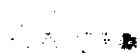


**AHLI UNITED BANK
(S.A.E.)**

**Interim Condensed Standalone Financial Statements
For the Period Ended 31 March 2024
& Limited Review Report**

AHLI UNITED BANK EGYPT S.A.E**INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

As of 31 March 2024



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Limited Review Report on Separate Condensed Interim Financial Statements

To : Ahli United Bank Egypt (SAE) Board of Directors

Introduction

We have performed a limited review on the accompanying separate condensed financial statements of Ahli United Bank Egypt (SAE) as of 31 March 2024 and the related separate condensed statement of financial position, separate condensed statement of income, separate condensed Statement of Comprehensive Income, separate condensed changes in equity and cash flows for the three months then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these separate condensed interim financial statements in accordance with the Central Bank of Egypt's rules issued on December 16, 2008 as amended by the regulation issued on February 26, 2019 and the prevailing Egyptian laws and regulations. Our responsibility is to express a conclusion on these separate condensed interim financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with the Egyptian standard on review engagements (2410) "Limited Review of Interim Financial Statement Performed by the Independent Auditor of the Entity". A limited review of separate condensed 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 separate condensed interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that accompanying separate condensed interim financial statements do not present fairly, in all material respects, the separate condensed financial position of the Bank as of 31 March 2024 and of its separate condensed financial performance and its separate condensed cash flows for the three months then ended in accordance with the bases of recognition and measurement issued by the central bank of Egypt's rules issued on December 16, 2008 as amended by the regulation issued on February 26, 2019 and the prevailing Egyptian laws and regulations, relevant to the preparation of these interim condensed separate financial statements.

Cairo: 15 May 2024

Amr Waheed Bayoumi

Egyptian Financial Supervisory Authority Register no.358

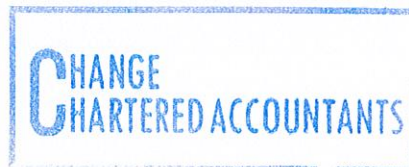
Allied for Accounting & Auditing EY

Auditors

Ahmed Abd Elhady

Egyptian Financial Supervisory Authority Register no.287

CHANGE Chartered Accountant



AHLI UNITED BANK EGYPT S.A.E**INTERIM CONDENSED STANDALONE BALANCE SHEET**

As at 31 March 2024

	Note	31 March 2024 EGP Thousands	31 December 2023 EGP Thousands
ASSETS			
Cash and balances with Central Bank of Egypt	(13)	12,561,564	15,065,217
Due from banks	(14)	21,091,820	11,465,631
Treasury bills	(15)	9,142,348	8,940,081
Loans and advances to customers & banks	(16)	69,023,335	62,166,800
Derivative financial instruments	(17)	14,278	9,844
Financial investments at:			
- Fair value through other comprehensive income	(18)	9,722,034	11,568,779
- Amortized cost	(18)	2,351,109	1,015,527
- Fair value through profit or loss	(18)	46,751	45,022
Investments in subsidiaries	(19)	54,468	54,468
Investments properties (net)	(20)	993	17,551
Other assets	(21)	2,121,181	1,758,431
Property, plant and equipment (net)	(22)	1,118,198	1,098,721
TOTAL ASSETS		127,248,079	113,206,072
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	(23)	3,076,247	3,722,834
Customers' deposits	(24)	101,386,002	90,058,464
Other Loans	(25)	809,409	529,596
Other liabilities	(26)	6,240,128	5,301,085
Other provisions	(27)	393,815	336,779
Deferred tax liabilities		8,049	27,050
TOTAL LIABILITIES		111,913,650	99,975,808
EQUITY			
Issued and paid-up-capital	(28)	7,000,000	7,000,000
Transferred under capital increase	(28)	3,000,000	2,100,000
Reserves		(110,063)	44,108
Retained earnings (including net profit for the current period /prior year)		5,444,492	4,086,156
TOTAL EQUITY		15,334,429	13,230,264
TOTAL LIABILITIES AND EQUITY		127,248,079	113,206,072



Hala Hatem Sadek
CEO & Board Member

- The attached notes from (1) to (34) form a part of these interim condensed standalone financial statements.
- Limited review report attached

AHLI UNITED BANK EGYPT S.A.E**INTERIM CONDENSED STANDALONE INCOME STATEMENT**

For the period ended 31 March 2024

	Note	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Interest from loans and similar revenues	(5)	4,636,459	2,873,438
Interest on deposits and similar costs	(5)	(2,897,558)	(1,810,928)
Net interest income		1,738,901	1,062,510
Fees and commission revenues	(6)	296,962	274,263
Fees and commission expenses	(6)	(57,873)	(22,444)
Net fees and commission income		239,089	251,819
Net trading income	(7)	113,588	64,190
Gain on financial investments	(18)	18,457	6,052
Provision for credit losses	(8)	(1,585,765)	(381,261)
Administrative expenses	(9)	(457,472)	(342,016)
Other operating income	(10)	2,928,373	1,165,502
Net profit before income tax		2,995,171	1,826,796
Income tax expenses	(11)	(199,545)	(252,219)
Net profit for the period		2,795,626	1,574,577
Earnings per share (EGP/Share)	(12)	3.99	2.25

The attached notes from (1) to (34) form a part of these interim condensed standalone financial statements.

