KUWAIT FINANCE HOUSE BANK – EGYPT (Formerly - Ahli United Bank - Egypt) (S.A.E.)
Consolidated Financial Statements
Together with Auditors' Report
For the year Ended 31 December 2025

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AUDITORS' REPORT
To the Shareholders of Kuwait Finance House Bank Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E)
About Auditing Financial Statements

Report on the consolidated financial statements
We have audited the accompanying consolidated financial statements of Kuwait Finance House Bank Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E) and its subsidiary (collectively referred to as the 'Group') which comprise the consolidated financial position as of 31 December 2025 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended and a summary of significant accounting policies and other explanatory notes.

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

Auditors' Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in light of the prevailing Egyptian laws. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

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

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

AUDITORS' REPORT
To the Shareholders of Kuwait Finance House Bank Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E)
About Auditing Financial Statements (continued)

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Ahli United Bank Egypt (SAE) as of 31 December 2025 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the rules of preparation and presentation of banks' financial statements issued by the Central Bank of Egypt on 16 December 2008 as amended by the regulation issued on February 26, 2019 and the Egyptian laws and regulations relating to the preparation of this consolidated financial statements.

Auditors

Amr Waheed Bayoumi
Egyptian Financial Supervisory Authority Register no.358
Allied for Accounting & Auditing EY

Ashraf Ali Hafez
Egyptian Financial Supervisory Authority Register no.222
Change Chartered Accountants

Cairo: 3 February 2026

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

CONSOLIDATED BALANCE SHEET
As at 31 December 2025

	Note	**31 December 2025 EGP Thousand**	31 December 2024 EGP Thousand
ASSETS			
Cash and balances with the Central Bank of Egypt	(15)	**17,434,823**	15,287,265
Due from banks	(16)	**17,961,742**	24,458,518
Treasury bills	(17)	**15,730,060**	12,194,522
Financing receivables	(18)	**97,224,671**	76,551,625
Financial Investments at:			
- Fair value through other comprehensive income	(19)	**12,829,133**	9,470,695
- Amortized cost	(19)	**5,320,610**	2,196,242
- Fair value through profit or loss	(19)	**63,970**	52,202
Other assets	(20)	**3,777,080**	2,310,944
Property, plant and equipment	(21)	**1,622,775**	1,458,460
TOTAL ASSETS		**171,964,864**	143,980,473
LIABILITIES AND EQUITY			
LIABILITIES			
Due to banks	(22)	**2,771,391**	3,081,362
Customers' deposits	(23)	**141,316,971**	117,066,965
Term financing	(24)	**414,862**	596,675
Other liabilities	(25)	**4,505,450**	4,100,720
Other provisions	(26)	**631,857**	509,357
Deferred tax liability		**42,352**	48,391
TOTAL LIABILITIES		**149,682,883**	125,403,470
EQUITY			
Issued and paid-up-capital	(27)	**10,000,000**	10,000,000
Transferred under capital increase	(27)	**5,000,000**	-
Reserves	(28)	**804,642**	304,154
Retained earnings	(28)	**6,477,339**	8,272,849
TOTAL EQUITY		**22,281,981**	18,577,003
TOTAL LIABILITIES AND EQUITY		**171,964,864**	143,980,473

Hala Hatem Sadek
CEO & Board Member

The attached notes from (1) to (35) form an integral part of these consolidated financial statements.
Audit report attached

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2025

	Note	**31 December 2025**	31 December 2024
		EGP Thousand	EGP Thousand
Financing income and similar revenues	(6)	**27,042,062**	23,910,762
Cost of deposits and similar expenses	(6)	**(19,315,690)**	(16,339,035)
Net financing income		**7,726,372**	7,571,727
Fees and commission revenues	(7)	**1,120,215**	1,197,267
Fees and commission expenses	(7)	**(252,226)**	(179,456)
Net fees and commission income		**867,989**	1,017,811
Dividend income	(8)	**37,494**	19,570
Net trading income	(9)	**243,985**	277,542
Gains on financial investments	(19)	**65,916**	25,976
Expected credit losses release / (charge)	(10)	**814,866**	(2,936,868)
Administrative expenses	(11)	**(2,876,182)**	(2,393,964)
Other operating (expenses) / income	(12)	**(589,750)**	3,380,231
Net profit before income tax		**6,290,690**	6,962,025
Income tax expenses	(13)	**(2,193,838)**	(1,472,812)
Net profit for the year after tax		**4,096,852**	5,489,213
Earnings per share (EGP / Share)	(14)	**3.60**	4.87
Attributable to:			
Equity holders of the bank		**4,096,852**	5,489,213
Net profit for the year after tax		**4,096,852**	5,489,213

The attached notes from (1) to (35) form an integral part of these consolidated financial statements.

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Net profit for the year after tax	**4,096,852**	5,489,213
Items that will not be recycled to the profit or loss:		
Net change in fair value of equity instruments measured at fair value through other comprehensive income	**(323,617)**	25,723
Items that may be recycled to the profit or loss:		
Net change in fair value of debt instruments measured at fair value through other comprehensive income	**518,284**	60,971
Net change in fair value of profit rate swaps – fair value hedge	**-**	(9,844)
Expected credit losses of debt instruments measured at fair value through other comprehensive income	**16,983**	(2,084)
Total other comprehensive income for the year	**211,650**	74,766
Total comprehensive income for the year	**4,308,502**	5,563,979

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	Note	**31 December 2025 EGP Thousand**	31 December 2024 EGP Thousand
OPERATING ACTIVITIES			
Net Profit before income tax		**6,290,690**	6,962,025
Adjustments to reconcile net profit to net cash provided by operating activities:			
Dividend income	(8)	**(37,494)**	(19,570)
Expected credit losses (release) / charge	(10)	**(814,866)**	2,936,868
Depreciation and amortization	(11)	**258,328**	175,340
Other provisions charged	(26)	**127,641**	187,407
FX revaluation loss / (gain)	(12)	**551,934**	(3,526,468)
Gain on disposals of property, plant and equipment	(12)	**(7,903)**	(286)
Revaluation of financial investments at fair value through profit or loss	(9)	**(11,768)**	(9,390)
Amortization of (discount) / premium	(19)	**(88,820)**	441,485
Operating income before changes in operating assets and liabilities		**6,267,742**	7,147,411
Net changes in operating assets and liabilities:			
Balances with Central Bank of Egypt - mandatory reserve		**(2,230,191)**	(51,983)
Due from banks		**7,553,014**	325,595
Treasury bills		**(3,517,325)**	(3,257,211)
Financing receivables		**(21,714,759)**	(9,795,025)
Financial investments at fair value through profit or loss		**-**	2,210
Other assets		**(249,302)**	536,212
Due to banks		**(309,971)**	(641,472)
Customers' deposits		**25,608,722**	15,072,382
Other liabilities		**(556,631)**	(1,634,189)
Other provisions utilized		**(1,850)**	(17,768)
Income tax paid		**(1,654,320)**	(1,411,299)
Net cash flows generated from operating activities		**9,195,129**	6,274,863
INVESTING ACTIVITIES			
Proceeds from redemption of financial investments at FVTOCI	(19)	**2,112,549**	4,287,928
Purchases of financial investments at FVTOCI	(19)	**(5,495,594)**	(2,231,142)
Proceeds from redemption of financial investments at amortized cost	(19)	**73,680**	579,818
Purchases of financial investments at amortized cost	(19)	**(3,100,000)**	(1,721,083)
Purchases of property, plant and equipment		**(628,095)**	(654,241)
Proceeds from sale of property, plant and equipment		**8,580**	286
Dividend income received		**27,111**	19,570
Net cash flows (used in) generated from investing activities		**(7,001,769)**	281,136
FINANCING ACTIVITIES			
Net Change in term financing		**(145,612)**	(319,795)
Net cash flows used in financing activities		**(145,612)**	(319,795)
Net increase in cash and cash equivalents during the year		**2,047,748**	6,236,204
Cash and cash equivalents at the beginning of the year		**15,669,418**	9,433,214
Cash and cash equivalents at the end of the year	(29)	**17,717,166**	15,669,418
Cash and cash equivalents are represented as follows:			
Cash and balances with Central Bank of Egypt	(15)	**17,434,823**	15,287,265
Due from banks	(16)	**17,966,406**	24,461,385
Treasury bills	(17)	**15,714,161**	12,196,836
Balances with Central Bank of Egypt - mandatory reserve	(15)	**(16,730,639)**	(14,500,448)
Deposits with banks with original maturities more than 3 months		**(953,424)**	(9,578,784)
Treasury bills with original maturities more than 3 months		**(15,714,161)**	(12,196,836)
Cash and cash equivalents at the end of the year	(29)	**17,717,166**	15,669,418

The attached notes from (1) to (35) form an integral part of these consolidated financial statements.

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Issued and paid-up-capital	Transferred under capital increase	Reserves: Legal & capital reserve	General risk reserve	General banking risk reserve	Fair value reserve	Total Reserves	Retained earnings	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Balance as at 1 January 2024	7,000,000	2,100,000	727,163	11,884	196	(684,771)	54,472	4,221,620	13,376,092
Net profit for the year after tax	-	-	-	-	-	-	-	5,489,213	5,489,213
Other comprehensive income	-	-	-	-	-	83,362	83,362	-	83,362
Gain on sale of equity instruments at FVTOCI	-	-	-	-	-	(8,596)	(8,596)	8,596	-
Transfer under capital increase		900,000	-	-	-	-	-	(900,000)	-
Bonus shares	3,000,000	(3,000,000)	-	-	-	-	-	-	-
Bonus shares issuance fees	-	-	-	-	-	-	-	(770)	(770)
Transfer to legal and capital reserve	-	-	168,390	-	-	-	168,390	(168,390)	-
Transfer to general banking risk reserve	-	-	-	-	6,526	-	6,526	(6,526)	-
Transfer to banking sector support fund	-	-	-	-	-	-	-	(33,122)	(33,122)
Employees’ profit share	-	-	-	-	-	-	-	(332,446)	(332,446)
Directors' remuneration	-	-	-	-	-	-	-	(5,326)	(5,326)
Balance as at 31 December 2024	10,000,000	-	895,553	11,884	6,722	(610,005)	304,154	8,272,849	18,577,003
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 year after tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,096,852**	**4,096,852**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**211,847**	**211,847**	**-**	**211,847**
Gain on sale of equity instruments at FVTOCI	**-**	**-**	**-**	**-**	**-**	**(197)**	**(197)**	**197**	**-**
Transfer under capital increase	**-**	**5,000,000**	**-**	**-**	**-**	**-**	**-**	**(5,000,000)**	**-**
Transfer to legal and capital reserve	**-**	**-**	**274,742**	**-**	**-**	**-**	**274,742**	**(274,742)**	**-**
Transfer to general banking risk reserve	**-**	**-**	**-**	**-**	**14,096**	**-**	**14,096**	**(14,096)**	**-**
Transfer to banking sector support fund	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(54,686)**	**(54,686)**
Employees’ profit share	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(549,035)**	**(549,035)**
Balance as at 31 December 2025	**10,000,000**	**5,000,000**	**1,170,295**	**11,884**	**20,818**	**(398,355)**	**804,642**	**6,477,339**	**22,281,981**

The attached notes from (1) to (35) form a part of these 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 45 branches with 1,354 employees as of 31 December 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 consolidated financial statements were approved by the Board of Directors on 1 February 2026.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated 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 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 consolidated 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.

2.2 BASIS OF CONSOLIDATION

Subsidiaries are all entities over which the Bank has the ability to control the financial and operating policies; generally, when the Bank owns more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank has ability to control the entity. The results of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The consolidated financial statements comprise the financial statements of the Bank and its subsidiary ("the Group") as at and for the years ended 31 December 2025 and 2024. The financial statements of the subsidiary are prepared for the same reporting year as the Bank, using consistent accounting policies. All material intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full upon consolidation.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 BASIS OF CONSOLIDATION (CONTINUED)

Business combinations are accounted for using the purchase method of accounting. The cost of the business combination is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in addition to any costs directly attributable to the business combination. Assets and liabilities acquired are recognised at the acquisition date fair values with any excess of the cost of acquisition over the fair value of acquired net assets being recognised as goodwill. If the fair value of acquired net assets exceeds the cost of the business combination, the excess is recognized immediately in the consolidated income statement.

2.3 SEGMENT REPORTING

A business segment is a group of assets and operations providing products or services that are subject to risks and returns different from those of other business segments. A geographical segment is providing products or services within a particular economic environment that are subject to risks and returns different from those of segments operating in other economic environments.

2.4 TRANSLATION OF FOREIGN CURRENCIES

2.4.1 Functional and presentation currency

The consolidated financial statements are presented in Egyptian pounds, which is the Group's functional and presentation currency.

2.4.2 Foreign currency transactions and balances

The Bank maintains its accounting records in Egyptian pounds. Transactions in foreign currencies during the year are translated into the Egyptian pounds using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies are retranslated at the reporting date using the exchange rates then prevailing. Foreign exchange gains and losses resulting from settlement and retranslation of such transactions and balances are recognized in the consolidated income statement within the line items "net trading income" for those resulting from financial investments at fair value through profit or loss and "other operating income" for those resulting from the remaining monetary assets and liabilities.

Foreign exchange gains and losses resulting from retranslation of equity instruments at fair value through other comprehensive income being recognised in the statement of other comprehensive income within the line item "Net change in fair value of equity instruments measured at fair value through other comprehensive income.

