

**KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli
United Bank - Egypt) (S.A.E.)
Interim Condensed Consolidated Financial Statements
For the Period Ended 30 June 2025
& Limited Review Report**

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly -Ahli United Bank - Egypt) (S.A.E.)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 June 2025

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Limited Review Report on Interim Condensed Consolidated Financial Statements

To: Kuwait Finance House Bank Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E) Board of Directors

Introduction

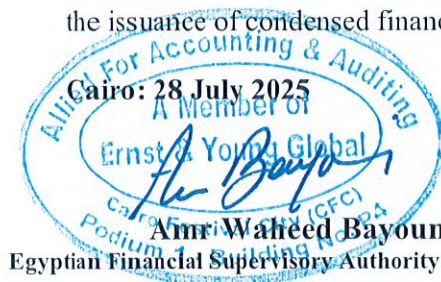
We have performed a limited review on the accompanying interim condensed consolidated financial statement of Kuwait Finance House Bank Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E) as of 30 June 2025 and the related condensed consolidated statements of financial position, condensed consolidated statements of income, condensed consolidated statement of comprehensive income, changes in equity and cash flows for the six 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 interim condensed consolidated 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 subsequent explanatory instructions and the decision of the Board of Directors of the Central Bank of Egypt during its meeting held on May 3, 2020, regarding the issuance of condensed financial statements and the prevailing Egyptian laws and regulations. Our responsibility is to express a conclusion on these interim condensed consolidated 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 interim condensed consolidated 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 interim condensed consolidated financial statements.

Conclusion

Based on our limited review review , nothing has come to our attention that causes us to believe that accompanying interim condensed consolidated financial statements do not present fairly , in all material respects, the financial position of the Bank as of 30 June 2025 and of its financial performance and its cash flows for the six months then ended in accordance with the bases of recognition and measurement issued by central bank of Egypt's rules issued on December 16, 2008 as amended by the regulation issued on February 26, 2019 and The subsequent explanatory instructions and the decision of the Board of Directors of the Central Bank of Egypt during its meeting held on May 3, 2020, regarding the issuance of condensed financial statements and the prevailing Egyptian laws and regulations.



Allied for Accounting & Auditing EY

Auditors

Ashraf Ali Hafez

Egyptian Financial Supervisory Authority Register no.222

CHANGE Chartered Accountant



KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET**

As at 30 June 2025

	Note	30 June 2025 EGP Thousands	31 December 2024 EGP Thousands
ASSETS			
Cash and balances with the Central Bank of Egypt	(14)	14,233,046	15,287,265
Due from banks	(15)	21,141,201	24,458,518
Treasury bills	(16)	14,519,566	12,194,522
Financing receivables	(17)	85,321,731	76,551,625
Financial Investments at:			
Fair value through other comprehensive income	(18)	10,187,960	9,470,695
Amortized cost	(18)	3,535,293	2,196,242
Fair value through profit or loss	(18)	57,941	52,202
Other assets	(19)	2,885,371	2,310,944
Property, plant and equipment	(20)	1,467,021	1,458,460
TOTAL ASSETS		153,349,130	143,980,473
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	(21)	2,221,560	3,081,362
Customers' deposits	(22)	124,762,424	117,066,965
Term financing	(23)	440,481	596,675
Other liabilities	(24)	5,304,543	4,100,720
Other provisions	(25)	577,434	509,357
Deferred tax liability		30,349	48,391
TOTAL LIABILITIES		133,336,791	125,403,470
EQUITY			
Issued and paid-up-capital	(26)	10,000,000	10,000,000
Transferred under capital increase	(26)	5,000,000	-
Reserves		810,565	304,154
Retained earnings		4,201,774	8,272,849
TOTAL EQUITY		20,012,339	18,577,003
TOTAL LIABILITIES AND EQUITY		153,349,130	143,980,473



Hala Hatem Sadek
CEO & Board Member

The attached notes from (1) to (33) form an integral part of these interim condensed consolidated financial statements.

Limited review report attached

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT**

For the period ended 30 June 2025

	Note	<i>Six months ended 30 June 2025 EGP Thousands</i>	<i>Six months ended 30 June 2024 EGP Thousands</i>	<i>Three months ended 30 June 2025 EGP Thousands</i>	<i>Three months ended 30 June 2024 EGP Thousands</i>
Financing income and similar revenues	(5)	13,533,584	10,819,869	6,824,119	6,176,579
Cost of deposits and similar expenses	(5)	(9,841,292)	(7,091,693)	(5,021,552)	(4,193,950)
Net financing income		3,692,292	3,728,176	1,802,567	1,982,629
Fees and commission revenues	(6)	506,391	612,987	241,165	313,401
Fees and commission expenses	(6)	(101,199)	(99,800)	(54,401)	(54,551)
Net fees and commission income		405,192	513,187	186,764	258,850
Dividend income	(7)	27,384	1,747	26,420	1,747
Net trading income	(8)	74,632	194,872	41,465	81,284
Gain (Loss) on financial investments	(18)	48,000	16,438	12,513	(2,019)
Release / (charge) expected credit losses	(9)	258,179	(1,911,952)	242,080	(344,094)
Administrative expenses	(10)	(1,391,293)	(1,059,914)	(712,736)	(584,857)
Other operating (expenses) income	(11)	(272,809)	2,948,727	(210,822)	20,711
Net profit before income tax		2,841,577	4,431,281	1,388,251	1,414,251
Income tax expenses	(12)	(1,034,190)	(626,257)	(536,706)	(425,823)
Net profit for the period		1,807,387	3,805,024	851,545	988,428
Earnings per share (EGP/Share)	(13)	1.77	3.78	0.84	0.98
Attributable to:					
Equity holders of the bank		1,807,387	3,805,024	851,545	988,428
Net profit of the period		1,807,387	3,805,024	851,545	988,428

