



# BANQUE MISR S.A.E

## Summarized consolidated financial statements

for the financial period ended  
December 31, 2021



WORKING TOGETHER FOR PROSPERITY



## **Banque Misr**

**Summarized Consolidated Financial Statements**  
**For the period ended December 31,2021**

### **Appendix**

#### **Page**

<b>1. Financial position</b>	<b>1</b>
<b>2. Income Statement</b>	<b>2</b>
<b>3. Statement of Changes in comprehensive income</b>	<b>3</b>
<b>4. Statement of Changes in Shareholders' Equity</b>	<b>4</b>
<b>5. Statement of Cash Flows</b>	<b>5</b>
<b>6. Notes to the Financial Statements</b>	<b>6-23</b>





**MAZARS - Mostafa Shawki**  
Chartered accountants & consultants

**Mohamed Hany Fouad Ismail**  
Accountability State Authority (ASA)

**Auditors' report**

**To: The Shareholders' of Banque Misr (S.A.E.)**

We have audited, the consolidated financial statements of Banque Misr ( S.A.E ) as at December,31,2021(represent eighteen months) from which the financial Information set forth in accompanying consolidated summarized financial statements have been derived. We conducted our audit according to the Egyptian Standards on Auditing and the requirements of applicable Egyptian law and regulations. In our report dated June,20,2022, we expressed an unqualified opinion on the complete consolidated financial statements as at December,31,2021 from which the financial Information set forth in accompanying summarized financial statements have been derived.

In our opinion, the information set forth in the accompanying consolidated summarized financial statements is fairly stated, in all material respects, in relation to the consolidated complete financial statements of the bank as at December,31,2021.

**Emphasis of Matter**

Without qualifying our report, as indicated in note (1) of the accompanying financial statements notes, the general assembly of Banque Misr has approved in the 11<sup>th</sup> of October 2020 the amendment of financial year to begin from the first of January till end of December each year, while considering the period begin from 1<sup>st</sup> of July 2020 till end of December 2021 that represent eighteen months as an extended transitional period.

Accordingly, the consolidated financial statements have been prepared for the period starting from 1st of July 2020 till 31th of December 2021 which represent eighteen months compared with the consolidated financial statements which was beginning from the 1st of July 2019 and ending on 30th of June 2020 that represent twelve months.

Accordingly, figures in the financial statements for the mentioned financial period are not comparable.

**Cairo: June, 20, 2022**

**AUDITORS**

**Dr. Ahamed Mostafa Shawki**

**Mazars - Mostafa Shawki**



**Mohamed Hany Fouad Ismail**

**Accountability State Authority (ASA)**

# Banque Misr

## Consolidated statement of financial position as at December 31, 2021

Translated from Arabic  
Amounts in EGP Thousands  
June 30, 2020

	Note no	December 31, 2021	June 30, 2020
<b>Assets</b>			
Cash and balances with central banks		64,943,039	61,789,516
Due from banks		407,321,511	277,030,630
Loans and advances to banks	4	4,400,750	3,596,868
Loans and advances to customers	5	703,996,260	426,857,212
Financial derivatives		8,370	11,413
<b>Financial investments</b>			
- at fair value through P&L	6	5,360,110	4,223,270
- at fair value through OCI	7	374,246,742	520,108,532
- at amortized cost		220,340,143	91,541,174
- in associates and joint ventures		7,073,086	3,606,110
Intangible assets	8	1,577,614	337,503
Other assets		56,493,808	37,444,399
Deferred tax assets		2,491,146	416,849
Real estate investments		68,867	-
Property, plant and equipment		10,361,877	6,955,898
Right of use assets		161,984	-
<b>Total assets</b>		<b>1,858,845,307</b>	<b>1,433,919,374</b>
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>			
Due to banks		63,190,595	106,991,243
Customers' deposits	9	1,456,536,697	1,096,671,241
Financial derivatives		17,747	44,454
Other loans	10	145,215,103	97,079,667
Other liabilities		44,778,667	24,553,546
Other provisions	11	4,259,976	3,704,242
Deferred tax liabilities		1,358,328	840,941
Post retirement benefits liabilities	12	7,375,587	5,868,856
<b>Total liabilities</b>		<b>1,722,732,700</b>	<b>1,335,754,190</b>
<b>Shareholders' Equity</b>			
Paid in capital	13	15,000,000	15,000,000
Reserves	14	101,056,007	75,619,492
Retained earnings		17,702,527	7,009,538
<b>Total parent shareholders' equity</b>		<b>133,758,534</b>	<b>97,629,030</b>
<b>Non controlling interest</b>		<b>2,354,073</b>	<b>536,154</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,858,845,307</b>	<b>1,433,919,374</b>
<b>Contingent liabilities and commitments</b>			
Liabilities for letters of guarantee, letters of credit and other commitments.		182,728,338	90,507,021