AHLI UNITED BANK EGYPT S.A.E**INTERIM CONDENSED STANDALONE STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 31 March 2024

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Net profit for the period	2,795,626	1,574,577
<i>Income items that will not be recycled to the Profit or Loss:</i>		
Net change in fair value of equity instruments measured at fair value through other comprehensive income	4,530	1,130
<i>Income items that is or may be recycled to the Profit or Loss:</i>		
Net change in fair value of debt instruments measured at fair value through other comprehensive income	(330,845)	(257,540)
Net change in fair value of interest rate swaps – fair value hedge	4,434	1,043
Expected credit losses of debt instruments measured at fair value through other comprehensive income	17	2,604
Total comprehensive income for the period	2,473,762	1,321,814

The attached notes from (1) to (34) form a part of these interim condensed standalone financial statements.

AHLI UNITED BANK EGYPT S.A.E**INTERIM CONSENSSED STANDALONE STATEMENT OF CASH FLOWS**

For the period ended 31 March 2024

	Note	31 March 2024 EGP Thousands	31 March 2023 EGP Thousands
<u>OPERATING ACTIVITIES</u>			
Net profit before income tax		2,995,171	1,826,796
<i>Adjustments to reconcile net profit to net cash provided by operating activities:</i>			
Provision for credit losses		1,585,739	382,908
Depreciation and amortization	(9)	40,648	28,543
Other provisions charged (released)	(27)	55,808	(33,857)
Revaluation differences of other provisions in foreign currencies	(27)	1,248	2,008
Gain on disposals of property, plant and equipment	(10)	(13)	(360)
Amortization of premium	(18)	309,481	29,534
Revaluation difference in foreign currencies	(10)	(2,984,339)	(1,123,943)
Revaluation of financial assets at fair value through profit or loss	(7)	(1,729)	(1,091)
Operating income before changes in operating assets and liabilities		2,002,014	1,110,538
<i>Net changes in operating assets and liabilities</i>			
Balances with Central Bank of Egypt - mandatory reserve		2,654,096	(2,193,252)
Due from banks		(5,646,767)	1,640,143
Treasury bills		(43,023)	(2,070,835)
Loans and advances to customers and banks		(2,429,972)	(4,200,120)
Other assets		496,160	135,860
Due to banks		(646,587)	1,970,553
Customers' deposits		1,440,704	6,052,156
Treasury bills sold under repurchase agreements		-	(2,030)
Other liabilities		388,691	(341,548)
Other provision utilized	(27)	(20)	(400)
Income tax paid		(198,142)	(116,214)
Net cash flows (used in) provided from operating activities		(1,982,846)	1,984,851
<u>INVESTING ACTIVITIES</u>			
Purchases of property, plant and equipment	(22)	(43,567)	(46,834)
Proceeds from sale of property, plant and equipment		13	360
Proceeds from redemption of financial investments at amortized cost		66,720	244,988
Purchases of financial investments at amortized cost		(1,401,362)	-
Proceeds from redemption financial investments at FVOCI		2,021,047	601,499
Purchases of financial investments at FVTPL	(18)	(523,349)	(257,677)
Net cash flows provided from investing activities		119,502	542,336
<u>FINANCING ACTIVITIES</u>			
Net Change in other loans		-	-
Net cash flows generated from financing activities		-	-
Net change in cash and cash equivalents during the period		(1,863,344)	2,527,187
Cash and cash equivalent at the beginning of the period		9,433,041	2,887,952
Cash and cash equivalents at the end of the period	(29)	7,569,697	5,415,139
Cash and cash equivalents are represented as follows:			
Cash and balances with Central Bank of Egypt	(13)	12,561,564	9,637,056
Due from banks	(14)	21,101,668	13,057,497
Treasury Bills	(15)	9,357,750	5,473,252
Balances with Central Bank of Egypt - mandatory reserve	(13)	(11,794,369)	(8,975,027)
Deposits with banks with original maturities more than 3 months		(14,299,166)	(8,304,387)
Treasury bills with original maturities more than 3 months		(9,357,750)	(5,473,252)
Cash and cash equivalents at the end of the period	(29)	7,569,697	5,415,139

The attached notes from (1) to (34) form a part of these interim condensed standalone financial statements.

AHLI UNITED BANK EGYPT S.A.E

INTERIM CONDENSED STANDALONE STATEMENT OF CHANGES IN EQUITY

For the period ended 31 March 2024

	Reserves						
	Issued and paid-up capital	Transferred under capital increase	Legal Reserve & Capital Reserve	General			Total
	EGP Thousands	EGP Thousands	EGP Thousands	General Risk Reserve	Banking Risk Reserve	Fair Value Reserve	EGP Thousands
Balances as at 1 January 2023	5,000,000	2,000,000	618,916	11,884	3,629	(332,829)	301,600
Net profit for the period	-	-	-	-	-	-	3,221,234
Other comprehensive income	-	-	-	-	-	(252,763)	1,574,577
Transferred under capital increase	-	2,100,000	-	-	-	-	-
Employees profit share	-	-	-	-	-	-	(2,100,000)
Directors' remuneration	-	-	-	-	-	-	(220,805)
Transferred to legal and capital reserve	-	-	101,117	-	-	-	(7,400)
Transferred to banking sector support fund	-	-	-	-	-	-	(101,117)
Balances as of 31 March 2023	5,000,000	4,100,000	720,033	11,884	3,629	(585,592)	149,954
Balances as at 1 January 2024	7,000,000	2,100,000	720,033	11,884	194	(688,003)	44,108
Net profit for the period	-	-	-	-	-	-	4,086,156
Other comprehensive income	-	-	-	-	-	-	2,795,626
Transferred under capital increase	-	900,000	-	-	-	(321,864)	-
Employees profit share	-	-	-	-	-	-	(900,000)
Directors' remuneration	-	-	-	-	-	-	(331,149)
Transferred to legal and capital reserve	-	-	-	-	-	-	(5,326)
Transferred to banking sector support fund	-	-	167,693	-	-	-	167,693
Balances as of 31 March 2024	7,000,000	3,000,000	887,726	11,884	194	(1,009,867)	5,444,492
							(110,063)
							13,230,264
							2,795,626
							(321,864)
							-
							(331,149)
							(5,326)
							(167,693)
							(33,122)
							15,334,429

The attached notes from (1) to (34) form a part of the interim condensed standalone financial statements and to be read therewith.