Changes in the fair value of debt instruments denominated in foreign currencies and classified as financial investments at fair value through other comprehensive income are analysed into valuation differences resulting from changes in:

- amortized cost; being recognized in the consolidated income statement within the line item "Financing income and similar revenues",
- applicable exchange rates; being recognized in the consolidated income statement within the line item "other operating income", and
- the instrument fair value; being recognized in the consolidated statement of other comprehensive income within the line item "net change in fair value of debt instruments measured at fair value through other comprehensive income".

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS

Financial instruments are classified at fair value through other comprehensive income (FVTOCI), amortized cost and fair value through profit or loss (FVTPL). The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are initially recognised at the fair value plus, for an item not recorded at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Premiums and discounts are amortised on a systematic basis to maturity using the effective profit rate method and being recognised within financing income or cost of deposit as appropriate.

Business model assessment
The Bank makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice, specially to know whether these management policies concentrate to collect contractual cash flows or target cash flow from selling the assets;
- How the performance of the portfolio is evaluated and reported to the management;
- The risks that affect the performance of the business model and the financial assets held within that business model and how those risks are managed;
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. Meanwhile the Group didn't scope only on information related to sales activity separately, but taking into consideration overall assessment on how achieving the goal that was announced by the Group to manage financial assets and how to achieve cash flows.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at fair value through profit or loss because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets

Assessment of whether contractual cash flows are solely payments of principal and profit
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'profit' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic financing risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin. In assessing whether the contractual cash flows are solely payments of principal and profit, the Group considers the contractual terms of the Instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

2.5.1 Deposits with banks and financing receivables
Deposits with banks (including nostro accounts) and financing receivables are financial assets with fixed or determinable payments and fixed maturities. These assets are risk rated in accordance with the Group’s policy on internal credit rating. After initial recognition, these are subsequently measured at amortised cost using the effective profit rate method, less any amounts written off and provision for credit losses. The losses arising from impairment of these assets are recognised in the consolidated statement of income in "provision for credit losses" and in an ECL allowance account in the consolidated balance sheet. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective profit rate. The amortisation is included in " Financing income and similar revenues " in the consolidated statement of income.

Financing receivables comprise Sharia compliant financing contracts with fixed or determinable payments. These include financing provided through Murabaha, Tawarruq and Mudaraba.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS (CONTINUED)

2.5.1 Deposits with banks and financing receivables (Continued)

Murabaha

An agreement whereby the Bank sells commodity to a customer at cost plus an agreed profit mark-up whereby the Bank (seller) informs the purchaser of the price at which the asset had been purchased and also stipulates the amount of profit to be recognised. Murabaha receivables are stated net of deferred profits, and expected credit losses, if any

Tawarruq

A sales agreement whereby a customer buys commodity from the Bank on a deferred payment basis and then immediately resells them for cash to a third party.

Mudaraba

An agreement between two parties whereby one of them provides funds (rabb al-mal) and the other makes efforts and provides expertise (mudarib) and he is responsible for investing these funds in exchange for a pre-agreed percentage of the mudaraba revenues if there are profits, while in the event of a normal loss, rabb al-mal will bear the loss of his money while the mudarib will bear the loss of his efforts. However, in case of negligence or breach of any of the terms and conditions of the mudaraba agreement, the mudarib alone bears the losses. The bank acts as (rabb al-mal) when it grants its clients its funds to invest on the basis of mudaraba.

2.5.2 Debt instruments

Debt instruments are measured at amortised cost using the effective profit rate method if it passes the two following conditions:

- the assets are held within a business model whose objective is to hold assets only in order to collect contractual cash flows; and
- the contractual cash flows that are solely payments of principal and profit on the principal amount outstanding.

Debt instruments are measured at FVTOCI when both the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual cash flows that are solely payments of principal and profit on the principal amount outstanding.

FVTOCI debt instruments are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified to the consolidated statement of income.

If either of these two criteria is not met, the financial assets are classified and measured at FVTPL. Additionally, even if the financial asset meets the amortised cost criteria, the Group may choose at initial recognition to designate the financial asset at FVTPL based on the ‘Business Model.

The Group accounts for any changes in the fair value in the consolidated statement of income for assets classified as "FVTPL".

2.5.3 Equity investments

Investments in equity instruments are classified as FVTPL, unless the Group designates an equity investment as FVTOCI on initial recognition. At initial recognition, the Group can make irrevocable election on an instrument by instrument basis to designate an equity instrument as FVTOCI. If an equity investment is designated as FVTOCI, all gains and losses, except for dividend income, are recognised in other comprehensive income and are not subsequently included in the consolidated statement of income

2.5.4 Derivatives (other than hedging instruments)

Changes in fair values of the derivatives held for trading are included in the consolidated statement of income under "trading income".

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS (CONTINUED)

2.5.5 Due to banks, customers' deposits and term financing
These financial liabilities are carried at amortised cost, less amounts repaid.
Customer deposits balances are based on the Qard Hasan or wakala contracts.

2.5.6 Offsetting financial instruments
Financial assets and financial liabilities are only offset and the net amount reported in the consolidated balance sheet when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis to realise the assets and liabilities simultaneously.

2.5.7 Hedge accounting
In order to manage particular risks, the Group applies hedge accounting for transactions which meet the specified criteria. These derivatives are stated at fair value. Derivatives with positive market values are included in assets, and derivatives with negative market values are included in liabilities in the consolidated balance sheet.

At inception of the hedge relationship, the Group formally designates and documents the economic relationship between the hedged item and the hedging instrument, including the nature of the risk, management objectives and strategy for undertaking the hedge. The methods that will be used to assess the effectiveness of the hedging relationship form part of the Group's documentation.

Also, at the inception of the hedge relationship, the Group undertakes a formal assessment to ensure the effectiveness of changes in the hedging instruments fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are regarded as effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been effective throughout the financial reporting periods for which they were designated.

For the purposes of hedge accounting, hedges are classified fair value hedges, which hedge the exposure to changes in the fair value of a recognised asset or liability.

For fair value hedges which meet the conditions for hedge accounting, any gain or loss from remeasuring the hedging instrument at fair value is recognised immediately in the consolidated statement of other comprehensive income. The hedged item is adjusted for fair value changes relating to the risk being hedged and the difference is recognised in the consolidated statement of other comprehensive income.

If the hedging instrument expires or is sold, terminated or exercised, or when the hedge no longer meets the criteria for hedge accounting, the hedge relationship is terminated. For hedged items recorded at amortised cost or at FVTOCI, the difference between the carrying value of the hedged item on termination and the value at which it would have been carried without being hedged is amortised over the remaining term of the original hedge. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the consolidated statement of income.

2.5.8 Financing income and expense
Financing income and expense for all profit-bearing financial instruments, is recognized under "Financing income and similar revenues" and "cost of deposit and similar expenses" line items in the consolidated income statement using the effective profit rate method.

The effective profit rate is the rate that discounts estimated future cash payments or receipts over the expected life of the financial instrument or, a shorter period when appropriate, to the net carrying amount of the financial asset or financial liability. When calculating the effective profit rate, the Bank estimates cash flows considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and commissions paid or received between parties to the contract which is considered part of the effective profit rate and transaction costs including all other premiums or discounts.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS (CONTINUED)

2.5.8 Financing income and expense (Continued)

When financing receivables are non-performing or impaired, related financing income are not recognized but rather are carried off balance sheet in statistical records and are recognized under revenues according to cash basis as per the followings:

- When collected and after recovery of all past dues for retail financing, mortgage financing for personal housing and small financing for business.

For corporate financing, financing income is recognized on cash basis after the Bank collects 25 % of the rescheduled instalments and after the instalments continued to be regular for at least one year. Financing income will not be recognized as revenue until full payment of the facility balance before the rescheduling and client is considered to be performing.

2.5.9 Fees and Commission income

Fees and commissions for facility service are recognized as revenue once the service is provided. Fees and commissions income related to non-performing or impaired facilities are suspended and are carried off-balance sheet and are recognized under income according to the cash basis, when financing income is recognized.

Fees that represent a complementary part of the actual profit on the financial asset in general and treated as adjustment to the actual profit rate. Commitment fees on facilities granted are deferred if there is a possibility that such facilities shall be drawn, since the commitment fees received by the Bank are deemed to be a compensation for the ongoing intervention to acquire the financial instrument; subsequently, they are recognized by adjusting the effective profit rate on the facility. In the event of expiry of the commitment year without issuing the facility by the Bank, the fees are recognized as revenues at the expiry of the commitment year.

Fees related to debt instruments which are measured at fair value are recognized under revenue at initial recognition. The fees for promotion of syndication financing are recognized as revenues upon completing the promotion process without retaining any part of the facility by the Bank, or if the Bank maintains a part thereof with the actual profit rate available to other participants.

Commissions and fees arising from negotiation, or participating in a negotiation in favour of a third party as in share acquisition arrangements or purchase of securities or purchase or sale of businesses are recognized in the consolidated income statement when the transaction is completed, commissions and fees related to management advisory and other service are recognized as on partial time distribution basis through the time of service, usually on a time appropriation basis. Financial planning and custody department fees are recognized over the year in which the service is provided.

2.5.10 Dividend income

Dividends are recognized in the consolidated income statement when the group’s right to receive those dividends is established.

2.5.11 Impairment of financial assets

The Bank apply three stages to measure expected credit loss on financial assets that are recognized at amortized cost and debt instruments that are recognized at fair value through other comprehensive income. The financial assets can transfer between three stages according to changes in credit quality since initial recognition.

Stage 1

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS (CONTINUED)

2.5.11 Impairment of financial assets (Continued)

Stage 2

Stage 2 includes financial assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment. For these assets, lifetime expected credit loss are recognized, but profit is still calculated on the gross carrying amount of the asset.

Lifetime expected credit loss are the expected credit losses that result from all possible default events over the expected life of the financial instrument.

Stage 3

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit loss are recognized.

Expected credit loss impairment model

The Group's allowance for credit losses calculations are outputs of models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The expected credit loss impairment model reflects the present value of all cash shortfalls related to default events either (i) over the following twelve months or (ii) over the expected life of a financial instrument depending on credit deterioration from date of initial recognition.

The allowance for credit losses reflects an unbiased, probability-weighted outcome which considers multiple scenarios based on reasonable and supportable forecasts.

Significant increase in credit risk

The Group considers that the financial instrument has experienced a significant increase in the credit risk when one or more of the following quantitative and qualitative criteria, as well as the factors relating to default, have been met.

Quantitative factors

When the probability of default over the remaining life of the instrument is increased from the date of the financial position compared to the probability of default over the remaining life expected at initial recognition in accordance with the Bank's acceptable risk structure.

Qualitative factors

Retail financing, micro and small businesses
If the borrower encounters one or more of the following events:
The borrower submits a request to convert short-term to long-term payments due to negative effects on the borrower's cash flows.

1. Extension of the deadline for repayment at the borrower's request.
2. Frequent Past dues over the previous 12 months.
3. Future adverse economic changes affecting the borrower's future cash flows.

Corporate financing and medium businesses**.**
If the borrower has a follow-up list and / or financial instrument faced one or more of the following events:

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 FINANCIAL INSTRUMENTS (CONTINUED)

2.5.11 Impairment of financial assets (Continued)

Non-payments

The facilities of institutions, medium, small, micro and retail banking are included in stage two if the period of non-payment is more than 60 days and less than 90 days. Note that this period (60 days) will be reduced by (10) days per year to become (30) days during (3) years from the date of application (Year 2019).

Transfer between the three stages:

Transfer from second stage to first stage:

The financial asset shall not be transferred from the second stage to the first stage unless all the quantitative and qualitative elements of the first stage are met and the full arrears of the financial asset and the proceeds are paid.

Transfer from third stage to second stage:

The financial asset shall not be transferred from the third stage to the second stage until all the following conditions have been met: Completion of all quantitative and qualitative elements of the second stage. Repayment of 25% of the balance of the outstanding financial assets, including accrued segregated / statistical profit. Regularity of payment for at least 12 months.

2.6 INVESTMENT PROPERTIES

Land and buildings held for the purpose of capital appreciation or for long term rental yield and not occupied by the group is classified as investment properties. Investment properties are measured at cost less accumulated depreciation and impairment.

2.7 PROPERTY, PLANT AND EQUIPMENT

Land and buildings comprise mainly the head office and the branches, and all fixed assets are reported at historical cost minus depreciation and impairment losses. The historical cost includes the charges directly related to measure at fixed assets items, and accumulated impairment

Subsequent costs are included in the asset's carrying amount or are recognized as a standalone asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Bank and the cost of the item can be measured reliably.

Maintenance and repair expenses are charged to other operating expenses during the financial year in which they are incurred.

Land is not depreciated. Depreciation of other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	40-50 years
Improvements to the leased assets	10 years or the Lease Term which is less
Machinery and equipment	10 years
Other assets	2-10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The recoverable amount presents the net realizable value of assets or the usage amount of the asset whichever is higher.

