserves	0.9	0.9	0.8	0.7
General risk reserve	0.1	0.1	0.1	0.1
Retained earnings	19.9	6.8	5.1	0.4
Profit for the period	8.9	16.1	12.3	6.6
Non-controlling interest	–	–	–	–
Difference between the present value and face value for subordinated time deposit	–	–	1.2	1.6
Total other comprehensive income items, accumulated	1.9	3.4	1.5	(0.3)
Total deductions from Tier 1 capital common equity	(2.2)	(2.0)	(1.9)	(1.4)
Total qualifying Tier 1 capital	**63.3**	**58.2**	**41.5**	**29.8**
Tier 2 capital (subordinated capital)				
Equal for banking risk provisions against debt instruments/loans credit facilities in Stage 1	3.6	3.5	2.5	1.4
Subordinated deposits	7.7	7.6	9.6	6.9
45% of the increase in fair value over book value for financial investments in associated companies	0.2	0.4	0.2	0.1
Total Tier 2	**11.5**	**11.5**	**12.2**	**8.4**
Total capital base after deductions	**74.8**	**69.8**	**53.7**	**38.3**
Risk weighted assets and contingent liabilities				
Total credit risk	307.0	290.7	287.3	203.6
Total market risk	9.6	8.2	13.4	8.2
Total operational risk	22.0	17.3	12.6	9.6
Total risk weighted assets and contingent liabilities	**338.6**	**316.2**	**313.3**	**221.5**
Capital adequacy ratio	**22.09%**	**22.06%**	**17.14%**	**17.27%**

BdC is also required to comply with a leverage requirement, pursuant to which banks must have Tier 1 capital in excess of 3% of the total of the bank's assets and off-balance sheet commitments. Unlike traditional capital requirements, the leverage requirement does not take into account risks associated with different types of assets. This limits the extent to which a bank's balance sheet may be funded from debt. As at 30 June 2026, BdC's leverage ratio was 10.4%.

Significant accounting policies

For the most significant accounting policies applied by BdC, see Note 2 to the 2025 Financial Statements.

SELECTED STATISTICAL AND OTHER INFORMATION

The following discussion sets out information with respect to the assets, liabilities and equity of BdC, together with certain selected statistical information, ratios and other data that have been derived from the Financial Statements included elsewhere in this Offering Circular, and from unaudited management accounts. The discussions and selected statistical information and other data set forth below should be read together with "Presentation of Financial and Other Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Financial Statements included elsewhere in this Offering Circular.

Average Balances and Rates

Unless otherwise indicated, the average balances set forth below are calculated as the average of the relevant monthly balances at each month end during the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023. Month-end balances have been derived from BdC's unaudited management accounts prepared from BdC's accounting records and used by management for monitoring and control purposes. Calculation of average balances using different methods of calculation could result in material differences from the figures set forth below and elsewhere in this Offering Circular. All average balances are unaudited.

The average rates set forth below are calculated by dividing interest income or expense for the relevant line item by the average balance for the same line item. Average interest rates are distinct from the effective interest rates used for purposes of the preparation of the Financial Statements. The effective interest rate method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating interest income or interest expense over the relevant period.

The following table sets forth the average balances of BdC's interest-earning assets and interest-bearing liabilities, the related interest income and interest expense and average rates for the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June					
	2026			2025		
	Average balance	Interest income[(1)]	Average rate (%)	Average balance	Interest income[(1)]	Average rate (%)
	(EGP billions, except percentages)					
Cash and balances with Central Bank	38.2	N/A	N/A	31.5	N/A	N/A
Interest-earning assets						
Due from banks	70.9	3.2	4.6%	132.8	8.3	6.3%
Loans and advances to banks	23.0	0.7	3.0%	20.1	0.6	3.0%
Loans and advances to customers	246.3	21.7	8.8%	217.0	22.3	10.3%
Financial investments at fair value through other comprehensive income and amortised cost	161.3	15.0	9.3%	95.1	8.6	9.0%
Leasing fixed assets	4.7	4.0	85.8%	4.0	3.2	79.7%
Total interest-earning assets	506.1	44.6	8.8%	469.0	43.0	9.2%
Interest-bearing liabilities						
Due to banks	2.7	0.7	26.1%	7.9	0.3	4.3%
Customers' deposits	424.2	20.2	4.8%	369.1	21.2	5.8%
Other loans	34.0	4.9	14.6%	57.0	4.5	7.8%
Total interest-bearing liabilities	460.9	25.8	5.6%	434.1	26.1	6.0%

Note:

(1) Interest income derived from special purpose financial statements

	Year ended 31 December								
	2025			2024			2023		
	Average balance	Interest income(1)	Average rate (%)	Average balance	Interest income(1)	Average rate (%)	Average balance	Interest income(1)	Average rate (%)
	(EGP billions, except percentages)								
Cash and balances with Central Bank	32.1	N/A	N/A	33.4	N/A	N/A	28.7	N/A	N/A
Interest-earning assets									
Due from banks	117.5	12.0	10.2%	104.7	12.5	12.0%	62.0	8.0	12.9%
Loans and advances to banks	17.6	1.2	6.9%	11.1	0.7	6.5%	6.1	0.5	9.0%
Loans and advances to customers	225.8	44.2	19.6%	192.9	38.0	19.7%	148.5	23.8	16.0%
Financial investments at fair value through other comprehensive income and amortised cost	114.8	22.5	19.6%	100.3	17.4	17.4%	109.2	16.7	15.3%
Leasing fixed assets	4.0	4.4	108.1%	3.5	3.4	97.5%	3.2	2.4	75.8%
Total interest-earning assets	479.8	84.3	17.6%	412.5	72.1	17.5%	329.0	51.4	15.6%
Interest-bearing liabilities									
Due to banks	5.3	0.8	14.8%	7.4	2.0	27.1%	13.3	2.8	21.2%
Customers' deposits	379.6	41.9	11.0%	329.2	34.8	10.6%	277.3	26.3	9.5%
Other loans	53.0	6.7	12.7%	50.7	6.6	13.0%	30.5	4.1	13.3%
Total interest-bearing liabilities	437.9	49.4	11.3%	387.3	43.4	11.2%	321.1	33.2	10.3%

Note:

(1) Interest income derived from special purpose financial statements

Interest-Earning Assets, Yields, Margins and Spreads

The following table sets forth net interest income, yield, margin and spread for the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023[47]:

	Six months ended 30 June		Year ended 31 December		
	2026	2025	2025	2024	2023
Net interest income	(EGP billions, except percentages)				
EGP	17.7	16.1	33.2	26.8	16.8
Foreign currency	1.1	0.9	1.8	1.9	1.4
Total	18.8	17.0	35.0	28.7	18.2
Yield(1)					
EGP	22.3%	25.8%	23.9%	22.7%	18.8%
Foreign currency	5.9%	5.5%	5.5%	7.3%	6.8%
Weighted Average	17.6%	18.3%	17.6%	17.5%	15.6%
Margin(2)					
EGP	9.7%	10.8%	10.5%	9.8%	7.0%
Foreign currency	1.5%	1.0%	1.1%	1.4%	1.6%
Weighted Average	7.4%	7.2%	7.3%	7.0%	5.5%
Spread(3)					
EGP	7.9%	8.5%	8.3%	8.3%	6.3%
Foreign currency	1.6%	1.1%	1.1%	1.6%	1.9%

[47] The financial data in this table is based on management information and is not derived from the Financial Statements.

Weighted Average	6.4%	6.3%	6.3%	6.3%	5.3%

Notes:

(1) Calculated as interest income as a percentage of average interest-earning assets.
(2) Calculated as net interest income as a percentage of average interest-earning assets.
(3) Calculated as the difference between the average rate of interest income on interest-earning assets and the average rate of interest expense on interest-bearing liabilities.

Loan Portfolio

For details of BdC's loan portfolio, including a breakdown of loans by type of loan, industry and region, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total assets — Loans and advances to customers"*.

For the maturity profile of BdC's loan portfolio, see *"Risk Management — Market Risk — Interest Rate Risk"*.

For a breakdown of BdC's loan portfolio by currency, see *"Risk Management — Market Risk — Foreign Exchange Rate Risk"*.

Financial Investments

For details of BdC's financial investments, including a breakdown of investments by type of instrument, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total assets — Financial investments"*.

For the maturity profile of BdC's investments, see *" Risk Management— Market Risk —Interest Rate Risk"*.

For a breakdown of BdC's investments by currency, see *"Risk Management— Market Risk —Foreign exchange rate risk"*.

Funding Sources

For details of BdC's funding sources, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total liabilities" and "—Total equity"*.

Customers' deposits

For details of BdC's customers' deposits by type of deposit, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total liabilities — Customers' deposits"*.

For the maturity profile of BdC's customers' deposits, see *"Risk Management— Market Risk —Foreign exchange rate risk"*.

For a breakdown of BdC's customers' deposits by currency, see *"Risk Management — Market Risk — Interest Rate Risk"*.

Other sources of funding

BdC also relies on interbank funding as well as other loans. For a breakdown of interbank lending, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total liabilities — Due to banks" and "—Other loans"*.

Return on Assets and Equity

The following table sets out details of BdC's return on assets and equity for the six month periods ended 30 June 2026 and 2025 and the years ended 31 December 2025, 2024 and 2023:

	Six months ended 30 June		Year ended 31 December		
	2026	2025	2025	2024	2023
	(EGP billions, except percentages)				
Average total assets	550.8	504.9	514.9	447.6	364.9
Average total equity.....	64.7	48.2	54.1	39.4	27.9
Average total assets/average total equity	8.5x	10.5x	9.5x	11.4x	13.1x
Return on average assets.....	3.2%	2.9%	3.1%	2.7%	1.8%
Return on average equity	27.6%	30.5%	29.7%	31.2%	23.7%

RISK MANAGEMENT

BdC is exposed to a variety of financial risks. The various categories of risk are analysed, assessed, and managed. BdC aims to achieve an adequate balance between risk and return, and to minimise adverse impact on its financial performance. The key risks to which BdC is exposed include credit risk, market risk, liquidity risk and other operating risks. Market risk includes risks associated with foreign exchange rates, interest rates and the other pricing risks.

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

Risk management is carried out by the Risk Committee in the light of the policies approved by the Board of Directors. The Risk Committee identifies, assesses, and hedges against risk in close collaboration with the different operating units of BdC. The Board of Directors approves written principles for risk management which have been reviewed by the Risk Committee. These policies cover all key risk categories referred to above. In addition, the Risk Committee is responsible for the periodic review of the risk management and control environment.

Organisation

The Board of Directors is responsible for BdC's overall risk management, including approving all risk management policies. See *"Management and Corporate Governance—Board of Directors"* for further detail of the Board of Directors. BdC also has several committees of the Board of Directors. See *"Management and Corporate Governance — Board Committees"*.

BdC's Chief Risk Officer is responsible for overall risk management, including the following risk management functions: Enterprise Risk Management, Credit Risk, Retail Risk, Market Risk, Operational Risk, Information Security, Credit Administration and Investigations. The Chief Risk Officer attends all meetings of the various risk management functions. The Chief Risk Officer reports directly to the Risk Committee rather than the CEO, with dotted line reporting to the CEO.

All subsidiaries have independent risk management, namely CBU and CLC have their own risk management functions that do not report directly to BdC's risk management bodies, although BdC provides assistance to CBU in this area through the sharing of know-how and best practice with the aim of aligning CBU's risk management policies and procedures with those of BdC.

Risk Management Departments

BdC has the following risk management departments:

Enterprise Risk Management

The Enterprise Risk Management function formulates guidelines for risk management across the various departments in order to minimise the effects of risk on BdC's capital and earnings through proper provisioning, stress tests, early warning signals and triggers, industry studies, risk acceptance criteria and policy reviews. It is responsible for risk appetite and tolerance, industry studies and concentration ratios, forward-looking probability of default, setting portfolio thresholds, ensuring adequate provisioning, early warning signs on an individual and portfolio level and regular stress testing, as well as ad hoc stress tests on the impact on capital and earnings.

Credit Risk

Credit risk is managed through a framework that sets out policies and procedures covering the measurement and management of credit risk in large corporates, mid-sized corporates, financial institutions and NBFIs and SMEs. Assessments are conducted on a case-by-case basis, relying on monitoring tools within the risk framework as proactive measures. There is a clear segregation of duties between transaction originators in BdC's business units and approvers in the risk management department. All credit exposure limits are approved within a defined credit approval authority framework to ensure compliance with CBE regulations and guidelines and determine accurate ratings for borrowers and facilities.

Retail Risk

The Retail Risk function acts as a central strategic pillar governing the sustainability, profitability and growth of BdC's retail and microfinance portfolios. It designs, owns and continuously refines end to end risk and portfolio management strategies across retail credit risk, lending policies, retail fraud risk, insurance portfolios and collection and recoveries, fully aligned with BdC's overarching strategic objectives.

At its core, the function relies on data-driven decision-making leveraging advanced analytics and statistical modelling, additionally, AI-enabled systems that translates data into actionable insights that directly shape product

design, underwriting strategies, customer segmentation and life cycle management where all material risk decisions are grounded in observed evidence, behavioural data and forward-looking portfolio simulations in a proactive approach.

Retail risk has accountability for portfolio quality and risk-adjusted returns, ensuring an optimal balance between growth, customer inclusion and capital efficiency this is achieved through continuous performance monitoring relying on complex risk matrices for early warning indicators.

Retail risk is a strategic enabler of growth while safeguarding long-term value creation to ensue growth is measured, resilient and economically sound.

Market Risk

The Market Risk department manages market-related risks, including liquidity risk, interest rate risk and foreign exchange risk. Liquidity risk is managed through a maturity ladder of assets and liabilities and through the monitoring of the LCR and NSFR. Market risk is managed through a set of policies including thresholds, limit setting, early warning triggers and stress testing. The Treasury Middle Office (the "**TMO**") monitors and controls the entirety of the Treasury and Capital Markets division's positions daily, including the treasury products profit and loss, all executed transactions, mark-to-market revaluation, foreign exchange prices, CBE reserve ratios, and fund transfer pricing ("**FTP**"), to ensure they comply with both BdC's and the CBE's updated policy changes and regulatory requirements.

Operational Risk

BdC's Operational Risk function manages operational risk exposures in line with BdC's strategic objectives through a robust governance, risk and compliance ("**GRC**") framework aligned with internationally recognised standards. All control functions, including operational risk, internal audit, internal controls and compliance, operate within an integrated framework focused on risk identification, assessment, mitigation, monitoring and reporting. BdC's risk management and internal control environment is underpinned by ISO 31000 and the Committee of Sponsoring Organizations of the Treadway Commission 2013 ("**COSO 2013**") framework, supporting consistent control design, testing and continuous improvement across financial, IT, compliance and operational processes.

Operational resilience is reinforced through BdC's ISO 22301 certification, which supports effective business continuity and disaster recovery arrangements.

BdC maintains an internal operational risk loss database, a Risk and Control Self-Assessment ("**RCSA**") programme and Key Risk Indicators ("**KRIs**") to monitor risk exposures and provide early warning of emerging risks. IT risk management activities include technology risk assessments and access management controls, IT risk oversight and ongoing system and application control testing.

BdC also operates an enterprise-wide fraud risk management framework governed by a comprehensive Fraud Risk Combating Policy, providing a holistic and integrated approach to fraud prevention, detection and response across information security, financial crime, application and systems fraud, payment and card fraud, physical security and fraud investigation.

A strong risk-aware culture is embedded across the organisation and supported by ongoing training and awareness initiatives.

Information Security

The Information Security department is responsible for the development of architecture for the protection of BdC's critical information infrastructure from a confidentiality, integrity and availability perspective by applying both reactive and proactive approaches, including security assessments as well as incident detection and response. BdC adopts the latest automated systems while continuously benchmarking BdC's environment against the CBE's cyber security framework, the Payment Card Industry Data Security Standard ("**PCI-DSS**"), ISO 27001 and the Swift CSP annual compliance journey and certifications.

Credit Administration

The Credit Administration department is responsible for monitoring the proper implementation of CBE regulations and directives as well as BdC's own credit policy and compliance with covenants. BdC has put in place procedures to monitor its loan portfolio including the existence and renewal of collateral, custody of documentation, and day-to-day contact with its corporate and SME customers to ensure that facilities are properly disbursed. The Credit Administration department is responsible for the preparation of periodic reports and analyses to reflect the current status of BdC's corporate and SME loan portfolios in relation to its lending strategy and policies and the preparation of all periodic credit reports as required by CBE.

Investigations

The Investigations department is an independent department that validates and verifies documentation, information, market soundings and relationships with other lenders for corporate and SME clients.

Credit Risk

BdC is exposed to credit risk, which is the risk that a counterparty will fail to meet its obligations. Credit risk is the most fundamental risk for BdC. Credit risk arises mainly in relation to BdC's lending activities, as well as in relation to its holdings of debt instruments. Credit risk also arises in relation to off-balance sheet items such as loan commitments. Credit risk management and control processes are overseen by the Risk Committee, which reports to the Board of Directors, as well as by senior management and the heads of the product groups on a regular basis.

The Risk Committee establishes requirements to identify, evaluate, monitor and report on credit risk, while the product groups are responsible for managing credit risk within their groups while also considering business strategies.

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

BdC's credit policy is designed to ensure that risk management strategies and objectives are fully identified, including:

- Strengthening and improving BdC's ability to measure and reduce credit risk in order to reduce credit losses;
- Strengthening and improving credit portfolio management procedures;
- Strengthening and improving BdC's procedures for the early identification of problem areas; and
- 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 BdC's risk tolerance criteria and includes guidance on target markets (e.g. corporates, SMEs and HNWIs). The policy also defines risk limits by type of borrower/industry as well as 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.

BdC's loan portfolio is managed through portfolio diversification, including by industry sector, rating and geographical area in order to avoid concentration in specific economic sectors or credit products, which may be affected by adverse developments in the economy. In general, BdC uses criteria for borrowers and industry sectors to minimise risk concentration. BdC's operations are concentrated in Egypt, which reduces risks related to foreign currency, although geographical concentration remains at levels within BdC's risk tolerance.

Lending policies

BdC lends to corporate, retail, microfinance and SME customers providing loans, credit lines, overdrafts, credit cards, letters of credit and guarantees. BdC's credit policies establish a framework for lending decisions reflecting BdC's tolerance for credit risk. This framework includes detailed and formalised credit evaluation and collateral appraisal processes, administration and documentation, credit approval authorities at various levels (including approval authority for policy exceptions), counterparty and industry concentration limits, and clearly defined roles and responsibilities of entities and staff involved in the origination, monitoring and management of credit. BdC has standardised risk rating models for consistent credit evaluation, including Moody's Credit Lens. It employs IFRS 9 models developed by Moody's.

Corporate and SME Loans

BdC's general approval process for corporate and SME loans is set forth below (it has certain SME lending products that are subject to a specialised process and approval matrix based on preset criteria and hence for these types of loans, the below processes do not apply):

- **Facility initiation and qualification process**: The marketing approach is based on the unique knowledge and capabilities of BdC's Corporate and SME teams and is subject to well-defined target market criteria. A credit application is prepared by the relationship manager and presented to the Credit Risk function for evaluation.

- **Review process**: the review process encompasses the credit risk assessment, the submissions checklist and the submission assessment:

    - **Due diligence and credit risk assessment**: The due diligence and credit risk assessment is an assessment covering financial analysis, industry and market risk assessment, an assessment of credit history and repayment behaviour, collateral assessment, corporate governance and management and environmental and social ("**E&S**") risk assessment. Compliance with CBE regulations and guidelines is ensured.

    - **Submissions checklist**: The submissions checklist includes (i) a full set of financial statements for the last three years, positive investigation reports, the CBE aggregate credit position, a related parties report, an I-Score report for the ultimate beneficial owners and board members, auditors and qualification documents; (ii) a track record, backlog of existing projects and pipelines of future projects for contracting companies; (iii) a feasibility study for recently established companies; and (iv) a term sheet and full projections with appropriate sensitivities for long-term loans; and

    - **Submission assessment**: During this step, the proposed facility is checked against BdC and CBE concentration limits; the proposed structure is assessed in terms of amounts and tenors to ensure the offered product matches actual requirements and the asset conversion cycle of the borrower; for medium-term facilities, the availability, grace period and repayment schedule are assessed based on the business model submitted by the borrower; it is determined whether the proposed collateral and security package are appropriately tailored to the risk profile and tenor of the facility; validation of facility risk ratings are carried out against collateral; and financial performance of the borrower and guarantor where relevant is evaluated and industry analysis is considered. Once these requirements are met, the Credit Risk function issues a recommendation for approval;

    - **Approval process**: Credit approval is committee based. There are three committees for corporate loans (including financial institutions and NBFIs). There are also two separate credit committees for SMEs. Each committee is composed of five members, with three members representing credit risk and two representing the relevant business line. Each approval must be by a minimum of three committee members, including at least two credit risk committee members;

    - **Post-approval process**: Approvals are submitted to the Credit Administration function to begin the drafting of the facility contract in line with BdC's approved templates. Contracts are drafted while ensuring that approval terms, covenants and restrictions are properly included in the documentation; and

    - **Facility monitoring process**: A designated team within the Credit Administration function ensures that the funds drawn down are used for the approved purposes and that the funds are distributed via the proper channels. The borrower's prompt payment of interest is monitored. All discrepancies are escalated to the relationship management team and the Credit Risk function for assessment. Monthly reports on any discrepancies are prepared by the Credit Administration function and presented to the Executive Committee; and

- **Sample checking of decentralised credit approvals**: to ensure robust credit governance, for certain types of SME loans (e.g. loans of up to EGP 20 million where there are no financial statements available), periodic sample reviews of decentralised credit approvals are conducted. This includes:

    - **Random sampling methodology**: Credit cases are selected based on risk exposure, approval authority and transaction size;

    - **Compliance verification**: BdC ensures that decentralised approvals are in strict compliance with its credit thresholds, delegation matrix and policy guidelines, including but not limited to thresholds on the portfolio non-performing loan cap and the non-performing loan ratio and ensuring prompt action is taken to maintain a healthy portfolio; and

    - **Exception handling**: Deviations are identified, with corrective actions being implemented to maintain portfolio integrity.

Short-term facilities are typically uncommitted and are renewed on an annual basis. Medium-term facilities are typically committed and reviewed on an annual basis irrespective of loan maturity. The Credit Risk function may expedite the review process based on the risk profile of the borrower or changes in the market.

Retail and Microfinance Loans

BdC's approach to risk management in the retail and microfinance portfolio entails the following pillars:

- **Portfolio management**: the portfolio management approach emphasises exposure management, with credit risk mitigation tools such as collateral and guarantees. Active portfolio management is supported by various monitoring tools, including sectoral reviews, I-Score checks and early warning signals;

- **Data driven decision making**: retail risk management is grounded in data driven decision making leveraging advanced analytics to identify, assess and mitigate risks proactively. This includes the use of complex matrices, KPIs and KRIs;

- **Hybrid delegation model**: credit underwriting is structured as a hybrid delegation model, which contains checks and balances and is designed according to product nature and risk profile, with a specific focus on individual credit assessments and pre-determined risk acceptance criteria;

- **Monitoring and quality control framework**: BdC's monitoring and quality control framework ensures the health of the retail and microfinance portfolio by overseeing new credit acquisitions, collection activities and ongoing portfolio management. The framework includes robust sampling mechanisms to review approved credit requests at all decision making layers, ensuring effective policy implementation and proper delegation of authority;

- **Strategic fraud management**: BdC's strategic fraud management includes multiple layers of defence to ensure that a breach in one layer does not create a single point of failure across the customer life cycle. The strategic fraud management framework integrates detection and prevention techniques for both credit applications and transactions related to cards and merchants; and

- **Collection and recovery**: BdC has a well-structured collection and recovery process in place to manage overdue loans and minimise credit losses, including early collections, late stage collections and recoveries or write-offs, as described in further detail below.

BdC's approval process for retail and microfinance loans is set forth below:

- **Request stage**: the relevant channel (usually a Branch) collects pre-approval documents (including identification documents a human resources letter where relevant and a loan application based on BdC's standard template) as well as an I-Score report;

- **Approval stage**: the borrower's documentation is reviewed, along with analysis for compliance with the CBE's debt burden regulations (in the case of retail loans) and external verification. A decision is made whether to approve or reject the loan; and

- **Disbursement stage**: the borrower signs the contract and a check disbursement is made.

The collections process for retail and microfinance loans is as follows:

- **Tele-calling**: BdC has an in-house tele-calling team which carries out tele-calling based on segmentation by product, bucket and balance. The team monitors flow rates and targets;

- **Collection agencies**: the next step is assignment of problem loans to external collections agencies and the handling of legal actions; and

- **Write-off and recovery**: for credit cards, balances are written off when they are over 180 days past due. For all other loans, balances are written off when they are over 360 days past due.

Non-Performing Loan Management

Corporate and SMEs

The management of non-performing loans is undertaken by recovery teams. As a first step in the management of non-performing loans, BdC will cease to accrue interest on the loan once it has been identified as non-performing. It will then review the collateral it holds in respect of the loan to decide on the appropriate course of action. Then BdC will either (i) work with the borrower to reach an appropriate rescheduling plan or (ii) take legal action.

Retail and microfinance

The management of non-performing loans follows a structured and strategically aligned recovery process. After the completion of early-stage collection efforts, a dynamic and segmented recovery strategy is implemented for retail and microfinance customers to maximise debt recovery while maintaining regulatory compliance. The process includes the following key steps:

- **Intensive recovery follow-up**: engagement of accredited external collection agencies to conduct structured and closely monitored follow-up actions. These include field visits, negotiated repayment arrangements, restructuring discussions where appropriate and continuous monitoring to enhance recovery prospects; and

- **Legal action**: in cases where amicable recovery efforts do not yield satisfactory results, non-performing loans are escalated for legal proceedings.

In all cases, the full principal may be written off subject to obtaining the necessary approvals form the Board of Directors.

Credit risk measurement

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

- Probability of default by the customer or third parties in meeting their contractual obligations;

- The current status of direct facilities and the future development of indirect facilities likely to result in BdC's resulting exposure at default; and

- Loss given default.

BdC 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 analyses are taken into account with the professional judgment of the credit officer to reach an appropriate rating. BdC's customers are divided into four categories. Credits are transferred across the categories based on changes in the assessment of the probability of default. If necessary, BdC periodically assesses the performance of the rating methods and their ability to predict delays in payment:

The following table sets forth the classification of customers based on BdC's assessment of their probability of default according to its internal rating methodology (see below under *"—Impairment policies and provisions"* for the internal ratings methodology applied by BdC).

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

The amount subject to loss depends on the amount that BdC expects to be outstanding when the delay in payment occurs. For example, for a loan, this amount would be the face value of the loan. In relation to commitments, BdC lists all amounts actually withdrawn in addition to amounts that are expected to have been withdrawn when the delay in payment occurs, if any.

The expected loss represents BdC's expectations of the extent of the loss when claiming the debt if a delay has occurred. This is expressed in terms of the ratio of the expected loss to the debt. The ratio 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

In relation to debt instruments, BdC uses external ratings from credit agencies to manage credit risk. If such ratings are not available, then BdC applies similar methods to those applied to credit customers.

Risk Limits and Mitigation Policies

BdC manages, mitigates, and controls credit risk concentration at the level of borrowers, groups, industries, and countries as follows:

- BdC structures levels of credit risk tolerance by placing limits for the risk tolerance in relation to each borrower or class of borrowers, and at the level of economic activities and geographical sectors. This risk is constantly monitored and controlled and is subject to reviews on an annual basis or more frequently if necessary. Credit risk limits are approved on a quarterly basis by the Board of Directors; and

- Credit risk exposure is managed by the periodical analysis of borrowers' present and future ability to fulfil their obligations and changes to lending limits where appropriate.

Collateralisation

BdC lends on the basis of a rigorous analysis of cash flows and repayment ability of its customers. Among the methods employed by BdC to mitigate credit risk is obtaining collateral against the extended funds. BdC has set guidelines for acceptable collateral. It requires collateral for certain of its corporate loans and higher value SME loans and all of its mortgage loans, primarily consisting of security interests over residential properties, business assets such as premises and inventory and financial instruments such as debt securities and equities.

The value of the collateral used to secure the loans comprising BdC's portfolio can vary over time. Collateral is initially appraised at the time when the loan application is made and a full re-evaluation is carried out every three years in accordance with CBE regulations.

As at 30 June 2026, 19.9% of gross loans and advances to customers was secured, with 13.7% being salary transfer loans and 66.4% being unsecured[48].

Credit related commitments

The main reason for credit related commitments is to ensure availability of funds upon customer request. Financial guarantees entail the same credit risk as loans. Letters of credit issued by BdC grant third parties the right to withdraw a certain value according to the terms and conditions thereof and are usually guaranteed by the goods being traded, resulting in lower credit risk as compared to loans and guarantees.

Credit related commitments represent the unused portion from the approved limit, financial guarantees or letters of credit. BdC monitors the commitments until maturity.

Impairment policies and provisions

Expected credit losses incurred for each period are recognised for purposes of the preparation of BdC's financial statements based on objective evidence.

The expected credit loss recorded for each period is derived from three stages. However, the majority of the provision results from the last two ratings. Financial assets can be transferred between three stages according to changes in credit quality since initial recognition. These stages are as follows:

- **Stage 1: 12 months Expected Credit Loss**: Stage 1 includes financial assets on initial recognition and that do not have a significant increase in credit risk since the initial recognition or that have low credit risk. For these assets, expected credit loss is recognised on the gross carrying amount of the asset based on the expected credit losses that result from default events that are possible within 12 months after the reporting date;

- **Stage 2: Lifetime Expected Credit Loss - not credit impaired**: Stage 2 includes financial assets that have had a significant increase in credit risk since initial recognition but do not have signs of impairment. For these assets, lifetime expected credit loss is calculated on the gross carrying amount of the asset to cover possible defaults over the lifetime of the financial asset; and

- **Stage 3: Lifetime Expected Credit Loss - credit impaired**: Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit loss are recognised.

The following table sets forth a breakdown of expected credit loss for loans and advances by stage as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
			(%)	
Stage 1	75.64%	77.93%	78.18%	79.75%

[48] This financial data is based on management information and is not derived from the Financial Statements.

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
			(%)	
Stage 2	20.27%	18.08%	16.85%	15.10%
Stage 3	4.09%	3.99%	4.97%	5.15%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

In addition to the four internal credit ratings set forth above under *"—Credit Risk — Credit risk measurement"*, management also prepares ratings in the form of more detailed sub-groups, which are in line with the requirements of the CBE. Assets exposed to credit risk are rated in these sub-groups pursuant to detailed rules and regulations, which depend largely on customer related information, business and activities, financial position and payment history. BdC calculates the provision required for the impairment of these assets exposed to credit risk, including credit related commitments, based on defined rates set by the CBE.

In the event that impairment loss provisions required according to CBE rules exceed provisions determined for the purposes of the preparation of BdC's financial statements according to CBE Standards, the excess provision is debited to retained earnings and carried to the general reserve for banking risk in equity. Such reserves are regularly adjusted, such that the reserve is always equal to the amount of the increase between the two provisions. The provision is not subject to distribution. See Note A-4 to the 2025 Financial Statements for details of the movement in the reserve.

Set forth below are the corporate creditworthiness categories according to internal rating principles compared to the rating principles of the CBE, and of the required provision percentages for the impairment of assets exposed to credit risk:

CBE rating	Rating meaning	Credit rating according to CBE ORR	Internal rating according to CBE ORR	Meaning of internal rating according to CBE ORR
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

The following table provides information regarding asset quality as at 30 June 2026:

	Stage 1	Stage 2	Stage 3	Total
		(EGP billions)		
Due from banks				
Good debts	37.2	11.1	–	48.4
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	–	–
Total	**37.2**	**11.1**	**–**	**48.4**
ECL provision	(–)	(–)	–	(–)
Net carrying amount	**37.2**	**11.1**	**–**	**48.3**
Treasury bills and other governmental notes				
Good debts	76.9	19.2	–	96.1
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	–	–
Total	**76.9**	**19.2**	**–**	**96.1**
ECL provision	–	(0.2)	–	(0.2)
Net carrying amount	**76.9**	**19.1**	**–**	**95.9**
Treasury bonds				
Good debts	56.8	14.5	–	71.2

	Stage 1	Stage 2	Stage 3	Total
		(EGP billions)		
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	–	–
Total	**56.8**	**14.5**	**–**	**71.2**
ECL provisions	–	(0.5)	–	(0.5)
Net carrying amount	**56.8**	**14.0**	**–**	**70.7**
Corporate bonds				
Good debts	9.7	0.1	–	9.8
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	–	–
Total	**9.7**	**0.1**	**–**	**9.8**
ECL provisions	(–)	(–)	–	(–)
Net carrying amount	**9.7**	**0.1**	**–**	**9.8**
Loans and advances to banks				
Good debts	–	27.2	–	27.2
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	–	–
Total	**–**	**27.2**	**–**	**27.2**
ECL provision	–	(0.1)	–	(0.1)
Net carrying amount	**–**	**27.2**	**–**	**27.2**
Loans and advances to retail				
Good debts	97.8	5.9	–	103.6
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	4.0	4.0
Total	**97.8**	**5.9**	**4.0**	**107.6**
ECL provision	(1.4)	(0.3)	(2.8)	(4.4)
Net carrying amount	**96.4**	**5.6**	**1.2**	**103.2**
Loans and advances to large and medium corporate				
Good debts	80.2	41.5	–	121.8
Normal watch list	–	–	–	–
Special watch list	–	1.3	–	1.3
Non-performing loans	–	–	5.3	5.3
Total	**80.2**	**42.8**	**5.3**	**128.4**
ECL provision	(0.5)	(6.7)	(4.6)	(11.8)
Net carrying amount	**79.8**	**36.1**	**0.7**	**116.6**
Loans and advances to small corporate				
Good debts	13.4	2.6	–	16.0
Normal watch list	–	–	–	–
Special watch list	–	–	–	–
Non-performing loans	–	–	1.0	1.0
Total	**13.4**	**2.6**	**1.0**	**17.0**
ECL provision	(1.3)	(0.3)	(0.3)	(1.8)
Net carrying amount	**12.1**	**2.3**	**0.7**	**15.2**

For details of the movement in expected credit loss, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial condition — Total assets — Loans and advances to customers — Expected credit loss"*.

Off-balance sheet items

For details of credit risk in relation to off-balance sheet items, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations — Contingencies and Commitments"*.

Market Risk

Market risk is one of the main risks facing BdC. It represents the potential losses resulting from unfavourable movements in market prices that may negatively affect the values of BdC's investment positions for trading purposes, in addition to exchange rate risks (which relate to BdC's balance sheet as a whole). These risks affect the

profitability of BdC and its capital base. Market risk also includes all investments in debt instruments, equity, investment funds and financial derivatives.

Market risk is also linked to BdC's liquidity risk, which is the risk of an inability to pay its financial obligations when they are due, or the inability to finance any increase in assets.

Market risk also encompasses interest rate risk, which includes the risks that arise from unfavourable movements in prevailing interest rates across the market, which may negatively affect BdC's profitability and/or the economic value of its equity and thus its financial position.

Regular reports regarding market risk are submitted to the Assets and Liabilities Committee (the "**ALCO**"), the Risk Committee and the Board of Directors.

Market risk measurement techniques

As part of the management of market risk, BdC undertakes various hedging strategies and enters into interest rate swaps to match the interest rate risk associated with fixed-rate long-term debt instruments and loans to which the fair value option has been applied.

Value at Risk

BdC 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 regarding market conditions.

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 BdC might lose to a specified level of confidence (99%). There is therefore a specified statistical probability (1%) that the actual loss could be greater than the VaR estimate. The VaR model used by BdC assumes a certain 'holding period' before positions can be closed (10 days). BdC assesses historical movements in market prices based on data for the past five years.

BdC applies historical changes in rates, prices and indicators in a method known as historical simulation. Actual outputs are monitored regularly to measure the integrity of the assumptions and factors used to calculate VaR.

The use of this approach does not prevent losses outside of these limits in the event of more significant market movements. VaR is monitored and reported on a daily basis to management. The quality of the VaR model is continuously monitored through reinforcement tests of the VaR 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 magnitude of losses that could arise under extreme market conditions. Stress testing is applied to each risk category, with a particular focus on stresses that may occur in developing markets, such as currency restrictions or devaluations. The results of the stress tests are reviewed by the Board of Directors.

Foreign exchange rate risk

BdC is exposed to the risk of fluctuations in foreign exchange rates on its financial position and cash flows and the Board of Directors has set daily limits for foreign currencies for each position which are continuously monitored

The following tables set forth the currency profile of BdC's financial assets and liabilities as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June 2026					
	EGP	**USD**	**Euro**	**GBP**	**Other Currency**	**Total**
	(EGP billions)					
Financial assets						
Cash and balances at Central Bank	33.2	4.8	1.0	0.1	2.1	**41.3**
Due from banks	12.8	30.0	3.4	0.5	1.6	**48.3**
Loans and advances to banks	–	26.2	1.0	–	–	**27.2**
Loans and advances to customers	202.7	28.8	1.8	–	1.8	**235.0**
Financial investments						
At fair value through other comprehensive income	105.0	30.6	3.1	–	–	**138.7**

At fair value through profit and loss	0.1	–	–	–	–	**0.1**
At amortised cost	36.7	–	–	–	2.5	**39.3**
Investments in associates	0.6	0.7	–	–	–	**1.2**
Total financial assets	**391.2**	**121.0**	**10.2**	**0.6**	**8.1**	**531.1**
Financial liabilities						
Due to banks	1.1	1.7	0.2	–	–	**3.0**
Customers' deposits	326.3	104.2	9.3	0.6	3.5	**443.9**
Other loans	4.1	16.8	0.8	–	–	**21.7**
Total financial liabilities	**331.4**	**122.7**	**10.3**	**0.6**	**3.5**	**468.5**
Net financial position	**59.8**	**(1.7)**	**(0.1)**	**(–)**	**4.6**	**62.6**

	As at 31 December 2025					
	EGP	**USD**	**Euro**	**GBP**	**Other Currency**	**Total**
			(EGP billions)			
Financial assets						
Cash and balances at Central Bank	29.1	4.0	0.9	0.1	1.0	**35.2**
Due from banks	22.3	64.9	4.2	0.6	1.3	**93.4**
Loans and advances to banks	–	17.6	1.1	–	–	**18.7**
Loans and advances to customers	195.5	23.1	1.7	–	1.8	**222.0**
Financial investments						
At fair value through other comprehensive income	75.5	26.7	2.5	–	–	**104.7**
At amortised cost	37.5	–	–	–	2.3	**39.8**
Investments in associates	0.6	1.1	–	–	–	**1.6**
Total financial assets	**360.5**	**137.4**	**10.5**	**0.7**	**6.4**	**515.4**
Financial liabilities						
Due to banks	1.1	1.4	–	–	–	**2.5**
Customers' deposits	297.2	93.8	9.9	0.7	3.0	**404.5**
Other loans	3.5	42.5	0.3	–	–	**46.3**
Total financial liabilities	**301.7**	**137.8**	**10.2**	**0.7**	**3.0**	**453.3**
Net financial position	**58.8**	**(0.4)**	**0.3**	–	**3.4**	**62.1**

	As at 31 December 2024					
	EGP	**USD**	**Euro**	**GBP**	**Other Currency**	**Total**
			(EGP billions)			
Financial assets						
Cash and balances at Central Bank	23.1	4.4	0.8	0.1	0.7	**29.1**
Due from banks	42.1	91.6	6.8	0.4	0.8	**141.7**
Loans and advances to banks	–	16.4	–	–	–	**16.4**
Loans and advances to customers	171.6	21.1	1.7	–	1.9	**196.2**
Financial investments						
At fair value through other comprehensive income	35.1	29.0	2.4	–	–	**66.5**
At amortised cost	16.7	–	–	–	1.9	**18.6**
Investments in associates	0.5	0.4	–	–	–	**0.9**
Total financial assets	**289.1**	**162.8**	**11.7**	**0.5**	**5.3**	**469.4**
Financial liabilities						
Due to banks	1.3	6.6	–	–	–	**8.0**
Customers' deposits	233.0	107.6	11.4	0.5	2.3	**354.7**

Other loans	6.3	53.1	0.3	–	–	**59.7**
Total financial liabilities	**240.6**	**167.4**	**11.7**	**0.5**	**2.3**	**422.5**
Net financial position	**48.4**	**(4.5)**	**–**	**–**	**3.0**	**46.9**

	As at 31 December 2023					
	EGP	**USD**	**Euro**	**GBP**	**Other Currency**	**Total**
	(EGP billions)					
Financial assets						
Cash and balances at Central Bank	32.4	4.2	0.7	0.1	0.4	**37.8**
Due from banks	14.7	51.4	0.9	0.2	0.5	**67.7**
Loans and advances to banks	–	5.9	–	–	–	**5.9**
Loans and advances to customers	142.2	17.7	1.0	–	1.0	**161.9**
Financial investments						
At fair value through other comprehensive income	54.8	17.5	1.6	–	–	**73.9**
At amortised cost	40.4	–	–	–	1.2	**41.5**
Investments in associates	0.5	0.1	–	–	–	**0.6**
Total financial assets	**284.9**	**97.0**	**4.2**	**0.3**	**3.1**	**389.4**
Financial liabilities						
Due to banks	3.4	3.3	–	–	–	**6.7**
Customers' deposits	235.8	62.3	3.9	0.3	1.5	**303.7**
Other loans	6.4	35.2	–	–	–	**41.7**
Total financial liabilities	**245.6**	**100.8**	**3.9**	**0.3**	**1.5**	**352.1**
Net financial position	**39.3**	**(3.9)**	**0.3**	**0.1**	**1.5**	**37.3**

Interest rate risk

BdC is exposed to the impact of fluctuations in the levels of interest rates prevailing in the market, including cash flow risk arising from fluctuations in future cash flows of financial instruments due to changes in interest rates, as well as fair value risk, which is the risk of fluctuations in the value of the financial instrument due to changes in interest rates.

The following tables set forth the interest rate repricing risk arising from the maturity profile of BdC's financial assets and liabilities as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June 2026							
	Up to 1 month	**1-3 months**	**3-12 months**	**1-3 years**	**Over 3 years**	**Due in next day**	**Non-interest bearing**	**Total**
	(EGP billions)							
Financial assets								
Cash and balances at Central Bank	–	–	–	–	–	–	41.3	41.3
Due from banks	32.9	11.1	–	–	–	3.3	1.1	48.4
Loans and advances to banks	4.4	2.9	19.8	–	–	–	–	27.2
Loans and advances to customers	71.2	18.4	26.4	33.7	58.8	44.5	–	253.0
Financial investments								
At fair value through other comprehensive income	28.5	18.3	67.2	22.1	7.7	–	1.0	144.7
At amortised cost	4.0	7.1	2.4	24.8	0.7	0.3	–	39.3
Total financial assets	**141.0**	**57.8**	**115.7**	**80.7**	**67.1**	**48.1**	**43.3**	**553.9**
Financial liabilities								
Due to banks	(0.1)	–	1.2	–	–	1.9	–	3.0
Customers' deposits	116.4	35.4	71.9	97.5	27.5	88.0	7.3	443.9

Other loans	7.5	0.5	6.8	1.5	5.5	–	–	21.7
Total financial liabilities	**123.7**	**35.9**	**79.9**	**98.9**	**33.0**	**89.9**	**7.3**	**468.5**
Total interest re-pricing gap	**17.4**	**22.0**	**35.8**	**(18.2)**	**34.2**	**(41.8)**	**36.0**	**85.3**

	As at 31 December 2025							
	Up to 1 month	**1-3 months**	**3-12 months**	**1-3 years**	**Over 3 years**	**Due in next day**	**Non-interest bearing**	**Total**
	(EGP billions)							
Financial assets								
Cash and balances at Central Bank	–	–	–	–	–	–	35.2	**35.2**
Due from banks	80.7	11.1	–	–	–	1.2	0.4	**93.4**
Loans and advances to banks	2.0	6.2	10.5	–	–	–	–	**18.7**
Loans and advances to customers	7.8	77.6	24.1	31.1	59.3	39.6	–	**239.5**
Financial investments								
At fair value through other comprehensive income	3.7	31.9	48.4	18.0	7.6	–	0.9	**110.5**
At amortised cost	3.7	6.7	3.5	24.9	0.7	0.3	–	**39.8**
Total financial assets	**97.9**	**133.6**	**86.4**	**74.1**	**67.6**	**41.1**	**36.5**	**537.1**
Financial liabilities								
Due to banks	1.3	–	–	–	–	1.2	–	**2.5**
Customers' deposits	74.8	53.8	78.6	79.9	23.7	86.3	7.5	**404.5**
Other loans	7.5	1.4	31.4	1.5	4.5	–	–	**46.3**
Total financial liabilities	**83.6**	**55.2**	**110.0**	**81.3**	**28.2**	**87.5**	**7.5**	**453.3**
Total interest re-pricing gap	**14.3**	**78.4**	**(23.6)**	**(7.3)**	**39.4**	**(46.4)**	**29.0**	**83.8**

	As at 31 December 2024							
	Up to 1 month	**1-3 months**	**3-12 months**	**1-3 years**	**Over 3 years**	**Due in next day**	**Non-interest bearing**	**Total**
	(EGP billions)							
Financial assets								
Cash and balances at Central Bank	–	–	–	–	–	–	29.1	**29.1**
Due from banks	129.0	12.1	–	–	–	0.4	0.2	**141.7**
Loans and advances to banks	1.5	3.4	11.6	–	–	–	–	**16.4**
Loans and advances to customers	6.8	65.1	22.8	27.6	53.5	36.3	–	**212.1**
Financial investments								
At fair value through other comprehensive income	3.5	27.4	22.2	6.2	6.2	–	3.0	**68.4**
At amortised cost	1.7	1.9	6.7	7.7	0.6	–	–	**18.6**
Total financial assets	**142.5**	**109.8**	**63.2**	**41.5**	**60.3**	**36.7**	**32.3**	**486.3**
Financial liabilities								
Due to banks	4.6	–	1.4	–	–	2.1	–	**8.0**
Customers' deposits	67.2	38.1	68.6	82.6	18.7	73.0	6.5	**354.7**
Other loans	8.4	8.4	8.6	27.6	2.9	–	3.8	**59.7**
Total financial liabilities	**80.1**	**46.5**	**78.6**	**110.2**	**21.6**	**75.1**	**10.3**	**422.5**
Total interest re-pricing gap	**62.4**	**63.3**	**(15.4)**	**(68.8)**	**38.7**	**(38.4)**	**22.0**	**63.8**

	As at 31 December 2023							
	Up to 1 month	1-3 months	3-12 months	1-3 years	Over 3 years	Due in next day	Non-interest bearing	Total
	(EGP billions)							
Financial assets								
Cash and balances at Central Bank	–	–	–	–	–	–	37.8	**37.8**
Due from banks	59.3	6.7	–	–	–	1.6	0.2	**67.7**
Loans and advances to banks	1.2	1.8	2.9	–	–	–	–	**5.9**
Loans and advances to customers	2.4	45.3	18.6	23.3	45.2	39.0	–	**173.7**
Financial investments								
At fair value through other comprehensive income	19.1	29.2	21.2	2.2	2.2	–	2.2	**76.3**
At amortised cost	4.2	0.1	27.6	8.3	1.3	–	–	**41.5**
Total financial assets	**86.1**	**83.0**	**70.4**	**33.8**	**48.7**	**40.6**	**40.2**	**402.9**
Financial liabilities								
Due to banks	6.2	–	–	–	–	0.4	–	**6.7**
Customers' deposits	68.6	33.7	47.4	86.7	13.8	47.9	5.7	**303.7**
Other loans	5.2	6.2	22.0	2.5	2.4	–	3.4	**41.7**
Total financial liabilities	**80.0**	**39.9**	**69.4**	**89.2**	**16.2**	**48.3**	**9.1**	**352.1**
Total interest re-pricing gap	**6.1**	**43.1**	**1.0**	**(55.3)**	**32.5**	**(7.7)**	**31.2**	**50.8**

Liquidity Risk

Liquidity risk arises when BdC 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.

BdC's tools for managing liquidity risk include:

- 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. BdC maintains an active presence in global money markets to facilitate this;
- Maintaining a portfolio of highly marketable assets that can easily be liquidated as protection against any unforeseen interruption to cash flow;
- Monitoring liquidity ratios against internal and regulatory requirements by the CBE; and
- 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, which are key periods for liquidity management. The starting point for these assets projections is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets.

The Risk Management department also monitors unmatched medium-term assets, the level and type of undrawn lending commitments, the usage of overdraft facilities and the impact of contingent liabilities such as standby letters of credit and guarantees.

For details of the maturity profile of BdC's financial assets and liabilities, see *"—Interest rate risk"* above.

Operational Risk

BdC is exposed to operational risk, defined as the risk of loss resulting from inadequate or failed internal processes, people or systems, or from external events. Operational risk includes legal risk but excludes strategic and reputational risks. BdC's operational risk framework focuses on the following key areas: process and product review third party risk management, risk and control self-assessments, internal loss data collection, business continuity management, KRIs, IT risk management, spreading risk culture and fraud risk management.

BdC's operational risk management objectives are to establish and maintain a robust framework for identifying, assessing, monitoring and mitigating operational risks arising from internal and external events; to ensure a

sustainable operational risk management system capable of addressing different types of operational risk; to provide timely and accurate information to support effective risk monitoring and decision-making; and to develop contingency strategies and alternative plans that support the continuity and efficiency of operations and strengthen the second line of defence.

To achieve these objectives, BdC has implemented a formal operational risk policy and established an Operational Risk Committee to support the risk management function in overseeing operational risks, managing business continuity arrangements and reporting on operational risk matters to senior management and the Board of Directors. BdC continues to strengthen its risk culture through ongoing training, workshops and awareness programmes, encouraging staff engagement in risk identification and remediation, streamlining internal processes and embedding risk and control self-assessment practices to enhance transparency, reduce operational inefficiencies and mitigate emerging risks.

Reputational Risk Management

Reputational risk is defined as risk arising from negative perceptions of BdC on the part of customers, counterparties, shareholders, investors, debtholders, market analysts, other relevant parties or regulators that can adversely affect BdC's ability to maintain existing, or establish new, business relationships and continued access to sources of funding. Reputational risk is multidimensional and reflects the perception of other market participants. Furthermore, it exists throughout the organisation and exposure to reputational risk is essentially a function of the adequacy of BdC's internal risk management processes.

Strategic Risk Management

Strategic risk is the current or prospective risk to earnings and capital arising from adverse business decisions, improper implementation of decisions, or lack of responsiveness to changes in the business environment, both internal and external. This risk is a function of the compatibility of BdC's strategic goals, the business strategies developed and resources employed to achieve strategic goals, and the quality of implementation of those goals.

BUSINESS

Overview

BdC is one of the oldest and largest Egyptian banks, with over 70 years of history. BdC provides a comprehensive range of banking and ancillary financial products and services to retail, microfinance, SME, corporate and NBFI customers. BdC had the fourth largest balance sheet in Egypt (excluding Banque Misr and National Bank of Egypt ("**NBE**")) based on total assets, based on individual banks' disclosures as at 30 June 2026.

BdC has a wide-reaching geographical presence, with a network of 233 Branches and 2,205 ATMs across all 27 governorates in Egypt as at 30 June 2026. BdC intends to open nine new Branches in locations for which agreements have already been entered into during late 2026 and 2027, which would bring the total number of Branches to 242. BdC believes this would make it the largest banking network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt). The majority of BdC's Branches are located outside of Cairo, providing BdC with a competitive advantage in reaching an otherwise largely untapped banking population.

BdC has approximately 3.2 million customers, with whom it maintains strong and longstanding relationships. BdC Branch personnel have a strong awareness of cultural expectations in remote locations across Egypt and have developed strong ties with local customers.

BdC operates under a customer-centric business model, offering a wide range of banking products and services across the following customer segments:

- **Retail**. BdC was the leading provider of retail loans and had the fourth largest retail deposit base of any bank in Egypt (excluding Banque Misr and NBE) as at 30 June 2026. BdC also had the largest retail customer base (excluding Banque Misr, NBE and Agricultural Bank of Egypt), and the largest branch network nationwide (excluding Banque Misr, NBE and Agricultural Bank of Egypt), as well as a digital banking proposition with over 1 million mobile banking customers. BdC is growing its current accounts and savings accounts rapidly, driving a decrease in its cost of funding, and is focusing on higher yielding fixed-rate loan products. As at 30 June 2026, BdC had EGP 98.1 billion of retail loans (excluding microfinance) on its balance sheet, comprising 35.0% of total gross loans. BdC offers salary transfer loans (which are personal loans (excluding auto loans and credit cards), of which approximately 88.9% relate to the public sector and 11.1% relate to the private sector), personal loans, mortgages, auto loans, credit cards and secured and overdraft loans. While BdC has historically had a large concentration of public sector salary transfer loans, reflecting its legacy as a state-owned bank, it has been focusing on other types of retail loans, resulting in the share of public sector salary transfer loans in the gross retail loan portfolio decreasing to 30.6% as at 30 June 2026, compared to 52.6% as at 31 December 2021. In addition to retail loans and deposits, BdC offers other products such as bancassurance products and debit and pre-paid cards.

- **Microfinance**. BdC maintains one of the largest and most inclusive microfinance portfolios in the Egyptian market, serving a wide range of microfinance customers. As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans on its balance sheet, comprising 3.1% of total gross loans[49]. Since 2001, BdC has offered a range of specially designed short- to medium-term microfinance loans to individuals with micro businesses, including small traders, retailers and manufacturers. Microfinance customers are defined as customers with annual sales turnover of less than EGP 1 million. According to I-Score, BdC had a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026.

- **SME**. BdC has a strong SME franchise, with a growing SME deposit base, offering customised financing solutions and support for entrepreneurs. As at 30 June 2026, BdC had EGP 20.9 billion of loans to SME customers on its balance sheet, comprising 7.5% of total gross loans[50]. SME customers are defined as customers with annual sales turnover of over EGP 1 million but less than EGP 200 million (small-sized enterprises comprising customers with annual sales turnover of between EGP 1 million and EGP 50 million, and medium-sized enterprise customers are customers with annual sales turnover of between EGP 50 million and EGP 200 million). BdC provides SME customers with a range of financing solutions, including credit facilities as overdrafts and short- and medium-term loans, supporting working capital requirements and capital expenditure. BdC also offers specialised lending tailored to specific segments and sectors, as well as trade finance, cash management and treasury products. As at 30 June 2026, approximately 69% of the SME financing portfolio was attributable to CBE programmes intended to increase lending to SMEs[51].

[49] This financial data is based on management information and is not derived from the Financial Statements.
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- **Corporate**. BdC is a trusted partner to Egypt's leading corporates and institutions, offering comprehensive corporate banking solutions, including direct facilities (comprising working capital short-term loans, medium-term loans, project financing, structured financing and syndicated loans), payables and receivables products and services, trade finance, securities services, treasury optimisation and electronic solutions. BdC had the fourth largest corporate loan book in Egypt (excluding Banque Misr and NBE) based on gross corporate loans, based on individual banks' disclosures as at 30 June 2026. As at 30 June 2026, BdC had EGP 115.0 billion of corporate loans on its balance sheet, comprising 41.0% of total gross loans[52]. Corporate customers are defined as customers with annual sales turnover of greater than EGP 200 million.

- **Financial Institutions**. BdC has a dedicated Financial Institutions Division, which manages BdC's relationships with local and international banks through a correspondent banking network of more than 500 banks, as well as its relationships with developmental and multilateral international financial institutions ("**IFIs**") and all major NBFIs in the local market, including leasing, factoring, consumer finance, microfinance, mortgage, brokerage, auto finance, e-payments and insurance companies and investment funds, on both the assets and liabilities side. The division is also mandated to increase BdC's market share of Egyptian expatriate remittances received from over 90 money transfer companies globally. As at 30 June 2026, BdC had EGP 10.3 billion of NBFI loans on its balance sheet, comprising 3.7% of total gross loans[53] and EGP 27.2 billion of loans and advances to banks on its balance sheet.

BdC has successfully executed a multi-year transformation plan focused on strengthening its balance sheet, optimising its funding structure and accelerating digital adoption. This has positioned BdC for sustained profitability and leadership within Egypt's banking sector. This transformation has been built around the following pillars:

- **Higher value customer base**: a shift to a more profitable customer mix;

- **Growing cheaper deposits**: a shift in funding towards lower cost current accounts and savings accounts;

- **Strong risk culture**: building a superior track record of solid credit performance (excluding the legacy loan book (i.e. loans granted prior to 2020));

- **More profitable assets**: the introduction of new, higher yielding products and the optimisation of liquidity to enhance yields;

- **Customer-centric business**: BdC has expanded its product suite and ways for its customers to bank, evolving its customer-centric solutions and enhancing the customer experience; and

- **Modernisation of the bank**: completion of a cultural refresh and rebrand, a revamping of Branches and digital channels, the introduction of data analytics across the organisation and employee training.

The transformation, launched in 2018, has resulted in customers' deposits growing at a CAGR of 16.1% from EGP 122.6 billion as at 31 December 2017 to EGP 404.5 billion as at 31 December 2025 (and further to EGP 443.9 billion as at 30 June 2026), with the proportion of current accounts and savings accounts in the deposit base shifting from 35.2% to 51.4% (and to 53.4% as at 30 June 2026). The loan to deposit ratio increased from 36.6% as at 31 December 2017 to 63.8% as at 31 December 2025 (30 June 2026: 63.1%) as BdC deployed more of its funding into the loan book. BdC increased its net interest margin from 3.6% in 2017 to 7.3% in 2025 (30 June 2026: 7.4%), driven by a lower cost of funds. BdC was also able to increase its net fee and commission income at a CAGR of 28.1% from EGP 0.9 billion in 2017 to EGP 6.5 billion in 2025 (and EGP 3.4 billion in the first six months of 2026). Cost reduction initiatives, together with robust growth in net interest income and fee and commission income, led to a decrease in the cost to income ratio from 48.7% in 2017 to 34.2% in 2025 (30 June 2026: 35.9%). In terms of credit quality, the non-performing loan ratio (including loans and advances to banks) decreased from 5.0% as at 31 December 2017 to 3.7% as at 31 December 2025 and 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) was 2.5% as at 30 June 2026[54].

BdC also has several subsidiaries, including CLC, which provides tailored financial leasing, factoring and mortgage financing products and services to meet corporate capital expenditure needs for a wide variety of assets, CBU which is a bank focused on lending to SMEs and retail customers in Uganda, CEC, which provides foreign exchange services across Egypt, and Taly, a digital payments company. BdC also owns a 9.9% stake in IBAG, one of the

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[54] This financial data is based on management information and is not derived from the Financial Statements. Non-performing loans ratio excluding legacy loans (i.e. loans granted prior to 2020) is presented on a standalone basis. By way of comparison, the non-performing loans ratio on a standalone basis was 3.6%, 3.6%, 4.6% and 4.9% as at 30 June 2026 and 31 December 2025, 2024 and 2023, respectively.

leading money transfer and remittances payout networks in Egypt. BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money market instruments), which are externally managed. These include an Islamic fund, a money market fund, an equity fund and a fixed income fund.

History

BdC was established in 1952 with three Egyptian Branches and has a history that is deep-rooted in Egypt. In 1961, BdC was nationalised when the Government acquired all of its shares.

In 1993, BdC acquired a minority interest in Afreximbank, a pan-African trade bank headquartered in Cairo, in line with the Government policy to build commercial links with other African countries. It subsequently sold its 4.1% stake in Afreximbank in 2025. In 1995, it established CBU, which is now its wholly owned subsidiary.

In 2007, Banque Misr acquired all of the Ordinary Shares. Also in 2007, BdC's form was changed through Law No. 159 such that it became a private entity. BdC began transferring a number of its assets to Banque Misr, including its Branches outside of Egypt, and began divesting certain of its holdings in non-core assets. In 2009, the Egyptian Minister of Finance approved the sale of Ordinary Shares to each of Misr Capital S.A.E. and Misr Abu Dhabi for Real Estate S.A.E. In 2010, Banque Misr transferred BdC and a number of other long-term investments to Misr Capital S.A.E. The transfer of Ordinary Shares to Misr Abu Dhabi for Real Estate S.A.E. was to comply with the regulatory requirement for joint stock companies to have three shareholders.

In 2018, BdC began assembling a new management team and launched a multi-year re-engineering programme designed to improve profitability, reposition BdC within the Egyptian banking market and capture new market opportunities.

In March 2018, BdC established CLC, a subsidiary that provides tailored leasing products and services to corporations in Egypt.

In 2019, BdC unveiled its new brand identity with a fresh logo. Also in 2019, it launched digital banking for its customers. Also in 2019, it published its first Global Reporting Initiative report, renewing its commitment to ensuring a sustainable transformation.

By the end of 2018, a leading market research firm was engaged to assess the geographical coverage of BdC's Branch network and identify gaps in the expansion strategy, with the aim of strengthening its market share. Off the back of this study, BdC launched a Branch transformation programme.

In 2022, BdC launched CEC, BdC's first standalone foreign currency provider. Also in 2022, it joined the United Nations Environmental Programme ("**UNEP**").

In March 2023, BdC launched its e-payments company, Taly.

In July 2026, BdC successfully migrated its core banking application from Oracle Flexcube to Temenos Transact (T24)-R22. This migration represents a significant advancement in the Bank's operational capabilities by providing one of the world's leading core banking applications and a modern technology infrastructure that enable greater integration across all banking channels, enhance operational performance, and support the delivery of a more seamless and responsive banking experience.