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

1 General information

Ahli United Bank- Egypt S.A.E. (the Bank) was incorporated under its previous name on 8 August 1978 in accordance with Law No.43 of 1974 and its executive Regulations within the Arab Republic of Egypt, having its Head Office situated at 81, Ninety St., City Centre, the 5th Settlement New Cairo, and Governorate of Cairo. On 14 July 2010 the Bank's shares were voluntarily delisted from the Cairo and Alexandria stock exchanges.

The Bank provides Institutional, Retail Banking and Investment Banking services within the Arab Republic of Egypt through its head office and 42 branches with 1270 employees as at 31 March 2024.

These interim condensed standalone financial statements were approved by the Board of Directors on 15 May 2024.

2 Summary of the significant accounting policies

The significant accounting policies applied in the preparation of these standalone financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated:

2.1 Basis of preparation

The interim condensed standalone financial statements have been prepared in accordance with the Central Bank of Egypt (CBE) instructions approved by its Board of Directors on 16 December 2008 and the instructions for applying the International Financial Reporting Standard 9 (IFRS 9) issued on 26 February 2019, as well as, in accordance with the applicable Egyptian accounting standards and applicable laws of Egypt.

The interim condensed consolidated financial statements of the Bank have been prepared as well, in which all the subsidiaries are entirely consolidated, the subsidiaries are the entities that the Bank - directly or indirectly has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of the activity, the Bank's consolidated financial statements can be obtained from the Bank's management. The Bank accounts for investments in subsidiaries and associate companies in the separate financial statements at cost less impairment loss.

The interim condensed standalone financial statements of the Bank should be read with its interim condensed consolidated financial statements, for the period ended on 31 March 2024 to get complete information on the Bank's financial position, income statements, cash flows and change in shareholders equity.

The interim condensed standalone financial statements have been prepared on a historical cost basis as modified for the re-measurement at fair value of certain financial instruments and all derivative financial instruments.

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

3 Financial risks management**3.1 Quality of Financial Assets**

The following table provides information on the credit quality of the financial assets as at:

<i>31 March 2024</i>	<i>Stage (1) 12 months</i>	<i>Stage (2) Lifetime</i>	<i>Stage (3) Lifetime</i>	<i>Total</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Due from banks	13,166,960	7,934,708	-	21,101,668
Treasury bills	9,387,743	501,011	-	9,888,754
Loans and advances to customers - Retail	3,134,591	826,096	157,688	4,118,375
Loans and advances to customers & banks	36,633,502	33,246,132	2,172,181	72,051,815
Debt Instruments at Fair value through other comprehensive income	8,510,357	851,693	-	9,362,050
Debt instruments at Amortized Cost	2,351,109	-	-	2,351,109
	<u>73,184,262</u>	<u>43,359,640</u>	<u>2,329,869</u>	<u>118,873,771</u>

31 December 2023

Due from banks	6,684,681	4,785,478	-	11,470,159
Treasury bills	9,309,213	342,913	-	9,652,126
Loans and advances to customers - Retail	2,824,318	761,294	127,604	3,713,216
Loans and advances to customers & banks	32,621,904	28,783,314	2,032,491	63,437,709
Debt Instruments at Fair value through other comprehensive income	10,540,793	691,796	-	11,232,589
Debt Instruments at Amortized Cost	1,015,527	-	-	1,015,527
	<u>62,996,436</u>	<u>35,364,795</u>	<u>2,160,095</u>	<u>100,521,326</u>

The following table provides information on the expected credit losses balances as at:

<i>31 March 2024</i>	<i>Stage (1) 12 months</i>	<i>Stage (2) Lifetime</i>	<i>Stage (3) Lifetime</i>	<i>Total</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Due from banks	1,387	8,461	-	9,848
Treasury bills	-	7,580	-	7,580
Loans and advances to customers - Retail	46,408	20,545	47,673	114,626
Loans and advances to customers & banks	922,988	3,739,620	1,785,041	6,447,649
Debt Instruments at Fair value through other comprehensive income	917	1,630	-	2,547
Commitments on loans and collaterals	66,693	53,628	34,157	154,478
	<u>1,038,393</u>	<u>3,831,464</u>	<u>1,866,871</u>	<u>6,736,728</u>

31 December 2023

Due from banks	632	3,896	-	4,528
Treasury bills	-	606	-	606
Loans and advances to customers - Retail	33,623	18,148	36,973	88,744
Loans and advances to customers & banks	824,681	1,770,947	1,686,531	4,282,159
Debt Instruments at Fair value through other comprehensive income	857	1,673	-	2,530
Commitments on loans and collaterals	55,259	22,875	27,207	105,341
	<u>915,052</u>	<u>1,818,145</u>	<u>1,750,711</u>	<u>4,483,908</u>

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

3 Financial risks management (Cont....)**3.2 Capital risk management**

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
According to Basel II		
Total Tier 1 (basic capital)	15,495,357	13,000,522
Total Tier 2 (subordinated capital)	996,233	940,377
Total Capital Base	16,491,590	13,940,899
Total weighted risk of contingent assets and liabilities	105,364,170	96,079,749
Capital Adequacy Ratio	15.65%	14.51%

3.3 Financial leverage risk management

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Tier 1 of the capital adequacy ratio	15,495,357	13,000,522
Total exposures in & off-Balance Sheet	136,124,933	122,005,467
Leverage ratio%	11.38%	10.66%

Capital adequacy Standard had been prepared based on (Basel II) requirements, which Central Bank of Egypt Board of Directors had approved in its meeting held on December 18, 2012, and had been issued on December 24, 2012, and in accordance with the instructions of the Central Bank of Egypt for the capital adequacy ratio (Basel II) issued during May 2019, And CBE instructions issued in January 2021 regarding the adoption of Standardized Approach for measuring operational risk starting from year 2022 to replace Basic Indicator Approach.