The attached notes from (1) to (33) form an integral part of these interim condensed consolidated financial statements.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the period ended 30 June 2025

	<i>Six months ended 30 June 2025 EGP Thousands</i>	<i>Six months ended 30 June 2024 EGP Thousands</i>	<i>Three months ended 30 June 2025 EGP Thousands</i>	<i>Three months ended 30 June 2024 EGP Thousands</i>
Net profit for the period	1,807,387	3,805,024	851,545	988,428
<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	7,996	3,167	3,623	(1,363)
<i>Income items that 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	222,740	(229,726)	(121,628)	101,119
Net change in fair value of profit rate swaps – Fair value hedge	-	(9,844)		(14,278)
Expected credit losses of debt instruments measured at fair value through other comprehensive income	934	(1,214)	(12,130)	(1,231)
Total other comprehensive income	231,670	(237,617)	(130,135)	84,247
Total comprehensive income for the period	2,039,057	3,567,407	721,410	1,072,675

The attached notes from (1) to (33) form an integral part of these interim condensed consolidated financial statements.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the period ended 30 June 2025

	Note	30 June 2025 EGP Thousands	30 June 2024 EGP Thousands
OPERATING ACTIVITIES			
Net Profit before income tax		2,841,577	4,431,281
Adjustments to reconcile net profit to net cash provided by operating activities:			
Dividend income	(7)	(27,384)	(1,747)
Depreciation and amortization	(10)	124,206	82,003
(Release) / charge for expected credit losses	(9)	(258,179)	1,911,952
Other provisions charged	(25)	69,480	87,693
Revaluation differences in foreign currencies	(11)	221,320	(3,034,669)
Gain on disposals of property, plant and equipment	(11)	(5,151)	(14)
Amortization of (discount) premium	(18)	(36,575)	284,369
Revaluation of financial investments at fair value through profit or loss	(8)	(5,739)	(4,072)
Operating income before changes in operating assets and liabilities		2,923,555	3,756,796
Net changes in operating assets and liabilities:			
Balances with Central Bank of Egypt - mandatory reserve		1,336,171	2,490,809
Due from banks		(3,135,835)	4,585,958
Treasury bills		(2,397,911)	(4,559,616)
Financing receivables		(8,413,159)	(6,451,531)
Financial investments at FVTPL		-	2,210
Other assets		(500,889)	(712,546)
Due to banks		(859,802)	2,277,287
Customers' deposits		7,537,841	9,871,526
Other liabilities		482,001	(1,572,785)
Other provisions utilized		(303)	(333)
Income tax paid		(934,131)	(851,179)
Net cash flows (used in) generated from operating activities		(3,962,462)	8,836,596
INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(307,986)	(225,024)
Proceeds from sale of property, plant and equipment		5,151	14
Proceeds from redemption of financial investments at amortized cost		-	86,816
Purchases of financial investments at amortized cost		(1,300,000)	(1,401,362)
Proceeds from redemption of financial investments at FVOCI		1,163,979	3,421,879
Purchases of financial investments at FVOCI		(1,696,732)	(546,937)
Dividend income received		6,384	1,747
Net cash flows (used in) generated from investing activities		(2,129,204)	1,337,133
FINANCING ACTIVITIES			
Net change in term financing		(169,293)	(146,928)
Net cash flows used in financing activities		(169,293)	(146,928)
Net (decrease) increase in cash and cash equivalents during the period		(6,260,959)	10,026,801
Cash and cash equivalents at the beginning of the period		15,669,418	9,433,214
Cash and cash equivalents at the end of the period	(27)	9,408,459	19,460,015
Cash and cash equivalents represented as follows:			
Cash and balances with Central Bank of Egypt	(14)	14,233,046	13,593,413
Due from banks	(15)	21,144,718	22,171,336
Treasury bills	(16)	14,594,747	13,499,241
Balances with Central Bank of Egypt - mandatory reserve	(14)	(13,164,277)	(11,957,656)
Deposits with banks with original maturities more than 3 months		(12,805,028)	(4,347,078)
Treasury bills with original maturities more than 3 months		(14,594,747)	(13,499,241)
Cash and cash equivalents at the end of the period	(27)	9,408,459	19,460,015

The attached notes from (1) to (33) form an integral part of these interim condensed consolidated financial statements.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 June 2025

	<i>Issued and paid-up- capital</i>	<i>Transferred under capital increase</i>	<i>Reserves</i>				<i>Total Reserves</i>	<i>Retained earnings</i>	<i>Total</i>
			<i>Legal & capital reserve</i>	<i>General risk reserve</i>	<i>General banking risk reserve</i>	<i>Fair value reserve</i>			
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>
Balance as at 1 January 2024	7,000,000	2,100,000	727,164	11,884	196	(684,772)	54,472	4,221,620	13,376,092
Net profit for the period	-	-	-	-	-	-	-	3,805,024	3,805,024
Other comprehensive income	-	-	-	-	-	(235,629)	(235,629)	-	(235,629)
Transferred under capital increase	-	900,000	-	-	-	-	-	(900,000)	-
Bonus share issuance fees	-	-	-	-	-	-	-	(534)	(534)
Gain on sale equity investments at FVOCI	-	-	-	-	-	(1,988)	(1,988)	1,988	-
Employees profit share	-	-	-	-	-	-	-	(332,447)	(332,447)
Directors' remuneration	-	-	-	-	-	-	-	(5,326)	(5,326)
Transferred to legal and capital reserve	-	-	168,389	-	-	-	168,389	(168,389)	-
Transferred to banking sector support fund	-	-	-	-	-	-	-	(33,122)	(33,122)
Balance as at 30 June 2024	<u>7,000,000</u>	<u>3,000,000</u>	<u>895,553</u>	<u>11,884</u>	<u>196</u>	<u>(922,389)</u>	<u>(14,756)</u>	<u>6,588,814</u>	<u>16,574,058</u>
Balance as at 1 January 2025	10,000,000	-	895,553	11,884	6,722	(610,005)	304,154	8,272,849	18,577,003
Net profit for the period	-	-	-	-	-	-	-	1,807,387	1,807,387
Other comprehensive income	-	-	-	-	-	231,670	231,670	-	231,670
Transferred under capital increase	-	5,000,000	-	-	-	-	-	(5,000,000)	-
Employees profit share	-	-	-	-	-	-	-	(549,035)	(549,035)
Transferred to legal and capital reserve	-	-	274,741	-	-	-	274,741	(274,741)	-
Transferred to banking sector support fund	-	-	-	-	-	-	-	(54,686)	(54,686)
Balance as at 30 June 2025	<u>10,000,000</u>	<u>5,000,000</u>	<u>1,170,294</u>	<u>11,884</u>	<u>6,722</u>	<u>(378,335)</u>	<u>810,565</u>	<u>4,201,774</u>	<u>20,012,339</u>