Key Strengths

Management believes that BdC possesses the following key strengths:

Measured play on Egypt's macroeconomic reform momentum

An investment in BdC offers exposure to Egypt's large economy and attractive demographic and macroeconomic fundamentals. Egypt is one of the most populous countries, with a population of 109 million as of August 2026. It has one of the highest expected population growth rates in the region, with the IMF expecting Egypt's population to grow at a CAGR of 2% over the period from 2025 to 2030. Egypt has a sizeable consumer base with robust consumption patterns and demand levels. Consumer expenditure was U.S.$349 billion in 2025, compared to U.S.$614 billion for Saudi Arabia, U.S.$355 billion for the UAE, U.S.$137 billion for Iraq, U.S.$116 billion for Algeria, U.S.$112 billion for Morocco, U.S.$57 billion for Qatar, U.S.$53 billion for Kuwait, U.S.$49 billion for Tunisia, U.S.$42 billion for Oman, U.S.$41 billion for Jordan and U.S.$4 billion for Yemen.

Egypt's economy has been recovering strongly underpinned by key reforms undertaken by the Government, which have included economic reform measures, attracting FDI through the privatisation programme and asset sales and the preservation of debt sustainability. Egypt is positioned at the forefront of emerging markets economies in terms

of growth prospects, with the Egypt's economy expected by the IMF to grow at a CAGR of 4.9% over the period from 2026 to 2030, compared to 2.9% for the broader Middle East region. A prudent monetary policy is supporting stability while bringing inflation under control. Although inflation had previously shown signs of stabilising, recent events in the Middle East have increased uncertainty around the inflation outlook and the timing and extent of any easing in monetary conditions. In addition, significant foreign exchange inflows are driving stability, with tourism receipts reaching U.S.$14.4 billion in the nine months to 31 March 2026, compared to full year amounts of U.S.$16.7 billion in 2024/25, U.S.$14.4 billion in 2023/24 and U.S.$9.9 billion in 2019/20 and net FDI reaching U.S.$46.1 billion in 2023/24, compared to U.S.$7.5 billion in 2019/20 (although this reflects the U.S.$35 billion ADQ Ras El-Hekma Investment in 2024). Net FDI was U.S.$13.0 billion in the nine months to 31 March 2026 and U.S.$12.2 billion in 2024/25. Although geopolitical disruptions caused Suez Canal inflows to decrease to U.S.$3.6 billion in 2024/25, compared to U.S.$6.6 billion in 2023/24 and U.S.$8.8 billion in 2022/23, the situation began to stabilise, although recent tensions in the Gulf region may adversely affect the Suez Canal. Remittances increased to U.S.$36.5 billion in 2024/25 from U.S.$21.9 billion in 2023/24. Remittances further increased to U.S.$47.3 billion in 2025/26.

In addition, the Government's reform efforts have helped to steer Egypt's economy back on course. Egypt is actively executing its privatisation policy, which has included landmark transactions such as the U.S.$35 billion ADQ Ras El-Hekma Investment in 2024 with ADQ. The privatisation programme is expected to unlock private investment growth and establish a more competitive market landscape.

The Government has also sought to facilitate trade through reduced customs times, the Nafeza single window system and a bilateral agreement to reduce custom clearance times with Saudi Arabia. The Government has provided support for strategic industries to attract inward FDI in the form of tax exemptions for periods of up to five years, as well as financing and subsidised lending initiatives based on eligibility requirements promulgated by the CBE and the Ministry of Finance.

In terms of its tax regime, the Government has introduced a simplified tax regime for small projects with annual revenues of up to EGP 20 million, applying a flat rate based on revenue thresholds. Tax settlements have been simplified via central clearing, with capped late penalties and a simplified VAT refund process, among other initiatives. The Government has also announced a second tax facilitation package, introducing measures including the removal of capital gains tax on listed securities, the elimination of double taxation on dividend distributions between resident companies and their parent holding companies, and targeted VAT adjustments for vital domestic sectors. The Ministry of Finance has further announced that it is preparing a third tax facilitation package, intended to address remaining structural tax distortions and to consolidate the tax system into a unified electronic infrastructure.

The General Authority for Investment and Free Zones ("**GAFI**") is launching four new public free zones by the end of 2026, which will be focused on export-oriented production. The initiative is aimed at driving Egypt's U.S.$145 billion export target, attracting strategic investors and leveraging world-class incentives for rapid growth.

The above developments have contributed to economic growth of 4.4% in 2024/2025 and a reduction in inflation to 12.3% in December 2025, compared to 27.5% in June 2024. Egypt also had net international reserves of U.S.$56.3 billion as at 31 July 2026 and net foreign assets of U.S.$28.0 billion as at 30 June 2026. Risk sentiment has improved significantly, with the five-year credit default swap for Egypt decreasing to 2.6% as of 31 August 2026, compared to a peak of 19.1% during 2023. Similarly, Egypt's Eurobond yields decreased to 7.4% in August 2026, compared to a peak of 15.5% during 2023. Egypt's credit rating was also upgraded by S&P to B in October 2025 from B-.

Resilient, large and growing banking sector

The Egyptian banking sector has maintained growth despite significant macroeconomic challenges, including high levels of inflation and foreign currency pressures. This has been supported by a strong regulatory framework, which has enhanced Egyptian banks' ability to withstand global and local shocks. Stability has been bolstered by Government initiatives such as CBE Law No. 194, introduced in 2020, which enhanced governance across the banking sector, established the National Payments Council, enhanced security and privacy regarding data use and introduced a licensing programme for e-payments and fintech providers. Egyptian banks are also now required to comply with Basel II and III norms, and the CBE has adopted a new standardised approach for operational risk based on Basel IV. Banks are also now required to report in accordance with IFRS 9 and to utilise their ICAAP to allocate risk capital to all significant risks and stress testing results, and are required to implement a recovery plan. In September 2022, the CBE increased the required reserve ratio for Egyptian banks from 14% to 18%, before reducing the required reserve ratio to 16% in February 2026.

In addition, the Government has introduced various initiatives intended to enhance the penetration of banking services in Egypt. For example, the CBE lowered the account opening age to 15. To encourage and support the

growth of small projects, the Government has also introduced a tax initiative pursuant to which projects with annual revenue of up to EGP 20 million are taxed based on their revenue bracket, with a tax of 0.4% for projects with revenue of up to EGP 500,000, 0.5% for projects with revenue of between EGP 500,000 and EGP 2 million, 0.75% for projects with revenue of between EGP 2 million and EGP 3 million, 1.0% for projects with revenue of between EGP 3 million and EGP 10 million and 1.5% for projects with revenue of between EGP 10 million and EGP 20 million. The CBE has also implemented several initiatives to promote e-payments, including the introduction of the Instant Payment Network ("**IPN**"), among others.

These measures are expected to increase the penetration of financial products across the Egyptian banking sector, which remains underpenetrated compared to peer countries. In 2024, 43% of Egypt's population was banked (based on the population over 15 years of age), compared to 79% for Saudi Arabia, 74% for Kuwait, 70% for Oman, 46% for Jordan and 44% for Morocco, according to WB Findex. In 2024, Egypt also had 7 branches and 37 ATMs per 100,000 adults and 133 borrowers per 1,000 adults, compared to regional averages of 10, 41 and 259, respectively. As penetration grows, this is expected to drive demand for products offered by Egyptian banks, including BdC. Management believes that BdC is particularly well placed to benefit from the expected increase in banking penetration, given its strong Branch presence outside of Cairo relative to its competitors.

Leading bank offering scale and brand

BdC is a leading bank in Egypt, with the largest retail loan portfolio and fourth largest deposit base among Egyptian banks (excluding Banque Misr and NBE), based on individual banks' disclosures as at 30 June 2026. BdC has been growing rapidly since it launched its multi-year transformation plan in 2018 and has 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027) and 2,205 ATMs, compared to 221 Branches and 700 ATMs as at 31 December 2018. Its customer base has expanded to reach 3.2 million as at 30 June 2026. After launching digital banking in 2019, BdC had over 1 million mobile banking customers as at 30 June 2026, and 20,450 business subscribers as at the same date. The expansion of its network and its transformation investments have enabled BdC to grow its loan portfolio and deposit base significantly during a period of challenging macroeconomic conditions in Egypt. Gross loans and advances to customers grew from EGP 106.5 billion as at 31 December 2021 to EGP 239.5 billion as at 31 December 2025, reflecting a CAGR of 22.5%, and further to EGP 253.0 billion as at 30 June 2026. The deposit base grew from EGP 198.7 billion as at 31 December 2021 to EGP 404.5 billion as at 31 December 2025, reflecting a CAGR of 19.5%, and further to EGP 443.9 billion as at 30 June 2026. BdC has delivered attractive returns for its shareholders, with a return on average equity of 29.7% in 2025 and 27.6% in the first half of 2026, and has maintained a strong capital position, with a total capital ratio of 22.1% as at 30 June 2026.

BdC has received several awards and recognitions reflecting its achievements across key areas of the business, with notable achievements including: Corporate Social Responsibility Excellence Award from Global Business & Finance in 2026, Egypt's Best Financial Institutions Deal from Euromoney 2025, Best Foreign Exchange Bank in Egypt from International Finance 2025, Global Brands Magazine – Best Marketing Campaign in Egypt 2025, Fastest Growing Corporate Bank in Egypt 2024 at the Banking and Finance Awards, Platinum winner in the SME Financier of the Year MENA category at the Global SME Finance Awards 2023 and Gold winner in the Product Innovation of the Year MENA category of the Global SME Finance Awards 2024, managed by the IFC.

Leading client-centric retail and institutional banking franchises offering comprehensive solutions

BdC's diverse product offering appeals to a wide range of customers with solutions for their financial needs. BdC's Retail Banking division offers a variety of loan and deposit products and digital offerings for individuals, including salary transfer loans, secured and unsecured personal loans, auto loans, mortgages, secured and overdraft loans and credit cards. BdC offers these products through various sales channels, including its network of 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027) and 2,205 ATMs across all 27 governorates in Egypt. As at 30 June 2026, BdC had EGP 98.1 billion in retail loans (excluding microfinance) and EGP 334.4 billion in retail deposits[55].

BdC's Microfinance division offers a full range of diversified and tiered products catering to a broad customer base, including formal and informal microfinance loans. BdC had approximately 145 thousand microfinance customers as at 30 June 2026 and, according to I-Score, a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026. As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans[56].

BdC's SME Banking division offers a differentiated value proposition to SME clients through a comprehensive range of financial solutions and non-financial services designed to meet their specific needs. These offerings include credit facilities, comprising overdrafts and short- and medium-term loans, to support working capital requirements and capital expenditure, as well as specialised and programme-based financing solutions and access to CBE

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programmes and initiatives. BdC also offers trade finance, cash management and treasury solutions. BdC had adopted a decentralised credit approach in assisting SMEs to reach their full potential given their crucial role in national economy, providing various financial and non-financial services, and continuously working to improve, automate, and digitalise products and services. BdC has automated credit process using business process management ("**BPM**") workflows. As at 30 June 2026, BdC had EGP 20.9 billion in SME loans[57]. After meeting the CBE's targets for MSME lending, BdC has shifted its focus to SME deposits and SME deposit growth has been significant in recent periods.

BdC's Corporate Banking division offers a comprehensive portfolio of products and services positioning it for further growth. It has introduced a re-aligned client-centric structure based on a new coverage- and product-based approach to maximise relationship monetisation across its corporate customer base. BdC also has one of the largest underwriting capacities in the market, with obligors at approximately EGP 10.0 billion per single client and EGP 13.3 billion per group. As at 30 June 2026, it had EGP 115.0 billion of corporate loans and EGP 67.2 billion of corporate deposits[58].

As at 30 June 2026, the Financial Institutions division had total assets of EGP 69.0 billion, composed of EGP 38.5 billion of funded assets and EGP 30.4 billion of unfunded assets. As at the same date, EGP 58.4 billion of assets were attributable to banks, with EGP 10.6 billion of those assets attributable to NBFIs. As at 30 June 2026, the Financial Institutions division had EGP 42.5 billion of liabilities, composed of EGP 24.9 billion of deposits and EGP 17.6 billion of foreign currency funding from IFIs (including EGP 7.7 billion in Tier 2 loans)[59].

The Global Transactions Banking ("**GTB**") division offers institutional products for customers ranging from small companies to large corporates in the areas of trade finance, cash management and securities. It is focused on return optimisation from deal initiation and finalisation and cross-selling and maximising BdC's share of wallet. The division also delivers digital innovation for institutional banking customers through a dedicated digital banking team, enhancing its digital product offering using an agile methodology.

Through its Treasury and Capital Markets division, BdC is focused on maximising profit and returns from diversified revenue streams and hedging strategies. Its products in this area include foreign exchange, fixed income instruments and derivatives, in addition to carry trade solutions for foreign investors and treasury sales led generation. As at 30 June 2026, the Treasury and Capital Markets division had assets under management ("**AuM**") of EGP 212.2 billion, including local currency AuM of EGP 143.8 billion and foreign currency AuM of EGP 68.4 billion[60].

BdC's Investments division encompasses investments across strategic industries, including NBFIs, fintech and security services. These include its subsidiaries, CBU, CLC, CEC and Taly, as well as investments IBAG, one of the leading money transfer and remittances payout networks in Egypt, in which BdC owns a 9.9% stake. BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money market instruments), which are externally managed. These include an Islamic fund, a money market fund, an equity fund and a fixed income fund.

Availability to customers when, where and how they want, with national reach

BdC has a wide physical network across Egypt, complemented by a comprehensive digital offering. It has the largest branch network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt), with 233 Branches (which would increase to 242 following planned Branch openings in late 2026 and 2027), as well as the largest number of ATMs, at 2,205. A key advantage for BdC is its Branch network outside of Cairo, which positions it favourably for accessing underserved retail and SME customers while serving as a key enabler of financial inclusion in cash-based and underbanked regions. In 2024, 43% of Egypt's population was banked (based on the population over 15 years of age), according to WB Findex. Including Branches that will be opened during 2026 and 2027, BdC's Branch network will include 99 Branches and 758 ATMs in Greater Cairo, 40 Branches and 587 ATMs in the Delta Region, 56 Branches and 440 ATMs in Upper Egypt, 28 Branches and 297 ATMs in Alexandria and Al Behira and 19 Branches and 123 ATMs in Suez Canal and Sinai. The Branches to be added in late 2026 and 2027 include new branches in New Minya, Sohag and El Gouna during the second half of 2026, five new Branches in Greater Cairo by the third quarter of 2027, and a new Branch in New Aswan in the second quarter of 2027.

The network of Branches and ATMs is complemented by a network of 13,410 point of sale terminals as at 30 June 2026, compared to 11,904 installed terminals as at 31 December 2024, 6,007 as at 31 December 2023 and 571 as at 31 December 2022. Transaction volumes through point of sale terminals have grown from EGP 56 million in 2022 to EGP 1.2 billion in 2023, EGP 5.7 billion in 2024, EGP 16.4 billion in 2025 and EGP 13.8 billion in the first six

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months of 2026. BdC has been rapidly expanding its digital banking channels since 2019, when it initially introduced digital banking. Its mobile banking customer base has grown from 258,816 as at 31 December 2021 to 1,035,887 as at 30 June 2026, and its mobile banking transaction volumes have grown from EGP 2.2 billion in 2021 to EGP 28.0 billion in 2025 and EGP 24.5 billion in the first six months of 2026. Its mobile banking active customers were approximately 298 thousand as at 30 June 2026, resulting in an active ratio (defined as active mobile banking customers divided by total mobile banking customers) of 28.8%. As at 30 June 2026, BdC had 20,450 BdC Business subscribers (customers subscribed to BdC's Internet banking platform), and 1,556 digital engagement subscribers (representing the number of digital products to which customers have subscribed or been onboarded, other than BdC Business), compared to 581 and 278, respectively, as at 31 December 2021. In 2025, the BdC Business transaction value was EGP 87.0 billion, compared to EGP 1.1 billion in 2021. As at 30 June 2026, BdC had a mobile wallet "QaheraCash" customer base of approximately 471 thousand, with its mobile wallet transaction volume having grown from EGP 732 million in 2021 to EGP 16.6 billion in 2025 and EGP 10.2 billion in the first six months of 2026. Its mobile wallet active ratio (defined as active mobile wallet customers divided by total mobile wallet customers) was 49% as at 30 June 2026, with mobile wallet active customers of approximately 231 thousand.

Team of industry veterans with diverse backgrounds, driving a well-orchestrated structure, strong governance and a defined business focus

BdC is led by a team of veterans of the Egyptian banking sector, including Hussein Abaza, its Managing Director and CEO, who joined in 2024 and has over 30 years of banking experience, including at CIB. Mr. Abaza is supported by three Deputy CEOs: Bahaa El-Shafie, who joined in 2021 and has over 30 years of banking experience, including at QNB Al Ahli; Hisham M. Abdelaal, who joined in 2024 and has over 30 years of banking experience, including at Bank NXT, Arab African International Bank, Arab Bank and National Bank of Abu Dhabi ("**NBAD**"); and Ahmed Effat, who joined in 2023 and has over 25 years of experience, including at Citibank Egypt, Banque Misr and Abu Dhabi Islamic Bank - Egypt. BdC's CFO, Mohamed Ibrahim, its Chief Risk Officer, Hala El Kasar, and its Head of Treasury and Capital Markets, Mohamed Aly, have all been at BdC since the launch of its transformation team, with Ms. Kasar having joined in 2010 and Messrs. Ibrahim and Aly having joined in 2018. They have a wealth of experience in the Egyptian banking industry, including at institutions such as QNB Al Ahli, Citibank, Barclays and ADIB.

Robust governance, risk discipline, strong frameworks and sound sustainability principles contributing to operational resilience

BdC has robust corporate governance, with a reputable Board of Directors led by Mohamed Özalp. In addition to BdC's CEO and two of its Deputy CEOs (Bahaa El Shafie and Hisham Abdelaal), the Board of Directors includes six additional members, of whom two are independent. The Board of Directors also has several committees, including the Audit Committee, the Risk Committee, the Governance and Nominations Committee, the Remuneration and Compensation Committee, the Information Technology Systems Committee, the Investment Policy Committee and the Sustainability and Sustainable Finance Committee. BdC adheres to the highest standards of internal audit.

BdC's risk management function is underpinned by solid risk frameworks, which are continuously updated in line with regulatory changes, with regular monitoring of exposures, timely escalation, ongoing reassessment of risk appetite and tolerance, and rigorous stress testing to identify vulnerabilities. Its credit decision-making entails clear, tailored and comprehensive policies and guidelines, and operates within tiered delegation authorities to minimise turnaround time. Credit decisions are designed to optimise the risk-adjusted return while considering exposure limits. BdC provides regular training for its employees, with multiple lines of defence, management of conduct risk (e.g. rotations and enforced leave) and controls designed to detect and prevent fraud. BdC's rigorous approach to risk management has contributed to the reduction in its non-performing loans ratio (including loans and advances to banks) from 5.0% as at 31 December 2022 to 3.7% as at 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[61]. This improvement occurred despite significant expansion in lending.

BdC's approach to capital, regulatory and compliance ensures that it has adequate levels of capital resources, with rigorous stress testing. It has high cybersecurity and information security standards, protecting its clients' assets and data. It complies with international AML and KYC standards, as well as local and international sanctions regimes. BDC's ICAAP documentation is prepared annually and is independently reviewed by external auditors. BdC has a highly liquid position allowing for optimised assets allocation. As at 30 June 2026, its liquidity coverage ratio ("**LCR**") and net stable funding ratio ("**NSFR**") were 841% and 172%, respectively.

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Optimisation measures, centralisation and efficiency have been significant areas of focus for BdC. BdC has well-articulated workflows and guidelines and a clearly defined authority matrix across its business units, facilitating faster turnaround times and increasing efficiency and scalability. BdC has reduced its workforce through employee retirement from 8,998 employees as at 31 December 2022 to 8,238 employees as at 30 June 2026, contributing to a reduction in the cost to income ratio from 43.4% in 2022 to 35.9% in the first six months of 2026. A further 2,073 employees are expected to retire during the next five years (i.e. between 2026 and 2030), which is expected to have a continued favourable effect on the cost to income ratio.

BdC has embedded sustainability across its operations, with specified sustainable business growth solutions for SME, microfinance, retail and MSME customers. It has developed an E&S lending policy, two Environmental and Social Risk Management ("**ESRM**") Frameworks covering large corporate and MSMEs. BdC is also finalising a new Climate Risk Framework and Environmental Social Management Systems ("**ESMS**") in line with the approved Climate Finance Strategy. It has also introduced ESG training for the Board of Directors and senior management and has raised sustainability awareness throughout the organisation. It has a Sustainability and Sustainable Finance Committee, as well as a Climate Corporate Governance Action Plan, Sustainability Ambassadors Network, Climate Finance Task Force and Climate Finance Strategy.

Strong financial performance and balance sheet with an emphasis on sustainable growth and returns

BdC has delivered a strong financial performance, with net interest income having grown from EGP 10.5 billion in 2021 to EGP 35.0 billion in 2025, reflecting a CAGR of 35.0%, and reaching EGP 18.8 billion in the six months ended 30 June 2026. The net interest margin expanded from 4.9% to 7.3% over the period from 2021 to 2025 and was 7.4% for the six months ended 30 June 2026. BdC was able to achieve this increase in the net interest margin notwithstanding interest rate cuts by the MPC, due to the decreasing contribution of high-cost certificates of deposit and their replacement by lower-cost current accounts and savings accounts, which accounted for 51.4% of the deposit base as at 31 December 2025 and 53.4% as at 30 June 2026, as well as its optimised liquidity management. As at 30 June 2026, 77.6% of BdC's retail loan portfolio was fixed-rate, providing a stable and largely insulated source of interest income. By comparison, the net interest margin of BdC's peers has largely been negatively affected during the declining rate environment. BdC's other operating income (which includes net fee and commission income, dividend income, net trading income, gain from financial investments and share of results in associates) increased from EGP 2.3 billion in 2021 to EGP 7.6 billion in 2025, reflecting a CAGR of 34.1%, and reached EGP 4.0 billion in the six months ended 30 June 2026. This allowed BdC to grow its net profit after tax from EGP 3.5 billion in 2021 to EGP 16.1 billion in 2025, reflecting a CAGR of 45.9%, with net profit after tax of EGP 8.9 billion for the six months ended 30 June 2026 compared to EGP 7.3 billion for the same period in 2025, reflecting year-on-year growth of 21.8%.

This performance has been accompanied by a resilient balance sheet. BdC's gross loans to customers grew from EGP 106.5 billion as at 31 December 2021 to EGP 239.5 billion as at 31 December 2025, reflecting a CAGR of 22.5%, and further to EGP 253.0 billion as at 30 June 2026. BdC was able to reduce its non-performing loan ratio (including loans and advances to banks) as it expanded its loan book, from 4.3% as at 31 December 2021 to 3.7% as at 30 June 2026. Excluding legacy loans (i.e. loans granted prior to 2020), the non-performing loan ratio (including loans and advances to banks) as at 30 June 2026 was 2.5%[62]. The loan to deposit ratio grew from 55.2% as at 31 December 2021 to 63.1% as at 30 June 2026. BdC has been able to reduce its cost of funds through low-cost current accounts and savings accounts. Its local currency deposit cost of funds was 14.3% for the year ended 31 December 2025 and 11.8% for the six months ended 30 June 2026, which was low relative to the benchmark rate. BdC's total equity grew from EGP 19.4 billion as at 31 December 2021 to EGP 66.8 billion as at 30 June 2026 mainly through the accumulation of retained earnings. Its return on average equity increased from 19.1% in 2021 to 29.7% in 2025 and was 27.6% for the six months ended 30 June 2026. By comparison, the return on equity of its peers was negatively affected during the declining rate environment. BdC has maintained a robust capital adequacy ratio, which stood at 22.1% as at 30 June 2026.

Significant potential for cross-selling across the organisation

BdC is well positioned to unlock value through the cross-selling of financial and non-financial products and services. BdC's expansive Branch network, with particular strength outside of Cairo, provides it with national reach and physical client touchpoints. Locations outside of Cairo provide direct access to underbanked regions with potential for growth in the higher-margin mid-cap and retail segments. Its Branch and hub specialisation (including SME business centres and wealth corners) allows it to tailor offers by customer type. BdC is also well positioned to grow in bancassurance through its Branch network. Integration between BdC's physical Branch network and its digital channels provides further potential for growth. BdC intends to leverage in-Branch activation of customers to boost digital usage and is focused on data-driven targeting of customers through product bundling (e.g. in loans, payroll and digital payments).

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The potential for cross-selling is also evident from BdC's large non-borrowing customer base. BdC intends to deepen its banking penetration of these customers through fee-based products such as point of sale, payroll, cash management and mobile wallet products, and there is also potential for the migration of non-borrowing customers to borrowing customers.

Within the SME segment, BdC has the potential to promote non-lending products and services to its existing customer base. The expansion of tailored solutions for mid-cap customers is expected to serve as an anchor for cross-selling other products and services, including cash management and trade finance. SME business centres play an important role in the cross-selling strategy by attracting customers and serving as a channel for onboarding them onto the Bank's digital ecosystem. Going forward, following the achievement of the CBE's MSME lending targets, BdC is focused on expanding its financial and non-financial solutions for mid-cap companies, which typically generate higher lending yields than large corporate customers.

BdC earns a relatively high proportion of its income from non-interest income sources, with the ratio of its non-interest banking income to net banking income standing at 17.8% in the year ended 31 December 2025 compared to 17.7%, 14.6%, 14.0%, and 10.0% for Credit Agricole Egypt, ADIB, QNB Al Ahli, and CIB, respectively, as of the same date. BdC intends to continue to grow its non-interest banking income in future periods, with fee and commission income being driven by ecosystem connectivity, realignment of key performance indicators ("**KPIs**"), deeper monetisation of the non-borrowing customer base, increased focus on mid-caps and increased focus on trade finance (including letters of credit and letters of guarantee), among other initiatives.

Strategy

BdC's strategy is agile and constantly evolves in response to market developments. Its strategic mission is built around six pillars:

- **Strengthen core banking profitability**: optimise balance sheet structure, funding mix and capital efficiency to achieve resilient returns. This entails the following pillars:
    - leverage Branch network for growth in low cost deposits outside Cairo;
    - maintain position as number one retail bank in Egypt (excluding Banque Misr and NBE), maintain leadership in corporate and enhance position in mid-cap lending;
    - expand foreign currency lending and increase the foreign currency loan to deposit ratio;
    - focus on liquidity and ALM to drive net interest margin expansion; and
    - continue solid risk management with prudent underwriting to maintain the quality of the loan portfolio;
- **Deepen cross-selling and ecosystem monetisation:** increase cross-selling of financial products across the organisation, with a particular focus on leveraging the network outside of Cairo and the non-borrowing customer base, while monetising client-centric solutions at scale;
- **Grow the customer franchise**: maximise the reach of the physical network and digital channels to make banking easier for customers in order to deliver exceptional experiences and enhance customer loyalty while continuing to develop customer-centric solutions;
- **Drive inclusive and sustainable growth**: champion sustainability and climate finance to shape a better future and drive financial inclusion across Egypt's underserved segments while accelerating digital adoption;
- **Deliver long-term value for shareholders**: maintain a well-capitalised and optimised balance sheet with a focus on return on equity, prudent resource deployment and strong risk culture while returning capital to shareholders through dividends; and
- **Foster a high performance, value-driven culture**: foster a skilled, engaged and empowered workforce, supported by solid operational frameworks and governance, with a focus on profitability-driven KPIs, talent development and training, data-driven decision-making and a culture of efficiency, agility and prudent risk management.

BdC is managed according to international banking models, and its strategy is built around a specific approach for each of its core business areas, namely Retail, Microfinance, SME, Corporate and Financial Institutions, supported

by Debt and Structured Finance, GTB and Treasury and Capital Markets. BdC also has a specific strategy for its Investments division, as well as a Sustainability and Sustainable Finance strategy. These strategies are detailed below.

Retail

BdC's strategy for its Retail Banking division is focused on maintaining leadership amongst Egyptian banks while enhancing profitability. It is focused on continuing to expand its customer base on both the asset and liability sides, with assets customers and liabilities customers having grown from 509 thousand and 1.95 million as at 31 December 2021 to 670 thousand (excluding microfinance customers) and 2.38 million as at 30 June 2026, respectively. BdC intends to leverage its expansive Branch network to achieve this. It is also focused on expanding payroll deals to drive new account openings. Payroll deals have grown from 133 in 2021 to 927 in 2025 and 1,000 in the first half of 2026, exceeding the full-year 2025 total in only six months.

In terms of its retail loan portfolio, BdC is focused on high-margin loans to maximise its yields. The share of public sector salary transfer loans (which are personal loans, excluding auto loans and credit cards) in the gross retail loan portfolio decreased to 30.6% as at 30 June 2026, compared to 52.6% as at 31 December 2021[63]. BdC is continuing its strategy to diversify its product offering by focusing on higher-yielding loan products and addressing underpenetrated segments.

BdC has been successful at expanding its retail deposit base while lowering its cost of funds through lower-cost current accounts and savings accounts. Its retail deposits expanded from EGP 148 billion as at 31 December 2021 to EGP 334 billion as at 30 June 2026, and the percentage of current accounts and savings accounts in the retail deposit base increased from 34% to 54% over the same period[64]. BdC's Branch network, which has particular strength outside Cairo, will be crucial to its ability to expand its retail deposit base.

Fee and commission income growth is also an important part of BdC's retail strategy. BdC is focused on cards, with the number of issued cards having grown from approximately 2.7 million as at 31 December 2021 to 4.7 million as at 30 June 2026, driving transaction volumes, fee and commission income and cross-selling opportunities. Bancassurance is also boosting fee and commission income in the retail segment. In addition, BdC intends to expand its point of sale network to increase merchant acquisition and payment-related commissions.

Microfinance

BdC's strategy for its Microfinance division is focused on maintaining its market leadership. BdC had approximately 145 thousand microfinance customers as at 30 June 2026. Its microfinance operations are primarily based outside Cairo, with 94.7% of customers located outside Cairo as at 30 June 2026. For that reason, BdC's expansive Branch network will be crucial in providing it with accessibility to underserved and rural communities. Digital enablement is also a key part of the microfinance strategy, which will simplify application and approval processes. BdC is continuing to improve turnaround times for microfinance customers through streamlined credit workflows. BdC will continue to develop tailored products for microfinance customers to address their specific needs.

SME

BdC's strategy for its SME Banking division is focused on strengthening market leadership and enhancing profitability by leveraging its differentiated business model and extensive nationwide network. BdC aims to provide SMEs with accessible financing, tailored financial products and relevant non-financial services that support them throughout their growth journey and build long-term customer relationships. Its dedicated SME business centres across Egypt, supported by specialised relationship managers and its wide Branch network, provide BdC with significant proximity and accessibility to SMEs, particularly outside Greater Cairo.

BdC has successfully expanded its SME customer base from 3,371 as at 31 December 2021 to 10,585 as at 30 June 2026, while increasing the proportion of non-borrowing customers from 17% to 23% over the same period. BdC intends to continue expanding its customer base, deepening relationships with existing customers and offering a wider range of financial and non-financial services. BdC also intends to improve turnaround times and customer experience through the continued digitisation and streamlining of its credit workflows.

With regard to SME deposits, BdC has achieved significant growth in its SME deposit base, which increased from EGP 1.9 billion as at 31 December 2021 to EGP 13.9 billion as at 30 June 2026[65]. This growth reflects BdC's strategic focus on expanding its SME deposit franchise, achieving profitable growth and diversifying its funding base. Current accounts and savings accounts accounted for 51% of the SME deposit base as at 30 June 2026. BdC's

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extensive presence outside Greater Cairo also represents a key competitive advantage in supporting this strategy, with 49% of SME deposits attributable to customers outside Greater Cairo as at the same date[66].

Fee and revenue diversification is also an important part of BdC's strategy. BdC intends to expand its trade finance and transactional banking offering, including letters of credit, letters of guarantee and collections, particularly for mid-cap customers. Digital transformation, operational efficiency and customer excellence will support this strategy by enhancing service quality, strengthening customer relationships and improving speed and efficiency.

Corporate

BdC's strategy for its Corporate Banking division is focused on maintaining its leading corporate banking franchise. It intends to leverage its Branch network to support nationwide corporate coverage and to introduce referral programmes to drive new corporate client acquisition. It also intends to enhance its network coverage across key industrial and commercial zones and continue to offer tailored services for corporate customers to solidify its long-term relationships.

With regard to the corporate loan portfolio, BdC is focused on expanding its lending activities in key sectors through specialised relationship managers and sector-based coverage. Its aim is to position itself as a key player in loan syndications with active participation and structuring roles leveraging its position as one of the largest lending and underwriting banks in the market. Lending to mid-caps is an important area of focus for BdC. It intends to leverage its Branch network, particularly outside of Cairo, to focus on expanding its mid-cap customer base.

BdC's focus within corporate deposits is on pursuing selective growth with a focus on profitability. It plans to broaden the range of liability products to attract diversified corporate deposits while continuing to increase the proportion of current accounts and savings accounts in its corporate deposit base.

BdC also intends to continue to grow its fee and commission income from corporate products, including from letters of credit, letters of guarantee and trade products. BdC has been successful in growing its digital banking services tailored for corporates, with the number of subscribers increasing from 581 as at 31 December 2021 to 20,450 as at 30 June 2026 and transaction value increasing from EGP 1 billion as at 31 December 2021 to EGP 87 billion as of 31 December 2025, and EGP 50 billion in the six months to 30 June 2026, a trend it plans to continue. BdC is also focused on expanding its debt capital markets commissions from acting as an underwriter or placement agent, as well as on adding custodian and trustee services for institutional customers.

Financial Institutions

BdC's strategy for its Financial Institutions division comprises the following pillars:

- Grow NBFI assets and deposits while strengthening cash management, and custody services to maximise return on equity;
- Deploy BdC as a preferred bank for correspondents;
- Position BdC as a preferred banking gateway connecting Egyptian customers to African markets;
- Secure competitive funding and technical assistance from IFIs; and
- Expand partnerships with money transfer companies and boost non-counter remittances to grow market share in remittances.

Debt and Structured Finance

BdC's strategy for its Debt and Structured Finance division comprises the following pillars:

- Ensure and increase active roles in syndication and debt capital markets transactions, including but not limited to agency, security agent and placement and custodian agent roles;
- Position BdC as the bank of choice for sustainable and transition solutions;
- Strengthen BdC's role as an account bank in syndication transactions, including revenue accounts, equity accounts and debt service reserve accounts;

[66] This financial data is based on management information and is not derived from the Financial Statements.

- Expand the coverage of trade products, particularly in key sectors; and
- Arrange new profitable transactions and maximise fees on existing transactions through initiating direct business involvement.

Global Transactions Banking (GTB)

Share of wallet and cross-selling remain at the core of GTB's strategy, driving deeper client penetration and positioning BdC as a true one-stop shop for comprehensive solutions. By adopting a bundled product approach, BdC has strengthened resilience and flexibility across its coverage teams and sales force. This integrated model not only enhances BdC's ability to deliver end-to-end offerings but also unlocks new opportunities, boosting cross-selling ratios and expanding client engagement. BdC's success is anchored by three main areas: innovation and digital solutions, product suite offering, and sales and commercialisation.

Specifically, BdC's strategy for its GTB division comprises the following pillars:

- Prioritise growth in liabilities and balance sheet optimisation (in terms of current accounts and savings accounts and operational balances) and strengthening liquidity fundamentals;
- Deepen client franchise and stickiness;
- Restore fee gap through gathering market intelligence and achieving pricing optimisation;
- Maximise revenue streams in terms of fees and net interest income, optimise revenue contribution and cross-selling ratio;
- Drive market penetration and visibility expansion; and
- Achieve digital and operational readiness by leveraging digital platforms for customer engagement and service excellence.

Treasury and Capital Markets

BdC's strategy for its Treasury and Capital Markets division comprises the following pillars:

- Boost foreign exchange profits by attracting foreign investors, expanding exchange networks;
- Grow fixed income volumes by actively engaging in trading Egyptian T-bills and T-bonds and focusing on Eurobond trading;
- Expand banknote market share by offering competitive pricing and close relationship management;
- Manage cash flow and liquidity, while seizing arbitrage opportunities in the market;
- Expand treasury product offering by tailoring hedging solutions for BdC customers; and
- Optimise asset allocation to maximise income and net interest margin according to a dynamic funds transfer pricing methodology.

Investments

BdC's strategy for its Investments division comprises the following pillars:

- Invest in high-yield assets that align with BdC's broader strategy, offload non-strategic investments to achieve capital gains and enhance value through a strong investor network;
- Expand high-return equity trading portfolios by increasing managed investments with a skilled trading team;
- Grow mutual funds in money market, fixed income and equity investments while launching multi-asset funds and expanding existing funds; and
- Expand alternative investment strategies through investing in private equity/credit, venture capital, real estate and other alternative fund structures.

Sustainability and Sustainable Finance

BdC's sustainability strategy is built around the following pillars:

- Increase green asset ratio through gradual increase of sustainability linked-financing;
- Diversify revenue streams by developing E&S products;
- Development of a digital reporting hub to consolidate data and integrate ESG principles into BdC's culture; and
- Integrate sustainability principles and the United Nations Sustainable Development Goals (the "**UNSDGs**") into BdC's culture through partnership development and capacity building.

Operations

BdC offers products and services to retail, microfinance, SME and corporate customers via its Retail Banking, Microfinance, SME Banking and Corporate Banking divisions. In addition, it has a Financial Institutions division which is responsible for managing BdC's relationships with local and international banks, development and multilateral IFIs, NBFIs in the local market and money transfer companies.

BdC's Debt and Structured Finance division offers or participates in solutions such as project finance, syndications and debt capital markets, including securitisations and sukuks. Its GTB division is the product arm for the entire institutional business (including the Corporate Banking, SME Banking and Financial Institutions divisions). It also has a Treasury and Capital Markets division which manages BdC's foreign exchange and liquidity position and is a major player in the Egyptian capital markets.

BdC's Investments division is responsible for managing investments across strategic industries, including NBFIs, fintech and security services and exploiting opportunities through direct investments, alternative investments, mutual funds and trading portfolios.

The following table sets forth a breakdown of BdC's gross loans and advances to customers by type of customer as at 30 June 2026 and 31 December 2025, 2024 and 2023[67]:

	As at 30 June		As at 31 December					
	2026		2025		2024		2023	
	(EGP billions, except percentages)							
Retail	98.1	38.8%	92.9	38.8%	77.8	36.7%	63.9	36.8%
Microfinance	8.8	3.5%	9.4	3.9%	11.0	5.2%	10.5	6.0%
SME	20.9	8.3%	23.0	9.6%	23.5	11.1%	21.6	12.4%
Corporate	115.0	45.4%	105.7	44.1%	90.1	42.5%	72.4	41.7%
NBFIs	10.3	4.1%	8.2	3.4%	8.6	4.1%	5.5	3.2%
Subsidiaries	(0.07)	(0.0)%	0.3	0.1%	1.1	0.6%	(0.2)	(0.1)%
Total	**253.0**	**100.0%**	**239.5**	**100.0%**	**212.1**	**100.0%**	**173.7**	**100.0%**

The following table sets forth a breakdown of BdC's deposit base by type of customer as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June		As at 31 December					
	2026		2025		2024		2023	
	(EGP billions, except percentages)							
Retail	334.4	75.3%	305.2	75.4%	259.6	73.2%	210.1	69.2%
SME	13.9	3.1%	12.6	3.1%	9.5	2.7%	5.5	1.8%
Corporate	67.2	15.1%	58.5	14.5%	52.9	14.9%	58.8	19.4%
NBFIs	24.9	5.8%	25.0	6.2%	30.2	8.5%	27.7	9.1%
Subsidiaries	3.5	0.8%	3.2	0.8%	2.5	0.7%	1.7	0.5%
Total	**443.9**	**100.0%**	**404.5**	**100.0%**	**354.7**	**100.0%**	**303.7**	**100.0%**

[67] The financial data in this table is based on management information and is not derived from the Financial Statements.

Retail

Leveraging deep industry knowledge, BdC's Retail Banking division has established itself as a market leader in providing high quality products for a wide range of retail customers across Egypt. BdC has a diversified retail product mix, including lending products such as salary transfer loans, personal loans, mortgage loans, auto loans, credit cards and secured and overdraft loans and deposit products including current accounts and savings accounts, time deposits and certificates of deposit, bancassurance products, retail digital banking and mobile wallet products and debit and pre-paid cards.

Customer base

BdC divides its retail customers into assets customers (customers who have loans with BdC) and liabilities customers (customers who have deposits with BdC). Its assets customers grew at a CAGR of 7.4% from 509 thousand as at 31 December 2021 to 678 thousand as at 31 December 2025, and amounted to 670 thousand (excluding microfinance customers) as of 30 June 2026. Its liabilities customers grew at a CAGR of 4.8% from 1.95 million as at 31 December 2021 to 2.36 million as at 31 December 2025, and to 2.38 million as of 30 June 2026. The following table sets forth BdC's retail customer base as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(thousands)		
Assets customers (excluding microfinance customers)	670	678	652	596	539	509
Liabilities customers	2,382	2,355	2,303	2,276	2,097	1,950

The concentration of assets customers has been shifting towards the private sector in recent years, with the proportion of salary transfer loans decreasing. The following table sets forth a breakdown of assets customers by product as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(thousands)		
Salary transfer loans (which are personal loans, excluding auto loans and credit cards).	355	373	374	343	349	379
Private sector	28	28	30	30	30	31
Public sector	327	345	344	313	319	348
Credit cards	304	311	285	243	185	161
Personal loans	87	88	88	89	77	44
Mortgages	79	72	58	47	36	32
Auto loans	21	19	18	19	20	22
Total assets customers (excluding microfinance customers)[(1)]	**845**	**862**	**822**	**740**	**667**	**637**

Notes:

(1) The sum of assets customers by product exceeds the total assets customers figure as certain customers hold more than one product with BdC.

BdC segments its retail customer base into the following segments: (i) the mass segment, which comprises customers with total balances of up to EGP 100,000; (ii) the Tharwa segment, which comprises customers with total balances ranging between EGP 100,000 and EGP 1 million (see *"—Affluent clients"* below for a description of the Tharwa brand); (iii) the Tharwa Prime segment, which comprises customers with total balances ranging between EGP 1 million and EGP 5 million; (iv) the Tharwa Elect segment, which comprises customers with total balances of over EGP 5 million; and (v) local businesses. These segments had approximately 2,028 thousand, 266 thousand, 47 thousand, 9 thousand and 32 thousand customers, respectively, as at 30 June 2026.

In recent periods, the mass segment has had the most significant contribution to growth in the deposit base, although the Tharwa Prime and Tharwa Elect segments have also contributed to growth. The following table sets forth a

breakdown of liabilities customers by customer segment as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
	(thousands)					
Mass	2,028	1,971	1,990	2,019	1,860	1,715
Tharwa	266	303	245	204	190	194
Tharwa Prime	47	44	33	23	19	17
Tharwa Elect	9	8	6	3	2	2
Local businesses	32	29	28	27	25	22
Total liabilities customers	**2,382**	**2,355**	**2,303**	**2,276**	**2,097**	**1,950**

Products

BdC's suite of assets products includes salary transfer loans, personal loans, mortgage loans, auto loans, credit cards and secured and overdraft loans. Its suite of liabilities products includes current accounts and savings accounts, time deposits and certificates of deposit. BdC also offers bancassurance products, retail digital banking and mobile wallet products and debit and pre-paid cards.

Assets products. BdC's retail loan portfolio (excluding microfinance) grew at a CAGR of 25% from EGP 38.4 billion as at 31 December 2021 to EGP 92.9 billion as at 31 December 2025, and further to EGP 98.1 billion as of 30 June 2026[68]. Nearly all of the retail loan portfolio is denominated in local currency.

Historically, the majority of retail loans were comprised of public sector salary transfer loans. However, BdC's has been successful at increasing the share of other types of retail loans in its portfolio, targeting client base diversification and more profitable products. The majority of retail loans offered by BdC are at fixed rates. The following table sets forth a breakdown of the retail loan portfolio by product as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[69]:

	As at 30 June		As at 31 December									
	2026		2025		2024		2023		2022		2021	
	(EGP billions, except percentages)											
Salary transfer loans (which are personal loans, excluding auto loans and credit cards)	33.8	34.4%	33.6	36.1%	32.3	41.6%	30.3	47.4%	26.0	55.2%	22.9	59.5%
Private sector	3.7	3.8%	3.7	4.0%	3.6	4.7%	3.6	5.6%	3.2	6.7%	2.6	6.9%
Public sector	30.0	30.6%	29.8	32.1%	28.7	36.9%	26.7	41.8%	22.8	48.5%	20.2	52.6%
Personal loans	11.9	12.1%	12.3	13.2%	10.1	13.0%	6.5	10.2%	3.2	6.9%	3.3	8.6%
Mortgages	14.8	15.1%	12.8	13.8%	8.6	11.0%	5.5	8.7%	3.3	7.0%	2.7	7.0%
Auto loans	9.2	9.4%	7.7	8.2%	5.8	7.5%	4.2	6.6%	2.2	4.6%	2.3	6.1%
Credit cards	5.0	5.1%	4.4	4.8%	3.2	4.1%	1.8	2.7%	1.0	2.2%	0.7	1.8%
Secured and overdraft loans	23.5	24.0%	22.1	23.8%	17.8	22.9%	15.6	24.4%	11.3	24.1%	6.5	17.0%
Total retail loans	**98.1**	**100%**	**92.9**	**100%**	**77.8**	**100%**	**63.9**	**100%**	**47.0**	**100%**	**38.4**	**100%**

Salary transfer loans. Historically, salary transfer loans were BdC's flagship retail product. These loans have a maximum tenor of 15 years. As at 30 June 2026, approximately 11.1% of salary transfer loans were to private sector employees, with the remaining 88.9% being to public sector employees. The following table sets forth the number of payroll active accounts and the number of payroll deals as at and for the six month period ended 30 June 2026 and the years ended 31 December 2025, 2024, 2023, 2022 and 2021:

[68] This financial data is based on management information and is not derived from the Financial Statements.
[69] This financial data is based on management information and is not derived from the Financial Statements.

	As at and for the six months ended 30 June	As at and for the year ended 31 December				
	2026	2025	2024	2023	2022	2021
Payroll active accounts	132,500	112,982	91,717	78,136	43,281	17,061
Payroll deals	1,000	927	756	544	302	133

Salary transfer loans have lower delinquency rates than other retail loans as a result of the loans being structured so that loan instalments are paid directly to BdC from the employee's salary.

Personal loans. BdC offers a range of personal loans such as unsecured personal loans for salaried and self-employed customers, cash-secured personal loans and very small business loans ("**VSBL**"). These loans have a maximum tenor of 12 years.

Mortgages. BdC offers mortgage loans with a tenor of up to 30 years to retail customers under an initiative introduced by the CBE in cooperation with the Government mortgage finance fund to aid low- and middle-income homebuyers. Under this programme, the Ministry of Housing builds affordable houses and the mortgage finance fund provides funding to eligible buyers. The Ministry of Finance subsidises participating banks so that they provide loans to customers at a rate of 8% to 12% across the loan tenure. These types of mortgage loans entail very low loss rates given that the Government has the authority to repossess the units and pay the relevant bank the full loan amount in the event of delinquent customers. As at 31 May 2026, BdC's market share of mortgages was 10.7%, according to I-Score.

Auto loans. BdC offers loans for the purchase of new and used vehicles under various loan-to-value programmes starting from a 0% down payment through direct sales staff based out of car dealerships. The maximum tenor of auto loans is 10 years. As at 31 May 2026, BdC's market share in auto loans was 7.6%, according to I-Score.

Credit cards. BdC offers a range of secured and unsecured credit cards, including classic and standard cards (Visa and MasterCard), gold cards (Visa and MasterCard), Mastercard World Elite, MasterCard Titanium and MasterCard Platinum. BdC's cards offer a variety of lifestyle and benefit features, as well as various discounts and offers across a wide merchant network. Its cards offer instalment payment options ranging from six months to 60 months. In addition, BdC's rewards programme, "Qahera Rewards", allows cardholders to redeem their loyalty points whether through cashback on their cards or through "Pay with Rewards" to make purchases from any merchant locally and globally, including through physical channels or through e-commerce channels using the "Pay with Rewards" mobile application.

BdC had approximately 4.7 million cards in issue as at 30 June 2026. As at 31 May 2026, BdC's market share of credit cards was 5.2%, according to I-Score.

Secured and overdraft loans. BdC offers cash-secured personal loans against customers' deposits, where the loan represents 90% of the collateral and the loan repayment term is up to 12 years in the case of secured loans. BdC also offers cash-secured overdrafts against customers' deposits with an overdraft limit that represents 90% of the collateral value.

Liabilities products. BdC offers its retail customers a range of deposit products, including current accounts and savings accounts, time deposits and certificates of deposit. BdC's retail deposits grew at a CAGR of 20% from EGP 148.0 billion as at 31 December 2021 to EGP 305.2 billion as at 31 December 2025, and further to EGP 334.4 billion as of 30 June 2026. The following table sets forth a breakdown of retail deposits as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[70]:

[70] The financial data in this table is based on management information and is not derived from the Financial Statements.

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
	(EGP billions)					
Foreign currency	62.1	63.3	70.1	36.4	25.6	15.0
Local currency	272.3	241.9	189.6	173.6	146.7	133.0
Total	**334.4**	**305.2**	**259.6**	**210.1**	**172.3**	**148.0**

BdC has been shifting its retail deposit base towards current accounts and savings accounts and away from certificates of deposits, which are more costly. Growth in current accounts and savings accounts has been particularly strong outside Cairo as BdC has been successful in leveraging its Branch network in areas outside Cairo. The following table sets forth a breakdown of retail deposits by product as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June		As at 31 December									
	2026		2025		2024		2023		2022		2021	
	(EGP billions, except percentages)											
Current and savings accounts	179.9	53.8%	159.7	52.3%	121.2	46.7%	78.9	37.5%	58.2	33.8%	50.8	34.3%
Greater Cairo	87.5	26.2%	76.2	25.0%	61.4	23.7%	37.8	18.0%	N/A	N/A	N/A	N/A
Outside Cairo	92.3	27.6%	83.5	27.4%	59.8	23.0%	41.1	19.6%	N/A	N/A	N/A	N/A
Time deposits	55.0	16.5%	46.0	15.1%	41.0	15.8%	27.9	13.3%	26.9	15.6%	23.1	15.6%
Certificates of deposit	97.3	29.1%	96.0	31.5%	94.7	36.5%	100.3	47.8%	85.5	49.6%	72.8	49.2%
Other deposits	2.2	0.7%	3.5	1.2%	2.8	1.1%	3.0	1.4%	1.7	1.0%	1.3	0.9%
Total retail deposits	**334.4**	**100%**	**305.2**	**100%**	**259.6**	**100%**	**210.1**	**100%**	**172.3**	**100%**	**148.0**	**100%**

The shift in the retail deposit base towards current accounts and savings accounts has helped BdC to reduce its cost of funds. The cost of funds for current accounts, savings accounts, certificates of deposits and time deposits was 9%, 8%, 14% and 10%, respectively, in the six months ended 30 June 2026, and 10%, 9%, 15% and 11%, respectively, in the year ended 31 December 2025.

Current and savings accounts. BdC offers a diversified range of current accounts, including a standard non-interest bearing current account, monthly bearing current account and a tiered daily current account that serves different segments, as well as tiered U.S. Dollar denominated current accounts.

BdC also offers savings accounts, including a tiered EGP savings account where the interest rate increases based on the minimum balance during the month, as well as U.S. Dollar denominated savings accounts.

BdC also offers payroll current and saving accounts for payroll and financial inclusion customers as part of its acquisition diversification strategy.

Time deposits. BdC offers a range of time deposits that pay interest monthly and at maturity and span deposit durations of one week up to one year. BdC also offers upfront time deposits with interest frequency of one month, three months, six months and one year.

Certificates of deposit. BdC offers various fixed and floating rate certificates of deposit with durations ranging from three years to five years with monthly, quarterly, semi-annual and annual interest payments. Floating certificates of deposit protect BdC in times of adverse interest rate fluctuations.

Mobile money wallet

For detail regarding BdC's mobile money wallet services, see *"—Distribution Network — Digital Banking"*.

Bancassurance

BdC established a strategic partnership with MetLife in December 2023 to provide life insurance solutions through BdC Branches. As at 30 June 2026, these products were offered through 150 Branches. As at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021, BdC had a bancassurance portfolio amounting to EGP 1,846 million, EGP 1,591 million, EGP 1,120 million, EGP 929 million, EGP 872 million and EGP 687 million, respectively. Bancassurance fees have been growing, from EGP 112 million in 2021 to EGP 266 million in 2025, reflecting a CAGR of 24%, and further to EGP 164 million as of 30 June 2026[71]. The partnership with MetLife has led to

[71] This financial data is based on management information and is not derived from the Financial Statements.

enhanced customer penetration and steady revenue generation and has reinforced BdC's position in the bancassurance market.

Debit and pre-paid cards

BdC offers a wide range of pre-paid cards (Meeza and Mastercard), both branded and unbranded, including remittance cards, payroll salary cards and "Easy cards" issued immediately within Branches to both customers and non-customers, in line with BdC's financial inclusion strategy.

In 2019, BdC began offering Meeza cards, which are national payment scheme cards introduced in connection with the CBE's cashless society initiative and electronic payments initiative, whereby all Government services and state fees have been required to be paid through a new electronic payments system from 1 May 2019 for any transactions above EGP 500 (if customers pay in cash for transactions above this amount, they are assessed a penalty).

BdC has also collaborated with Telda, a fintech startup company, to launch a co-branded prepaid card, which is directly linked to a mobile application offering money management features, making it easier for users to track and manage their expenses. The card is aimed at delivering a more efficient banking experience through an e-payment card-to-card transfer platform in Egypt.

The number of cards in issue has grown to 4.7 million as at 30 June 2026, compared to 4.5 million, 4.1 million, 3.7 million, 3.1 million and 2.7 million as at 31 December 2025, 2024, 2023, 2022 and 2021, respectively. As at 30 June 2026, 72% of cards in issuance were debit and prepaid cards, while 22% were Telda cards and 6% were credit cards.

Affluent clients

BdC has focused on growing the affluent customers segment through its re-segmentation model, which it launched in 2024 when it introduced the Tharwa brand. The Tharwa brand is segregated into three segments: Tharwa for customers with balances of between EGP 100,000 and EGP 1 million, Tharwa Prime for customers with balances of between EGP 1 million and EGP 5 million and Tharwa Elect for customers with balances of above EGP 5 million. Each segment has a different financial offering along with non-financial benefits and partnerships with high-end service providers. In addition, for Tharwa Elect customers, Elect lounges are being introduced. These will include for example commuting facilities and VIP airport services.

BdC also has 36 wealth corners located in the Greater Cairo area.

Microfinance

BdC's Microfinance division offers microfinance solutions for a wide range of economic activities in the productive, industrial, commercial and services sectors, including self-employed individuals. It offers financing for transportation and construction equipment, along with buyout loans and various kinds of motorcycles and transportation vehicles.

Management believes that BdC benefits from a strong brand and reputation in the microfinance sector. BdC targets microfinance customers who are mostly located outside Cairo through designated Branches within BdC's extensive network, including specialised units within select Branches. Microfinance loan applicants often have little or no published credit history or available historical financial information. Management believes that the expertise and local knowledge of its loan officers provide BdC with a competitive advantage in making lending decisions, which it has leveraged to design and implement specialised microfinance loan approval procedures that rely on an applicant's payment history.

According to I-Score, BdC had a 14.0% market share among Egyptian banks in lending to microfinance clients as at 31 May 2026. BdC undertook an intentional restructuring of the microfinance business in 2025 focused on improving credit quality and generating new lending with a stronger risk profile, facilitated in part by the introduction of a revised loan officer KPI framework. BdC is focused on improving its market share in microfinance lending by growing at above market rates, leveraging competitive interest rates, customer service excellence, targeted marketing strategies and the expansion of its Branch network. It also intends to diversify its microfinance product range to include products tailored to different customer segments, coupled with improving the turnaround time for microfinance loans. BdC will also strengthen its microfinance quality and collection teams to maintain high standards of loan performance and recovery rates, employing advanced analytics to monitor loan health and implement proactive recovery strategies. It will also capitalise on its digital platform to enhance accessibility and convenience for customers, in particular in relation to loan applications, mobile money management and digital payment solutions.

Customer base

Microfinance customers are defined as customers with annual sales turnover of less than EGP 1 million. BdC offers microfinance facilities to both formal and informal customers. The following table sets forth BdC's microfinance customer base as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(thousands)		
Formal	24	28	36	39	33	22
Informal	121	135	166	179	166	140
Total	**145**	**163**	**203**	**218**	**199**	**162**

Products

BdC offers a full range of microfinance products tailored to its customers' needs as well as sociodemographic features. Its products include:

- **Informal loans**: working capital finance for customers that own unregistered microfinance businesses;
- **Formal loans**: working capital finance for customers that own registered microfinance business;
- **Motorcycles loans**: fixed asset finance (motorcycles) for business purpose;
- **Buy-out loans**: buy-out microfinance loans financed by other banks or companies; and
- **Transportation and construction equipment loans**: fixed asset finance (vehicles) for business purposes.

These loans are granted using advanced digital platforms, ensuring fast turnaround times for lending.

As at 30 June 2026, BdC had EGP 8.8 billion of microfinance loans, of which 56.5% were to the informal segment and 43.5% were to the formal segment[72]. The following table sets forth a breakdown of the microfinance loan portfolio into the informal and formal segments as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[73]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(EGP billions)		
Formal	3.8	4.2	5.2	5.3	3.8	2.8
Informal	5.0	5.2	5.8	5.2	3.5	2.8
Total	**8.8**	**9.4**	**11.0**	**10.5**	**7.2**	**5.6**

As at 30 June 2026, 42%, 36%, 11%, 5% and 6% of BdC's microfinance loan portfolio by value was attributable to the Upper Egypt, Delta, Alexandria and Beheira, Suez Canal and Sinai and Greater Cairo regions, respectively. As at the same date, 48%, 34%, 9%, 4% and 5% of BdC's microfinance loan portfolio by volume was attributable to the Upper Egypt, Delta, Alexandria and Beheira, Suez Canal and Sinai and Greater Cairo regions, respectively[74].

Microfinance loans are an attractive product due to their high yields. The yield on the microfinance portfolio was 34.6% in the first six months of 2026, and 34.6%, 32.0%, 27.2%, 26.9% and 22.1% in 2025, 2024, 2023, 2022 and 2021, respectively [75].

For applicants with no credit history that are deemed creditworthy, BdC grants very small loans and gradually increase loan exposure once a payment history has been established, which has resulted in acceptable delinquency rates.

[72] This financial data is based on management information and is not derived from the Financial Statements.
[73] The financial data in this table is based on management information and is not derived from the Financial Statements.
[74] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[75] This financial data is based on management information and is not derived from the Financial Statements. Yields are calculated on the basis of BdC's internal classification for loans, which differ slightly from its segmentation on which the breakdown of its loan portfolio is based.

BdC's "Qahera Cash" mobile money wallet is an important part of its microfinance lending strategy. See *"— Distribution Network — Digital banking"*. Microfinance customers can pay their monthly loan instalments through Qahera Cash. BdC's Qahera Cash merchant wallet is also offered to microfinance customers, whereby BdC provides a dedicated microfinance loan to newly registered merchants.

SME

BdC is a leader in SME banking, pursuing a strategic and unique long-term vision in assisting SMEs to reach their full potential given their crucial role in the national economy. BdC is focused on enhancing its financial and non-financial product offering for SMEs and building its capacity through automation and digitalisation, while continuing to penetrate new markets.

The SME Banking division employs a decentralised approach in serving SME customers, with 53 SME business centres, staffed by dedicated relationship managers with experience in SME lending, located in strategic geographical locations across the regions of Greater Cairo, Alexandria and Beheira, the Delta, Canal and Upper Egypt. The SME business centres offer financial lending products and services to both small- and medium-sized enterprises. This offering is complemented by non-financial services provided through eight Business Development Services ("**BDS**") hubs, including business advisory services, assistance with licensing and commercial registration, financial and business planning, feasibility studies, training and networking support. Very small enterprises are served by the Branch network via dedicated very small enterprise relationship managers. BdC has developed a streamlined credit underwriting process for SME customers and a scorecard lending product for very small-sized enterprise customers.

BdC's leadership in SME banking has been recognized internationally, having been named Platinum winner in the SME Financier of the Year – MENA category at the Global SME Finance Awards 2023, and Gold winner in the Product Innovation of the Year – MENA category at the Global SME Finance Awards 2024, both managed by the IFC.

Customer base

As at 30 June 2026, BdC had approximately 10,585 SME customers, of which 8,179 were borrowing customers. The SME customer base has experienced robust growth in recent periods, growing at a CAGR of 31.0% from 2021 to 2025. The following table sets forth a breakdown between borrowing and non-borrowing SME customers as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(thousands)		
Borrowing customers	8,179	8,057	6,700	5,769	4,119	2,810
Non-borrowing customers	2,406	1,858	1,781	1,132	821	561
Total	**10,585**	**9,915**	**8,481**	**6,901**	**4,940**	**3,371**

As at 30 June 2026, approximately 64% of SME customers were short-term loan and loan customers, approximately 16% were letter of guarantee customers and 19% were overdraft customers.