The accompanying notes are an integral part of these financial statements

Chief Financial Officer

Vice Chairman

Vice Chairman

Chairman

Mohamed Mohamed Sherif Ismael

Hossameldin Abdelwahab

Akef Abdellatif Elmaghraby

Mohamed Mahmoud Eletreby

**Auditors**

Dr / Ahmed Mostafa Shawki

Accountant / Mohamed Hany Fouad Ismael

mazars Mostafa Shawki

Accountability State Authority (ASA)

**Banque Misr**  
**Consolidated income statement**  
**for the financial period ended December 31,2021**

	Amounts in EGP Thousands	
	<u>December 31, 2021</u>	<u>June 30, 2020</u>
Interest on loans and similar income	224,699,160	136,578,560
Interest on deposits and similar expense	(153,681,498)	(97,408,710)
<b>Net interest income</b>	<b>71,017,662</b>	<b>39,169,850</b>
Fee and commission income	14,755,684	7,189,235
Fee and commission expense	(1,207,070)	(361,906)
<b>Net fee and commission income</b>	<b>13,548,614</b>	<b>6,827,329</b>
Dividend income	761,894	485,062
Net trading income	85,569	694,453
Gain on financial investments	4,667,408	2,180,686
Impairment (charge) for credit loss	(11,167,677)	(3,092,115)
Administrative expenses	(33,178,495)	(17,495,354)
Other operating (expense) revenue	(811,567)	363,915
Associates companies Operation results share	1,165,827	265,846
<b>Profit before income tax</b>	<b>46,089,235</b>	<b>29,399,672</b>
Income tax expense	(22,730,048)	(14,999,209)
<b>Net profit for the period / year</b>	<b>23,359,187</b>	<b>14,400,463</b>
<b>Parent interest</b>	<b>22,449,234</b>	<b>14,383,292</b>
<b>Non controlling interest</b>	<b>909,953</b>	<b>17,171</b>
	<b>23,359,187</b>	<b>14,400,463</b>

**Banque Misr**  
**Consolidated statement of other comprehensive income**  
**for the financial period ended December 31,2021**

	Amounts in EGP Thousands	
	December 31, 2021	June 30, 2020
<b>Net profit for the period / year</b>	<b>23,359,187</b>	<b>14,400,463</b>
<b>Other Comprehensive income items</b>		
<b>Items that are not reclassified in profit or loss</b>		
Net change in the fair value for equity instruments at fair value through OCI	(476,311)	(1,603,461)
<b>Total items that are not reclassified in profit or loss</b>	<b>(476,311)</b>	<b>(1,603,461)</b>
<b>Items that are reclassified in profit or loss</b>		
Net change in the fair value for debt instruments at fair value through OCI	(627,352)	5,451,519
Net change in ECL for debt instruments at fair value through OCI	(40,713)	708,612
Net change in foreign currency translation differences	(130,360)	(392,472)
Coverage of cash flow - which was settled in profit or loss	-	2,695
<b>Total items that are reclassified in profit or loss</b>	<b>(798,425)</b>	<b>5,770,354</b>
<b>Net Comprehensive income for the period / year</b>	<b>22,084,451</b>	<b>18,567,356</b>

**Banque Misr**  
**Consolidated statement of changes in shareholders' equity**  
**for the financial period ended December 31,2021**