The attached notes from (1) to (33) form a part of these interim condensed consolidated financial statements.

1 GENERAL INFORMATION

Kuwait Finance House Bank – Egypt (Formerly - Ahli United Bank - Egypt) (the Bank) provides institutional, retail banking and investment banking services within the Arab Republic of Egypt through its head office and 44 branches with 1,312 employees as of 30 June 2025. The bank's activities to be conducted in accordance with the Islamic Shari'a principles as approved by the Bank's Shari'a Supervisory Board.

The Bank's 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 Egyptian Exchange.

The Bank was incorporated under the name Delta International Bank on 8 August 1978 in accordance with Law No.43 of 1974 and its executive Regulations within the Arab Republic of Egypt, and according to the Extraordinary General Assembly held on 21 November 2006, the name of the Bank was changed to become Ahli United Bank - Egypt, then the name of the Bank was changed to become Kuwait Finance House Bank - Egypt according to the Extraordinary General Assembly held on 30 September 2024; such change was registered in the commercial register on 26 January 2025.

These interim condensed consolidated financial statements were approved by the board of directors on 28 July 2025.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 BASIS OF PREPARATION

The interim consolidated 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 bank has issued condensed consolidated financial statements based on the instructions of the Central Bank of Egypt issued on May 3, 2020, which allow banks to issue quarterly condensed financial statements. For matters not covered by the instructions of the Central Bank of Egypt, reference is made to Egyptian accounting standards.

2 SUMMARY OF THE SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 BASIS OF PREPARATION (CONTINUED)

These interim condensed consolidated financial statements do not include all the information and disclosures required for the complete annual financial statements, which have been prepared in accordance with the instructions of the Central Bank. They should be read in conjunction with the bank's financial statements as of December 31, 2024.

In preparing these interim condensed consolidated financial statements, management has made significant judgments in applying the bank's accounting policy, and the main sources of estimation are the same as those applied in the financial statements for the year ended December 31, 2024.

3 FINANCIAL RISKS MANAGEMENT

3-1 QUALITY OF FINANCIAL ASSETS

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

<i>30 June 2025</i>	<i>Stage (1) 12 months EGP Thousands</i>	<i>Stage (2) Lifetime EGP Thousands</i>	<i>Stage (3) Lifetime EGP Thousands</i>	<i>Total EGP Thousands</i>
Due from banks	13,268,528	7,876,190	-	21,144,718
Treasury bills	13,985,799	536,023	-	14,521,822
Financing receivables – individuals	6,430,410	1,095,585	174,733	7,700,728
Financing receivables - corporate	55,684,312	28,680,289	1,678,497	86,043,098
Debt Instruments at Fair value through other comprehensive income	8,466,959	256,299	-	8,723,258
Debt Instruments at Amortized Cost	3,535,293	-	-	3,535,293
	101,371,301	38,444,386	1,853,230	141,668,917
<i>31 December 2024</i>	<i>Stage (1) 12 months EGP Thousands</i>	<i>Stage (2) Lifetime EGP Thousands</i>	<i>Stage (3) Lifetime EGP Thousands</i>	<i>Total EGP Thousands</i>
Due from banks	16,214,821	8,246,564	-	24,461,385
Treasury bills	11,634,377	560,546	-	12,194,923
Financing receivables – individuals	5,010,537	981,764	165,610	6,157,911
Financing receivables - corporate	53,605,626	24,046,738	1,504,832	79,157,196
Debt Instruments at Fair value through other comprehensive income	7,488,952	551,274	-	8,040,226
Debt Instruments at Amortized Cost	2,196,242	-	-	2,196,242
	96,150,555	34,386,886	1,670,442	132,207,883

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)
3-1 QUALITY OF FINANCIAL ASSETS (CONTINUED)

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

<i>30 June 2025</i>	<i>Stage (1) 12 months EGP Thousands</i>	<i>Stage (2) Lifetime EGP Thousands</i>	<i>Stage (3) Lifetime EGP Thousands</i>	<i>Total EGP Thousands</i>
Due from banks	963	2,554	-	3,517
Treasury bills	-	2,256	-	2,256
Financing receivables – Individuals	81,049	24,453	70,783	176,285
Financing receivables - Corporate	768,076	5,719,831	1,303,706	7,791,613
Debt instruments at fair value through other comprehensive income	176	1,205	-	1,381
Commitments on financing and collaterals	99,826	141,677	35,526	277,029
	<u>950,090</u>	<u>5,891,976</u>	<u>1,410,015</u>	<u>8,252,081</u>
<i>31 December 2024</i>	<i>Stage (1) 12 months EGP Thousands</i>	<i>Stage (2) Lifetime EGP Thousands</i>	<i>Stage (3) Lifetime EGP Thousands</i>	<i>Total EGP Thousands</i>
Due from banks	2,502	365	-	2,867
Treasury bills	-	401	-	401
Financing receivables – Individuals	113,821	17,265	70,871	201,957
Financing receivables - Corporate	1,060,075	5,795,202	1,154,039	8,009,316
Debt instruments at fair value through other comprehensive income	192	255	-	447
Commitments on financing and collaterals	92,358	109,194	35,702	237,254
	<u>1,268,948</u>	<u>5,922,682</u>	<u>1,260,612</u>	<u>8,452,242</u>