The growth in BdC's SME customer base has been driven by increases in both borrowing and non-borrowing customers. Borrowing customers increased from approximately 2,810 as at 31 December 2021 to 8,179 as at 30 June 2026, while non-borrowing customers increased from approximately 561 to 2,406 over the same period. As a result, the proportion of non-borrowing customers increased from approximately 17% of the total SME customer base as at 31 December 2021 to approximately 23% as at 30 June 2026, reflecting the continued expansion and diversification of BdC's SME customer relationships.

In terms of geographical diversification, 77% of BdC's SME customers were based outside Greater Cairo, whilst 23% were based in Greater Cairo, as at 30 June 2026[76].

Products

BdC focuses on providing financial solutions to SME clients through a diversified range of products, including:

[76] Based on borrowing customers only.

- **Revolving and term loans**: working capital funding for up to 360 days, typically on a revolving basis and medium-term lending, including bilateral term loans to finance capital expenditure, new projects and expansion plans with terms of up to 7 years;

- **Specialised lending**: tailored and customised programmes for lending to specific industries and standardised products tailored for specific sectors;

- **Cash management**: products allowing customers to transmit and receive cash payments, as well as liquidity management products;

- **Trade service and finance**: letters of guarantee, letters of credit and documentary collections; and

- **Treasury**: foreign exchange and forward transactions.

In 2021, the SME Banking division launched medium-term loans for the very small enterprises segment (comprising enterprises with an annual sales turnover between EGP 1 million and EGP 20 million), known as Engaz. Engaz loans offer a fast and simple scorecard lending based approach, targeting manufacturers, service providers and traders, in addition to offering digital onboarding viability through a dedicated portal for clients to apply for the loan without visiting a Branch. The loan process is complete within seven working days from the time the required documents are delivered by the relevant customer.

In 2022, the SME Banking division introduced its Small Enterprise Lending Program, which offers a wide range of financial products including overdrafts, revolving short-term loans, medium-term loans, letters of credit and letters of guarantee, serving both industrial and non-industrial sectors.

Lending. BdC's SME loan portfolio grew at a CAGR of 21% from EGP 10.6 billion as at 31 December 2021 to EGP 23.0 billion as at 31 December 2025, and amounted to EGP 20.9 billion as of 30 June 2026[77]. A substantial majority of the SME loan portfolio is comprised of direct loans. The following table sets forth a breakdown of the SME loan portfolio into direct loans and indirect loans as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[78]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Direct loans	20.9	23.0	23.5	21.6	16.4	10.6
Indirect loans	4.3	3.7	4.0	2.8	2.7	2.8
Total	**25.2**	**26.8**	**27.5**	**24.4**	**19.1**	**13.5**

Nearly all of the SME loan portfolio is denominated in local currency. The following table sets forth a breakdown of the SME direct loan portfolio by currency as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Local currency	20.8	23.0	23.3	21.4	16.0	10.4
Foreign currency	0.1	0.1	0.2	0.2	0.4	0.2
Total	**20.9**	**23.0**	**23.5**	**21.6**	**16.4**	**10.6**

As at 30 June 2026, 79% of the SME loan portfolio was short-term (i.e. for terms of less than one year) and 21% was medium-term. In terms of regional diversification, 51% of the SME loan portfolio was attributable to the Cairo region, with 49% of the SME loan portfolio attributable to regions outside of Cairo, respectively, as at 30 June 2026. As at 30 June 2026, 74.1%, 11.2%, 6.1%, 4.7% and 3.9% of the SME loan portfolio was attributable to the manufacturing, services, trading, construction and agriculture industries, respectively.

[77] This financial data is based on management information and is not derived from the Financial Statements.
[78] The financial data in this table is based on management information and is not derived from the Financial Statements.

The CBE has prioritised the development of SMEs through a number of initiatives. In particular, one of the mandates issued by the CBE in 2016 to support financial inclusion and MSME growth required banks to increase the share of MSME lending to reach 20% of their gross loan portfolios. In February 2021, the CBE revisited this mandate and introduced revised benchmarks, requiring banks to allocate 25% of their gross loan portfolios (based on balances as of December 2020) to the MSME segment, of which at least 10% was required to have been directed to the small-sized enterprises. These ratios were required to have been achieved by December 2022, with non-compliant banks subject to CBE sanctions. The CBE has set interest rates for loans to small-sized enterprises meeting certain criteria under this programme at 5% but has allowed participating banks to reduce their mandatory reserves by the amount of outstanding loans to such enterprises, which allows participating banks to earn interest on otherwise unproductive mandatory reserves. As at 30 June 2026, BdC had EGP 14.4 billion of loans pursuant to this programme on its balance sheet.

In February 2016, the CBE introduced a programme that allows participating banks to issue loans for capital expenditure that carry an interest rate of 7% (which has increased by the Ministry of Finance in several stages to 15%) for medium-sized enterprises in the manufacturing, agribusiness and renewable energy sectors, which must be used to fund machinery and equipment purchases and are funded by 3% loans issued to the participating bank by the CBE. As at 30 June 2026, BdC had EGP 1.2 billion of loans pursuant to this programme on its balance sheet. This programme is now closed to new customers.

Deposits. BdC has been growing its SME deposit base rapidly, reflecting its strategic focus on deepening relationships with SME customers and expanding its overall SME banking franchise. The SME deposit base grew at a CAGR of 61% from EGP 1.9 billion as at 31 December 2021 to EGP 12.6 billion as at 31 December 2025, and further to EGP 13.9 billion as of 30 June 2026[79]. The following table sets forth a breakdown of the SME deposit portfolio by currency as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[80]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(EGP billions)		
Local currency	12.0	11.0	7.2	5.1	3.4	1.8
Foreign currency	2.0	1.6	2.3	0.4	0.3	0.1
Total	**13.9**	**12.6**	**9.5**	**5.5**	**3.6**	**1.9**

As at 30 June 2026, 51% of the SME deposit portfolio was comprised of current accounts and savings accounts[81]. As at 30 June 2026, 48% of current accounts and savings accounts were attributable to Greater Cairo, with the remaining 52% attributable to outside Greater Cairo.

Corporate

The Corporate Banking division is strategically positioned to support large-scale enterprises and institutional customers with a diverse suite of financial services. In January 2018, BdC started to recruit high calibre professionals from Egyptian and multi-national banks with the aim of aggressively expanding its corporate portfolio. This contributed to strong growth in corporate loans. Within the Corporate Banking division, BdC has embraced digital transformation, integrating systems and utilising data analytics to enhance the customer experience.

BdC is increasingly focused on developing tailored solutions for large corporates, mid-cap corporates and multi-national corporates. The Corporate Banking division comprises large corporate teams, mid-cap teams, an Alexandria and Delta/remote areas team and a corporate services team to serve as a middle office for corporate and institutional banking activities. The Corporate Banking division offers customised financing options such as short- and medium-term loans, project finance, trade finance and working capital solutions. BdC has also introduced innovative cash management and treasury products to optimise liquidity and risk management for its customers.

Customer base

As at 30 June 2026, BdC had 1,521 corporate customers, compared to 1,446, 1,205 and 1,093 as at 31 December 2025, 2024 and 2023, respectively. As at 30 June 2026, approximately 52% of corporate customers were non-borrowing customers and 48% were borrowing customers. The corporate customer base is well-diversified across industries.

[79] This financial data is based on management information and is not derived from the Financial Statements.
[80] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[81] This financial data is based on management information and is not derived from the Financial Statements.

Products

BdC offers a full range of banking services to its corporate customers through a network of Branches and banking units across Egypt. These products and services include the following (certain of these products are provided via the GTB division, which is the product arm for the entire institutional business, as described below under *"—Global Transaction Banking (GTB)"*):

- **Direct facilities**, including working capital short-term loans, medium-term loans, project financing, structured financing and syndicated loans;
- **Payables and receivables**, including domestic and international transfers in local currency and foreign currency (ACH/SWIFT), corporate cheques payment via clearing house, cash delivery services, off-site ATMs, corporate debit and credit cards, unified invoices in favour of the Suez Canal, co-branded cheques, cash pick-up and collection solutions, mass direct debit and point of sale solutions;
- **Trade finance**, including traditional trade products (irrevocable letters of credit, documentary collections and letters of guarantee), back-to-back, transferable and revolving credits, supply chain financing, receivables financing, pre- and post-shipment financing and trade loans;
- **Securities services**, including custody and clearing, agency and trust services and escrow accounts;
- **Treasury optimisation**, including time deposits with various features, current accounts and tier-based call accounts and tailored solutions; and
- **Electronic solutions**, including direct debit via ACH, Core Pay solutions and e-statement solutions.

Loan portfolio. BdC's corporate loan portfolio has grown at a CAGR of 22% from EGP 48 billion as at 31 December 2021 to EGP 106 billion as at 31 December 2025, and further to EGP 115 billion as of 30 June 2026. Local currency corporate loans grew at a CAGR of 20% from EGP 39 billion as at 31 December 2021 to EGP 80 billion as at 31 December 2025, and further to EGP 83 billion as of 30 June 2026. Foreign currency loans grew at a CAGR of 32% from EGP 9 billion as at 31 December 2021 to EGP 26 billion as at 31 December 2025, and further to EGP 32 billion as of 30 June 2026[82]. The following table sets forth a breakdown of the corporate loan portfolio into foreign currency and local currency loans as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[83]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Foreign currency	32	26	24	21	14	9
Local currency	83	80	66	51	44	39
Total	**115**	**106**	**90**	**72**	**58**	**48**

BdC is increasingly focusing on direct lending, with direct loans having grown at a CAGR of 22% from EGP 48 billion as at 31 December 2021 to EGP 106 billion as at 31 December 2025, and further to EGP 115 billion as of 30 June 2026[84]. The following table sets forth a breakdown of the corporate loan portfolio into direct and indirect loans as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[85]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Direct loans	115	106	90	72	58	48
Indirect loans	40	38	39	26	23	20
Total	**155**	**144**	**129**	**98**	**81**	**68**

As at 30 June 2026, 15.1%, 13.0%, 12.8%, 10.1%, 8.0% and 40.9% of BdC's corporate loan portfolio was attributable to customers in the oil and gas, energy, construction, food and beverage, real estate and other industries,

[82] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[83] The financial data in this table is based on management information and is not derived from the Financial Statements.
[84] This financial data is based on management information and is not derived from the Financial Statements.
[85] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.

respectively[8687]. As at 30 June 2026, approximately 87% of the corporate loan portfolio was attributable to customers in the Greater Cairo area, with the remaining 13% outside of Greater Cairo.

Deposit base. BdC offers a variety of demand and time deposit accounts for its corporate customers, including bespoke accounts that have been tailored to the individual needs of the customer. The corporate deposit structure has undergone a significant shift since 2017 (when BdC launched its transformation plan), with the proportion of current accounts having grown significantly. The transition towards a more balanced funding mix has contributed to the lower cost of funds. As at 30 June 2026, 58%, 38% and 4% of corporate deposits were current accounts, time deposits and other deposits, respectively, compared to 39%, 52%, 6% and 3% of current accounts, time deposits, certificates of deposits and other deposits, respectively, as at 31 December 2021.

BdC has been growing both local currency and foreign currency corporate deposits in recent periods. Local currency corporate deposits grew at a CAGR of 22% from EGP 14 billion as at 31 December 2021 to EGP 32 billion as at 31 December 2025, and amounted to EGP 31 billion as of 30 June 2026. Foreign currency corporate deposits grew at a CAGR of 49% from EGP 5 billion as at 31 December 2021 to EGP 27 billion as at 31 December 2025, and further to EGP 37 billion as of 30 June 2026. In 2024 and 2025, BdC allowed a portion of deposits to lapse which led to a contraction in corporate deposits in 2024, although growth resumed in 2025. It then replaced these deposits with lower cost funding. The following table sets forth a breakdown of corporate deposits into foreign currency and local currency deposits as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[88]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Foreign currency	37	27	31	23	17	5
Local currency	31	32	22	36	28	14
Total	**67**	**59**	**53**	**59**	**45**	**20**

Financial Institutions

BdC has a dedicated Financial Institutions division, which has three departments: (i) the Banks department, which manages BdC's relationships with over 500 local and international banks, as well as its relationships with development and multilateral IFIs; (ii) the NBFI department, which manages BdC's relationships with all major NBFIs in the local market, including leasing, factoring, consumer finance, microfinance, mortgages, brokerage, auto finance, e-payments, insurance companies and investment funds on both the assets and liabilities side; and (iii) the Remittances department, which is mandated to increase BdC's market share of Egyptian expatriates' remittances through managing relationships with over 90 money transfer companies globally.

As at 30 June 2026, the Financial Institutions division had total assets of EGP 69.0 billion, composed of EGP 38.5 billion of funded assets and EGP 30.4 billion of unfunded assets. As at the same date, EGP 58.4 billion of assets were attributable to banks, with EGP 10.6 billion attributable to NBFIs. As at 30 June 2026, the Financial Institutions division had EGP 42.5 billion of liabilities, composed of EGP 24.9 billion of deposits and EGP 17.6 billion of foreign currency funding from IFIs (including EGP 7.7 billion in Tier 2 loans).[89]

Banks Department. The Banks department consists of Correspondent Banking Relationships and Financial Institutions Structured Products.

Correspondent Banking Relationships (CBR). Correspondent banking fees have grown steadily to reach EGP 428 million in 2025, compared to EGP 352 million, EGP 217 million, EGP 88 million and EGP 51 million in 2024, 2023, 2022 and 2021, respectively[90]. Correspondent banking fees were EGP 192 million in the first half of 2026. As at 30 June 2026, the Banks department had EGP 58.4 billion of assets (U.S.$1,186 million), composed of EGP 28.2 billion (U.S.$574 million) of funded assets and EGP 30.1 billion (U.S.$612 million) of unfunded assets[91]. The following table sets forth a breakdown of assets as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[92]:

[86] This financial data is based on management information and is not derived from the Financial Statements.
[87] Excluding discounting documents.
[88] The financial data in this table is based on management information and is not derived from the Financial Statements.
[89] This financial data is based on management information and is not derived from the Financial Statements.
[90] This financial data is based on management information and is not derived from the Financial Statements.
[91] This financial data is based on management information and is not derived from the Financial Statements.
[92] The financial data in this table is based on management information and is not derived from the Financial Statements.

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
	(U.S.$ millions)					
Funded	574	393	331	191	254	207
Unfunded	612	355	401	413	350	231
Total	**1,186**	**748**	**732**	**604**	**604**	**438**

As at 30 June 2026, 74%, 10%, 9%, 4%, 2% and 1% of total funded assets were attributable to Egypt, Europe, Africa, the Americas, MENA and Asia based on obligor risk, respectively. As at the same date, 48%, 28%, 19%, 3% and 2% of total unfunded assets were attributable to the Middle East North Africa and Türkiye ("MENAT") region, Asia, Europe, Africa and the Americas, respectively[93].

BdC has developed a bank-wide strategy since 2021 to expand coverage in Africa to support trade finance, lending and interbank transactions. The total business value in Africa has grown at a CAGR of 15% from U.S.$149 million in 2021 to U.S.$260 million in 2025, and to U.S.$172.5 million in the first half of 2026.

Financial Institutions Structured Products (FISP). Foreign currency funding from IFIs was U.S.$899 million as at 31 December 2025, compared to U.S.$1,071 million as at 31 December 2021, and U.S.$358 million in the first half of 2026, with the decrease as at 30 June 2026 reflecting the maturity of various loans on their due dates. This included a U.S.$500 million loan, which constituted a significant portion of the foreign-currency funding and was placed on a back-to-back basis with an Egyptian bank to generate a margin. Both the loan and the corresponding "due from banks" transaction matured as scheduled and, therefore, had no adverse impact on BdC's liquidity position. As at 30 June 2026, 44%, 40%, and 16% of this funding was Tier 2 loans, MSME loans and ESG loans, respectively. As at the same date, 16%, 15%, 14%, 14%, 10%, 9%, 9% and 13% of this funding was from the EIB, the Arab Fund, the EBRD, British International Investment ("**BII**"), the AFD, IFC, GGF and others, respectively[94].

NBFIs Department. NBFI assets grew at a CAGR of 17.1% from EGP 4.4 billion as at 31 December 2021 to EGP 8.2 billion as at 31 December 2025, and further to EGP 10.3 billion as of 30 June 2026[95]. As at 30 June 2026, NBFI deposits were EGP 24.9 billion.

Remittances Department. Remittance volumes grew at a CAGR of 11% from U.S.$2.1 billion in 2021 to U.S.$3.2 billion in 2025. Revenue from remittances grew at a CAGR of 55% from EGP 41 million in 2021 to EGP 236 million in 2025[96]. BdC's share of the remittances market in 2025 was 8%, based on data from the CBE.

In 2025, 56%, 14%, 10% and 8% of remittance volumes were from international companies, Kuwait, the UAE and Saudi Arabia, respectively. 81%, 7% and 5% of revenue from remittances was from international companies, Saudi Arabia and Jordan, respectively, for the same period[97].

Remittance volumes in the first six months of 2026 reached U.S.$1.8 billion, with revenue from remittances of EGP 123 million in the same period[98]. 53%, 17%, 11%, 7% and 12% of remittance volumes in that period were from international companies, Kuwait, the UAE, Saudi Arabia, and others, respectively, and 84%, 5%, 5% and 6% of revenue from remittances was from international companies, Saudi Arabia, Jordan, and others, respectively[99].

Debt and Structured Finance

The Debt and Structured Finance division acts as an arranger and underwriter for debt securities, including corporate bonds and securitisations, and offers project finance, structured finance, syndications and agency and financial advisory services. The Debt and Structured Finance division includes four departments: the Syndication department, the Project Finance department, the Debt Capital Markets department and the Loan Agency Department.

The total assets of the Debt and Structured Finance division have grown at a CAGR of 17% from EGP 21.2 billion as at 31 December 2021 to EGP 40.0 billion (with an unfunded balance of EGP 3.5 billion) as at 31 December 2025, and further to EGP 44.4 billion (with an unfunded balance of EGP 2.9 billion) as of 30 June 2026. Its liabilities have grown at a CAGR of 34% from EGP 3.0 billion as at 31 December 2021 to EGP 9.6 billion as at 31 December

[93] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
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2025, and further to EGP 13.4 billion as of 30 June 2026[100]. The following table sets forth the division's assets and liabilities as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021[101]:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
				(EGP billions)		
Assets	44.4	40.0	36.9	20.4	25.2	21.2
Direct	41.6	36.5	31.7	20.1	23.3	16.1
Indirect	2.9	3.5	5.2	0.3	1.9	5.1
Liabilities	13.4	9.6	6.9	5.0	3.9	3.0

The debt capital markets balance grew at a CAGR of 29% from 2021 to 2025. The balance was EGP 9.6 billion, EGP 10.4 billion, EGP 6.1 billion, EGP 6.9 billion, EGP 4.9 billion and EGP 3.8 billion as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021, respectively.

Syndication and debt capital markets commissions have grown at a CAGR of 11% from 2021 to 2025. Commissions were EGP 102 million, EGP 97 million, EGP 67 million, EGP 61 million and EGP 66 million in 2025, 2024, 2023, 2022 and 2021, respectively, and EGP 82 million in the first half of 2026[102].

Global Transaction Banking (GTB)

The GTB division is the product arm for the institutional business, including corporate, NBFI, SME and local business (see *"—Retail — Customers"*) customers. The GTB division is responsible for providing a comprehensive suite of value-added, integrated and innovative transactional products, solutions and services, with the main objective of increasing the cross-sell ratio through enhancing customers' share of wallet penetration. The GTB division mainly offers trade and supply chain finance, cash management, liquidity solutions and securities services. The GTB division designs and tailors products to service specific customer needs and continuously works in cooperation with customers with the aim of improving their cash flow cycles, optimising their balance sheets, reducing their costs and increasing their revenues through products offers in these areas. Since its inception in 2018, the GTB division has launched 57 products and services.

The GTB division has three main product management departments: Cash Management and Liquidity Solutions, Trade and Supply Chain Financing and Securities and Custody Services. In addition, it has a Product Sales department, which serves as a business development team and manages relationships with corporate, NBFI, SME and local business customers. It also has an Innovation & Digital Banking department which manages innovation, implementation and fintech collaboration. The GTB division's Product Support departments manage business monitoring and institutional management information systems ("**MIS**").

Products

The key products of the GTB division are described in detail below:

- **Trade and supply chain finance**:
    - conventional and unconventional import and export products;
    - various types of guarantees: local and international, performance, advanced payments and bid guarantees; and
    - supply chain finance programmes: cheque discounting, export and import discounting and buyer/seller led supply chain financings;
- **Payables and receivables**:
    - governmental payments through e-finance;
    - value date service and standing instructions;

[100] This financial data is based on management information and is not derived from the Financial Statements.
[101] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[102] This financial data is based on management information and is not derived from the Financial Statements.

- corporate credit cards and Meeza prepaid corporate cards; and
- cheque services (cheque books, collections, pick-ups and co-branded cheques);

- **Liquidity solutions and portfolio management**:
  - account services;
  - time deposits;
  - cash pick-up services;
  - current accounts; and
  - Mazaya specialised accounts;

- **Securities services**:
  - local and global custody services;
  - coupon payments;
  - margin trading; securitisations; and
  - agency and trust services; and

- **Digital banking services**:
  - corporate Internet banking;
  - corporate digital signature;
  - electronic notification services, e-statements, digital acceptance and currency processing solutions;
  - SWIFT transfers and ACH transfers;
  - integration host-to-host services; and
  - acquiring and digital collection essential banking solutions.

Treasury and Capital Markets

BdC's Treasury and Capital Markets division is tasked with managing excess liquidity through a wide range of investments, including Government securities and monetary policy tools and local and foreign money market placements. For details of the Treasury and Capital Markets division's ALM activities, see *"Risk Management"*. As at 30 June 2026, the Treasury and Capital Markets division had AuM of EGP 212.2 billion (excluding corporate bonds and export subsidies). The increase in AuM from 2024 to 2025 was due to tactical action taken by management in light of the quantitative easing cycle and the deployment of additional liquidity to sovereign securities. The following table sets forth a breakdown of AuM by currency as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Local currency	143.8	124.0	86.9	102.5	101.0	86.7
Foreign currency	68.4	99.5	128.3	70.0	50.0	31.1
Total	**212.2**	**223.5**	**215.2**	**172.6**	**151.0**	**117.8**

The following table sets forth a maturity breakdown of local currency AuM and foreign currency AuM by maturity as at 30 June 2026 and 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
			(EGP billions)			
Local currency						
< 1 year	91.9	64.3	73.2	81.3	50.7	33.2
1-3 years	46.9	54.5	13.1	19.9	46.7	47.8
Over 3 years	5.0	5.1	0.6	1.3	3.7	5.7
Total	**143.8**	**124.0**	**86.9**	**102.5**	**101.0**	**86.7**
Foreign currency						
< 1 year	50.9	85.5	114.6	63.4	43.7	26.6
1-3 years	9.9	6.9	7.7	4.7	4.0	3.0
Over 3 years	7.6	7.1	6.0	1.9	2.2	1.5
Total	**68.4**	**99.5**	**128.3**	**70.0**	**50.0**	**31.1**

Yields on treasury assets were 15.2%, 15.4%, 14.1%, 13.0%, 10.7% and 10.6% for the six months ended 30 June 2026 and the years ended 31 December 2025, 2024, 2023, 2022 and 2021, respectively. Yields on local currency assets for the same periods were 22.3%, 25.0%, 23.4%, 17.0%, 13.6% and 13.1%, respectively. Yields on foreign currency assets for the same periods were 4.6%, 5.0%, 6.0%, 5.5%, 3.2% and 2.5%, respectively[103].

Trading profits were EGP 0.9 billion in the first half of 2026, and EGP 1 billion, EGP 2.7 billion, EGP 0.8 billion, EGP 0.18 billion and EGP 0.5 billion in 2025, 2024, 2023, 2022 and 2021, respectively[104]. Foreign exchange turnover in the first six months of 2026 was U.S.$9.6 billion, and was U.S.$13.5 billion, U.S.$11.9 billion, U.S.$7.6 billion, U.S.$10.1 billion and U.S.$8.1 billion in 2025, 2024, 2023, 2022 and 2021, respectively.

The Treasury and Capital Markets division includes the following desks:

- **Foreign Exchange Desk**: The Foreign Exchange Desk plays a vital role in optimising BdC's profitability by actively managing its currency positions across a wide spectrum of G10 and GCC currencies, acting as one of the major market makers in the local foreign exchange market. In addition, the Foreign Exchange Desk is actively engaging in the carry trade business and onboards world class investors as well as trading with top notch external and local exchange houses. The Foreign Exchange Desk also offers tailored foreign exchange hedging solutions, supporting both client risk management needs and market liquidity. Foreign exchange volumes have grown significantly, from U.S.$8.1 billion in 2021 to U.S.$13.5 billion in 2025;

- **Money Market Desk**: The Money Market Desk is responsible for the active management of BdC's liquidity in both local and foreign currencies. It invests surplus liquidity across a range of money market instruments, optimising short-term returns while maintaining strong liquidity buffers. The Money Market Desk supports balance sheet efficiency, funding stability and interest rate risk management.;

- **Fixed Income Desk**: the Fixed Income Desk is responsible for trading in treasury bills and treasury bonds in local and foreign currency and Eurobonds in the secondary market with local market players as well as larger international houses. It participates in auctions for BdC and its clients since BdC is a primary dealer bank;

- **Wholesale Banknote Desk**: The Wholesale Banknote Desk manages the import and export of banknotes across various foreign currencies. BdC is recognised as a major market player in wholesale banknotes, being among only three banks in Egypt active in this sector;

- **Sales Desk**: The Sales Desk is responsible for bringing the Treasury and Capital Markets division into close contact with BdC's customers and understanding their needs and risk profiles. It provides real-time quotations, pricing, advice and solutions and acts as a point of sale for BdC's treasury products;

- **ALM Desk**: The ALM Desk is responsible for managing BdC's interest rate risk and liquidity profile through active monitoring of the balance sheet structure. The ALM Desk identifies and manages risks arising from the composition and repricing of assets and liabilities and oversees the FTP framework, supporting BdC's balance sheet optimisation and profitability; and

[103] The financial data in this paragraph is based on management information and is not derived from the Financial Statements.
[104] This financial data is based on management information and is not derived from the Financial Statements.

- **Support Desk**: The Support Desk is responsible for preparing, arranging and following up on all treasury support tasks.

Investments

The Investments division is responsible for helping BdC to achieve its objectives by selecting diversified investment mandates while optimising 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, affiliates and investments. See *"—Subsidiaries, Associates and Affiliates"* below;

- **Alternative investments**, which includes private equity and SME funds, venture capital funds, fund of funds and real estate funds;

- **Mutual funds**, which includes equity, money market, Islamic equity and fixed income funds; and

- **Trading portfolio**, which includes internal portfolios and external portfolios.

The Investment Trustees department includes the following investment categories:

- **Real estate and e-marketing**, which includes auctions and selling unutilised BdC assets (which include foreclosed assets as well as legacy assets), as well as selling assets for governmental and private entities; and

- **Corporate launching and projects evaluation**, which includes issuing certificates of deposit for companies and the evaluation of various types of assets.

BdC sponsors mutual funds that invest in Egyptian-listed instruments (including debt and equity securities and money market instruments), which are externally managed. Its two equity funds had a net asset value ("**NAV**") of EGP 1.9 billion as at 31 December 2025 and a return of 44% in 2025, and a NAV of EGP 2.2 billion and a return of 22% in the first six months of 2026. Its two money market funds and fixed income funds had an NAV of EGP 6.4 billion as at 31 December 2025 and a return of 22.2% in 2025, and a NAV of EGP 6.8 billion and a return of 9.6% in the first six months of 2026. Its proprietary equity portfolio had an NAV of EGP 155 million as at 31 December 2025 and a return of 46% in 2025, and a NAV of EGP 348 million and a return of 14% in the first six months of 2026. Its investment in alternatives had an NAV of EGP 821 million as at 31 December 2025, and a NAV of EGP 890 million in the first six months of 2026.

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 includes Herasat, EgyServ and IBAG. These are described in detail below.

CBU. BdC owns a 99.99% interest in CBU. CBU began operations in Uganda in 1995 and operates as a standalone brand through its six branches serving 14,671 customers as at 30 June 2026. CBU had 163 employees as at 30 June 2026. BdC established CBU in partnership with Kato Aromatic to capture opportunities in the growing East African market and realise synergies across BdC's African investments outside of Egypt. In 2002, Banque Misr, NBE and AlexBank acquired stakes in CBU through a capital increase. In January 2020, BdC acquired substantially all of the remaining outstanding shares of CBU. Following this, BdC changed the board of directors and management of CBU, successfully transforming it into a profitable entity from 2023.

CBU offers a range of products to retail and corporate customers in Uganda such as term and savings accounts, salary loans and auto loans, corporate loans, overdrafts, trade finance products, foreign exchange products and money market products. Its focus has historically been on SMEs and retail customers but BdC is working to revamp its corporate and transactional banking platform. As at 30 June 2026, CBU had EGP 2.3 billion of net loans, advances and deposits of EGP 3.7 billion and equity of EGP 2.9 billion. Its net operating income was EGP 0.6 billion, and its net interest margin 9% in 2025, with net operating income of EGP 0.4 billion, net income of EGP 56.7 million and a net interest margin of 9.4% in the first six months of 2026. As at 30 June 2026, it had a capital adequacy ratio of 61.75%.

Cairo Lending Company. In March 2018, BdC established CLC, a subsidiary in which it has a 98% stake that provides tailored financial leasing, factoring and mortgage financing products and services to meet corporate capital expenditure needs for a wide variety of assets. CLC had 368 customers and 71 employees as at 30 June 2026. CLC operates as a standalone brand with its own personnel. CLC offers leasing products and services tailored to meet corporate capital expenditure needs for a wide variety of assets, including commercial and administrative real estate, equipment financing, plant and machinery, transportation assets, systems and IT, office equipment and fleet management. It continued to diversify its product offering through the rollout of additional products, enhancing its ability to address a broader range of client financing needs. Its funding ranges in size from EGP 1 million to over 50% of CLC's equity, with floating interest rates and terms which are typically between one to ten years.

CLC generated revenues of EGP 1,510 million and net profit of EGP 175 million in 2025, and revenues of EGP 776.9 million and net profit of EGP 127.6 million in the first six months of 2026. As at 30 June 2026, total equity amounted to EGP 1,063 million, and CLC's capital adequacy ratio stood at 15.17%.

Cairo Exchange Company. CEC, in which BdC has a 99.99% stake, provides foreign exchange services across Egypt. As at 30 June 2026, CEC had 122 employees. It facilitates money exchange, international money transfer and related foreign exchange services for individuals and businesses. CEC has 17 branches and is focused on areas where there is demand for foreign currency such as tourist hotspots. CEC had revenues of EGP 60.8 million and a net loss of EGP 27.7 million in 2025, and revenues of EGP 41.4 million and a net loss of EGP 0.5 million in the first six months of 2026. At the level of BdC, however, CEC is synergistic to the platform via foreign exchange trading profits BdC records off of volumes generated by CEC, as well as the commissions BdC is able to charge. In 2025, BdC yielded net profit in relation to CEC-generated business in the amount of EGP 35 million (based on certain management assumptions).

Taly. In March 2023, BdC announced the launch of Taly, a digital payment company that is aimed at creating a fully-fledged digital payment platform servicing individuals, financial institutions and companies. BdC holds a 99.99% stake in Taly. Taly had revenues of EGP 57 million and a net loss of EGP 144 million in 2025, and revenues of EGP 47.2 million and a net loss of EGP 60.5 million in the first six months of 2026. As at 30 June 2026, Taly had five customers and 114 employees.

BdC's associates and affiliates include the following:

- **Herasat**, in which BdC has a 30% stake, a security company established to enhance internal security services at BdC's premises. Herasat had revenues of EGP 228 million and net income of EGP 1.6 million in 2025, and net revenues of EGP 165.7 million and net income of EGP 3.2 million in the first six months of 2026;

- **Egyserv**, in which BdC has a 40% stake, which offers various services to banks such as printing, packaging and transfer of correspondence. Egyserv had revenues of EGP 824 million and net income of EGP 183 million in 2025, and net revenues of EGP 455 million and net income of EGP 95 million in the first six months of 2026; and

- **IBAG**, in which BdC has a 9.9% stake, which offers money transfer and remittances payment services in Egypt and is the exclusive agent of Western Union in Egypt. IBAG had revenues of EGP 573 million and net income of EGP 172 million in 2025, and net revenues of EGP 282.8 million and net income of EGP 45.4 million in the first six months of 2026. IBAG's transaction volume was U.S.$2.3 billion in 2025 and U.S.$1.1 billion in the first six months of 2026.

Distribution Network

BdC's distribution network comprises its Branch network, its ATM network, its direct sales, telesales and payroll sales team, the contact centre, Internet banking services, which it launched for retail customers in April 2019, and its mobile money wallet, "Qahera Cash".

Branch and ATM Network

BdC has 233 Branches and 2,205 ATMs across all 27 governorates in Egypt. The Branch network includes 195 fully operational branches, 11 agencies, 9 units, 9 currency exchange offices and 9 work permit offices. BdC intends to open nine new Branches in locations for which agreements have been entered into during late 2026 and 2027 to increase the total number of Branches to 242. BdC believes this would make it the largest banking network in Egypt (excluding Banque Misr, NBE and Agricultural Bank of Egypt).

Including Branches that will be opened during 2026 and 2027, BdC's Branch network will include 99 Branches and 758 ATMs in Greater Cairo, 40 Branches and 587 ATMs in the Delta Region, 56 Branches and 440 ATMs in Upper

Egypt, 28 Branches and 297 ATMs in Alexandria and Al Behira and 19 Branches and 123 ATMs in Suez Canal and Sinai. The Branches to be added in late 2026 and 2027 include new Branches in New Minya, Sohag and El Gouna during the second half of 2026, five new Branches in Greater Cairo by the third quarter of 2027, and a new Branch in New Aswan in the second quarter of 2027.

BdC's distribution network consists of large branches serving both corporate and retail customers, foreign exchange offices where currency exchange services are offered, micro branches serving retail and microfinance customers, banking units offering sales and services to retail clients and work permit offices offering work permit processing services for a fee. BdC has 53 SME business centres staffed with credit certified relationship managers located in strategic geographical locations. It also has eight non-financial services business development service hubs located in Cairo, Giza, Alexandria, Alshaqeya, Al Momofeya, Al Beheira, Dammietta and Sohag.

BdC has also introduced wealth corners, which are dedicated units within BdC's Branches that cater to HNWI clients. These wealth corners are based in Cairo, Alexandria and Beheira and the Delta (i.e., the regions with the highest volumes of affluent clients) and are staffed with relationship managers providing advice on cash management, asset protection, lending and investment opportunities. BdC has 36 wealth corners located in the Greater Cairo area.

SME business centres and wealth corners are located on the premises of BdC's Branches.

BdC sets key performance indicators for all Branch staff, with the goal of delivering a high level of service, ensuring high customer satisfaction levels and improving sales efficiency through staff training, resources and incentives. BdC leverages its large local workforce, particularly in rural areas, with loan officers in Branches and units having authority to make lending decisions for loans of up to EGP 3 million based on preset criteria and scorecards.

Digital Banking

Digital banking is a significant part of BdC's retail strategy. It launched Internet banking for retail customers in April 2019 and in May 2020, it launched mobile banking for retail customers. The mobile banking services it offers its customers include accounts inquiry, own accounts transfer, internal transfer to other BdC customers, domestic transfers, activation of BdC tokens, ATM and branch locators, foreign exchange inquiries and credit card inquiries, payments and blockages. As at 30 June 2026, BdC had 1,035,887 mobile banking customers, and during 2025 and the first six months of 2026, its mobile banking transaction volume was EGP 28.0 billion and EGP 24.5 billion, respectively. The following table sets forth BdC's mobile banking customers and transaction volume as at and for the six month period ended 30 June 2026 and the years ended 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
Mobile banking customers	1,035,887	980,987	871,205	735,601	469,701	258,816
Mobile banking transaction volume *(EGP millions)*	24,502	28,041	14,426	7,408	4,588	2,184

BdC also established "Qahera Cash", a mobile money wallet aimed at providing banking services to an otherwise underserved population that does not have the typical access to financial institutions. In December 2020, it launched Etisalat Cash, having signed a contract with Etisalat to manage Etisalat's digital wallet. The mobile wallet services BdC offers include cash in/out through ATMs, BdC Branches and agents; money transfers between mobile wallets; online cards, including virtual card numbers ("**VCN**") one-time use cards for Internet purchases; account value load; receipt of remittances; loan collection for BdC loans; payment via QR code and a wide range of payment services, such as electricity, gas, Internet, landline and mobile recharge bills.

As at 30 June 2026, BdC had 470,587 Qahera Cash customers. In 2025 and the first six months of 2026, its transaction volume for Qahera Cash was EGP 16.6 billion and EGP 10.2 billion, respectively. The following table sets forth BdC's Qahera Cash customers and transaction volume as at and for the six month period ended 30 June 2026 and the years ended 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
Qahera Cash customers	470,587	492,420	650,516	743,222	866,054	780,369
Qahera Cash transaction volume *(EGP billions)*	10.2	16.6	12.1	5.9	2.7	0.7

The decrease in the number of Qahera Cash customers shown in the table above reflected a data cleansing exercise mandated by the CBE.

As at 30 June 2026, BdC had 20,450 BdC Business subscribers, which are customers who are subscribed to BdC's Internet banking platform, and 1,556 digital engagement subscribers, which represents the number of digital products customers have subscribed to or been onboarded on other than BdC Business. In 2025 and the first six months of 2026, the BdC Business transaction value was EGP 87.0 billion and EGP 50.2 billion, respectively. The following table shows the trend in subscribers and transaction values as at and for the six months ended 30 June 2026 and the years ended 31 December 2025, 2024, 2023, 2022 and 2021:

	As at 30 June	As at 31 December				
	2026	2025	2024	2023	2022	2021
BdC Business subscribers	20,450	17,318	12,620	7,284	2,228	581
Digital engagement	1,556	1,440	1,232	810	503	278
BdC Business transaction value *(EGP billions)*	50.2	87.0	20.2	8.6	4.5	1.1

Direct Sales, Telesales and Payroll Sales

In 2019, BdC launched new dedicated sales teams, including the direct sales team, the telesales team and the payroll sales team. The direct sales team is responsible for acquiring new credit card and personal loan customers and in that way directly contributes to growth in BdC's loan portfolio. The main focus of the telesales team is to maximise the cross-sell ratio for existing BdC customers. The payroll sales team focuses on acquiring new payroll arrangements and payroll contracts. See *"—Operations — Retail"* for further detail on payroll deals.

Contact Centre

BdC has established a centralised Contact Centre that serves as a primary customer engagement channel, managing inquiries across all products and services and overseeing BdC's social media platforms. The Contact Centre processes a range of service requests, including mobile wallet and Internet banking registrations, card activations and deactivations, password resets and campaign-related inquiries. It also supports revenue generation through the promotion of credit card instalment programmes,

In addition, BdC launched a dedicated Tharwa Contact Centre to serve the high net worth segments, Tharwa Prime and Tharwa Elect.

Competition

BdC faces competition from domestic and non-Egyptian banks, including financial institutions that are based outside of Egypt but that have operations in Egypt. See *"Risk Factors—Risks relating to BdC's business and industry— BdC faces significant and increasing competition and its performance may vary depending on changes in the intensity and source of this competition"*.

BdC considers NBE, Banque Misr, CIB, QNB Al Ahli, AAIB, FAB Misr, HSBC, ADIB, Faisal, Alex Bank, SCB and NBK to be its principal peer group among Egyptian banks. BdC differentiates itself through its nationwide network coverage and customer relationships and reach, as well as its range of product solutions, including tailored solutions to maximise cross-selling potential and share of customer wallet.

The following table sets forth the market share of BdC and its peer group in terms of branches, total gross customer loans, gross retail loans and total deposits as at the relevant date specified below, based on CBE data and the public disclosures of each bank.

	As at 30 June 2026					
	Branches[1]	Gross customer loans[2]	Market share[2]	Gross retail loans[2]	Total deposits[2]	Market share[2]
		(EGP billions)	(%)	(EGP billions)	(EGP billions)	(%)
Banque Misr	N/A	N/A	N/A	N/A	N/A	N/A
NBE	N/A	N/A	N/A	N/A	N/A	N/A
BdC	242[3]	253	2.2%	107	440	2.6%
QNB	241	519	4.5%	92	910	5.3%
CIB	219	631	5.4%	103	1,304	7.6%
Alex Bank	182	93	0.8%	41	213	1.2%
AAIB[4]	100	312	2.7%	40	803	4.7%
ADIB	79	198	1.7%	58	333	1.9%
FAB Misr	74	167	1.4%	29	298	1.7%
SCB	57	141	1.2%	14	239	1.4%
NBK	53	149	1.3%	32	206	1.2%
HSBC	50	62	0.5%	19	275	1.6%
Faisal	44	22	0.2%	4	211	1.2%

Notes:

(1) Includes only branches located in Egypt.
(2) On a standalone basis.
(3) Includes Branches to be opened in 2026 and 2027.
(4) Based on a USD/EGP exchange rate of 53.4614, the official sell rate of the CBE as at 30 June 2026.

Ancillary Operations

In January 2019, BdC received its operating licence for a representative office in the UAE and it officially launched the office in March 2019. The representative office provides on the ground support with key partners and counterparts across GCC countries, including an exchange house for remittances to Egypt, cash management, trade, custody and investment services for financial institutions.

and NBFIs and support for large corporates who have direct investments in Egypt.

Employees

As at 30 June 2026, BdC had 8,238 full-time employees (excluding subsidiaries). The following table presents a breakdown of BdC's employees as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
Head office	5,119	4,938	4,968	5,010
Branches (including Contact Centre)	3,119	3,380	3,393	3,571
Total	**8,238**	**8,318**	**8,361**	**8,581**

In addition, as at 30 June 2026, BdC had 1,877 outsourced employees, including 1,251 white collar employees and 626 blue collar employees.

Approximately 2,073 employees are expected to retire during the next five years (i.e. between 2026 and 2030), which is expected to have a continued favourable effect on BdC's cost to income ratio.

As at 30 June 2026, 22%, 37%, 9%, 7% and 25% of employees were between under 30 years of age, between 30 and 40 years of age, between 40 and 50 years of age, between 50 and 55 years of age and over 55 years of age, respectively. As at the same date, 77% of employees were male and 23% were female. In terms of corporate grades, 38%, 34%, 23% and 5% of employees were classified as professional, supervisory, middle management and senior management as at 30 June 2026, respectively. As at 30 June 2026, 90% of employees had open-ended contracts and 10% had fixed-term contracts.

Human resources transformation

Since 2019, BdC has been revamping its human resources function. It now provides a variety of services to meet business needs and has also developed multiple employee programmes to serve its employees, including a full-fledged learning and development programme, and multiple benefits including but not limited to medical insurance, life insurance and end of service benefit. It has also engaged in a large-scale digitalization of human resources processes and services via the roll-out of a human resources management system ("**HRMS**"). All human resources communications have been standardised through one channel.

A core part of the transformation has been a cultural transformation, with employee engagement initiatives being implemented. Performance management and succession planning modules have also been revamped in line with scientific approaches and market best practices. New policies have been introduced, including in the areas of employee by-laws, internal mobility and rotation, dress code and employee recognition programmes.

Properties

BdC owns a real estate portfolio consisting of 124 properties, including 100 Branches. The total area of these owned assets is 368.2 thousand square metres, with an estimated total value of EGP 17.1 billion based on a 2025 guidance evaluation. The valuation does not include properties comprising repossessed collateral acquired by BdC in the settlement of overdue loans, other than those classified as investment property.

BdC leases a total of 191 premises. Of these, 122 premises are leased under the new rent law, with an average total monthly rent of EGP 25.4 million. The remaining 69 premises are leased under the old rent law, with an average total monthly rent of EGP 508,000. Lease renewals for premises leased under the old rent law are currently under review, including 138 leased premises used as Branches.

Information Technology

The Information Technology division manages and leads technology and innovation across BdC. The division drives BdC's digital transformation, ensuring that customer experience, operational efficiency and security are maintained through leading technologies as well as leveraging partnerships with fintech companies to ensure scalability and delivery of innovative solutions. The Information and Technology division has over 200 employees and is structured into specialised areas covering IT infrastructure, IT security, operations, governance and control, digital transformation, enterprise and business applications, development and data analytics. The technology transformation journey commenced in 2018, with the number of servers increasing from 250 to 2,800 servers, storage increasing from 70 TB to 2,500 TB and the number of the customer facing channels doubling. As part of the transformation, workflow and robotics automations and data analytics and application programming interface ("**API**") integrations were also introduced, which enabled BdC to build integrations with, among others, Telda, Etisalat, IBAG, MoneyGram and Taly. In addition, 25 security solutions were implemented, with over 90% coverage of the CBE security framework and PCI-DSS certification was obtained. BdC was also one of the leading Egyptian banks to implement private cloud.

BdC successfully migrated its core banking application from Oracle Flexcube to Temenos Transact (T24)-R22, completing the project in July 2026. This strategic milestone coincides with the launch of the new Internet and Mobile Banking platform, both of which support BdC's strategic objectives to enhance operational efficiency, elevate service quality and deliver an integrated digital banking experience that meets the evolving needs of customers while keeping pace with the rapid transformation of the global banking industry.

BdC is continuing its IT transformation, with its five-year IT strategy planned to be achieved over two stages:

- **Build for the Future** (2025-2026): In this stage, the Information Technology division has continued to strengthen and build BdC's IT foundations through the implementation of the new core banking applications, including Temenos Transact, and the launch of the new digital banking platform, Temenos Infinity. BdC is continuing to enhance IT delivery capabilities through building internal capabilities across all IT domains, focusing on digital development, in order to reduce vendor dependency and achieve a more nimble response to business and market demands. This is intended to pave the way for continued transformation of the business and customer experience and to ensure that BdC remains agile in a rapidly evolving financial landscape; and

- **Consolidating the Position** (2027 and onwards): In this stage, the Information Technology division will continue to leverage the foundations it has built for continued digital transformation, including robotic process automation ("**RPA**"), utilising data science and analytics to gain customer behaviour insights to provide personalised and superior customer experience with improved time to market and turnaround time while maintaining strong security.

BdC has been increasing its IT expenditure in recent periods, to EGP 1,252 million in 2025 (and EGP 777 million in the first half of 2026), compared to EGP 1,011 million, EGP 498 million, EGP 354 million and EGP 199 million in 2024, 2023, 2022 and 2021, respectively. 74%, 8%, 6%, 9% and 3% of IT expenditure in 2025 related to repair and maintenance, ATM-related expenses, subscriptions, telecommunications and other areas, respectively.

Core banking

BdC successfully migrated its core banking application from Oracle Flexcube to Temenos Transact (T24)-R22, completing the project in July 2026. This migration represents a significant advancement in the Bank's operational capabilities by providing one of the world's leading core banking applications and a modern technology infrastructure that enable greater integration across all banking channels, enhance operational performance, and support the delivery of a more seamless and responsive banking experience.

Customer touchpoints

BdC offers multiple digital and payments channels, including Internet and mobile banking for corporate and retail customers, e-remittances, microfinance digital lending and integration with the domestic Instant Payment Network to make the instant payment feature available to BdC customers. In addition, BdC offers QaheraCash as a mobile wallet product. See *"—Digital Banking"* above.

Coinciding with the migration of the core banking application, BdC successfully launched the new Internet and Mobile Banking platform, creating opportunities for new digital services offerings and enhancing customer experience by enabling BdC customers to manage their banking services and transactions anytime and anywhere through more convenient, faster, secure and user-friendly digital channels.

BdC's ATM terminals use different models provided by NCR, DieboldNixdorf and Hyosung. BdC has 13,410 point of sale terminals as at 30 June 2026.

Intellectual property

BdC has registered several trademarks and logos. In addition, BdC has registered multiple domain names in Egypt and elsewhere. BdC typically does not develop its own software but rather licenses software from industry vendors such as Oracle, IBM and Temenos. Other than trademarks and logos, management does not consider any of its intellectual property assets to be material to its business.

Legal proceedings

From time to time and in the normal course of business, BdC is subject to legal actions and complaints. However, during the 12 months preceding the date of this Offering Circular, there have been no governmental, legal or arbitration proceedings (including any proceedings which are pending or threatened of which BdC is aware) that may have or have had in the recent past a significant effect on the financial position or profitability of BdC.

Sustainability and Sustainable Finance

Strategic Commitment

Since 2015, BdC has progressively embedded sustainability into the core of its strategic and operational framework. BdC views ESG principles not merely as regulatory requirements, but as key drivers of long-term value creation, portfolio resilience, operational efficiency and sustainable innovation.

As one of Egypt's leading financial institutions, BdC continues to strengthen its institutional capabilities to support Egypt's transition toward a more sustainable and low-carbon economy, in alignment with national development priorities and evolving global sustainability standards.

BdC's sustainability strategy is guided by internationally recognized frameworks and principles, including the Global Reporting Initiative ("**GRI**"), the United Nations Environment Programme Finance Initiative ("**UNEP FI**"), Egypt Vision 2030, and the regulatory guidance issued by the Central Bank of Egypt.

E&S Governance

To support the implementation of its sustainability agenda, BdC established a dedicated Sustainability and Sustainable Finance Division reporting directly to the Deputy Chief Executive Officer, in addition to a Board-level Sustainability and Sustainable Finance Committee. This governance structure is intended to ensure that sustainability considerations are integrated into both strategic oversight and executive decision-making processes.

In parallel, BdC launched a Sustainability Ambassadors Network, a cross-functional internal initiative aimed at strengthening sustainability awareness, enhancing institutional capabilities, and embedding ESG principles across business lines and operational functions.

In 2016, BdC published its first United Nations Global Compact ("**UNGC**") Communication on Progress, reflecting the Bank's early commitment to aligning its operations and corporate practices with the UNGC's core principles.

ESG evolution and Sustainable Finance

Beginning in 2019, BdC initiated the first phase of its sustainability transformation journey, referred to internally as the "Discover Phase." During this stage, BdC issued its inaugural GRI Sustainability Report to assess the environmental and social impacts of its operations and identify key priorities to be addressed across its short, medium and long-term strategic plans.

In 2022, following its accession as a signatory to UNEP FI, BdC published its first Principles for Responsible Banking ("**PRB**") Report, providing portfolio-level impact disclosures and establishing measurable sustainability targets intended to guide future progress and performance enhancement.

As institutional capabilities continued to evolve, BdC progressed into the second phase of its sustainability strategy, the "Foundation Building Phase," during which BdC developed the core frameworks and infrastructure underpinning its sustainable finance platform, in collaboration with leading international development institutions.

Key initiatives implemented during this phase included:

1. A Sustainable Finance Framework.

2. A Climate Finance Strategy addressing both climate-related opportunities and climate risk management.

3. Environmental and Social Risk Management ("**ESRM**") Frameworks for both Large Corporate and MSME portfolios, including an Environmental and Social Lending Policy and sector exclusion list.

4. A Green Lending Framework establishing eligibility criteria for green financing activities and supporting the mitigation of greenwashing risks across financing and investment activities.

BdC is currently executing the third phase of its sustainability strategy, "Sustainable Revenue Growth," focused on translating foundational ESG investments into scalable business growth and measurable financial outcomes.

In 2023, the Retail Banking Group launched the Bank's first dedicated green retail products, including financing solutions for household solar energy systems and electric vehicles, representing an important milestone in extending sustainable finance offerings to retail customers.

In parallel, and reflecting its commitment to the social dimension of sustainability, BdC introduced the "Waffar" accounts. These are products with simplified KYC designed to promote financial inclusion and expand access to formal banking services, including women, youth, people with disabilities, illiterate individuals and anyone with limited income. Throughout 2025, BdC's financial inclusion efforts achieved several milestones, including 48% growth in number of customers, 295% growth in total customer deposits and 154% growth in balances of financial inclusion accounts within the segment.

BdC has also leveraged partnerships with international development finance institutions to expand its sustainable finance portfolio. As of April 2026, BdC had successfully disbursed approximately EUR 45 million and USD 25 million in sustainable financing across its Corporate and MSME portfolios, reinforcing its position within Egypt's evolving sustainable finance ecosystem.

From a risk management perspective, BdC established a dedicated E&S Risk Management Unit, in addition to establishing a comprehensive Environmental and Social Risk Management framework aimed at enhancing portfolio resilience and strengthening responsible lending practices. The framework includes dedicated ESRM systems for both MSME and Large Corporate segments, supported by BdC's Environmental and Social Lending Policy and sector exclusion criteria.

As per BdC's Climate Finance Strategy, the Enterprise Risk Management team conducted a preliminary internal climate stress test.

Key Sustainability Milestones

Deliverable	Partner	Approval Authority	Year
Sustainable Finance Framework	In-house	Senior Management (SMEs, Corporate and Risk)	2023
Environmental & Social Lending Policy	GGF / WSP	Board of Directors	2023
MSME ESRM Framework	IFC	Senior Management	2024
Climate Finance Strategy	IFC	Board of Directors	2025
Large Corporate ESRM Framework	GGF / WSP	Board Risk Committee	2025

THE EGYPTIAN BANKING SECTOR

Central Bank of Egypt

The CBE was founded in 1961 and is an autonomous public legal entity governed by the Banking Law, which outlines the CBE's authority and responsibilities. The CBE's paid-up capital should not be less than EGP 20 billion and can be further increased by a decision of the board of directors of the CBE through the CBE's annual net profit, its reserves or through the direct contributions from the Egyptian Central Treasury after the approval of the Minister of Finance. The Banking Law stipulates that the funds of the CBE are considered private funds. According to the Banking Law, the main objectives and functions of the CBE are as follows:

- realising price stability and ensuring the soundness of the banking system;
- formulating and implementing monetary, risk, credit and banking policies and entering into open market transactions;
- issuing banknotes and determining their denominations and specifications;
- supervising the banking sector and issuing directives and instructions to regulated entities;
- managing the gold and foreign currency reserves of the country;
- managing banking and financial crises and overseeing distressed banks;
- formulating and implementing the foreign exchange policies and regulating the functioning of the foreign exchange market;
- protecting the interest of regulated entities' clients and settling any related disputes;
- improving competition and preventing any monopolies from regulated entities;
- supervising and improving the national payments system; and
- recording and following up on Egypt's external debt (public and private).

In addition to the above-stipulated functions, the CBE is entrusted with the role of financial adviser and agent of the Government. Moreover, the CBE shall, in accordance with the provisions of the Banking Law, act as the Government's bank, and shall charge for the services it renders to both the Government and public legal persons based on a fee list for such banking services as determined by the board of directors of the CBE. The CBE shall extend to the Government, upon its request, the financing required to cover seasonal deficits in the state's budget, provided that such financing does not exceed 10% of the average revenue of the state's budget for the previous three years. Additionally, the CBE's board of directors may grant loans to distressed banks and banks with liquidity issues subject to satisfaction of certain requirements as included in the Banking Law. Furthermore, the CBE can undertake to source foreign currencies to repay financings obtained by banks or public entities from foreign banks or international financial institutions as determined by the board of directors of the CBE.

The Governor of the CBE and the Governor's two deputies are appointed directly by the President of Egypt for a renewable four-year term. The board of directors of the CBE is entitled to form subcommittees, including the MPC, the Investment Committee, the Audit Committee, the Risk Committee and the Management Committee. According to the Banking Law, the board of directors of the CBE is the authority responsible for the realisation of the objectives of the CBE, in addition to formulating and implementing monetary, risk, credit and banking policies. The Board comprises eleven members, including the Governor of the CBE, the Governor's two deputies, the Chair of the FRA and seven non-executive members experienced in economic, financial, monetary, legal, accounting or technology matters appointed by the President of Egypt after nomination from the Governor of the CBE.

Monetary Policy

The Banking Law entrusts the CBE with the formulation and implementation of monetary policy, with price stability being the primary and overriding objective. The CBE is committed to achieving, over the medium term, low rates of inflation which it believes are essential for maintaining confidence and for sustaining high rates of investment and economic growth. The Government's endorsement of the objective of price stability and its commitment to fiscal consolidation is quite important for achieving this objective.

The CBE has put in place a formal inflation targeting framework to anchor monetary policy once the fundamental prerequisites are met. This further enhances the predictability and transparency of the monetary policy in Egypt. The CBE is working towards meeting its inflation objectives by steering short term interest rates, keeping in view the developments in credit and money supply, as well as a host of other factors which may influence the underlying rate of inflation. The continued reduction of the inflation rates that Egypt has witnessed in recent months is important in order to guide long-term inflation expectations.

Monetary policy decisions are taken by the MPC, which has six members, including the Governor of the CBE, two Deputy Governors, and three members of the CBE's board of directors. Decisions are implemented through a set of policy instruments and procedures. The CBE will use two standing facilities (an overnight lending facility and an overnight deposit facility) as its main policy instruments, providing the outer bounds of a corridor within which the overnight inter-bank rate will fluctuate. The CBE will continue to manage market liquidity through its open market operations.

The MPC will normally convene on the first Thursday of each month for the purpose of deciding on its policy rates and will issue a communiqué immediately following its meetings.

Payment Systems

The Egyptian national payment system consists of the Real Time Gross Settlement System ("**RTGS**") for large value payments, a book entry system for Governmental securities, a Cheques Clearing House ("**CCH**") for cheque clearing and netting, the 123 Shared Cash Network for ATM transactions, Instant Payment Network – InstaPay, Meeza Digital, Meeza Cards, the Automated Clearing House ("**ACH**") operated by the Egyptian Banks Company (the "**EBC**") and the MCSD. The national payment system routes all payment services provided by banks to customers, including Internet, mobile, and telephone banking, Governmental payment and collection services, and bill payment services.

The CBE's objectives in relation to payment systems include:

- Encouraging the development of payment systems and services in Egypt;
- Promoting the efficiency and use of electronic payment services;
- Regulating payment service providers and payment service operators;
- Securing integration and interoperability of payment systems and services;
- Ensuring a sound legal foundation for all payment systems and services;
- Developing standards, rules and guidelines for the operation of payment systems;
- Adherence to stated standards, rules and guidelines;
- Adoption of risk-controlled payment systems and services;
- Protection of customers of payment services and participants of payment systems;
- Fighting criminal acts related to payment instruments;
- Maintaining competitive payment market conditions;
- Encouraging cooperation and collaboration between the Egyptian payment stakeholders;
- Promotion of cooperation with regional and international bodies;
- Promotion of direct and indirect participation in local and international payment systems; and
- Maintaining the role of the CBE in the national payment system.

Pursuant to the Banking Law, the CBE is charged with supervising the national payment system. The CBE operates payment systems, oversees payment systems via standards, regulations and licensing and acts as a catalyst for change in the payments market. The CBE has contributed to different components of the national payment system, including developing electronic funds transfer in Egypt.

The Banking Law includes a full chapter dedicated to payment services and financial technology setting rules and regulations for payment systems and service providers. The CBE has issued several directives in relation to payment services and licensing requirements for companies providing such services, including smart wallets regulations, card schemes regulations, facilitators and aggregators regulations and IPN regulations. Recently, the CBE published regulations setting out a comprehensive licensing and regulatory framework for payment system operators and payment service providers in Egypt (the "**PSP Regulations**"), which came into force on 17 June 2025. The PSP Regulations constitute a significant step in streamlining the framework applicable to companies carrying out activities in the payment solutions sector or seeking to do so. This is expected to facilitate the entry of new local and international players into the Egyptian market and promote the growth of the Egyptian financial sector.

RTGS

The CBE launched its RTGS system on 15 March 2009. The RTGS system is used mainly for large value and important funds settlement instructions to be processed within a payment system in one country. The RTGS is based on the latest business concepts in large value payment systems and state of the art technology. The RTGS system is a hybrid system, which settles both single payment requests and nets the results of clearing houses. The RTGS settles Government securities in the primary and secondary markets. The CBE offers a free of charge and collateralised intra-day loan facility to banks based on a haircut. Accepted collateral within the system include T-bills (through intra-day repos with the CBE) and commercial bank deposits (other than overnight deposits) at the CBE. All messages sent through the RTGS system comply fully with the SWIFT messaging format. The RTGS system fully complies with the core principles of the BIS Systemically Important Payment Systems.

Three clearing houses settle their netting results in the RTGS, the CCH, the National Switch and ACH of the EBC and stock exchange transactions via MCSD.

In March 2017, the CBE joined the Regional Payment and Settlement System ("**REPSS**") managed by the COMESA Clearing House. This system aims at enhancing trade exchange with the Common Market for Eastern and Southern Africa ("**COMESA**") countries, which is crucial for the national security of Egypt.

Banking Supervision

Banking Law

The main legislation governing the Egyptian banking sector is the Banking Law No. 194 of 2020 (replacing the previous banking law No. 88 of 2003), and executive regulations issued pursuant to Presidential Decree No. 101 of 2004, which are still in force. The Banking Law appoints the CBE as an autonomous regulatory body supervising the banking sector and assuming the authority and power vested in it by the Banking Law. In addition to the provisions of the Banking Law, the banking sector is governed by the provisions of the banking supervision regulations, as well as the circulars and decisions published by the CBE on a regular basis and which govern the various aspects of the banking industry and the entities operating within the sector.

The Banking Law defines banking activities as "any activity comprising, basically and habitually, the acceptance of deposits, the receipt of finance, and the investment of these funds in providing finance and credit facilities and contributing to the capital of companies, and all that is considered by banking tradition as a banking activity". There is a general prohibition on engaging in banking activities within Egypt without obtaining the necessary licence from the CBE in accordance with the provisions of the Banking Law. Accordingly, banks and entities engaged in the provision of banking services and operating in Egypt are required to abide by the provisions of the Banking Law, the Supervision Regulations and circulars and decisions issued by the CBE, and are required to obtain the necessary licences from the CBE prior to engaging in any banking activities in Egypt.