Profit and (loss) on disposals are determined by comparing proceeds with asset carrying amount. These profits and (losses) are included in other operating income (expenses) in the income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.8 ASSETS ACQUIRED AS SETTLEMENT OF DEBTS

The assets that were transferred to the bank (under the Other Assets item) in settlement of the debts are recorded at the value they transferred to the bank, which is represented by the value of the assets that the bank's management decided to give up in exchange for these assets, and in the event that there is objective evidence that impairment losses will occur, the value of those assets at a date subsequent to the transfer. The value of the loss is then measured as the difference between the book value of the asset and the present value of the estimated future cash flows discounted at the current market rate for similar assets or the net selling value of those assets, whichever is higher, for each asset separately. The book value of an asset is reduced through an impairment calculation and the value of the loss is recognized in the income statement in the "Other operating income (expenses)" item.

If it is possible, in any subsequent period, to attribute the decrease in impairment loss recognized previously to the income statement. This cancellation must not, on the date of recovery of impairment losses, create a value for the asset that exceeds the value that the asset would have reached had these impairment losses not been recognized.

2.9 FINANCING COSTS

Financing costs being recognized in the consolidated income statement as finance cost unless it is directly related to acquisition of qualifying assets which are capitalized as part of the assets' cost.

2.10 CASH AND CASH EQUIVALENTS

For the purposes of the cash flows statement, cash and cash equivalents include balances due within three months from date of acquisition; cash and balances due from the Central Bank of Egypt other than the mandatory reserve, and current accounts with Banks and treasury bills. The bank use the indirect method in preparing the cash flows statement.

2.11 OTHER PROVISIONS

Provisions for restructuring costs and legal claims are recognized when the Bank has a present legal or constructive obligation as a result of past events; it is more likely than that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow is required to settle an obligation is determine taking into consideration the group of obligations as a whole.

A provision is recognized even if the likelihood of an outflow with respect to any obligation in the group is minimal.

2.12 INCOME TAXES

Income tax on the profit or loss for the year includes each of tax and deferred tax and they are recognized in the standalone income statement except for income tax relating to items of equity which is recognized directly in statement of changes in equity.

Income tax is recognized based on net taxable profit as per the effective tax rates applicable on the balance sheet date, in addition to tax adjustments related to the previous years.

The deferred taxes arising from temporary time differences between the book value of assets and liabilities are recognized in accordance with the principles of accounting and value according to the rules of the tax, using tax rates applicable at the date of the balance sheet.

The deferred tax assets shall be recognized if it is probable that sufficient taxable profits shall be realized in the future whereby the asset can be utilized and the value of deferred tax assets shall be reduced by the value of portion not yielding the expected tax benefit. However, in case tax benefit is highly expected, the deferred tax assets shall increase to the extent of previous reduction.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 CAPITAL

2.13.1 Cost of capital

Issuing expenses which are directly related to new shares issuance or shares for the acquisition of an entity or issuing optional shares are reported net of tax and as a deduction from owners' equity.

2.13.2 Dividends

Dividends are recognized as a charge of equity upon the General Assembly approval. Dividends appropriations include the employees' share in profit.

2.14 FIDUCIARY ACTIVITIES

The Bank practices the fiduciary activities that result in ownerships or management of assets on behalf of individuals, trusts, and retirement benefit plans. These assets and related income are excluded from the Bank's financial statements, as they are assets not owned by the Bank.

2.15 COMPARATIVE figures

The comparative figures shall be reclassified when necessary to be in conformity with the changes to presentation used in the current year.

3 FINANCIAL RISKS MANAGEMENT

The Bank's activities are exposed to various financial risks. Since the basis of financial activity is to accept risks, some risks or group of risks are analyzed, evaluated and managed altogether. The Bank intends to strike a balance between the risk and return and to reduce the probable adverse effects on the Bank's financial performance.

The most important types of risks are credit risk, market risk, liquidity risk , other operating risks and sharia compliance risk. The market risk comprises foreign currency exchange rates, profit rate risk and other pricing risks.

The risk management policies have been laid down to determine and analyze the risks, set limits to the risk and control them through reliable methods and updated systems.

The Bank regularly reviews the risk management policies and systems and amends them to reflect the changes in market, products, services and the best updated applications.

Those risks are managed by risk department in the light of policies approved by Board of Directors. The risk department determines, evaluates and covers the financial risks, in collaboration with the Bank's various operating units, and the Board of Directors provides written policies for management of risks as a whole.

In addition to written policies covering specific risk areas, like credit risk, foreign exchange rate risk, profit rate risk, and using the financial derivative and non–derivative instruments. Moreover, the risk department is independently responsible for regular review of risk management and control environment.

The bank's board of directors determines the policy of provisions and expected losses and has the authority to approve the increase in the percentage of expected credit losses for some accounts over the value calculated from the system outputs.

A. CREDIT RISK

The Bank is exposed to the credit risk which it is the risk resulting from failure of one party to meet its contractual obligations towards the Bank. The credit risk is considered to be the most significant risks for the Bank. The Bank set specific procedures to manage that risk. The credit risk in the financing and investment activities which are represented Bank's assets contain debt instruments. The credit risk is also found in off balance sheet financial instruments, like facility commitment. The managing and monitoring process on credit risk is centralized at credit risk team management at credit risk department that prepare reports to Board of Directors and head of department on regular basis.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.1 Measurement of credit risk

Financing receivables to banks and customers

In measuring credit risk of financing receivables to Banks and to customers at a counterparty level, the Group takes three components into consideration:

1. The probability of default by the customer or counterparty on its contractual obligations.
2. Current exposures to the counterparty and its likely future development, from which the Bank derive the (exposure at default).
3. The likely recovery ratio on the defaulted obligations (the loss given default).

The Bank evaluates the customer risk using internal policies for the different customers' categories. These policies are updated taking into consideration financial analysis and statistical analysis for each customer category in addition to the personal judgment of the credit officer to reach the appropriate grading. The customers are classified into ten grading, which are divided into four ratings.

The rating tools are reviewed and upgraded as necessary. The Group regularly validates the performance of the rating and their anticipated future outcomes with regard to default events.
The Group's internal ratings classification:

Rating	Classification
1	Performing facilities
2	Regular watch
3	watch list
4	Non-performing facilities

The facilities exposed to default depend on the Bank's expectation for the outstanding amounts when default occurs. Loss given default or loss severity represents the Group expectation of the extent of loss on a claim should default occur. It is expressed as percentage loss per unit of exposure and typically varies by type of counterparty, type and seniority of claim and availability of collateral or other credit mitigation.

Debt instruments, treasury bills and other notes

For debt securities and other bills, external rating such as Standard & Poor's rating or their equivalents are used by the Bank's risk department for managing of the credit risk exposures, and if this rating is not available, then methods similar to those applying to the credit customers are used. The investments in those securities and bills are viewed as a method to obtain a better credit quality mapping and maintaining a readily available source to meet the funding requirement at the same time.

A.2 Limiting and preventing risk policies

The Bank manages limits and controls concentration of credit risk wherever they are identified − in particular, to individual counterparties and banks, and to industries and countries. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to one borrower, or groups of borrowers, and to geographical and industrial segments. Such risks are monitored on a revolving basis and subject to an annual or more frequent review, when considered necessary. Limits on the level of credit risk by individual, counterparties, product, and industrial sector and by country are approved quarterly by the Board of Directors.

The exposure to any one borrower including banks is further restricted by subsidiary limits covering on- and off-balance sheet exposures, and daily delivery risk limits in relation to trading items such as forward foreign exchange contracts. Actual exposures against limits are monitored daily.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.2 Measurement of credit risk (Continued)
Exposure to credit risk is also managed through regular analysis of the ability of borrowers and potential borrowers to meet profit and capital repayment obligations and by changing these financing limits where appropriate. Some other specific control and mitigation measures are outlined below.
The Group employs a range of policies and practices to mitigate credit risk and one of these means is accepting collaterals against financing receivables. The Group implements guidelines on the acceptability of specific classes of collateral or credit risk mitigation. The principal collateral types for financing receivables are:

- Real estate mortgage.
- business assets mortgage such as machines and goods=
- financial instruments mortgage such as debt securities and equity instruments.

The Bank is keen to obtain the appropriate guarantees against corporate entities of long-term finance while individual credit facilities are generally unsecured.

In addition, to minimize the credit loss the Bank will seek additional collaterals from all counterparties as soon as impairment indicators are noticed for financing receivables.

The Bank determine type of collaterals held by the Bank as security for financial assets other than financing receivables according to the nature of the instrument, generally debt securities and treasury bills are fully secured, except for asset-backed securities and similar instruments are secured by a financial instrument portfolio.

Derivatives
The Bank maintains strict control limits over amounts and terms for the net value of opened derivative positions i.e. the difference between purchase and sale contracts. In all cases, the amount subject to credit risk is limited to the current fair value of instruments in which the Bank could gain a benefit from it (i.e. assets that have positive fair value), which represent small value of the contract, or the notional value. The Bank manages this credit risk which is considered part of the total customer limit with market changes risk all together. Generally, no collateral obtained for credit risk related to these instruments, except for marginal deposits required by the Bank from other parties.

Settlement risk arises when cash, equity instruments or other financial papers is used in the settlement process, or if there is expectation to receive cash, equity instruments or other financial papers. Daily settlement limits are established for each counterparty to cover the aggregate settlement risk arising from the daily Bank transactions.

Master netting arrangements
The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties of significant volume of transactions. Generally, no netting between assets and liabilities at the balance sheet data relating to the master netting arrangements, as aggregate settlements are made. However, the credit risk related to contracts to the favor of the Bank is reduced by a master netting arrangement as netting will be made with the counterparty to settle all transactions. The value of the credit risk faced by the Bank changes substantially within a short period of time, as it is affected by each transaction occurs in the arrangement.

Commitments related to credit
The primary purpose of these commitments is to ensure that funds are available to customer when required. Guarantees and standby letters of credit are of the same credit risks as financing receivables.

Documentary and commercial letters of credit which are issued by the Bank on behalf of customer by which authorizing a third party to draw within a certain limit in accordance to specific terms and conditions and guaranteed by the goods under shipment are of lower risk than a direct facility.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.2 Limiting and preventing risk policies (Continued)
Commitments to extend credit represent unused portions of authorizations to extend credit in the form of financing receivables, guarantees or letters of credit. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to loss in an amount equal to the total unused commitments. However, the likely amount of loss is less than the total unused commitments, as most commitments to extend credit are contingent upon customers maintaining good credit standards. The Bank monitors the term to maturity of credit commitments because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

A. 3 Impairment and provisions policies
The internal rating systems focus more on credit quality at the inception of financing and investment activities. Otherwise, impairment provisions recognized at the balance sheet date for financial reporting purposes are losses that have been incurred and based on objective evidence of impairment as will be mentioned below. Due to the different methodologies applied, the amounts of incurred credit losses charged to the financial statements are usually lower than the expected amount determined from the expected loss models used for CBE regulation purposes.

The impairment provision appeared in the balance sheet at the end of the year is derived from the four internal rating grades. However, the majority of the impairment provision comes from the last two ratings. The table below shows the percentage of items in-balance sheet relating to financing receivables and the related impairment provision for each rating:

	31 December 2025	31 December 2024
	Financing receivables	Financing receivables
Categories	**%**	%
Performing facilities	**72.6**	72.1
Regular watch	**23.5**	22.0
Watch list	**1.3**	3.9
Non- performing facilities	**2.6**	2.0
	100	100

The Bank’s internal rating assists management to determine whether objective evidence of impairment exists under EAS 26, based on the following criteria set out by the Bank:

1. Payment delinquency of debtor or financing beneficiary.
2. Breach of financing conditions such as non- payment.
3. Initiation of bankruptcy or entering a liquidation or finance restructures.
4. Deterioration of the borrower’s competitive position.
5. For economical or legal reasons, the Bank granted the borrower additional benefits that will not be done in normal circumstances Taking in consideration the central Bank of Egypt regulations issued on14 April 2011 concerning dealing with retail and corporate financing in the current economic situation.
6. Impairment in the value of collateral.
7. Deterioration of the credit status.

The Bank policies require review of all financial assets (that exceed specific materiality) at least once a year or more when required, the impairment loss is determined on individual basis by determining case by case actual losses. These policies applied on all accounts having specific materiality on individual basis. Valuation usually includes the existing collateral, the related enforcements on these collaterals and the expected collections from those accounts.

Impairment loss provision is formed based on group of similar assets using the historical experience available, personal judgment and statistical methods.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.4 General Module to measure banking general risks

In addition to the four categories of credit rating the management makes more detailed groups in accordance with the CBE requirements.

Assets exposed to credit risk in these categories are classified according to detailed conditions and terms depending on information related to the customer, his activities, financial position and payment schedules.

The Bank calculates the provisions required for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by the CBE. In case, the allowance required for impairment losses as per CBE credit worthiness rules exceeds the provisions as required by the expected credit loss, that excess shall be debited to retained earnings and carried to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so that the reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution.

Below is the statement of credit rating as per internal valuation basis compared to Central Bank of Egypt valuation basis and the percentage of provisions required for impairment assets exposed to credit risk up to 31 December 2025.