4 Segment analysis**Activity segment analysis**

The segment activity includes operational processes & assets that are used in providing banking services, manage their risk & linking return to this activity which may differ from those of other activities.

According to banking processes the segment analysis includes the following:

Large, medium & small institutions

It includes activities of current accounts, deposits, debit current accounts, loans, advances & financial derivatives.

Investments & Treasury:

It includes activities of corporate mergers, investment purchase, financing corporate restructuring & financial instruments.

Retail:

It includes activities of current accounts, saving, deposits, credit cards, personal loans & real-estate loans.

Other activities:

It includes other banking activities such as fund management. Transactions are applied within segment activities according to the Bank's activity cycle which include assets and liabilities; operational assets and liabilities that are presented in the Bank's balance sheet.

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

4 Segment analysis (continued)
Activity segment analysis (continued)

31 March 2024	Large Institutions EGP Thousands	Small & Medium Institutions EGP Thousands	Investments & Treasury: EGP Thousands	Retail EGP Thousands	Other Activities EGP Thousands	Total EGP Thousands
Revenues & expenses according to activity segment						
Segment activity revenues	2,410,749	37,876	461,227	1,615,116	3,516,760	8,041,728
Segment activity expenses	(1,772,255)	(79,814)	(243,530)	(1,414,778)	(1,536,180)	(5,046,557)
Net profit (losses) before income tax	638,494	(41,938)	217,697	200,338	1,980,580	2,995,171
Income tax expenses	(139,886)	6,716	(129,080)	(47,088)	109,793	(199,545)
Net profit (losses) for the period after tax	498,608	(35,222)	88,617	153,250	2,090,373	2,795,626
Assets & liabilities according to activity segment						
Segment activity assets	65,341,828	1,836,496	51,941,700	4,685,856	3,442,199	127,248,079
Total assets	65,341,828	1,836,496	51,941,700	4,685,856	3,442,199	127,248,079
Segment activity liabilities	52,902,892	685,424	3,905,504	50,099,886	4,319,944	111,913,650
Total liabilities	52,902,892	685,424	3,905,504	50,099,886	4,319,944	111,913,650
Other items for activity segment						
Depreciation and amortization	(11,961)	(1,054)	(5,735)	(14,920)	(6,978)	(40,648)
ECL charges	(93,578)	(60,382)	(100)	(44,683)	(1,387,022)	(1,585,765)

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

4 Segment analysis (continued)
Activity segment analysis (continued)

31 March 2023

Revenues & expenses according to activity segment

	Large Institutions EGP Thousands	Small & Medium Institutions EGP Thousands	Investments & Treasury EGP Thousands	Retail EGP Thousands	Other Activities EGP Thousands	Total EGP Thousands
Segment activity revenues	1,642,018	27,651	597,514	804,572	1,265,413	4,337,168
Segment activity expenses	(1,353,574)	(12,428)	(398,348)	(673,186)	(72,836)	(2,510,372)
Net profit before income tax	288,444	15,223	199,166	131,386	1,192,577	1,826,796
Income tax (expenses) income	(68,709)	(3,425)	(91,780)	(29,855)	(58,450)	(252,219)
Net profit for the period after tax	219,735	11,798	107,386	101,531	1,134,127	1,574,577

Assets & liabilities according to segment activities

Segment activity assets	58,524,410	1,677,768	45,182,988	4,010,433	3,810,473	113,206,072
Total assets	58,524,410	1,677,768	45,182,988	4,010,433	3,810,473	113,206,072
Segment activity liabilities	51,425,735	562,000	4,265,245	40,415,308	3,307,520	99,975,808
Total liabilities	51,425,735	562,000	4,265,245	40,415,308	3,307,520	99,975,808

Other items for activity segment

Depreciation	(4,829)	(355)	(2,391)	(11,407)	(9,561)	(28,543)
ECL charges	(374,485)	106,811	(8,760)	(29,453)	(75,374)	(381,261)

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

5 Net interest income

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Interest and similar revenues from:		
Loans and advances to customers	3,410,050	2,066,419
Treasury bills, Bond & other	1,020,907	663,460
Deposits and current accounts	205,502	143,559
Total	4,636,459	2,873,438
Cost of deposits and similar expenses on:		
Deposits and current accounts:		
Banks	(168,382)	(243,850)
Customers	(2,716,187)	(1,557,068)
	(2,884,569)	(1,800,918)
Other loans	(12,989)	(10,010)
Total	(2,897,558)	(1,810,928)
Net interest income	1,738,901	1,062,510

6 Net fees and commission income

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Fees and commission income:		
Credit Fees and commissions	227,615	226,442
Custody fees	23,922	9,762
Other fees	45,425	38,059
Total	296,962	274,263
Fees and commissions expenses	(57,873)	(22,444)
Total	(57,873)	(22,444)
Net income from fees and commissions	239,089	251,819

7 Net trading income

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Foreign exchange trading gains	111,859	63,099
Change in fair value of investments at FVTPL	1,729	1,091
Total	113,588	64,190