Article 64 of the Banking Law outlines the requirements to be met by entities wishing to undertake any banking activities in Egypt as follows.

A bank shall adopt any of the following legal structures:

- Egyptian joint-stock companies; or
- Branches of foreign banks, the head office of which enjoys a defined nationality and is subject to supervision by a monetary authority in the country where its head office is situated which approves the establishment of the foreign branch in Egypt and approves the mutual supervision with the CBE over the foreign branch.

In addition to the above structures, a foreign bank may set up a representative office in Egypt. However, the activities that can be undertaken by representative offices in Egypt are limited to market studies and the study of potential

investment opportunities in Egypt. Representative offices are not authorised to engage in the provision of any banking or commercial services in Egypt.

Pursuant to the Banking Law, banks' issued and fully paid-up capital shall not be less than EGP 5 billion and the capital appropriated for the activities of the branches of foreign banks in Egypt shall not be less than U.S.$150 million or its equivalent in other currencies. The CBE's board of directors may grant exceptions to the aforementioned capital requirements for specialised banks and digital banks.

Supervisory Powers of the CBE

Article 84 of the Banking Law states that the board of directors of the CBE is responsible for setting rules and regulations for supervision over banks, including the following:

- Minimum capital adequacy requirements and minimum financial leverage requirements;
- Maximum limits for the concentration of banks' investments abroad;
- Maximum limits for foreign debt and guarantees;
- Maximum limits for the lending value of the collateral / guarantees provided against finance and credit facilities, and the determination of maturities;
- Determination of liquidity and reserve ratios;
- Maximum limits of banks' investments in securities in real estate finance and consumer credit;
- Maximum limits for currencies concentration;
- Regulations for opening accounts and for conducting banking transactions and offering banking products;
- Standards for determining the value of various categories of assets;
- Regulations for banks governance;
- Standards for banking and setting rules for professional conduct;
- Rules for internal audit and risk management;
- Rules for public disclosure by banks;
- Setting technical requirements that should be abided by main banks officials;
- Maximum limits for bonds issued or guaranteed by banks and the conditions for such issuance;
- Maximum limits for exposure to a single customer and its connected parties;
- Setting rules for dealings with banks' related parties;
- Rules for evaluating requests for ownership of banks' shares;
- Rules for reporting breaches and protecting related reporters;
- Regulations for issuance of foreign currencies deposits certificates; and
- Regulations for issuance of financial papers and instruments and related agreements.

The CBE's supervisory function is composed of the following units:

- On-site;
- Off-site;

- Licensing;
- Macroprudential;
- Regulation;
- Central credit registry and legal cases; and
- Compliance with Basel regulations.

There is significant cooperation across these units in order to meet banking supervision objectives.

On-site supervision

The main objectives of the on-site department include the following:

- Ensuring the soundness and stability of the banking sector and all entities subject to the control and supervision of the CBE;
- Assessing the current and future risks associated with the activities of all entities subject to the CBE's supervision;
- Assessing the complementarity and effectiveness of the risk management systems to which the entities are exposed;
- Ensuring the compliance of all entities with the provisions of the relevant laws, regulations, and regulatory instructions;
- Assessing the effectiveness and efficiency of the entities' governance systems and the internal control environment;
- Following up on the necessary corrective actions taken to address any current or future default risks;
- Raising the awareness of the banking sectors staff;
- Collaborating with overseas regulators to share experiences and develop performance;
- Ensuring compliance with the international requirements in the field of combatting money laundering and terrorist financing;
- Verifying the soundness of the financial positions, assets quality, and exposures; and
- Verifying information technology systems' integrity and security and compatibility with different activities.

The supervision process is carried out across all banks, exchange dealerships, companies licensed to deal with foreign currencies, credit bureaus, rating companies, money transfer companies, representative offices, credit risk guarantee companies, payment system operators and payment service providers across Egypt as per the CBE's annual supervision plan.

There are four types of inspection missions carried out by the CBE:

- Full scope inspection: encompasses all activities of the inspected entity;
- Limited scope inspection: encompasses areas with high risk;
- Thematic/ad-hoc inspection: includes the inspection of a special area or type of transaction at the level of a particular bank, entity, or group of banks or institutions; and
- Follow up assignments conducted by the CBE on the inspected entities.

The Onsite Supervision Sector employs a risk-based inspection methodology aligned with the latest international best practices. The CBE assesses the quantitative and the qualitative risk inherent in banks, including credit risk, market risk, operations and legal risk, strategic risk, reputational risk and other risks, in addition to assessing banks' management systems and the efficiency and quality of their risk management systems. The CBE employs the CAMELS ratings system, which encompasses five elements: Capital adequacy, Asset Quality, Management Quality, Earnings Quality, Liquidity and Funding and Sensitivity to Market Risk. Such models are re-assessed in

light of the results of the onsite inspection, the effectiveness of the entity's internal control systems and the existing and potential risks.

Off-site supervision

The off-site supervision department is responsible for developing an effective risk-based approach that continuously monitors different types of risks facing banks while assessing the extent to which banks are affected by current events. Furthermore, it is responsible for the management of an early warning system, which allows the CBE to take proactive measures to ensure the safety and soundness of the banking sector.

The role of the off-site supervision department is divided into the following functions:

- On-going surveillance (Central Department for Ongoing Supervision): this entails a team of relationship managers monitoring and controlling banks on ongoing basis by applying advanced analytical methods, with the main sources of information being financial and prudential returns periodically received from banks, along with other periodic statements such as Central Credit Registry ("**CCR**") reports and shareholders statements; and

- Central Department for Periodic Regulatory Reports: the main objective of this function is to act as an early warning tool to detect any weaknesses in large corporate exposures and to ensure that these exposures are in line with CBE regulatory requirements as well as the prudent credit extension practices. This function also aims to measure concentration risk within various sectors and industries as well as examine banks' credit exposures and resilience to adverse conditions. This department provides data on the banking system to the CBE's board of directors.

In addition, the CBE established the AML Supervision Department under the Offsite Supervision sector to assess the risks of money laundering and terrorism financing withing regulated entities.

Additionally, the CBE oversees financial institutions, collects market data, and coordinates with law enforcement to combat fraud. Drawing on extensive experience and legal authority, it established the Fraud Combating Central Department (the "**FCCD**") within the entities of the Off-site Supervision Sector. The FCCD enhances integrity and transparency by strengthening the Central Bank's efforts to counter financial crimes in Egypt.

Licensing

This function is responsible for licensing banks to operate in the Egyptian banking sector. It is also responsible for licensing foreign exchange bureaus and their branches, money transfer companies and their branches and other entities dealing in foreign currency.

Banks have recently shown increasing interest in offering electronic banking services to keep pace with technological advancements provided via electronic communication networks or through electronic money payment instruments. To safeguard the banking sector against unauthorised providers, the CBE has issued a number of regulations and guidelines for these operations including licensing requirements with the aim of mitigating risks faced by banks and ensure compliance with market developments. Banking services offered under these regulations include, but are not limited to, Internet banking, electronic wallets, ATMs, smartphone-based internet banking, electronic payment card issuance and electronic collection solutions.

Macroprudential

The macroprudential unit's objective is to build a broad and deep understanding of the Egyptian banking sector by regularly assessing financial soundness indicators and systemic risks that may arise, taking into account economic and financial developments. The unit also analyses structural trends and vulnerabilities through identifying, quantifying, and assessing the effects of the build-up of macroprudential and systemic risks. The analytical framework of the unit is focused on macroprudential surveillance, the examination of macroeconomic indicators, including financial markets, to assess the impact on the banking sector and mitigants to systemic risks in case they materialize on the financial system's stability. The key quantitative analytical tools used for macroprudential surveillance are conduct of stress testing exercises and the continuous monitoring of financial soundness indicators ("**FSIs**") and financial stability reports ("**FSRs**").

Stress testing exercises are forward-looking analytical tools for evaluating the soundness of the banking sector and its ability to withstand exceptional but plausible shocks that could cause future challenges. Several types of stress tests are performed by the unit, including credit, liquidity and interest rates stress tests. The macroprudential unit uses various econometric models monitoring the developments of key macroeconomic variables and banking performance indicators, providing a vital context for the analysis of sector's vulnerabilities.

FSI analysis is used to monitor the banking sector's asset quality, liquidity indicators, profitability and the capacity of capital adequacy to absorb any vulnerabilities the sector might be exposed to, this is also covered under the FSR but extended to including banking, non-banking and capital markets. Their analysis involves trend assessment and comparison across peer groups. This analysis seeks to identify possible indicators and patterns that might cause potential challenges.

Regulation

In light of the Egyptian banking sector reform programme, the regulations department was established in mid-2007 as an independent department within the banking supervision function.

The department is responsible for developing new and amending current regulations for the banking sector in accordance with the following:

- International best practices and regulations issued taking into consideration the nature of the Egyptian banking sector;
- Responding promptly to developments in the banking sector;
- The Egyptian legal and accounting framework;
- Ensuring the clarity of the rules and regulations issued by the CBE; and
- Making available prudential regulations to interested parties whether inside or outside of the CBE.

Central Credit Registry and Legal Cases

The CCR was established in accordance with articles 111, 112, 113 of the Banking Law with the objective of regulating the legal framework for collecting the data on credit facilities extended by banks and mortgage and leasing companies to their customers.

The CCR aims to provide information regarding banks' customers that include all data and information about them and their related parties (whether performing or non-performing) with financing facilities of EGP 100,000 or more. This is done with the purpose of providing banks with customers' consolidated positions to help them in their credit granting, renewal and increase decisions. The department provides a range of prudential reports to ensure the compliance of banks with the rules governing the credit registry system in central bank of Egypt. The CCR also provides the off-site and on-site departments with the required data regarding customers.

The legal department was established according to articles 238 and 239 of the Banking Law. The Governor of the CBE receives details from the public prosecution authorities and control and security parties concerning banking violations related to finance and credit facilities. This is then referred to the specialised department to compose teams to undertake the on-site inspection, study the forwarded case, and prepare a report with the results, to be submitted to the Governor along with its views and recommendations. The department also participates in the dispute resolution process between banks and their customers and/or employees in accordance with Article 240 of the Banking Law.

The legal department also examines foreign exchange cases received from the commercial and financial affairs prosecution authorities in accordance with Article 238 of the Banking Law.

Finally, the legal department is responsible for receiving customer complaints against banks.

Compliance with Basel regulations

For details of Basel regulations, see *"—Capital Adequacy"* below.

Corporate Governance

The Governor of the CBE, following the approval of the CBE's board of directors, approves the statutes of banks as well as the management contracts to be concluded with any person entrusted with their management. Such approvals shall also be required in the event of any renewal or modification to the statutes or management contracts. Moreover, based on the Banking Law, the approval of the CBE's board of directors must be obtained prior to the appointment of chairpersons, board members and executive managers of banks responsible for primary and supervisory operations.

Furthermore, the executive regulations of the Banking Law as well as the Supervision Regulations outline in more detail the exact procedures and the necessary documents required for the setting up of banks, branches, subsidiaries or representative offices in Egypt. The branches and agencies of licensed banks must be registered with the CBE in the register maintained for that purpose. The current market practice reflects a toleration on the part of the CBE with respect to lending into Egypt by offshore entities to the extent that such lending is undertaken on a non-recurring basis or on a no solicitation, passive interaction and no public presence basis to certain targeted entities, and without any visible marketing or solicitation. Such toleration on the part of the CBE remains largely subject to the CBE's discretion, and may therefore vary depending on the prevailing social, economic and political conditions.

Banks operating in Egypt are required to disclose to the CBE any changes in their constitutive documents or their statutes, and changes to any of the information provided by banks in their registration forms as received by the CBE. Such changes will not take effect until they are approved by the CBE. Banks operating in Egypt are required to disclose to the CBE on a regular basis the names of the shareholders who own more than 1% of the bank's capital. The Banking Law further includes a notification requirement to the CBE for any natural or legal person who acquires a stake more than 5% but not exceeding 10% of the capital or voting rights within 15 days of the acquisition. The prior approval of the CBE's board of directors is required to be obtained by persons, whether legal or natural, wishing to own more than 10% of a bank's issued capital or any stake that would lead to achieving actual control over a bank. The person wishing to acquire the shares is required to obtain the approval of the CBE's board of directors at least 60 days before the date of acquisition of the shares. The application to be presented by a person wishing to acquire 10% or more of a bank's issued capital must be accompanied by a detailed report outlining the reasons for the acquisition, the goals and objectives of the acquisition, the person's plan with respect to the management of the bank and the policy to be adopted for the management of the bank's affairs. With respect to a bank's day-to-day operations, banks are obligated to present to the CBE monthly data reflecting the bank's financial position as well the required financial and audit-related data. The CBE retains the right, as provided for under the Banking Law, to examine the books and registers of banks operating in Egypt.

The Banking Law provides that the Governor of the CBE shall be consulted on the appointment of the chairman and members of banks' boards of directors, as well as the executive directors in charge of credit, investment, portfolio management, and external transactions including swaps; and internal inspection. The Governor of the CBE is also entitled to request the removal of one or more of the persons nominated by the relevant bank to fill any of the aforementioned positions. Such a request for removal shall be issued by the Governor of the CBE in the event that the investigation undertaken by the CBE reveals that such banks are in violation of the rules pertaining to depositors' safety and those pertaining to the bank's assets.

The CBE has published several circulars outlining corporate governance and internal audit requirements applicable to banks operating in Egypt. The most extensive of these was the circular published by the CBE dated 23 August 2011, which was further amended by several more recently issued circulars. The circular set forth requirements relating to:

- Banks' boards of directors, their composition and their obligations, as well as the evaluation of boards' efficiency;
- The relationship between a bank's board of directors and the bank's senior management, including a clear division with respect to the powers and obligations of each;
- Transparency and disclosure obligations; and
- The relationship between a bank's board of directors and the bank's shareholders.

The circular also requires banks to disclose to the CBE the net amount (based on a monthly average) received by the 20 most highly paid (including both wages and bonus payments) employees of each bank.

For the purpose of ensuring the efficient operation of banks' management, the CBE issued a circular in September 2018 increasing the frequency of banks' board meetings to 12 per year and permitting board members to attend up to four board meetings per year by way of video conference or teleconference. On 30 November 2025, the CBE issued a circular amending its circular dated January 2019 amending the frequency of board meetings to be not less than six times per year, with members permitted to attend up to two board meetings per year by video conference or teleconference provided that there is a majority of the board in physical attendance at each meeting.

Capital Adequacy

In relation to capital adequacy, the CBE has introduced several of the requirements set forth in the reforms introduced by the Basel Committee commonly referred to as Basel III. The Supervision Regulations outline the

minimum capital adequacy ratio to be maintained by local banks as well as requirements to be maintained by branches of foreign banks. Egyptian banks are required to maintain a minimum capital adequacy ratio of 10%. To further ensure that banks operating in Egypt hold adequate capital to cover any losses as well as support the relevant risks, particularly in times of financial and economic crisis, the CBE issued a circular on 17 April 2016 setting forth a capital conservation buffer of 0.625% applicable to banks operating in Egypt starting from 2016. This raised the minimum Tier 1 ratio to 6.625% (from the previous 6%) and the capital adequacy ratio to 10.625% (from the previous 10%). The circular provided further that the capital conservation buffer would be raised gradually every year to reach 2.5% by January 2019 or July 2019 (depending on the applicable financial year end for each bank), thus raising the Tier 1 ratio to 8.5% and the minimum capital adequacy ratio to 12.5%.

The CBE issued a circular dated 2 July 2016 outlining Basel III requirements for the LCR and NSFR applicable to banks operating in Egypt starting from July 2016. The circular provided that the minimum LCR to be maintained by banks for both local and foreign currency is 70% in 2016, which increased to 100% in 2019.

In March 2016, the CBE introduced the ICAAP regulation as an additional measure intended to ensure that Egyptian banks have in place internal procedures and processes to guarantee that they hold adequate capital.

Recovery and resolution

For the purpose of ensuring the continuous and efficient operation of banks as well as safeguarding the rights of banks' depositors, the Banking Law requires that banks maintain a credit balance with the CBE as a reserve, whereby such balance represents a ratio of the total reserves held by a bank as determined by the board of directors of the CBE. In addition, the Banking Law provides that banks operating in Egypt are required to have funds inside Egypt equivalent to their total payable obligations in addition to an amount of no less than the bank's minimum issued and paid capital requirements set forth under the Banking Law. The aim of these requirements is to ensure that banks are able to meet their obligations as they become due and payable, thus limiting the possibility of failure. Moreover, the Banking Law further provides that in the event that a bank operating in Egypt is believed to be facing financial difficulties that may affect the bank's financial position, the CBE's board of directors shall intervene and require the bank's board of directors to formulate the necessary means to make available the necessary financial resources in the form of an increase in paid-up capital or through the injection of support funds. Moreover, the CBE's board of directors shall determine the procedures for such increase in paid-up capital or injection of funds as well as determine the time limit for undertaking such procedures. In the event that such procedures are not undertaken by the bank within the specified period of time, the CBE's board of directors shall determine the increase in capital that it deems necessary and offer it for subscription; issue a decision for the merger of the bank into another bank after having obtained the approval of the bank with which it will be merging; or delist the bank facing financial difficulties in accordance with the regulations governing said delisting. Furthermore, banks covered by the Banking Law are explicitly excluded from the application of Law No. 11 of 2018 regulating Bankruptcy, Restructuring and Preventive Reconciliation. Banks licensed in Egypt that are in financial distress may not, therefore, be declared bankrupt, rather, the Banking Law provides for recovery procedures and measures for distressed banks and grants the CBE the ultimate authority to interfere and implement such measures. To that end, the CBE may take any of the interference measures or sanctions stipulated in article 147 of the Banking Law upon the occurrence of any of the following:

- A bank is engaging in unsafe or unsound banking practices;
- A bank's failure to comply with any of the measures taken against it pursuant to article 144 of the Banking Law;
- A significant discrepancy between the maturities of a bank's assets and its liabilities;
- An increase in a bank's liquidity costs resulting from reliance on exceptional funding or other expensive sources;
- A deterioration in the quality of a bank's assets in a manner that may affect the bank's financial soundness or the interests of depositors;
- A decrease in the level of achieved profits in a manner that may threaten a bank's continuity in the medium or long term;
- A decline in a bank's financial soundness indicators; or
- Deficiencies in governance systems, risk management, internal control, or accounting policies.

If any of the events described in article 146 of the Banking Law occurs, the CBE's board of directors may require the bank to take several actions, including:

- Enhancing governance, risk management, internal controls, or accounting policies;
- Complying with additional CBE regulatory requirements;
- Providing more funding and restoring liquidity ratios;
- Increasing provisions, reserves or capital;
- Reducing compensation for key officers and senior staff;
- Suspending profit or benefit distribution to shareholders or beneficiaries;
- Implementing one or more of the measures include under article 94 of the Banking Law;
- Submitting a corrective plan approved by the CBE;
- Obtaining CBE approval for certain transactions;
- Limiting total assets per CBE limits;
- Closing branches or selling activities, subsidiaries, or stakes;
- Proposing a restructuring plan including liability rescheduling, asset replacement, or financial support from major shareholders;
- Changing business models or organisational structures;
- Removing key officers;
- Dissolving the board and appointing an interim manager (for up to six months, which is extendable), with subsequent action by the general assembly of the bank; or
- Merging the bank with another bank.

Additionally, article 153 of the Banking Law provides that a bank shall be considered exposed to financial difficulties upon occurrence of any of the following events:

- A significant deterioration in the bank's financial position or an endangerment of depositors' interests;
- The bank being unable to meet its obligations toward depositors or other creditors;
- The bank's liabilities exceeding the value of its assets;
- A decline in the value of the equities of the shareholders at the bank below the provisions required to be formed;
- The bank's loss of its ability to access funding sources or enter financial markets;
- A breach of capital adequacy standards, liquidity ratios or other regulatory ratios below the limit set by the CBE's board of directors;
- The value of the bank's assets or profits decreasing significantly and continuously in a manner that threatens its ability to continue operating;
- The bank's reliance on exceptional and costly funding sources to continue its regular activities;
- The occurrence of any of the grounds for licence revocation stipulated in article 173 of the Banking Law;

- The bank's failure to comply with the early intervention measures provided for in article 147 of the Banking Law within the specified implementation period; and

- The inability of the foreign bank's branch to meet its obligations, and the failure of its head office to fulfil such obligations under the unconditional guarantee provided pursuant to article 68 of the Banking Law, and the competent authority in the home state has not issued a decision to resolve its situation within the period specified by the CBE's board of directors; or a decision has been issued to resolve the bank in its home state, but the corrective or resolution measures taken, or expected to be taken, are insufficient to maintain financial stability in Egypt or to protect the rights of depositors and creditors of the branch.

In all cases, early intervention or any other procedures shall not be considered a prerequisite for initiating resolution proceedings for a distressed bank.

According to article 155 of the Banking Law, the issuance of a decision by the CBE declaring a bank as "distressed" shall result in the following:

- All powers of the relevant bank's ordinary and extraordinary general assemblies, its board of directors, and its executive management shall transfer to the CBE, unless the CBE decides that any of them shall continue to exercise all or part of their powers;

- Suspension of the distribution of any profits or other forms of capital distributions to shareholders or other beneficiaries;

- Suspension of the payment of entitlements to key responsible officers, except for those related to work or services as determined by the CBE; and

- Suspension of all legal proceedings brought by creditors against the distressed bank for a period of ninety days from the date the decision declaring the bank distressed is published.

The CBE may take any of the following measures:

- Rescheduling all or part of payments due by the bank for a period not exceeding 60 days, except for customers' deposits and dues related to payment and settlement systems or owed to the operators or participants of such systems; and

- Suspension of the application of early termination rights under financial contracts in which the distressed bank is a party subject to the process mentioned in the Banking Law.

Banks operating in Egypt shall, according to article 173 of the Banking Law, be delisted by virtue of a decision issued by the CBE's board of directors in the event that:

- It is established that a bank is in violation of the provisions of the Banking Law or its implementing regulations, and has not removed the violation during the period and under the conditions set by the CBE's board of directors;

- A bank adopts policies that would harm the general economic interest, or the interests of depositors or shareholders;

- A bank ceases its operations or submits a request to suspend its activities and liquidate voluntarily;

- A bank's licence is found to have been based on erroneous data submitted to the CBE.

- If any of the cases for considering a bank distressed, according to article 153 of the Banking Law, are met, and the CBE finds that resolving the situation of the distressed bank is inappropriate and decides to liquidate it;

- If the bank loses one of the licensing conditions; or

- If there is a material change in the information based on which the license was granted.

The CBE's board of directors may also revoke the licence of a bank subject to resolution and strike off its registration in the following cases:

- The bank is not capable of recovery or restructuring; or
- The transfer of some or all of the bank's assets or liabilities to another bank or to a bridge bank.

A decision regarding revocation and striking off will not be issued until the concerned bank has been notified and granted fifteen days from the date of notification to submit its written defence. Upon issuance, the decision to revoke the license and strike off the registration will be published in the Egyptian Official Gazette within ten days, as well as displayed on the websites of both the CBE and the concerned bank for the duration of the liquidation period.

Pursuant to the Banking Law, the CBE's Board of Directors established a distressed banks resolution fund (the "**Fund**") to finance measures for the resolution of distressed banks. The Fund is subordinate to the CBE and has independent legal personality, and comprises all licensed banks in Egypt as members. The Fund is targeted to accumulate an amount equivalent to 0.5% of aggregate banking system deposits, to be reached within ten years of the entry into force of the Banking Law. Annual contributions from member banks are determined by the CBE's board of directors having regard to, amongst other factors, each bank's share of total system deposits, its risk profile, the strength of its financial position, and the ratio of its total liabilities to those of the banking system as a whole. The Fund's resources may only be applied to the resolution of a distressed bank after shareholders, holders of qualifying debt instruments forming part of the capital base, and creditors have first absorbed losses in accordance with the applicable statutory framework. The annual contribution is calculated in accordance with the following formula prescribed by the CBE: 0.5% divided by eight years, multiplied by the relevant bank's deposits, multiplied by its risk indicator; provided that, for the 2025 assessment year, a transitional rate of 0.25% was applied in lieu of 0.5%, with the standard rate of 0.5% taking effect from 2026 onwards, subject to any further direction by the Governor of the CBE. Following CBE board decision dated 27 January 2026, the framework for the collection of annual contributions to the Fund became operative. BdC made its inaugural contribution of EGP 128,676,203 to the Fund in June 2026, calculated based on deposit balances as at end of 2025 and the bank's risk profile. Subsequent annual contributions will be payable commencing in the second quarter of the year following the assessment year. Member banks are granted a two-month grace period from the date of notification to remit the amount due, following which late payment interest accrues at the CBE's credit and discount rate plus 2%.

Funding

The activities that can be undertaken by banks operating in Egypt and through which banks usually fund their activities are outlined in the provisions of the Commercial Code issued by virtue of Law No.17 of 1999. Banking activities, as stipulated under the Commercial Code, include:

- Monetary deposit-taking;
- Debentures deposit-taking;
- Leasing of safes;
- Pledging of securities;
- Bank transfers;
- Issuing letters of credit;
- Discounting;
- Issuing letters of guarantee; and
- Opening of current accounts.

Control of Banks and Transfers of Banking Businesses

Several regulatory requirements and procedures govern persons controlling or having significant stakes in banks operating in Egypt. The Banking Law provides that Egyptians as well as foreigners shall have the right to own stakes in banks operating in Egypt whereby there is no maximum limit on the ownership of such stakes. Such requirements are put in place with the aim of maintaining efficient and undisrupted banking operations. The

Supervision Regulations require that banks disclose to the Audit Committee, a subcommittee of the CBE, on a monthly basis the names of all shareholders who own more than 1% of the banks' capital. The Banking Law further includes a notification requirement to the CBE for any natural or legal person who acquires a stake more than 5% but not exceeding 10% of the capital or voting rights within 15 days of the acquisition. The prior approval of the CBE's board of directors is required to be obtained by persons, whether legal or natural, wishing to own more than 10% of a bank's issued capital or any stake that would lead to achieving actual control over a bank. The person wishing to acquire the shares is required to obtain the approval of the CBE's board of directors at least 60 days before the date of acquisition of the shares. The application to be presented by a person wishing to acquire 10% or more of a bank's issued capital must be accompanied by a detailed report outlining the reasons for the acquisition, the goals and objectives of the acquisition, the person's plan with respect to the management of the bank and the policy to be adopted for the management of the bank's affairs.

In reviewing applications presented by persons for the acquisition of 10 per cent or more of a bank's capital, the CBE is required, as per the provisions of article 12 of the Executive Regulations and the CBE circular dated 2 May 2024, to ensure the following prior to approving the acquisition:

- The non-existence of any conflict of interests between the applicant and the bank;
- The degree of the influence and actual control provided for by such ownership over the bank with respect to the appointment of members of the board of directors, or over the decisions issued by the board or the general assembly;
- The extent of participations by the applicant and the connected parties in the bank to which the applicant applies for ownership of its shares, as well as its participation in other banks and financial institutions in Egypt;
- The applicant's ability and readiness to provide the bank with the necessary financial or technical support, or both, in the event that he or she owns more than 10 per cent of the issued capital, or any percentage leading to actual control over the bank, according to what is determined by the board of directors of the CBE;
- Such ownership shall not decrease competitiveness or lead to disturbances in the banking market;
- There is no final court ruling passed against the applicant for an offence involving honour or trust, or any of the crimes prescribed under the Banking Law or anti-money laundering laws; and
- The existence of legal capacity, efficiency and practical experience.

The Banking Law further stipulates that the calculation of shares owned by the natural persons in question shall include those shares held by their relatives to the fourth degree. With respect to the calculation of shares owned by legal persons, such calculation shall include shares held by any member of its board of directors as well as those held by any of its shareholders.

No regulatory restrictions are placed on banks wishing to transfer all or part of their business (comprising debts, and possibly loan arrangements and other assets) to another entity without the consent of the customers concerned although notifications to customers are required under applicable laws. However, the approval of the regulator is usually sought, and is highly recommended for good relations. The existing market practice in the Egyptian banking sector is that banks incorporate an article in all agreements executed with customers by virtue of which banks are granted the unilateral right to transfer their rights and obligations under the executed agreements to another entity without the need to obtain the prior approval of the concerned customers.

Credit Exposure Limits

On 11 January 2016, the CBE issued a regulation lowering the permitted exposure to a single borrower and its related parties to 15% and 20%, respectively, compared to 20% and 25% in the past. Total exposures exceeding 10% of a bank's capital base should not exceed eight times its capital base. In addition, the regulation requires the risk weighting to be increased for the purposes of calculating the capital adequacy ratio where the total credit facilities granted to the top 50 banks' customers and their related parties exceed 50% of the bank's credit portfolio. In addition, the total exposure of foreign banks' branches to the top 50 customers and their related parties must not exceed 50% of the bank's capital base;

Current exposure limits to related parties are as follows:

- Banks are not permitted to grant any type of credit facilities or guarantees to their directors, external auditors or their connected parties or to major shareholders who are not represented on the board of directors or their connected parties;

- In relation to major shareholders who are not represented on the board of directors:

    - For public companies, the exposure should not exceed 5% of a bank's capital base and the total exposures to these companies should not exceed 10% of a bank's capital base; and

    - For private companies, the exposure should not exceed 2% of a bank's capital base and the total exposures to these companies should not exceed 5% of a bank's capital base; and

- Bank management other than board members and a bank's subsidiaries are required to be treated on an arm's-length basis.

Banks are also required to limit their exposure to single countries, financial institutions and financial groups, based on the bank's capital base and the relevant country's credit ratings and GDP. Any excess exposure to a single country must be approved in advance by the CBE. The regulation sets the following limits on exposure to a single financial group:

- For investments in a foreign bank, 10% of the local bank's total exposures invested abroad or 40% of the bank's capital, whichever is the lower;

- For investments in any financial group, 50% of the bank's capital base; and

- For investments by a branch of a foreign bank in its head office, branches and affiliated banks and institutions in all countries, up to 100% of its capital base.

Currency Exposure Limits

In December 2012, the CBE issued a regulation which provided that a bank's long position in any single currency must not exceed 1% of its capital base, whilst total long positions in all currencies must not exceed 2% of the capital base. In 2017, the CBE updated this regulation to provide that a bank's long or short position in any single currency must not exceed 10% of its capital base, whilst total long and short positions in all currencies must not exceed 20% of the capital base.

Debt Burden Regulations

On 11 January 2016, the CBE issued new regulations (which were amended by virtue of circular of 19 December 2019) regarding the debt burden ratio of banks' retail portfolios. Pursuant to the regulation, banks are not permitted to allow the monthly payments for certain consumer loans to exceed 50% of the client's monthly income (after taxes and social insurance contributions). The regulation applies to credit card loans, personal loans, and car financing (for personal purposes), as well as to personal housing loans not subject to the 2001 Real Estate Financing Law. In the case of personal housing loans subject to the 2001 Real Estate Financing Law, the percentage is 50%.

Equity Participation

Banks may own up to 40% of the issued capital in non-financial companies and 100% of financial companies. The total value of these shares must not exceed a bank's total capital base and any excess exposure to non-financial companies is subject to impairment.

Acquisition Finance Regulation

On 7 March 2016, the CBE issued a circular amending the acquisition finance regulations to impose increased risk weighting for the financing of certain acquisitions and reduced limits on a bank's acquisition portfolio for acquisition financing. Currently, acquisition financing by a bank may not exceed 2.5% of the value of the bank's total acquisition financing portfolio. In addition, acquisition financing extended to a single customer and its related parties may not exceed 0.5% of the bank's total acquisition financing portfolio. Finally, the total value of acquisition financing extended by banks operating in Egypt for the purpose of a single acquisition transaction may not exceed 50% of the value of the transaction, excluding the letters of guarantee issued for the purpose of acquiring shares in companies listed on EGX. An increase in this percentage may be obtained from the CBE.

Money Market Funds

In January 2016, the CBE amended the Money Market Funds Regulation to prohibit banks from holding more than 2.5% of the total banks' deposits in local currency in money market funds and fixed income funds or to hold 50 times the maximum limit of the total bank's share in total money market funds (calculated as 2% of its going concern capital common equity), whichever is lower.

SMEs

As part of the banking sector reform in Egypt, an initiative was launched to enhance access to finance with a special focus on MSMEs. Accordingly, the CBE's board of directors issued a decree in December 2008 exempting direct finance to certain MSMEs from the reserve requirements and enhancing coordination among the relevant authorities.

In 2014, Law No. 141 of 2014 was enacted, which permits licensed companies and non-government organisations to offer microfinance loans of up to EGP 100,000 to micro-entrepreneurs engaged in production, services or trading. The principal amount may be increased by up to 5% per annum. Such financing is supervised by the FRA. This does not apply to banks which are licensed by the CBE and carry out banking activities including financing SME and microfinance entities and borrowers.

"Business — Operations — SME" for details of the MSME lending programmes that have been introduced by the CBE.

The CBE extended the temporary exemption governing the treatment of non-performing SME loans to mitigate ongoing economic pressures, while gradually reinstating standard credit-risk classification rules. The CBE issued a circular on the 1 July 2024. Under the revised framework, SME clients will be classified under Stage 3 upon reaching 180 days past due until December 2024, 150 days until June 2025, 120 days until December 2025 and 90 days starting January 2026. The policy is aimed at supporting SME continuity, employment preservation and stable banking sector performance.

MANAGEMENT AND CORPORATE GOVERNANCE

BdC's corporate governing bodies are the General Meeting of Shareholders and the Board of Directors. Each has its own responsibilities in accordance with Egyptian law and BdC's articles of association. The Board of Directors is an executive body responsible for BdC's management operations, and is elected by the General Meeting of Shareholders.

General Meeting of Shareholders

The Ordinary General Meeting of Shareholders shall be considered valid if attended by shareholders representing at least 25% of BdC's capital. If this requirement is not met, an invitation shall be extended for a second meeting, which shall be considered valid regardless of the number of shareholders attending. Resolutions of the General Meeting of Shareholders shall be passed by an absolute majority of the shares represented in the meeting.

The General Meeting of Shareholders is BdC's supreme governing body and is authorised under Egyptian law and BdC's articles of association to pass resolutions on, among other things, the following issues:

- The election and dismissal of members of the Board of Directors;
- Approval of reports prepared by the Board of Directors;
- Approval of BdC's statutory annual financial statements;
- The setting of remuneration of the Board of Directors;
- Approval or rejection of the profit (dividend) distribution proposal prepared by the Board of Directors; and
- Other issues provided by law and the constitutional documents.

Extraordinary General Meetings

For certain matters, an Extraordinary General Meeting is required. These matters include, among others, resolutions relating to capital increases or decreases, the premature dissolution of BdC, any change of the main objectives of BdC and any merger or demerger. These matters must be approved by a majority of shares represented in the meeting. Further, resolutions relating to the amendment of articles of incorporation, other provisions relating to the use of reserves for purposes other than those for which they have been designated, the issuance of bonds and interest-bearing financial instruments or the establishment of extraordinary reserves require a majority of two-thirds of the shares represented in the meeting.

An Extraordinary General Meeting of BdC shall only be considered valid if attended by shareholders representing at least 50% of BdC's capital. If this requirement is not met in the first meeting, an invitation to a second meeting shall be extended. The second meeting shall be considered valid if attended by shareholders representing at least 25% of BdC's capital.

Board of Directors

Pursuant to BdC's articles of association, the members of the Board of Directors are appointed by the General Meeting of Shareholders for a term of three years each, subject to the approval of the Board of Directors of the CBE. The Board of Directors elects from its members the Chairman of the Supervisory Board by a simple majority of votes. The Chairman of the Board of Directors is authorised to convene and preside over meetings of the Board of Directors, of which there shall not be fewer than six meetings per year (four of which shall be physical meetings), and also chairs the General Meeting of Shareholders.

Pursuant to Article 17 of BdC's articles of association, the Board of Directors shall consist of a minimum of five members and a maximum of 11 members appointed by the General Meeting of Shareholders, with all members required to be approved by the Board of Directors of the CBE.

According to Article 19 of BdC's articles of association, if the number of Board members falls below the minimum of five members by reason of the resignations or death of any members, the meetings and resolutions adopted by the Board of Directors shall not be considered valid. The remaining Board members or the auditor shall notify the competent administrative authority to invite the General Meeting of Shareholders to convene and to discuss the appointment of substitute Board members.

Board members are required to attend the General Meeting of Shareholders and the number of attending board members shall not fall below the quorum applicable for meetings of the Board of Directors. In all events, the General

Meeting of Shareholders shall not be considered void if attended by at least three Board members including the Chairman of the Board or one of the managing directors, if the conditions set out in Law No. 159 of 1981 and its executive regulations are complied with.

The Board of Directors is responsible for the management of BdC (with the exception of functions reserved for the General Meeting of Shareholders).

As of the date of this Offering Circular, the Board of Directors comprises the following members:

Name	Position	Year of Birth	Date of Appointment of Current Term	Date of Expiration of Current Term
Mohamed Özalp	Non-Executive Chairman	1948	22 September 2024	2027*
Hussein Abaza	Chief Executive Officer and Managing Director	1962	22 September 2024	2027*
Mohamed Bahaa El Shafie	Deputy Chief Executive Officer	1969	22 September 2024	2027*
Hisham Abdelaal	Deputy Chief Executive Officer	1971	22 September 2024	2027*
Hisham Ibrahim	Non-Executive Director	1980	22 September 2024	2027*
Nihal Kamal	Non-Executive Director	1968	22 September 2024	2027*
Ahmed El Guindy	Non-Executive Director	1979	22 September 2024	2027*
Osama El Misery	Non-Executive Director	1959	22 September 2024	2027*
Leila Fareh	Non-Executive Director	1961	22 September 2024	2027*
Mahmoud El Safty	Non-Executive Director	1978	22 September 2024	2027*

* On the date on which the ordinary general assembly meeting approves the audited financial statements of the financial year ending on 31 December 2026.

The business address for all members of the Board of Directors is Banque du Caire Building 6, Dr Mustafa Bou Zahra Street Nasr City Area, Cairo, Egypt.

Mohamed Özalp

Mohamed Özalp joined the Board of Directors in September 2024. He previously served as Executive Vice Chairman between 2005 and 2008. He had held several other senior roles in the banking sector, most recently as Non-Executive Chairman of United Bank from August 2023 to September 2024. Prior to that, he was the Managing Director and Chief Executive Officer of BLOM Bank Egypt from April 2010, overseeing the bank's growth, corporate strategy and risk governance. Earlier in his career, he served as Vice Chairman of Banque Misr, from 2002 to 2010, and spent 24 years at Misr International Bank. Mr. Özalp has served on the boards of Vodafone Egypt, the Federation of Egyptian Banks and the Cairo and Alexandria Stock Exchange. Mr. Özalp holds a bachelor's degree in economics and business.

Hussein Abaza

Hussein Abaza joined BdC as Managing Director and Chief Executive Officer in September 2024. From June 2021 to September 2024, Mr. Abaza was CIB's Chief Executive Officer and Managing Director and was a Member of its Board of Directors from March 2017 until June 2021. He also Chaired the Executive Committees (Management and High Lending & Investment Committees). Prior to that he served as the CEO of Institutional Banking, as the 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 programme. Prior to these roles, he served as Head of Research and then Managing Director at EFG Hermes Asset Management from 1995 until his return to CIB in 2001. From 2014 to 2017, Mr. Abaza was Chairman of Cl Capital, a leading Egyptian investment bank and subsidiary of CIB until CIB exited this investment. Mr. Abaza obtained a BA in Business Administration from the American University in Cairo. He has pursued post-graduate training and education in Belgium, Switzerland, London, and New York.

Mohamed Bahaa El Shafie

Mohamed Bahaa El Shafie joined BdC in October 2021 as Deputy CEO. Prior to joining BdC, he spent more than 30 years at QNB Al Ahli, where he headed the Corporate and Investment Banking division and served as Head of Project Finance and Structured Finance at QNB Al Ahli. He holds a Bachelor of Business Administration degree from Ain Shams University. He has also received a post-graduate degree in Investment Appraisal and Risk Management from Harvard University.

Hisham Abdelaal

Hisham Abdelaal joined BdC in October 2024 as Deputy CEO. 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 AAIB and contributed to its strategic growth. His career began at NBAD and Arab Bank, where he gained extensive experience in corporate banking, credit, and operations. He holds a B.Sc. in Accounting from Cairo University.

Hisham Ibrahim

Hisham Ibrahim joined the Board of Directors in September 2024. He is the Chief Executive Officer for Consumer Business at Mobily (Etihad El Etisalat). Prior to that, he was the Consumer Business Unit Director at Vodafone Spain and he was also previously at Vodacom Tanzania, where he served as Chief Executive Officer, Director – Commercial Business Unit and Commercial Director. Prior to moving to Vodacom, he was at Vodafone, where he served in various roles, including Head of Consumer Marketing. Mr. Ibrahim holds a bachelor's degree in business administration and management from Cairo University.

Nihal Kamal

Nihal Kamal joined the Board of Directors in September 2024. She began her career at HSBC International Bank in the foreign trade sector before moving to the corporate credit and marketing sector. She previously served as Chairman of the Financial Services Committee at Egypt Post and was a member of the Board of Directors. Ms. Kamal's board memberships include Med Bank, Post Investment Company, Misr Life Insurance Company and Misr Hotels Company. She graduated from the Faculty of Economics and Political Science at Cairo University and holds an MBA from Edinburgh Business School.

Ahmed El Guindy

Ahmed El Guindy joined the Board of Directors in September 2024. He is a Founding Partner of Tanmiya Capital Ventures, one of the most active companies operating in alternative investments in Egypt. Before founding his firm, Mr. El Guindy served as The Managing Director and Head of Investment Banking at EFG Hermes. He started his career as a Research Analyst at the World Bank. Mr. El Guindy holds bachelor's degree in business administration and economics from the American University in Cairo in 2002, and a master's degree in accounting and finance from the London School of Economics in 2004.

Osama El Misery

Osama El Misery joined the Board of Directors in September 2024. He is the former General Manager of the National Bank of Egypt – Sudan. Mr. El Misery began his professional career in 1982 at Arab Bank Egypt, where he progressed through various key positions for 30 years. Mr. El Misery holds a bachelor's degree in business administration.

Leila Fareh

Leila Fareh joined the Board of Directors in September 2024. She is 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, Ms. Fareh was the Country Manager and Resident Representative of AfDB in Morocco and Egypt. She also held the position of Regional Resident Representative in Dakar, Senegal, from 2011 to 2013. Ms. Fareh started at AfDB in 2002 as Head of Financial Institutions, where she supported the financing and capacity building of financial institutions across Africa. 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. Ms. Fareh holds an MBA degree in Finance and International Trade.

Mahmoud El Safty

Mahmoud El Safty joined the Board of Directors in September 2024. Mr. El Safty is Managing Director at RIMCO Investments in Dubai, a role he assumed in 2024. Prior to joining RIMCO Investments, Mr. Elsafty led the Listed Investments division at Ghobash Trading and Investments 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**"), Mr. Elsafty co-managed the UBP MENA Equity Fund. From 2005, he worked at Majid Al Futtaim ("**MAF**") Asset Management and MAF Trust. Mr. Elsafty began his career at CIB. He holds a Master of Finance from Queen's University in Canada and an MBA from the Arab Academy Graduate School of Business.

Executive Committee

The Executive Committee is responsible for the day-to-day management of BdC. See *"—Committees — Executive Committee"* below for further detail.

As of the date of this Offering Circular, the Executive Committee comprises the following members:

Name	Position	Year of Birth	Date of Appointment
Hussein Abaza	Chief Executive Officer and Managing Director	1962	22 September 2024
Mohamed Bahaa El Shafie.....	Deputy CEO	1969	3 October 2021
Hisham Abdelaal.....	Deputy CEO	1971	13 October 2024
Ahmed Effat.....	Deputy CEO	1976	2 January 2023
Hala El-Kasar.....	Chief Risk Officer	1973	26 October 2010
Mohamed Ibrahim.....	Chief Financial Officer	1977	15 August 2018
Mohamed Aly	Treasurer	1972	2 September 2018

The business address for all members of the Executive Committee is Banque du Caire Building 6, Dr Mustafa Bou Zahra Street Nasr City Area, Cairo, Egypt.

Hussein Abaza (Chief Executive Officer and Managing Director)

See *"—Board of Directors"* above for Mr. Abaza's biographical information.

Mohamed Bahaa El Shafie (Deputy CEO)

See *"—Board of Directors"* above for Mr. El Shafie's biographical information.

Hisham Abdelaal (Deputy CEO)

See *"—Board of Directors"* above for Mr. Abdelaal's biographical information.

Ahmed Effat (Deputy CEO)

Ahmed Effat joined BdC in 2023 as Deputy CEO. Prior to that Mr. Effat held the position of Executive Vice President Head of Consumer Banking, Founder and Chairman of ADI-Consumer Financing Company as well as a Board Member of ADI-Finance company, which is involved in leasing, factoring and real estate finance. Mr. Effat has also served as Executive Vice President - Head of Risk Management – Retail Banking at Abu Dhabi Islamic Bank- Egypt, where he built a retail risk department and was responsible for developing and implementing a detailed business risk management framework. Mr. Effat also helped establish the Retail Risk department of Banque Misr as well as holding various key roles within Citibank Egypt, where he was one of the key members who built the consumer banking business in Egypt. Ahmed holds a B.A. in Accounting and an MBA from Arab Academy Graduate School of Business.

Mohamed Ibrahim (Chief Financial Officer)

Mohamed Ibrahim joined BdC on 15 August 2018 and is currently the Chief Financial Officer. overseeing finance, strategy, and investor relations. With a career spanning over 24 years, Mr. Ibrahim previously served as the Financial Controller and Deputy Chief Financial Officer at BdC in addition to his role as a board member of CBU. Before joining BdC, Mr. Ibrahim was at Barclays Egypt, where he served as Financial Controller and previously as Vice President of Financial Planning and Analysis. Before that, he was at Citibank Egypt, where he served as Finance Assistant Manager and previously as Account Opening & Loans Operations Unit Head. Mr. Ibrahim received an Accounting degree from Ain Shams University. He is also a certified management accountant with a certification from the Institute of Management Accounts, New Jersey, United States.

Hala El Kasar (Chief Risk Officer)

Hala El Kasar joined BdC in October 2010 as the Head of Credit Risk and was appointed Chief Risk Officer in May 2012. She has extensive management experience in the areas of credit risk, market risk, operational risk, credit administration, remedial loans, and information security. Before joining BdC, Ms. El Kasar served in various credit risk positions at leading banks including Abu Dhabi Islamic Bank - Egypt, as Head of Credit Risk & Portfolio Management, and the Arab Banking Corporation Egypt, as the Credit & Risk Management Division Head. Ms. El Kasar has over 30 years of experience in banking in the fields of corporate finance, credit, various risk management functions as well as information security management and has extensive knowledge of governance, compliance, and control frameworks. She previously held various external positions as a non-executive member of the board of directors of Nile Holding for Investment (a subsidiary of BdC) and Misr Insurance Holding Companies. She is also currently a non-executive member of I-Score's board of directors.

Ms. El Kasar holds a diploma in the implementation of Basel II Requirements with the American Bankers Association, as well as a B.A. in Economics from the American University in Cairo.

Mohamed Aly (Treasurer)

Mohamed Aly joined BdC in September 2018 as the Head of Treasury and Capital Markets capitalising on his 30 years of experience covering international markets as well as the Egyptian market. Prior to joining the bank, Mr. Aly was the Head of Capital Markets at QNB Al Ahli, and prior to that, he was the Head of Capital Markets at NSGB in Cairo. Mr. Aly is certified by Harvard Business School's Executive Leadership Program, which he attended in 2019, the Future Leaders Program, EBI in 2018 and Strategic Management in Banking Program in 2022 in London. During his professional experience, Mr. Aly attended numerous seminars and workshops for well-known international investment houses in Europe, the United States and GCC countries covering various banking and finance topics and attended numerous workshops at Société Générale Bank France. Mr. Aly holds a BA in Business Administration from Ain Shams University.

Board Committees

The Board of Directors has the committees set forth below which report directly to it.

Audit Committee

The Audit Committee assists the Board of Directors in its function of overseeing and controlling the audit of BdC. It meets once per quarter to deliberate and take decisions as to the appointment of external auditors and the monitoring of their independence and objectivity, as well as ensuring the accuracy and integrity of financial statements and their compliance with CBE regulations. The Audit Committee also oversees the internal audit function, pursuing the implementation of corrective measures in respect of reported comments, and ensures that BdC complies with the CBE's anti-money laundering policy.

The Audit Committee is comprised of three non-executive members who are chosen by the Board of Directors for three-year terms. At least one individual on the Committee must have financial and/or accounting expertise.

As of the date of this Offering Circular, the Audit Committee includes Nihal Kamal, Ahmed El Guindy and Osama El Misery.

Risk Committee

The Risk Committee supervises the credit, market and operational risks affecting the activity of BdC and is the first line of defence for shareholders. It meets at least once per quarter to deliberate and take decisions as to advising the Board of Directors on the overall risks faced by BdC, including portfolio risk and concentration, market and operational risk, and develops risk strategies to mitigate the different types of risks that the business faces. It measures BdC's capital adequacy and ensures that CBE limits for capital requirements are met. The Risk Committee also oversees current and future risk exposure, including fluctuations in interest rates, currencies, product pricing and competition, advises the Board of Directors on strategic transactions, monitors the risk of geographic expansion and advises on the appointment of the Chief Risk Officer.

The Risk Committee comprises three members, the majority of whom are non-executive board members, and is chaired by an independent board member. The Chief Risk Officer may attend Committee meetings.

As of the date of this Offering Circular, the Risk Committee includes Osama El Misery, Nihal Kamal and Hussein Abaza.

Governance and Nominations Committee

The Governance and Nomination Committee is responsible for ensuring the effectiveness of the Board of Directors, management and the committees of the Board of Directors. It meets at least once every six months to assess BdC's

corporate governance strategy and ensure compliance with CBE requirements, as well as reviewing annual reports in order to ensure compliance with any relevant governance requirements and disclosures. It evaluates the composition and organisation of the Board of Directors and its committees, assesses the performance and staffing needs of the Board of Directors, recommends candidates for Board membership, and evaluates the performance of the current Board members for the purpose of re-election.

The Committee must consist of at least three non-executive members chosen by the Board of Directors for three-year terms.

As of the date of this Offering Circular, the Governance and Nomination Committee includes Mohamed Özalp, Leila Fareh and Osama El Misery.

Remuneration and Compensation Committee

The Remuneration and Compensation Committee assists the Board of Directors in its functions of implementing and overseeing the remuneration of the members of the Board of Directors and of the senior management of BdC. It meets at least once per year to discuss and make decisions as to setting and recommending the overall salary structure for management and the Board of Directors, reviewing and benchmarking BdC 's compensation competitiveness against its peers, and overseeing the design of all employee benefit plans and programmes applied across BdC. It recommends to the Board of Directors new cash-based and/or equity-based compensation plans, reviews suggestions provided by executive management regarding any updates or amendments to current employees, and discloses the total compensation for the top 20 earners as required by CBE regulations.

The Committee must be made up of at least three non-executive members chosen by the Board of Directors, with a preference for the Chairman to be independent.

As of the date of this Offering Circular, the Remuneration and Compensation Committee includes Ahmed El Guindy, Nihal Kamal and Hisham Ibrahim.

Investment Policy Committee

The Investment Policy Committee assesses investment opportunities for BdC. It meets on invitation by the Chairman of the Committee in order to discuss and take decisions on monitoring the execution of BdC's investment policy and suggest changes to its investment strategy. It determines the annual return from the investment portfolio of BdC and presents this to the Board of Directors, monitors the performance of BdC's investment portfolio and develops new strategies to increase its profitability by modifying BdC's investment portfolio limit and return. It also reviews and assesses the investment strategy of BdC at least two times a year.

As of the date of this Offering Circular, the Investment Policy Committee includes Mahmoud El Safty, Ahmed El Guindy and Leila Fareh.

Information Technology Systems Committee

The Information Technology Systems Committee suggests new practices concerning information for BdC to increase its operational efficiency. It conducts annual surveys for the different BdC departments. It meets at least twice per year to prepare future plans regarding technology and information gathering, to monitor and assess ways to improve the reliability of information in order to enhance BdC's efficiency in its daily operations, and to assess any complaints related to the information and technological base of BdC, providing solutions to address such complaints.

As of the date of this Offering Circular, the Information Technology and Systems Committee includes Hisham Ibrahim, Mahmoud El Safty and Leila Fareh.

Sustainability and Sustainable Finance Committee

From 2023, CBE has required banks to establish Sustainability and Sustainable Finance Committee and integrate E&S into their risk management policies. The Committee is responsible for overseeing BdC's overall sustainability strategy and the integration of ESG principles into its business model and financing activities. The committee provides strategic direction and governance oversight to ensure that sustainability considerations are embedded across BdC's operations, risk management and product development.

As of the date of this Offering Circular, the Sustainability and Sustainable Finance Committee includes Leila Fareh, Hisham Ibrahim, Mahmoud El Safty and Ahmed El Guindy.

Key Executive Committees

In addition to the committees of the Board of Directors, BdC has several key committees and risk management bodies, including the ALCO (whose primary function is to formulate the assets and liabilities policies of BdC in conjunction with policies and limits set at the business and bank level), the Operational Risk Committee, the Provision Committee, the Related Parties Committee, the Credit Committees, the Information Security Committee,

the Human Resources Committee, the Special Assets and Remedial Loans Committee, the Security Committee and the IFRS 9 Committee.

Compliance and Corporate Governance

Compliance Function

Compliance risk is defined as the risk of legal or regulatory sanctions, material financial loss, or loss to reputation a bank may suffer as a failure to comply with laws and regulations. The Board of Directors is responsible for overseeing the management of BdC's compliance risk and approves its compliance policy including a specific formal document establishing a permanent and effective compliance function. Senior management is responsible for establishing and communicating the compliance policy that contains the basic principles to be followed by management and staff.

Anti-Money Laundering Function

BdC is committed to the highest standards of anti-money laundering compliance and requires management and employees to adhere to these standards to prevent use of BdC's products and services for money laundering purposes. The Chief Compliance Officer (who also functions as the Money Laundering Reporting Officer ("**MLRO**")) must ensure by customer and business related controls that all applicable anti-money laundering requirements are being followed and security measures are properly functioning.

The Chief Compliance Officer conduct anti-money laundering risk analysis by setting up a system to assess the level of risk exposure, considering product and customer risk and deriving appropriate security procedures for this analysis. The MLRO ensures permanent monitoring of customers' accounts to detect unusual or suspicious transactions, if any.

Remuneration

Based on the Banks Corporate Governance and Internal Control Regulations issued by the CBE on 26 July 2016, the net average annual salaries and remuneration earned by the top 20 earners was EGP 11,190,863 for the year ended 31 December 2025.

Policy and Governance Framework Updates

BdC from time to time may review and update its internal policies and governance frameworks to reflect evolving international standards and best practices and/or to meet the requirements and expectations of international financial institutions, multilateral development banks, and other international sources of funding. These may include changes in relation to environmental and social matters, corporate governance (including board composition), compliance standards, and its commitments under the Paris Agreement.

PRINCIPAL AND SELLING SHAREHOLDERS

As at 30 June 2026, BdC's authorised capital amounted to EGP 50 billion. The issued capital amounted to EGP 30,500 million divided into 15,250,000,000 Ordinary Shares with a par value of EGP 2 each.

The following table sets out certain information with respect to the ownership of BdC's Ordinary Shares as at 30 June 2026 (which remains the same as of the date of this Offering Circular) and following the Combined Offering:

	Number of Ordinary Shares owned before the Combined Offering		Number of Ordinary Shares owned after the Combined Offering[(1)]	
	Number of Ordinary Shares	(%) of Ordinary Shares	Number of Ordinary Shares	(%) of Ordinary Shares
Banque Misr	15,249,999,972	99.9999998%	10,674,999,972	69.9999998%
Misr Capital S.A.E.	14	0.0000001%	14	0.0000001%
Misr Abu Dhabi for Real Estate Investments S.A.E.	14	0.0000001%	14	0.0000001%
Total	**15,250,000,000**	**100.00%**	**15,250,000,000**	**70.00%**

Notes:

(1) Assuming 4,575,000,000 Offer Shares are sold in the Combined Offering. The final number of Offer Shares sold in the Offering may be subject to change prior to allocation as decided by BdC in consultation with the Joint Global Coordinators.

In 2007, Banque Misr acquired all of the Ordinary Shares. BdC began transferring a number of its assets to Banque Misr, including its branches outside of Egypt, and began divesting certain of its holdings in non-core assets. In 2009, the Egyptian Minister of Finance approved the sale of Ordinary Shares to Misr Capital S.A.E. and Misr Abu Dhabi for Real Estate S.A.E. In 2010, Banque Misr transferred BdC and a number of other long-term investments to Misr Capital S.A.E. The transfer of Ordinary Shares to Misr Abu Dhabi for Real Estate S.A.E. was to comply with the regulatory requirement for joint stock companies to have three shareholders. Banque Misr was the only shareholder to participate in the capital increase which was completed on 15 March 2026, which resulted in its shareholding increasing (see *"Description of Share Capital and Applicable Egyptian Law"*).

Banque Misr was established in 1920 and is the second largest bank in Egypt based on total assets and has the largest branch network of any bank (excluding Agricultural Bank of Egypt). It had 889 branches (883 of which were located in Egypt) as at 30 September 2025. It had a market share of 15.2% of gross customer loans and 18.9% of deposits in the Egyptian market, in each case on a standalone basis. Banque Misr operates across 12 countries worldwide. It operates as a commercial bank and also invests in companies across a range of sectors.

Misr Capital S.A.E. is a wholly owned subsidiary of Banque Misr and acts as Banque Misr's investment arm. Misr Capital S.A.E. has assets under management of approximately EGP 16.9 billion as at 30 June 2026, and investments in both listed and public companies.

Misr Abu Dhabi for Real Estate Investment ("**Misr Abu Dhabi**") is one of Egypt's emerging institutional real estate development platforms, wholly owned by Banque Misr. Misr Abu Dhabi serves as Banque Misr's strategic real estate investment and asset management platform.

On 28 August 2026, the U.S. Department of the Treasury's Financial Crimes Enforcement Network ("**FinCEN**") issued a Notice of Proposed Rulemaking ("**NPRM**") concerning Banque Misr's branches in the UAE (together, "**Banque Misr UAE**") under Section 311 of the USA PATRIOT Act. FinCEN has made a preliminary determination that Banque Misr UAE is a financial institution of "primary money laundering concern" and has proposed imposing Special Measure Five. If adopted, the proposed measure would prohibit covered U.S. financial institutions from opening or maintaining correspondent accounts for or on behalf of Banque Misr UAE and would require measures designed to prevent Banque Misr UAE from obtaining indirect access to the U.S. financial system through foreign correspondent accounts. The NPRM alleges that 103 potential Iranian shadow banking front-companies transacted approximately USD 1.8 billion, using accounts with Banque Misr UAE between January 2024 and June 2026.

As at the date of this Offering Circular, there are no legal restrictions imposed on Banque Misr UAE as a result of the NPRM, nor has FinCEN imposed Special Measure Five against Banque Misr UAE. The measure concerning Banque Misr UAE remains a proposed rule, and has not been finalized. Accordingly, the proposed correspondent account prohibition is not currently legally operative. The NPRM is subject to a 30-day public comment period.

The proposed measure applies specifically to Banque Misr UAE, as defined in the NPRM, and as stated in the NPRM does not extend to Banque Misr's operations in Egypt or its other international operations or affiliates, including BdC. BdC has extremely limited business dealings with Banque Misr UAE. BdC does not maintain any Vostro or Nostro correspondent banking relationship with Banque Misr UAE, has no facilities, loans, deposits, letters of credit, letters of guarantee, or money market or foreign currency deals with BM UAE. BdC primarily interacts with Banque Misr UAE through SWIFT inward and outward transactions, which in the six months ended

30 June 2026 comprised only 0.04% and 0.4% of BdC's total SWIFT transactions by volume and value, respectively. The volume of such transactions is limited and there are no material ongoing operational ties beyond these transactions. In addition, the NPRM does not prohibit investment in BdC securities, does not restrict the ability of U.S. investors to purchase or hold BdC shares and does not create a legal prohibition on conducting placements of BdC securities, including the Offer Shares, to eligible QIBs in the United States pursuant to Rule 144A.

Moreover, the Central Bank of the United Arab Emirates has issued its preliminary approval for National Bank of Egypt to acquire Banque Misr's UAE branches, and Banque Misr understands that the acquisition process is proceeding as planned. Completion of the acquisition remains subject to applicable approvals, closing conditions and other contingencies.