Amounts in EGP Thousands

	Note no	Paid in capital	Legal reserve	General reserve	Capital reserve	Acquisition reserve	Fair value reserve	Special reserve	Banking risks reserve	Supportive reserve	Differences of nominal value and present value of subordinated deposit	F.C Translation differences reserve	Cash flow risk reserve	ECL debt instruments through OCI reserve	banking risk reserve IFRS9	General risk reserve	Leasing risk reserve	Retained Earnings	Non controlling interest	Total
<b>Balance at July 1, 2019</b>		<b>15,000,000</b>	<b>3,324,163</b>	<b>1,913,524</b>	<b>2,068,453</b>	-	<b>8,546,329</b>	<b>8,045</b>	<b>3,371,703</b>	<b>5,632,343</b>	<b>23,606,646</b>	<b>2,549,257</b>	<b>(2,695)</b>	<b>182,724</b>	<b>2,905,650</b>	<b>68,481</b>	-	<b>1,421,091</b>	<b>586,878</b>	<b>71,182,592</b>
Net change in accounting policies		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,825	-	<b>10,825</b>
IFRS 9 implementation differences		-	-	-	-	-	-	-	-	-	-	-	-	902,538	-	(5,889,411)	-	776,362	-	<b>(4,210,511)</b>
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,878,975)	-	<b>(3,878,975)</b>
Transferred to reserves		-	1,098,548	615,327	89,236	-	-	-	2,182,492	2,223,040	-	-	-	-	-	-	-	(6,209,260)	-	<b>(617)</b>
Transfers		-	-	-	-	-	-	(6,927)	(3,074,220)	-	-	-	-	-	(2,905,650)	5,986,797	-	-	-	-
Net change in financial investments through OCI		-	-	-	-	-	3,848,058	-	-	-	-	-	-	-	-	-	-	-	-	<b>3,848,058</b>
Net change in ECL of debt instruments through OCI		-	-	-	-	-	-	-	-	-	-	-	-	(193,926)	-	-	-	-	-	<b>(193,926)</b>
Profit (loss) on disposal of equity instruments through OCI and others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	506,203	-	<b>506,203</b>
Net change in Foreign currency translation differences		-	-	-	-	-	-	-	-	-	-	(392,472)	-	-	-	-	-	-	-	<b>(392,472)</b>
Net change between nominal value and present value of subordinated deposit		-	-	-	-	-	-	-	-	-	16,958,744	-	-	-	-	-	-	-	-	<b>16,958,744</b>
Net change in cash flow		-	-	-	-	-	-	-	-	-	-	-	2,695	-	-	-	-	-	-	<b>2,695</b>
Net profit for the year		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,383,292	17,171	<b>14,400,463</b>
Net change in Non controlling interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(67,895)	<b>(67,895)</b>
<b>Balance at June 30, 2020</b>	<b>13,14</b>	<b>15,000,000</b>	<b>4,422,711</b>	<b>2,528,851</b>	<b>2,157,689</b>	-	<b>12,394,387</b>	<b>1,118</b>	<b>2,479,975</b>	<b>7,855,383</b>	<b>40,565,390</b>	<b>2,156,785</b>	-	<b>891,336</b>	-	<b>165,867</b>	-	<b>7,009,538</b>	<b>536,154</b>	<b>98,165,184</b>
<b>Balance as of July 1, 2020</b>		<b>15,000,000</b>	<b>4,422,711</b>	<b>2,528,851</b>	<b>2,157,689</b>	-	<b>12,394,387</b>	<b>1,118</b>	<b>2,479,975</b>	<b>7,855,383</b>	<b>40,565,390</b>	<b>2,156,785</b>	-	<b>891,336</b>	-	<b>165,867</b>	-	<b>7,009,538</b>	<b>536,154</b>	<b>98,165,184</b>
Dividends paid		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,396,167)	-	<b>(4,396,167)</b>
Transferred to reserves		-	1,313,385	1,137,817	94,056	-	-	324	312,819	5,575,468	-	-	-	-	-	(31,304)	21,073	(8,423,638)	-	-
Net change in financial investments through OCI		-	-	-	-	-	(1,103,663)	-	-	-	-	-	-	-	-	-	-	-	-	<b>(1,103,663)</b>
Net change in ECL of debt instruments through OCI		-	-	-	-	-	-	-	-	-	-	-	-	(40,713)	-	-	-	-	-	<b>(40,713)</b>
Profit (loss) on disposal of equity instruments through OCI and others		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,063,560	-	<b>1,063,560</b>
Net change in foreign currency translation differences		-	-	-	-	-	-	-	-	-	-	(130,360)	-	-	-	-	-	-	-	<b>(130,360)</b>
Net change between nominal value and present value of subordinated deposit		-	-	-	-	-	-	-	-	-	17,617,847	-	-	-	-	-	-	-	-	<b>17,617,847</b>
Net Change in General risk reserve		-	-	-	-	-	-	-	-	-	-	-	-	-	-	850,000	-	-	-	<b>850,000</b>
Net Change in Acquisition reserve		-	-	-	-	(180,234)	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>(180,234)</b>
Net profit for the period		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,449,234	909,953	<b>23,359,187</b>
Net change in Non controlling interest		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	907,966	<b>907,966</b>
<b>Balance at December 31, 2021</b>	<b>13,14</b>	<b>15,000,000</b>	<b>5,736,096</b>	<b>3,666,668</b>	<b>2,251,745</b>	<b>(180,234)</b>	<b>11,290,724</b>	<b>1,442</b>	<b>2,792,794</b>	<b>13,430,851</b>	<b>58,183,237</b>	<b>2,026,425</b>	-	<b>850,623</b>	-	<b>984,563</b>	<b>21,073</b>	<b>17,702,527</b>	<b>2,354,073</b>	<b>136,112,607</b>