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

8 Provision for credit losses

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Loans and advances to customers & banks	(1,576,933)	(373,162)
Due from banks	(2,172)	(3,390)
Debt instruments at FVTOCI	(26)	(1,647)
Treasury bills	(6,634)	(3,062)
Total	(1,585,765)	(381,261)

9 Administrative expense

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Staff cost:		
Salaries and wages	(142,126)	(102,582)
Social insurance	(6,695)	(6,760)
	(148,821)	(109,342)
Depreciation and amortization	(40,648)	(28,543)
Other administrative expenses	(268,003)	(204,131)
Total	(457,472)	(342,016)

10 Other operating income

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
FX revaluation from monetary assets and liabilities other than carried at fair value through profit or loss	2,984,339	1,123,943
Gain from sale of property, plant and equipment	13	360
Legal provision realized / (charged)	1,990	(1,500)
Claims provision charged	(9,909)	(10,920)
Contingent provision (charged) / realized	(47,889)	46,277
Other (expenses) / income	(171)	7,342
Total	2,928,373	1,165,502

11 Income tax expense

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Current Tax	(218,545)	(244,554)
Deferred Tax	19,000	(7,665)
Total	(199,545)	(252,219)
Net profit before tax	2,995,171	1,826,796
Income tax (22.5%)	(673,913)	(411,029)
Tax effect on:		
Income not subject to tax	6,814	5,644
Provision	(129,162)	(34,993)
Depreciation differences	119	607
Others	577,597	195,217
Income tax expense	(218,545)	(244,554)
Effective income tax rate	%7.3	13.4%

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

12 Earnings per share

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 March 2023</i> <i>EGP Thousands</i>
Net profit for the period available for distribution	2,795,626	1,574,577
Weighted average number of shares (shares thousands)	700,000	700,000
Earnings per share (EGP/Share)	3.99	2.25

13 Cash and balances with Central Bank of Egypt

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Cash	767,195	616,752
Balances with CBE (mandatory reserve)	11,794,369	14,448,465
Total	12,561,564	15,065,217
Interest free balances	12,561,564	15,065,217

14 Due from Banks

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Current accounts	1,520,540	962,711
Deposits	19,581,128	10,507,448
	21,101,668	11,470,159
Less: ECL allowance	(9,848)	(4,528)
Total	21,091,820	11,465,631
Balances at CBE other than those under the mandatory reserve	3,044,156	2,191,794
Local banks	154,778	71,187
Foreign Banks	17,902,734	9,207,178
	21,101,668	11,470,159
Less: ECL allowance	(9,848)	(4,528)
Total	21,091,820	11,465,631
Non-interest-bearing balances	766,225	525,306
Interest-bearing balances	20,335,443	10,944,853
	21,101,668	11,470,159
Less: ECL allowance	(9,848)	(4,528)
Total	21,091,820	11,465,631

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

15 Treasury bills

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Treasury Bills at Amortized Cost		
365 Days maturity	524,092	342,914
Less: Unearned interest	(23,081)	(2,271)
	<u>501,011</u>	<u>340,643</u>
Treasury Bills at Fair value through OCI		
365 Days maturity	9,357,750	9,308,150
Change in fair value	6,912	1,062
Less: Unearned interest	(715,745)	(709,168)
Less: ECL allowance	(7,580)	(606)
Total	<u>8,641,337</u>	<u>8,599,438</u>
Egyptian government T-Bills	9,881,842	9,651,064
Change in fair value	6,912	1,062
Less: Unearned interest	(738,826)	(711,439)
Less: ECL allowance	(7,580)	(606)
	<u>9,142,348</u>	<u>8,940,081</u>

In accordance with the Central Bank of Egypt's rules issued on February 26, 2019, the debt instrument issued in a local currency by the Egyptian Government (Treasury Bills) exempted from ECL measurement.

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

16 Loans and advances to customers & banks

	<i>31 March 2024</i>	<i>31 December 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Individuals		
Overdrafts	287,112	302,844
Credit cards	129,988	99,760
Personal loans	3,383,464	2,961,988
Other Loans	317,811	348,624
Total (1)	4,118,375	3,713,216
Corporate and Banks		
Overdrafts	7,764,210	5,086,004
Direct loans	54,633,366	49,176,728
Syndication loans	9,654,239	9,174,977
Total (2)	72,051,815	63,437,709
Total loans and advances to customers and banks (1+2)	76,170,190	67,150,925
Less :ECL allowance	(6,562,275)	(4,370,903)
Less: Interest in suspense	(149,255)	(137,226)
Less :Unearned discount	(435,325)	(475,996)
Net loans and advances to customers and banks	69,023,335	62,166,800

Analysis of expected credit losses of loans and advances to customers and banks:

	<i>31 March 2024</i>	<i>31 December 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Balance at the beginning of the period / year	4,370,903	4,661,784
ECL allowance charge during the period / year (note 8)	1,576,933	1,249,415
Write-off during the period / year	(141,767)	(1,793,273)
Recoveries from written-off debts	35,717	61,084
Foreign currency translation	720,489	191,893
Balance at the end of the period / year	6,562,275	4,370,903

Analysis of expected credit losses of loans and advances to customers and banks by type:

	<i>31 March 2024</i>	<i>31 December 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Individuals	88,744	41,083
Balance at the beginning of the period / year	26,040	47,661
ECL allowance for the period / year	(158)	-
Balance at the end of the period / year (1)	114,626	88,744
Corporate and banks		
Balance at the beginning of the period / year	4,282,159	4,620,701
ECL allowance for the period / year	1,550,893	1,201,754
Write-off during the year	(141,609)	(1,793,273)
Recoveries from written-off debts	35,717	61,084
Foreign currency translation	720,489	191,893
Balance at the end of the period / year (2)	6,447,649	4,282,159
Total (1) + (2)	6,562,275	4,370,903

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

17 Derivative financial instruments

The Bank has applied hedge accounting and the change in the fair value of the derivative is recognized in other comprehensive income.