RELATED PARTY TRANSACTIONS

BdC undertakes certain transactions with its Shareholder, Banque Misr, as well as its subsidiaries, Herasat, Egyserv and Nile co. These transactions are carried out on arm's length terms. The following table sets forth related party balances as at 30 June 2026 and 31 December 2025, 2024 and 2023:

	As at 30 June	As at 31 December		
	2026	2025	2024	2023
	(EGP thousands)			
Banque Misr				
Due from banks				
Current accounts	191	404	6,075	3,903
Deposits	9,000,000	16,000,000	12,000,000	16,267,930
Other assets				
Other	–	22,613	22,398	22,382
Accrued revenues	66,500	28,050	27,250	47,502
Other loans				
Present value for subordinated deposit	–	–	2,283,490	2,047,092
Shareholders' equity				
Difference between the present value and face value for subordinated deposit	–	–	716,510	952,908
Herasat (Investments in associates)				
Customers' deposits				
Current accounts	999	2,784	11,277	8,884
Loans and advances to customers				
Corporate loans (over draft accounts)	12,279	9,398	3,198	15
Other liabilities				
Accrued expenses	7,300	7,300	4,200	–
Egyserv (Investments in associates)				
Customers' deposits				
Current accounts	498	372	3,926	935
Other liabilities				
Accrued expenses	28,000	23,500	29,000	17,030
Nile co. (Investments in associates)				
Customers' deposits				
Current accounts	55	42	73	33

BdC and Banque Misr entered into an agreement dated 25 February 2026 to settle all outstanding obligations arising from a framework agreement that was concluded between them on 28 June 2007 as well as an addendum to such agreement dated 12 February 2008 and a joint decision of the boards of directors of both banks dated 15 September 2011. Under these arrangements, Banque Misr had acquired certain assets and certain branches of BdC in the GCC as well as a debt portfolio relating to selected BdC clients, for a total consideration of EGP 10,399,704,423.25.

Pursuant to this new agreement, the parties agreed to a final settlement under which each bank will bear the amounts it has previously incurred in connection with the transferred portfolio, with no further claims against the other, whether present or future. At the date of the agreement, the amounts incurred by Banque Misr amounted to EGP 24,689,726.77 and the amounts incurred by BdC amounted to EGP 21,582,883.33. Banque Misr will assume the liability for all amounts due in respect of the transferred portfolio. In addition, all previously issued powers of attorney with a generic scope with respect to litigation procedures granted by BdC to Banque Misr's lawyers will be revoked. BdC will instead issue limited special powers of attorney relating exclusively to the collaterals securing the transferred debt portfolio, as well as specific powers of attorney for pending lawsuits connected to the transferred portfolio. Such powers of attorney will also be revoked progressively upon completion of their respective purposes, until fully cancelled.

DESCRIPTION OF SHARE CAPITAL AND APPLICABLE EGYPTIAN LAW

Set forth below is a summary of the material terms of the Ordinary Shares, BdC's articles of association and certain provisions of Egyptian law, all in effect as at the date of this Offering Circular. This description is only a summary, does not purport to be complete and is qualified in its entirety by reference to the BdC's articles of association and relevant law.

General

BdC is a joint stock company incorporated under the laws of the Arab Republic of Egypt under registration number 80058 with its registered address at Banque du Caire Building 6, Dr Mustafa Bou Zahra Street Nasr City Area, Cairo, Egypt.

Under its articles of association, BdC may carry out banking activities.

Share Capital

Banque du Caire S.A.E. was established pursuant to a Royal Decree issued on 8 May 1952 as an Egyptian joint-stock company engaged in banking and all related financial activities. The Royal Decree was published in Supplement No. (1) to the Egyptian Official Gazette, Issue No. (82), dated 15 May 1952. Upon incorporation, BdC was subject to the provisions of Law No. 183 of 1947, and subsequently to the laws regulating joint-stock companies, most recently Law No. 159 of 1981.

BdC's initial share capital was EGP 500,000, divided into 125,000 shares with a nominal value of EGP 4 per share, comprising both registered shares and bearer shares, as recorded in the Commercial Register (page 2, column 9).

Pursuant to Law No. 117 of 1961, ownership of all shares in BdC was transferred to the Egyptian State. BdC subsequently came under the supervision of the Economic Institution established under Law No. 20 of 1957, and later under the supervision of the CBE pursuant to Law No. 120 of 1975. Article 22 of this law established the legal framework for the powers of the General Assembly in relation to public sector banks, vesting the Board of Directors of the CBE with the powers of the General Assembly, including amending BdC's Articles of Association, increasing or decreasing the authorised and issued share capital and approving mergers, divisions or other corporate reorganisations, when convened in its capacity as an Extraordinary General Assembly. Such meetings are chaired by the Minister of Economy and Foreign Trade, or, in the absence of the Minister, by the Governor of the CBE.

Within this legal framework, the share capital of BdC was successively increased from 1952 until 2003 by resolutions of the Board of Directors of the CBE convened in its capacity as an Extraordinary General Assembly, and BdC's Articles of Association were amended accordingly. By 21 October 2003, the issued share capital reached EGP 1.6 billion, as evidenced by the following annotations in the Commercial Register:

- At incorporation: share capital EGP 500,000; nominal value EGP 4 (Commercial Register, page 2, column 9);
- Annotation No. 1352, dated 4 July 1991: issued capital EGP 250 million; nominal value EGP 4; authorised capital EGP 1 billion;
- Annotation No. 15383, dated 7 August 1997: issued capital amended to EGP 11 million; nominal value EGP 4;
- Annotation No. 21083, dated 18 November 1998: authorised capital EGP 100 million; nominal value EGP 4;
- Annotation No. 3403, dated 28 February 1999: issued capital EGP 250 million; nominal value EGP 4;
- Annotation No. 3404, dated 28 February 1999: authorised capital EGP 1 billion;
- Annotation No. 8525, dated 18 May 1999: authorised capital EGP 1 billion; issued capital EGP 650 million; nominal value EGP 4;
- Annotation No. 13047, dated 18 July 1999: authorised capital EGP 1 billion; issued capital EGP 750 million; nominal value EGP 4; and
- Annotation No. 17842, dated 21 October 2003: authorised capital EGP 3 billion; issued capital EGP 1.6 billion; divided into 400 million shares; nominal value EGP 4.

Subsequently, further increases were effected by BdC's Extraordinary General Assemblies, as follows:

- On 15 December 2016: authorised capital EGP 10 billion; issued capital EGP 2.25 billion; divided into 562,500,000 shares; nominal value EGP 4 (Commercial Register Annotation No. 25512, 29 December 2016);

- On 22 September 2019: issued capital increased by EGP 3 billion to EGP 5.25 billion; authorised capital remained EGP 10 billion; divided into 1,312,500,000 shares; nominal value EGP 4 (Commercial Register Annotation No. 2640, 2 February 2020);
- On 18 February 2020: nominal value per share amended to EGP 2; authorised capital EGP 10 billion; issued capital EGP 5.25 billion; divided into 2,625,000,000 shares (Commercial Register Annotation No. 10385, 27 September 2020);
- On 22 March 2022: authorised capital EGP 20 billion; issued capital EGP 10 billion; divided into 5,000,000,000 shares; nominal value EGP 2 (Commercial Register Annotation No. 23504, 7 November 2022);
- On 21 June 2023: authorised capital EGP 50 billion; issued and paid-up capital EGP 19 billion; divided into 9,500,000,000 shares; nominal value EGP 2 (Commercial Register Annotation No. 7242, 28 March 2024);
- On 31 March 2024: issued and paid-up capital increased to EGP 20.5 billion; authorised capital remained EGP 50 billion; divided into 10,250,000,000 shares; nominal value EGP 2 (Commercial Register Annotation No. 3029, 5 February 2025); and
- On 30 December 2025: issued and paid-up capital increased to EGP 30.5 billion; authorised capital remained EGP 50 billion; divided into 15,250,000,000 shares; nominal value EGP 2 (Commercial Register Annotation No. 5404, 15 March 2026).

Liability of Shareholders

A shareholder is required to pay par value for any Ordinary Share issued to it, or if the Ordinary Share is subscribed for at a higher value, the shareholder must also pay the difference between the par value and such higher value.

Voting Rights and Shareholders' Meetings

Egyptian companies law provides for two types of shareholders' meetings, an ordinary general meeting of shareholders and an extraordinary general meeting of shareholders.

Shareholders wishing to attend meetings are required to deposit their Ordinary Shares with a licenced custodian (with their Ordinary Shares to be locked-in ahead of the meeting) and to present evidence of the same to BdC at least three days prior to the date of the meeting. No transfer of ownership of the locked-in Ordinary Shares may be effected until the meeting is convened. The invitation to the meeting must be published at least 21 days before the date on which the meeting takes place (not including the date of publication of the invitation and the date of the meeting).

The General Meeting of Shareholders is convened upon the invitation of the Chairman of the Board of Directors, by the Board of Directors whenever the interest of the company so requires, or upon the request of BdC's auditors or shareholders together holding at least 5% of BdC's issued share capital. The regulatory authority or the auditor may also call for a General Meeting of Shareholders to convene in the event the Board of Directors does not call for convening such meeting within 30 days from the date of the event triggering calling for such meeting. The Ordinary General Meeting of Shareholders shall be considered valid if attended by shareholders representing at least 25% of BdC's capital. If this requirement is not met, an invitation shall be extended for a second meeting, which shall be considered valid regardless of the number of shareholders attending. Resolutions of the General Meeting of Shareholders shall be passed by an absolute majority of the shares represented in the meeting.

The Ordinary General Meeting of Shareholders must be convened once a year within three months of the end of each fiscal year. Matters that may be considered at the General Meeting of Shareholders include, but are not limited to, the election, re-election or dismissal of members of the Board of Directors, approval of financial statements and the auditor's report, approval of the Board of Director's report, appointment of auditors, determination of the remuneration and allowances of the members of the Board of Directors, release of the members of the Board of Directors from liability and the distribution of dividends to the employees and shareholders.

An Extraordinary General Meeting of Shareholders is convened upon the invitation of the Board of Directors, or upon the request of shareholders together holding at least 10% of BdC's issued share capital. An Extraordinary General Meeting of BdC shall only be considered valid if attended by shareholders representing at least 50% of BdC's capital. If this requirement is not met in the first meeting, an invitation to a second meeting shall be extended. The second meeting shall convene within 30 days from the date of the former meeting and and shall be considered valid if attended by shareholders representing at least 25% of BdC's capital.

For certain matters, an Extraordinary General Meeting is required. These matters include, among others, resolutions relating to capital increases or decreases, the premature dissolution of BdC, any change of the main objectives of

BdC and any merger or demerger. These matters must be approved by a majority of shares represented in the meeting. Further, resolutions relating to the amendment of articles of incorporation, other provisions relating to the use of reserves for purposes other than those for which they have been designated, the issuance of bonds and interest-bearing financial instruments or the establishment of extraordinary reserves require a majority of two-thirds of the shares represented in the meeting.

Board members are required to attend the General Meeting of Shareholders and the number of attending board members shall not fall below the quorum applicable for meetings of the Board of Directors. In all events, the General Meeting of Shareholders shall not be considered void if attended by at least three Board members including the Chairman of the Board or one of the managing directors, if the conditions set out in Law No. 159 of 1981 and its executive regulations are complied with (including satisfying the quorum requirements for the shareholders).

According to the EGX Listing Rules, the General Meeting of Shareholders may not be held during EGX trading sessions. The EGX Listing Rules provide for various requirements in relation to the ratification of minutes of the General Meeting of Shareholders and the disclosure of resolutions.

The voting in the General Meeting of Shareholders shall be through a public vote by the shareholders. If the resolution to be passed relates to (a) the appointment or removal of any director, (b) the filing of any allegations against any director or the Chairman, or (c) if at least 10% of the shareholders attending the meeting so request, a secret ballot must be held. Additionally, a resolution relating to the election of members of the Board of Directors must be carried out through cumulative voting. No director may vote on any resolution relating to the determination of his remuneration, fees, discharge of liability or relating to his management conduct. Corporate shareholders represented on the Board of Directors must be represented at the shareholders level by a representative other than its director on the Board of Directors, if relevant.

Any shareholder may attend the General Meeting of Shareholders in person or by proxy. The proxy must be in writing and must be given to a shareholder. Shareholders, other than shareholders represented on the Board of Directors, may not give a proxy to a Board of Directors' director in the General Meeting of Shareholders to represent them. A shareholder may not represent by proxy more than 10% of the total number of Ordinary Shares or 20% of the Ordinary Shares represented at the meeting.

The minutes of the General Meeting of Shareholders are required to be submitted for ratification by GAFI, within a maximum of one month from the date of convening the meeting. Following BdC's listing on the EGX, the minutes have been required to be disclosed to the FRA and the EGX immediately following the meeting and before the following trading session. The minutes, executed by the Chairman, are required to be delivered to the EGX within a maximum period of five days from the date of convening the meeting. The ratified minutes are required to be delivered to the EGX within a maximum period of two business days from the date of receipt from GAFI. The resolutions of BdC will be required to be disclosed to the FRA and the EGX and material resolutions are published on the EGX's website as a reporting and transparency requirement.

Shareholders who have objected to any resolution of the General Meeting of Shareholders or who did not attend such meeting for a valid reason are entitled to request the suspension or nullity of such resolution and the Board of Directors of the FRA, based upon a request by a shareholder(s) holding at least 5% of the Ordinary Shares, may suspend such resolution if such resolution is found to be in favour or disfavour of a certain group of shareholders or provides a special benefit to BdC's Board of Directors or others without considering BdC's benefit. The above request shall not be approved if submitted after 30 days of the date of convening the General Meeting.

Form and Transfer of Shares

The Ordinary Shares are in registered dematerialised form with MCDR without the issuance of a share certificate.

Subject to and in accordance with Egyptian law and BdC's articles of association, Ordinary Shares can only be transferred by the registration of the transfer in the share registry kept by the MCDR, as the independent registrar of the Ordinary Share. A holder of Ordinary Shares may freely transfer its Ordinary Shares without the consent of other shareholders or BdC.

Capital Increase and Reduction; Issue of Shares and Pre-emptive Rights

The Extraordinary General Meeting of Shareholders is entitled to make decisions on any increase of BdC's share capital, including the issuance of any Ordinary Shares or securities convertible into, exchangeable for, or otherwise granting the right to acquire Ordinary Shares (including options, warrants and other rights). The Ordinary General Meeting may take the decision of increasing the issued capital of BdC by issuance of Ordinary Shares within the limits of the authorised share capital. In the event the capital increase is made at par value, then the existing shareholders shall have the right to trade their pre-emptive rights separately from the Ordinary Shares.

Under the articles of association, BdC's shareholders have pre-emptive rights to subscribe for Ordinary Shares, *pro rata* to their respective shareholdings, with respect to any increase of BdC's share capital or the issuance of any new Ordinary Shares or securities convertible into, exchangeable for, or otherwise granting the right to acquire Ordinary Shares (including options, warrants and other rights). Shareholders have the right to subscribe to the offered Ordinary Shares or other securities within 30 days from BdC's announcement that the subscription process has started (unless a longer period is specified).

According to the articles of association, the Extraordinary General Meeting of Shareholders is authorised to reduce the share capital of BdC. In order to reduce its share capital through the redemption of Ordinary Shares, BdC is required under Egyptian law to obtain the prior approval of its Extraordinary General Meeting by a majority of 75% of the votes present or represented. Moreover, any increase or decrease in BdC's capital requires the prior approval of the CBE, the FRA and GAFI.

Payment of Dividends and Legal Reserve

BdC's articles of association provide that dividends are paid annually based on the generated profits according to BdC 's statutory annual financial statements prepared in accordance with CBE Standards. See *"Dividends"* for details of how dividends are paid.

Withholding Tax

Under Egyptian law, the standard withholding tax rate applicable to dividends distributed is 10% without deducting any costs or expenses. In case the shares are listed on EGX, the rate is to be reduced to 5% in accordance with article 46 *bis-2* of the Egyptian Tax Law as amended.

Liquidation

In the event of the liquidation, dissolution or winding-up of BdC, the assets of BdC are to be applied to satisfy its liabilities. If any surplus remains, shareholders would participate equally on a pro-rata basis in any such surplus, provided, however, that if the nominal value of the outstanding share capital of BdC is not fully paid, the surplus is distributed to shareholders in proportion to the percentage of the paid-in nominal value of the outstanding share capital represented by each holder's shares.

Mandatory Tender Offer Rules

According to the Capital Market Law and the EGX Listing Rules, any shareholder acquiring, including through related parties, 5% or multiples thereof of the Ordinary Shares or voting rights must disclose such acquisition, and must further disclose any decrease of their shareholdings below 5% of the Ordinary Shares. The said threshold is reduced to 3% (including subscription rights) with respect to Board Directors and related parties thereof, provided that such disclosure shall take place on the execution date. In the event that the stake acquired represents 25% or more of the Shares or voting rights, the purchasing shareholder must disclose its future investment plan and direction with regards to BdC's management. Disclosures must be made to the EGX in required form and prior to the commencement of the following trading session and are published immediately by the EGX on its trading screens and on its website.

The Capital Market Law and its Executive Regulations set forth detailed rules regulating tender offers and disclosures. Pursuant to the tender offer rules, a person may acquire, independently or together with related parties, less than one third of the share capital or voting rights of BdC through open market transactions or through a voluntary tender offer. Under the Executive Regulations of the Capital Market Law, the term "related parties" has a broad meaning. It covers persons having an agreement or transactions with respect to the acquisition or control of a company, whether oral or written, or any voting arrangements at the level of the shareholders meetings or the board meetings of the relevant company. A related party includes relatives to up to the second degree, affiliated holding entities and/or sister entities. Further, the obligation to launch a mandatory tender offer for the acquisition of more than one third and up to 100% of the Ordinary Shares, voting rights and convertible securities of BdC, would arise in any of the following instances according to the Capital Market Law:

(a) if the offeror or its related party, directly or indirectly, intends to acquire one-third of the capital or voting rights and up to half of the capital or voting rights of BdC;

(b) if: (i) the offeror or its related party, directly or indirectly, intends to acquire more than one-third of the capital or voting rights and half of the capital or voting rights of BdC; and (ii) such offeror or its related parties had increased its ownership by more than 5% of the capital or voting rights of BdC within twelve consecutive months;

(c) if the offeror or its related parties, directly or indirectly, intends to acquire half of the capital or voting rights of BdC or more;

(d) if: (i) the offeror or its related party, directly or indirectly, intends to acquire more than half of the capital or voting rights and not exceeding two-third of the capital or voting rights of BdC; and (ii) such offeror or its related parties had increased its ownership by more than 5% of the capital or voting rights of BdC within twelve consecutive months;

(e) if the offeror or its related parties, directly or indirectly, intends to acquire two-thirds of the capital or voting rights of BdC or more;

(f) if: (i) the offeror or its related party, directly or indirectly, intends to acquire more than two-third of the capital or voting rights and not exceeding three-quarters of the capital or voting rights of BdC; and (ii) such offeror or its related parties had increased its ownership by more than 5% of the capital or voting rights of BdC within twelve consecutive months; or

(g) if the offeror or its related party, directly or indirectly, intends to acquire more than three-quarters of the capital or voting rights of BdC at any time.

In all the above instances, if the bidder undertakes to continue listing the bank on the EGX, it shall be required to submit a mandatory tender offer for 100% of the Ordinary Shares, while subtracting 10%, which is the minimum free float required to remain listed on the EGX. In the event that more than holders representing more than 90% of the Ordinary Shares accept such tender offer, proration will be applied in order to maintain the 10% minimum requirement. However, in case the bidder wishes to de-list the bank from the EGX, the mandatory tender offer must cover 100% of the Ordinary Shares.

In the event that a bidder contravenes the above requirements, the FRA may allow such bidder to resell the exceeded percentage within the timeframe determined by FRA and taking all necessary procedures such as freezing the exceeding percentage or preventing voting thereunder until submission of the mandatory tender offer.

The foregoing is not applicable in the case of a decrease in the share capital as result of cancellation of Ordinary Shares held in treasury or an increase in the share capital in cash or through debt-to-equity swaps provided that this is not a result of the purchase of subscription rights.

Required Regulatory Approvals and Notifications

Any person desiring to acquire any number of Ordinary Shares which would result in the percentage interest exceeding 10% must obtain the prior approval of the CBE.

Any person desiring to acquire any number of Ordinary Shares which would result in the percentage interest exceeding 5% but not exceeding 10% must notify the CBE of this within 15 days at most from the date of completion of the acquisition.

Since BdC operates through Branches across the Sinai peninsula (including Sharm El Sheikh and Dahab), the provisions of Law No. 14 of 2012 apply to BdC and, accordingly, in the context of the Combined Offering, the prior written approval of the Sinai Development Authority will be required in the event that any person (Egyptian or non-Egyptian) acquires more than 10% of the issued capital of BdC.

In relation to CLC, according to FRA decree No. 178 of 2024, investors acquiring a percentage of the share capital of BdC that indirectly results in an ownership of 5% but less than 10% of the share capital of CLC must notify the FRA within 15 days from the date of such acquisition. No person, whether on its own or in conjunction with its related parties, may directly or indirectly acquire 10% or more of the voting rights, or increase their ownership percentage by 5% or more in CLC, whether in one transaction or several transactions, except after obtaining prior approval from the FRA.

TAXATION

The following summary of certain U.S. federal and Egyptian tax consequences of ownership of the Shares is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date hereof. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming. Any such changes or interpretations could affect the tax consequences to holders of the Shares, possibly on a retroactive basis, and could alter or modify the statements and conclusions set forth herein. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to a holder of the Shares. Each prospective holder is urged to consult its own tax advisor as to the particular tax consequences to such holder of the acquisition, ownership and disposition of the Shares, including the applicability and effect of any other tax laws or tax treaties, of pending or proposed changes in applicable tax laws at the date hereof, and of any actual changes in applicable tax laws after such date.

Certain United States Federal Income Tax Considerations

The following is a description of certain material U.S. federal income tax consequences that may be relevant with respect to the purchase, ownership and disposition of the Ordinary Shares by a U.S. Holder (as defined below). This summary deals only with purchasers of Ordinary Shares in the Institutional Offering, who will be new shareholders of BdC, who use the U.S. Dollar as their functional currency and will hold the Ordinary Shares as capital assets (within the meaning of Section 1221 of the Internal Revenue Code of 1986, as amended (the "**Code**")).

This description does not purport to address all material U.S. tax consequences of the purchase, ownership and disposition of the Ordinary Shares, and does not address aspects of U.S. federal income taxation that may be applicable to investors that are subject to special tax rules, including without limitation:

- banks, financial institutions or insurance companies;
- dealers or traders in securities, commodities or currencies;
- real estate investment trusts, regulated investment entities or grantor trusts;
- persons holding Ordinary Shares as part of a straddle, wash sale, hedging or conversion transaction or integrated transaction or persons entering into a constructive sale with respect to the Ordinary Shares;
- persons that generally mark their securities to market for U.S. federal income tax purposes;
- persons who receive Ordinary Shares pursuant to the exercise of any employee share option or otherwise as compensation for the performance of services;
- persons who are resident in or have a permanent establishment outside of the United States;
- certain U.S. expatriates;
- tax-exempt entities, including "Section 401" pension plans;
- a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) or pass-through entity (or a partner, member, or owner thereof);
- persons holding Ordinary Shares through an account with an Egyptian financial institution;
- individual retirement accounts and other tax deferred accounts;
- "dual resident" corporations;
- persons who are required to include certain items of revenue in income no later than when such item is taken into account in their financial statements;
- persons that own or are deemed to own (directly, indirectly, or by attribution) 10% or more of BdC's stock by vote or value; or
- persons holding Ordinary Shares in connection with a trade or business outside the United States.

Further, this description does not address state, local, non-U.S. or other tax laws, nor does it address the 3.8% U.S. federal "Medicare tax"" on net investment income, the alternative minimum tax or the U.S. federal gift and estate tax consequences of the purchase, ownership and disposition of the Ordinary Shares.

This description is based on the Code, its legislative history, existing and proposed regulations promulgated thereunder, published rulings and court decisions, as well as the United States - Arab Republic of Egypt Income Tax Convention (the "**Treaty**"), in each case as of the date of this Institutional Offering, all of which are subject to change (or to changes in interpretation), possibly with retroactive effect. BdC has not requested, and does not intend to request, a ruling from the U.S. Internal Revenue Service (the "**IRS**") with respect to matters addressed herein.

The discussion below of the U.S. federal income tax consequences to "U.S. Holders" applies to a holder that is a beneficial owner of the Ordinary Shares and is, for U.S. federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation created or organised under the laws of the United States, any State thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons with respect to all substantial decisions; or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

If a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds the Ordinary Shares, the U.S. federal income tax treatment of a partner in such partnership generally will depend on such partner's status and the activities of the partnership. Such a partnership or partner in such partnership should consult its own independent tax advisor as to its tax consequences of an investment in the Ordinary Shares.

Distributions

Subject to the "passive foreign investment company" rules discussed below, the gross amount of distributions made to a U.S. Holder by BdC with respect to the Ordinary Shares (including the amount of any Egyptian taxes withheld therefrom) generally will be includable in the U.S. Holder's gross income in the year received as foreign-source ordinary dividend income, but only to the extent that such distributions are paid out of BdC's current or accumulated earnings and profits as determined under U.S. federal income tax principles. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder's basis in the Ordinary Shares, and thereafter as capital gain. Because BdC does not maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions with respect to Ordinary Shares generally will be treated as taxable dividends. U.S. Holders should consult their independent tax advisors with respect to the appropriate U.S. federal income tax treatment of any distributions received from BdC.

Dividends paid to U.S. Holders that are corporations will not be eligible for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. With respect to certain non-corporate U.S. Holders (including individuals), dividends may be taxed at the preferential rate applicable to "qualified dividend income", provided that (1) BdC is eligible for the benefits of the Treaty, (2) BdC does not constitute a passive foreign investment company for the taxable year in which the dividend is paid and the preceding taxable year, (3) certain holding period requirements are met, and (4) the U.S. Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. U.S. Holders should consult their own independent tax advisors regarding the availability of the preferential rate for dividends paid with respect to the Ordinary Shares.

For U.S. federal income tax purposes, U.S. Holders will be treated as having received the amount of any Egyptian taxes withheld by any withholding agent and then as having paid over the withheld taxes to the Egyptian taxing authorities. As a result of this rule, the amount of dividend income a U.S. Holder is required to include in gross income for U.S. federal income tax purposes with respect to a payment of dividends may be greater than the amount of cash actually received (or receivable) by such U.S. Holder with respect to the payment. Subject to certain conditions and limitations, Egyptian taxes withheld from a distribution are generally eligible to be used as a credit against, or a deduction in computing, the U.S. Holder's U.S. federal income tax liability. If a refund of the tax withheld is available to a U.S. Holder under the laws of Egypt or under the Treaty, the amount of tax withheld that is refundable will not be eligible for the credit or deduction against U.S. federal income tax liability. See *"—Egyptian Tax Considerations — Dividend Withholding Tax"* for a discussion of Egyptian withholding tax. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed with respect to the Ordinary Shares will generally constitute "passive category income" but in the case of certain U.S. Holders could constitute "general category income".

The rules governing the treatment of foreign taxes and foreign tax credits are fact specific and complex, and U.S. Holders should consult their own independent tax advisors about the impact of these rules in their particular situations.

Dividends will generally be included in a U.S. Holder's income on the date of actual or constructive receipt. The amount of any distribution paid in EGP will be equal to the U.S. dollar value of such EGP calculated by reference to the spot rate of exchange on the date such distribution is included in income by a U.S. Holder, regardless of whether the payment is in fact converted into U.S. dollars at that time. If the EGP are converted into U.S. dollars on the date received, a U.S. Holder generally should not recognise foreign currency gain or loss on such conversion. If the EGP are not converted into U.S. dollars on the date received, a U.S. Holder will have a basis in the EGP equal to their U.S. dollar value on the date received, and generally will recognise foreign currency gain or loss on a subsequent conversion or other disposal of such EGP. Such foreign currency gain or loss generally will be treated as U.S.-source ordinary income or loss for foreign tax credit limitation purposes. The amount of any distribution of property other than cash will be the fair market value of such property on the date of distribution.

Sale or Other Disposition of Ordinary Shares

Subject to the "passive foreign investment company" rules discussed below, upon a sale or other disposition of the Ordinary Shares, a U.S. Holder will recognise a capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realised and the U.S. Holder's tax basis in such Ordinary Shares. Any such gain or loss generally will be U.S.-source gain or loss for foreign tax credit limitation purposes, and will be treated as long-term capital gain or loss if the U.S. Holder's holding period in the Ordinary Shares exceeds one year. Non-corporate U.S. Holders (including individuals) generally will be subject to U.S. federal income tax on long-term capital gain at preferential rates. The deductibility of capital losses is subject to limitations.

If the consideration a U.S. Holder receives upon a sale or other disposition of the Ordinary Shares is paid in EGP (or a currency other than U.S. dollars), the amount realised will be the U.S. dollar value of the payment received, determined by reference to the spot rate of exchange on the date of the sale or other disposition. However, if the Ordinary Shares are treated as traded on an established securities market and the U.S. Holder is a cash-basis taxpayer or an accrual-basis taxpayer who has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), such U.S. Holder will determine the U.S. dollar value of the amount realised in a foreign currency by translating the amount received at the spot rate of exchange on the settlement date of the sale or other disposition. If a U.S. Holder is an accrual-basis taxpayer that does not elect to determine the amount realised using the spot rate on the settlement date, it will recognise foreign currency gain or loss to the extent of any difference between the U.S. dollar amount realised on the date of the sale or other disposition (as determined above) and the U.S. dollar value of the currency received at the spot rate on the settlement date. This foreign currency gain or loss generally will be treated as U.S.-source ordinary income or loss for foreign tax credit limitation purposes. However, if such foreign currency is converted into U.S. dollars on the date received by the U.S. Holder, a cash basis or electing accrual basis U.S. Holder should not recognise any gain or loss on such conversion.

A U.S. Holder's initial tax basis in the Ordinary Shares generally will equal the U.S. dollar cost of such Ordinary Shares. If a U.S. Holder uses a foreign currency to purchase Ordinary Shares, the cost of the Ordinary Shares will be the U.S. dollar value of the foreign currency purchase price determined by reference to the spot rate of exchange on the date of purchase. However, if the Ordinary Shares are treated as traded on an established securities market and the U.S. Holder is a cash-basis taxpayer or an accrual-basis taxpayer who has made the special election described above, such U.S. Holder will determine the U.S. dollar value of the cost of such Ordinary Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

PFIC Considerations

Special U.S. federal income tax rules apply to U.S. persons owning shares of a "passive foreign investment company," or "PFIC." BdC will be a PFIC for any taxable year if either: (a) at least 75% of its gross income is "passive income" for purposes of the PFIC rules; or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. For this purpose, BdC will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock. Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents and gains from commodities and securities transactions and from the sale or exchange of property that gives rise to passive income; however, under proposed U.S. Treasury regulations and Notice 89-81 from the IRS, special rules apply to income derived in the active conduct of a banking, financing or similar business. Based upon the anticipated market price of the Ordinary Shares in the Institutional Offering, and the composition of BdC's income, assets and operations, BdC does not anticipate becoming a PFIC for its current taxable year or in the foreseeable future. This is a factual determination, however, that must be made annually after the close of each taxable year. In addition, the application of the special rules to income derived in the active conduct of a banking, financing or similar business is not entirely clear, and the proposed U.S. Treasury regulations may not be finalised in their current form.

Therefore, there can be no assurance that BdC will not be classified as a PFIC for the current taxable year or for any future taxable year.

If BdC is treated as a PFIC for any year during which a U.S. Holder owns Ordinary Shares, the U.S. Holder may be subject to adverse tax consequences upon a sale, exchange, or other disposition of the Ordinary Shares, or upon the receipt of certain "excess distributions" in respect of the Ordinary Shares. Dividends paid by a PFIC are not qualified dividends eligible to be taxed at preferential rates. Under the PFIC rules, if BdC were a PFIC at any time that a U.S. Holder holds Ordinary Shares, BdC would continue to be a PFIC with respect to such investment unless the U.S. Holder has made certain elections under the PFIC rules, such as a "mark-to-market" election or a "qualified electing fund" ("**QEF**") election. Prospective investors should assume, however, that a QEF election will not be available because BdC does not expect to provide U.S. Holders with the information needed to make such an election.

If BdC were regarded as a PFIC, a U.S. Holder of Ordinary Shares generally will be required to file an information return on IRS Form 8621 for any year relating to the U.S. Holder's ownership of Ordinary Shares, and for any year in which such U.S. Holder receives a direct or indirect distribution with respect to the Ordinary Shares or recognises gain on a direct or indirect disposition of the Ordinary Shares.

U.S. Holders should consult with their own independent tax advisors concerning the consequences to them if BdC is or becomes a PFIC, including, but not limited to, reporting requirements on IRS Form 8621 and otherwise, and the availability and applicability of a "mark-to-market" election to mitigate the adverse consequences of the PFIC rules, in light of such U.S. Holders' particular circumstances.

Specified Foreign Financial Assets

Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of USD 50,000 are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the Ordinary Shares) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own independent tax advisors concerning the application of these rules to their investment in the Ordinary Shares, including the application of the rules to their particular circumstances.

Backup Withholding and Information Reporting

Payments on the Ordinary Shares or sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries may be subject to information reporting and to backup withholding unless (1) a U.S. Holder is a corporation (other than a S corporation) or other exempt recipient; or (2) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that the U.S. Holder is not subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability, provided the required information is furnished to the IRS.

The above description is not intended to constitute a complete analysis of all tax consequences relating to acquisition, ownership and disposition of Ordinary Shares. The above description is not intended to be, and should not be construed as, legal or tax advice with respect to any potential investor. You should consult your own independent tax advisor with respect to the U.S. federal, state, local and non-U.S. tax consequences of acquiring, owning or disposing of Ordinary Shares.

Egyptian Tax Considerations

The statements herein regarding taxation are based on the laws in effect in Egypt as of the date of this Offering Circular and are subject to any changes of law occurring after such date, which changes could be made on a retroactive basis.

The following is a summary of the principal tax consequences for holders of ordinary shares who are not resident in Egypt ("**Non-Residents**"). From an Egyptian taxation point of view, the withdrawal of ordinary shares from the deposit facility is considered as a transfer of ordinary shares. This summary addresses only the tax consequences for Non-Residents who hold the ordinary shares as capital assets and does not address the tax consequences which may be relevant to other classes of Non-Residents, such as dealers in securities.

Dividend Withholding Tax

Dividends were not previously taxable under the Egyptian tax law number 91 for 2005 (the "**Egyptian Tax Law**"). However, Presidential Decree issuing Law number 53 for 2014 amending the Egyptian Tax Law and Presidential Decree issuing law number 96 for 2015 (the "**Tax Laws Reform**") were passed and introduced a dividend withholding tax. The Tax Laws Reform made substantial changes.

The Egyptian Tax Law, as amended by the Tax Laws Reform, defines dividends as any income resulting from shares, including preferred shares, founding shares or any other instruments giving their holders an entitlement to participate in the profits of an Egyptian company.

According to the Egyptian Tax Law, as amended by the Tax Laws Reform, dividends distributed by Egyptian companies and partnerships to Non-Residents and to institutional residents are subject to a flat rate withholding tax of 10% of such dividends, without deducting any costs or expenses. Bonus shares are not subject to such withholding tax.

The standard withholding tax rate applicable to dividends distributed is 10% without deducting any costs or expenses. If the shares are listed on EGX, the rate is to be reduced to 5% in accordance with article 46 *bis-2* of the Egyptian Tax Law as amended.

In case of existence of a double taxation treaty in place which provides an exemption or a reduced tax rate, the rate under the double taxation treaty shall supersede the rate provided under the local applicable laws.

Taxation of Capital Gains

Pursuant to the Egyptian Tax Law, as amended by the Law number 151 of 2026, capital gains derived from the disposal of securities listed on the EGX are exempt from Egyptian income tax and are subject instead to the stamp duty regime described below.

Stamp Duty

Under law number 111 of 1980, as amended, according to article 83 bis, a stamp duty of 0.05% (0.5 per thousand) is imposed on each of the resident or Non-Resident buyer and the resident or Non-Resident seller for transactions in securities listed on the EGX. In the case of transactions in securities listed on the EGX occurring on the same day, a stamp duty of 0.025% (0.25 per thousand) is imposed on each of the resident or Non-Resident buyer and the resident or Non-Resident seller.

If the transaction in question relates to the sale and transfer of shares representing 33% or more of the total shares of an Egyptian company, the stamp tax shall be 0.3% (3 per thousand) imposed on each of the buyer and the seller. Pursuant to article 83 bis-1 of the same law, the same tax shall be applied in case the total transactions within a period of 2 years reaches or exceeds 33%.

Inheritance Tax

Under law number 227 of 1996, Egypt has abolished all inheritance taxes. Accordingly, no inheritance taxes in Egypt will be chargeable on the death of an owner of shares.

Value-Added Tax (VAT)

Under law number 67 of 2016, and as per the executive regulations issued by the Ministerial Decree number 66 of 2017, trading in shares and other securities shall not be deemed a taxable sale.

PLAN OF DISTRIBUTION

BdC, the Selling Shareholder and the Joint Global Coordinators have entered into a placement agreement dated [●] (the "**Placement Agreement**") with respect to the Institutional Offering. CI Capital Investment Banking S.A.E. and EFG Hermes Promoting & Underwriting S.A.E. are acting as Joint Global Coordinators in connection with the Institutional Offering pursuant to its appointment in the Placement Agreement. Under the terms of and subject to the conditions set forth in the Placement Agreement, the Joint Global Coordinators have agreed to source purchasers for the number of Offer Shares set forth opposite its name in the following table:

	Number of Offer Shares[(1)]
CI Capital Investment Banking S.A.E.	[●]
EFG Hermes Promoting & Underwriting S.A.E.	[●]
Total	4,346,250,000

Notes:

(1) Subject to increase. The final number of Offer Shares sold in the Offering may be subject to change prior to allocation as decided by BdC in consultation with the Joint Global Coordinators.

For the avoidance of doubt, the Placement Agreement does not relate to the Egyptian Retail Offering, and the Joint Global Coordinators are not under any obligation under the Placement Agreement to source purchasers for, or to purchase any Egyptian Retail Offer Shares offered pursuant to the Egyptian Retail Offering. The Egyptian Retail Offering is also being managed by the Joint Global Coordinators.

Placement Agreement

In the Placement Agreement, BdC and the Selling Shareholder have made certain representations and warranties and agreed to indemnify the Joint Global Coordinators against certain liabilities, including liability under the Securities Act. The obligations of the Joint Global Coordinators are subject to approval of legal matters by counsel and other conditions contained in the Placement Agreement, such as the accuracy of the representations and warranties of BdC and the Selling Shareholder made in the Placement Agreement and the absence of the occurrence of certain events or circumstances affecting BdC.

The Joint Global Coordinators may terminate the Placement Agreement prior to the Closing Date in certain specified circumstances that are typical for agreements of this nature. If any of these conditions is not satisfied (or expressly waived in writing) as and when required by the Placement Agreement, or the Placement Agreement is otherwise terminated prior to the Closing Date, then the Institutional Offering will be terminated.

The Joint Global Coordinators have agreed to certain restrictions regarding the offer and sale of the Offer Shares as part of its distribution. The Joint Global Coordinators, through their respective selling agents, propose to offer the Offer Shares in the United States to QIBs in reliance on Rule 144A. Any offer of Offer Shares in reliance on Rule 144A will be made by broker-dealers who are registered as such under the Exchange Act.

Offer Price

The Offer Price is EGP [●] per Ordinary Share. The Offer Price was determined by the Selling Shareholder and BdC within the Indicative Price Range approved by the board of directors and the shareholders of BdC and the Selling Shareholder and respective authorities, based, among other things, on prevailing market and economic conditions, BdC's revenues and earnings, market valuations of other companies engaged in activities similar to that of BdC, the present state of BdC's business operations, its management, indications of interest from potential investors in the Offer Shares and other factors deemed relevant.

Allocation

The Combined Offering comprises the Institutional Offering and the Egyptian Retail Offering.

Allocation of the Egyptian Retail Offer Shares in the Egyptian Retail Offering will be conducted on a *pro rata* basis in the case of oversubscription, without discretion.

Allocation of Offer Shares has been determined by BdC and the Selling Shareholder in consultation with the Joint Global Coordinators. Factors which may be taken into account when determining the allocation between prospective investors in the event of oversubscription may include participation in the marketing process for the Combined Offering, behaviours in previous offerings, holdings in similar companies, pre-funding of indication of interest and other factors that BdC, the Selling Shareholder and the Joint Global Coordinators may deem relevant.

Allocations to investors will be made on or about 26 October 2026. Without prejudice to the foregoing, purchases of Offer Shares will be booked (and confirmations distributed) on 29 October 2026.

Reallocation

Although it is expected that 4,346,250,000 Ordinary Shares will be sold pursuant to the Institutional Offering and 228,750,000 Ordinary Shares will be sold pursuant to the Egyptian Retail Offering (in each case subject to increase), Ordinary Shares may be reallocated from either the Institutional Offering to the Egyptian Retail Offering or from the Egyptian Retail Offering to the Institutional Offering depending on the level and nature of demand for the Offer Shares. The Right of Reallocation will be at the discretion of the Selling Shareholder (in consultation with the Joint Global Coordinators).

Cornerstone Investors

BdC and the Selling Shareholder have entered into the Cornerstone Investor Agreements with Helikon Investments Limited as Investment Manager to the Helikon Long Short Equity Fund Master ICAV ("**Helikon**"), Sustainable Capital Limited ("**SCL**"), RWC Asset Management LLP ("**RWC LLP**") / RWC Asset Advisors (US) LLC ("**RWC LLC**", and together with RWC LLP, "**RWC**") and Waha Investments Limited ("**Waha**") (together, the "**Cornerstone Investors**") pursuant to which each of the Cornerstone Investors, severally (and not jointly or jointly and severally), has committed to purchase Institutional Offer Shares in the Institutional Offering, and the Selling Shareholder has agreed to sell, and procure the transfer of, Institutional Offer Shares to the Cornerstone Investors at the Offer Price, for an aggregate amount of U.S.$256 million[105] committed up to a price close to the mid-point of the Offer Price Range, while such commitments total an amount of U.S.$166 million[106] throughout the Offer Price Range, representing 38% of the Institutional Offer Shares tranche[107] based on the upper end of the Offer Price Range. SCL, RWC and Waha have undertaken to purchase an aggregate of 1,670,077,347 Institutional Offer Shares (784,663,000, 490,414,347 and 395,000,000 Institutional Offer Shares, respectively), while Helikon has undertaken to purchase Institutional Offer Shares equivalent to U.S.$100 million.

The Cornerstone Investor Agreements are conditional upon certain conditions being satisfied, including the closing of the Institutional Offering and the final Offer Price. Each Cornerstone Investor Agreement may be terminated (save for certain underlying surviving provisions) by the relevant Cornerstone Investor if any of its conditions are not fulfilled (or waived by such Cornerstone Investor) by certain specified dates in November 2026 (or such other date as may be agreed among BdC, the Selling Shareholder and the Cornerstone Investors). The Cornerstone Investor Agreements contain standard representations and warranties from the Cornerstone Investors, BdC and the Selling Shareholder.

The Cornerstone Investors will acquire the Offer Shares pursuant to, and as part of, the Institutional Offering. The Offer Shares to be acquired by the Cornerstone Investors will rank *pari passu* with the Egyptian Retail Offer Shares sold in the Egyptian Retail Offering, as well as the other outstanding Ordinary Shares and will be counted towards the public float of BdC. No special rights have been granted to any of the Cornerstone Investors as part of their commitments to purchase Offer Shares pursuant to the Cornerstone Investor Agreements.

Each Cornerstone Investor has agreed that, without the prior written consent of BdC and the Joint Global Coordinators, it will not, directly or indirectly, at any time during specified periods under the Cornerstone Investor Agreements following the commencement of trading of the Ordinary Shares on the EGX, (i) dispose of, in any way, any Offer Shares or any interest in any company or entity holding any Offer Shares; (ii) allow itself to undergo a change of control at the level of its ultimate beneficial owner; or (iii) enter into any transactions directly or indirectly with the same economic effect as any aforesaid transaction, subject to certain customary exceptions.

No Prior Market

Prior to the Combined Offering, there has been no public market for the Ordinary Shares. There can be no assurance that a regular trading market for the Ordinary Shares will develop or can be sustained. The price at which the Ordinary Shares will trade in the public markets after the Combined Offering may be lower than the price at which those Ordinary Shares are sold in the Institutional Offering.

Fees and Expenses

The aggregate expenses of, or incidental to, the Combined Offering to be borne by BdC, including professional fees and expenses and the costs of printing and distribution of documents, are estimated to be approximately EGP 13.5 million (including all applicable taxes and assuming all of the Offer Shares are sold in the Combined Offering).

[105] Based on an exchange rate of EGP 53.46 per U.S.$1.00, the exchange rate quoted by the CBE on 15 October 2026.
[106] Based on an exchange rate of EGP 53.46 per U.S.$1.00, the exchange rate quoted by the CBE on 15 October 2026.
[107] Excluding any increase in the number of Institutional Offer Shares that may occur as described in "*The Combined Offering*".

Lock-up Provisions

The Selling Shareholder has agreed that, subject to certain exceptions, for a period of 365 days following the Closing Date, it will not, without the prior consent of the Joint Global Coordinators, directly or indirectly, offer, sell, contract to sell, pledge, otherwise dispose of, enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition of, or publicly announce the offer of, any Ordinary Shares or any securities of BdC or other instruments that are substantially similar to the Ordinary Shares, including, but not limited to, any securities convertible into, or exercisable or exchangeable for, the Ordinary Shares or the intention to effect any such transaction.

In addition, Ordinary Shares representing 51% of BdC's share capital held by the Selling Shareholder will be subject to a statutory lock-up imposed by the EGX, which is expected to expire on the lapse of two years and the issuance of two annual financial statements following commencement of trading. The Shares locked up in accordance with the EGX Listing Rules requirements may be transferred during the lock-up period under certain circumstances, subject to FRA approval and the fulfilment of certain other EGX Listing Rules requirements.

Stabilisation

In connection with the Egyptian Retail Offering, the Stabilisation Manager, or any of its agents, may effect, in a single trading session, transactions in the Ordinary Shares on the EGX with a view to supporting or maintaining the market price of the Ordinary Shares at the Offer Price. The Stabilisation Manager will withhold from the payment of the proceeds of the Combined Offering an amount equal to the gross proceeds of the sale of all Egyptian Retail Offer Shares at the Offer Price, which will be deposited in the Stabilisation Fund. If the trading price per Ordinary Share falls below the Offer Price during the Stabilisation Period, purchasers of Egyptian Retail Offer Shares in the Egyptian Retail Offer may submit sell orders and the Stabilisation Manager will submit purchase orders for Ordinary Shares at the Offer Price, which will remain open until the end of the Stabilisation Period. At the end of the Stabilisation Period, open purchase orders submitted by the Stabilisation Manager will be matched with open sale orders and executed on the EGX. All Ordinary Shares purchased in this manner will be placed in the Stabilisation Fund. The Stabilisation Manager will remit to the Selling Shareholder at the end of the Stabilisation Period any funds then remaining in the Stabilisation Fund and any remaining Ordinary Shares purchased during the Stabilisation Period using the Stabilisation Fund. The Stabilisation Manager will disclose the stabilisation transactions to the EGX at the end of the Stabilisation Period.

Other relationships

CI Capital Investment Banking is a subsidiary of CI Capital Holding for Financial Investments, which is owned by Banque Misr (92.95%).

In addition, the Joint Global Coordinators and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. The Joint Global Coordinators and their respective affiliates have in the past performed investment banking and advisory services for BdC and/or certain of the Shareholders, from time to time, for which they have received customary fees and reimbursement of expenses and may, from time to time, in the future engage in transactions with and perform services for BdC and/or certain of the Shareholders in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In the ordinary course of their various business activities, the Joint Global Coordinators and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. Such investment and securities activities may involve BdC's securities and instruments.

In connection with the Institutional Offering, each of the Joint Global Coordinators and any of their respective affiliates acting as an investor for its own account may, to the extent permitted by applicable laws and regulations, take up Offer Shares and in that capacity may retain, purchase or sell for its own account such Offer Shares and any related investments and may offer or sell such Offer Shares or other investments and may offer or sell such Offer Shares or other investments otherwise than in connection with the Institutional Offering. Accordingly, references in this Offering Circular to the Offer Shares being offered or placed should be read as including any offering or placement of Offer Shares to the Joint Global Coordinators and any affiliate acting in such capacity. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transaction otherwise than to BdC and/or in accordance with any legal or regulatory obligation to do so. In addition, in connection with the Institutional Offering, the Joint Global Coordinators may enter into financing arrangements with investors, such as share swap arrangements or lending arrangements where Offer Shares are used as collateral, which could result in the Joint Global Coordinators acquiring Offer Shares.

SECURITIES MARKET INFORMATION

Egyptian Securities Market

The Capital Market Authority (the "**CMA**") was established by the Government in 1979 pursuant to Presidential Decree No. 520 of 1979 to promote investment in the Egyptian securities market. The development of the securities market in Egypt since 1992 has encouraged certain Egyptian banks and financial institutions to begin to provide such services as securities underwriting, brokerage and mutual funds. Between 1979 and 2009, the CMA was responsible for regulating the securities market in Egypt, issuing licenses for financial intermediary businesses (including brokerage, venture capital, mutual fund management and portfolio management), monitoring the continuing obligations of listed companies, monitoring the central securities depositary and protecting investors. Law No. 10 of 2009, published on 1 March 2009, established the Egyptian Financial Services Authority (the "**EFSA**"), which replaced the CMA, the Egyptian Insurance Supervisory Authority and the Egyptian Financial Leasing Authority from 1 July 2009. In November 2017, the EFSA announced that it had changed its English language name to the Financial Regulatory Authority, or the "**FRA**". The Chairman of the Board of Directors of the EGX and the Chairman of the FRA have the right under the Capital Market Law to prohibit certain offers and bids for shares of listed companies which are considered to be manipulative, distorting or in violation of market rules.

The most important factor in the growth of the Egyptian securities market since 1992 has been the Government's privatisation program. A Privatisation Ministerial Committee led by the Prime Minister, determined the companies to be privatised, resulting in the full or partial privatisation of approximately 314 enterprises, which then accounted for approximately 70% of the Egyptian public sector. During 1993, these enterprises were reorganised or regrouped under 27 holding companies, which have authority to dispose of or liquidate their assets, in some cases after restructuring to make them more attractive to investors.

The Capital Market Law permitted the introduction of mutual funds to the Egyptian market. As at 30 June 2026, 191 Egypt-based equity and fixed income mutual funds were active in Egypt. The State Minister of Investment has issued several decrees amending the Executive Regulations of the Capital Market Law and enhancing the regulations governing mutual funds and introducing several types of funds, including tradeable securities.

Egyptian companies law permits companies to issue bonds and other tradable securities. The only corporate bond issue listed on the EGX prior to the enactment of the Capital Market Law was the Credit Foncier Egyptian bonds, issued in 1951. During the last two decades, many companies have issued bonds on the EGX. In May 2013, law No. 10 of 2013 was issued regulating the issuance of a form of *Sharia* compliant debentures known as "*Sukuk*" by the Government, certain Governmental authorities and governorates, private sector companies, and international financial institutions authorised by the CBE and FRA for funding of projects in Egypt. Such debentures have been defined as securities regulated by the Capital Market Law, and may be issued in both Egyptian Pounds and foreign currencies, and may be listed and traded on EGX.

In 2018, the Prime Minister issued a decree amending the executive regulations of the Capital Market Law by introducing green bonds. Subsequently in 2022, the executive regulations of the Capital Market Law were amended to introduce several types of bonds, including sustainability bonds, social and women empowerment bonds, environmental bonds, amongst others.

In 2025, the Law No. 170 of 2025 was enacted which establishes a State-Owned Enterprises Unit (SOE Unit) within the Council of Ministers, headed by a full-time chief executive officer, responsible for implementing Egypt's State ownership reform agenda — including restructuring State-owned and State-participated companies, encouraging private sector participation (through private sales or initial public offerings), managing mergers, divisions, and divestments, and producing periodic monitoring reports. The SOE Unit may establish fair value committees comprising representatives from relevant ministries and regulatory authorities, tasked with reviewing and validating fair value studies prepared by appointed financial advisers within thirty days, before the SOE Unit's recommendations are escalated to the Ministerial Economic Committee and the Council of Ministers for binding approval.

In February 2007, the Minister of Investment issued a decree adding a new chapter to the Executive Regulations of the Capital Market Law, which was replaced by the Prime Minister Decree number 1109 of 2022. This chapter regulates tender offers and mandatory tender offers by prohibiting acquisitions of securities through open market purchases of one-third or more of the capital or voting rights of the target company. See "*Description of Share Capital and Applicable Egyptian Law — Mandatory Tender Offer Rules*".

The EGX's market capitalisation was EGP 3,679 billion as at 30 June 2026. As at 31 December 2025, the EGX's market capitalisation was EGP 2,999 billion. The EGX 30 Index's market capitalisation was EGP 1,622 billion as at the same date.

From 1 January 2025 to 31 December 2025, the EGX 30 Index increased by 40.6%. Average daily trading volumes of the EGX in 2025 increased by 80% and average daily trading value increased by 15% compared to 2024, while market capitalisation increased by 38.2%.

As of 31 December 2025 and 30 June 2026, there were 231 and 253 listed companies, respectively, with only a smaller subset trading on a regular basis. The average daily trading volume for the period from 1 January 2025 to 31 December 2025 was approximately 1.9 billion. The average daily trading value for the same period was EGP 5.2 billion.

Stock Exchange Trading Mechanisms

Egypt's trading and settlement mechanisms have been significantly improved over the past few years. A computerised trading system at the EGX allows for automatic electronic matching of bids and offers. The electronic trading system links the EGX and allows brokers remote access to the trading floor. It also links all independent bookkeeping activities to the MCDR, which helps ensure greater speed and efficiency in the settlement process. Trading on the EGX takes place between 10:00 a.m. and 2:30 p.m., Sunday through Thursday, excluding official public holidays.

During each trading session (excluding the first day of trading), the price of the stocks is generally restricted to a 20% ceiling and floor from its previous closing price (subject to applicable circuit breaker limits within the session). The EGX removes the price restrictions or increases them on the request of a broker who is willing to effect a transaction above the ceiling or below the floor, provided the pricing committee at the EGX approves. The closing price of traded shares is determined by the auction mechanism at the end of each trading session.

SELLING AND TRANSFER RESTRICTIONS

Selling Restrictions

General

No action has been or will be taken in any jurisdiction, other than the Egyptian Retail Offering, pursuant to the Public Subscription Notice, that would permit a public offering of the Offer Shares offered in the Combined Offering, or possession, circulation or distribution of this Offering Circular or any other offering material relating to BdC, the Selling Shareholder or the Offer Shares, in any country or jurisdiction where action for that purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction.

Persons into whose possession this Offering Circular comes should inform themselves about and observe any restrictions on the distribution of this Offering Circular and the offer and sale of the Offer Shares offered in the Combined Offering, including those set forth in the paragraphs below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. None of BdC, the Selling Shareholder or the Joint Global Coordinators accepts any legal liability for any violation of such restrictions by any person, whether or not a prospective purchaser of the Offer Shares.

This Offering Circular does not constitute an offer to subscribe for or buy any of the Offer Shares offered in the Combined Offering to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

United States

The Offer Shares have not been, and will not be, registered under the Securities Act, or with any securities regulatory authority of any state or jurisdiction of the United States, and may not be offered or sold, directly or indirectly, in the United States except in a transaction not subject to, or pursuant to an exemption from, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

The Offer Shares are being offered and sold (i) in the United States only to QIBs as defined in, and in reliance on, Rule 144A or another exemption from, or a transaction not subject to, the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S to institutional investors in certain jurisdictions, including Egypt. Prospective investors that are QIBs are hereby notified that any seller of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A.

European Economic Area

In relation to each Relevant State, no shares have been offered or will be offered pursuant to the Combined Offering to the public in that Relevant State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Offer Shares at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,
- provided that no such offer of the Offer Shares shall require BdC, the Selling Shareholder or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Offer Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom

This Offering Circular and any other material in relation to the Offer Shares described herein is only being distributed in the United Kingdom to, and is only directed at, persons in the United Kingdom that are qualified investors as defined in paragraph 15 of Schedule 1 to the POATRs and that also: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Order; or (ii) who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). The Offer Shares are only available in the United Kingdom to, and any invitation, offer or agreement to purchase or otherwise acquire the Offer Shares will be engaged in only with, the relevant persons. This Offering Circular and its contents should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person in the United Kingdom. Any person in the United Kingdom that is not a relevant person should not act or rely on this Institutional Offering Circular or any of its contents.

The Joint Global Coordinators have each represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated in the United Kingdom any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Offer Shares in circumstances in which Section 21(1) of FSMA does not apply to BdC; and

(b) it has complied and will comply with all applicable provisions of FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

Canada

The Offer Shares may be sold in Canada only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Offer Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Circular (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"), the Joint Global Coordinators are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the Institutional Offering.

Egypt

The Offer Shares may not be offered or sold in any form of general solicitation or general advertising or in a public offering in Egypt, unless the Public Subscription Notice has been submitted to the FRA for review (whether or not such Public Subscription Notice has been approved by the FRA). Institutional Offer Shares may only be offered or sold in Egypt through a private placement to Egyptian QIBs and Professionally Experienced Investors (each as defined above) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments for the purposes of their business and only in accordance with the Public Subscription Notice and applicable Egyptian law and regulations, including the applicable provisions of the Capital Market Law, its Executive Regulations, as amended, the EGX Listing Rules and the FRA Decree No. 48 of 2019, as amended, concerning private and public placements.

Each purchaser of the Institutional Offer Shares offered under the private placement in Egypt will be deemed to have represented that it is an Egyptian QIB or a Professionally Experienced Investor within the meaning of the FRA's Decree no. 48 for the year 2019, as amended, concerning private and public placements.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Offering Circular is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any

other purpose. If you are in any doubt about the contents of this Offering Circular, you should consult an authorised financial adviser.

By receiving this Offering Circular, the person or entity to whom it has been issued understands, acknowledges and agrees that this Offering Circular has not been approved by or filed with the UAE Central Bank, the UAE Securities or Commodities Authority (the "**SCA**") or any other authorities in the UAE, nor have the Joint Global Coordinators received authorisation or licensing from the UAE Central Bank, SCA or any other authorities in the UAE to market or sell securities or other investments within the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE. It should not be assumed that the Joint Global Coordinator are licensed brokers, dealers or investment advisors under the laws applicable in the UAE, or that any of them advise individuals resident in the UAE as to the appropriateness of investing in or purchasing or selling securities or other financial products. The Offer Shares may not be offered or sold directly or indirectly to the public in the UAE. This does not constitute a public offer of securities in the UAE in accordance with the Companies Law or otherwise.

Nothing contained in this Offering Circular is intended to constitute investment, legal, tax, accounting or other professional advice. This Offering Circular is for your information only and nothing in this Offering Circular is intended to endorse or recommend a particular course of action. Any person considering acquiring Offer Shares should consult with an appropriate professional for specific advice rendered based on their respective situation.

Dubai International Financial Centre

The Offer Shares have not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules (MKT) module of the Dubai Financial Services Authority (the "**DFSA**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of the Business Module.

Kingdom of Saudi Arabia

This Offering Circular may not be distributed in the Kingdom of Saudi Arabia ("**KSA**"), except to such persons as are permitted under the Offers of Securities Regulations (the "**Saudi Regulations**") issued by the Board of the Capital Market Authority (the "**Capital Market Authority**") resolution number 2-11-2004 dated 4 October 2004 and amended by the Board of the Capital Market Authority resolution number 1-28-2008 dated 18 August 2008.

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Offering Circular, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Offering Circular. Prospective investors in the Offer Shares should conduct their own diligence on the accuracy of the information relating to the Offer Shares. If a prospective purchaser does not understand the contents of this Offering Circular, he or she should consult an authorised financial adviser.

The Offer Shares must not be advertised, offered or sold and no memorandum, information circular, brochure or any similar document has or will be distributed, directly or indirectly, to any person in the KSA other than to Sophisticated Investors within the meaning of Article 10 of the Saudi Regulations.

The offer of Offer Shares in the KSA shall not, therefore, constitute a "public offer" pursuant to the Saudi Regulations. Prospective investors are informed that Article 17 of the Saudi Regulations places restrictions on secondary market activity with respect to the Offer Shares. Any resale or other transfer, or attempted resale or other transfer, made other than in compliance with the above stated jurisdictions shall not be recognised by BdC.

Lebanon

This Offering Circular does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Offer Shares in BdC in the Lebanese territory, nor shall it (or any part of it), nor the fact of its distribution, form the basis of, or be relied on in connection with, any subscription.

BdC has not been, and will not be, authorised or licenced by the Central Bank of Lebanon and the Offer Shares cannot be marketed and sold in Lebanon. No public offering of the Offer Shares is being made in Lebanon and no mass-media means of contact are being employed. This Offering Circular is aimed at institutions and sophisticated,

high net worth individuals only, and this Offering Circular will not be provided to any person in Lebanon except upon the written request of such person.

Recipients of this Offering Circular should pay particular attention to the section titled "*Risk Factors*" in this Offering Circular. An investment in the Offer Shares is suitable only for sophisticated investors with the financial ability and willingness to accept the risks associated with such an investment, and said investors must be prepared to bear those risks.

Oman

This Offering Circular does not constitute a public offer of securities in the Sultanate of Oman, as contemplated by the Commercial Companies Law of Oman (Royal Decree No. 4/1974) or the Capital Market Law of Oman (Royal Decree No. 80/1998) and Ministerial Decision No.1/2009 or an offer to sell or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman.

This Offering Circular is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to make an offer to the Selling Shareholder to enter into commitments to invest in the Offer Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient.

Additionally, this Offering Circular is not intended to lead to the making of any contract within the territory or under the laws of the Sultanate of Oman.

The Capital Market Authority and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this Offering Circular or for the performance of BdC with respect to the Offer Shares nor shall they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein.

Bahrain

The Offer Shares have not been offered or sold, and will not be offered or sold to any person in the Kingdom of Bahrain except on a private placement basis to persons who are "accredited investors".