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

3-2 Capital risk management

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
According to Basel III		
Total Tier 1 (basic capital)	19,982,252	17,948,288
Total Tier 2 (subordinated capital)	983,550	1,137,853
Total Capital Base	20,965,802	19,086,141
Total weighted risk of contingent assets and liabilities	130,846,836	115,541,010
Capital Adequacy Ratio	16.02%	16.52%

3-3 Financial leverage risk management

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Tier 1 of the capital adequacy ratio	19,982,252	17,948,288
Total exposures in & off-Balance Sheet	161,664,575	152,615,009
Leverage ratio%	12.36%	11.76%

Capital adequacy Standard had been prepared based on (Basel III) 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 III) issued during May 2019 And CBE instructions issued in January 2021 regarding the adoption of Standardized Approach for measuring operational risk starting from period 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, managing 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, credit facilities, financing.

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 financing & real-estate financing

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.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Period Ended 30 June 2025

4 SEGMENT ANALYSIS (CONTINUED)
Activity segment analysis

<i>30 June 2025</i>	<i>Large Institutions</i>	<i>Medium & Small Institutions</i>	<i>Treasury & Investments</i>	<i>Retail</i>	<i>Other Activities</i>	<i>Total</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>
<i>Revenues & expenses according to segment activities</i>						
Segment activity revenues	7,047,614	130,491	730,990	5,375,465	673,497	13,958,057
Segment activity expenses	(5,916,624)	(89,769)	(550,057)	(4,755,733)	195,703	(11,116,480)
Net Profit before income tax	1,130,990	40,722	180,933	619,732	869,200	2,841,577
Income tax	(250,130)	(10,253)	(171,341)	(138,355)	(464,111)	(1,034,190)
Net Profit for the period after tax	880,860	30,469	9,592	481,377	405,089	1,807,387
<i>Assets & liabilities according to segment activities</i>						
Segment activity assets	75,790,264	2,545,121	60,254,204	7,797,230	6,962,311	153,349,130
Total assets	75,790,264	2,545,121	60,254,204	7,797,230	6,962,311	153,349,130
Segment activity liabilities	59,816,236	595,489	2,663,002	64,239,986	6,022,078	133,336,791
Total liabilities	59,816,236	595,489	2,663,002	64,239,986	6,022,078	133,336,791
<i>Other items for segment activity</i>						
Depreciation and amortization	(43,849)	(2,844)	(13,868)	(45,746)	(17,899)	(124,206)
ECL (charge) / release	(121,561)	(24,233)	-	(175)	404,148	258,179

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Period Ended 30 June 2025

4. SEGMENT ANALYSIS (CONTINUED)**Activity segment analysis (Continued)**

<i>30 June 2024</i>	<i>Large institutions</i>	<i>Small & medium institutions</i>	<i>Treasury & Investments</i>	<i>Retail</i>	<i>Other activities</i>	<i>Total</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>	<i>EGP Thousands</i>
<i>Revenues & expenses according to segment activities</i>						
Segment activity revenues	5,501,381	83,459	1,066,402	3,969,988	4,038,003	14,659,233
Segment activity expenses	(4,073,668)	(123,308)	(739,609)	(3,346,383)	(1,944,984)	(10,227,952)
Net Profit (Loss) before income tax	1,427,713	(39,849)	326,793	623,605	2,093,019	4,431,281
Income tax (expenses) income	(311,037)	5,321	(274,807)	(137,680)	91,946	(626,257)
Net Profit (Loss) for the period after tax	<u>1,116,676</u>	<u>(34,528)</u>	<u>51,986</u>	<u>485,925</u>	<u>2,184,965</u>	<u>3,805,024</u>
<i>Assets & liabilities according to segment activities</i>						
<i>As at 31 December 2024</i>						
Segment activity assets	77,902,945	2,148,885	58,636,336	5,265,460	26,847	143,980,473
Total assets	<u>77,902,945</u>	<u>2,148,885</u>	<u>58,636,336</u>	<u>5,265,460</u>	<u>26,847</u>	<u>143,980,473</u>
Segment activity liabilities	58,031,017	708,764	3,263,289	58,590,027	4,810,373	125,403,470
Total liabilities	<u>58,031,017</u>	<u>708,764</u>	<u>3,263,289</u>	<u>58,590,027</u>	<u>4,810,373</u>	<u>125,403,470</u>
<i>Other items for segment activity</i>						
Depreciation and amortization	(21,766)	(1,792)	(9,827)	(29,437)	(19,181)	(82,003)
ECL charge	(129,185)	(80,952)	(99)	(25,979)	(1,675,737)	(1,911,952)

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5 NET FINANCING INCOME

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Financing income and similar revenues from:				
Financing receivables	9,856,182	7,949,225	4,965,849	4,532,344
Treasury bills, bonds and sukuk	3,211,666	2,315,481	1,651,206	1,294,574
Deposits and due from banks	465,736	555,163	207,064	349,661
Total	13,533,584	10,819,869	6,824,119	6,176,579
Cost of deposits and similar expenses on:				
Due to banks	(329,571)	(574,413)	(262,016)	(407,414)
Customers' deposits	(9,485,617)	(6,484,274)	(4,747,149)	(3,768,087)
	(9,815,188)	(7,058,687)	(5,009,165)	(4,175,501)
Term financing	(26,104)	(33,006)	(12,387)	(18,449)
Total	(9,841,292)	(7,091,693)	(5,021,552)	(4,193,950)
Net financing income	3,692,292	3,728,176	1,802,567	1,982,629

Financing income and cost of deposits include income earned and costs incurred on conventional portfolio of financial instruments.