**Banque Misr**  
**Summarized consolidated statement of cash flows**  
**for the financial period ended December 31,2021**

Translated from Arabic  
Amounts in EGP Thousands

	December 31, 2021	June 30, 2020
<b><u>Cash flows from operating activities</u></b>		
Net cash flows provided from operating activities (1)	86,593,879	205,937,562
Net cash flow (used in) investing activities (2)	(100,822,218)	(154,930,199)
Net cash flows provided from financing activities (3)	61,357,116	36,676,192
Net increase in cash and cash equivalents during the period / year (1+2+3)	47,128,777	87,683,555
Cash and cash equivalents at the beginning of the period / year	354,275,670	266,592,115
Cash and cash equivalents at the end of the period / year	401,404,447	354,275,670
<b><u>Cash and cash equivalents are represented as follows :-</u></b>		
Cash and balances at central Banks	65,143,288	61,789,516
Due from banks	407,971,823	277,653,763
Treasury bills	71,618,385	179,637,387
Obligatory reserve balance with central banks	(50,187,147)	(49,135,870)
Due from banks more than three months maturity	(38,846,416)	(28,734,378)
Treasury bills more than three months maturity	(54,295,486)	(86,934,748)
Cash and cash equivalents	401,404,447	354,275,670



**Banque Misr - S.A.E**  
**Summarized notes of the Consolidated financial statements**  
**for the period ended December 31, 2021**

**Summarized Notes of the consolidated financial statements**  
**For the financial period ended December 31, 2021**

**1- General information**

- Banque Misr (S.A.E.) was established on April 3, 1920 as a commercial bank in Arab Republic of Egypt. The head office is located at 151, Mohamed Farid Street, Cairo.
- The bank provides corporate, retail and investment banking in addition to Islamic banking services through 773 branches and unit in Arab Republic of Egypt and 5 branches in U.A.E, and one branch in France and representative offices in Russia, China, South Korea, Italy and côte d'Ivoire, employing 20,658 on financial position date.
- The general assembly of Banque Misr that was held on October 11, 2020 has approved the amendment of article 25 in the bank's article of association to change the financial year to begin from the first of January till end of December of each year, as a result of the CBE regulations law No. 194 dated 2020 and to start January 1, 2022 accordingly, the period from July 1, 2020 till end of December 2021 that considered a transitional period of eighteen months. So these financial statements had been prepared for the period started from July 1, 2020 till December 31, 2021 which represent Eighteen months compared with the last approved fiscal period started from the July 1, 2019 till June 30, 2020 which represent twelve months, accordingly, figures in the financial statements for the mentioned financial period are not comparable.
- The consolidated financial statements were prepared based on subsidiaries audited financial statements as of December 31, 2021, with exception of the financial statements of Bank Misr Lebanon due to the economic and political situations of the country of headquarters (Republic of Lebanon) could not obtain audited financial statements, also Misr Ameriya for Spinning and Weaving Company was consolidated based on financial statements as of September 30, 2021, where audited financial statements could not be obtained as it is still under review. In addition to not fully consolidating Egypt Exterior company as it was under liquidation, and recently liquidation decision was reconsidered and is not material in the group consolidated financial statements, in addition to four companies that are still under incorporation with no financial status and they are not affecting the financial position nor income statement.
- These financial statements were approved by our bank's board of Directors on June 20, 2022
- The following schedule shows percentage of direct and indirect ownership in our subsidiaries as of December 31, 2021 :