For this purpose, an "accredited investor" means:

(a) an individual holding financial assets (either singly or jointly with a spouse) of US$1,000,000 or more;

(b) a group or partnership, trust or other commercial undertaking which has financial assets available for investment of not less than US$1,000,000; or

(c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund).

Kuwait

The Offer Shares have not been and will not be offered, sold, promoted or advertised in Kuwait except on the basis that an offer is made in compliance with Decree Law No. 31 of 1990 and the implementing regulations thereto, as amended, and Law No. 7 of 2010 and the bylaws thereto, as amended governing the issue, offering and sale of securities. No private or public offering of the Offer Shares is being made in Kuwait, and no agreement relating to the sale of the Offer Shares will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Offer Shares in Kuwait.

Qatar

The Offer Shares have not been offered or sold, and will not be offered or sold or delivered, directly or indirectly, in the State of Qatar including the Qatar Financial Centre, other than on the basis that an offer is made: (i) in compliance with all applicable laws and regulations of the State of Qatar including the Qatar Financial Centre; and (ii) through persons or corporate entities authorised and licenced to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in the State of Qatar.

Jordan

Any marketing of the Offer Shares to Jordanian investors shall be done by way of private placement only. The Offer Shares are being offered in Jordan on a cross border basis based on one-on-one contacts to no more than 30 potential investors and accordingly the Offer Shares will not be registered with the Jordanian Securities Commission and a local prospectus in Jordan will not be issued.

Switzerland

The Offer Shares may not and will not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland and neither this Offering Circular nor any other solicitation for investments in the Offer Shares may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of Articles 1156 or 652a of the Swiss Code of Obligations or of Article 2 of the Federal Act on Investment Funds of 18 March 1994. This Offering Circular may not be copied, reproduced, distributed or passed on to others without the Joint Global Coordinators' prior written consent.

This Offering Circular is not a "prospectus" within the meaning of Articles 1156 and 652a of the Swiss Code of Obligations or a "listing prospectus" according to article 32 of the Listing Rules of the Swiss exchange and may not comply with the information standards required thereunder. BdC will not apply for a listing of the securities on any Swiss stock exchange or other Swiss regulated market and this Offering Circular may not comply with the information required under the relevant listing rules. The securities have not and will not be registered with the Swiss Federal Banking Commission and have not and will not be authorised under the Federal Act on Investment Funds of 18 March 1994. The investor protection afforded to acquirers of investment fund certificates by the Federal Act on Investment Funds of 18 March 1994, does not extend to acquirers of the Offer Shares.

Hong Kong

The Offer Shares may not be offered or sold by means of any document other than (1) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), or (2) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder, or (3) in other circumstances which do not result in this Offering Circular being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Offer Shares may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Japan

The Offer Shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) nor will the Offer Shares be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Singapore

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (1) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"); (2) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offer Shares are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, Offer Shares, debentures and units of Offer Shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for six months after that corporation or that

trust has acquired the Offer Shares under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

South Africa

Due to restrictions under the securities laws of South Africa, the Offer Shares are not being offered, transferred, sold, made, renounced or delivered in South Africa or to a person with an address in South Africa and the Combined Offering is not made, offered, transferred, sold, renounced or delivered in South Africa or to a person with an address in South Africa, unless such person falls within one or more of the exemptions to the securities laws relating to offers to the public set out in Section 96 of the Companies Act, No. 71 of 2008 (as amended). The exemptions include:

- offers made only to the following persons, namely (i) persons whose ordinary business, or part of whose ordinary business, is to deal in securities, whether as principals or agents; (ii) the Public Investment Corporation as defined in the Public Investment Corporation Act, No. 23 of 2004 (as amended); (iii) persons regulated by the Reserve Bank of South Africa; (iv) authorised financial services providers as defined in the Financial Advisory and Intermediary Services Act, No. 37 of 2002 (as amended); (v) financial institutions as defined in the Financial Services Board Act, No. 97 of 1990; (vi) wholly owned subsidiaries of the persons contemplated in (iii), (iv) and (v), acting as agent in the capacity of authorised portfolio manager for a pension fund registered in terms of the Pension Funds Act, No. 24 of 1956 or as a manager for a collective investment scheme registered in terms of the Collective Investment Schemes Control Act, No. 45 of 2002; (vii) any combination of the persons contemplated in (i) to (vi); and
- offers made to a single addressee acting as principal where the contemplated acquisition cost of the Offer Shares is equal to or greater than R1,000,000.

The Combined Offering does not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and subscribe for, Securities to the public as defined in the Companies Act, No. 71 of 2008 (as amended) and will not be distributed to any person in South Africa in any manner which could be construed as an offer to the public in terms of the Companies Act, No. 71 of 2008 (as amended) and should any person who does not fall into any of the above exemptions receive this Offering Circular they should not and will not be entitled to acquire any Offer Shares or otherwise act thereon. This Offering Circular does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act, No. 71 of 2008 (as amended).

Transfer Restrictions

Each purchaser of the Offer Shares pursuant to Rule 144A, by its acceptance of delivery of this Offering Circular and the Offer Shares, will be deemed to have represented, agreed and acknowledged as follows:

1. The purchaser is aware that the Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions on transfer;

2. The purchaser (i) is a QIB, as that term is defined by Rule 144A under the Securities Act, (ii) is aware that, and each beneficial owner of such Offer Shares has been advised that, the sale to it is being made in reliance on Rule 144A under the Securities Act or another exemption from, or transaction not subject to, the registration requirements of the Securities Act, (iii) is acquiring such Offer Shares for its own account or for the account of one or more QIBs and (iv) if it is acquiring such Offer Shares for the account of one or more QIBs, has sole investment discretion with respect to each such account and has full power to make the acknowledgements, representations and agreements herein on behalf of each such account;

3. The purchaser is aware that the Offer Shares purchased pursuant to Rule 144A under the Securities Act or another exemption from, or transaction not subject to, the registration requirements of the Securities Act, have not been and will not be registered under the Securities Act and are being offered in the United States in reliance on Rule 144A or another exemption from the registration requirements of the Securities Act only in transactions not involving any public offering in the United States and are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act, and no representation is made as to the availability of the exemption provided by Rule 144 for the resale of any Offer Shares;

4. In the future, if the purchaser decides to offer, resell, pledge or otherwise transfer the Offer Shares purchased pursuant to Rule l44A under the Securities Act or another exemption from the registration requirements thereof, such Offer Shares may be offered, sold, pledged or otherwise transferred only (a)(i) pursuant to an effective registration statement under the Securities Act, (ii) to a person whom the holder and any person acting on its behalf reasonably believes is a QIB purchasing for its account or for the

account of a QIB in a transaction meeting the requirement of Rule 144A, (iii) outside the United States in an "offshore transaction" in accordance with Rule 903 or Rule 904 of Regulation S (and not in a pre-arranged transaction resulting in the resale of such Offer Shares into the United States or (iv) pursuant to an exemption from registration under the Securities Act pursuant to Rule 144 thereunder, if available, and (b) in accordance with any applicable securities law of any state or territory of the United States and any other jurisdiction. Such person understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the Securities Act for the resale of the Offer Shares;

5. For so long the ordinary shares are restricted securities within the meaning of Rule 144(a)(3) under the Securities Act, it will not deposit such ordinary shares into any unrestricted depositary receipt facility in respect of Ordinary Shares established and maintained by a depositary bank unless and until such time as the Offer Shares are no longer "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act; and

6. BdC, the Selling Shareholder, the Joint Global Coordinators and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Prospective purchasers are hereby notified that sellers of the Offer Shares purchased within the United States pursuant to Rule 144A may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A under the Securities Act.

Each purchaser of Offer Shares pursuant to Regulation S, by its acceptance of the delivery of this Offer Circular and the Offer Shares, will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Regulation S are used herein as defined therein):

1. the purchaser is, at the time of the offer to it of Offer Shares and at the time the buy order originated, outside the United States for the purposes of Rule 903 under the Securities Act;

2. the purchaser is aware that the Offer Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States, are being offered outside the United States in reliance on Regulation S and are subject to significant restrictions on transfer;

3. the purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S in this document;

4. any offer, sale, pledge or other transfer made other than in compliance with the above-stated restrictions shall not be recognised by BdC; and

5. BdC, the Selling Shareholder, the Joint Global Coordinators and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements; and

If a purchaser of Offer Shares is acquiring such Offer Shares as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such account and it has full power to make the foregoing representations and agreements on behalf of each account.

SETTLEMENT AND TRANSFER

Settlement and Clearance of the Shares on the EGX

In Egypt, all investors in shares must have established a valid customer-specific custody account with a local custodian within Egypt and must have a unique, personalised stock exchange code for the EGX (a "**Unified Code**") and a trading code. Investors will need to provide, among other things, information as to their legal name and any sub-account details, together with details of their custody account and their Unified Code as well as their trading code when submitting a request for an allocation of Ordinary Shares. Accordingly, requests for an allocation of Ordinary Shares can only be taken from an investor if such investor already has a valid custody account open with an Egyptian custodian as well as a valid brokerage account opened with a local broker. Investors should contact their global custodian to set up a custody account in Egypt and should be mindful of the time required to set up such an account, which varies in practice. All transfers of ownership of the Ordinary Shares must be effected on the EGX by an FRA-licensed broker. Ownership of the Ordinary Shares will be shown on, and the transfer of that ownership will be executed on the EGX books and will be effected through the records of the MCDR. On the execution date, local brokers will provide their clients with trade confirmations providing for the entire requirements for settlement.

Investors allocated Ordinary Shares must pay, or procure the payment of, the full purchase price for such Ordinary Shares, together with any applicable regulatory fees, brokerage commissions, market fees, taxes and expenses payable by them in connection with the purchase of the Ordinary Shares, in immediately available unrestricted funds by no later than the applicable settlement deadline notified to them by the relevant parties and in any event in sufficient time to enable settlement to occur in accordance with the offering timetable and the applicable EGX and MCDR rules and procedures. Settlement of any allocation of Ordinary Shares shall be conditional upon timely receipt in full of all such amounts in immediately available unrestricted funds and the completion of all applicable custody, brokerage, clearing and settlement procedures.

If any investor fails to deliver the full purchase price and all applicable fees, commissions, taxes and expenses when due, or otherwise fails to complete the required settlement procedures within the prescribed time, the relevant allocation of Ordinary Shares may, without notice and without prejudice to any other rights or remedies available under applicable law, be cancelled, withdrawn, reduced, reallocated to another investor or otherwise not settled, and neither BdC, the Selling Shareholder nor any of the Joint Global Coordinators and Bookrunners, broker, custodian, receiving bank or settlement agent shall have any liability to such investor in respect thereof. Any costs, losses, charges, liabilities or expenses arising from or in connection with such failure shall, to the fullest extent permitted by applicable law, be borne by the relevant investor.

Settlement of share transfers on the EGX occurs on a delivery-versus-payment or receive-versus payment, with transfers of dematerialised securities such as the Ordinary Shares settling at T+2. Non-Egyptian purchasers of Ordinary Shares must arrange for their Ordinary Shares to be delivered to a custodian authorised by the FRA (a "**Local Custodian**") to hold dematerialised Ordinary Shares. Subject to compliance with the transfer restrictions set forth herein, purchasers of the Ordinary Shares wishing to sell their Ordinary Shares must instruct an EGX-licensed broker to block such Ordinary Shares. The broker then effects such sale through the EGX who will register such transfer on the registry. BdC will not have any responsibility for the performance by the Local Custodians or their agents of their respective obligations under the rules and procedures governing their operations.

Egypt's trading and settlement mechanisms have been significantly improved over the past few years. A computerised trading system at the EGX allows for automatic electronic matching of bids and offers. The electronic trading system links the EGX and allows brokers remote access to the trading floor. It also links all independent bookkeeping activities to the MCDR, which helps ensure greater speed and efficiency in the settlement process. Trading on the EGX takes place between 10:00 a.m. and 2:30 p.m., Sunday through Thursday, excluding official public holidays.

During each trading session (excluding the first day of trading), the price of the stocks is generally restricted to a 20% ceiling and floor from its previous closing price (subject to applicable circuit breaker limits within the session). The EGX removes the price restrictions or increases them on the request of a broker who is willing to effect a transaction above the ceiling or below the floor, provided the pricing committee at the EGX approves. The closing price of traded shares is determined by the auction mechanism at the end of each trading session.

Brokerage commissions for transactions are not fixed by the EGX or other regulatory bodies, but instead vary depending on the size of the transaction and the brokerage house executing the trade.

LEGAL MATTERS AND INDEPENDENT AUDITORS

Legal Matters

Certain legal matters with respect to the Combined Offering will be passed upon for BdC and the Selling Shareholder in respect of the laws of England and the United States by Baker & McKenzie LLP and in respect of Egyptian law by Helmy, Hamza & Partners (a member firm of Baker McKenzie International).

Independent Auditors

With respect to the unaudited consolidated interim financial statements of Banque du Caire S.A.E. for the period ended 30 June 2026 included herein, KPMG Hazem Hassan Public Accountants and Consultants, independent auditors, have reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included herein, which contains an emphasis of matter paragraph that describe the basis of preparation to the unaudited consolidated interim financial statements and acknowledgment of the separate set of statutory consolidated financial statements prepared in accordance with the Central Bank of Egypt and relevant regulations, states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The consolidated financial statements of Banque du Caire S.A.E. and its subsidiaries as at 31 December 2025 and 2024 and for the years then ended, included in this Offering Circular, have been audited by KPMG Hazem Hassan Public Accountants and Consultants, independent auditors, as stated in its report appearing therein, which include emphasis of matter paragraphs related to the basis of preparation, purpose of preparation, and acknowledgment of the separate set of statutory consolidated financial statements prepared in accordance with the Central Bank of Egypt and relevant regulations, appearing therein.

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بنك القاهرة
Banque du Caire

Consolidated

FINANCIAL STATEMENTS

June 2026

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KPMG

Hazem Hassan
Public Accountants & Consultants

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Report on limited review of consolidated interim financial statements

To The board of Directors of Banque Du Caire (S.A.E)

Introduction

We have performed a limited review for the accompanying consolidated interim financial statements of Banque Du Caire (S.A.E) which comprise of the consolidated statement of financial position as of June 30, 2026, and the related consolidated statements of income, comprehensive income, cash flows and changes in equity for the six-months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these consolidated interim 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. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements 2410, "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of Consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the bank and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of Banque Du Caire (S.A.E)) as at June 30, 2026 and its consolidated financial performance and its consolidated cash flows for the six-months period then ended in accordance with 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

Emphasis of Matter

We draw attention to Note 2-1 "Basis of preparing consolidated financial statements". The accompanying financial statements of the Bank and its subsidiaries for the six months period ended June 30, 2026, have been prepared by the Bank/Group's management for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange.

A separate set of statutory consolidated financial statements for the same financial period, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which we have expressed an unmodified conclusion on August 11, 2026.

Auditor

KPMG Hazem Hassan
Public Accountants and Consultants

Fares Amer Emam Amer
Financial Regulator Authority No. 230

KPMG Hazem Hassan
Public accountants & Consultants

Cairo on: October 15, 2026

Consolidated Statement of Financial Position

As at 30 June 2026

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	30/06/2026	31/12/2025
Assets			
Cash and balances at Central Bank	(15)	41,255,108	35,151,541
Due from banks	(16)	48,343,579	93,413,017
Loans and advances to banks	(17)	27,152,718	18,692,588
Loans and advances to customers	(18)	235,012,962	222,026,608
Financial investments			
At fair value through other comprehensive income	(19)	138,717,041	104,695,385
At amortized cost	(19)	39,287,834	39,814,734
At fair value through Profit and Loss	(19)	145,167	--
Investments in associates	(20)	1,223,506	1,649,334
Intangible assets	(21)	653,210	645,986
Investment Property	(22)	11,972	13,893
Other assets	(23)	19,423,280	14,968,076
Deferred tax assets	(31)	1,181,966	848,851
Leasing fixed assets (Net)	(24)	4,789,211	4,634,502
Property and equipment	(25)	4,022,156	3,827,440
Total assets		**561,219,710**	**540,381,955**
Liabilities and Equity			
Liabilities			
Due to banks	(26)	2,971,635	2,508,159
Customers' deposits	(27)	443,877,973	404,539,887
Other loans	(28)	21,663,325	46,274,958
Other liabilities	(29)	18,120,021	15,248,935
Other provisions	(30)	3,126,935	2,407,480
Current income tax liabilities		1,817,973	4,159,612
Deferred tax liabilities	(31)	498,916	512,826
Retirement benefit liabilities	(32)	2,316,709	2,118,674
Total liabilities		**494,393,487**	**477,770,531**
Equity			
Issued and paid-up capital	(33)	30,500,000	20,500,000
Amounts paid under capital increase	(33)	--	10,000,000
Reserves	(34)	7,485,293	9,181,085
Net profit for the period / year and retained earnings	(34)	28,819,658	22,915,021
Net equity		66,804,951	62,596,106
Non-controlling interest	(35)	21,272	15,318
Total equity		**66,826,223**	**62,611,424**
Total liabilities and equity		**561,219,710**	**540,381,955**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.
- Limited Review Report (attached).

Chief Financial Officer
Mohamed Ibrahim

CEO & Manging Director
Hussein Abaza

Consolidated Income Statement

for the Six months ended 30 June 2026

(All amounts are shown in thousands Egyptian pounds)

	Note No.	For the Six months ended		For the Three months ended	
		30/06/2026	30/06/2025	30/06/2026	30/06/2025
Interest and similar income	(6)	44,661,943	43,030,027	21,426,666	20,613,596
Interest and similar expense	(6)	(25,869,914)	(26,055,021)	(11,975,241)	(12,118,891)
Net interest income		**18,792,029**	**16,975,006**	**9,451,425**	**8,494,705**
Fee and commission income	(7)	3,931,098	3,322,855	2,094,530	1,737,685
Fee and commission expense	(7)	(503,719)	(328,777)	(244,510)	(163,928)
Net fee and commission income		**3,427,379**	**2,994,078**	**1,850,020**	**1,573,757**
Net interest, fee and commission income		**22,219,408**	**19,969,084**	**11,301,445**	**10,068,462**
Dividend income	(8)	56,653	580,474	15,801	569,095
Net trading income	(9)	66,010	75,750	27,984	46,991
Gains from financial investments	(19)	492,517	103,281	176,649	46,644
(Charged) reversed of expected credit loss	(12)	(1,020,810)	(3,118,730)	(489,434)	(1,565,107)
Administrative expenses	(10)	(8,182,481)	(7,009,989)	(4,141,282)	(3,511,400)
Other operating revenues (expenses)	(11)	(592,504)	173,951	114,948	189,578
Share of results of associates		(59,361)	(81,710)	325	(13,209)
Profit before income tax for the period		**12,979,432**	**10,692,111**	**7,006,436**	**5,831,054**
Income tax expense	(13)	(4,037,604)	(3,353,141)	(2,209,496)	(1,847,513)
Net profit after tax for the period		**8,941,828**	**7,338,970**	**4,796,940**	**3,983,541**
Holding company		8,939,284	7,336,961	4,795,886	3,982,556
Non-controlling interest		2,544	2,009	1,054	985
Net profit after tax for the period		**8,941,828**	**7,338,970**	**4,796,940**	**3,983,541**
The basic earnings per share	(14)	**0.68**	**0.74**		

- The accompanying notes from (1) to (41) 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 Income Statement

for the Six months ended 30 June 2026

(All amounts are shown in thousands Egyptian pounds)

	Note No.	For the Six months ended		For the Three months ended	
		30/06/2026	30/06/2025	30/06/2026	30/06/2025
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Net interest income		**18,792,029**	**16,975,006**	**9,451,425**	**8,494,705**
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Dividend income	(8)	56,653	580,474	15,801	569,095
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Gains from financial investments	(19)	492,517	103,281	176,649	46,644
(Charged) reversed of expected credit loss	(12)	(1,020,810)	(3,118,730)	(489,434)	(1,565,107)
Administrative expenses	(10)	(8,182,481)	(7,009,989)	(4,141,282)	(3,511,400)
Other operating revenues (expenses)	(11)	(592,504)	173,951	114,948	189,578
Share of results of associates		(59,361)	(81,710)	325	(13,209)
Profit before income tax for the period		**12,979,432**	**10,692,111**	**7,006,436**	**5,831,054**
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Net profit after tax for the period		**8,941,828**	**7,338,970**	**4,796,940**	**3,983,541**
Holding company		8,939,284	7,336,961	4,795,886	3,982,556
Non-controlling interest		2,544	2,009	1,054	985
Net profit after tax for the period		**8,941,828**	**7,338,970**	**4,796,940**	**3,983,541**
The basic earnings per share	(14)	**0.68**	**0.74**		

- The accompanying notes from (1) to (41) 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 Six months ended 30 June 2026

(All amounts are shown in thousands Egyptian Pounds)

		30/06/2026	30/06/2025
Net profit after tax for the period	(1)	**8,941,828**	**7,338,970**
Transferred (from) to retained earnings (net of tax)	(2)	10,888	(1,254)
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		53,631	585
Items reclassified to profit and loss			
Net change-movement in fair value reserve for debt instruments at fair value through other comprehensive income		(1,226,773)	170,599
Total other comprehensive income items for the period, net of tax	(3)	**(1,173,142)**	**171,184**
Total comprehensive income for the period, net of tax	(1+2+3)	**7,779,574**	**7,508,900**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith

Consolidated Statement of Cash flows

for the Six months ended 30 June 2026

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	30/06/2026	30/06/2025
Cash flows from operating activities			
Profit before income tax for the period		12,979,432	10,692,111
Adjustments (to reconcile net profit to cash flows from operating activities)			
Depreciation / Amortization		602,766	463,924
Leasing fixed assets depreciation		54,405	(968)
Investment Property depreciation		384	1,964
Expected credit losses		1,020,810	3,118,730
Charged other provision		917,762	459,708
Charged impairment for other assets		58,729	1,466
Provisions no longer required		(152,866)	(84,553)
Gains of selling property and equipment		(57,690)	(320)
Gains of selling reverted assets		(8,845)	(165)
Foreign currency translation of other provisions		(17,197)	(10,769)
Other provisions utilized other than loans' provisions		(28,348)	(20,108)
Dividend income		(56,653)	(580,474)
Share of results of associates		59,361	81,710
Foreign currency translation of sovereign provisions for debt instruments		14,638	(12,653)
(Reverse) of gains from sale of debt instruments at fair value through other comprehensive income		(365,462)	(68,035)
(Charge) of valuation resulting from Financial investments through Profit and loss		(1,852)	--
Gain (Charge) of valuation resulting from monetary foreign currency investments and other loans		2,289,293	(374,132)
Reverse of amortization of premium/discount of issuing financial investments		(373,143)	(193,005)
Operating profit before changes in assets and liabilities provided from operating activities		**16,935,524**	**13,474,431**
Net Decrease (Increase) in assets			
Due from banks		(2,597,370)	3,036,701
Loans and advances to banks		(8,497,223)	(7,287,267)
Loans and advances to customers		(13,772,575)	(10,593,457)
Financial derivatives		--	(8,577)
Investments through profit and loss		(143,315)	--
Other assets		(4,599,763)	(6,986,521)
Net Increase (Decrease) in liabilities			
Due to banks		462,756	(319,423)
Customers' deposits		39,270,502	28,747,770
Financial derivatives		--	8,362
Other liabilities		2,300,679	32,404
Retirement benefit liabilities		198,035	189,368
Income tax paid		(5,998,079)	(1,169,020)
Net cash flows provided from operating activities		**23,559,171**	**19,124,771**

Consolidated Statement of Cash flows

for the Six months ended 30 June 2026

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	30/06/2026	30/06/2025
Net cash flow provided from operating activities		**23,559,171**	**19,124,771**
Cash flows from investing activities			
Payments to purchase fixed assets and preparation of branches		(670,075)	(776,797)
Payments to purchase leasing fixed assets		(159,122)	(1,167,052)
Proceeds from the sale of leasing fixed assets		6,874	--
Prepaid payments to purchase fixed assets		--	(6,799)
Prepaid payments to purchase leasing fixed assets		--	(22,998)
Proceeds from the sale of property and equipment		66,448	329
Proceeds from the sale of assets reverted to the Bank		8,873	201
Proceeds from the sale of financial investments at fair value through OCI		347,564,771	104,812,351
Payments for purchases of financial investments at fair value through OCI		(369,160,467)	(117,967,518)
Proceeds from the sale of financial investments at amortized cost		1,422,116	3,888,243
Payments for purchases of financial investments at amortized cost		(1,026,654)	(4,800,000)
Payments for investments in associates		(58,143)	(228,406)
Payments to purchase intangible assets		(158,439)	(245,635)
Dividends received		83,466	39,485
Net cash flows (used in) investing activities		**(22,080,352)**	**(16,474,596)**
Cash flows from financing activities			
Capital Increase (NCI)		5,000	--
Proceeds from other loans		2,298,005	2,163,874
Payments for other loans		(29,754,887)	(6,931,966)
Financial lease contracts settlement		(54,095)	(1,923)
Dividends paid		(2,714,470)	(2,400,302)
Net cash flows (used in) financing activities		**(30,220,447)**	**(7,170,317)**
Foreign currency translation differences of financial statement		17,610	3,392
Net (decrease) in cash and cash equivalent during the period		(28,741,628)	(4,520,142)
Beginning balance of cash and cash equivalent for the period		130,253,962	177,705,340
Cash and cash equivalent at the end of the period		**101,529,944**	**173,188,590**
Cash and cash equivalent are represented in the following:			
Cash and balances at the Central Bank	(15)	41,255,108	33,936,470
Due from banks	(16)	48,358,436	123,978,563
Due from banks with maturity more than 3 months		--	(138,725)
Treasury bills and other governmental notes		96,084,089	56,095,860
Balances at the central bank within the mandatory reserve ratio		(24,579,764)	(14,830,690)
Treasury bills and other governmental notes with maturity more than 3 months		(59,587,925)	(25,852,888)
Total cash and cash equivalent	**(37)**	**101,529,944**	**173,188,590**

- The accompanying notes from (1) to (41) an integral part of these Financial Statements and are to be read therewith.

Consolidated statement of change in equity

for the Six months ended 30 June 2026

(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 subordinated deposit	Net profit for the period and retained earnings	Net equity	Non-controlling interest	Total equity
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		--	--	--	--	(2,661,663)	**(2,661,663)**	(1,204)	**(2,662,867)**
Transferred to capital		1,500,000	(1,500,000)	--	--	--	**--**	--	**--**
Amounts paid under capital increase		--	--	--	--	--	**--**	--	**--**
Transferred to legal reserve		--	--	621,933	--	(621,933)	**--**	--	**--**
Transferred to general banking risk reserve		--	--	130,667	--	(130,667)	**--**	--	**--**
Transferred to capital reserve		--	--	51,548	--	(51,548)	**--**	--	**--**
Net Change in items of other comprehensive income		--	--	171,184	--	(1,254)	**169,930**	--	**169,930**
Expected Credit Losses on debt instruments at fair value through OCI		--	--	392,217	--	--	**392,217**	--	**392,217**
Difference between the face value and present value for subordinated deposit		--	--	--	(255,161)	--	**(255,161)**	--	**(255,161)**
Translation Differences		--	--	5,958	--	--	**5,958**	--	**5,958**
Net profit for the period ended 30 June 2025		--	--	--	--	7,336,961	**7,336,961**	2,009	**7,338,970**
Balance as at 30/06/2025		**20,500,000**	--	**8,008,947**	**924,540**	**21,225,917**	**50,659,404**	**13,824**	**50,673,228**
Balance as at 01/01/2026		**20,500,000**	**10,000,000**	**9,181,085**	**--**	**22,915,021**	**62,596,106**	**15,318**	**62,611,424**
Dividend distributions		--	--	--	--	(3,361,778)	**(3,361,778)**	(1,590)	**(3,363,368)**
Transferred to capital		10,000,000	(10,000,000)	--	--	--	**--**	--	**--**
Amounts paid under capital increase		--	--	--	--	--	**--**	5,000	**5,000**
Transferred to legal reserve		--	--	811,210	--	(811,210)	**--**	--	**--**
Transferred to general banking risk reserve		--	--	(1,207,868)	--	1,207,868	**--**	--	**--**
Transferred to capital reserve		--	--	80,415	--	(80,415)	**--**	--	**--**
Net change in items of other comprehensive income		--	--	(1,173,142)	--	10,888	**(1,162,254)**	--	**(1,162,254)**
Expected Credit Losses on debt instruments at fair value through OCI		--	--	98,857	--	--	**98,857**	--	**98,857**
Difference between the face value and present value for subordinated deposit		--	--	--	--	--	**--**	--	**--**
Translation differences		--	--	(305,264)	--	--	**(305,264)**	--	**(305,264)**
Net profit for the period ended 30 June 2026		--	--	--	--	8,939,284	**8,939,284**	2,544	**8,941,828**
Balance as at 30/06/2026	**(33,34)**	**30,500,000**	**--**	**7,485,293**	**--**	**28,819,658**	**66,804,951**	**21,272**	**66,826,223**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.

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 244 branches, offices, units and agencies. The Bank employs 8,238 employees at the financial statements preparation date for the period ended 30 June 2026.

The terms "Bank" used in this Financial Statement refers to Banque Du Caire while the term "Group" refers to Banque Du Caire and its subsidiaries.

The Board of Directors approved the consolidated financial statements for the period ended 30 June 2026 on 14 September 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

These consolidated financial statements of the Bank and its subsidiaries for the six months period ended June 30 ,2026 ,have been prepared for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange, consequently this consolidated financial statement might not be appropriate to any other purpose.

A separate set of statutory consolidated financial statements for the same financial period, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which External auditors (KPMG Hazem Hassan and Accountability State Authority) have expressed an unmodified conclusion on August 11, 2026.

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 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:

1) Banque Du Caire
2) Cairo Bank Uganda 99.99%
3) Cairo Lending Company 98%
4) Taly for the digital payments Company 99.997%
5) 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. • Conditions for classifying financial assets at fair value through profit or loss: All of the following conditions must be met for financial assets that the bank may classify, upon acquisition, at fair value through profit or loss: ➢ They must be listed on a domestic or foreign stock exchange. ➢ They must have been actively traded during the three months preceding the acquisition date.

- **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 Amendements 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.

Off setting Financial Assets and Financial Liabilitie

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 agreemets 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 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)
Financial Instruments Low Credit Risk	There is no Past dues	Scope of accepted risks				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contractual installments	If the Borrower encounters 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 (ORR).

The Bank classifies customers within each group into three stages based on the following quantitative and qualitative criteria:

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)
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 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 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.		

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:

- 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 in
- to 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 of 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		Additions Property and equipment from 28 Feb 2022 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	8-10 years	(10%-12.5%)
Fixtures fittings rental	33.3%	3 years	16.7%	6 years	From 8-10 years or lease term whichever is lower	-

- 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:

	30/06/2026	31/12/2025
Bank's Assessment	Loans and advances	Loans and advances
1- Stage 1	75.64 %	77.93%
2- Stage 2	20.27%	18.08%
3- Stage 3	4.09%	3.99%
	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:

	30/06/2026	31/12/2025
Cash and balances at Central Bank	24,579,764	21,922,249
Due from banks	48,358,436	93,431,600
Loans and advances to banks	27,213,677	18,718,022
Loans and advances to customers:		
Retail: -		
-Overdraft accounts	1,006,820	1,559,695
-Credit cards	4,983,338	4,428,140
-Direct Loans	616,939	594,655
-Personal loans	86,205,906	83,576,052
-Mortgage loans	14,828,303	12,845,694
Corporate:		
- Overdraft accounts	46,883,369	41,568,067
-Direct loans	59,848,269	59,580,586
-Syndicated loans	36,630,118	33,897,278
-Discounted documents	2,040,744	1,489,782
Financial investments at fair value through other comprehensive income		
-Debt instruments, Treasury bills and other governmental notes	137,773,820	103,813,989
Financial investments at amortized cost		
-Debt instruments	39,054,303	39,529,672
-Treasury bills and other governmental notes	233,531	285,062
Leased Fixed Assets	4,789,211	4,634,502
Other assets *	7,575,551	5,534,662
Total	**542,622,099**	**527,409,707**

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

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

The table (A-5) represents the maximum credit risk exposure that the bank may face as of June 30, 2026, and December 31, 2025, without taking any guarantees into consideration. The table shows that 51.65% of the maximum credit risk exposure arises from loans and facilities granted to customers and banks, including discounted documents (December 2025: 48.98%). Meanwhile, investments in debt instruments classified within financial assets at fair value through other comprehensive income and at amortized cost represent 32.63% of this exposure (December 2025:27.24%).

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

Due from banks	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	37,237,662	11,120,774	--	48,358,436
Normal watch-list	--	--	--	**--**
Special watch-list	--	--	--	**--**
Non-performing loan	--	--	--	**--**
Total	**37,237,662**	**11,120,774**	--	**48,358,436**
ECL Provision	**(410)**	**(14,447)**	--	(14,857)
Net carrying amount	**37,237,252**	**11,106,327**	--	**48,343,579**

Due from banks	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
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**

Treasury bills and other governmental notes	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	76,855,310	19,228,779	--	96,084,089
Normal watch-list	--	--	--	**--**
Special watch-list	--	--	--	**--**
Non-performing loan	--	--	--	**--**
Total	**76,855,310**	**19,228,779**	**--**	**96,084,089**
ECL Provision	**--**	(168,120)	**--**	(168,120)
Net carrying amount	**76,855,310**	**19,060,659**	**--**	**95,915,969**

Treasury bills and other governmental notes	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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 Bonds	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	56,757,049	14,451,700	--	71,208,749
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	**56,757,049**	**14,451,700**	**--**	**71,208,749**
ECL Provision	--	(487,026)	--	(487,026)
Net carrying amount	**56,757,049**	**13,964,674**	**--**	**70,721,723**

Treasury Bonds	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

Corporate Bonds	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	9,700,350	68,466	--	9,768,816
Total	**9,700,350**	**68,466**	**--**	**9,768,816**
ECL Provision	(8,722)	(224)	--	(8,946)
Net carrying amount	**9,691,628**	**68,242**	--	**9,759,870**

Corporate Bonds	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	10,667,314	78,885	--	10,746,199
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**

Loans and advances to Banks	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	--	27,213,677	--	27,213,677
Total	**--**	**27,213,677**	**--**	**27,213,677**
ECL Provision	--	(60,959)	--	(60,959)
Net carrying amount	**--**	**27,152,718**	**--**	**27,152,718**

Loans and advances to Banks	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	--	18,718,022	--	18,718,022
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 Retail	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	97,794,771	5,853,294	--	103,648,065
Normal watch-list	--	14,347	--	14,347
Non-performing loan	--	--	3,978,892	3,978,892
Total	**97,794,771**	**5,867,641**	**3,978,892**	**107,641,304**
ECL Provision	(1,392,905)	(264,370)	(2,767,806)	(4,425,081)
Net carrying amount	**96,401,866**	**5,603,271**	**1,211,086**	**103,216,223**

Loans and advances to Retail	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	92,020,560	7,202,494	--	99,223,054
Normal watch-list	--	13,829	--	13,829
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 large & medium Corporate	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	80,236,251	41,517,032	--	121,753,283
Normal watch-list	--	33,477	--	33,477
Special watch-list	--	1,274,086	--	1,274,086
Non-performing loan	--	--	5,335,964	5,335,964
Total	**80,236,251**	**42,824,595**	**5,335,964**	**128,396,810**
ECL Provision	(450,410)	(6,722,735)	(4,596,514)	(11,769,659)
Net carrying amount	**79,785,841**	**36,101,860**	**739,450**	**116,627,151**

Loans and advances to large & medium Corporate	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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 small corporate	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Credit rating				
Good debts	13,376,112	2,588,129	--	15,964,241
Non-performing loan	--	--	1,041,451	1,041,451
Total	**13,376,112**	**2,588,129**	**1,041,451**	**17,005,692**
ECL Provision	(1,254,505)	(252,486)	(297,768)	(1,804,759)
Net carrying amount	**12,121,607**	**2,335,643**	**743,683**	**15,200,933**

Loans and advances to small corporate	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

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

Due from banks	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**351**	**18,232**	**--**	**18,583**
New financial assets purchased or issued	52	--	--	52
Financial assets have been matured or derecognized	--	(4,717)	--	(4,717)
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	7	932	--	939
Balance at the end of the period	**410**	**14,447**	**--**	**14,857**

Due from banks	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

Treasury bills and other governmental notes	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**--**	**135,758**	**--**	**135,758**
New financial assets purchased or issued	--	33,524	--	33,524
written-off during the period	--	--	--	--
Foreign exchange translation differences	--	(1,162)	--	(1,162)
Balance at the end of the period	**--**	**168,120**	**--**	**168,120**

Treasury bills and other governmental notes	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
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**

Treasury Bonds	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**--**	**420,175**	**--**	**420,175**
New financial assets purchased or issued	--	51,051	--	51,051
Foreign exchange translation differences	--	15,800	--	15,800
Balance at the end of the period	**--**	**487,026**	**--**	**487,026**

Treasury Bonds	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

Corporate Bonds	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**9,017**	**285**	**--**	**9,302**
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	(295)	(61)	--	(356)
Balance at the end of the period	**8,722**	**224**	**--**	**8,946**

Corporate Bonds	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

Loans and advances to Banks	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**--**	**25,434**	**--**	**25,434**
New financial assets purchased or issued	--	37,093	--	37,093
Foreign exchange translation differences	--	(1,568)	--	(1,568)
Balance at the end of the period	**--**	**60,959**	**--**	**60,959**

Loans and advances to Banks	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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)
Foreign exchange translation differences	--	(3,079)	--	(3,079)
Balance at the end of the year	**--**	**25,434**	**--**	**25,434**

Loans and advances to Retail	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**1,476,489**	**366,146**	**2,755,793**	**4,598,428**
Cairo Bank Uganda adjustments	1,722	1,791	(717)	2,796
New financial assets purchased or issued	172,093	14,555	63,774	250,422
Financial assets have been matured or derecognized	(66,062)	(34,426)	(919,562)	(1,020,050)
Transfer to stage 1	23,542	(23,255)	(287)	--
Transfer to stage 2	(140,084)	141,492	(1,408)	--
Transfer to stage 3	(378,885)	(468,630)	847,515	--
Changes in balance during the period	304,068	266,559	21,773	592,400
written-off during the period	--	--	241	241
Foreign exchange translation differences	22	137	684	843
Balance at the end of the period	**1,392,905**	**264,369**	**2,767,806**	**4,425,080**

Loans and advances to Retail	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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 in balance during the period	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 large & medium Corporate	30 June 2026 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2026	**670,965**	**6,366,237**	**4,356,776**	**11,393,978**
Cairo Bank Uganda adjustments	(169)	(2,706)	79	(2,796)
New financial assets purchased or issued	104,466	1,002,409	130,772	1,237,647
Financial assets have been matured or derecognized	(214,548)	(592,634)	(310,798)	(1,117,980)
Transfer to stage 1	12,983	(12,983)	--	--
Transfer to stage 2	(125,397)	125,397	--	--
Transfer to stage 3	(63)	(212,802)	212,865	--
Commitments for loans (unused limits)	--	--	--	--
written-off during the period	--	--	(61,951)	(61,951)
Proceeds from written-off during the period	--	--	219,700	219,700
Foreign exchange translation differences	2,173	49,818	49,071	101,062
Balance at the end of the period	**450,410**	**6,722,736**	**4,596,514**	**11,769,660**

Loans and advances to large & medium Corporate	31 December 2025 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 small Corporate	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
ECL Provision at January 01, 2026	**1,022,163**	**229,618**	**216,461**	**1,468,242**
New financial assets purchased or issued	236,144	38,540	61,682	336,366
Financial assets have been matured or derecognized	(3,696)	(8,301)	(15,739)	(27,736)
Transfer to stage 1	11	(11)	--	--
Transfer to stage 2	(104)	104	--	--
Transfer to stage 3	(13)	(7,464)	7,477	--
Loans written-off during the period	--	--	(4,640)	(4,640)
Proceeds from written-off	--	--	32,527	32,527
Foreign exchange translation differences	--	--	--	--
Balance at the end of the period	**1,254,505**	**252,486**	**297,768**	**1,804,759**

Loans and advances to small Corporate	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

The following tables represent summary of expected credit losses at the end of the period/year.

Items	30 June 2026			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Due from banks	410	14,447	--	14,857
Treasury bills & other governmental notes	--	168,120	--	168,120
Treasury bonds	--	487,026	--	487,026
Corporate bonds	8,722	224	--	8,946
Loans and advances to banks	--	60,959	--	60,959
Loans and advances to customers	1,392,905	264,370	2,767,806	4,425,081
Loans and advances to large& medium corporate	450,410	6,722,735	4,596,514	11,769,659
Loans and advances to small corporate	1,254,505	252,486	297,768	1,804,759
Expected credit losses for contingent liabilities corporate	83,217	495,821	160,228	739,266
Expected credit losses for contingent liabilities SMEs	16,690	776	2,768	20,234
Expected credit losses for contingent liabilities due from banks	7,740	31,777	--	39,517
Commitment on unused Loans corporate	250,205	355,517	133,827	739,549
Commitment on unused Loans SMEs	16,895	8,368	326	25,589
Other provisions (leased assets customers)	81,061	61,677	33,872	176,610
Balance at the end of the Period	**3,562,760**	**8,924,303**	**7,993,109**	**20,480,172**

Items	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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**

Off balance sheet items exposed to credit risk	30/06/2026	31/12/2025
Non-revocable credit related commitments for loans and other liabilities	15,537,818	17,537,440
Letter of credit	14,907,570	11,375,891
Letters of guarantee	60,231,296	47,319,515
Customers Acceptances	3,088,729	2,746,544
Total	**93,765,413**	**78,979,390**

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:

- 72.82% of loans and advances portfolio are considered to be neither past due nor impaired (71.73%) 31 December 2025).
- 4.35 %of loans and advances portfolio individually impaired (4.73%: 31 December 2025).
- Loans and advances that are not impaired represent 95.18% from total loans portfolio (94.9%:31 December 2025) including past due loans but not impaired represent 22.83 % from total loans portfolio (23.54%: 31 December 2025).

A-6 Loans and advances

The following is the position of loans and advances' balances as regarding creditworthiness

	30/06/2026		31/12/2025	
	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	176,877,503	27,213,677	166,508,701	18,718,022
With past due but not impaired	63,970,371	--	60,813,933	--
Individually impaired	12,195,932	--	12,217,315	--
Total	**253,043,806**	**27,213,677**	**239,539,949**	**18,718,022**
(Less): Expected Credit Loss	(17,999,499)	(60,959)	(17,460,648)	(25,742)
(Less): Unearned discount of discounted documents	(31,345)	--	(52,693)	--
Net	**235,012,962**	**27,152,718**	**222,026,608**	**18,692,280**

- Total Expected Credit Loss provision of loans and advances to customers amounted EGP **17,999,499** thousand as at **30 June 2026** of which EGP **7,662,188** thousand represents impairment of individual loans (Stage 3) and the balance of EGP **10,337,311** thousand represents the provision of ECL (Stage 1 and Stage 2)

  (31 December 2025: EGP **17,460,648**) thousands of which EGP **7,329,030** thousand represents impairment of individual loans and the balance of EGP **10,131,618** 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 period year loans and advances to customers and Banks increased by **8.52%**

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.

	30 June 2026									
	Retail					Corporate				
Grade	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	625,553	4,492,720	81,161,545	416,242	14,781,931	2,659,564	21,539,892	4,935,651	130,613,098	27,213,677
2 Regular watching	28,020	--	--	43,587	--	761,489	24,830,414	19,552,819	45,216,329	--
3 Watch list	16,604	--	--	74,097	--	320,833	636,542	--	1,048,076	--
Total	**670,177**	**4,492,720**	**81,161,545**	**533,926**	**14,781,931**	**3,741,886**	**47,006,848**	**24,488,470**	**176,877,503**	**27,213,677**

	31 December 2025									
	Retail					Corporate				
Grade	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**

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:

	Retail		Corporate			
30 June 2026	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total Loans and advances to customers
Past dues up to 30 days	--	--	36,289,685	11,405,692	5,164,778	52,860,155
Past dues more than 30 to 60 days	35,393	58,037	2,329,795	997,756	3,125,291	6,546,272
Past dues more than 60 to 90 days	2,259	11,887	284,582	403,421	147,544	849,693
Past dues more than 90 days	--	--	2,773	7,443	3,704,035	3,714,251
Total	**37,652**	**69,924**	**38,906,835**	**12,814,312**	**12,141,648**	**63,970,371**

	Retail		Corporate			
31 December 2025	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total Loans and advances to customers
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**

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 **12,195,932** thousand as at 30 June 2026 (31 December 2025: EGP **12,217,315** 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:

	Retail					Corporate		
30 June 2026	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgages Loans	Overdraft	Direct loans	Total
Individually impaired loans	**298,991**	**490,618**	**5,044,361**	**13,089**	**46,372**	**6,275,392**	**27,109**	**12,195,932**

	Retail					Corporate		
31 December 2025	Overdrafts	Credit cards	Personal loans	Direct loans	Mortgages Loans	Overdraft	Direct loans	Total
Individually impaired loans	**573,799**	**521,840**	**5,291,771**	**30,407**	**30,745**	**5,701,170**	**67,583**	**12,217,315**

- The fair value of collaterals held by the Bank against above loans is totaled EGP 3,571,204 thousand (31 December 2025: EGP 3,689,663 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 **8,820,212** thousand as of 30 June 2026 (31 December 2025: EGP **10,344,325** thousand)

Loans and advances to customers

	30/06/2026	31/12/2025
Corporate		
- Direct loans	315,258	396,850
- Syndicated loans	8,501,539	9,936,506
Retail		
- Personal loans	3,415	10,969
Total	**8,820,212**	**10,344,325**

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 period, based on the assessment Evaluation agencies at end of the period:

Rating	Net Treasury bills and treasury notes at FVTOCI	Debt instruments at FVTOCI	Debt instruments at amortized cost	Other investments at amortized cost	Total	Period/year
B	**95,850,558**	**41,923,262**	**39,231,721**	**56,113**	**177,061,654**	**06/2026**
B	**66,704,405**	**37,109,584**	**39,758,621**	**56,113**	**143,628,723**	**12/2025**

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 period.
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	**--**	**--**	**--**	27,213,677	**27,213,677**
Loans and advances to customers					
Retail :					
-Overdraft	306,879	561,859	37,650	100,432	**1,006,820**
-Credit cards	3,241,478	1,180,508	561,352	--	**4,983,338**
-Personal loans	36,335,910	30,523,286	19,346,708	--	**86,205,906**
-Mortgages loans	12,428,864	1,006,735	1,392,704	--	**14,828,303**
-Direct loans	**--**	**--**	**--**	616,939	**616,939**
Loans to corporate:					
- Overdraft	37,850,772	8,024,570	773,687	234,340	**46,883,369**
-Direct loans	47,133,714	9,376,295	1,898,735	1,439,525	**59,848,269**
-Syndicated loans	31,553,364	3,332,462	1,744,292	**--**	**36,630,118**
Discounted documents	980,115	1,060,629	--	**--**	**2,040,744**
Financial investment at fair value through other comprehensive income					
-Debt instrument	41,923,262	--	--	**--**	**41,923,262**
-Treasury bills and other governmental notes	95,850,558	--	--	**--**	**95,850,558**
Financial investment at amortized cost					
-Debt instrument	36,739,572	--	--	2,314,731	**39,054,303**
-Treasury bills and other governmental notes	--	--	--	233,531	**233,531**
Leased fixed assets	4,789,211	--	--	--	**4,789,211**
Other assets*	7,060,143	371,511	143,897	--	**7,575,551**
Total as at 30 June 2026	**356,193,842**	**55,437,855**	**25,899,025**	**32,153,175**	**469,683,899**
Total as at 31 December 2025	**309,430,082**	**53,770,790**	**25,566,702**	**23,288,284**	**412,055,858**

(*) 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 institutions	Manufacturing	Real estate	Wholesale and retail trade	Government sector	Other activities	Individual	Total
Loans and advances to banks	27,213,677	--	--	--	--	--	--	**27,213,677**
Loans and advances to customers								
Retail:								
- Overdrafts	--	10,673	9,683	7,464	--	61,347	917,653	**1,006,820**
- Credit cards	--	--	--	--	--	--	4,983,338	**4,983,338**
- Direct loans	--	27,118	27,795	239,106	--	294,298	28,622	**616,939**
- Personal loans	--	--	--	--	--	--	86,205,906	**86,205,906**
- Mortgages Loans	--	--	14,828,303	--	--	--	--	**14,828,303**
Corporate:								
- Overdrafts	--	10,656,875	13,044	2,879,343	8,410,653	24,897,462	25,992	**46,883,369**
- Direct loans	--	5,375,345	166,811	513,647	12,530,999	41,196,728	64,739	**59,848,269**
- Syndicated loans	--	6,900,883	1,195,500	--	18,781,841	9,751,894	--	**36,630,118**
Discount documents	--	130,000	--	221,272	--	1,689,472	--	**2,040,744**
Financial investment at fair value through other comprehensive income								
-Debt instrument	9,768,816	--	--	--	32,154,446	--	--	**41,923,262**
-Treasury bills and other governmental notes	--	--	--	--	95,850,558	--	--	**95,850,558**
Financial investment at amortized cost								
-Debt instruments	--	--	--	--	39,054,303	--	--	**39,054,303**
-Treasury bills and other governmental notes	--	--	--	--	233,531	--	--	**233,531**
Leased fixed assets	--	--	--	--	--	4,789,211	--	**4,789,211**
Other assets (*)	--	--	--	--	--	7,575,551	--	**7,575,551**
Total as at 30 June 2026	**36,982,493**	**23,100,894**	**16,241,136**	**3,860,832**	**207,016,331**	**90,255,963**	**92,226,250**	**469,683,879**
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**

* 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)

	6 months till the end of current period 2026			12 months till the end of compared year 2025		
	Average	High	Low	Average	High	Low
Foreign exchange risk	61,931	315,670	1,504	13,486	142,567	1,059
Equity Instruments risk	696	788	544	-	-	-
VAR	**62,627**	**316,458**	**2,048**	**13,486**	**142,567**	**1,059**

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

30 June 2026	EGP	USD	Euro	GBP	Other Currencies	Total
Financial Assets						
Cash and balances at Central Bank	33,240,650	4792,735	976,315	120,974	2,124,434	**41,255,108**
Due from banks	12,847,980	29,995,322	3,376,885	475,843	1,647,549	**48,343,579**
Loans and advances to banks	--	26,193,500	959,218	--	--	**27,152,718**
Loans and advances to customers	202,690,191	28,755,657	1,771,376	--	1,795,738	**235,012,962**
Financial Investments						
At fair value through other comprehensive income	104,961,850	30,618,796	3,136,118	--	277	**138,717,041**
At fair value through profit and loss	145,167	--	--	--	--	**145,167**
At amortized cost	36,739,572	--	--	--	2,548,262	**39,287,834**
Investments in associates	565,505	658,001	--	--	--	**1,223,506**
Total financial Assets	**391,190,915**	**121,014,011**	**10,219,912**	**596,817**	**8,116,260**	**531,137,915**
Financial liabilities						
Due to banks	1,054,925	1,730,885	175,628	2,796	7,401	**2,971,635**
Customers' deposits	326,273,716	104,184,184	9,316,985	603,550	3,499,538	**443,877,973**
Other loans	4,055,841	16,765,957	841,527	--	--	**21,663,325**
Total financial Liabilities	**331,384,482**	**122,681,026**	**10,334,140**	**606,346**	**3,506,939**	**468,512,933**
Net financial assets in Financial Position	**59,806,433**	**(1,667,015)**	**(114,228)**	**(9,529)**	**4,609,321**	**62,624,982**
31 December 2025						
Total financial assets	**360,471,997**	**137,373,150**	**10,506,409**	**708,107**	**6,383,544**	**515,443,207**
Total financial liabilities	**301,697,724**	**137,755,943**	**10,209,442**	**677,403**	**2,982,492**	**453,323,004**
Net financial assets in Financial Position	**58,774,273**	**(382,793)**	**296,967**	**30,704**	**3,401,052**	**62,120,203**

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:

30 June 2026	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	--	--	--	--	--	--	41,255,108	**41,255,108**
Due from banks	32,869,208	11,120,774	--	--	--	3,307,707	1,060,747	**48,358,436**
Loans and advances to banks	4,445,883	2,944,801	19,822,993	--	--	--	--	**27,213,677**
Loans and advances to customers	71,221,202	18,423,012	26,372,648	33,741,090	58,788,753	44,497,101	--	**253,043,806**
Financial Investments								
- At fair value through other comprehensive income	28,492,174	18,293,318	67,168,995	22,134,935	7,668,321	--	943,221	**144,700,964**
- At amortized cost	4,044,889	7,066,612	2,374,301	24,811,246	691,069	299,717	--	**39,287,834**
Total financial assets	**141,073,356**	**57,848,517**	**115,738,937**	**80,687,271**	**67,148,143**	**48,104,525**	**43,259,076**	**553,859,825**

B-4 Interest rate risk - Continued

30 June 2026	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	(123,898)	--	1,240,578	--	--	1,854,955	--	**2,971,635**
Customers' deposits	116,360,784	35,408,264	71,884,707	97,456,112	27,495,709	88,021,370	7,251,027	**443,877,973**
Other loans	7,466,869	478,087	6,779,499	1,466,227	5,464,443	8,200	--	**21,663,325**
Total financial liabilities	**123,703,755**	**35,886,351**	**79,904,784**	**98,922,339**	**32,960,152**	**89,884,525**	**7,251,027**	**468,512,933**
Total interest re-pricing gap	**17,369,601**	**21,962,166**	**35,834,153**	**(18,235,068)**	**34,187,991**	**(41,780,000)**	**36,008,049**	**85,346,892**
As at 31 December 2025								
Total financial assets	**97,594,585**	**133,611,637**	**86,408,936**	**74,073,418**	**67,576,438**	**41,095,084**	**36,750,379**	**537,110 477**
Total financial liabilities	**83,617,645**	**55,168,550**	**110,037,565**	**81,338,470**	**28,161,926**	**87,511,307**	**7,487,541**	**453,323,004**
Total interest re-pricing gap	**13,976,940**	**78,443,087**	**(23,628,629)**	**(7,265,052)**	**39,414,512**	**(46,416,223)**	**29,262,838**	**83,787,473**

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 contractual.

30 June 2026	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
Financial liabilities							
Due to banks	1,731,459	--	1,240,577	--	--	--	**2,972,036**
Customers' deposits	133,949,821	47,315,474	82,943,958	159,367,907	74,977,634	1,417,491	**499,972,285**
Other loans	668,777	491,065	3,648,034	7,338,374	15,034,972	--	**27,181,222**
Total liabilities (contractual maturity dates)	**136,350,057**	**47,806,539**	**87,832,569**	**166,706,281**	**90,012,606**	**1,417,491**	**530,125,543**
Total assets (contractual maturity dates)	**144,361,027**	**42,692,023**	**154,178,885**	**182,553,202**	**160,872,175**	**1,106,031**	**685,763,343**

31 December 2025	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
Financial liabilities							
Due to banks	1,217,344	1,291,165	--	--	--	--	**2,508,509**
Customers' deposits	117,383,626	42,935,364	87,431,869	145,272,952	67,172,870	1,010,649	**461,207,330**
Other loans	678,377	1,624,961	28,125,118	7,611,371	14,907,591	--	**52,947,418**
Total liabilities (contractual maturity dates)	**119,279,347**	**45,851,490**	**115,556,987**	**152,884,323**	**82,080,461**	**1,010,649**	**516,663,257**
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**

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 period 30/06/2026	Compared year 31/12/2025	Current period 30/06/2026	Compared year 31/12/2025
Financial Assets				
Due from banks	48,358,436	93,431,600	48,496,661	93,440,752
Loans to banks	27,213,677	18,718,022	27,213,677	18,718,022
Loans to customers				
- Retail	107,641,306	103,004,236	107,594,536	103,217,905
- Corporate	145,402,500	136,535,713	148,370,687	136,501,744
Financial Investments				
- At amortized cost	39,287,834	39,814,734	39,242,310	39,519,019
Financial liabilities				
Due to banks	2,971,635	2,508,159	3,391,135	2,912,362
Customers' deposits:				
- Retail	264,261,381	241,133,345	282,454,553	267,227,078
- Corporate	179,616,592	163,406,542	179,799,536	163,475,756
- Other loans	21,663,325	46,274,958	21,663,325	46,274,958

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

	30/06/2026	31/12/2025
Tier 1 capital (continuous basic capital & additional capital)		
Issued and paid up capital	30,500,000	20,500,000
Amount paid for capital increase	--	10,000,000
General reserve	187,291	187,291
Legal reserve	3,153,593	2,342,383
Other reserves	933,398	852,983
General risk reserve	68,481	68,481
Retained earnings	19,880,374	6,848,879
Profit for the period / year	8,939,284	16,066,142
Non-controlling interest	21,272	15,318
Total other comprehensive income items, accumulated	1,894,753	3,373,159
Total deductions from tier 1 capital common equity	(2,249,792)	(2,016,694)
Total qualifying tier 1 capital	**63,328,654**	**58,237,942**
Tier 2 capital (subordinated capital)		
Equal for banking risk provisions against debt instruments / loans, credit facilities in the stage one	3,562,760	3,524,640
Subordinate deposits	7,742,455	7,627,392
45% of the Increase in fair value than the book value for financial investments in associated companies	154,397	372,185
Total Tier 2	**11,459,612**	**11,524,217**
Total capital base after deductions	**74,788,266**	**69,762,159**
Risk weighted assets and contingent liabilities		
Total credit risk	306,980,900	290,710,436
Total market risk	9,586,992	8,215,934
Total operational risk	22,033,984	17,296,341
Total risk weighted assets and contingent liabilities	**338,601,876**	**316,222,711**
Capital adequacy ratio (%)	**22.09%**	**22.06%**

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	30/06/2026	31/12/2025
Total qualifying tier 1 capital after deduction	63,328,654	58,237,942
Total on-balance sheet exposure	558,016,774	539,875,024
Total off balance sheet exposure	53,061,757	45,668,523
Total on and off balance sheet exposure	**611,078,531**	**585,543,547**
Leverage (%)	**10.36%**	**9.95%**

According to Central Bank of Egypt Letter on January 11, 2017, The Board of directors of Central Bank of Egypt approved on December 28, 2016 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 30 June 2026	Cairo	Alex, Delta & Sinai	Upper Egypt	Outside Egypt	Total
Geographical Segments Assets	471,378,603	57,782,106	25,765,468	6,293,533	561,219,710
Geographical Segments Liabilities	293,979,633	151,242,545	45,361,074	3,810,234	494,393,486
Geographical Segments of Other Items					
Depreciation at 30 June 2026					602,766
Profit before tax					12,979,432
Tax					(4,037,604)
Net Profit for the period					**8,941,828**

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**

6. Net interest income

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Interest income from loans and similar income:				
Loans and advances :				
- banks	685,697	606,485	368,245	330,428
- customers	21,720,120	22,295,372	10,915,543	11,218,051
Total	**22,405,817**	**22,901,857**	**11,283,788**	**11,548,479**
Deposits and current accounts	3,229,464	8,307,828	1,635,254	3,675,299
Investments in debt instrument at fair value through other comprehensive income and at amortized cost	14,982,527	8,601,073	7,912,566	4,846,638
Revenue from Leased contracts	4,044,135	3,219,269	595,058	543,180
Total	**44,661,943**	**43,030,027**	**21,426,666**	**20,613,596**
Interest expense of deposits and similar expense:				
Deposits and current accounts:				
- banks	(716,233)	(343,256)	(470,320)	(249,086)
- customers	(20,208,953)	(21,235,098)	(10,487,722)	(10,737,709)
Total	**(20,925,186)**	**(21,578,354)**	**(10,958,042)**	**(10,986,795)**
Other	(4,944,728)	(4,476,667)	(1,017,199)	(1,132,096)
Total	**(25,869,914)**	**(26,055,021)**	**(11,975,241)**	**(12,118,891)**
Net	**18,792,029**	**16,975,006**	**9,451,425**	**8,494,705**

7. Net fee and commission income

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Fee and commission income:				
Fee and commission related to credit	1,762,211	1,620,047	926,875	836,201
Trust and custody fee	25,586	20,934	14,272	11,297
Other fee	2,143,301	1,681,874	1,153,383	890,187
	3,931,098	**3,322,855**	**2,094,530**	**1,737,685**
Fee and commission expense				
Other fee	(503,719)	(328,777)	(244,510)	(163,928)
Net	**3,427,379**	**2,994,078**	**1,850,020**	**1,573,757**

8. Dividend income

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Securities at fair value through other comprehensive income	55,851	580,474	15,161	569,095
Securities at fair value through profit and Loss	802	--	640	--
Total	**56,653**	**580,474**	**15,801**	**569,095**

9. Net trading income

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Debt instruments for trading	22,388	39,672	10,080	31,129
Equity instrument for trading	315	8,973	(231)	--
Valuation Differences in Currency Swap Contracts	1,852	215	469	4
Gains from foreign currencies Contracts	41,455	26,890	17,666	15,858
Total	**66,010**	**75,750**	**27,984**	**46,991**

10. Administrative expenses

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Employee's cost				
Wages and salaries*	(3,222,195)	(2,940,274)	(1,617,779)	(1,375,504)
Social insurance	(147,561)	(127,054)	(74,527)	(63,775)
Other retirement benefits (Note 32)	(467,193)	(416,850)	(233,596)	(208,425)
	(3,836,949)	**(3,484,178)**	**(1,925,902)**	**(1,647,704)**
Other administrative expenses	(4,345,532)	(3,525,811)	(2,215,380)	(1,863,696)
Total	**(8,182,481)**	**(7,009,989)**	**(4,141,282)**	**(3,511,400)**

* The current period and comparative figures includes EGP 25,000 thousand representing the Bank's share in the contributions of the Bank's Special Insurance fund for employees.