6 NET FEES AND COMMISSION INCOME

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Fees and commission revenues:				
Credit-related fees & commission	401,972	478,572	194,098	248,333
Custody fees	38,948	38,211	18,265	14,289
Other fees	65,471	96,204	28,802	50,779
Total	506,391	612,987	241,165	313,401
Fees and commission expenses:				
Other fees	(101,199)	(99,800)	(54,401)	(54,551)
Total	(101,199)	(99,800)	(54,401)	(54,551)
Net fees and commission income	405,192	513,187	186,764	258,850

7 DIVIDEND INCOME

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Financial investments at fair value through other comprehensive income	27,384	1,747	26,420	1,747
Total	27,384	1,747	26,420	1,747

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8 NET TRADING INCOME

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Foreign exchange trading gains	68,893	190,800	38,455	78,941
Change in fair value of investments at FVTPL	5,739	4,072	3,010	2,343
Total	74,632	194,872	41,465	81,284

9 RELEASE / (CHARGE) EXPECTED CREDIT LOSSES

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Financing receivables	261,664	(1,907,552)	229,314	(348,526)
Due from banks	(658)	(1,245)	(192)	927
Debt instruments at FVTOCI	(963)	1,232	12,103	1,258
Treasury bills	(1,864)	(4,387)	855	2,247
Total	258,179	(1,911,952)	242,080	(344,094)

10 ADMINISTRATIVE EXPENSES

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Staff cost:				
Salaries and wages	416,859	347,019	228,480	201,341
Social insurance	16,571	13,550	8,262	6,855
	433,430	360,569	236,742	208,196
Depreciation and amortization	124,206	82,003	62,713	41,305
Other administrative expenses	833,657	617,342	413,281	335,356
Total	1,391,293	1,059,914	712,736	584,857

11 OTHER OPERATING (EXPENSES) INCOME

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
FX revaluation (loss) gains from monetary assets and liabilities other than carried at fair value through profit or loss	(221,320)	3,034,669	(173,844)	50,330
Gain on disposals of property, plant and equipment	5,151	14	150	1
Legal provision (charged) / released	(3,855)	844	(3,465)	(1,146)
Claims provision charged	(24,750)	(23,944)	(13,290)	(14,035)
Contingent provision charged	(40,875)	(64,593)	(31,219)	(16,704)
Other income	12,840	1,737	10,846	2,265
Total	(272,809)	2,948,727	(210,822)	20,711

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12 INCOME TAX EXPENSES

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Current Tax	1,051,994	647,470	541,799	428,101
Deferred Tax	(17,804)	(21,213)	(5,093)	(2,278)
Total	1,034,190	626,257	536,706	425,823
Net profit before tax	2,841,577	4,431,281	1,388,251	1,414,251
Income tax (22.5%)	639,355	997,038	312,357	318,206
Tax effect on:				
Income not subject to tax	(6,132)	(12,489)	(3,462)	(5,675)
Provision	9,949	156,084	4,731	26,922
Depreciation differences	(1,684)	(1,207)	(2,583)	(1,055)
Others	410,506	(491,956)	230,756	89,703
Current income tax expenses	1,051,994	647,470	541,799	428,101
Effective Tax Rate	37.0%	14.6%	39.0%	30.3%

13 EARNINGS PER SHARE

	<i>Six Months Ended 30 June 2025 EGP Thousands</i>	<i>Six Months Ended 30 June 2024 EGP Thousands</i>	<i>Three Months Ended 30 June 2025 EGP Thousands</i>	<i>Three Months Ended 30 June 2024 EGP Thousands</i>
Net profit for the period available for distribution*	1,774,864	3,777,002	837,087	981,376
Weighted average number of shares (shares thousands)	1,000,000	1,000,000	1,000,000	1,000,000
Earnings per share (EGP/Share)	1.77	3.78	0.84	0.98

* Based on the interim condensed standalone financial statements.

14 CASH AND BALANCES WITH THE CENTRAL BANK OF EGYPT

	<i>30 June 2025 EGP Thousands</i>	<i>31 December 2024 EGP Thousands</i>
Cash	1,068,769	786,817
Balances with CBE (mandatory reserve)	13,164,277	14,500,448
Total	14,233,046	15,287,265
Non-profit bearing balances	14,233,046	15,287,265

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15 DUE FROM BANKS

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Current accounts	2,289,081	1,749,967
Deposits	18,855,637	22,711,418
	<u>21,144,718</u>	<u>24,461,385</u>
Less: ECL Allowance	(3,517)	(2,867)
Total	<u>21,141,201</u>	<u>24,458,518</u>
Balances at CBE other than those under the mandatory reserve	3,098,567	3,433,393
Local banks	156,408	118,377
Foreign banks	17,889,743	20,909,615
	<u>21,144,718</u>	<u>24,461,385</u>
Less: ECL Allowance	(3,517)	(2,867)
Total	<u>21,141,201</u>	<u>24,458,518</u>
Non-profit bearing balances	2,289,081	1,665,516
Profit bearing balances	18,855,637	22,795,869
	<u>21,144,718</u>	<u>24,461,385</u>
Less: ECL Allowance	(3,517)	(2,867)
Total	<u>21,141,201</u>	<u>24,458,518</u>

16 TREASURY BILLS

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Treasury Bills at Amortized Cost		
365 Days maturity	550,528	564,310
Less: Unearned profit	(14,505)	(3,764)
Less: ECL allowance	(2,256)	(401)
Total (1)	<u>533,767</u>	<u>560,145</u>
Treasury Bills at Fair value through OCI		
365 Days maturity	15,296,750	12,209,250
Less: Unearned profit	(1,238,026)	(572,960)
Change in fair value	(72,925)	(1,913)
Total (2)	<u>13,985,799</u>	<u>11,634,377</u>
Total (1+2)	<u>14,519,566</u>	<u>12,194,522</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.