Company Name	% of direct ownership	% of indirect ownership	Total Ownership	Last Updated FS
Banque Du caire	77.5	22.5	100	31/12/2021
Bank Misr Lebanon	96.01	-	96.01	31/12/2021
Bank Misr Europe	74.75	10	84.75	31/12/2021
Cairo Uganda Bank	0	100	100	31/12/2021
Misr Capital investments	99.99	0.000069	99.99	31/12/2021
Misr Exchange	99.09	0	99.09	31/12/2021
Nile holding for development and investment	33.34	33.33	66.67	31/12/2021
Misr capital for brokerage	.01	99.99	100	31/12/2021
Upper Egypt Company for the manufacture of concentrates and juices	95.88	-	95.88	31/12/2021
Misr el ameriya for spinning and weaving	99.99	-	99.99	30/09/2021
Misr investment	91.20	-	91.20	31/12/2021
Misr el ameriya for real estate development	99.99	-	99.99	31/12/2021
Misr Abudhabi for realestate investment	99.93	-	99.93	31/12/2021
Cairo-Lease	-	98	98	31/12/2021
BM-Lease	43.44	7.56	51	31/12/2021
Al adnan Hotels and tourism	91.73	-	91.73	31/12/2021
Qarun Hotels and tourism	98.40	1.58	99.98	31/12/2021
Misr edco for transportation	98.46	-	98.46	-
Misr Cayman for finance	100	-	100	-
Misr Digital innovation	99.50	.50	100	31/12/2021
Egyptian sports Fund	99.96	.02	99.98	-
CI capital holding	90	-	90	31/12/2021
MCI capital health care	40	60	100	31/12/2021
Misr for managing real estate investment	72.90	-	72.90	-
Misr real estate Fund	99.99	-	99.99	-
Digital and electronic payment company	99.99	-	99.99	-
Misr-exterior investment	80.24	-	80.24	-

**The following are some information regarding Banque Misr group:**

**Banque Du Caire**

Banque Du Caire S.A.E. was established as a commercial bank on May 17, 1952.  
The head office is located at 6 Dr. Moustafa Abo Zahraa Street, Nasr City, Cairo, Egypt.  
The authorized Capital amounted EGP 10 billion, and The issued Capital amounted EGP 5.250 billion distributed over 1,312,500 Thousands share.  
Bank's shareholders structure as follows:  
Banque Misr 750,000,008 shares.  
Misr Financial Investment company 562,499,985 shares.  
Misr Abu Dhabi for Real Estate investment company 7 shares.  
On of November 11, 2021. Extraordinary General Assembly approved Capital Increase by 4.75 Billion EGP, all of the increase was contributed by Banque Misr. Increasing Banque Misr share from 57.1% to 77.5%.

**Bank Misr Liban**

Banque Misr Liban S.A.L. is a Lebanese joint-stock company. Was incorporated in Lebanon in 1929 and provides a full range of corporate, commercial and retail banking services  
The Bank's headquarter is located in Riad El Solh Street, Down Town Beirut, Lebanon.  
Total authorized and paid-up Capital amounted 120,000 million Lebanese Lira, distributed over 80 million shares.

**Bank Misr – Europe**

Banque Misr Europe was incorporated in Germany in 1992 and provides a range of banking services through its headquarter that located Frankfurt, Germany.  
Total authorized and paid-up Capital amounted 60 million Euros.

**Cairo Bank- Uganda**

Cairo Bank Uganda Limited is incorporated in Kampala – Uganda and provides a full range of corporate, commercial and retail banking services.  
Total authorized and paid-up Capital amounted 59.33 billion Ugandan shilling, distributed over 11,866 shares, through Banque du caire.

**Misr Capital**

Misr Capital for Investments S.A.E is a Egyptian joint stock company. Was incorporated on September 2010 and on March 19, 2020 the Extraordinary General Assembly decided to change the name of the company to be Misr Capital Company.  
The authorized Capital amounted EGP 5 billion , and The issued and paid up capital amounted EGP 1.5 billion distributed over 15 million shares with a nominal value of EGP 100 per share.  
Based on the assembly meeting of the Board of Directors held on August 27, 2014, it was approved to increase the issued and paid-up capital to EGP 4.2 billion, distributed over 42 million share.

**Banque Misr - S.A.E**  
**Summarized notes of the consolidated financial statements**  
**for the period ended December 31, 2021**

---

**Misr Exchange Company**

Misr Exchange company S.A.E. was incorporated on May 4, 1991 for the purpose of buy and sell foreign currencies banknote.

The authorized Capital amounted EGP 110 Million, and the issued capital amounted EGP 100 million distributed over 10 Million shares.