11. Other operating revenues (expenses)

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
(Losses) of translated monetary assets and liabilities in foreign currencies other than classified as held for trading items	235,938	512,175	489,920	363,542
Gains of sale property and equipment	55,847	320	53,098	--
Gains of sale reverted assets	8,845	165	5,420	82
Reverse other provisions (note : 23&30)	152,861	86,326	46,739	23,250
Other provisions charges (note : 23&30)	(976,490)	(461,175)	(379,789)	(218,244)
Other	(69,505)	36,140	(100,440)	20,948
Total	**(592,504)**	**173,951**	**114,948**	**189,578**

12. (Charged) reversed expected credit losses

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Loans and advances to customers	(904,138)	(2,681,399)	(419,790)	(1,213,530)
Loans and advances to banks	(37,093)	(9,364)	(13,211)	3,881
Due from Banks	4,640	(23,097)	1,052	(21,888)
Debt instruments	(84,219)	(404,870)	(57,485)	(333,570)
Total	**(1,020,810)**	**(3,118,730)**	**(489,434)**	**(1,565,107)**

13. Income tax expense

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Current tax	(4,323,628)	(3,181,412)	(2,218,576)	(1,712,926)
Deferred tax	286,024	(171,729)	9,080	(134,587)
Total	**(4,037,604)**	**(3,353,141)**	**(2,209,496)**	**(1,847,513)**
Profit before income tax	12,979,432	10,692,111	7,006,436	5,831,054
Tax Rate	22.5%	22.5%	22.5%	22.5%
Income tax calculated on accounting profit	2,920,372	2,405,725	1,576,448	1,311,987
Expenses are not deductible	1,117,232	947,416	633,048	535,526
Net tax	**4,037,604**	**(3,353,141)**	**2,209,496**	**(1,847,513)**
Effective tax rate	**31.11%**	**31.36%**	**31.54%**	**31.68%**

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 period.

	30/06/2026	30/06/2025
Net profit for the period	8,939,284	7,336,961
The number of weighted /common	13,205,801	9,950,000
Earnings per basic weighted share from net profit for the period	**0.68**	**0.74**

15. Cash and balances at Central Bank

	30/06/2026	31/12/2025
Cash	16,675,344	13,229,292
Balances at Central Bank within the mandatory reserve ratio	24,579,764	21,922,249
Total	**41,255,108**	**35,151,541**
Balances without interest	**41,255,108**	**35,151,541**

16. Due from banks

	30/06/2026	31/12/2025
Current Accounts	1,975,900	1,824,287
Deposits	46,382,536	91,607,313
Expected credit loss provision for due from banks	(14,857)	(18,583)
NET	**48,343,579**	**93,413,017**
Central Bank	11,120,836	11,857,997
Local Banks	13,584,781	55,660,523
Foreign Banks	23,652,819	25,913,080
Expected credit loss provision for due from banks	(14,857)	(18,583)
NET	**48,343,579**	**93,413,017**
Balances without Interest	1,060,747	717,120
Balances with fixed interest	47,297,689	92,714,480
Expected credit loss provision for due from banks	(14,857)	(18,583)
Net	**48,343,579**	**93,413,017**
Current balances	**48,343,579**	**93,413,017**

An analysis of the movement in the expected credit loss provision for due from banks during the period / year

	30/06/2026	31/12/2025
Balance at the beginning of the year	18,583	27,120
(Reverse) charged Expected Credit Loss during the period / year	(4,665)	(6,496)
Foreign currencies translation differences of provisions during the period /year	939	(2,041)
Balance at the end of the period /year	**14,857**	**18,583**

17. Loans and advances to banks

	30/06/2026	31/12/2025
Term Loans	27,213,677	18,718,022
Total	**27,213,677**	**18,718,022**
Less: Expected Credit Loss provision	(60,959)	(25,434)
Loans and advances to banks	**27,152,718**	**18,692,588**
Current balances	**26,770,612**	**18,718,022**
Non-current Balances	**443,065**	**--**
Total	**27,213,677**	**18,718,022**

An analysis of the movement in the expected credit loss provision for loans and advances to banks during the period /year

	30/06/2026	31/12/2025
Balance at the beginning of the year	25,434	33,624
(Reversed) Expected Credit Loss during the period /year	37,093	(5,111)
Foreign currencies translation differences of provisions during the period /year	(1,568)	(3,079)
Balance at the end of the period /year	**60,959**	**25,434**

18. Loans and advances to customers

	30/06/2026	31/12/2025
Retail		
Overdraft accounts	1,006,820	1,559,695
Credit cards	4,983,338	4,428,140
Direct loans	616,939	594,655
Personal loans	86,205,906	83,576,052
Mortgage loans	14,828,303	12,845,694
Total	**107,641,306**	**103,004,236**
Corporate including small loans for economic activities		
Overdraft accounts	46,883,369	41,568,067
Direct loans	59,848,269	59,580,586
Syndicated loans	36,630,118	33,897,278
Discounted documents	2,040,744	1,489,782
Total	**145,402,500**	**136,535,713**
Total loans and advances to customers	**253,043,806**	**239,539,949**
Expected Credit Loss provision	(17,999,499)	(17,460,648)
Unearned discount of discounted documents	(31,345)	(52,693)
Net loans and advances to customers	**235,012,962**	**222,026,608**
Total is distributed as follow: -		
Current balances	98,863,997	97,627,720
Non-current balances	154,179,809	141,912,229
Total	**253,043,806**	**239,539,949**

An analysis of the movement in the expected credit loss provision for loans and advances to customers during the period /year

	30/06/2026	31/12/2025
Balance at the beginning of the year	**17,460,648**	**15,853,099**
Expected credit loss charged during the period / year	904,138	5,616,067
Provision utilized for written off debts during the period / year	(869,353)	(4,146,839)
Proceeds from written off debts during the period / year	402,161	346,690
Foreign currencies translation differences of provisions during the period / year	101,905	(208,369)
Balance at the end of the period / year	**17,999,499**	**17,460,648**

	30/06/2026			31/12/2025		
	Corporate	Retail	Total	Corporate	Retail	Total
Balance at the beginning of the year	12,862,220	4,598,428	17 460 648	12,831,280	3,021,819	15,853,099
Expected credit loss charged during the period / year	428,297	475,841	904,138	3,113,361	2,502,706	5,616,067
Transfers	(2,796)	2,796	--	1,897	(1,897)	--
Provision utilized for written off during the period / year	(66,591)	(802,762)	(869,353)	(2,945,826)	(1,201,013)	(4,146,839)
Proceeds from written off debts during the period / year	252,227	149,934	402,161	68,293	278,396	346,689
Foreign currencies translation differences of provisions during the period / year	101,062	843	101,905	(206,785)	(1,583)	(208,368)
Balance at the end of the period / year	**13,574,419**	**4,425,080**	**17,999,499**	**12,862,220**	**4,598,428**	**17 460 648**

19. Financial investment

	30/06/2026	31/12/2025
Financial investments at fair value through other comprehensive income		
a) Debt Instruments		
- Listed (at fair value Level 2)	41,923,262	37,109,584
b) Treasury bills and notes (at fair Value) (listed)		
- Treasury bills local currency*	62,621,779	47,848,907
(Unlisted)		
- Treasury bills – foreign currency	19,228,779	18,855,498
- Treasury notes - Local Currency	14,000,000	--
Total Treasury bills and other governmental notes at fair value	**95,850,558**	**66,704,405**
c) Equity instruments		
- Listed (at fair value Level 1)	180,157	141,346
- Unlisted at cost**	287,271	300,873
d) Investment Certificates		
- Unlisted Certificate – recoverable amount (Level 1 at fair value)	475,793	439,177
Total financial investments at fair value through other comprehensive income (1)	**138,717,041**	**104,695,385**
Financial investments at amortized cost		
a) Debt Instruments-at amortized cost		
- Listed	38,998,190	39,473,559
- Unlisted ***	56,113	56,113
b) Treasury Bills-at amortized cost		
- Unlisted	233,531	285,062
Total financial investments at amortized cost (2)	**39,287,834**	**39,814,734**
Financial investments at fair value Profit and Loss		
a) Equity instruments		
- Listed	123,856	--
b) Investment Certificates		
- Unlisted – with recoverable amount	21,311	--
Total financial investments at fair value through Profit and Loss (3)	**145,167**	--
Total Financial Investments (1) +(2) +(3)	**178,150,042**	**144,510,119**
current balances	104,015,892	73,786,279
Non-Current balances	74,134,150	70,723,840
Total	**178,150,042**	**144,510,119**
Fixed interest debt instruments	140,685,230	120,879,117
Floating interest debt instruments	34,061,693	20,769,270
Total	**174,746,923**	**141,648,387**

* 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 1,479,900 thousands as of 30 June 2026 (31 December 2025: EGP 1,469,150 thousands)

**The following are the financial investments - unlisted equity instruments at cost:

	30/06/2026	31/12/2025
Misr Bank-Europe	63,164	63,164
Arab Financial services company	242	242
Credit guarantee company	1,364	1,364
Taba Tourism development company ♦	--	13,615
I-Score company	63,156	63,156
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	43,300
Other companies	103,621	103,608
Total	**287,271**	**300,873**

♦Our banks share was sold on 20 May 2026.
The companies (Taba Tourism Development, I-Score, Remit 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. The most significant of these are:

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.

***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 period/ year

	Financial investments at fair value through other comprehensive income	Financial investments at amortized cost	Total
Balance of 01/01/2026	**104,695,385**	**39,814,734**	**144,510,119**
Additions	369,160,467	882,864	370,043,331
Disposals (sales / redemption)	(334,606,852)	(1,422,116)	(336,028,968)
Monetary assets translation differences	555,956	--	555,956
Net change	(1,448,706)	--	(1,448,706)
Amortization of (premium) / discount of issuance	360,791	12,352	373,143
Balance as at 30/06/2026	**138,717,041**	**39,287,834**	**178,004,875**

	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**

Gains from financial investments

	The Six months ended		The Three months ended	
	30/06/2026	30/06/2025	30/06/2026	30/06/2025
Gains from selling Treasury bills at fair value through OCI	127,055	35,246	64,921	16,205
Gain from selling debt instruments at fair value through OCI	365,462	68,035	111,728	30,439
Total	**492,517**	**103,281**	**176,649**	**46,644**

20. Investments in associates

30/06/2026 Company	Currency	Last financial data	Country	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of Investment
Herasat for Security Services	EGP	06/2026	Egypt	70,115	56,367	165,653	3,226	30	4,124
Nile Holding Company for Development and Investment	EGP	06/2026	Egypt	392,781	3,743	9,483	7,154	33.33	129,680
Financial Sector Mutual Fund	EGP	06/2026	Egypt	203,611	3,739	45,873	42,639	56	111,924
Egy Serv for Postal Services	EGP	06/2026	Egypt	457,391	270,268	455,016	95,154	40	127,242
Misr for investment and export development	EGP	06/2026	Egypt	10,420	23,607	3,888	(2,413)	20	4,115
Nclude fintech innovation fund	USD	03/2026	UAE	2,752,563	3,889	36,192	(178,431)	23.57	658,001
Misr real-estate fund 1	EGP	06/2026	Egypt	667,888	1,035	38,133	31,917	27.8	185,256
Misr for investments Funds management	EGP	06/2026	Egypt	16,978	1,161	3,600	(340)	20	3,164
Total				**4,571,747**	**363,809**	**757,838**	**(1,103)**	**--**	**1,223,506**

31/12/2025 Company	**Currency**	**Last financial data**	**Country**	**Assets**	**Liabilities**	**Revenues**	**Profit/ (Loss)**	**Share %**	**Value of Investment**
Herasat company for Security and guarding	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**

The following table shows the structure of associates' shareholders at 30/06/2026.

	Guards company for Security and guarding	Nile Holding Company for development and investments	Financial Sector Mutual Fund	Egy Service for Postal Services	Misr for investment and export developme nt	Nclude fintech innovation fund	Misr real-estate fund 1	Misr for investements Funds managment
	%	%	%	%	%	%	%	%
Bank Du Caire	30	33.33	56	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 development bank of Egypt	--	--	--	--	20	--	--	--
Arab African international bank	--	--	--	--	20	--	--	--
Misr Insurance Co.	--	--	29	--	--	--	--	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)	--	--	15	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:

	30/06/2026	31/12/2025
Beginning balance of the year		
Cost	1,628,142	1,167,564
Accumulated amortization	(982,156)	(759,240)
Net book value at the beginning of the year	**645,986**	**408,324**
Additions during the period / year	158,439	462,453
Amortization for the period / year	(151,999)	(222,916)
Foreign currency exchange	784	(1,875)
Net book value at the end of the period / year	**653,210**	**645,986**

22. Investment Property

	30/06/2026	31/12/2025
Beginning balance of the year		
Cost	16,265	--
Accumulated Depreciation	(2,372)	--
Net book value at the beginning of the year	**13,893**	--
Additions during the period / year	--	16,265
Disposals during the period / year	(1,826)	--
Depreciation for the period / year	(384)	(2,372)
Disposals depreciation	289	--
Balance at the end of the Period / year	**11,972**	**13,893**

23. Other assets

	30/06/2026	31/12/2025
Accrued revenues	7,575,551	5,534,662
Prepaid expenses	929,083	666,943
Advance payments under purchase of fixed assets	2,920,279	2,803,323
Assets reverted to the bank in settlement of debts	214,474	216,208
Insurances and custodies	374,897	454,706
Clearing transactions	684,508	1,456,706
Tax authority	184,870	189,299
Other debit balances	6,812,546	3,877,055
Impairment Provision for other assets	(272,928)	(230,826)
Total	**19,423,280**	**14,968,076**

An analysis of the movement in the impairment provision for other assets during the period / year:

	30/06/2026	31/12/2025
Balance at the beginning of the year	230,826	230,612
Impairment charged at income statement of the period / year	70,187	26,289
Provision utilized during the period / year	(28,697)	(15,706)
Proceeds during the period / year	8	--
Reversed during the period / year	--	(10,369)
Translation differences of foreign currency provisions during the period / year	604	--
Balance at the end of the period / year	**272,928**	**230,826**

24. Leasing fixed assets

	Land	Buildings & Constructions	Vehicles	Machinery & Equipment	Total
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**
Balance at 01/01/2026					
Cost	1,506,346	3,591,948	1,462,501	1,743,466	8,304,260
Accumulated depreciation	--	(422,055)	(418,086)	(497,102)	(1,337,242)
Net book value at 01/01/2026	**1,506,346**	**3,169,893**	**1,044,415**	**1,246,364**	**6,967,018**
Additions	212,824	1,020,271	167,658	174,772	1,575,525
Disposals	(256,599)	(657,723)	(57,688)	(441,622)	(1,413,632)
Disposals' accumulated depreciation	--	128,739	36,915	191,260	356,914
Depreciation	--	(97,681)	(154,176)	(159,461)	(411,318)
Net book value at 30/06/2026	**1,462,571**	**3,563,499**	**1,037,124**	**1,011,313**	**7,074,507**
Balances at 30/06/2026					
Cost	**1,462,571**	3,954,496	1,572,471	1,476,615	8,466,153
Accumulated depreciation	--	(390,997)	(535,347)	(465,302)	(1,391,646)
Net book value at 30/06/2026	**1,462,571**	**3,563,499**	**1,037,124**	**1,011,313**	**7,074,507**

The following are net leased assets after adjustments:

	30/06/2026	31/12/2025
Leasing fixed assets (net)	7,074,507	6,967,018
Advance payments under purchase of leasing fixed assets	69,813	76,687
Lease Settlement Account	(2,355,109)	(2,409,203)
Net leased assets after adjustments	**4,789,211**	**4,634,502**

25. Property and equipment

	Land	Buildings & Constructions	Integrated automated systems	Vehicles	Machinery & Equipment	Furniture	Fixtures & fittings	Total
Balances at 01/01/2025								
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 01/01/2025	**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	45,858	625,888	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**	**173,840**	**1,155,662**	**3,827,440**
Balances at 31/12/2025								
Cost	306,714	780,299	2,771,110	221,978	687,106	559,827	1,990,292	7,317,326
Accumulated depreciation	--	(428,278)	(1,460,863)	(64,464)	(315,664)	(385,987)	(834,630)	(3,489,886)
Net book value at 31/12/2025	**306,714**	**352,021**	**1,310,247**	**157,514**	**371,442**	**173,840**	**1,155,662**	**3,827,440**
Balance at 1/1/2026	**306,714**	**352,021**	**1,310,247**	**157,514**	**371,442**	**173,840**	**1,155,662**	**3,827,440**
Transfers*	--	--	18	--	337	10,316	(10,671)	--
Additions	--	--	472,419	990	54,009	20,962	166,823	715,203
Disposals	(7,849)	(714)	--	(8,286)	--	--	(550)	(17,399)
Disposals' accumulated depreciation	--	714	--	7,377	--	--	550	8,641
Transfers' accumulated depreciation	--	--	(18)	--	(343)	(720)	1,081	--
Foreign currency exchange	--	--	--	22	--	288	1,619	1,929
Adjustments	--	--	--	--	--	--	1,354	1,354
Depreciation	--	(5,537)	(224,869)	(18,153)	(64,611)	(33,727)	(168,115)	(515,012)
Net book value at 30/06/2026	**298,865**	**346,484**	**1,557,797**	**139,464**	**360,834**	**170,959**	**(1,147,753)**	**4,022,156**
Balances at 30/06/2026								
Cost	298,865	779,585	3,243,547	214,704	741,452	591,393	2,148,867	8,018,413
Accumulated depreciation	--	(433,101)	(1,685,750)	(75,240)	(380,618)	(420,434)	(1,001,114)	(3,996,257)
Net book value at 30/06/2026	**298,865**	**346,484**	**1,557,797**	**139,464**	**360,834**	**170,959**	**(1,147,753)**	**4,022,156**

*Represents transfers between items

- Property and equipment include specifically (land & buildings) unregistered assets by an amount of EGP 269,524 thousand, legal procedures are being undertaken to register them.
- The cost of depreciation includes an amount of EGP 16,918 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

	30/06/2026	31/12/2025
Current accounts	1,731,057	1,216,994
Deposits	1,240,578	1,291,165
Total	**2,971,635**	**2,508,159**
Central Bank	1,374,141	1,291,165
Local Banks	25,340	37,813
Foreign Banks	1,572,154	1,179,181
Total	**2,971,635**	**2,508,159**
Balances with interest	**2,971,635**	**2,508,159**
Current balances	**2,971,635**	**2,508,159**

27. Customers' deposits

	30/06/2026	31/12/2025
Demand deposits	169,004,266	138,427,260
Term and notice deposits	103,317,232	93,791,303
Certificates of savings and deposits	97,544,808	96,028,358
Saving deposits	68,046,210	69,576,492
Other deposits	5,965,457	6,716,474
Total	**443,877,973**	**404,539,887**
Corporate deposits	179,616,592	163,406,542
Retail deposits	264,261,381	241,133,345
Total	**443,877,973**	**404,539,887**
Balances without interest	7,251,028	7,487,115
Balances with fixed interest	412,150,646	373,708,277
Balances with Variable interest	24,476,299	23,344,495
Total	**443,877,973**	**404,539,887**

28. Other loans

	Currency	30/06/2026	31/12/2025
The loan of Micro, Small and Medium Enterprises Development Agency	EGP	662,349	601,050
Arabic Trade financing program Loan	USD	--	172,808
Arab fund for economic and social development loan - Kuwait	USD	2,722,386	2,795,439
Green for growth fund	USD	134,262	173,350
European investment bank	USD	2,767,163	3,539,876
European bank for reconstruction & development	USD	70,328	136,203
African export – import bank	USD	--	24,431,490
Saudi fund for development	EGP	30,000	40,000
International Finance Corporation	USD	1,538,419	1,787,670
Agence Francaise De Development	USD	1,790,944	1,867,662
KfW Development Bank	Eur	841,527	280,045
Green for growth fund (subordinated Loan)	USD	1,476,882	1,430,136
SANAD fund for MSME (subordinated Loan)	USD	1,342,633	1,430,136
European bank for reconstruction & development (subordinated Loan)	USD	2,461,470	2,383,560
British international investment (subordinated Loan)	USD	2,461,470	2,383,560
Others	EGP	3,363,492	2,821,973
Total		**21,663,325**	**46,274,958**
Current balances		2,077,738	27,563,941
Non- current balances		19,585,587	18,711,017
Total		**21,663,325**	**46,274,958**

29. Other liabilities

	30/06/2026	31/12/2025
Accrued interest	1,974,245	1,855,611
Prepaid revenues	488,068	378,413
Accrued expenses	644,560	822,618
Clearing transactions	4,967,474	5,230,330
Tax authority	1,748,171	1,154,576
Creditor's banknote- export foreign currencies	205,425	352,207
Creditors	296,523	304,702
Other credit balances	7,795,555	5,150,478
Total	**18,120,021**	**15,248,935**

30. Other Provisions

	30/06/2026	31/12/2025
Balance at the beginning of the period / year	2,407,480	2,144,936
Foreign currency exchange	(17,091)	(39,347)
Provision charged to income statement during the period / year	919,336	711,838
Reversed to income statement during the period / year	(152,866)	(347,339)
Utilized during the period / year	(29,924)	(62,608)
Balance at the end of the period / year	**3,126,935**	**2,407,480**

Other provisions details:	30/06/2026	31/12/2025
Provision for operation risks	30,194	40,394
Provision for legal claims	251,868	243,754
Provision for other claims	1,002,783	932,057
Provision for tax	277,935	302,131
Expected credit losses Provision for contingent liabilities & commitments for corporate loans	739,266	576,639
Commitment on unused Corporate Loans	739,549	229,686
Expected credit losses Provision for contingent liabilities & commitments for SMEs loans	20,234	28,209
Commitment on unused Corporate Loans - SMEs	25,589	36,190
Expected credit losses Provision for contingent liabilities-Due from Banks	39,517	18,420
Total	**3,126,935**	**2,407,480**

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 30/06/2026	Deferred tax liabilities 30/06/2026
Fixed assets and other items	--	(376,567)
Provisions (other than Expected Credit loss provision)	914,440	(11,410)
Tax losses	201,736	--
Foreign currency exchange for Investment in Fair value through OCI	48,571	(110,939)
Undistributed profits from associated companies	17,219	--
Total deferred tax assets (liabilities)	**1,181,966**	**(498,916)**
Net deferred tax assets	**683,050**	--

Movement during the period

Item	30/06/2025 Deferred tax assets	31/12/2025 Deferred tax assets	30/06/2025 Deferred tax liabilities	31/12/2025 Deferred tax liabilities
Beginning balance of the year	848,851	1,109,069	(512,826)	(279,549)
Additions	331,124	--	(30,286)	(264,910)
Disposals	--	(260,218)	44,490	31,633
Foreign currency exchange	1,991	--	(294)	--
End of the period / year balance	**1,181,966**	**848,851**	**(498,916)**	**(512,826)**

Unrecognized deferred taxes assets

	30/06/2026	31/12/2025
Unrecognized deferred taxes assets for the following items:		
Expected Credit Loss provision for loans other than 80%	3,594,897	3,483,952
Other provisions and other items	3,414,459	1,501,341
Total	**7,009,356**	**4,985,293**

Net change in the fair value of deferred tax assets (liabilities) directly included in equity as of June 30, 2026, amounting to (62,368) thousand EGP.

32. Retirement benefit liabilities

	30/06/2026	31/12/2025
Liabilities included in the financial position		
Medical benefits after retirement	2,316,709	2,118,674
Recognized in income statement		
Medical benefits after retirement	467,193	833,700
Amount recognized in financial position represented in		
Present value of unfinanced liabilities	4,316,849	3,735,864
Unrecognized actuarial losses	(2,000,140)	(1,617,190)
Balance included in financial position	**2,316,709**	**2,118,674**
Liabilities movement during the period / year		
Beginning balance of the period / year	2,118,674	1,780,898
Current service cost	21,337	28,761
Interest cost	404,312	742,720
Recognized actuarial losses	41,544	62,219
Paid benefits	(269,158)	(495,924)
Ending balance of the period / year in financial position	**2,316,709**	**2,118,674**
Amount recognized in income statement represented in		
Current service cost	21,337	28,761
Interest cost	404,312	742,720
Recognized auctorial losses	41,544	62,219
Ending balance included in the cost of employees (Note 10)	**467,193**	**833,700**

33. Issued and paid up capital

- **Banque Du Caire – Egypt**

  Issued and paid up Capital

- 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. 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. Capital increase has been recognized in the commercial register at 05 February 2025.

- On 17 March 2026 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 30.5 billion divided into 15.250 billion shares with a par value of EGP 2 each and the bank's shareholders structure became as follows:

	30/06/2026	31/12/2025
Banque Misr	15,249,999,972	30,499,999,944
Misr Capital company	14	28
Misr Abu Dhabi for Real Estate company	14	28
Total	**15,250,000,000**	**30,500,000,000**

Capital increase has been recognized in the commercial register at 15 March 2026.

- **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 1,170 million the issued and paid-up capital amounted to EGP 1,080 million fully paid.

- **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 period and retained earnings

Reserves

	30/06/2026	31/12/2025
General reserve	187,291	187,291
General Banking Risk Reserve*	583,685	1,791,553
Legal reserve	3,153,593	2,342,383
Fair value reserve – financial investments at fair value through other comprehensive income	491,990	1,665,132
Expected credit loss for debt instrument at fair value through other comprehensive income	664,092	565,235
Capital reserve	494,468	438,930
Regular reserve	438,930	414,053
Foreign currencies translation Reserve	1,402,763	1,708,027
General risk reserve**	68,481	68,481
Total reserves	**7,485,293**	**9,181,085**

* General Banking Risk Reserve at 30 June 2026 consists of EGP 1,604 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 413,356 thousand, which represents the credit gap on 31 December 2025, and the credit gap is in 30 June 2026 amounted to EGP (46,151) 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.

**Formed according to the Central Bank's instructions issued in 26 February 2019

Reserves Movements as follows:

a) General banking risk reserves

	30/06/2026	31/12/2025
Beginning balance for the period / year	1,791,553	1,697,635
Transferred from retained earnings	(1,206,133)	94,219
(Release) reserve of assets reverted to the bank	(1,735)	(301)
Ending balance for the period / year	**583,685**	**1,791,553**

b) Legal reserves

	30/06/2026	31/12/2025
Beginning balance for the period / year	2,342,383	1,720,450
Transferred from the previous year's profit	811,210	621,933
Ending balance for the period / year	**3,153,593**	**2,342,383**

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:

	30/06/2026	31/12/2025
Beginning balance for the period / year	1,665,132	90,408
Net change in fair value for financial investments (after tax)	(1,173,142)	1,574,724
Ending balance at the end of the period / year	**491,990**	**1,665,132**

d) Expected credit loss – Debt instrument at fair value through other comprehensive income:

	30/06/2026	31/12/2025
Beginning balance for the period / year	565,235	618,330
(Reverse) of Expected credit losses for the period / year	84,219	(2,746)
Foreign currency exchange	14,638	(50,349)
Ending balance of the period / year	**664,092**	**565,235**

Net profits for the period / year and Retained earnings

	30/06/2026	31/12/2025
Beginning balance of the period / year	22,915,021	17,356,021
Net profit for the period / year	8,939,284	16,066,142
Transferred from fair value reserve for equity instrument	10,888	2,921,920
Dividends paid	(3,160,149)	(12,539,736)
Transferred to general banking risk reserve	1,207,868	(93,918)
Transferred to legal reserve	(811,210)	(621,933)
Transferred to capital reserve	(80,415)	(51,548)
Banking Sector Development Fund	(201,629)	(121,927)
Ending balance of the period / year	**28,819,658**	**22,915,021**

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: -

	30/06/2026	31/12/2025
Beginning balance of the period / year	15,318	13,019
Increase in Capital for (Cairo lending company)	5,000	--
Net profits for the period / year	2,544	3,502
Dividends	(1,590)	(1,203)
Ending balance of the period / year	**21,272**	**15,318**

36. Dividend

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

	30/06/2026	30/06/2025
Cash and due from the Central Bank	16,675,344	19,105,780
Due from banks	48,358,436	123,839,838
Treasury bills and other governmental notes	36,496,164	30,242,972
Total	**101,529,944**	**173,188,590**

38. Contingent Liabilities and Commitments

A- Legal Claims:

There are a number of lawsuits filled 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 30/06/2026 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 1,364,704 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 578,147 thousand related to investments at fair value through OCI and investments in subsidiaries and associated companies.

C-Commitments related to loans, guarantees, and facilities

	30/06/2026	31/12/2025
Accepted Documentation	2,972,436	2,637,793
Loans commitments	15,557,953	17,537,440
Letters of credit	9,816,562	6,305,385
Letters of guarantee	55,190,365	42,732,039
Total	**83,537,316**	**69,212,657**

39. Related party transactions

a- Main Shareholder and associated companies

As the following our transaction with banque Misr (main Shareholder related party)

	30/06/2026	31/12/2025
Due from banks		
Current accounts	191	404
Deposits	9,000,000	16,000,000
Other assets		
Other	--	22,613
Accrued revenues	66,500	28,050

Our transaction with Herasat Company for Security and guarding (Investments in associates):

	30/06/2026	31/12/2025
Customers' deposits		
Current accounts	999	2,784
Loans and advances to customers		
Corporate loans (over draft accounts)	12,279	9,398
Other liabilities		
Accrued expenses	7,300	7,300

Our transaction with Egyserv (Investments in associates):

	30/06/2026	31/12/2025
Customers' deposits		
Current accounts	498	372
Other liabilities		
Accrued expenses	28,000	23,500

Our transaction with Nile co. (Investments in associates):

	30/06/2026	31/12/2025
Customers' deposits		
Current accounts	55	42

b- Directors and other key management personal (and close family members)

	30/06/2026	31/12/2025
Loans and advances to customers	1,500	1,500

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 30 June 2026 was 44,619,253 certificates with a redeemable value of EGP 46.54 each. the certificates in the portfolio of other comprehensive income according to what was allocated during the year from the initial launch of the fund until 30 June 2026 numbered 5,000,000 certificates with a book value of EGP 230,450,000 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 21,137,619 for the period ended 30 June 2026 (30 June 2025 EGP 3,463,894) 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 30 June 2026 numbered 500,000 documents with a book value of EGP 36,019,370

The number of outstanding certificates as of 30 June 2026 was 93,170,347 certificate with a redeemable value of EGP 72,00 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 14,349,200 for the period ended 30 June 2026 (30 June 2025: EGP 10,799,848) 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 30 June 2026 was 4,529,902 certificate with a redeemable value of EGP 42.48 each. 250,000 Certificates were allocated to the Bank in the initial offering until 30 June 2026 with total amount of EGP 10,591,760 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 164,540 for the period ended 30 June 2026 (30 June 2025: EGP 42,716) 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 30 June 2026 was 85,082 certificates with a redeemable value of EGP 498,08, each. 50,000 Certificates were allocated to the Bank in the initial offering until 30 June 2026 with total amount of EGP 25,161,000 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 109,234 for the period ended 30 June 2026 (30 June 2025: EGP 94,652) 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

Tax inspections and final settlements have been completed for this period, except for fiscal year 1991/1992. The bank settled the tax differences for that year 1991/1992 in accordance with Arbitration Award No. 49 of 2008, amounting to EGP 77 million. The amount was paid and recorded as a debit balance pending the final resolution of the dispute. A ruling has since been issued by the Administrative Court in favor of the Bank, and the Tax Authority has been formally notified. Settlement procedures are currently in progress.

- Years from 01 January 2017 till 31 December 2019:

The tax audit for these years has been completed, and the final settlement form is currently being issued.

- Year 2020

The tax audit for this year has been completed, and the final settlement form is currently being issued

- Years from 2020 till 2025

Tax returns have been submitted within the statutory deadlines, and the solidarity contribution and taxes due have been duly paid for these years.

41-2 Stamp Duty

- Periods from beginning of the activity till 31 July 2006

The head office and all branches were subject to tax inspection. The inspection resulted in tax claims on certain branches; some have been settled, while others remain under dispute and are currently pending before the Administrative Court; awaiting the issuance of judgments.

- Periods from 01 August 2006 till 31 December 2022:

Final settlements have been concluded for these years. For the period from 1 January 2010 to 31 March 2013, all items were referred to the Administrative Court and fully paid. The Bank is currently awaiting the court ruling and has recognized provisions for the impairment of prepaid taxes in the amounts of these items.

- Period from 01 January 2023 till 30 June 2026:

Quarterly tax returns for this period have been duly submitted, and the related taxes have been paid within the statutory deadlines.

41-3 Salary Tax

- Periods from beginning of the activity till 31 December 2022

Tax inspection for this period has been completed, and all assessed differences have been settled.

- Periods from 01 January 2023 till 31 December 2024

Those years are currently being inspection

- Periods from 01 January 2025 till 30 June 2026

The bank pays the tax due on a monthly basis and files tax returns by the statutory deadlines.

41-4 Sales Tax & Vat

- First: Sales tax for periods from 2002 till 07 September2016 (date of issuance of Law 67 of 2016)

The Tax Authority conducted inspections and assessments for these years. The Bank settled the due tax amounts and filed appeals against the related claims within the legal deadlines. Provisions have been recognized for the paid amounts under a tax impairment provision pending final court rulings.

- Second: VAT for Periods from 08 September2016 till 30 June 2026

A final and binding ruling was issued by the Supreme Administrative Court confirming that the Bank is not subject to the Value Added Tax (VAT) registration and is only registered under the reverse charge mechanism. The ruling has been implemented in favor of the Bank, and Form No. 12 (Registration Status) was issued on 4 February 2026.

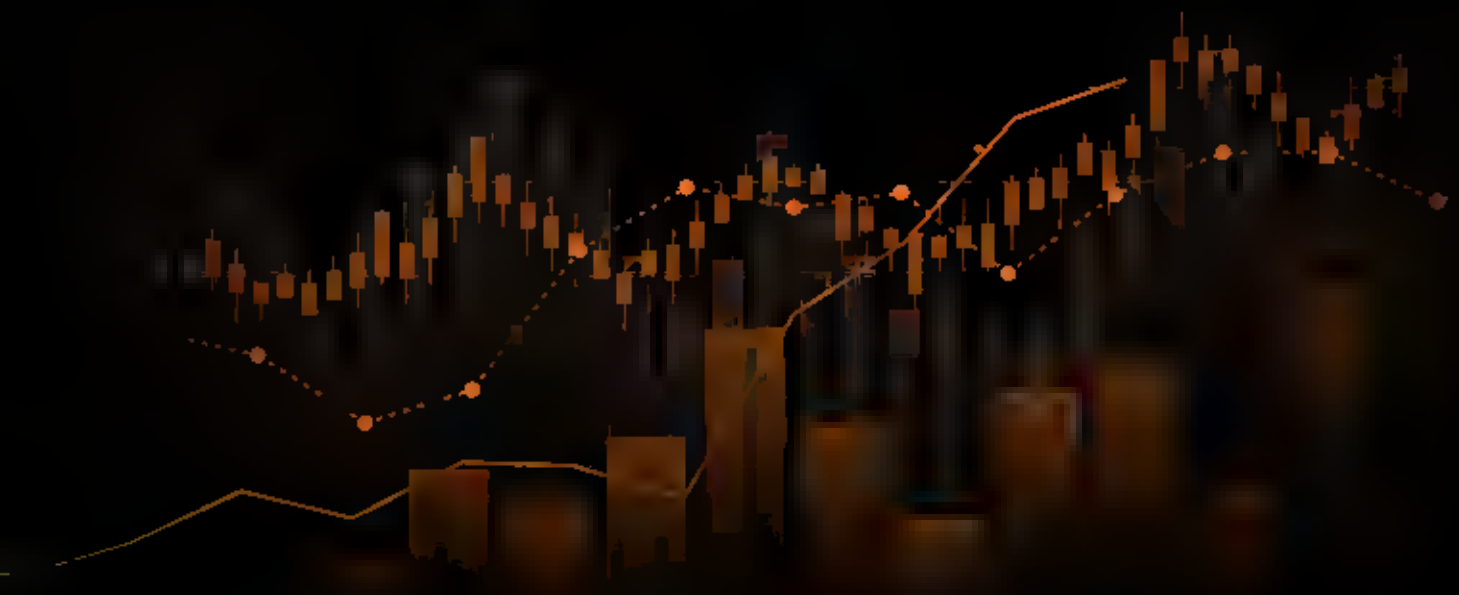
41-5 Real estate tax

The Bank settles its real estate tax liabilities within the statutory deadlines, except for certain properties where the assessed tax values are considered overstated. In such cases, the Bank settles the undisputed portion of the tax assessment and files appeals against the disputed amounts. The Bank has recognized adequate provisions in respect of these disputed assessments for the period from 1 July 2013 to 30 June 2026. In addition, the Real Estate Tax Authority issues tax assessments on ATMs. The Bank settles these assessments while simultaneously filing appeals, as it believes that ATMs should be classified as movable assets rather than real estate and, therefore, should not be subject to real estate tax.

بنك القاهرة
Banque du Caire

CONSOLIDATED
FINANCIAL STATEMENTS

December 2025



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KPMG

Hazem Hassan
Public Accountants & Consultants

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AUDITOR 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) and its subsidiaries "the Group" which comprise the consolidated statement of financial position as of December 31, 2025, and the 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 the Group'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.

Auditor's 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.

KPMG

Hazem Hassan

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) and its subsidiaries 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.

Emphasis of Matter

We draw attention to Note 2-1 "Basis of preparing consolidated financial statements". The accompanying financial statements of the Bank and its subsidiaries for the year ended December 31, 2025, have been prepared by the Bank/Group's management for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange.

A separate set of statutory consolidated financial statements for the same financial year, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which we have expressed an unmodified opinion on February 11, 2026.

KPMG Hazem Hassan
Public Accountants and Consultants

Auditor

Fares Amer Emam Amer
Financial Regulator Authority No. 230

KPMG Hazem Hassan
Public accountants & Consultants

Cairo on: October 15, 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 (41) are an integral part of these Financial Statements and are to be read therewith.
- Auditor's 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 (41) 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 (41) 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 preparation of branches		(1,852,570)	(1,407,402)
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	54,242
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 mandatory 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 (41) are an integral part of these Financial Statements and are to be read therewith.

Consolidated statement of change 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 subordinated deposit	Net profit for the year and retained earnings	Net equity	Non-controlling 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 (41) are an integral part of these Financial Statements and are to be read therewith.

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 Due 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 14 September 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

These consolidated financial statements of the Bank and its subsidiaries for the year ended December 31, 2025, have been prepared for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange, consequently this consolidated financial statement might not be appropriate to any other purpose.
A separate set of statutory consolidated financial statements for the same financial year, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which External auditors (KPMG Hazem Hassan and Accountability State Authority) have expressed an unmodified opinion on February 11, 2026.
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 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:

1) Banque Du Caire
2) Cairo Bank Uganda 99.99%
3) Cairo Lending Company 98%
4) Taly for the digital payments Company 99.997%
5) 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 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)
Financial Instruments Low Credit Risk	There is no Past dues	Scope of accepted risks				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contractual installments	If the Borrower encounters 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 (ORR).

The Bank classifies customers within each group into three stages based on the following quantitative and qualitative criteria:

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)
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 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 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.		

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:
  - 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 of 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:		Additions property and equipment from 28 Feb 2022 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	8-10 years	(10%-12.5%)
- Fixtures &fittings rental	33.3%	3 years	16.7%	6 years	8-10 years or lease term whichever is lower	(10%-12.5%)

- 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 saleable 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.

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:

	31/12/2025	31/12/2024
Bank's Assessment	Loans and advances	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 comprehensive 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: -

Due from banks	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
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**

Due from banks	31 December 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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)
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 12-Months	Stage 2 Life time	Stage 3 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**

Treasury Bonds	31 December 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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)
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**

Corporate Bonds	31 December 2025			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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)
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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 in balance during the year	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 12-Months	Stage 2 Life time	Stage 3 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 in balance during the year	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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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 retail	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 12-Months	Stage 2 Life time	Stage 3 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 retail	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**

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:

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**

- 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									
	Retail					Corporate				
Grade	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									
	Retail					Corporate				
Grade	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:

	Retail		Corporate			
31 December 2025	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total Loans and advances to customers
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**

	Retail		Corporate			
31 December 2024	Overdrafts	Direct Loans	Overdrafts	Direct loans	Syndicated loans	Total Loans and advances to customers
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:

	Retail					Corporate		
31 December 2025	*Overdrafts*	*Credit cards*	*Personal loans*	*Direct loans*	*Mortgages Loans*	*Overdraft*	*Direct loans*	*Total*
Individually impaired loans	**573,799**	**521,840**	**5,291,771**	**30,407**	**30,745**	**5,701,170**	**67,583**	**12,217,315**

	Retail					Corporate		
31 December 2024	*Overdrafts*	*Credit cards*	*Personal loans*	*Direct loans*	*Mortgages 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 institutions	Manufacturing	Real estate	Wholesale and retail trade	Government 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	1,061,741	1,400,028	37,679	2,840	5,871	**2,508,159**
Customers' deposits	297,171,063	93,824,024	9,891,718	674,563	2,976,621	**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**

B-4 Interest rate risk - Continued

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	74,827,649	53,756,013	78,629,586	79,880,515	23,692,200	86,264,911	7,487,115	**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	**83,618,075**	**55,168,555**	**110,037,580**	**81,338,484**	**28,161,944**	**87,509,353**	**7,487,115**	**453,321,106**
Total interest re-pricing gap	**14,275,047**	**78,443,082**	**(23,628,644)**	**(7,265,066)**	**39,414,494**	**(46,414,269)**	**28,964,727**	**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	**80,149,002**	**46,515,977**	**78,608,965**	**110,239,794**	**21,566,378**	**75,119,776**	**10,283,083**	**422,482,975**
Total interest re-pricing gap	**62,372,086**	**63,260,056**	**(15,389,659)**	**(68,775,308)**	**38,744,160**	**(38,417,367)**	**22,039,032**	**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 contractual

31 December 2025	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
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**

31 December 2024	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
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 Statement of 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
Financial Assets				
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

	31/12/2025	31/12/2024
Financial investments at fair value through other comprehensive income		
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 for money transfer services) 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 developme nt	Nclude fintech innovation fund	Misr real-estate fund 1	Misr for investements Funds managment
	%	%	%	%	%	%	%	%
Bank 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 development 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	306,850	340,513	383,144	6,419	120,675	153,495	625,530	1,936,626
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								
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								
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	7,487,115	6,462,784
Balances with fixed interest	373,706,379	336,949,863
Balances with variable interest	23,344,495	11,334,569
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
Arabic 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 liabilities 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 liabilities	31/12/2024 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 (127,696) 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 Tally 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.

**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 filled 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 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 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.

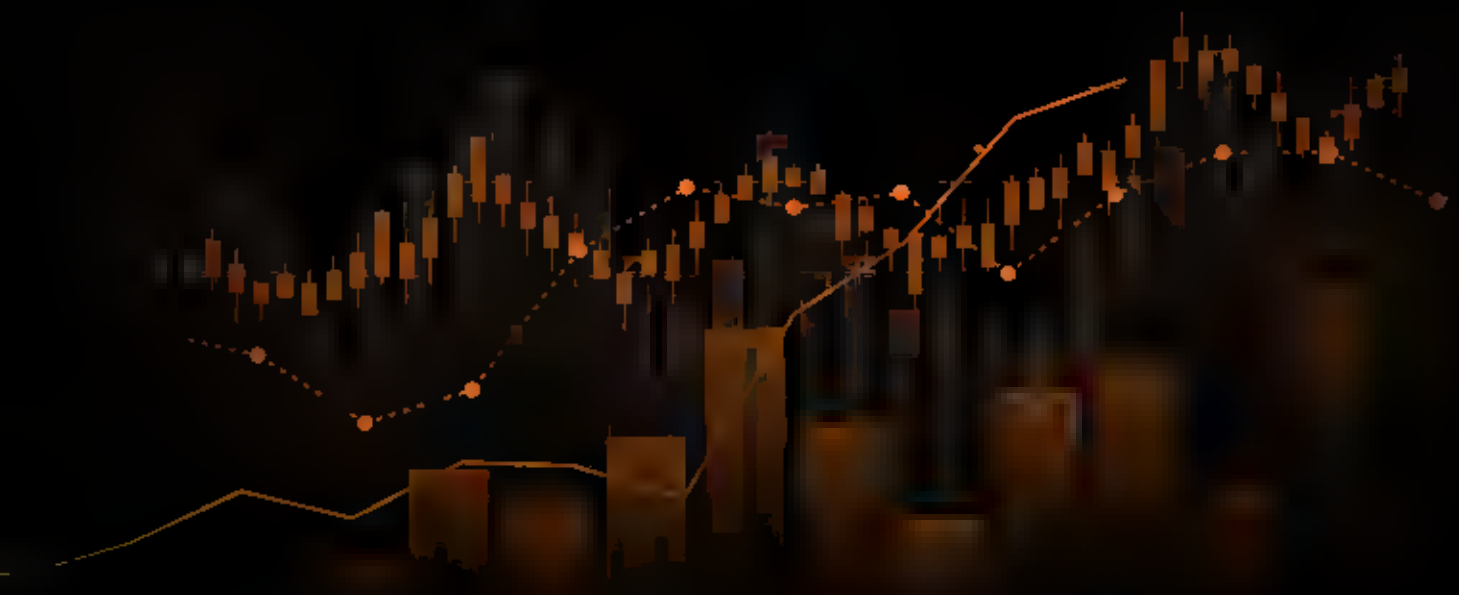
41-5 Real estate tax

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.

بنك القاهرة
Banque du Caire

CONSOLIDATED
FINANCIAL STATEMENTS

December 2024



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AUDITOR 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) and its subsidiaries "the Group" which comprise the consolidated statement of financial position as of December 31, 2024, and the 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 the Group'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.

Auditor's 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.

KPMG

Hazem Hassan

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) and its subsidiaries as of December 31, 2024 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.

Emphasis of Matter

We draw attention to Note 2-1 "Basis of preparing consolidated financial statements". The accompanying financial statements of the Bank and its subsidiaries for the year ended December 31, 2024, have been prepared by the Bank/Group's management for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange.

A separate set of statutory consolidated financial statements for the same financial year, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which we have expressed an unmodified opinion on February 25, 2025.

Auditor

KPMG Hazem Hassan
Public Accountants and Consultants
(15)

Fares Amer Emam Amer
Financial Regulator Authority No. 230

KPMG Hazem Hassan
Public accountants & Consultants

Cairo on: October 15, 2026

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Statement of Financial Position
As at 31 December 2024

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2024	31/12/2023
Assets			
Cash and balances at Central Bank	(15)	29,109,277	37,786,925
Due from banks	(16)	141,681,591	67,672,124
Loans and advances to banks	(17)	16,374,143	5,869,271
Loans and advances to customers	(18)	196,236,960	161,911,538
Financial investments			
At fair value through other comprehensive income	(19)	66,546,674	73,892,981
At amortized cost	(19)	18,560,532	41,539,454
Investments in associates	(20)	904,171	688,977
Intangible assets	(21)	408,324	378,317
Other assets	(22)	12,288,715	9,856,986
Deferred tax assets	(30)	1,109,069	721,011
Leasing fixed assets (Net)	(23)	3,442,256	3,481,047
Property and equipment	(24)	2,708,017	1,936,626
Total assets		**489,369,729**	**405,735,257**
Liabilities and Equity			
Liabilities			
Due to banks	(25)	8,024,902	6,703,631
Customers' deposits	(26)	354,747,216	303,734,704
Other loans	(27)	59,710,857	41,662,363
Other liabilities	(28)	14,331,385	15,638,705
Other provisions	(29)	2,144,936	1,796,914
Current income tax liabilities		2,665,805	1,294,294
Deferred tax liabilities	(30)	279,549	138,710
Retirement benefit liabilities	(31)	1,780,898	1,621,321
Total liabilities		**443,685,548**	**372,590,642**
Equity			
Issued and paid-up capital	(32)	19,000,000	10,000,000
Amounts paid under capital increase		1,500,000	10,500,000
Reserves	(33)	6,635,440	3,930,094
Difference between the present value and face value for subordinated deposit		1,179,701	1,646,308
Net profit for the year and retained earnings	(33)	17,356,021	7,058,084
Net equity		**45,671,162**	**33,134,486**
Non-controlling interest	(34)	13,019	10,129
Total equity		**45,684,181**	**33,144,615**
Total liabilities and equity		**489,369,729**	**405,735,257**

- The accompanying notes from (1) to (41) 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

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Income Statement
for the year ended 31 December 2024

(All amounts are shown in thousands Egyptian Pounds)

	Note No.	31/12/2024	31/12/2023
Interest and similar income	(6)	72,092,196	51,449,421
Interest and similar expense	(6)	(43,363,219)	(33,228,129)
Net interest income		**28,728,977**	**18,221,292**
Fee and commission income	(7)	6,437,588	4,349,157
Fee and commission expense	(7)	(564,050)	(389,389)
Net fee and commission income		**5,873,538**	**3,959,768**
Net interest, fee and commission income		**34,602,515**	**22,181,060**
Dividend income	(8)	527,996	217,950
Net trading income	(9)	64,703	44,426
Gains from financial investments	(19)	177,867	175,868
(Charged) reversed of expected credit loss	(12)	(3,683,538)	(2,156,213)
Administrative expenses	(10)	(11,677,033)	(8,629,846)
Other operating revenues (expenses)	(11)	(2,166,389)	(1,013,065)
Share of results of associates		82,500	106,454
Profit before income tax for the year		**17,928,621**	**10,926,634**
Income tax expense	(13)	(5,628,613)	(4,309,946)
Net profit after tax for the year		**12,300,008**	**6,616,688**
Holding company		12,297,552	6,615,009
Non-controlling interest		2,456	1,679
Net profit after tax for the year		**12,300,008**	**6,616,688**
The basic earnings per share for the year	(14)	**1.46**	**1.32**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.

Chief Financial Officer
Mohamed Ibrahim

CEO & Managing Director
Hussein Abaza

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Statement of Comprehensive Income
for the year ended 31 December 2024

(All amounts are shown in thousands Egyptian Pounds)

		31/12/2024	31/12/2023
Net profit after tax for the year	(1)	**12,300,008**	**6,616,688**
Transferred (from) to retained earnings (net of tax)	(2)	4,317	(666)
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		78,904	55,839
Items reclassified to profit and loss			
Net change-movement in fair value reserve for debt instruments at fair value through other comprehensive income		730,711	47,991
Total other comprehensive income items for the year, net of tax	(3)	**809,615**	**103,830**
Total comprehensive income for the year, net of tax	(1+2+3)	**13,113,940**	**6,719,852**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Statement of Cash flows
for the year ended 31 December 2024

(All amounts are shown in thousands Egyptian Pounds)	Note No.	31/12/2024	31/12/2023
Cash flows from operating activities			
Profit before income tax for the year		17,928,621	10,926,634
Adjustments (to reconcile profit before tax for the year to cash flows from operating activities)			
Depreciation / Amortization		747,161	592,021
Leasing fixed assets depreciation		210,282	217,560
Expected credit losses		3,683,538	2,156,213
Charged other provision		529,251	788,934
Charged impairment for other assets		16,391	5,348
Provisions no longer required		(380,257)	(133,108)
Gains of selling property and equipment		(51,601)	(56,074)
Gains of selling assets reverted to the bank		(2,743)	(778)
Foreign currency translation of other provisions		244,269	87,712
Other provisions utilized other than loans' provisions		(43,060)	(25,632)
Proceeds from other provisions other than loans provisions		37	263
Dividend income		(527,997)	(217,950)
Share of results of associates		(82,500)	(106,454)
(Reversed) gains of selling of associates companies		--	(570)
Foreign currency translation of sovereign provisions for debt instruments		261,183	61,442
(Reverse) of gains from sale of debt instruments at fair value through other comprehensive income		(108,172)	(101,512)
(Reverse) of valuation resulting from monetary foreign currency investments and other loans		11,323,443	(238,478)
Reverse of amortization of premium/discount of issuing financial investments		337,840	57,613
Operating profit before changes in assets and liabilities provided from operating activities		**34,085,686**	**14,013,184**
Net Decrease (Increase) in assets			
Due from banks		16,396,991	(12,485,662)
Loans and advances to banks		(10,510,918)	395,533
Loans and advances to customers		(36,997,868)	(40,366,372)
Financial derivatives		--	59,464
Other assets		(2,600,608)	(569,650)
Net Increase (Decrease) in liabilities			
Due to banks		1,347,361	(13,159,698)
Customers' deposits		50,928,457	52,549,607
Other liabilities		(2,998,609)	6,852,932
Retirement benefit liabilities		159,577	112,109
Income tax paid		(3,618,680)	(2,661,015)
Net cash flows provided from operating activities		**46,191,389**	**4,740,432**

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Statement of Cash flows
for the year ended 31 December 2024

(All amounts are shown in thousands Egyptian Pounds)	Note No.	31/12/2024	31/12/2023
Net cash flow provided from operating activities		**46,191,389**	**4,740,432**
Cash flows from investing activities			
Payments to purchase property and equipment and preparation of branches		(1,407,402)	(594,885)
Prepaid payments to purchase property and equipment		---	(9,664)
Payments to purchase leasing fixed assets		(116,575)	(1,352,816)
Prepaid payments to purchase leasing fixed assets		(3,510)	(39,744)
Proceeds from the sale of property and equipment		54,242	58,021
Proceeds from the sale of financial investments at fair value through OCI		218,023,961	193,666,508
Payments for purchases of financial investments at fair value through OCI		(213,765,213)	(179,042,303)
Proceeds from redemption of financial investments at amortized cost		28,234,441	15,490,748
Payments for purchases of financial investments at amortized cost		(4,518,070)	(1,403,389)
Payments for investments in associates		(28,729)	(1,666)
Proceeds from disposal of associates		---	1,290
Proceeds from of sale assets reverted to the bank		2,965	---
Payments to purchase intangible assets		(214,151)	(304,670)
Dividends received		657,599	283,065
Net cash flows provided from investing activities		**26,919,558**	**26,750,495**
Cash flows from financing activities			
Capital increase		2,000	1,000
Proceeds from other loans		8,935,896	23,104,666
Payments for other loans		(14,119,975)	(4,542,681)
Financial lease contracts settlement		(51,408)	593,308
Dividends paid		(1,376,613)	(2,731,273)
Amounts paid under capital increase		---	6,500,000
Net cash flows (used in) provided from financing activities		**(6,610,100)**	**22,925,020**
Foreign currency translation differences of financial statement		146,010	6,658
Net increase in cash and cash equivalent during the year		66,500,847	54,415,947
Beginning balance of cash and cash equivalent for the year		111,058,484	56,635,879
Cash and cash equivalent at the end of the year		**177,705,341**	**111,058,484**
Cash and cash equivalent are represented in the following:			
Cash and balances at the Central Bank	(15)	29,109,277	37,786,925
Due from banks	(16)	141,708,711	67,693,315
Treasury bills and other governmental notes		40,748,254	57,037,281
Balances at the central bank within the mandatory reserve ratio		(17,275,921)	(26,930,567)
Due from banks with maturity more than 3 months		---	(6,682,795)
Treasury bills and other governmental notes with maturity more than 3 months		(16,584,980)	(17,845,675)
Total cash and cash equivalent	(36)	**177,705,341**	**111,058,484**

- The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.

Banque Du Caire
(Egyptian Joint Stock Company)
Consolidated Statement of Changes in Equity
for the year ended 31 December 2024

(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 subordinated deposit	Net profit for the year and retained earnings	Net equity	Non-controlling interest	Total equity
Balance as at 01/01/2023		10,000,000	4,000,000	3,029,331	2,053,600	3,655,139	**22,738,070**	8,441	**22,746,511**
Reclassification		--	--	29,346	--	--	**29,346**	--	**29,346**
Dividend distributions		--	--	--	--	(2,750,339)	**(2,750,339)**	(991)	**(2,751,330)**
Amounts paid under capital increase		--	6,500,000	--	--	--	**6,500,000**	1,000	**6,501,000**
Transferred to legal reserve		--	--	158,520	--	(158,520)	--	--	--
Transferred to general banking risk reserve		--	--	272,153	--	(272,153)	--	--	--
Transferred to capital reserve		--	--	30,386	--	(30,386)	--	--	--
Net change in items of other comprehensive income		--	--	103,830	--	(666)	**103,164**	--	**103,164**
Expected Credit Losses on debt instruments at fair value through OCI		--	--	175,886	--	--	**175,886**	--	**175,886**
Difference between the face value and present value for subordinated deposit		--	--	--	(407,292)	--	**(407,292)**	--	**(407,292)**
Translation differences		--	--	130,642	--	--	**130,642**	--	**130,642**
Net profit after Tax for the year ended 31 December 2023		--	--	--	--	6,615,009	**6,615,009**	1,679	**6,616,688**
Balance as at 31/12/2023		**10,000,000**	**10,500,000**	**3,930,094**	**1,646,308**	**7,058,084**	**33,134,486**	10,129	**33,144,615**
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)**
Amounts paid under capital increase		9,000,000	(9,000,000)	-	--	-	--	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	(33, 32)	**19,000,000**	**1,500,000**	**6,635,440**	**1,179,701**	**17,356,021**	**45,671,162**	**13,019**	**45,684,181**

The accompanying notes from (1) to (41) are an integral part of these Financial Statements and are to be read therewith.

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 8,362 employees at the financial statements' preparation date for the period ended 31 December 2024.

On May 2007, Banque Misr acquired all shares of Banque Due 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	share
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 share
Misr Capital company	562,499,985 share
Misr Abu Dhabi for Real Estate company	7 shares

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

- On 4 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 share
Misr Capital company	1,124,999,970 share
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.
  - The Board of Directors approved the consolidated financial statements for the period ended 31 December 2024 on 14 September 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:

These consolidated financial statements of the Bank and its subsidiaries for the year ended December 31, 2024, have been prepared for inclusion in an offering circular relating to the proposed offering of the Bank's ordinary shares on the Egyptian Stock Exchange, consequently this consolidated financial statement might not be appropriate to any other purpose.

A separate set of statutory consolidated financial statements for the same financial year, prepared in accordance with the rules of preparation, presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019, has been issued by the Bank/Group's management, on which External auditors (KPMG Hazem Hassan and Accountability State Authority) have expressed an unmodified opinion on February 25, 2025.

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 Consolidated financial statements have been prepared in accordance with the provisions of the relevant local laws.
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:

1) Banque Du Caire
2) Cairo Bank Uganda 99.99%
3) Cairo Leasing Company 98%
4) Taly for the digital payments Company 99.997%
5) 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 Amendements 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.

Off setting 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 agreemets 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 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)
Financial Instruments Low Credit Risk	There is no Past dues	Scope of accepted risks				
Financial instruments have significant increase in credit risk			Delay within 30 days from the due date of contractual installments	If the Borrower encounters 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 (ORR). The Bank classifies customers within each group into three stages based on the following quantitative and qualitative criteria:

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)
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 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 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.		
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 June 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.

- Financial assets created or acquired by the bank, which involve a higher credit risk compared to the bank's low-risk financial assets, are to be classified directly into 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 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.

2-13-2 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 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.

2-13-3 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 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 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		Additions property and equipment from 28 Feb 2022 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	8-10 years	(10%-12.5%)
- Fixtures &fittings rental	33.3%	3 years	16.7%	6 years	8-10 years or lease term whichever is lower	(10%-12.5%)

  - 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.

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 any.

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:

	31/12/2024	31/12/2023
Bank's Assessment	**Loans and advances (%)**	**Loans and advances (%)**
1- Stage 1	**78.18%**	**79.75%**
2- Stage 2	**16.85%**	**15.10%**
3- Stage 3	**4.97%**	**5.15%**
	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-33) 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:

	31/12/2024	31/12/2023
Cash and balances at Central Bank	17,349,575	26,936,005
Due from Banks	141,708,711	67,693,315
Loans and advances to banks	16,407,767	5,885,773
Loans and advances to customers:		
Retail:		
-Overdraft accounts	1,453,772	2,306,914
-Credit cards	3,191,034	1,756,035
-Direct Loans	669,931	379,836
-Personal loans	75,669,045	64,842,379
-Mortgage loans	8,553,093	5,539,695
Corporate:		
- Overdraft accounts	41,428,974	42,910,324
-Direct loans	49,694,784	32,770,845
-Syndicated loans	30,608,776	22,990,775
-Discounted documents	850,200	241,920
Financial investments at fair value through other comprehensive income		
-Debt instruments	63,530,767	71,599,189
Financial investments at amortized cost		
-Debt instruments	18,519,725	40,444,480
-Treasury bills and other governmental notes	40,807	1,094,974
Leased Fixed Assets	3,442,256	3,481,047
Other assets *	4,955,016	4,151,888
Total	**478,074,233**	**395,025,394**

previous table represents the loans without taking into consideration the expected credit Loss as disclosed in notes (15), (16), (17), (18), (19), (20) and (23)

(*) The above-mentioned other assets are represented in accrued revenues.