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17 FINANCING RECEIVABLES

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Individuals		
Overdrafts	145,304	182,972
Credit cards	214,678	185,055
Personal financing	5,670,876	4,253,544
Mortgage financing	1,179,017	1,206,940
Other Financing	490,853	329,400
Total (1)	7,700,728	6,157,911
Corporate		
Overdrafts	13,076,177	13,684,735
Direct financing	61,990,077	54,623,569
Syndication financing	10,976,844	10,848,892
Total (2)	86,043,098	79,157,196
Total Financing receivables (1+2)	93,743,826	85,315,107
Less :ECL allowance	(7,967,898)	(8,211,273)
Less: Profit in suspense	(151,011)	(151,926)
Less :Unearned discount	(303,186)	(400,283)
Net financing receivables	85,321,731	76,551,625

Financing receivables include balances under the conversion process to be complied with Islamic Shari'a principles.

Overdraft balances represent facilities provided to the customer on Murabaha basis.

Analysis of expected credit losses of financing receivables:

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Balance at the beginning of the period/year	8,211,273	4,381,076
ECL Allowance (release) charge during the period (note 9)	(261,664)	2,945,020
Write-off during the period/year	(319)	(1,145,509)
Recoveries from written-off amount	113,891	1,159,683
Foreign currency translation	(95,283)	871,003
Balance at the end of the period/year	7,967,898	8,211,273

17 FINANCING RECEIVABLES (Continued)*Analysis of expected credit losses of financing receivables (Continued):*

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Individuals		
Balance at the beginning of the period/year	201,957	88,744
ECL Allowance (release) charge during the period/year	(25,672)	118,371
Write-off during the period/year	-	(5,158)
Balance at the end of the period/year (1)	176,285	201,957
Corporate		
Balance at the beginning of the period/year	8,009,316	4,292,332
ECL Allowance (release) charge during the period/year	(235,992)	2,826,649
Write-off during the period/year	(319)	(1,140,351)
Recoveries from written-off debts*	113,891	1,159,683
Foreign currency translation	(95,283)	871,003
Balance at the end of the period/year (2)	7,791,613	8,009,316
Total (1+2)	7,967,898	8,211,273

* During the financial year ending December 31, 2024, assets in the form of shares amounting to 953 million Egyptian pounds reverted to the Bank as a settlement for a written-off debt. These shares have been classified as investments at fair value through other comprehensive income, with an option for repurchase within five years and their fair value has been determined based on an accepted valuation method.

18 FINANCIAL INVESTMENTS

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
<i>Financial investments at fair value through Other Comprehensive Income:</i>		
A) Debt instruments		
Treasury Bonds	6,539,890	6,519,119
Non-government Bonds	1,995,942	1,265,014
Sukuk	187,426	256,093
B) Equity instruments		
Unlisted	1,401,755	1,375,504
C) Money Market Funds		
AUBE Mutual Fund THARWA	25,192	22,696
AUBE Mutual Fund ALPHA	37,755	32,269
Total financial investments at FVTOCI (1)	10,187,960	9,470,695
<i>Financial investments at Amortized Cost:</i>		
A) Debt instruments		
Treasury Bonds	3,535,293	2,196,242
Total financial investments at Amortized Cost (2)	3,535,293	2,196,242
<i>Financial investments at fair value through profit or loss:</i>		
Money Market Funds		
AUBE Mutual Fund THARWA	57,941	52,202
Total financial investments at FVTPL (3)	57,941	52,202
Total financial investments (1+2+3)	13,781,194	11,719,139
 Current balances	 4,370,558	 2,873,144
Non-current balances	9,410,636	8,845,995
Total financial investments	13,781,194	11,719,139
 Debt instruments	 12,258,551	 10,236,468
Equity instruments	1,401,755	1,375,504
Mutual Funds	120,888	107,167
Total financial investments	13,781,194	11,719,139

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.

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18 FINANCIAL INVESTMENTS (CONTINUED)

<i>30 June 2025</i>	<i>Financial assets at Fair Value through OCI EGP Thousands</i>	<i>Financial assets at Amortized Cost EGP Thousands</i>	<i>Financial assets at Fair Value through P&L EGP Thousands</i>	<i>Total EGP Thousands</i>
Balance at the beginning of the period	9,470,695	2,196,242	52,202	11,719,139
Additions	1,696,732	1,300,000	-	2,996,732
Disposals / Maturities	(1,163,979)	-	-	(1,163,979)
Amortization of (premium)/ discount	(2,476)	39,051	-	36,575
Change in fair value	230,736	-	5,739	236,475
Foreign currency revaluation	(43,748)	-	-	(43,748)
Balance at the end of the period	10,187,960	3,535,293	57,941	13,781,194

<i>31 December 2024</i>	<i>Financial assets at Fair Value through OCI EGP Thousands</i>	<i>Financial assets at Amortized Cost EGP Thousands</i>	<i>Financial assets at Fair Value through P&L EGP Thousands</i>	<i>Total EGP Thousands</i>
Balance at the beginning of the year	11,575,012	1,015,527	45,022	12,635,561
Additions	2,231,142	1,721,083	-	3,952,225
Disposals / Maturities	(4,287,928)	(579,818)	(2,210)	(4,869,956)
Amortization of (premium)/ discount	(480,935)	39,450	-	(441,485)
Change in fair value	89,670	-	9,390	99,060
Foreign currency revaluation	343,734	-	-	343,734
Balance at the end of the year	9,470,695	2,196,242	52,202	11,719,139