Classification of the Central Bank of Egypt	Classification	Required provision rate	Internal classification	Internal classification Significance
1	Low risk	Nil	1	Performing financing
2	Average risk	1%	1	Performing financing
3	Satisfactory risk	1%	1	Performing financing
4	Reasonable risk	2%	1	Performing financing
5	Acceptable risk	2%	1	Performing financing
6	Marginally acceptable risk	3%	2	Regular watch
7	Watch list	5%	3	Watch list
8	Substandard	20%	4	Non- performing financing
9	Doubtful	50%	4	Non- performing financing
10	Bad debt	100%	4	Non- performing financing

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.5 Maximum credit risk before collaterals

Financial position items exposed to credit risk	**31 December 2025 EGP Thousand**	31 December 2024 EGP Thousand
Due from banks	**17,966,406**	24,461,385
Treasury bills	**15,714,161**	12,196,836
Financing receivables		
-Individuals		
-Overdrafts	**179,788**	182,972
-Credit cards	**281,201**	185,055
-Personal financing	**7,968,364**	4,253,544
-Mortgage financing	**1,530,665**	1,206,940
-Other Financing	**1,446,517**	329,400
-Corporate		
-Overdrafts	**14,472,560**	13,684,735
-Direct financing	**68,609,822**	54,623,569
-Syndicated financing	**10,726,816**	10,848,892
Financial investments		
-Debt instruments	**16,985,470**	10,236,468
Other assets	**1,462,015**	1,163,786
Total	**157,343,785**	133,373,582
Off-balance sheet items exposed to credit risk (Gross)		
Acceptances	**886,478**	265,602
Letter of guarantee	**13,351,210**	12,408,576
Letter of credit	**1,031,839**	713,483
Non-cancellable commitments for credit facilities	**-**	94,466
Total	**15,269,527**	13,482,127

The preceding table shows the maximum limit exposure to risks at the end of 31 December 2025 and 31 December 2024 without taking into consideration collaterals held by the bank, if any. For financial position items, amounts stated depend on the gross amount shown in the statement of financial position.

As shown in the preceding table, 67 % (against 64% as at 31 December 2024) of the total maximum limit exposure to credit risk resulted from financing receivables to customers; 21% as at 31 December 2025 (against 17% as at 31 December 2024) represents investments in debt instruments and treasury bills.

The management is confident of its ability to maintain control on ongoing basis and maintain the minimum credit risk resulting from financing receivables, and debt instruments as follows:
- 96.1% of the financing receivables portfolio is classified at the highest two ratings against (31 December 2024: 94.1%)
- The Bank has implemented prudent processes when granting financing.
- 93% of the investments in debt instruments are placed with government instruments.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A. 6 Financing receivables
Following is the position of financing receivables balances in terms of credit solvency:

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Neither have past dues nor impaired	**101,534,414**	82,083,288
Have past dues but not impaired	**974,245**	1,561,377
Impaired	**2,707,074**	1,670,442
Total	**105,215,733**	85,315,107
Less: Allowance for impairment losses	**(7,637,772)**	(8,211,273)
Less: Profit in suspense	**(149,593)**	(151,926)
Less: Unearned discount	**(203,697)**	(400,283)
Net	**97,224,671**	76,551,625

Expected credit losses comprise an amount of EGP 1,977,748 thousand (31 December 2024: EGP 1,224,910 thousand) towards financing receivables classified under stage 3 and an amount of EGP 5,660,024 thousand (31 December 2024: EGP 6,986,363 thousand) towards financing receivables classified under stages 1&2 on a portfolio basis.

Total Fair Value of all collaterals amounted to EGP 1,001,864 thousand at 31 December 2025 (31 December 2024: EGP 898,501 thousand).

Financing receivables which neither have past dues nor impaired
The credit quality of financing receivables that have neither past dues nor impaired is assessed by reference to the bank's internal rating.

31 December 2025			**Individuals**			
Rating	**Overdrafts EGP Thousand**	**Credit cards EGP Thousand**	**Personal financing EGP Thousand**	**Mortgage financing EGP Thousand**	**Other financing EGP Thousand**	**Total EGP Thousand**
Performing facilities	**102,655**	**103,308**	**4,154,225**	**1,524,960**	**11,678**	**5,896,826**
Regular watch	**58,651**	**164,680**	**3,447,842**	**-**	**1,388,831**	**5,060,004**
Total	**161,306**	**267,988**	**7,602,067**	**1,524,960**	**1,400,509**	**10,956,830**

31 December 2024			Individuals			
Rating	Overdrafts EGP Thousand	Credit cards EGP Thousand	Personal financing EGP Thousand	Mortgage financing EGP Thousand	Other financing EGP Thousand	Total EGP Thousand
Performing facilities	139,576	85,217	2,532,966	-	3,828	2,761,587
Regular watch	27,981	90,804	1,530,431	1,201,321	315,458	3,165,995
Total	167,557	176,021	4,063,397	1,201,321	319,286	5,927,582

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A. 6 Financing receivables (Continued)

31 December 2025			**Corporate**		
Rating	**Overdrafts EGP Thousand**	**Direct financing EGP Thousand**	**Syndicated financing EGP Thousand**	**Other financing EGP Thousand**	**Total EGP Thousand**
Performing facilities	**11,631,035**	**54,720,076**	**3,890,103**	**-**	**70,241,214**
Regular watch	**2,438,675**	**10,698,696**	**5,866,866**	**-**	**19,004,237**
watch-list	**9,279**	**836,524**	**486,330**	**-**	**1,332,133**
Total	**14,078,989**	**66,255,296**	**10,243,299**	**-**	**90,577,584**

31 December 2024					
Rating	Overdrafts EGP Thousands	Direct financing EGP Thousands	Syndicated financing EGP Thousands	Other financing EGP Thousands	Total EGP Thousands
Performing facilities	11,974,162	42,012,685	4,343,741	-	58,330,588
Regular watch	1,255,945	9,956,642	3,602,480	-	14,815,067
watch-list	129,148	175,282	2,705,621	-	3,010,051
Total	13,359,255	52,144,609	10,651,842	-	76,155,706

Cash collateralized facilities are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

Financing receivables which have past dues but not impaired
These are financing receivables have past-due instalments but not impaired, unless information has otherwise indicated. financing receivables to customers which have past dues but not impaired are analysed below:

31 December 2025			**Individuals**		
	Overdrafts EGP Thousand	**Credit cards EGP Thousand**	**Personal financing EGP Thousand**	**Other financing EGP Thousand**	**Total EGP Thousand**
< 30 days	**479**	**788**	**73,786**	**15,779**	**90,832**
30 – 60 days	**152**	**405**	**24,410**	**2,706**	**27,673**
over 60	**2,849**	**345**	**21,379**	**1,706**	**26,279**
Total	**3,480**	**1,538**	**119,575**	**20,191**	**144,784**

31 December 2024	Overdrafts EGP Thousand	Credit cards EGP Thousand	Personal financing EGP Thousand	Other financing EGP Thousand	Total EGP Thousand
< 30 days	76	985	41,380	4,109	46,550
30 – 60 days	459	678	8,883	597	10,617
over 60	701	728	5,936	187	7,552
Total	1,236	2,391	56,199	4,893	64,719

31 December 2025			**Corporate**	
Rating	**Overdrafts EGP Thousand**	**Direct financing EGP Thousand**	**Syndicated financing EGP Thousand**	**Total EGP Thousand**
< 30 days	**130,374**	**137,994**	**-**	**268,368**
30 – 60 days	**17,131**	**87,444**	**-**	**104,575**
over 60	**26,561**	**344,730**	**85,227**	**456,518**
Total	**174,066**	**570,168**	**85,227**	**829,461**

31 December 2024			Corporate	
Rating	Overdrafts EGP Thousand	Direct financing EGP Thousand	Syndicated financing EGP Thousand	Total EGP Thousand
< 30 days	160,202	601,881	-	762,083
30 – 60 days	-	301,312	-	301,312
over 60	-	342,373	90,890	433,263
Total	160,202	1,245,566	90,890	1,496,658

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A. 6 Financing receivables (Continued)

Past due financing receivables are those amounts, or any part thereof, which have fallen due but for which no payment has been received in accordance with the contractual terms. These include past dues for periods more than one day. Amounts shown in the note represent the whole balance of the facility and not only the past due amounts. These do not include the remaining financing receivables facilities of the same customer so long default has not fully or partially occurred on those facilities. On initial recognition of financing receivables facilities, the fair value of collaterals, if any, is assessed based on valuation methods used for similar assets but are not recognized in the financial statements since these do not represent assets of the bank at that date. In subsequent periods, the fair value is updated to reflect the market price or prices for similar assets.

Financing receivables which are individually impaired

The following table provides a breakdown of the balance of such financing receivables facilities which are individually impaired including the fair value of the collaterals shall prevail when calculating the provisions.

31 December 2025			**Individuals**			
	Overdrafts EGP Thousand	**Credit cards EGP Thousand**	**Personal financing EGP Thousand**	**Mortgage financing EGP Thousand**	**Other financing EGP Thousand**	**Total EGP Thousand**
Facilities which are individually impaired	**15,002**	**11,675**	**246,722**	**5,705**	**25,817**	**304,921**

31 December 2024						
	Overdrafts EGP Thousand	Credit cards EGP Thousand	Personal financing EGP Thousand	Mortgage financing EGP Thousand	Other financing EGP Thousand	Total EGP Thousand
Facilities which are individually impaired	14,176	6,643	133,949	5,619	5,223	165,610

31 December 2025			**Corporate**		
	Overdrafts EGP Thousand	**Direct financing EGP Thousand**	**Syndicated financing EGP Thousand**	**Other financing EGP Thousand**	**Total EGP Thousand**
Facilities which are individually impaired	**219,505**	**1,784,358**	**398,290**	**-**	**2,402,153**

31 December 2024					
	Overdrafts EGP Thousand	Credit cards EGP Thousand	Personal financing EGP Thousand	Mortgage financing EGP Thousand	Total EGP Thousand
Facilities which are individually impaired	165,278	1,233,394	106,160	-	1,504,832

Restructured financing receivables facilities:

Restructuring activities include rescheduling arrangements, applying obligatory management programs, modifying and deferral of payments. The application of restructuring policies is based on indicators or criteria of credit performance of the borrower that is based on the personal judgment of the management, which indicate that payment will most likely continue. Restructuring is commonly applied to term financing, especially customer financing. Renegotiated financing totaled at the end of the year:

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A.6 Financing receivables (Continued)
Restructured financing receivables facilities (Continued)

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Direct financing	**2,101,541**	993,497
Total	**2,101,541**	993,497

A.7 Debt instruments, treasury bills and other government notes and other investments
The following table shows a breakdown of debt instruments, treasury bills, and other governmental notes per last rating for Standard and Poor's and its equivalent:

31 December 2025	**Treasury Bills EGP Thousand**	**Egyptian Treasury Bonds and Sukuk EGP Thousand**	**Non-Governmental Bonds and Sukuk EGP Thousand**	**Total EGP Thousand**
AA (+/-)	**-**	**-**	**1,433,392**	**1,433,392**
Less Than A -	**15,730,623**	**14,840,322**	**711,756**	**31,282,701**
Total	**15,730,623**	**14,840,322**	**2,145,148**	**32,716,093**

31 December 2024	Treasury Bills EGP Thousand	Egyptian Treasury Bonds and Sukuk EGP Thousand	Non-Governmental Bonds and Sukuk EGP Thousand	Total EGP Thousand
AA (+/-)	-	-	248,653	248,653
Less Than A -	12,194,923	8,715,361	1,272,454	22,182,738
Total	12,194,923	8,715,361	1,521,107	22,431,391

A.8 Quality of Financial Assets
The following table provides information on the credit quality of the financial assets balances as at:

31 December 2025	**Stage (1) 12 months**	**Stage (2) Lifetime**	**Stage (3) Lifetime**	**Total**
	EGP Thousand	**EGP Thousand**	**EGP Thousand**	**EGP Thousand**
Due from banks	**7,013,271**	**10,953,135**	**-**	**17,966,406**
Treasury bills	**15,204,339**	**526,284**	**-**	**15,730,623**
Financing receivables – Individuals	**9,705,118**	**1,396,496**	**304,921**	**11,406,535**
Financing receivables - Corporate	**75,611,493**	**15,795,552**	**2,402,153**	**93,809,198**
Debt Instruments at Fair value through other comprehensive income	**9,046,600**	**2,618,260**	**-**	**11,664,860**
Debt Instruments at amortized cost	**5,320,610**	**-**	**-**	**5,320,610**
	121,901,431	**31,289,727**	**2,707,074**	**155,898,232**

31 December 2024	Stage (1) 12 months	Stage (2) Lifetime	Stage (3) Lifetime	Total
	EGP Thousands	EGP Thousands	EGP Thousands	EGP Thousands
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)

A. CREDIT RISK (CONTINUED)

A.8 Quality of Financial Assets (Continued)

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

31 December 2025	**Stage (1) 12 months**	**Stage (2) Lifetime**	**Stage (3) Lifetime**	**Total**
	EGP Thousand	**EGP Thousand**	**EGP Thousand**	**EGP Thousand**
Due from banks	**1,548**	**3,116**	**-**	**4,664**
Treasury bills	**-**	**563**	**-**	**563**
Financing receivables – Individuals	**88,802**	**26,013**	**55,556**	**170,371**
Financing receivables - Corporate	**1,307,625**	**4,237,584**	**1,922,192**	**7,467,401**
Debt instruments at fair value through other comprehensive income	**147**	**17,283**	**-**	**17,430**
Commitments on financing and collaterals	**173,276**	**74,236**	**49,096**	**296,608**
	1,571,398	**4,358,795**	**2,026,844**	**7,957,037**

31 December 2024	Stage (1) 12 months	Stage (2) Lifetime	Stage (3) Lifetime	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
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
	1,268,948	5,922,682	1,260,612	8,452,242

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A. 10 Concentration of risks of financial assets exposed to credit risk

A.10.1 Geographic Sectors

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets including financing receivables facilities is segmented into the geographical regions of the bank's clients except for investments in foreign treasury bonds which are reported in the "other countries" category.