**Nile Holding development and Investment Company**

Nile Holding Development and Investment Company S.A.E the headquarterd is located at 10 Nehru Street – El Montaza - Cairo.

The authorized capital amounted EGP 1.5 billion, and the issued and paid-up capital is EGP 150 million distributed over 1.5 million shares with a nominal value of EGP 100 per share.

**Misr Capital for Bond Brokerage Company**

Misr Capital for Bonds Brokerage Company S.A.E. was incorporated on March 15, 2020. the Extraordinary General Assembly decided to change the name of the company to be Misr Capital for Bonds Brokerage Company.

The purpose of the company is dealing, brokering in bonds and principal dealers, receiving subscription for investment fund documents and issuing and redeeming documents.

The authorized capital amounted EGP 100 million, and the capital issued and paid-up capital is EGP 10 million distributed over 100,000 shares with a nominal value of EGP 100 per share through Misr Capital Company.

**BM Lease Company**

BM Lease S.A.E. was incorporated, the authorized capital amounted EGP 500 million, and the issued capital is EGP 410 million distributed over 4.1 million share with a nominal value of EGP 100 per share.

**Cairo Lease Company**

Cairo Lease S.A.E. was incorporated, The authorized capital amounted EGP 500 million, and the issued capital is EGP 250 million distributed over 250,000 share with a nominal value of EGP 1000 per share.

**Misr Investment Co.**

Misr Investment Company S.A.E was incorporated for the purpose of constructing and managing the Banque Misr Tower. The company's extraordinary general assembly agreed to convert the company to operate under Law No. 159 of 1981 and amend Article (3) of the company's articles of association by adding new activities, which are the purchase, division, sale and marketing of land, the establishment and marketing of administrative, service and residential buildings, and the management and maintenance of real estate and commercial, civil and industrial facilities. and engaging in contracting activities.

Total authorized, issued and paid-up Capital amounted EGP 1.1 million, distributed over 11,000 shares with a nominal value of EGP 100 per share.

### **Misr El Amerya for Spinning and Weaving**

Misr El-Amerya for Spinning and Weaving Co. S.A.E was incorporated on March 26,1983 for the purpose of spinning, weaving, dyeing, processing, ready-made clothes and furnishings and marketing them at home.

The authorized capital amounted EGP One billion, and issued and paid-up capital is EGP 916,137,580 distributed over 91,613,758 shares with a nominal value of EGP 10 per share.

### **Misr El Amerya Real-Estate Investment Company**

Misr El Amerya Real-Estate Investment company S.A.E. was incorporated for the purpose of buying and developing unused vacant lands and to establish the infrastructure for those lands and all that is needed to be ready for building, also trading in those lands and establishing economic housing for youth.

The authorized capital amounted EGP 300 million, and issued and paid-up capital is EGP 247.5 million distributed over 24.75 million shares with a nominal value of EGP 10 per share.

### **Misr Abu Dhabi for Real-Estate Investments**

Misr ABU DHABI Real Estate Investments Company was incorporated on December 5<sup>th</sup>,1976, The company's main activity is managing and exploiting tourism, residential, offices and commercial complexes, the issued and paid up capital amounted £15.5 million.

### **Al-Adnan Touristic Investment Company**

Al-Adnan Touristic Investment Company S.A.E. incorporated through headquarter located in 24 An Obour Buildings - Salah Salem - Nasr City.

The issued capital is EGP 479.883 million distributed over 479,833 shares with a value of EGP 1000 per share.

### **Qarun Hotels and Tourism Company**

Qarun Hotels and Tourism Company S.A.E. was incorporated, the authorized capital is EGP 25 million, the issued and paid-in capital is EGP 20 million distributed over 200,000 share with the nominal value of EGP 100 per share.

### **Upper Egypt Company for the manufacture of concentrates and juices**

Upper Egypt Company for the manufacture of concentrates and juices was incorporated on July 19<sup>th</sup> 2011. The company is located on 6<sup>th</sup> of October city, 11<sup>th</sup> district, building 17, fourth floor, apartment number 10. The company's authorized capital is 450 million EGP, it's issued capital is 85 million EGP.

### **CI Capital**

CI Capital Holding for financial Investments was incorporated in April 9th 2005, and it's head quarter is located in Galleria Complex 40 - Extension of the Axis of July 26 - Sheikh Zayed October 6 - Giza - Arab Republic of Egypt.