Gain on Financial investments

	<i>Six months ended 30 June 2025 EGP Thousands</i>	<i>Six months ended 30 June 2024 EGP Thousands</i>	<i>Three months ended 30 June 2025 EGP Thousands</i>	<i>Three months ended 30 June 2024 EGP Thousands</i>
Gain on sale of treasury bills	32,732	22,098	7,053	6,544
Gain (Loss) on sale of financial investment –FVTOCI	15,268	(5,660)	5,460	(8,563)
Total	48,000	16,438	12,513	(2,019)

19 OTHER ASSETS

	<i>30 June 2025 EGP Thousands</i>	<i>31 December 2024 EGP Thousands</i>
Accrued revenues	1,474,975	1,163,786
Prepaid expenses	103,833	66,321
Advances for purchase of property, plant and equipment	456,023	280,804
Assets acquired as settlement of debts (net of impairment)	314,398	314,398
Deposits held with other custody	11,321	9,156
Other assets	524,821	476,479
Total	2,885,371	2,310,944

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20 PROPERTY, PLANT AND EQUIPMENT

<i>30 June 2025</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	455,053	176,074	124,548	702,785	1,458,460
Additions	-	27,981	5,492	99,294	132,767
Depreciation charge	(5,478)	(13,976)	(9,688)	(95,064)	(124,206)
Net book value at the end of the period	449,575	190,079	120,352	707,015	1,467,021
Balance at the end of current period represents in:					
Cost	564,603	409,021	210,296	1,219,417	2,403,337
Accumulated depreciation	(115,028)	(218,942)	(89,944)	(512,402)	(936,316)
Net book value at the end of the period	449,575	190,079	120,352	707,015	1,467,021
<i>31 December 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 year	449,466	144,933	105,836	400,428	1,100,663
Additions	-	55,813	35,603	425,170	516,586
Transfer from investment properties	16,515	-	-	-	16,515
Depreciation charge	(10,928)	(24,672)	(16,891)	(122,813)	(175,304)
Net book value at the end of the year	455,053	176,074	124,548	702,785	1,458,460
Balance at the end of the year represents in:					
Cost	564,603	381,036	204,805	1,121,736	2,272,180
Accumulated depreciation	(109,550)	(204,962)	(80,257)	(418,951)	(813,720)
Net book value at the end of the year	455,053	176,074	124,548	702,785	1,458,460

21 DUE TO BANKS

	<i>30 June 2025 EGP Thousands</i>	<i>31 December 2024 EGP Thousands</i>
Current accounts	99,419	81,362
Deposits	2,122,141	3,000,000
Total	2,221,560	3,081,362
Local banks	2,122,141	3,000,000
Foreign banks	99,419	81,362
Total	2,221,560	3,081,362

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22 CUSTOMERS' DEPOSITS

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Demand deposits	56,565,424	41,212,626
Time deposits	46,661,829	57,503,181
Certificates of deposit	14,006,779	10,501,524
Saving deposits	6,469,844	7,104,626
Other deposits	1,058,548	745,008
Total	124,762,424	117,066,965
Corporate deposits	94,161,688	91,458,302
Individual deposits	30,600,736	25,608,663
Total	124,762,424	117,066,965
Non-profit bearing balances	10,103,732	8,897,023
Floating profit bearing balances	104,228,093	98,354,548
Fixed profit bearing balances	10,430,599	9,815,394
Total	124,762,424	117,066,965
Current balances	112,137,112	106,259,899
Non-current balances	12,625,312	10,807,066
Total	124,762,424	117,066,965

23 TERM FINANCING

	Rates	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Egyptian Mortgage Refinance company (EMRC)	1%	221	260
Egyptian Mortgage Refinance company (EMRC)	3%	15,142	15,400
European Bank for Reconstruction and Development (EBRD)	Variable	425,118	581,015
Total		440,481	596,675

- Under CBE financing initiatives (5% and 7%); KFH Financing Co. (AUFC- "Formerly") acquired financing from the Egyptian Mortgage Refinance Company (EMRC) guaranteed by the company's mortgage portfolio, and another credit facility with a limit of EGP 250 million from Export Development Bank of Egypt on 21 September 2019.
- The Bank signed five years facility agreement with the European Bank for Reconstruction and Development (EBRD) to support SMEs and green financing.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Period Ended 30 June 2025

24 OTHER LIABILITIES

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>EGP Thousands</i>	<i>EGP Thousands</i>
Accrued finance costs	887,029	1,048,097
Clearing operations – CBE	376,324	343,166
Margin deposits	1,329,372	370,858
Accrued Taxes	1,134,483	989,244
Unearned revenue	41,124	35,043
Accrued expenses	746,859	787,713
Other credit balances	789,352	526,599
Total	5,304,543	4,100,720

25 OTHER PROVISIONS

<i>30 June 2025</i>	<i>Provision for legal claims</i>	<i>Provision for Tax & other claims</i>	<i>Provision for Contingent liabilities</i>	<i>Total</i>
	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>	<i>EGP</i>
	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>	<i>Thousands</i>
Beginning balance	41,188	230,915	237,254	509,357
Foreign currency revaluation	-	-	(1,100)	(1,100)
Utilized during the period	-	(303)	-	(303)
Charged during the period	3,855	24,750	40,875	69,480
Ending balance	45,043	255,362	277,029	577,434

<i>31 December 2024</i>				
Beginning balance	41,086	191,446	105,342	337,874
Foreign currency revaluation	-	-	1,844	1,844
Utilized during the year	(468)	(17,300)	-	(17,768)
Charge during the year	570	56,769	130,068	187,407
Ending balance	41,188	230,915	237,254	509,357

26 CAPITAL**26.1 Authorized Capital**

Authorized capital amounts to EGP 20 billion as at 30 June 2025 (31 December 2024: EGP 20 billion).