31 December 2025	Arab Republic of Egypt					
	Greater Cairo	Alexandria, Delta and Sinai	Upper Egypt	Total	Gulf Countries	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Treasury bills	**15,730,623**	**-**	**-**	**15,730,623**	**-**	**15,730,623**
Financing receivables						
Individuals						
Overdrafts	**141,126**	**32,617**	**6,045**	**179,788**	**-**	**179,788**
Credit cards	**221,362**	**52,670**	**7,169**	**281,201**	**-**	**281,201**
Personal financing	**6,289,458**	**1,509,966**	**168,940**	**7,968,364**	**-**	**7,968,364**
Mortgage financing	**1,530,665**	**-**	**-**	**1,530,665**	**-**	**1,530,665**
Other financing	**1,267,956**	**166,143**	**12,418**	**1,446,517**	**-**	**1,446,517**
Corporate						
Overdrafts	**13,296,281**	**1,172,707**	**3,572**	**14,472,560**	**-**	**14,472,560**
Direct financing	**61,897,577**	**6,639,733**	**72,512**	**68,609,822**	**-**	**68,609,822**
Syndicated financing	**9,948,421**	**778,395**	**-**	**10,726,816**	**-**	**10,726,816**
Financial investments						
Debt instruments	**15,552,760**	**-**	**-**	**15,552,760**	**1,432,710**	**16,985,470**
Total at the end of the current year	**125,876,229**	**10,352,231**	**270,656**	**136,499,116**	**1,432,710**	**137,931,826**
Total at the end of the previous year	98,933,931	8,392,847	171,068	107,497,846	248,652	107,746,498

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

A. CREDIT RISK (CONTINUED)

A. 10 Concentration of risks of financial assets exposed to credit risk (continued)

A.10.2 Industrial sectors

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets is segmented into business sectors in which the bank's clients operate.

31 December 2025	Financial institutions	Manufacturing sector	Real estate activity	Government sector	Other activity	Individual	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Treasury bills	-	-	-	15,730,623	-	-	15,730,623
Financing receivables							
Individuals							
Overdrafts	-	-	-	-	-	179,788	179,788
Credit cards	-	-	-	-	-	281,201	281,201
Personal financing	-	-	-	-	-	7,968,364	7,968,364
Mortgage financing	-	-	-	-	-	1,530,665	1,530,665
Other financing	-	-	-	-	-	1,446,517	1,446,517
Corporate							
Overdrafts	1,124	460,090	6,851,991	-	7,159,355	-	14,472,560
Direct financing	4,967,301	30,220,786	4,210,395	-	29,211,340	-	68,609,822
Syndicated financing	-	1,623,322	548,894	-	8,554,600	-	10,726,816
Financial investments	-	-	-				
Debt instruments	2,145,148	-	-	14,840,322	-	-	16,985,470
Total at the end of the current year	**7,113,573**	**32,304,198**	**11,611,280**	**30,570,945**	**44,925,295**	**11,406,535**	**137,931,826**
Total at the end of the previous year	4,261,562	27,358,100	8,954,678	20,910,284	40,103,963	6,157,911	107,746,498

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

B. MARKET RISK

The Bank exposed to market risks which is the risk that the fair value or future cash flow fluctuation resulted from changes in market prices. Market risks arise from open market related to profit rate, currency, and equity products of which each is exposed to general and specific market movements and changes in sensitivity levels of market rates or prices such as profit rates, foreign exchange rates and equity instrument prices. The Bank divides its exposure to market risk into trading and non-trading portfolios. The Bank treasury department is responsible for managing the market risks arising from trading and non-trading activities of which monitored by two standalone teams. Regular reports are submitted to the Board of Directors and each business department. Trading portfolios include transactions where the Bank deals direct with clients or with the market; Non-trading portfolios primarily arise from managing assets and liabilities profit rate relating to retail transactions. Non-trading portfolios also includes foreign exchange risk and equity instruments risks arising from the Bank's held-to-maturity and available-for-sale investments portfolios.

B.1 Market risks measurement techniques

As part of market risk management, the Bank undertakes various hedging strategies and enters into swaps to match the profit rate risk associated with the fixed-rate long-term facilities if the fair value option been applied, the major measurement techniques used to measure and control market risk are outlined below:

Value at risk

The Bank applies a "value at risk" methodology (VAR) to its trading and non-trading portfolios, to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. The Board sets limits on the value of risk that may be accepted for the Bank, trading and non-trading stand lonely, which are monitored on a daily basis by the Bank's treasury department.

VAR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the "maximum" amount the Bank might lose, but only to a certain level of confidence (95%, 97.5% and 99%) the validity of the assumptions and parameters/factors used in the VAR calculation. There is therefore a specified statistical probability (5%, 2.5%, and 1%) that actual losses could be greater than the VAR estimate The VAR model assumes a certain "holding Year" until positions can be closed (10 days).

It also assumes that market moves occurring over this holding Year will follow a similar pattern to those that have occurred over 10-day Year in the past. The Bank's assessment of past movements is based on data for the past five years. The Bank applies these historical changes in rates, prices, indices, etc. directly to its current positions − a method known as historical simulation. The actual outcomes are monitored regularly to test the use of this approach does not prevent losses outside of these limits in the event of more significant market movements.

As VAR constitutes an integral part of the Bank's market risk control regime, VAR limits are established by the Board annually for all trading and non-trading portfolio operations and allocated to business units. Actual exposure against limits, together with a standalone bank-wide VAR, is reviewed daily by the Bank risk treasury department. As VAR constitutes an integral part of the Bank's market risk control regime, VAR limits are established by the Board annually for all trading and non-trading portfolio operations and allocated to business units. Actual exposure against limits, together with a standalone bank-wide VAR, is reviewed daily by the Bank risk treasury department.

Stress testing

Stress testing provides an indicator of the expected losses that may arise from sharp adverse circumstances stress testing are designed to match business using standard analysis for specific scenarios. The stress testing carried out by the Bank treasury. Stress testing include: risk factor stress testing where sharp movements are applied to each risk category and test emerging market stress, as emerging market portfolios are subject to sharp movements; and subject to special stress including possible stress events to specific positions or regions - for example the stress outcome to a region applying a free currency rate.

B.2 Summary on the value at exchange rate risk

	31 December 2025	31 December 2024
Medium	**2,628**	1,703
High	**3,665**	2,966
Low	**612**	687

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

B. MARKET RISK (CONTINUED)

B.3 Foreign Exchange Risk

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised. The following table summarizes the bank's exposure to the risks of fluctuations in foreign exchange rates at the end of the reporting year. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.

31 December 2025	Egyptian Pound	US Dollar	Euro	Sterling Pound	Other Currencies	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Assets:						
Cash and balance with Central Bank	**17,036,733**	**312,746**	**41,895**	**9,297**	**34,152**	**17,434,823**
Due from banks	**1,111,208**	**14,421,037**	**2,158,841**	**181,208**	**89,448**	**17,961,742**
Treasury bills	**15,203,776**	**526,284**	**-**	**-**	**-**	**15,730,060**
Financing receivables	**80,537,767**	**14,078,052**	**2,608,634**	**124**	**94**	**97,224,671**
Financial investments at:						
-Fair value through other comprehensive income	**9,732,622**	**3,094,781**	**1,730**	**-**	**-**	**12,829,133**
-Amortized cost	**5,320,610**	**-**	**-**	**-**	**-**	**5,320,610**
-Fair value through profit or loss	**63,970**	**-**	**-**	**-**	**-**	**63,970**
Fixed assets and other assets	**5,199,126**	**61,525**	**119,476**	**5,770**	**13,958**	**5,399,855**
Total assets	**134,205,812**	**32,494,425**	**4,930,576**	**196,399**	**137,652**	**171,964,864**
Liabilities:						
Due to banks	**2,331,275**	**102,748**	**336,879**	**-**	**489**	**2,771,391**
Customers' deposits	**114,000,832**	**22,621,203**	**4,431,334**	**164,687**	**98,915**	**141,316,971**
Term financing, liabilities and provisions	**4,795,334**	**766,267**	**20,109**	**468**	**12,343**	**5,594,521**
Total liabilities	**121,127,441**	**23,490,218**	**4,788,322**	**165,155**	**111,747**	**149,682,883**
Net financial position as of 31 December 2025	**13,078,371**	**9,004,207**	**142,254**	**31,244**	**25,905**	**22,281,981**
31 December 2024						
Total financial assets	103,040,776	36,531,045	4,130,415	193,497	84,740	143,980,473
Total financial liabilities	93,967,768	27,161,985	4,043,102	163,121	67,494	125,403,470
Net financial position	9,073,008	9,369,060	87,313	30,376	17,246	18,577,003

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

B. MARKET RISK (CONTINUED)

B.4 Profit rate Risk

Cash flow profit rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market profit rates. Fair value profit rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market profit rates. The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market profit rates on both its fair value and cash flow risks. Profit margins may increase as a result of such changes, but profit may decrease in the event that unexpected movements arise. The Board sets limits on the level of gaps in profit rates reprising that may be undertaken, which is monitored daily by risk department.

The table below summarizes the Bank’s exposure to profit rate risks. It includes the Bank’s financial instruments at carrying amounts, categorized by the earlier of reprising or contractual maturity dates.

31 December 2025	Up to 1 month	More than 1 month to 3 months	More than 3 months to 1 year	More than 1 year	Non- profit bearing	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Assets:						
Cash and balance with Central Bank	-	-	-	-	17,434,823	17,434,823
Due from banks	7,821,314	8,657,522	-	-	1,482,906	17,961,742
Treasury bills	582,000	3,535,128	11,612,932	-	-	15,730,060
Financing receivables	67,207,914	15,856,783	4,717,564	9,442,410	-	97,224,671
Financial investments at:						
-Fair value through other comprehensive income	1,191,498	1,171	1,117,033	9,361,923	1,157,508	12,829,133
-Amortized cost	109,689	-	341,835	4,869,086	-	5,320,610
-Fair value through profit or loss	-	-	-	-	63,970	63,970
Fixed assets and other assets	-	-	-	-	5,399,855	5,399,855
Total assets	**76,912,415**	**28,050,604**	**17,789,364**	**23,673,419**	**25,539,062**	**171,964,864**
Liabilities:						
Due to banks	2,636,282	-	-	-	135,109	2,771,391
Customers’ deposits	23,282,354	27,911,388	64,690,118	15,566,723	9,866,388	141,316,971
Term financing, liabilities and provisions	-	-	414,862	-	5,179,659	5,594,521
Total liabilities	**25,918,636**	**27,911,388**	**65,104,980**	**15,566,723**	**15,181,156**	**149,682,883**
Net financial position as of 31 December 2025	**50,993,779**	**139,216**	**(47,315,616)**	**8,106,696**	**10,357,906**	**22,281,981**
31 December 2024						
Total assets	68,602,998	31,413,116	6,260,918	15,977,056	21,726,385	143,980,473
Total liabilities	20,306,560	24,223,368	47,772,593	19,545,458	13,555,491	125,403,470
Net financial position	48,296,438	7,189,748	(41,511,675)	(3,568,402)	8,170,894	18,577,003

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

C. LIQUIDITY RISK

Liquidity risk represents difficulty encountering the Bank in meeting its financial commitments when they fall due and replace funds when they are withdrawn, this may result in failure in fulfilling the Bank obligation to repay to the depositors and fulfilling lending commitments.

Liquidity risk management
The risk management department monitors the Bank's liquidity process in the following ways:
- Daily funding is managed by monitoring future cash flows to ensure that all requirements can be met when due. This includes availability of liquidity as they do financing to customers. To ensure that the Bank reaches its objective the Bank maintains an active presence in global money markets.
- The Bank maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption of cash flow.
- Monitoring liquidity ratios in relation with internal requirements and central Bank of Egypt requirements.
- Managing financing receivables concentration and dues.

For monitoring and reporting purposes take the form of cash flow measurement and expectations for the next day, week and month respectively, as these are key Years for liquidity management.
The starting point for those expectations is an analysis of the contractual maturity of the financial liabilities and the expected collection date of the financial assets .
Credit risk department monitors the mismatch between medium term assets, the level and nature of unused facilities limits, overdraft utilizations, and the effect of contingent liabilities such as letters of guarantees and letters of credit.
The bank adheres to CBE regulations on Liquidity risk management issued on June 2016 and maintains the minimum requirement for both local currency and foreign currency liquidity ratios in addition to LCR and NSFR.

Liquidity Ratios
Liquidity ratio reached 25.51% for local currency and 66.37% for foreign currency as at 31 December 2025.

Funding approach
Sources of liquidity are regularly reviewed by Bank treasury to maintain a wide diversification by currency, geography, source products and terms.

D. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

D.1 Financial instruments measured at fair value using the valuation methods
No changes in fair value using the valuation methods that occurred during the year.

D.2 Financial instruments measured at fair value not using the valuation methods
Due from banks
Fair value of placements and deposits bearing variable profit rate for one day is its current value.

The expected fair value for deposits bearing variable profit is based on the discounted cash flow using rate of similar asset of similar credit risk and due dates.