The authorized capital amounted EGP 2 billion, and the issued and paid-up capital to the company is one billion pounds with 1 EGP for nominal value per share

March 16, 2021, Banque Misr completed the ownership of 90% CI Capital Holding offering a compulsory purchase price of EGP 4.7 per share.

CI Capital Holdings Investments holds the following shares in its subsidiaries:

- Commercial International Securities Brokerage Company 98.96%
- CI Assets Management 99.53%
- CI Capital for IPOs in securities 99.57%
- Dynamic for Securities Trading Company 99.97%
- Corplease Egypt 87.40%
- Micro Enterprise Services Company (Reefy) 79.99%
- CI Consumer Finance (Souhoola) at 98.80%
- EGY EDU Investment 100%
- MCI Capital Healthcare Partners for medical care 60%

### **Misr Digital Innovation Company**

Misr Digital Innovation Company.S.A.E. was incorporated in accordance with the provisions of Law No. 159 of 1981, In the year 2020 aiming to launch the first digital bank in Egypt. Digital Bank aims to create innovative solutions tailored to meet the needs of bank customers in Egypt.

The Company's headquarter located in Street 7, Sarayat Maadi, Banque Misr building

The authorized capital amounted to EGP 2.5 billion, and issued and paid-up capital is EGP One billion.

## **2- Basis of preparation of financial statements and Summary of significant accounting policies**

These Consolidated financial statements have been prepared in accordance with the Central Bank of Egypt regulations approved by CBE board of directors on December 16, 2008 in accordance with the instructions issued by CBE on February 26, 2019. As well as The Egyptian Financial Accounting standards.

### **2.1 Basis of consolidation**

**\* The following is summary of the most Important accounting policies used:**

#### **A- Subsidiaries**

- Are the companies that the bank directly or indirectly have the right to control it's financial and operational policies, In which the bank usually owns more than half of the voting rights., Taking into consideration the impact of future voting rights that could be practiced or transferred in the meantime while assessing whether the bank is having control over the firm or not, All subsidiaries are being consolidated since the date on which the ownership transferred to the group, Also it's eliminated from the consolidation on the date on which the control is over.
- The purchase method is being used while acquiring subsidiaries, On date of acquiring, the acquiring cost is being assessed through the fair value, or The amount of assets paid for the purchase , or the amount of owners' equity instruments issued , or the liabilities paid or accepted by acquiring the firm, adding any direct costs that incurred as a result of acquiring the subsidiary, Net assets are being measured ,also possible liabilities that are measurable at fair value on date acquisition, disregarding any minority rights , Any additional costs that exceeds the fair value of the bank's portion will be considered a "goodwill", If the acquisition cost is less than the fair value, the difference would be recorded in the income statement as other operating income (expense).
- Intercompany transactions and balances and unearned revenues derived from intercompany transactions and possible losses should be eliminated, and the financial policies for subsidiaries



should be changed to comply with parents' policies whenever it's needed to ensure applying a unified policy for the group.

- The Full consolidated principle is being followed for bank purposes.

Consolidation principles includes the follows:

-eliminating all balances and transactions between group companies and any unearned revenues derived from it.

- Minority rights represent no controlling shareholders in subsidiaries.

Transactions with minority rights holders:

- The group considers transactions with minority rights holders as it's a transaction with external parties, and recognizes all profits and losses that results from selling to minority rights in group's income statement, A goodwill arises from purchases from minority rights holders that represents the difference between the amount paid to acquire the share and the book value of subsidiaries assets.

For a subsidiary company, if the minority rights portion of losses exceeds their ownership rights, this excess will be added to the parents' rights except the losses that the minority rights are obliged to bear with a condition of being able to make additional investments to cover the impact of losses, And if the subsidiary achieved profits in the future these profits will be added to the parents' rights to the extent that covers the previously bearded losses that arose from minority rights losses.

## **B- Reporting associate companies**

- Associate company is the company that's directly or indirectly owned by one of the group's companies and have the right to make an impact on the company but not to the extent of the control, and usually the group has a percentage of ownership in the company from 20% to 50 % of voting rights, Investment in associates is being reported at cost and later would be recognized by equity method.

The group's portion of profits and losses that arises after acquisition is being recognized in associate Profit and losses statements.

IF the group's losses from a subsidiary equal or exceeds its portion including any unsecured debt balances, the group wouldn't recognize any losses unless it's committed to do so, or made payments on behalf of the subsidiary.