26.2 Issued and paid-up Capital

Issued and paid-up capital amounts to EGP 10 billion as at 30 June 2025 (31 December 2024: EGP 10 billion) represented by 1 billion Shares (31 December 2024: 1 billion Shares) at a par value 10 EGP for each.

On 20 March, 2025, the Ordinary General Assembly approved to increase of the issued and paid up capital to reach 15 billion Egyptian pounds, an increase of 5 billion Egyptian pounds, to be distributed in the form of bonus shares out of retained earnings based on the percentage of each shareholder contribution and the same nominal value of the share at a value of 10 Egyptian pounds per share, and marking is underway in the Commercial Register.

KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Period Ended 30 June 2025

27 CASH AND CASH EQUIVALENTS

For the purpose of cash-flow presentation, cash and cash equivalents include the following balances:

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>30 June 2024</i> <i>EGP Thousands</i>
Cash	1,068,769	1,635,757
Due from banks with original maturities less than 3 months	8,339,690	17,824,258
Total	9,408,459	19,460,015

28 CONTINGENT LIABILITIES AND COMMITMENTS**28.1 LEGAL CLAIMS**

There are some existing cases filed against the Bank as at 30 June 2025 without provision as the Bank does not expect to incur losses from it.

28.2 COMMITMENT

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Acceptances	261,471	265,602
Letters of guarantee	11,213,171	12,408,576
Letters of credit	571,590	713,483
Non-cancellable commitments for credit facilities	-	94,466
Commitments under operating lease contracts	404,800	364,532
Fixed Assets and Branches Construction	222,623	249,166
Total	12,673,655	14,095,825

29 RELATED PARTY TRANSACTIONS

The Bank is a subsidiary of Kuwait Finance House B.S.C. (c) (Formerly - Ahli United Bank - B.S.C.) (c) (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 KFH for financing co. (Formerly - AUFC).

Following are the related party transactions:

	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>31 December 2024</i> <i>EGP Thousands</i>
Interim Condensed Consolidated Balance Sheet		
Due from banks	4,645,340	5,556,457
Due to banks	86,721	62,446
	<i>30 June 2025</i> <i>EGP Thousands</i>	<i>30 June 2024</i> <i>EGP Thousands</i>
Interim Condensed Consolidated Income Statement		
Financing income and similar revenues	107,107	101,442
Fees and Commission income	613	85

The average monthly salaries inclusive of all other allowances, incentive or Profit Share for top 20 staff as of 30 June 2025 is EGP 7,698 thousand.

30 TAX POSITION

30.1 Kuwait Finance House Bank – Egypt (Formerly- AUBE)

Income Tax

- The Bank calculates and pays the income tax liability in due date based on the bank's tax declaration report.
- Income tax till 2019 has been assessed and settled with the tax authority.
- The Bank taken into consideration the periods which have not been examined yet 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 2022 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

- The Bank has paid the real estate tax arrears and the claims from the Tax Authority, including those claims deemed excessive and which were objected to.

30.2 KFH for Financing Co. (Formerly - AUFC)

Income Tax

- The company submits its tax returns on the legal dates and pays taxes based on those returns.
- The company was examined from the beginning of activity until 2016, and the objection was made within the legal deadlines.
- It was examined by the internal committee and the tax due was matched with tax accruals and with regard for the period 2011/2012 it is currently being agreed upon and for the period from 2017 to 2023 has not been examined.

Stamp Duty Tax

- The company was inspected from the beginning of activity until 2012, and the tax was paid on it.
- The period from 2013 to 2019 was examined randomly, and work is underway to actually examine the period.
- The period from 2020 to 2023 was not examined yet.

Salary Tax

- The company deducts the tax monthly and remits it to the Tax Authority on a regular basis.
- The company was inspected from the beginning of activity until 2019 and the tax was paid.
- The period from 2020 to 2023 was not examined yet.
- The company took into account the periods under examination or that had not been examined and created an allowance for expected taxes.

31 COMPARATIVE FIGURES

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

32 IMPORTANT EVENTS

The Extraordinary General Assembly held on 30 September 2024, decided to amend Article 2 of the Bank's statute to change the name of the Bank from “Ahli United Bank - Egypt” to “Kuwait Finance House Bank – Egypt” and it was registered in the commercial register on 26 January 2025.

On April 17, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the rates of overnight deposit and lending, as well as the central bank's main operation rate by 225 basis points to 25%, 26%, and 25.50% respectively. The committee also decided to lower the credit and discount rate by 225 basis points to reach 25.50%.

On May 22, 2025, the Monetary Policy Committee of the Central Bank of Egypt decided to reduce the rates of overnight deposit and lending, as well as the central Bank's main operation rate by 100 basis points to 24%, 25%, and 24% percent, respectively. The Committee also decided to cut the discount rate by 100 basis points to 24.50%.

33 SUBSEQUENT EVENTS

On July 7, 2025, a fire broke out in one of the largest communication and digital infrastructure centers in the Arab Republic of Egypt, which led to a temporary impact on some electronic communication channels. This resulted in a slowdown or partial disruption in banking service applications, some electronic payment services, and ATMs, in addition to a temporary suspension in the activity of the Egyptian Stock Exchange. Considering this emergency situation, the Central Bank of Egypt took several exceptional and immediate actions, including raising cash withdrawal limits and extending working hours in some branches to ensure the continuity of providing basic banking services to customers. Communication and internet services were later restored, and banking operating systems returned to normal, which led to the termination of the exceptional actions.

Following a thorough evaluation, management concluded that these events had no financial impact on the financial statements in the subsequent period.