Financing receivables to banks
Financing receivables to banks represents facilities other than deposits at banks. The fair value represents the value expected to be recovered based on present value future cash flow and cash flows are determined using the effective profit rate.

Financing receivables to Customers
Financing receivables are net of expected credit losses. Fair value expected for financing receivables represents the discounted value of future cash flows expected to be collected and cash flows are discounted using the current market profit rate to determine fair value.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

D. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (CONTINUED)

D.2 Financial instruments measured at fair value not using the valuation methods (Continued)
Investments in securities
FVOCI investments are measured at fair value except for equity instruments that its market value can't be reliably determined. Fair value of amortized cost investments is based on market prices or broker/ prices. Fair value is estimated using quoted market prices for financial paper with similar credit maturity and yield characteristics where information is not available.

Due to Banks and customers
The estimated fair value of deposits of indefinite maturity which includes non-profit bearing deposits is the amount paid on call.

The estimated fair value of fixed profit bearing deposits and term financing not traded in an active market is based on discounted cash flows using profit rates for new debts of similar maturity dates.

E. CAPITAL RISK MANAGEMENT

The bank's objectives behind managing capital include elements other than equity shown in the balance sheet are represented in the following:
- Compliance with capital legal requirements in Arab Republic of Egypt and the other countries the Bank is operating in.
- Protecting the bank's ability to continue as a going concern and enabling it to generate yield for shareholders and other parties dealing with the bank.
- Maintaining a strong capital base to enhance growth.

Capital adequacy and uses are reviewed on a daily basis according to the regulatory authority's requirements (Central Bank in Arab Republic of Egypt) by the bank's management through models-based Basel committee for banking control instructions, these data are submitted to Central Bank of Egypt on quarterly basis.

Central Bank of Egypt requires the following from the Bank:
- Maintaining EGP 5 billion as a minimum requirement for the issued and paid up capital.
- Maintaining a ratio between capital elements and asset and contingent liability elements weighted by risk weights at 12.50 % or more.

In accordance with the requirements of Basel III, the numerator in capital adequacy comprises the following 2 tiers:
Tier 1:
Basic capital which comprises paid-up capital (net of treasury stock), plus: retained earnings and reserves resulting from profit appropriations (other than general reserve for banking risks & special reserve), less: any goodwill previously recognized and any carried forward losses.

Tier 2:
Subordinated capital which comprises with equivalent amount of the financing receivables and contingent liability provision which does not exceed 1.25% from the total risk-weighted average of assets and contingent liabilities, plus: the carrying amount of subordinated financing/deposits maturing over more than 5 years (provided that such carrying amount shall be reduced by 20 % of its value in each of the last five years of their maturity), plus: 45 % of the increase in fair value above the carrying amount of Financial investments -Fair value through Other Comprehensive Income, amortized cost investments, and investments in subsidiaries and associates and 45% from special reserve.

In calculating the numerator of the capital adequacy ratio, total value of tier 2 should not exceed total value of tier 1. Also, total value of subordinated financing (deposits) should not exceed 50 % of tier 1. Assets are risk weighted at a range of 0 to 200 %. Risk classification of these assets is based on the type of the debtor as to reflect the associated credit risk and after consideration of cash collaterals. The same treatment is applied for the off-balance sheet items which shall be adjusted to reflect the contingent nature of and potential loss on these amounts.

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

E. CAPITAL RISK MANAGEMENT (CONTINUED)

The Bank's management actively monitors capital adequacy and the deployment of regulatory capital, adhering to techniques based on Basel Committee guidelines. These guidelines, as adopted by the Central Bank of Egypt's banking supervision unit, are part of the regulatory framework for Basel III implementation. This approach ensures that the Bank consistently meets both regulatory requirements and internal capital adequacy assessments, supporting effective risk management and financial stability.

According to Basel III	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Tier 1		
Issued and paid-up-capital	**15,000,000**	15,000,000
Reserves	**1,202,997**	1,181,086
Fair value reserve	**(398,355)**	(610,005)
Retained earnings	**2,380,485**	2,399,912
Net Profit	**3,646,200**	-
The value of the excess of 10% of the capital issued of the company for each investment separately (shares) (-)	**(35,644)**	(22,705)
Total Tier 1	**21,795,683**	17,948,288
Tier 2		
45% of the increase in fair value over the book value of financial investment at FVOCI and at amortized cost	**28,742**	20,234
Performing facilities and contingent liability, impairment loss	**1,399,516**	1,117,619
Total Tier 2	**1,428,259**	1,137,853
Total Capital Base	**23,223,942**	19,086,141
Assets and contingent liabilities risk weighted		
Total credit risk	**135,100,410**	111,200,876
Capital market risk requirements	**204,807**	167,040
Capital operational risk requirements	**8,123,154**	4,173,088
Total weighted risk of contingent assets and liabilities	**143,428,371**	115,541,004
Capital Adequacy Ratio	**16.19%**	16.52%

3 FINANCIAL RISKS MANAGEMENT (CONTINUED)

F. FINANCIAL LEVERAGE RISK MANAGEMENT

Item	Conversion factor %	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Tier 1 of the capital base		**21,795,683**	17,948,288
Total exposures in & off-Balance Sheet		**181,497,352**	152,615,009
Total exposures within B/S and operations of financial derivatives and securities		**173,661,111**	145,688,936
Exposures items within the balance sheet after deducting Disposals tier 1			
Cash and balances with the Central Bank		**17,434,823**	15,287,265
Due from banks		**17,961,742**	24,458,518
Treasury bills		**15,730,060**	12,194,522
Financial investments Fair value through other comprehensive income		**12,829,133**	9,470,695
Financial investments Fair value through profit or loss		**63,970**	52,202
Amortized cost		**5,320,610**	2,196,242
Gross financing receivables		**105,215,733**	85,315,105
Other assets		**3,777,080**	2,310,944
Fixed assets (net of impairment loss and accumulated depreciation)		**1,622,775**	1,458,460
Deducted amount from exposures (some of tier 1 exclusions for capital base)		**(6,294,834)**	(7,055,017)
Off balance sheet Exposures	**Conversion factor %**		
Total contingent liabilities:		**7,836,241**	6,926,072
Letter of credits	**20%**	**181,928**	93,596
Letters of guarantee	**50%**	**5,790,048**	5,202,823
Letters of guarantee at the request of foreign banks	**50%**	**80,664**	295,705
Bills accepted	**100%**	**886,478**	230,237
Total capital commitments & Operating lease commitments	**100%**	**444,897**	613,698
Non-Cancellable commitments for credit facilities		**-**	47,233
Cancellable commitments for credit facilities	**10%**	**452,226**	442,780
Leverage ratio%		**12.01%**	11.76%

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

4.1 IMPAIRMENT OF FINANCIAL ASSETS

The Bank considers the financial asset to be impaired and therefore to be included in stage 3 (classified as impaired) for the purpose of calculating expected credit losses in the event of a default in repayment of the principal amount or profit of the facility for more than 90 days or in the case of known cash flow difficulties, Counterparty business, credit rating decline, breach of the original terms of the contract or its ability to improve performance when the financial difficulty arises or the value of the security is reduced, etc. In such cases, the Group records an allowance for estimated credit losses over the life of the instrument.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

4.1 IMPAIRMENT OF FINANCIAL ASSETS (CONTINUED)

Any facility with low credit or irregular value that has been restructured is also considered to be stalled. The Group is also based on external credit ratings of risk related to debt as a default if it is classified as "D" by Standard & Poor's and Fitch Ratings and "C" by rating agency Moody's.
The Bank considers a variety of indicators that may indicate a potential default as part of a qualitative assessment of client default. These include Breach of agreements the borrower has outstanding obligations with creditors or public servants that the borrower dies

4.2 The marked increase in credit risk

The Bank continuously monitors all assets exposed to expected credit losses. In order to determine whether a tool or a portfolio of instruments is exposed to 12-month expected credit losses or expected credit losses over the life of the instrument, the Group assesses the extent of a significant increase in credit risk since initial recognition. The Group applies consistent quantitative criteria for the portfolio that is subject to internal and external credit ratings for the purpose of assessing the significant increase in credit risk

4.3 Internal rating and evaluation process of potential stumbling blocks

The Bank's internal evaluation system is based on several qualitative evaluations. The Bank also complies with the relevant regulatory directives as follows:

1. Credit facilities are classified as Tier 2 if there is a default in repayment of principal or profit for more than 60 days - or at management's discretion.
2. Credit facilities are classified as Tier 2 if there is a credit rating downgrade of more than one degree above the midpoint of the rating between the previous rating and the last rating granted for regular creditworthiness credit rating.
3. The standard requires the use of a separate risk factor for default over a period of twelve months and over the lifetime of the instrument, depending on the assigned duration of the obligor. The potential for default under IFRS 9 should reflect the Bank's estimate of the quality of its assets in the future. The group uses a point-in-time scale (PIT PD) to calculate expected credit losses. The expected credit loss is the probability of a credit loss and is measured at present value for all cash losses discounted at the effective profit rate of the financial instrument. The cash deficit represents the difference between cash flows due to the Group in accordance with the contract and the cash flows expected to be received by the Bank. Key elements of measuring expected credit losses include default, loss from default and risk in case of default. The Bank evaluates these factors using appropriate credit risk models, considering internal and external credit ratings of assets and future macroeconomic scenarios.

4.4 Impairment of investments in equity instruments

The Bank determines that investments in equity instruments at fair value through other comprehensive income are impaired when there is a significant or prolonged decline in its fair value below its cost and specifically requires whether the impairment is significant or extended to a judgment. In addition, there may be impairment when there is evidence of deterioration in the financial condition of the investee, its operating and financing cash flows, industry or sector performance, or changes in technology.

4.5 CLASSIFICATION OF FINANCIAL INVESTMENTS IN DEBT INSTRUMENTS

Financial assets at amortized cost
The objective of the business model is to maintain the financial assets to collect the contractual cash flows of the principal amount of investment and returns.
A sale is an exceptional event for the purpose of this model and under the terms of IFRS 9.

4 SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS (CONTINUED)

4.5 CLASSIFICATION OF FINANCIAL INVESTMENTS IN DEBT INSTRUMENTS (CONTINUED)

Financial assets at fair value through other comprehensive income
The objective of the business model is to maintain financial assets for the collection of contractual cash flows and sales.
A sale is a non-incidental or exceptional event for the purpose of this model and under the terms of IFRS 9.

Financial assets at fair value through profit or loss
The objective of the business model is not to hold financial assets to collect contractual cash flows but to manage assets on a fair value basis through profit or loss.

4.6 Income tax

The Bank is subject to income taxes in (relation to the operation of its branches abroad). This requires the use of significant estimations in order to determine the total provision for income tax. There are several operations and accounts for which the final tax cannot be determined with certainty. The Bank created provisions for the expected results in relation to the tax inspection that is being conducted and to account for probable additional tax. When there is a difference between the final tax results and the pre-recorded amounts, these differences will be adjusted against the income tax and the deferred income tax provision.

5 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, credit facilities and 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 and personal 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.

5 SEGMENT ANALYSIS (CONTINUED)

5.1 ACTIVITY SEGMENT ANALYSIS

31 December 2025	Large Institutions	Medium & Small Institutions	Treasury & Investments	Retail	Other Activities	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Revenues & expenses according to segment activities						
Segment activity revenues	13,697,186	267,058	1,689,668	10,527,664	1,738,346	27,919,922
Segment activity expenses	(11,396,382)	(208,191)	(1,213,557)	(9,015,410)	204,308	(21,629,232)
Net Profit before income tax	2,300,804	58,867	476,111	1,512,254	1,942,654	6,290,690
Income tax	(531,638)	(16,494)	(372,105)	(350,803)	(922,798)	(2,193,838)
Net Profit for the year after tax	1,769,166	42,373	104,006	1,161,451	1,019,856	4,096,852
Assets & liabilities according to segment activities						
Total assets	83,009,964	3,355,481	66,895,078	11,096,887	7,607,454	171,964,864
Total liabilities	68,150,340	1,475,068	3,062,874	71,797,432	5,197,169	149,682,883
Other items for segment activity						
Depreciation and amortization	(69,902)	(5,281)	(27,068)	(83,402)	(72,675)	(258,328)
Expected credit losses (charge) / release	(685,244)	(72,205)	-	4,306	1,568,009	814,866

5 SEGMENT ANALYSIS (CONTINUED)

5.1 ACTIVITY SEGMENT ANALYSIS (CONTINUED)

31 December 2024	Large institutions	Small & medium institutions	Treasury & Investments	Retail	Other activities	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Revenues & expenses according to segment activities						
Segment activity revenues	12,311,859	201,045	1,981,545	8,941,940	5,505,027	28,941,416
Segment activity expenses	(9,315,322)	(204,039)	(1,526,211)	(7,765,077)	(3,168,742)	(21,979,391)
Net Profit / (Loss) before income tax	2,996,537	(2,994)	455,334	1,176,863	2,336,285	6,962,025
Income tax (expenses)	(659,225)	(3,923)	(102,450)	(266,882)	(440,332)	(1,472,812)
Net Profit / (Loss) for the year after tax	2,337,312	(6,917)	352,884	909,981	1,895,953	5,489,213
Assets & liabilities according to segment activities						
Total assets	77,902,945	2,148,885	58,636,336	5,265,460	26,847	143,980,473
Total liabilities	58,031,017	708,764	3,263,289	58,590,027	4,810,373	125,403,470
Other items for segment activity						
Depreciation and amortization	(43,680)	(3,381)	(18,887)	(61,256)	(48,136)	(175,340)
Expected credit losses charge	(348,018)	(101,418)	(98)	(45,576)	(2,441,758)	(2,936,868)