31 March 2024

	<i>Contractual value EGP Thousands</i>	<i>Assets EGP Thousands</i>	<i>Liabilities EGP Thousands</i>
Cash flow hedge			
Interest rate swap	490,971	14,278	-
Total	<u>490,971</u>	<u>14,278</u>	<u>-</u>

31 December 2023

	<i>Contractual value</i>	<i>Assets</i>	<i>Liabilities</i>
Cash flow hedge			
Interest rate swap	324,965	9,844	-
Total	<u>324,965</u>	<u>9,844</u>	<u>-</u>

18 Financial Investments

	<i>31 March 2024 EGP Thousands</i>	<i>31 December 2023 EGP Thousands</i>
Financial investments at fair value through Other Comprehensive Income:		
A) Debt instruments		
Treasury Bonds	6,729,265	8,637,719
Non-government Bonds	2,203,833	2,108,233
Sukuk	428,952	486,637
B) Equity instruments		
Listed	4,132	3,500
Unlisted	308,915	289,651
C) Money Market Funds		
AUBE Mutual Fund THARWA	19,389	18,484
AUBE Mutual Fund ALPHA	27,548	24,555
Total financial investments at FVTOCI (1)	<u>9,722,034</u>	<u>11,568,779</u>
Financial investments at Amortized Cost:		
A) Debt instruments		
Treasury Bonds	2,351,109	1,015,527
Total financial investments at Amortized Cost (2)	<u>2,351,109</u>	<u>1,015,527</u>
Financial investments at fair value through profit or loss:		
A) Equity instruments		
Listed	2,157	2,510
B) Money Market Funds		
AUBE Mutual Fund THARWA	44,594	42,512
Total financial investments at FVTPL (3)	<u>46,751</u>	<u>45,022</u>
Total financial investments (1+2+3)	<u>12,119,894</u>	<u>12,629,328</u>
Current Balances	3,067,624	4,267,633
Non- current Balances	9,052,270	8,361,695
Total financial investments	<u>12,119,894</u>	<u>12,629,328</u>
 Debt Instruments	 11,713,159	 12,248,116
Equity Instruments	315,204	295,661
Mutual Funds	91,531	85,551
Total financial investments	<u>12,119,894</u>	<u>12,629,328</u>

In accordance with the Central Bank of Egypt's rules issued on February 26, 2019, the debt instrument issued in a local currency by the Egyptian Government (Treasury Bond) exempted from ECL measurement.

AHLI UNITED BANK EGYPT S.A.E
NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS

For the period ended 31 March 2024

18. Financial investments (continued)
31 March 2024

	Financial assets at Fair Value through OCI EGP Thousands	Financial assets at Amortized Cost EGP Thousands	Financial assets Fair Value through P&L EGP Thousands	Total EGP Thousands
Balance at the beginning of the period	11,568,779	1,015,527	45,022	12,629,328
Additions	523,349	1,401,362	-	1,924,711
Disposals / maturities	(2,021,047)	(66,720)	-	(2,087,767)
Amortization of (premium) /discount	(310,421)	940	-	(309,481)
Change in fair value of investment	(332,165)	-	1,729	(330,436)
Foreign currency revaluation	293,539	-	-	293,539
Balance at the end of the period	9,722,034	2,351,109	46,751	12,119,894

31 December 2023

Balance at the beginning of the year	11,615,381	1,906,221	38,347	13,559,949
Additions	1,849,587	-	-	1,849,587
Disposals / maturities	(1,568,329)	(886,000)	-	(2,454,329)
Amortization of (premium) /discount	(156,794)	(4,694)	-	(161,488)
Change in fair value of investment	(354,307)	-	6,675	(347,632)
Foreign currency revaluation	183,241	-	-	183,241
Balance at the end of the year	11,568,779	1,015,527	45,022	12,629,328

Gain on Financial Investments

	31 March 2024 EGP Thousands	31 March 2023 EGP Thousands
Gain on sale of treasury bills	15,554	15,554
Gain on sale of financial investment – FVTOCI	2,903	2,903
Total	18,457	18,457

19. Investment in subsidiaries

	31 March 2024 EGP Thousands	31 December 2023 EGP Thousands
Ahli United Finance Company (Unlisted) - Owned 100%	54,468	54,468

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For the period ended 31 March 2024

20. Investment properties (net)

<u>Cost:</u>	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Cost at the beginning of the period/year	22,347	24,656
Transferred to property, plant and equipment	(21,097)	(2,309)
Cost at the end of the period/ year	1,250	22,347
<u>Accumulated depreciation</u>		
Accumulated depreciation at the beginning of the period/year	(4,796)	(4,777)
Depreciation charged during the period/year	(42)	(477)
Accumulated depreciation balances transferred to property, plant and equipment	4,581	458
Accumulated depreciation at the end of the period/year	(257)	(4,796)
Net book value at the end of the period/ year	993	17,551

21. Other assets

	<i>31 March 2024</i> <i>EGP Thousands</i>	<i>31 December 2023</i> <i>EGP Thousands</i>
Interest Receivable from Customers and banks	1,089,545	1,028,457
Prepaid expenses	73,289	43,387
Advances for purchase of property, plant and equipment	249,156	143,149
Assets acquired as settlement of debts (net of impairment)	313,699	313,699
Deposits held with other custody	12,614	11,343
Other assets	382,878	218,396
Total	2,121,181	1,758,431