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

	31 December 2024			
Due from banks	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Due from banks	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Good debts	61,010,520	6,682,795	--	**67,693,315**
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	**61,010,520**	**6,682,795**	--	**67,693,315**
ECL Provision	(112)	(21,079)	--	**(21,191)**
Net carrying amount	**61,010,408**	**6,661,716**	--	**67,672,124**

	31 December 2024			
Treasury bills and other governmental notes	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Treasury bills and other governmental notes	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Good debts	44,983,859	12,053,422	--	**57,037,281**
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	**44,983,859**	**12,053,422**	--	**57,037,281**
ECL Provision	--	**(160,873)**	--	**(160,873)**
Net carrying amount	**44,983,859**	**11,892,549**	--	**56,876,408**

	31 December 2024			
Treasury Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Treasury Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
Credit rating				
Good debts	44,052,000	5,147,922	--	**49,199,922**
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	**44,052,000**	**5,147,922**	--	**49,199,922**
ECL Provision	--	(250,640)	--	**(250,640)**
Net carrying amount	**44,052,000**	**4,897,282**	--	**48,949,282**

Corporate Bonds	31 December 2024 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**

Corporate Bonds	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	6,295,110	--	--	6,295,110
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	606,330	--	606,330
Total	**6,295,110**	**606,330**	--	**6,901,440**
ECL Provision	(5,916)	(9,934)	--	**(15,850)**
Net carrying amount	**6,289,194**	**596,396**	--	**6,885,590**

Loans and advances to Banks	31 December 2024 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**

Loans and advances to Banks	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	--	5,885,773	--	**5,885,773**
Normal watch-list	--	--	--	--
Special watch-list	--	--	--	--
Non-performing loan	--	--	--	--
Total	--	**5,885,773**	--	**5,885,773**
ECL Provision	--	(16,502)	--	**(16,502)**
Net carrying amount	--	**5,869,271**	--	**5,869,271**

Loans and advances to Retail	31 December 2024 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 Retail	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	70,202,049	2,636,194	--	**72,838,243**
Normal watch-list	--	8,833	--	**8,833**
Special watch-list	--	--	--	--
Non-performing loan	--	--	1,977,784	**1,977,784**
Total	**70,202,049**	**2,645,027**	**1,977,784**	**74,824,860**
ECL Provision	(588,600)	(60,045)	(1,428,116)	**(2,076,761)**
Net carrying amount	**69,613,449**	**2,584,982**	**549,668**	**72,748,099**

Loans and advances to large & medium Corporate	31 December 2024 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 large & medium Corporate	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	57,537,417	20,916,704	--	**78,454,121**
Normal watch-list	--	--	--	--
Special watch-list	--	307,034	--	**307,034**
Non-performing loan	--	--	5,299,198	**5,299,198**
Total	**57,537,417**	**21,223,738**	**5,299,198**	**84,060,353**
ECL Provision	(446,724)	(3,349,204)	(4,574,916)	**(8,370,844)**
Net carrying amount	**57,090,693**	**17,874,534**	**724,282**	**75,689,509**

Loans and advances to small corporate	31 December 2024 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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**

Loans and advances to small corporate	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Credit rating				
Good debts	10,821,229	2,359,046	--	**13,180,275**
Normal watch-list	--	--	--	**--**
Special watch-list	--	--	7,830	**7,830**
Non-performing loan	--	--	1,665,404	**1,665,404**
Total	**10,821,229**	**2,359,046**	**1,673,234**	**14,853,509**
ECL Provision	(147,076)	(122,109)	(1,094,404)	**(1,363,589)**
Net carrying amount	**10,674,153**	**2,236,937**	**578,830**	**13,489,920**

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 2024 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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**

Due from banks	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2023	23	13,465	--	**13,488**
New financial assets purchased or issued	86	7,614	--	**7,700**
Financial assets have been matured or derecognized	--	(3,347)	--	**(3,347)**
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	3	3,347	--	**3,350**
Balance at the end of the year	**112**	**21,079**	--	**21,191**

Treasury bills and other governmental notes

	31 December 2024			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	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 bills and other governmental notes

	31 December 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
	12-Months	**Life time**	**Life time**	
ECL Provision at January 01, 2023	--	88,681	--	**88,681**
New financial assets purchased or issued	--	72,193	--	**72,193**
Financial assets have been matured or derecognized	--	(22,932)	--	**(22,932)**
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	--	22,931	--	**22,931**
Balance at the end of the year	--	**160,873**	--	**160,873**

	31 December 2024			
Treasury Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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 2023			
Treasury Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
ECL Provision at January 01, 2023	--	154,921	--	**154,921**
New financial assets purchased or issued	--	95,719	--	**95,719**
Financial assets have been matured or derecognized	--	(38,511)	--	**(38,511)**
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	--	38,511	--	**38,511**
Balance at the end of the year	--	**250,640**	--	**250,640**

	31 December 2024			
Corporate Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Corporate Bonds	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
ECL Provision at January 01, 2023	7,875	--	--	**7,875**
New financial assets purchased or issued	--	9,934	--	**9,934**
Financial assets have been matured or derecognized	(1,959)	--	--	**(1,959)**
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	**5,916**	**9,934**	**--**	**15,850**

Loans and advances to Banks	31 December 2024 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)**
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**

31 December 2023

Loans and advances to Banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2023	128	19,215	--	**19,343**
New financial assets purchased or issued	--	--	--	--
Financial assets have been matured or derecognized	(128)	(7,519)	--	**(7,647)**
Transfer to stage 1	--	--	--	--
Transfer to stage 2	--	--	--	--
Transfer to stage 3	--	--	--	--
Foreign exchange translation differences	--	4,806	--	**4,806**
Balance at the end of the year	--	**16,502**	--	**16,502**

Loans and advances to Retail	31 December 2024 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 in the balance during the year	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 Retail	31 December 2023 Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
ECL Provision at January 01, 2023	325,653	48,884	1,449,337	**1,823,874**
Cairo Bank Uganda adjustments	504	(491)	17,807	**17,820**
New financial assets purchased or issued	267,173	23,961	120,904	**412,038**
Financial assets have been matured or derecognized	(60,553)	(8,443)	(751,988)	**(820,984)**
Transfer to stage 1	6,186	(5,145)	(1,041)	--
Transfer to stage 2	(26,242)	26,920	(678)	--
Transfer to stage 3	(406,492)	(257,923)	664,415	--
Changes in the balance during the year	482,248	231,951	(58,276)	**655,923**
written-off during the year	--	--	(14,098)	**(14,098)**
Foreign exchange translation differences	123	331	1,734	**2,188**
Balance at the end of the year	**588,600**	**60,045**	**1,428,116**	**2,076,761**

	31 December 2024			
Loans and advances to large & medium Corporate	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Loans and advances to large & medium Corporate	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
ECL Provision at January 01, 2023	516,967	2,805,620	3,932,263	**7,254,850**
Cairo Bank Uganda adjustments	(309)	(2,994)	(14,518)	**(17,820)**
New financial assets purchased or issued	129,312	1,120,956	1,368,730	**2,618,998**
Financial assets have been matured or derecognized	(122,580)	(370,993)	(925,373)	**(1,418,946)**
Transfer to stage 1	75,586	(75,586)	--	**--**
Transfer to stage 2	(121,823)	121,823	--	**--**
Transfer to stage 3	(458)	(532,194)	532,652	--
Commitments for loans (unused limits)	(61,559)	(105,379)	--	**(166,938)**
written-off during the year	--	--	(815,739)	**(815,739)**
Proceeds from written-off during the year	--	--	13	**13**
Foreign exchange translation differences	31,588	387,951	496,888	**916,427**
Balance at the end of the year	**446,724**	**3,349,204**	**4,574,916**	**8,370,844**

	31 December 2024			
Loans and advances to small Corporate	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
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**

	31 December 2023			
Loans and advances to small Corporate	**Stage 1 12-Months**	**Stage 2 Life time**	**Stage 3 Life time**	**Total**
ECL Provision at January 01, 2023	117,754	929,988	170,895	**1,218,637**
New financial assets purchased or issued	122,412	104,825	346,077	**573,314**
Financial assets have been matured or derecognized	(79,151)	(47,305)	(52,370)	**(178,826)**
Transfer to stage 1	8,337	(8,337)	--	**--**
Transfer to stage 2	(16,840)	17,373	(533)	**--**
Transfer to stage 3	(433)	(873,717)	874,150	**--**
Commitments for loans (unused limits)	(5,273)	(718)	--	**(5,991)**
Loans written-off during the year	--	--	(246,425)	**(246,425)**
Proceeds from written-off	--	--	2,610	**2,610**
Foreign exchange translation differences	270	--	--	**270**
Balance at the end of the year	**147,076**	**122,109**	**1,094,404**	**1,363,589**

The following tables represent summary of expected credit losses at the end of the year.

Items	31 December 2024			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
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 retail	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**

Items	31 December 2023			
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Due from banks	112	21,079	--	**21,191**
Treasury bills & other governmental notes	--	160,873	--	**160,873**
Treasury bonds	--	250,640	--	**250,640**
Corporate bonds	5,916	9,934	--	**15,850**
Loans and advances to banks	--	16,502	--	**16,502**
Loans and advances to retail	588,600	60,045	1,428,116	**2,076,761**
Loans and advances to large& medium corporate	446,724	3,349,204	4,574,916	**8,370,844**
Loans and advances to small corporate	147,076	122,109	1,094,404	**1,363,589**
Expected credit losses for contingent liabilities corporate	118,124	312,145	34,584	**464,853**
Expected credit losses for contingent liabilities SMEs	3,033	541	1,444	**5,018**
Expected credit losses for contingent liabilities due from banks	4,630	12,127	--	**16,757**
Commitment on unused Loans corporate	70,524	276,695	--	**347,219**
Commitment on unused Loans SMEs	5,989	796	--	**6,785**
Other provisions (leased assets customers)	42,842	10,187	42,403	**95,432**
Balance at the end of the year	**1,433,570**	**4,602,877**	**7,175,867**	**13,212,314**

Off balance sheet items exposed to credit risk

	31/12/2024	31/12/2023
Non-revocable credit related commitments for loans and other liabilities	17,519,193	6,761,156
Letter of credit	13,973,574	10,849,503
Letters of guarantee	49,711,434	31,575,168
Customers Acceptances	2,156,060	2,603,227
Total	**83,360,261**	**51,789,054**

The previous table represents the maximum limit of exposure as at 31 December 2024 and as at 31 December 2023, without taking into consideration any financial guarantees.

As illustrated in the previous table 47.81% of the maximum limit exposed to credit risk arises from loans and advances to customers included discounted documents (45.47%: 31 December 2023), where investments in debt instrument measured at fair value through other comprehensive income and amortized cost represent 17.17% (28.64 %: 31 December 2023)

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:

- 75.81% of loans and advances portfolio are considered to be neither past due nor impaired (70.84%: 31 December 2023).
- 5.61% of loans and advances portfolio individually impaired (5.54%: 31 December 2023).
- Loans and advances that are not impaired represent 94.39% from total loans portfolio (94.45 %:31 December 2023) including past due loans but not impaired represent 18.58% from total loans portfolio (23.62%: 31 December 2023).

A-6 Loans and advances

The following is the position of loans and advances' balances as regarding creditworthiness:

	31/12/2024		31/12/2023	
	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	160,802,935	16,407,767	123,059,383	5,885,773
With past due but not impaired	39,412,649	--	41,041,746	--
Individually impaired	11,904,025	--	9,637,594	--
Total	**212,119,609**	**16,407,767**	**173,738,723**	**5,885,773**
(Less):Expected Credit Loss	(15,853,099)	(33,624)	(11,811,194)	(16,502)
(Less): Unearned discount of discounted documents	(29,550)	--	(15,991)	--
Net	**196,236,960**	**16,374,143**	**161,911,538**	**5,869,271**

Total Expected Credit Loss provision of loans and advances to customers amounted EGP 15,853,099 thousand as at **31 December 2024** of which EGP 8,230,937 thousand represents impairment of individual loans (Stage 3) and the balance of EGP 7,622,162 thousand represents the provision of ECL (Stage 1 and Stage 2)
(31 December 2023: EGP 11,811,194) thousands of which EGP 7,097,435 thousand represents impairment of individual loans and the balance of EGP 4,713,759 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 financial year loans and advances to customers and Banks increased by 27%

- **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 2024

	Retail					Corporate				
Grade	**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**

31 December 2023

	Retail					Corporate				
Grade	**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	2,241,593	1,718,707	62,255,993	257,210	5,512,121	7,600,093	11,317,583	8,575,504	99,478,804	5,885,773
2 Regular watching	12,352	--	--	18,109	--	2,609,953	8,811,030	11,899,022	23,350,466	--
3 Watch list	6,489	--	--	34,206	--	16,458	172,959	--	230,112	--
Total	**2,260,434**	**1,718,707**	**62,255,993**	**309,525**	**5,512,121**	**10,226,504**	**20,301,572**	**20,474,526**	**123,059,383**	**5,885,773**

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:

	Retail		*Corporate*			
31 December 2024	***Overdrafts***	***Direct Loans***	***Overdrafts***	***Direct loans***	***Syndicated loans***	***Total Loans and advances to customers***
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**

	Retail		*Corporate*			
31 December 2023	***Overdrafts***	***Direct Loans***	***Overdrafts***	***Direct loans***	***Syndicated loans***	***Total Loans and advances to customers***
Past dues up to 30 days	--	--	23,468,734	11,678,787	1,485,465	36,632,986
Past dues more than 30 to 60 days	21,523	39,423	1,463,371	386,077	786,098	2,696,491
Past dues more than 60 to 90 days	1,374	7,229	213,680	308,576	--	530,859
Past dues more than 90 days	--	--	868,397	68,327	244,686	1,181,410
Total	**22,897**	**46,652**	**26,014,182**	**12,441,767**	**2,516,249**	**41,041,746**

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 11,904,025 thousand as at 31 December 2024 (31 December 2023: EGP 9,637,594 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:

	Retail					Corporate		
31 December 2024	*Overdrafts*	*Credit cards*	*Personal loans*	*Direct loans*	*Mortgages 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**

	Retail					Corporate		
31 December 2023	*Overdrafts*	*Credit cards*	*Personal loans*	*Direct loans*	*Mortgages Loans*	*Overdraft*	*Direct loans*	*Total*
Individually impaired loans	23,583	37,328	2,586,386	23,659	27,574	6,911,558	27,506	**9,637,594**

The fair value of collaterals held by the Bank against above loans is totaled EGP 2,860,719 thousand (2023: EGP 1,974,673 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 **9,210,730** thousand as at 31 December 2024 (31 December 2023: EGP 6,832,635 thousand)

Loans and advances to customers

	31/12/2024	31/12/2023
Corporate		
- Direct loans	485,657	333,263
- Syndicated loans	8,717,755	6,483,424
Retail		
- Personal loans	7,318	15,948
Total	**9,210,730**	**6,832,635**

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:

Rate	Net Treasury bills at FVTOCI	Bonds at FVTOCI	Treasury bills and Bonds at amortized cost	Other investment at amortized cost	Total	year
B -	40,707,447	22,823,320	18,504,419	56,113	**82,091,299**	**12/2024**
B -	55,942,307	15,656,882	41,483,341	56,113	**113,138,643**	**12/2023**

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

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	--	--	--	16,407,767	**16,407,767**
Loans and advances to customers					
Retail :					
-Overdraft	525,709	773,480	45,524	109,059	**1,453,772**
-Credit cards	2,376,072	595,070	219,892	--	**3,191,034**
-Direct loans	--	--	--	669,931	**669,931**
-Personal loans	29,631,570	27,758,850	18,278,625	--	**75,669,045**
-Mortgages loans	6,548,299	924,452	1,080,342	--	**8,553,093**
Loans to corporate:					
- Overdraft	32,811,412	7,007,043	1,356,049	254,470	**41,428,974**
-Direct loans	38,379,468	7,886,248	1,865,896	1,563,172	**49,694,784**
-Syndicated loans	26,153,274	2,744,576	1,710,926	--	**30,608,776**
Discounted documents	729,676	120,524	--	--	**850,200**
Financial investment at fair value through other comprehensive income					
-Debt instrument	22,823,320	--	--	--	**22,823,320**
-Treasury bills and other governmental notes	40,707,447	--	--	--	**40,707,447**
Financial investment at amortized cost					
-Debt instrument	16,677,966	--	--	1,841,759	**18,519,725**
-Treasury bills and other governmental notes	--	--	--	40,807	**40,807**
Leased fixed assets	3,442,256	--	--	--	**3,442,256**
Other assets*	4,411,776	396,008	147,232	--	**4,955,016**
Total as at 31 December 2024	**225,218,245**	**48,206,251**	**24,704,486**	**20,886,965**	**319,015,947**
Total as at 31 December 2023	**227,718,674**	**42,455,787**	**21,688,903**	**8,532,710**	**300,396,074**

(*) The above - mentioned other assets represented 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 institutions	Manufacturing	Real estate	Wholesale and retail trade	Government sector	Other activities	Individual	Total
Loans and advances to banks	16,407,767	--	--	--	--	--	--	**16,407,767**
Loans and advances to customers Retail:					--			
- Overdrafts	--	10,924	9,910	7,639	--	69,056	1,356,243	**1,453,772**
- Credit cards	--	--	--	--	--	--	3,191,034	**3,191,034**
- Direct loans	--	27,755	28,448	244,719	--	339,715	29,294	**669,931**
- Personal loans	--	--	--	--	--	--	75,669,045	**75,669,045**
- Mortgages Loans	--	--	8,553,093	--	--	--	--	**8,553,093**
Corporate:								
- Overdrafts	--	10,500,104	2,867,237	3,823,685	7,788,171	16,423,174	26,603	**41,428,974**
- Direct loans	--	3,077,069	486,082	442,945	8,260,649	37,361,780	66,259	**49,694,784**
- Syndicated loans	--	5,407,320	2,553,281	--	13,174,730	9,473,445	--	**30,608,776**
Discount documents	--	105,135	--	172,433	--	572,632	--	**850,200**
Financial investment at Fv through OCI								
-Debt instrument	6,227,905	--	--	--	16,595,415	--	--	**22,823,320**
-Treasury bills and other governmental notes	--	--	--	--	40,707,447	--	--	**40,707,447**
Financial investment at amortized cost								
-Debt instruments	--	--	--	--	18,519,725	--	--	**18,519,725**
-Treasury bills and other governmental notes	--	--	--	--	40,807	--	--	**40,807**
-Leased fixed assets	--	--	--	--	--	3,442,256	--	**3,442,256**
-Other assets (*)	--	--	--	--	--	4,955,016	--	**4,955,016**
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**
Total as at 31 December 2023	**12,787,213**	**8,087,511**	**9,579,982**	**4,747,239**	**124,598,899**	**71,672,304**	**68,922,926**	**300,396,074**

*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

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 testing**

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.

Summary of value at risk

VAR as per the risk type

(Thousand EGP)

	12 months till the end of current year 2024			12 months till the end of compared year 2023		
	Average	**High**	**Low**	**Average**	**High**	**Low**
Foreign exchange risk	32,243	148,518	1,153	56,274	102,809	1,516
VAR	32,243	148,518	1,153	56,274	102,809	1,516

B-1 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 2024	**EGP**	**USD**	**Euro**	**GBP**	**Other Currencies**	**Total**
Financial Assets						
Cash and balances at Central Bank	23,063,038	4,415,448	804,413	128,951	698,310	**29,110,160**
Due from banks	42,094,100	91,575,211	6,804,896	366,252	841,132	**141,681,591**
Loans and advances to banks	--	16,374,143	--	--	--	**16,374,143**
Loans and advances to customers	171,581,141	21,052,927	1,700,176	17,370	1,885,346	**196,236,960**
Financial Investments						
At fair value through other comprehensive income	35,099,841	29,039,042	2,407,583	--	208	**66,546,674**
At amortized cost	16,677,966	--	--	--	1,882,566	**18,560,532**
Investments in associates	543,625	360,546	--	--	--	**904,171**
Total financial Assets	**289,059,711**	**162,817,317**	**11,717,068**	**512,573**	**5,307,562**	**469,414,231**
Financial liabilities						
Due to banks	1,338,280	6,633,002	44,645	1,391	7,584	**8,024,902**
Customers' deposits	232,963,037	107,623,859	11,375,454	491,996	2,292,869	**354,747,215**
Other loans	6,342,406	53,103,848	264,603	--	--	**59,710,857**
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**
31 December 2023						
Total financial assets	**284,853,320**	**96,955,965**	**4,171,261**	**302,791**	**3,077,932**	**389,361,269**
Total financial liabilities	**245,584,837**	**100,807,569**	**3,908,115**	**254,029**	**1,546,148**	**352,100,698**
Net financial assets in Financial Position	**39,268,483**	**(3,851,604)**	**263,146**	**48,762**	**1,531,784**	**37,260,571**

B-2 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 2024	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	--	--	--	--	--	--	29,110,160	**29,110,160**
Due from banks	129,021,187	12,098,771	--	--	--	392,705	196,048	**141,708,711**
Loans and advances to banks	1,494,901	3,352,902	11,559,964	--	--	--	--	**16,407,767**
Loans and advances to customers	6,770,616	65,079,486	22,847,291	27,578,093	53,534,419	36,309,704	--	**212,119,609**
Financial Investments								
- At fair value through other comprehensive income	3,505,663	27,394,187	22,155,552	6,155,602	6,182,285	--	3,015,907	**68,409,196**
- At amortized cost	1,728,721	1,850,687	6,656,499	7,730,791	593,834	--	--	**18,560,532**
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**

B-2 Interest rate risk - Continued

31 December 2024

	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	4,562,379	--	1,392,737	--	--	2,069,786	--	**8,024,902**
Customers' deposits	67,205,338	38,125,699	68,619,517	82,612,188	18,671,700	73,049,990	6,462,784	**354,747,216**
Other loans	8,381,285	8,390,278	8,596,711	27,627,606	2,894,678	--	3,820,299	**59,710,857**
Total financial liabilities	**80,149,002**	**46,515,977**	**78,608,965**	**110,239,794**	**21,566,378**	**75,119,776**	**10,283,083**	**422,482,975**
Total interest re-pricing gap	**62,372,086**	**63,260,056**	**(15,389,659)**	**(68,775,308)**	**38,744,160**	**(38,417,367)**	**22,039,032**	**63,833,000**
As at 31 December 2023								
Total financial assets	**86,101,597**	**83,036,332**	**70,387,169**	**33,827,493**	**48,701,307**	**40,595,136**	**40,247,346**	**402,896,380**
Total financial liabilities	**80,048,170**	**39,931,441**	**69,382,989**	**89,172,983**	**16,188,985**	**48,300,687**	**9,075,443**	**352,100,698**
Total interest re-pricing gap	**6,053,427**	**43,104,891**	**1,004,180**	**(55,345,490)**	**32,512,322**	**(7,705,551)**	**31,171,903**	**50,795,682**

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 contractual.

31 December 2024	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
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**

31 December 2023	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
Financial liabilities							
Due to banks	6,718,973	--	--	--	--	--	**6,718,973**
Customers' deposits	92,281,391	36,511,416	51,599,431	116,655,017	39,624,899	523,978	**337,196,132**
Other loans	318,629	2,326,381	23,328,193	9,614,557	13,625,148	--	**49,212,908**
Total liabilities (contractual maturity dates)	**99,318,993**	**38,837,797**	**74,927,624**	**126,269,574**	**53,250,047**	**523,978**	**393,128,013**
Total assets (contractual maturity dates)	**133,050,960**	**39,145,452**	**97,323,728**	**103,689,311**	**116,608,661**	**390,648**	**491,208,760**

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 Statement of financial position at their fair value:

	Book Value		Fair Value	
	Current year 31/12/2024	Compared year 31/12/2023	Current year 31/12/2024	Compared year 31/12/2023
Financial Assets				
Due from banks	141,708,711	67,693,315	141,849,661	67,791,001
Loans to banks	16,407,767	5,885,773	16,407,767	5,885,773
Loans to customers				
- Retail	89,536,875	74,824,859	89,216,986	73,442,480
- Corporate	122,582,734	98,913,864	122,549,219	98,913,864
Financial Investments				
- At amortized cost	18,560,532	41,539,454	18,332,043	385,610,507
Financial liabilities				
Due to banks	8,024,902	6,703,631	8,220,184	6,865,920
Customers' deposits:				
- Retail	199,519,125	164,243,308	216,766,928	181,083,639
- Corporate	155,228,091	139,491,396	156,780,486	139,578,725
- Other loans	59,710,857	41,662,363	59,710,857	41,662,363

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 12.75% (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

	31/12/2024	31/12/2023
Tier 1 capital (continuous basic capital & additional capital)		
Issued and paid-up capital	19,000,000	10,000,000
Amount paid for capital increase	1,500,000	10,500,000
General reserve	187,291	187,291
Legal reserve	1,720,450	1,386,083
Other reserves	801,435	745,367
General risk reserve	68,481	68,481
Retained earnings	5,056,013	443,075
Profit for the year	12,300,008	6,615,009
Non-controlling interest	13,019	10,129
Difference between the present value and face value for subordinated time deposit	1,179,701	1,646,308
Total other comprehensive income items, accumulated	1,541,818	(344,115)
Total deductions from tier 1 capital common equity	(1,886,364)	(1,429,765)
Total qualifying tier 1 capital	**41,481,852**	**29,827,863**
Tier 2 capital (subordinated capital)		
Equal for banking risk provisions against debt instruments / loans, credit facilities in the stage one	2,495,630	1,433,570
Subordinate deposits	9,554,507	6,896,588
45% of the Increase in fair value than the book value for financial investments in associated companies	176,484	92,575
Total Tier 2	**12,226,621**	**8,422,733**
Total capital base after deductions	**53,708,473**	**38,250,596**
Risk weighted assets and contingent liabilities		
Total credit risk	287,271,174	203,611,510
Total market risk	13,374,883	8,224,272
Total operational risk	12,623,154	9,624,637
Total risk weighted assets and contingent liabilities	**313,269,211**	**221,460,419**
Capital adequacy ratio (%)	**17.14%**	**17.27%**

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	**31/12/2024**	**31/12/2023**
Total qualifying tier 1 capital after deduction	41,481,852	29,827,863
Total on-balance sheet exposure	487,117,204	403,813,582
Total off balance sheet exposure	51,425,205	34,673,540
Total on and off balance sheet exposure	**538,542,409**	**438,487,122**
Leverage (%)	**%7.70**	**6.80%**

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 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**

Assets & Liabilities according to geographical segments at 31 December 2023	***Cairo***	***Alex, Delta & Sinai***	***Upper Egypt***	***Outside Egypt***	***Total***
Geographical Segments Assets	337,348,144	44,408,351	20,871,703	3,107,059	**405,735,257**
Geographical Segments Liabilities	246,160,575	97,738,140	26,776,772	1,915,155	**372,590,642**
Geographical Segments of Other Items					
Depreciation at 31 December 2023					**592,021**
Profit before tax					**10,926,634**
Tax					**(4,309,946)**
Net Profit for the year					**6,616,688**

6) Net interest income

	31/12/2024	31/12/2023
Interest income from loans and similar income:		
Loans and advances :		
- banks	725,057	545,427
- customers	38,045,115	23,832,216
Total	**38,770,172**	**24,377,643**
Deposits and current accounts	12,523,695	7,997,565
Investments in debt instrument at fair value through other comprehensive income and at amortized cost	17,421,629	16,657,440
Revenue from Leased contracts	3,376,700	2,416,773
Total	**72,092,196**	**51,449,421**
Interest expense of deposits and similar expense:		
Deposits and current accounts:		
- banks	(1,993,428)	(2,818,045)
- customers	(34,786,481)	(26,349,133)
Total	**(36,779,909)**	**(29,167,178)**
Other	(6,583,310)	(4,060,951)
Total	**(43,363,219)**	**(33,228,129)**
Net	28,728,977	18,221,292

7) Net fee and commission income

	31/12/2024	31/12/2023
Fee and commission income:		
Fee and commission related to credit	3,508,862	2,650,432
Trust and custody fee	44,825	39,563
Other fees	2,883,901	1,659,162
	6,437,588	**4,349,157**
Fee and commission expense:		
Other fees	(564,050)	(389,389)
	(564,050)	(389,389)
Net	**5,873,538**	**3,959,768**

8) Dividend income

	31/12/2024	31/12/2023
Securities at fair value through other comprehensive income	527,996	217,950
Total	**527,996**	**217,950**

9) Net trading income

	31/12/2024	31/12/2023
Debt instruments for trading	32,708	23,865
Valuation Differences in Currency Swap Contracts	--	20,451
Gains from foreign currencies Contracts	31,995	110
Total	**64,703**	**44,426**

10) Administrative expenses

	31/12/2024	31/12/2023
Employee's cost		
Wages and salaries*	(4,887,672)	(3,960,518)
Social insurance	(223,298)	(188,361)
Other retirement benefits (Note 31)	(500,421)	(351,695)
	(5,611,391)	**(4,500,574)**
Other administrative expenses	(6,065,642)	(4,129,272)
Total	**(11,677,033)**	**(8,629,846)**

* The current period includes EGP 44,167 thousand representing the Bank's share in the contributions of the Bank's Special Insurance fund for employees).

11) Other operating revenues (expenses)

	31/12/2024	31/12/2023
(Losses) of translated monetary assets and liabilities in foreign currencies other than classified as held for trading items	(1,299,519)	(454,886)
Gains of sale property and equipment	51,601	56,074
Gains of sale assets reverted to the bank	2,743	778
Reverse other provisions (note: 23&29)	381,013	133,108
Other provisions charges (note: 23&29)	(546,398)	(794,282)
Other	(755,829)	46,143
Total	**(2,166,389)**	**(1,013,065)**

12) (Charged) reversed expected credit losses

	31/12/2024	31/12/2023
Loans and advances to customers	(3,754,879)	(2,045,063)
Due from Banks	7,171	(4,353)
Debt instruments	70,216	(114,444)
Loans and advances to banks	(6,046)	7,647
Total	**(3,683,538)**	**(2,156,213)**

13) Income tax expense

	31/12/2024	31/12/2023
Current tax	(5,842,821)	(4,203,544)
Deferred tax (Note 30)	214,208	(106,402)
Total	**(5,628,613)**	**(4,309,946)**
Profit before income tax	17,928,621	10,926,634
Tax Rate	%22.5	22.5%
Income tax calculated on accounting profit	4,033,939	2,458,492
Expenses are not deductible	1,594,674	1,851,454
Net tax	**5,628,613**	**4,309,946**
Effective tax rate	**31.40%**	**39.44%**

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.

	31/12/2024	31/12/2023
Net profit for the year attributable to distribution	**12,297,552**	**6,615,009**
The number of common / weighted shares	**8,430,328**	**5,000,000**
Earnings per basic share from net profit for the year	**1.46**	**1.32**

15) Cash and balances at Central Bank

	31/12/2024	31/12/2023
Cash	11,759,702	10,850,920
Balances at Central Bank within the mandatory reserve ratio	17,349,575	26,936,005
Total	**29,109,277**	**37,786,925**
Balances without interest	**29,109,277**	**37,786,925**

16) Due from banks

	31/12/2024	31/12/2023
Current Accounts	647,049	1,722,924
Deposits	141,061,662	65,970,391
Expected credit loss provision for due from banks	(27,120)	(21,191)
Net	**141,681,591**	**67,672,124**
Central Bank	46,070,882	18,703,212
Local Banks	65,869,757	42,520,444
Foreign Banks	29,768,072	6,469,659
Expected credit loss provision for due from banks	(27,120)	(21,191)
Net	**141,681,591**	**67,672,124**
Balances without Interest	684,457	1,791,040
Balances with fixed interest	141,024,254	65,902,275
Expected credit loss provision for due from banks	(27,120)	(21,191)
Net	**141,681,591**	**67,672,124**
Current balances	**141,681,591**	**67,672,124**

An analysis of the movement in the expected credit loss provision for due from banks during the year:

	31/12/2024	31/12/2023
Balance at the beginning of the year	21,191	13,488
Charged Expected Credit Loss during the year	(7,185)	4,353
Foreign currencies translation differences of provisions during the year	13,114	3,350
Balance at the end of the year	**27,120**	**21,191**

17) Loans and advances to banks

	31/12/2024	31/12/2023
Term Loans	16,407,767	5,885,773
Total	**16,407,767**	**5,885,773**
Less: Expected Credit Loss provision	(33,624)	(16,502)
Loans and advances to banks	**16,374,143**	**5,869,271**
Current balances	16,407,767	5,885,773
Total	**16,407,767**	**5,885,773**

An analysis of the movement in the expected credit loss provision for loans and advances to banks during the year:

	31/12/2024	31/12/2023
Balance at the beginning of the year	16,502	19,343
(Charged) Expected Credit Loss during the year	6,046	(7,647)
Foreign currencies translation differences of provisions during the year	11,076	4,806
Balance at the end of the year	**33,624**	**16,502**

18. Loans and advances to customers

	31/12/2024	31/12/2023
Retail		
Overdraft accounts	1,453,772	2,306,914
Credit cards	3,191,034	1,756,035
Direct loans	669,931	379,836
Personal loans	75,669,045	64,842,379
Mortgage loans	8,553,093	5,539,695
Total	**89,536,875**	**74,824,859**
Corporate including small loans for economic activities		
Overdraft accounts	41,428,974	42,910,324
Direct loans	49,694,784	32,770,845
Syndicated loans	30,608,776	22,990,775
Discounted documents	850,200	241,920
Total	**122,582,734**	**98,913,864**
Total loans and advances to customers	**212,119,609**	**173,738,723**
Expected Credit Loss provision	(15,853,099)	(11,811,194)
Unearned discount of discounted documents	(29,550)	(15,991)
Net loans and advances to customers	**196,236,960**	**161,911,538**
Total is distributed as follow: -		
Current balances	85,552,350	70,249,578
Non-current balances	126,567,259	103,489,145
Total	**212,119,609**	**173,738,723**

An analysis of the movement in the expected credit loss provision for loans and advances to customers during the year.

	31/12/2024	31/12/2023
Balance at the beginning of the year	**11,811,194**	**10,297,361**
Expected credit loss charged during the year	**3,754,879**	2,045,063
Transfers	**--**	100,767
Provision utilized for written off debts during the year	**(2,357,014)**	(1,733,227)
Proceeds from written off debts during the year	**281,005**	182,300
Foreign currencies translation differences of provisions during the year	**2,363,035**	918,930
Balance at the end of the year	**15,853,099**	**11,811,194**

	31/12/2024			31/12/2023		
	Corporate	**Retail**	**Total**	**Corporate**	**Retail**	**Total**
Balance at the beginning of the year	**9,734,433**	**2,076,761**	**11,811,194**	**8,473,487**	**1,823,874**	**10,297,361**
Expected credit loss charged during the year	2,477,563	1,277,316	3,754,879	1,320,844	724,219	2,045,063
Transfers	9,634	(9,634)	--	82,947	17,820	100,767
Provision utilized for written off during the year	(1,750,918)	(606,096)	(2,357,014)	(1,062,164)	(671,063)	(1,733,227)
Proceeds from written off debts during the year	11,408	269,597	281,005	2,623	179,677	182,300
Foreign currencies translation differences of provisions during the year	2,349,160	13,875	2,363,035	916,696	2,234	918,930
Balance at the end of the year	**12,831,280**	**3,021,819**	**15,853,099**	**9,734,433**	**2,076,761**	**11,811,194**

19. Financial investment

	31/12/2024	31/12/2023
Financial investments at fair value through other comprehensive income		
a) Debt Instruments		
- Listed (at fair value Level 2)	22,823,320	15,656,882
b) Treasury bills and other governmental notes (Unlisted)		
- Treasury bills at fair value – local currency*(at fair value Level 2)	20,979,902	43,888,885
- Treasury bills – foreign currency	19,727,545	12,053,422
Total Treasury bills and other governmental notes at fair value	**40,707,447**	**55,942,307**
c) Equity instruments		
- Listed (at fair value Level 1)	111,370	54,904
- Unlisted at cost**	2,516,272	1,992,038
d) Investment Certificates		
- Unlisted Certificate – recoverable amount (Level 1 at fair value)	388,265	246,850
Total financial investments at fair value through other comprehensive income (1)	**66,546,674**	**73,892,981**
Financial investments at amortized cost :		
a) Debt Instruments-at amortized cost		
- Listed	18,463,612	40,388,367
- Unlisted ***	56,113	56,113
b) Treasury Bills-at amortized cost		
- Unlisted	40,807	1,094,974
Total financial investments at amortized cost (2)	**18,560,532**	**41,539,454**
Total financial investments (1)+(2)	**85,107,206**	**115,432,435**
Current balances	54,870,311	86,642,771
Non-current balances	30,236,895	28,789,664
Total	**85,107,206**	**115,432,435**
Fixed interest debt instruments	66,481,681	99,744,001
Floating interest debt instruments	15,609,618	13,394,642
Total	**82,091,299**	**113,138,643**

* 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 1,665,225 thousand as of 31 December 2024 (31 December 2023: EGP 1,682,275 thousand)

**The following are the financial investments - unlisted equity instruments at cost:

	31/12/2024	31/12/2023
African export – import bank	2,301,952	1,805,095
Misr Bank-Europe	84,218	84,218
Arab Financial services company	242	2,420
Credit guarantee company	1,364	1,364
Taba Tourism development Co.	2,250	2,250
I-Score company	1,848	1,848
Misr for central clearing	1,396	137
Arab trade financing program – ATFP	11,028	11,028
Other companies	111,974	83,678
Total	**2,516,272**	**1,992,038**

African export – import bank

- The bank is unlisted.
- The main purpose of establishing the bank is funding and facilitating the trading business between African countries and the rest of the world countries, which makes it difficult to find similar listed banks.
- The bank owns an insignificant share in African export – import bank (4.13%), 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 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.

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 (10%), 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 01/01/2024	**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**

	Financial investments at fair value through other comprehensive income	Financial investments at amortized cost	Total
Balance of 01/01/2023	**47,431,343**	**55,442,282**	**102,873,625**
Additions	179,042,303	1,547,938	**180,590,241**
Disposals (sales / redemption)	(155,384,805)	(15,584,698)	**(170,969,503)**
Monetary assets translation differences	3,526,797	155,532	**3,682,329**
Net change	(686,644)	--	**(686,644)**
Amortization of (premium) / discount of issuance	(36,013)	(21,600)	**(57,613)**
Balance as at 31/12/2023	**73,892,981**	**41,539,454**	**115,432,435**

Gains from financial investments

	31/12/2024	31/12/2023
Gains from selling Treasury bills at fair value through OCI	69,695	73,786
Gain from selling debt instruments at fair value through OCI	108,172	101,512
Gains from selling associates companies	--	570
Total	**177,867**	**175,868**

20. Investments in associates

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 management	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**

31/12/2023 Company	Currency	Last financial data	Country	Assets	Liabilities	Revenues	Profit/ (Loss)	Share %	Value of Investment
Herasat for Security Services	EGP	12/2023	Egypt	32,637	20,189	79,625	4,917	30	3,735
Nile Holding Company for Development and Investment	EGP	12/2023	Egypt	370,967	2,834	20,239	5,602	33.33	122,711
Financial Sector Mutual Fund	EGP	12/2023	Egypt	227,352	9,932	103,474	87,009	46.28	100,618
Egy Serv for Postal Services	EGP	12/2023	Egypt	304,796	155,724	643,692	101,823	40	112,024
Misr for investment and export development*	EGP	--	Egypt	--	--	--	--	20	12,500
Nclude fintech innovation fund	USD	12/2023	UAE	869,652	33,790	--	(32,631)	23.57	197,008
Misr real-estate fund 1*	EGP	12/2023	Egypt	501,541	2,760	145,082	135,189	27.8	138,564
Misr for investements Funds management	EGP	12/2023	Egypt	10,324	1,239	7,200	4,871	20	1,817
Total				**2,317,269**	**226,468**	**999,312**	**306,780**	**--**	**688,977**

The following table shows the structure of associates' shareholders at 31/12/2024.

	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 management
	%	%	%	%	%	%	**%**	**%**
Bank Du Caire	30	33.33	46.28	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 development bank of Egypt	--	--	--	--	20	--	--	--
Arab African international bank	--	--	--	--	20	--	--	--
Misr Insurance Co.	--	--	24.26	--	--	--	--	20
Misr Life Insurance Co.	--	--	26.80	--	--	--	27.8	--
Misr holding for insurance	--	--	2.66	--	--	--	--	--
National Security Sector	30	--	--	--	--	--	--	--
Insurance Fund for employee at Banque du caire	10	--	--	--	--	--	--	--
Al Baraka bank	10	--	--	--	--	--	--	--
Egypt Agriculture bank	20	--	--	--	--	--		
Other (Individuals & Corporates)	--	--	--	20	--	19.85	16.6	--
Total	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**	**100 %**

21. Intangible assets

Intangible assets represent the bank's computer software programs and its details as followings:

	31/12/2024	**31/12/2023**
Beginning balance of the year		
Cost	905,667	581,232
Accumulated amortization	(527,350)	(350,535)
Net book value at the beginning of the year	**378,317**	**230,697**
Additions during the year	216,842	305,176
Amortization for the year	(207,705)	(164,088)
Foreign currency exchange	20,870	6,532
Net book value at the end of the year	**408,324**	**378,317**

22. Other assets

	31/12/2024	31/12/2023
Accrued revenues	4,955,016	4,151,888
Prepaid expenses	518,858	376,635
Advance payments under purchase of fixed assets	2,963,063	2,355,078
Assets reverted to the bank in settlement of debts	214,270	214,974
Insurances and custodies	273,142	177,241
Clearing transactions	1,255,250	919,891
Tax authority	196,167	186,393
Other debit balances	2,143,561	1,688,098
Impairment Provision for other assets	(230,612)	(213,212)
Total	**12,288,715**	**9,856,986**

An analysis of the movement in the impairment provision for other assets during the year:

	31/12/2024	31/12/2023
Balance at the beginning of the year	213,212	208,259
Impairment charged at income statement of the year	22,948	5,348
Provision utilized during the year	(4,533)	(396)
Reversed during the year	(1,015)	--
Foreign currencies translation differences of provisions during the year	--	1
Balance at the end of the year	**230,612**	**213,212**

23. Leasing fixed assets

	Land	Buildings & Constructions	Vehicles	Machinery & Equipment	Total
Balance at 01/01/2023					
Cost	934,826	2,694,224	484,705	1,188,989	**5,302,744**
Accumulated depreciation	--	(188,538)	(129,491)	(390,078)	**(708,107)**
Net book value at 01/01/2023	**934,826**	**2,505,686**	**355,214**	**798,911**	**4,594,637**
Additions	821,173	1,665,745	200,819	404,485	**3,092,222**
Disposals	(427,890)	(866,053)	(96,237)	(349,550)	**(1,739,730)**
Disposals' accumulated depreciation	--	101,398	33,761	182,676	**317,835**
Depreciation	--	(166,408)	(106,132)	(262,855)	**(535,395)**
Net book value at 31/12/2023	**1,328,109**	**3,240,368**	**387,425**	**773,667**	**5,729,569**
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**
Balances at 31/12/2024					
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 31/12/2024	**1,594,748**	**2,893,042**	**654,633**	**493,438**	**5,635,861**

The following are net leased assets after adjustments:

	31/12/2024	31/12/2023
Leasing fixed assets (net)	5,635,861	5,729,569
Advance payments under purchase of leasing fixed assets	49,761	46,252
Lease Settlement Account	(2,243,366)	(2,294,774)
Net leased assets after adjustments	**3,442,256**	**3,481,047**

24. Property and equipment

	Land	Buildings & Constructions	Integrated automated systems	Vehicles	Machinery & Equipment	Furniture	Fixtures & fittings	Total
Balances at 01/01/2023								
Cost	307,416	676,045	1,241,076	59,083	179,718	302,605	989,745	**3,755,688**
Accumulated depreciation	--	(392,568)	(829,415)	(52,788)	(80,543)	(180,725)	(445,655)	**(1,981,694)**
Net book value	**307,416**	**283,477**	**411,661**	**6,295**	**99,175**	**121,880**	**544,090**	**1,773,994**
Net book value at 01/01/2023	307,416	283,477	411,661	6,295	99,175	121,880	544,090	**1,773,994**
Adjustment	--	--	--	--	--	(3)	(137)	**(140)**
Transfers*	--	--	433	--	929	11,936	(13,298)	--
Additions	40	76,971	146,382	2,439	51,145	64,196	246,801	**587,974**
Disposals	(606)	(12,307)	(1,158)	(1,778)	--	(2,773)	(7,218)	**(25,840)**
Disposals' accumulated depreciation	--	11,192	932	1,778	--	1,907	7,227	**23,036**
Transfers' accumulated depreciation	--	--	(48)	--	(852)	(1,502)	2,402	--
Foreign currency exchange	--	--	--	325	--	3,209	5,292	**8,826**
Depreciation	--	(18,820)	(175,058)	(2,640)	(29,722)	(45,355)	(159,629)	**(431,224)**
Net book value at 31/12/2023	**306,850**	**340,513**	**383,144**	**6,419**	**120,675**	**153,495**	**625,530**	**1,936,626**
Balances at 31/12/2023								
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 31/12/2023	**306,850**	**340,513**	**383,144**	**6,419**	**120,675**	**153,495**	**625,530**	**1,936,626**
Net book value at 01/01/2024	**306,850**	**340,513**	**383,144**	**6,419**	**120,675**	**153,495**	**625,530**	**1,936,626**
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**
Adjustments	--	--	--	--	--	--	(66)	**(66)**
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								
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**

*Represents transfers between items

- Property and equipment include specifically (land & buildings) unregistered assets by an amount of EGP 256,506 thousand, legal procedures are being undertaken to register them.
- The cost of depreciation includes an amount of EGP 8,190 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.

25. Due to banks

	31/12/2024	31/12/2023
Current accounts	2,056,673	438,200
Deposits	5,968,229	6,265,431
Total	**8,024,902**	**6,703,631**
Central Bank	1,478,739	1,532,285
Local Banks	60,369	2,051,268
Foreign Banks	6,485,794	3,120,078
Total	**8,024,902**	**6,703,631**
Balances without interest	2,049,630	397,040
Balances with Fixed interest	5,975,272	6,306,591
Total	**8,024,902**	**6,703,631**
Current balances	8,024,902	6,703,631
Total	**8,024,902**	**6,703,631**

26. Customers' deposits

	31/12/2024	31/12/2023
Demand deposits	102,487,478	69,820,164
Term and notice deposits	96,518,877	88,067,937
Certificates of savings and deposits	94,684,965	100,335,284
Saving deposits	55,350,260	40,339,620
Other deposits	5,705,636	5,171,699
Total	**354,747,216**	**303,734,704**
Corporate deposits	155,228,091	139,491,396
Retail deposits	199,519,125	164,243,308
Total	**354,747,216**	**303,734,704**
Balances without interest	6,462,784	5,695,661
Balances with fixed interest	336,949,863	295,573,214
Balances with variable interest	11,334,569	2,465,829
Total	**354,747,216**	**303,734,704**

27. Other loans

	Currency	**31/12/2024**	**31/12/2023**
The loan of Micro, Small and Medium Enterprises Development Agency	EGP	608,849	1,378,584
her Trade financing program Loan	USD	552,872	559,937
Arab fund for economic and social development loan – Kuwait	USD	2,558,208	1,297,510
Green for growth fund	USD	277,303	224,677
European investment bank	USD	5,610,017	4,416,359
European bank for reconstruction & development	USD	3,268,209	1,632,467
African export – import bank	USD	28,596,825	22,011,334
Saudi fund for development	EGP	60,000	80,000
International Finance Corporation IFC	USD	2,541,940	--
Agence Francaise De Development	USD	1,564,266	159,991
KfW Bankengruppe	EUR	264,603	--
Present value - CBE subordinated deposit*	EGP	1,536,809	1,306,600
Present value - Banque Misr subordinated deposit**	EGP	2,283,490	2,047,092
Green for growth fund (subordinated Loan)	USD	1,525,164	926,793
SANAD fund for MSME (subordinated Loan)	USD	1,525,164	926,793
European bank for reconstruction & development(subordinated Loan)	USD	2,541,940	1,544,655
British international investment (subordinated Loan)	USD	2,541,940	1,544,655
Others	EGP	1,853,258	1,604,916
Total		**59,710,857**	**41,662,363**
Current balances		1,976,273	20,267,771
Non- current balances		57,734,584	21,394,592
Total		**59,710,857**	**41,662,363**

* Banque Du Caire has been granted a subordinated deposit from CBE by amount EGP 2 Billion for 10 years without any interest or commission to meet the requirements of capital adequacy standard from 23/8/2016 due to 22/8/2026.

****** Banque Du Caire has been granted a subordinated deposit from Banque Misr amounted to EGP 3 Billion for 7 years from 30/06/2020 due to 29/06/2027 to support the bank's capital base.

28. Other liabilities

	31/12/2024	31/12/2023
Accrued interest	2,200,458	3,122,266
Prepaid revenues	401,395	468,600
Accrued expenses	548,402	414,551
Clearing transactions	5,328,904	4,251,646
Tax authority	797,417	1,219,622
Creditors banknote- export foreign currencies	1,220,155	2,407,026
Creditors	235,013	177,511
Other credit balances	3,599,641	3,577,483
Total	**14,331,385**	**15,638,705**

29. Other Provisions

	31/12/2024	31/12/2023
Balance at the beginning of the year	1,796,914	1,078,514
Foreign currency exchange	248,279	88,538
Provision charged to income statement during the year	523,450	788,934
Reversed to income statement during the year	(379,998)	(133,108)
Utilized during the year	(43,746)	(26,227)
Proceed during the year	37	263
Balance at the end of the year	**2,144,936**	**1,796,914**

Other provisions details:	**31/12/2024**	**31/12/2023**
Provision for operation risks	3,838	4,738
Provision for legal claims	256,077	309,630
Provision for other claims	622,102	505,663
Provision for tax	208,126	136,251
Expected credit losses Provision for contingent liabilities & commitments for corporate loans	478,173	464,853
Commitments for Unused Credit Limits for Corporate	508,126	347,219
Expected credit losses Provision for contingent liabilities & commitments for SMEs loans	13,865	5,018
Commitments for Unused Credit Limits for SMEs	21,051	6,785
Expected credit losses Provision for contingent liabilities (Due from Banks)	33,578	16,757
Total	**2,144,936**	**1,796,914**

30. 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 31/12/2024	Deferred tax liabilities 31/12/2024
Fixed assets and other items	--	(267,871)
Provisions (other than Expected Credit loss provision) and other items	834,086	--
Impairment of assets	--	(11,678)
Tax losses	222,734	--
Undistributed profits from associated companies	52,249	--
Total deferred tax assets (liabilities)	**1,109,069**	**(279,549)**
Net deferred tax assets (liabilities)	**829,520**	**--**

Movement during the year

Item	31/12/2024 Deferred tax assets	31/12/2023 Deferred tax assets	31/12/2024 Deferred tax liabilities	31/12/2023 Deferred tax liabilities
Beginning balance of the year	721,011	805,103	(138,710)	(140,236)
Adjustments – Cairo bank Uganda	--	(18,291)	--	(690)
Additions	295,976	--	(128,136)	--
Disposals	--	(109,031)	--	4,972
Foreign currency exchange	92,082	43,230	(12,703)	(2,756)
End of the year balance	**1,109,069**	**721,011**	**(279,549)**	**(138,710)**

Unrecognized deferred tax assets

Unrecognized deferred tax assets for the following items:

	31/12/2024	31/12/2023
Expected Credit Loss provision for loans other than 80%	3,162,272	2,359,850
Other provisions and other items	1,728,508	1,317,955
Total	**4,890,780**	**3,677,805**

Net change in the fair value of deferred tax assets (liabilities) directly included in equity as of December 31, 2024, amounting to (44,337) thousand EGP.

31. Retirement benefit liabilities

	31/12/2024	31/12/2023
Liabilities included in the financial position		
Medical benefits after retirement	**1,780,898**	**1,621,321**
Recognized in income statement		
Medical benefits after retirement	**500,421**	**351,695**
Amount recognized in financial position represented in		
Present value of unfinanced liabilities	2,256,620	2,162,797
Unrecognized actuarial losses	(475,722)	(541,476)
Balance included in financial position	**1,780,898**	**1,621,321**
Liabilities movement during the year		
Beginning balance of the year	1,621,321	1,509,212
Current service cost	21,212	19,683
Interest cost	466,084	312,939
Recognized actuarial losses	13,125	19,073
Paid benefits	(340,844)	(239,586)
Ending balance of the year in financial position	**1,780,898**	**1,621,321**
Amount recognized in income statement represented in		
Current service cost	21,212	19,683
Interest cost	466,084	312,939
Recognized auctorial losses	13,125	19,073
Ending balance included in the cost of employees (Note 10)	**500,421**	**351,695**

32. 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 19 billion divided into 9.5 billion shares with a par value of EGP 2 per each.

B. Amounts paid for capital increase.

On 24 October 2023, the Board of Directors of CBE approved the request of Bank Misr to increase its shareholding in Banque du Caire through a cash increase of EGP 1.5 billion, so that the bank's issued and paid-up capital after the increase became EGP 20.5 billion, and was marked in the commercial register on 05 February 2025.

Cairo bank Uganda

- The Bank's authorized capital amounted to Ushs 206,444,601 thousand issued capital and it has been fully divided into 41,288 shares with a par value of Ushs 5 million per each share which has been fully subscribed.

Cairo Leasing 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.

Taly for the digital payments Company-Egypt

- The authorized capital amounted to EGP 650 million the issued and paid-up capital amounted to EGP 650 million fully paid.

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.

33. Reserves and net profits for the year and retained earnings

Reserves

	31/12/2024	31/12/2023
General reserve	187,291	187,291
General Banking Risk Reserve*	1,697,635	1,459,623
Legal reserve	1,720,450	1,386,083
Fair value reserve – financial investments at fair value through other comprehensive income	90,408	(719,207)
Expected credit loss for debt instrument at fair value through other comprehensive income	618,330	427,363
Capital reserve	362,505	306,437
Regular reserve	438,930	438,930
Foreign currencies translation Reserve	1,451,410	375,093
General risk reserve**	68,481	68,481
Total reserves	**6,635,440**	**3,930,094**

* General Banking Risk Reserve at 31 December 2024 consists of EGP 3,640 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 1,471,003 thousand, which represents the credit gap on 31 December 2023, and the credit gap is in 31 December 2024 amounted to EGP 1,601,770 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 an amount of EGP 130,667 thousand must be transferred from retained earnings account through approving the dividend distribution for the year 2024.

**Formed according to the Central Bank's instructions issued in 26 February 2019

Reserves Movements as follows:

a) General banking risk reserves

	31/12/2024	31/12/2023
Beginning balance for the year	1,459,623	1,158,124
Cairo bank Uganda reclassification	--	29,346
Transferred from retained earnings	238,927	272,393
(Release) reserve of assets reverted to the bank	(915)	(240)
Ending balance for the year	**1,697,635**	**1,459,623**

b) Legal reserves

	31/12/2024	31/12/2023
Beginning balance for the year	1,386,083	1,227,564
Transferred from the previous year's profit	334,367	158,519
Ending balance for the year	**1,720,450**	**1,386,083**

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:

	31/12/2024	31/12/2023
Beginning balance for the year	(719,207)	(823,037)
Net change in fair value for financial investments (after tax)	809,615	103,830
Ending balance at the end of the year	**90,408**	**(719,207)**

d) Expected credit loss – Debt instrument at fair value through other comprehensive income:

	31/12/2024	31/12/2023
Beginning balance for the year	427,363	251,477
Expected credit losses charges for the year	(70,216)	114,444
Foreign currency exchange	261,183	61,442
Ending balance of the year	**618,330**	**427,363**

Net profits for the year and Retained earnings

	31/12/2024	31/12/2023
Beginning balance of the year	7,058,084	3,655,139
Net profit for the year	12,297,552	6,615,009
Transferred from fair value reserve for equity instrument	4,317	(666)
Dividends paid	(1,311,349)	(2,721,548)
Transferred to general banking risk reserve	(238,012)	(272,153)
Transferred to legal reserve	(334,367)	(158,520)
Transferred to capital reserve	(56,067)	(30,386)
Banking Sector Development Fund	(64,137)	(28,791)
Ending balance of the year	**17,356,021**	**7,058,084**

34. Non-controlling interest

- **Non-controlling interest for Cairo Leasing –Cairo, Egypt mainly represented as follows: -**

	Cairo Leasing	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: -

	31/12/2024	31/12/2023
Beginning balance of the year	10,129	8,441
Increase in Capital for (Cairo Leasing company)	2,000	1,000
Net profits for the year	2,456	1,679
Dividends	(1,566)	(991)
Ending balance of the year	**13,019**	**10,129**

35. Dividend

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.

36. 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

	31/12/2024	31/12/2023
Cash and due from the Central Bank	11,833,356	10,856,358
Due from banks	141,708,711	61,010,520
Treasury bills and other governmental notes	24,163,274	39,191,606
Total	**177,705,341**	**111,058,484**

37. Contingent Liabilities and Commitments

A- Legal Claims:

There are a number of lawsuits filled 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 31/12/2024 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 2,348,222 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 year end including an amount of EGP 9,416,852 thousand related to investments at fair value through OCI and investments in subsidiaries and associated companies.

C- Commitments related to loans, guarantees, and facilities

	31/12/2024	31/12/2023
Accepted Documentation	2,038,643	1,448,442
Loans commitments	17,475,187	6,761,156
Letters of credit	5,143,092	5,114,635
Letters of guarantee	47,224,099	28,789,349
	71,881,021	**42,113,582**

38. Related party transactions

a- Main Shareholder and associated companies

As the following our transaction with banque Misr (main Shareholder related party)

	31/12/2024	31/12/2023
Due from banks		
Current accounts	6,075	3,903
Deposits	12,000,000	16,267,930
Other assets		
Other	22,398	22,382
Accrued revenues	27,250	47,502
Other loans		
Present value of Banque Misr subordinated deposit	2,283,490	2,047,092
Owners' equity		
Difference between the face value and present value for subordinated deposit	716,510	952,908

Our transaction with Herasat for Security Services (Investments in associates):

	31/12/2024	31/12/2023
Customers' deposits		
Current accounts	11,277	8,884
Loans and advances to customers		
Corporate loans (over draft accounts)	3,198	15
Other liabilities		
Accrued expenses	4,200	--

Our transaction with Egyserv (Investments in associates):

	31/12/2024	31/12/2023
Customers' deposits		
Current accounts	3,926	935
Other liabilities		
Accrued expenses	29,000	17,030

Our transaction with Nile co. (Investments in associates):

	31/12/2024	31/12/2023
Customers' deposits		
Current accounts	73	33

b- Directors and other key management personal (and close family members)

	31/12/2024	31/12/2023
Loans and advances to customers (Credit cards)	1,500	1,715

- According to the instructions of CBE issued on 23 August 2011 regarding bank governance, the average monthly salaries and bonuses received by the twenty highest-paid earners in the bank together amounted to EGP 8,045,576 during the financial year ended on 31 December 2024.

39. 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 2024 was 2,163,495 certificate with a redeemable value of EGP 301,04 each. 500,000 Certificates were allocated to the Bank in the initial offering until 31 December 2024 with total amount of EGP 151,790,000 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 13,755,848 for the year ended 31 December 2024 (31 December 2023: EGP 4,767,416) 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 2024 numbered 500,000 Certificates with a book value of EGP 26,885,615.
The number of outstanding certificates as of 31 December 2024 was 77,108,965 certificate with a redeemable value of EGP 53.74 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 21,750,960 for the year ended 31 December 2024 (31 December 2023: EGP 11,931,630), 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 2024 was 1,152,250 certificate with a redeemable value of EGP 33,46 each. 250,000 Certificates were allocated to the Bank in the initial offering until 31 December 2024 with total amount of EGP 8,421,333 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 84,016 for the year ended 31 December 2024 (31 December 2023: EGP 63,525) 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 2024 was 80,832 certificate with a redeemable value of EGP 377.82 each. 50,000 Certificates were allocated to the Bank in the initial offering until 31 December 2024 with total amount of EGP 19,053,000 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 186,825 for the year ended 31 December 2024 (31 December 2023: EGP 163,395) which is presented under the item of "other fees and commissions income" in the income statement.

40. Tax Position

40-1 Income Tax

- Years from beginning of the activity till 2018

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 2019 till 2020

Documents for the tax inspection of this period are currently being prepared, in accordance with the notification received from the Tax Authority

- Years from 2021 till 2024

The tax returns have been submitted in the legal deadlines and the solidarity contribution and tax due for these years were paid.

40-2 Stamp Duty

- Periods from beginning of the activity till 31 July 2006

The Bank's branches and head office have been inspected, and the inspection resulted in claims, some of which have been paid, while other claims remain in dispute and are pending before the administrative judiciary court and have not yet been decided upon.

- Periods from 01 August 2006 till 31 December 2009:
These years have been settled finally.

- Period from 01 January 2010 till 31 December 2013:
The final inspection has been done and the disputed items have been referred to the administrative judiciary and have not yet been decided upon.

- Period from 01 January 2014 till 31 December 2019:
These years have been settled finally.

- Period from 01 January 2020 till 31 December 2020:
The final inspection has been done and is awaiting the final settled.

- Period from 01 January 2021 till 31 December 2024:
The tax due for these periods has been paid per quarter regularly and in the legal deadlines.

40-3 Salary Tax

- Periods from beginning of the activity till 31 December 2020
The inspection and payment have been done.

- Periods from 01 January 2021 till 31 December 2022
Under examination.

- Periods from 01 January 2023 till 31 December 2024
The bank pays the tax monthly and submits the annual and quarterly tax returns on the legal deadlines.

40-4 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 2024
The administrative court issued not to register our bank in VAT and the judgment was executed in favor of our bank and was appealed by the Tax Authority and the final judgment is awaiting, The Supreme Administrative Court issued a ruling affirming the judgment, and the Tax Authority is in the process of announcing the enforcement decree until the cancellation registration form is issued.

40-5 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 2024 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.

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