5 SEGMENT ANALYSIS (CONTINUED)

5.2 GEOGRAPHICAL SEGMENTS ANALYSIS

	Arab Republic of Egypt				
31 December 2025	**Cairo**	**Giza**	**Alexandria, Delta & Sinai**	**Upper Egypt**	**Total**
	EGP Thousand	**EGP Thousand**	**EGP Thousand**	**EGP Thousand**	**EGP Thousand**
Revenues & expenses according to geographical segments					
Segment revenues	**17,213,686**	**3,278,245**	**7,216,827**	**211,164**	**27,919,922**
Segment expenses	**(12,471,388)**	**(2,789,812)**	**(6,184,052)**	**(183,980)**	**(21,629,232)**
Net profit (losses) before income tax	**4,742,298**	**488,433**	**1,032,775**	**27,184**	**6,290,690**
Income tax expenses	**(1,829,468)**	**(118,070)**	**(239,858)**	**(6,442)**	**(2,193,838)**
Net profit (losses) for the year after tax	**2,912,830**	**370,363**	**792,917**	**20,742**	**4,096,852**
Assets & liabilities according to geographical segments					
Total assets	**127,748,520**	**32,537,263**	**11,408,206**	**270,875**	**171,964,864**
Total liabilities	**85,988,645**	**24,061,726**	**38,410,617**	**1,221,895**	**149,682,883**
Other items for geographical segments					
Depreciation and amortization	**(228,077)**	**(14,759)**	**(13,301)**	**(2,191)**	**(258,328)**
Expected credit losses release / (charge)	**1,170,020**	**(181,609)**	**(166,304)**	**(7,241)**	**814,866**

5 SEGMENT ANALYSIS (CONTINUED)

5.2 GEOGRAPHICAL SEGMENTS ANALYSIS (CONTINUED)

	Arab Republic of Egypt				
31 December 2024	Cairo	Giza	Alexandria, Delta & Sinai	Upper Egypt	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Revenues & expenses according to geographical segments					
Segment revenues	18,994,449	4,077,759	5,707,485	161,723	28,811,348
Segment expenses	(14,442,602)	(2,648,652)	(4,775,035)	(113,102)	(21,849,323)
Net profit before income tax	4,551,847	1,429,107	932,450	48,621	6,962,025
Income tax expenses	(924,318)	(328,774)	(208,925)	(10,795)	(1,472,812)
Net profit for the year after tax	3,627,529	1,100,333	723,525	37,826	5,489,213
Assets & liabilities according to geographical segments					
Total assets	106,608,640	27,871,431	9,328,899	171,503	143,980,473
Total liabilities	71,503,024	20,313,794	32,000,243	1,586,409	125,403,470
Other items for geographical segments					
Depreciation and amortization	(140,087)	(22,318)	(11,028)	(1,907)	(175,340)
Expected credit losses (charge) / release	(2,799,009)	(160,548)	19,469	3,220	(2,936,868)

6 NET FINANCING INCOME

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Financing income and similar revenues from:		
Financing receivables	**19,849,360**	17,681,521
Treasury bills, bonds and sukuk	**6,432,262**	5,100,381
Due from banks	**760,440**	1,128,860
Total	**27,042,062**	23,910,762
Cost of deposits and similar expenses on:		
Deposits and current accounts:		
Due to banks	**(799,144)**	(1,201,005)
Customers' deposits	**(18,478,541)**	(15,085,610)
	(19,277,685)	(16,286,615)
Term financing	**(38,005)**	(52,420)
Total	**(19,315,690)**	(16,339,035)
Net financing income	**7,726,372**	7,571,727

7 NET FEES AND COMMISSION INCOME

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Fees and commission revenues:		
Fees and commissions for facility	**900,291**	941,298
Custody fees	**86,425**	77,101
Other fees	**133,499**	178,868
Total	**1,120,215**	1,197,267
Fees and commission expenses:		
Other fees expenses	**(252,226)**	(179,456)
Total	**(252,226)**	(179,456)
Net fees and commission income	**867,989**	1,017,811

8 DIVIDEND INCOME

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Financial investments at fair value through other comprehensive income	**37,494**	19,570
Total	**37,494**	19,570

9 NET TRADING INCOME

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Foreign exchange trading gains	**232,217**	268,152
Change in fair value of investments at FVTPL (note 19)	**11,768**	9,390
Total	**243,985**	277,542

10 EXPECTED CREDIT LOSSES RELEASE / (CHARGE)

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Due from banks	**(1,904)**	5,356
Treasury bills	**(187)**	622
Financing receivables	**833,946**	(2,945,020)
Debt instruments at FVTOCI	**(16,989)**	2,174
Total	**814,866**	(2,936,868)

11 ADMINISTRATIVE EXPENSES

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Staff cost:		
Salaries and wages	**(931,250)**	(787,939)
Social insurance	**(33,322)**	(27,660)
	(964,572)	(815,599)
Depreciation and amortization	**(258,328)**	(175,340)
Other administrative expenses	**(1,653,282)**	(1,403,025)
Total	**(2,876,182)**	(2,393,964)

12 OTHER OPERATING (EXPENSES) / INCOME

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
FX revaluation (loss) gains from monetary assets and liabilities other than carried at fair value through profit or loss	**(551,934)**	3,526,468
Gain on disposals of property, plant and equipment	**7,903**	286
Legal provision charge	**(4,025)**	(570)
Claims provision charge	**(60,971)**	(56,769)
Contingent provision charge	**(62,645)**	(130,068)
Other income	**81,922**	40,884
Total	**(589,750)**	3,380,231

13 INCOME TAX EXPENSES

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Current Tax	**(2,199,650)**	(1,451,406)
Deferred Tax	**5,812**	(21,406)
Total	**(2,193,838)**	(1,472,812)

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Net profit before tax	**6,290,690**	6,962,025
Income tax (22.5%)	**(1,415,405)**	(1,566,456)
Tax effect on:		
Income not subject to tax	**15,142**	21,593
Provision	**(22,481)**	(265,669)
Depreciation differences	**19,901**	42,155
Others	**(796,807)**	316,971
Current income tax expenses	**(2,199,650)**	(1,451,406)
Effective Tax Rate	**35%**	20.9%

14 EARNINGS PER SHARE

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Net profit for the year*	**4,084,166**	5,467,574
Less:		
Employees' profit share proposed / actual	**(447,107)**	(546,859)
Transfer to banking Sector support fund	**(40,624)**	(54,686)
Net profit for the year available for distribution	**3,596,435**	4,866,029
Weighted average number of shares	**1,000,000**	1,000,000
Earnings per share (EGP/Share)	**3.60**	4.87

*Based on standalone financial statements.

15 CASH AND BALANCES WITH THE CENTRAL BANK OF EGYPT

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Cash	**704,184**	786,817
Balances with CBE (mandatory reserve)	**16,730,639**	14,500,448
Total	**17,434,823**	15,287,265
Non-profit bearing balances	**17,434,823**	15,287,265

16 DUE FROM BANKS

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Current accounts	**1,482,906**	1,749,967
Deposits	**16,483,500**	22,711,418
	17,966,406	24,461,385
Less: ECL Allowance	**(4,664)**	(2,867)
Total	**17,961,742**	24,458,518
Balances at CBE other than those under the mandatory reserve	**2,701,428**	3,433,393
Local banks	**1,214,603**	118,377
Foreign Banks	**14,050,375**	20,909,615
	17,966,406	24,461,385
Less: ECL Allowance	**(4,664)**	(2,867)
Total	**17,961,742**	24,458,518
Non-profit bearing balances	**1,482,906**	1,749,967
Profit bearing balances	**16,483,500**	22,711,418
	17,966,406	24,461,385
Less: ECL Allowance	**(4,664)**	(2,867)
Total	**17,961,742**	24,458,518

17 TREASURY BILLS

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Treasury Bills at Amortized Cost		
365 Days maturity	**529,150**	564,310
Less: Unearned profit	**(2,867)**	(3,764)
Less: ECL allowance	**(563)**	(401)
Total (1)	**525,721**	560,145
Treasury Bills at Fair value through OCI		
365 Days maturity	**16,713,700**	12,209,250
Less: Unearned profit	**(1,525,823)**	(572,960)
Change in fair value	**16,461**	(1,913)
Total (2)	**15,204,339**	11,634,377
Total (1+2)	**15,730,060**	12,194,522
Egyptian government T-Bills	**17,242,850**	12,773,560
Less: Unearned profit	**(1,528,689)**	(576,724)
Less: ECL allowance	**(563)**	(401)
Change in fair value	**16,462**	(1,913)
Total (1+2)	**15,730,060**	12,194,522

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.

18 FINANCING RECEIVABLES

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Individuals		
Overdrafts	**179,788**	182,972
Credit cards	**281,201**	185,055
Personal financing	**7,968,364**	4,253,544
Mortgage financing	**1,530,665**	1,206,940
Other Financing	**1,446,517**	329,400
Total (1)	**11,406,535**	6,157,911
Corporate		
Overdrafts	**14,472,560**	13,684,735
Direct financing	**68,609,822**	54,623,569
Syndication financing	**10,726,816**	10,848,892
Total (2)	**93,809,198**	79,157,196
Total Financing receivables (1+2)	**105,215,733**	85,315,107
Less :ECL allowance	**(7,637,772)**	(8,211,273)
Less: Profit in suspense	**(149,593)**	(151,926)
Less :Unearned discount	**(203,697)**	(400,283)
Net financing receivables	**97,224,671**	76,551,625

Financing receivables include balances under the conversion process to be complied with Islamic Sharia principles.

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

Analysis of expected credit losses of financing receivables:

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousands
Balance at the beginning of the year	**8,211,273**	4,381,076
ECL allowance (release) charge during the year (note 10)	**(833,946)**	2,945,020
Write-off during the year	**(89,604)**	(1,145,509)
Recoveries from written-off amount	**595,608**	1,159,683
Foreign currency translation	**(245,559)**	871,003
Balance at the end of the year	**7,637,772**	8,211,273

Analysis of expected credit losses of financing receivables to customers and banks by type:

	31 December 2025 EGP Thousands	31 December 2024 EGP Thousands
Individuals		
Balance at the beginning of the year	**201,957**	88,744
ECL allowance (release) / charge for the year	**(6,523)**	118,371
Write-off during the year	**(25,063)**	(5,158)
Balance at the end of the year (1)	**170,371**	201,957
Corporate		
Balance at the beginning of the year	**8,009,316**	4,292,332
ECL Allowance (release) / charge for the year	**(827,423)**	2,826,649
Write-off during the year	**(64,541)**	(1,140,351)
Recoveries from written-off debts*	**595,607**	1,159,683
Foreign currency translation	**(245,558)**	871,003
Balance at the end of the year (2)	**7,467,401**	8,009,316
Total (1+2)	**7,637,772**	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 finance. 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.

19 FINANCIAL INVESTMENTS

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Financial investments at fair value through Other Comprehensive Income:		
A) Debt instruments		
Treasury bonds	**7,255,427**	6,519,119
Treasury sukuk	**2,264,285**	-
Non-government bonds	**583,694**	1,265,014
Non-government Sukuk	**1,561,454**	256,093
B) Equity instruments		
Unlisted	**1,090,401**	1,375,504
C) Money Market Funds		
AUBE Mutual Fund THARWA	**27,813**	22,696
AUBE Mutual Fund ALPHA	**46,059**	32,269
Total financial investments at FVTOCI (1)	**12,829,133**	9,470,695
Financial investments at Amortized Cost:		
A) Debt instruments		
Treasury bonds	**4,819,226**	2,196,242
Treasury sukuk	**501,384**	-
Total financial investments at Amortized Cost (2)	**5,320,610**	2,196,242
Financial investments at fair value through profit or loss:		
Money Market Funds		
AUBE Mutual Fund THARWA	**63,970**	52,202
Total financial investments at FVTPL (3)	**63,970**	52,202
Total financial investments (1+2+3)	**18,213,713**	11,719,139
Current balances	**3,895,594**	2,873,144
Non-current balances	**14,318,119**	8,845,995
Total financial investments	**18,213,713**	11,719,139
Debt instruments	**16,985,470**	10,236,468
Equity instruments	**1,090,401**	1,375,504
Mutual Funds	**137,842**	107,167
Total financial investments	**18,213,713**	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 exempted from ECL measurement.