22. Property, plant and equipment (net)

<i>31 March 2024</i>	<i>Lands and Buildings EGP Thousands</i>	<i>Leased assets improvements EGP Thousands</i>	<i>Equipment and Machinery EGP Thousands</i>	<i>Others EGP Thousands</i>	<i>Total EGP Thousands</i>
Net book value at the beginning of the period	448,467	149,099	101,702	399,453	1,098,721
Additions	-	10,063	5,914	27,590	43,567
Depreciation charge	(2,706)	(5,820)	(3,945)	(28,135)	(40,606)
Transfer	16,516	(4,166)	4,134	32	16,516
Net book value at the end of the period	462,277	149,176	107,805	398,940	1,118,198
Balance at the end of current period represents in:					
Cost	567,935	335,285	175,118	722,209	1,800,547
Accumulated depreciation	(105,658)	(186,109)	(67,313)	(323,269)	(682,349)
Net book value at the end of the period	462,277	149,176	107,805	398,940	1,118,198

AHLI UNITED BANK EGYPT S.A.E**NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS**

For the period ended 31 March 2024

22. Property, plant and equipment (net) (Continued)

<i>31 December 2023</i>	<i>Lands and Buildings EGP Thousands</i>	<i>Leased assets improvements EGP Thousands</i>	<i>Equipment and Machinery EGP Thousands</i>	<i>Others EGP Thousands</i>	<i>Total EGP Thousands</i>
Net book value at the beginning of the year	457,193	151,343	107,223	232,006	947,765
Additions	-	19,746	9,505	245,270	274,521
Disposals	-	(183)	-	-	(183)
Transfer	1,851	443	(423)	(20)	1,851
Depreciation charge	(10,577)	(22,250)	(14,603)	(77,803)	(125,233)
Net book value at the end of the year	<u>448,467</u>	<u>149,099</u>	<u>101,702</u>	<u>399,453</u>	<u>1,098,721</u>
Balance at the end of the year represents in:					
Cost	546,838	329,390	165,070	694,587	1,735,885
Accumulated depreciation	(98,371)	(180,291)	(63,368)	(295,134)	(637,164)
Net book value	<u>448,467</u>	<u>149,099</u>	<u>101,702</u>	<u>399,453</u>	<u>1,098,721</u>

23. Due to banks

	<i>31 March 2024 EGP Thousands</i>	<i>31 December 2023 EGP Thousands</i>
Current accounts	76,247	22,834
Deposits from Banks	3,000,000	3,700,000
Total	<u>3,076,247</u>	<u>3,722,834</u>
Local banks	3,000,000	3,700,000
Foreign banks	76,247	22,834
Total	<u>3,076,247</u>	<u>3,722,834</u>

24. Customers' deposits

	<i>31 March 2024 EGP Thousands</i>	<i>31 December 2023 EGP Thousands</i>
Demand deposits	42,847,271	37,067,296
Time deposits	44,038,550	39,657,713
Certificates of deposit	8,242,753	8,425,868
Savings deposits	5,379,188	4,087,561
Other deposits	878,240	820,026
Total	<u>101,386,002</u>	<u>90,058,464</u>
Corporate deposits	79,923,716	71,647,059
Individual deposits	21,462,286	18,411,405
Total	<u>101,386,002</u>	<u>90,058,464</u>
Non-interest-bearing balances	9,237,088	7,133,833
Floating-interest bearing balances	82,342,790	73,476,757
Fixed interest-bearing balances	9,806,124	9,447,874
Total	<u>101,386,002</u>	<u>90,058,464</u>
Current balances	87,193,116	77,432,454
Non-current balances	14,192,886	12,626,010
Total	<u>101,386,002</u>	<u>90,058,464</u>

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For the period ended 31 March 2024

25. Other Loans

	Rates (%)	31 March 2024 EGP Thousands	31 December 2023 EGP Thousands
European Bank for Reconstruction and Development (EBRD)	Variable	809,409	529,596
		<u>809,409</u>	<u>529,596</u>

The Bank signed five years facility agreement with the European Bank for Reconstruction and Development (EBRD) to support SMEs and green financing.

26. Other liabilities

	31 March 2024 EGP Thousands	31 December 2023 EGP Thousands
Interest Payable	710,648	579,668
Clearing operations – CBE	471,042	297,484
Margin deposits	2,538,555	2,514,122
Accrued Taxes	915,947	868,336
Unearned revenue	32,434	27,633
Accrued expenses	470,913	319,962
Other credit balances	1,100,589	693,880
Total	<u>6,240,128</u>	<u>5,301,085</u>

27. Other provisions

31 March 2024	Provision for legal claims EGP Thousands	Claims provision EGP Thousands	Contingent liabilities EGP Thousands	Total EGP Thousands
Beginning balance	41,085	190,353	105,341	336,779
Foreign currency revaluation	-	-	1,248	1,248
(Released) / charged during the period	(1,990)	9,909	47,889	55,808
Utilized during the period	(20)	-	-	(20)
Ending balance	<u>39,075</u>	<u>200,262</u>	<u>154,478</u>	<u>393,815</u>
31 December 2023				
Beginning balance	29,586	88,940	146,732	265,258
Foreign currency revaluation	-	-	2,049	2,049
Charged / (released) during the year	11,730	101,647	(43,040)	70,337
Utilized during the year	(231)	(234)	(400)	(865)
Ending balance	<u>41,085</u>	<u>190,353</u>	<u>105,341</u>	<u>336,779</u>

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For the period ended 31 March 2024

28. Capital**28.1 Authorized Capital**

Authorized capital amounts to EGP 10 Billion (31 December 2023: EGP 10 Billion).

On March 24, 2024 the extraordinary general assembly approved to increase the bank Authorized capital by EGP 10 billion to reach EGP 20 billion. Commercial register update is in progress.

28.2 Issued and paid up Capital

Issued and paid in capital amounts to EGP 7 Billion at 31 March 2024 (31 December 2023: EGP 7 Billion) represented by 700 Million Share (31 December 2023: 700 Million Share) with par value 10 EGP for each.

On March 22, 2023 the ordinary general assembly approved to increase the bank issued and paid up capital by EGP 2.1 billion to reach EGP 9.1 billion, by issuing of 210 million bonus shares out of retained earnings. Commercial register update is in progress.

On March 24, 2024 the ordinary general assembly approved to increase the bank issued and paid up capital by EGP 900 million to reach EGP 10 billion, by issuing of 90 million bonus shares out of retained earnings. Commercial register update is in progress.

29. Cash and cash equivalents

For the purpose of statement of cash-flow presentation; cash and cash equivalents include the following balances that have original maturities dates not exceeding three months from their acquisition date.

	<i>31 March 2024</i>	<i>31 March 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Cash	767,195	662,029
Due from banks with original maturities less than 3 months	6,802,502	4,753,110
Total	7,569,697	5,415,139

30. Contingent liabilities and commitments**A - Legal claims**

There is a number of existing cases filed against the bank on 31 March 2024 without provision as the bank does not expect to incur losses from it.

B- Capital commitments, contingent liabilities against letter of credit, documentary credits and other commitments.

	<i>31 March 2024</i>	<i>31 December 2023</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Capital commitments of fixed assets	42,455	45,470
Commitments under operating lease contracts	205,544	247,232
Contingent liabilities against letters of credit, documentary credits and other commitments	14,444,834	12,675,206
Total	14,692,833	12,967,908

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For the period ended 31 March 2024

31. Related party transactions

The Bank is a subsidiary of Ahli United Bank - Bahrain B.S.C (Closed) (The Parent) which owns 95.68 % of the ordinary shares and the remaining stake of 4.32 % owned by other shareholders. In addition, Bank owns 100% of the subsidiary company, AUFC. Following are related party transactions:

Interim Condensed Standalone Balance Sheet	31 March 2024	31 December 2023
	EGP Thousands	EGP Thousands
Due from banks	3,437,199	1,890,346
Loans and advances to customers	70,552	712,592
Due to banks	31,435	15,679
Customer deposits	742,166	28,725

Interim Condensed Standalone Income Statement	31 March 2024	31 March 2023
	EGP Thousands	EGP Thousands
Interest and similar revenues	74,491	58,098
Interest on deposits and similar costs	(1,396)	(196)
Fees and commission revenue	35	53
Other Operating Income	570	570

The average monthly salaries inclusive of all other allowances, incentive or Profit Share for top 20 staff as at 31 March 2024 is EGP 5,670 thousand.

32. Tax position**Income Tax**

- The Bank calculates and pays the income tax liability in due date based on the bank's tax declaration report.
- Income Tax prior till 2016 has been assessed and settled with the tax authority.
- The tax examination for the years 2017 to 2019 inspection completed.
- The bank taken into consideration the status of the above assessment while estimating the tax provision.

Stamp Duty Tax

- All of the bank branches were inspected from operating date till 31 July 2006.
- From 1st August 2006, up to 31st December 2020 settled with the tax authority –inspection completed.

Salary Tax

- The bank calculates, deducts and pays the monthly salary tax on a regular basis
- From the bank inception date till 2002 was assessed and the tax due was paid. Some periods are pending in the courts.
- From 2003 till 2004 was inspected /settled and the bank dispute was transferred to the Interior Committee.
- The period from 2005 till 2020 settled with tax authority- inspection completed.
- The Bank has taken into consideration the status of the above assessments while estimating the tax provision.

Real Estate Tax

- All real estate tax claims are paid; overstated claims were objected.

33. Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation of financial statements for the period.

AHLI UNITED BANK EGYPT S.A.E

NOTES TO THE INTERIM CONDENSED STANDALONE FINANCIAL STATEMENTS

For the period ended 31 March 2024

34. Important Events

On 1 February 2024, the Central Bank of Egypt has resolved to increase its overnight deposit and lending rates, along with the price of main operation by 200 basis points to be 21.25%, 22.25% and 21.75%, respectively. The credit and debit rates have been also raised by 200 basis points to be 21.75%.

On 6 March 2024, and proceeding in the policy of monetary compliance adopted by the Central Bank, the Monetary Policy Committee has resolved in its extraordinary meeting to increase its overnight deposit and lending rates along with the price of the main operation of the Central Bank by 600 basis points, to be 27.25%, 28.25%, and 27.75%, respectively. The credit and debit rates have been also raised by 600 basis points, to be 27.75%.

On 6 March 2024, the Central Bank agreed to continue its hedging efforts towards a flexible inflation-targeting framework by amending the interest rates on deposit, borrowing, and discount, as well as allowing the exchange rate to be determined according to the market mechanisms, including the consequent significant future financial impacts on the Company's financial position, future business results, and equity. In order to explain the impact of exchange rate risks.

The impact of the current uncertain economic environment is judgmental, and management will keep assessing the current position and its related impact. It should also consider that the assumptions used about economic forecasts are subject to a high degree of inherent uncertainty and therefore the actual outcome may significantly different from the forecasted information. The Bank has considered the potential impacts of the current economic volatility in determination of the reported amounts offered for the Bank's financial and non-financial assets, and these considered to represent the management's best assessment based on the observable information. However, markets remain volatile, and the recorded amounts remain sensitive to market fluctuations.