19 FINANCIAL INVESTMENTS (CONTINUED)

31 December 2025	Financial assets at Fair Value through OCI	Financial assets at Amortized Cost	Financial assets at Fair Value through P&L	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Balance at the beginning of the year	**9,470,695**	**2,196,242**	**52,202**	**11,719,139**
Additions	**5,495,594**	**3,100,000**	**-**	**8,595,594**
Disposals / Maturities	**(2,112,549)**	**(73,680)**	**-**	**(2,186,229)**
Amortization of (premium)/ discount	**(9,228)**	**98,048**	**-**	**88,820**
Change in fair value	**176,292**	**-**	**11,768**	**188,060**
Foreign currency revaluation	**(191,671)**	**-**	**-**	**(191,671)**
Balance at the ending of the year	**12,829,133**	**5,320,610**	**63,970**	**18,213,713**
31 December 2024				
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 ending of the year	9,470,695	2,196,242	52,202	11,719,139

Gain on Financial investments

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Gain on sale of treasury bills	**50,462**	31,317
Gain on sale of financial investment –FVTOCI	**15,454**	(5,341)
Total	**65,916**	25,976

20 OTHER ASSETS

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Accrued revenues	**1,462,015**	1,163,786
Prepaid expenses	**115,602**	66,321
Advances for purchase of property, plant and equipment	**485,579**	280,804
Assets acquired as settlement of debts (net of impairment)	**754,219**	314,398
Deposits held with other custody	**11,543**	9,156
Other assets	**948,122**	476,479
Total	**3,777,080**	2,310,944

21 PROPERTY, PLANT AND EQUIPMENT (NET)

31 December 2025	Lands and buildings	Leased assets improvements	Equipment and machinery	Others Fixed Assets	Total
	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand	EGP Thousand
Net book value at the beginning of the year	**455,053**	**176,074**	**124,548**	**702,785**	**1,458,460**
Additions	**-**	**142,559**	**15,913**	**264,838**	**423,310**
Disposals	**-**	**-**	**(157)**	**(510)**	**(667)**
Depreciation charge	**(10,936)**	**(29,634)**	**(19,850)**	**(197,908)**	**(258,328)**
Net book value	**444,117**	**288,999**	**120,454**	**769,205**	**1,622,775**
Balance at the end of current year represents in:					
Cost	**564,146**	**523,595**	**220,172**	**1,383,704**	**2,691,617**
Accumulated depreciation	**(120,029)**	**(234,596)**	**(99,718)**	**(614,499)**	**(1,068,842)**
Net book value	**444,117**	**288,999**	**120,454**	**769,205**	**1,622,775**
31 December 2024					
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	455,053	176,074	124,548	702,785	1,458,460
Balance at the end of prior year represents in:					
Cost	564,146	381,036	204,805	1,121,736	2,272,723
Accumulated depreciation	(109,093)	(204,962)	(80,257)	(418,951)	(813,263)
Net book value	455,053	176,074	124,548	702,785	1,458,460

22 DUE TO BANKS

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Current accounts	**135,109**	81,362
Deposits	**2,636,282**	3,000,000
Total	**2,771,391**	3,081,362
Local banks	**2,636,282**	3,000,000
Foreign banks	**135,109**	81,362
Total	**2,771,391**	3,081,362

23 CUSTOMERS' DEPOSITS

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Demand deposits	**66,890,397**	41,212,626
Time deposits	**48,069,365**	57,503,181
Certificates of deposit	**18,501,905**	10,501,524
Saving deposits	**6,879,593**	7,104,626
Other deposits	**975,711**	745,008
Total	**141,316,971**	117,066,965
Corporate deposits	**103,346,277**	91,458,302
Individual deposits	**37,970,694**	25,608,663
Total	**141,316,971**	117,066,965
Non-profit bearing balances	**9,866,388**	8,897,023
Floating profit bearing balances	**118,997,224**	98,354,548
Fixed profit bearing balances	**12,453,359**	9,815,394
Total	**141,316,971**	117,066,965
Current balances	**125,736,976**	106,259,899
Non-current balances	**15,579,995**	10,807,066
Total	**141,316,971**	117,066,965

24 TERM FINANCING

	Rates	**31 December 2025 EGP Thousand**	31 December 2024 EGP Thousand
Egyptian Mortgage Refinance company (EMRC)	1%	**271**	260
Egyptian Mortgage Refinance company (EMRC)	3%	**14,466**	15,400
Baraka Bank	Variable	**127,718**	-
European Bank for Reconstruction and Development (EBRD)	Variable	**272,407**	581,015
Total		**414,862**	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 200 million from AL BARAKA Bank of Egypt on 31 August 2025.
- The Bank signed five years facility agreement with the European Bank for Reconstruction and Development (EBRD) to support SMEs and green financing.

25 OTHER LIABILITIES

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Accrued finance costs	**841,961**	1,048,097
Clearing operations – CBE	**258,863**	343,166
Margin deposits	**537,862**	370,858
Accrued Taxes	**1,566,751**	989,244
Unearned revenue	**39,616**	35,043
Accrued expenses	**880,682**	787,713
Other credit balances	**379,715**	526,599
Total	**4,505,450**	4,100,720

26 OTHER PROVISIONS

31 December 2025	**Provision for legal claims**	**Claims provision**	**Contingent liabilities**	**Total**
	EGP Thousand	**EGP Thousand**	**EGP Thousand**	**EGP Thousand**
Beginning balance	**41,188**	**230,915**	**237,254**	**509,357**
Foreign currency revaluation	**-**	**-**	**(3,291)**	**(3,291)**
Utilized during the year	**(307)**	**(1,543)**	**-**	**(1,850)**
Charged during the year	**4,025**	**60,971**	**62,645**	**127,641**
Ending balance	**44,906**	**290,343**	**296,608**	**631,857**
31 December 2024				
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

27 CAPITAL

27.1 Authorized Capital

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

27.2 Issued and paid-up Capital

Issued and paid-up capital amounts to EGP 10 billion as at 31 December 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.

28 RESERVES AND RETAINED EARNINGS

28.1 Reserves

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
General banking risk reserve	**20,818**	6,722
General risk reserve	**11,884**	11,884
Legal & Capital reserves	**1,170,295**	895,553
Fair value reserve	**(398,355)**	(610,005)
Total reserves at the end of the year	**804,642**	304,154

28.1.1 General banking risk reserve

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Balance at the beginning of the year	**6,722**	196
Transfer from retained earnings	**14,096**	6,526
Balance at the end of the year	**20,818**	6,722

As per the CBE regulations, the Bank is required to create a general banking risk reserve for impact arising from any unexpected risks. And it is approved by the general assembly of the bank when it convenes to approve the annual standalone financial statements The Bank will not make any distribution from this reserve without obtaining prior approval of the Central Bank, of Egypt.

28.1.2 Legal and capital reserve

	31 December 2025	31 December 2024
	EGP Thousand	EGP Thousand
Balance at the beginning of the year	**895,553**	727,163
Transfer from retained earnings	**274,742**	168,390
Balance at the end of the year	**1,170,295**	895,553

According to the Bank's articles of association, 5% of the year’s net profits are transferred to the legal reserve. The transfer to legal reserve shall be suspended when the balance thereof equivalent to 50% of the total issued capital.

28 RESERVES AND RETAINED EARNINGS (CONTINUED)

28.1.3 Fair value reserve

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Balance at the beginning of the year	**(610,005)**	(684,771)
Net fair value movements during the year	**211,847**	83,362
Gain on sale of equity instruments transferred to retained earnings	**(197)**	(8,596)
Balance at the end of the year	**(398,355)**	(610,005)

28.2 Retained Earnings

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Balance at the beginning of the year	**8,272,849**	4,221,620
Net profit for the year after tax	**4,096,852**	5,489,213
Transfer under capital increase	**(5,000,000)**	-
Bonus shares	**-**	(900,000)
Bonus shares issuance fees	**-**	(770)
Employees' profit share	**(549,035)**	(332,446)
Directors' remuneration	**-**	(5,326)
Transfer to general banking risk reserves	**(14,096)**	(6,526)
Transfer to banking sector support fund	**(54,686)**	(33,122)
Transfer to legal reserve	**(274,742)**	(168,390)
Gain on sale of equity instruments at FVTOCI	**197**	8,596
Balance at the end of year	**6,477,339**	8,272,849

29 CASH AND CASH EQUIVALENTS

For the purpose of consolidated statement of cash-flows presentation, cash and cash equivalents include the following balances that have original maturities exceeding three months.

	31 December 2025 EGP Thousand	31 December 2024 EGP Thousand
Cash	**704,184**	786,817
Due from banks with original maturities less than 3 months	**17,012,982**	14,882,601
Total	**17,717,166**	15,669,418

30 CONTINGENT LIABILITIES AND COMMITMENTS

30.1 Legal claims

There are some existing cases filed against the bank as at 31 December 2025 without provision as the bank does not expect to incur losses from it.

30.2 Capital commitments

30.2.1 Fixed Assets and Branches Construction

The capital commitments as at 31 December 2025 amounted to EGP 174,430 thousand (31 December 2024: EGP 249,166 thousand), which represents purchasing of fixed assets. Management has full confidence towards the availability of funds to cover such commitments.

30 CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)

30.2 Capital commitments. (Continued)

30.2.2 Commitments under operating lease contracts

Total minimum rental payments for the irrevocable operating lease contracts are as follows:

	31 December 2025 **EGP Thousand**	31 December 2024 EGP Thousand
Less than one year	**66,997**	49,330
More than one year and less than 5 years	**145,203**	103,905
More than 5 years	**58,267**	37,874
Total	**270,467**	191,109

30.2.3 Contingent Liabilities

	31 December 2025 **EGP Thousand**	31 December 2024 EGP Thousand
Acceptances	**886,478**	265,602
Letters of guarantee	**13,351,210**	12,408,576
Letters of credit	**1,031,839**	713,483
Non-cancellable commitments for credit facilities	**-**	94,466
Total	**15,269,527**	13,482,127

Net of Collateral

	31 December 2025 **EGP Thousand**	31 December 2024 EGP Thousand
Acceptances	**886,478**	230,237
Letters of guarantee	**11,864,755**	11,141,952
Letters of credit	**909,641**	467,982
Non-cancellable commitments for credit facilities	**-**	94,466
Total	**13,660,874**	11,934,637

31 RELATED PARTY TRANSACTIONS

The Bank is a subsidiary of Kuwait Finance House which owns 95.68 % of the Bank's shares and the remaining stake of 4.32 % owned by other shareholders. In addition, Bank owns 100% of the KFH for financing co. Following are related party transactions:

	31 December 2025 **EGP Thousand**	31 December 2024 EGP Thousand
Consolidated Balance Sheet		
Due from banks	**3,838,219**	5,556,457
Due to banks	**114,732**	62,446
Consolidated Income Statement		
Financing income and similar revenues	**186,033**	235,117
Fees and Commission revenues	**1,443**	349,696

The average monthly salaries inclusive of all other allowances, incentive or profit share for top 20 staff as at 31 December 2025 is EGP 7,634 thousand (31 December 2024: EGP 5,579 thousand).

32 MUTUAL FUNDS

32.1 Ahli United Bank- Egypt (S.A.E) First Mutual Fund with daily accumulated and prizes (Tharwa)

The fund is one of the licensed activities for the Bank under the law no: 95 /1992 and it's implementing regulations; the fund is managed by Hermes Fund Management Company.

Tharwa has total number of 634,399 certificates with redemption value of EGP 556.26 per unit (total EGP 352,891 thousand) and KFH Egypt bank acquired 50,000certificates with total face value of EGP 5million with total redemption value as of 31 December 2025 (total EGP 27,813 thousands) classified as financial investments -Fair value through Other Comprehensive Income (Note 19)

In addition, the Bank invested another 115,000 certificates with redemption value of EGP 556.26 per certificate (total EGP 63,970 thousand) financial investments -Fair value through profit or loss in line with related regulation. (Note 19)

According to the Fund management agreement and the prospectus, the Bank receives fees and commission towards supervision of the Fund and related administrative services. The Bank received total commissions of EGP 1,358 thousand for the year ended 31 December 2025 and is included in the income statement under fees and commissions.

32.2 Ahli United Bank- Egypt (S.A.E) Second Mutual Fund with daily accumulated profit and prizes (Alpha)

The fund is one of the licensed activities for the Bank under the law no: 95 /1992 and it's implementing regulations; and is managed by Hermes Fund Management Company.

Alpha has total number of 602,351 certificates with redemption value of EGP 92.12 per unit (total EGP 55,489 thousand). KFH Egypt acquired 500,000certificates with total face unit of EGP 5million with total redemption value as of 31 December 2025 (total EGP 46,059 thousands) classified as financial investments -Fair value through Other Comprehensive Income (Note 19)

According to the Fund management agreement and the prospectus, the Bank receives fees and commission towards the supervision of the Fund and related administrative services. The Bank received total commissions of EGP 523 thousand for the year ended 31 December 2025 and is included in the income statement under fees and commissions.

33 TAX POSITION

33.1 Kuwait Finance House Bank – Egypt (Formerly - Ahli United Bank - Egypt) (S.A.E.)

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 has 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 01/08/2006, up to 31/12/2022 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 it was assessed and the tax due was paid. Some periods are pending in the courts.
- From 2003 till 2004 it was inspected /settled and the Bank dispute was transferred to the Interior Committee.
- The period from 2005 till 2022 was 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.

33.2 KFH for Finance Co. (Formerly - Ahli United for Finance Co.) (S.A.E.)

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.
- The actual examination procedures for the company are currently underway, and the period from 2017 to 2024 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 2024 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 2024 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.

34 COMPARATIVE FIGURES

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

35 IMPORTANT EVENTS

On 26 January 2025, the change of the bank name from “Ahli United Bank - Egypt” to “Kuwait Finance House Bank - Egypt”. and it was registered in the commercial register.

On October 10, 2025, Standard & Poor's (S&P) Global upgraded Egypt’s long-term sovereign credit rating to “B” from “B-”, with a stable outlook.

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 during this year by 725 basis points to 20%, 21%, and 20.5% percent, respectively. The Committee also decided to cut the discount rate by 725 basis points to 20.50%.