Intercompany transactions of unearned revenues derived from intercompany transactions and possible losses should be eliminated according to the portion in associate, and the financial policies for subsidiaries should be changed to comply with parents' policies whenever it's needed to ensure applying a unified policy for the group

Profits and losses that arise from changes in associate's ownership structure is being recognized in Profit and loss statement.

<b>Company</b>	<b>%participation</b>	<b>Company</b>	<b>%participation</b>
Mostaqbal for Real Estate Development	46%	First design For investment and urban development	35%
Suez Gulf Development Company	24%	ELmasreya for Managing Real Estate Assets & Investment	46%
Rawasi Company for Urban Development	40%	Misr insurance takaful-hayah	24%
Egypt Alexandria Investment Fund Company	33%	ALAhli Misr for real estate management	40%
Altjarion Company for Touristic Development	31%	Herasat for guarding and security services	40%
Egyptian Chinese joint Company	23%	Financial sector Fund company	46%
Maspero Company for Urban Development	33%	International company for postal services	40%
Upper Egypt Company for Investment	31%	Light house for educational investment	25%
Elahlya Company for Investment & Development"NERCO"	25%	Cleopatra hospital Company (CLHO)	27%
Elsalhaya Company for investment & development	29%	Taaleem Company for management services	60%
Upper Egypt Company for Touristic & Property Development	20%		

**C- Control**

Control means group's ability to control the financial and operational policy of the companies in which they invest in order to make profit.

The group is considered controlling the investment if they have 50 % of voting rights in subsidiary and It could be less in some cases as follows :

- 1.If there's a side agreement gives the holding company the right to direct more than 50 % of voting rights in the investment company
- 2.If there's a power to the group , arising from an agreement or legislation to control the company's financial and operational policy.
- 3.being able to hire or fire majority of Board of directors
- 4.controlling more than half of BOD votes.

**D- Non-controlling interest**

The portion of shareholders outside the group that's not directly or indirectly owned in it's net profits or net assets of it's subsidiary.

**E- Transactions of minority rights**

The group considers transactions with minority rights holders as it's a transaction with external parties, and recognizes all profits and losses that results from selling to minority rights in group's income statement, A goodwill arises from purchases from minority rights holders that represents the difference between the amount paid to acquire the share and the book value of subsidiaries net assets.

**F- Foreign currency translation**

**F/1 Functional and presentation currency**

The separate financial statements for each subsidiary of the bank are measured using the currency of basic economic environment in which the subsidiary conducts its activity “The functional currency”.

These consolidated financial statements are presented in Egyptian pound, which is also the functional currency of Bank Misr (Parent Company).

**F/2 Transactions and balances in foreign currencies**

Each subsidiary holds its accounting records in its functional currency and transactions in other currencies are recorded during the financial year using the prevailing exchange rate of the transaction date. Monetary assets and liabilities denominated in foreign currencies are re-evaluated at the end of each financial period on the basis of the prevailing exchange rates. The profits and losses resulting from the settlement of those transactions and differences resulting from re-evaluation are recognized in the income statement under the following items:

- Net Trading Income of financial asset. (held-for-trading financial assets or classified at fair value through profit or loss).
- Other operating income (expenses) for the remaining items.
- Changes in the fair value of monetary financial instruments in foreign currency; which is classified as other comprehensive income (debt instruments) are analyzed into valuation differences resulting from changes in the amortized cost of the instrument, differences resulting from changes in the prevailing exchange rates and differences resulting from

changes in the fair value of the instrument. Valuation differences resulting from changes in the amortized cost are recognized and reported in the income statement in 'interest income', differences resulting from changes in foreign exchange rates are recognized and reported in 'other operating income (expenses)'. Whereas differences from changes in fair value are recognized in equity in the 'fair value reserve / Financial investments at Fair value through other comprehensive income'.

- Valuation differences resulting from changes in exchange rates of non-monetary items in foreign currencies (equity instruments) are recognized in the profit and loss resulting from the change in the fair value of financial assets at fair value through profit or loss. While valuation differences resulting from exchange rates of equity instruments classified as Financial investments at Fair value through comprehensive income are recognized directly in equity in the 'fair value reserve'.

### **F/3 Foreign Subsidiaries**

The Income statement items and balance sheet of foreign subsidiaries whose functional currency differ from presentation currency of consolidated financial statement, are translated into Egyptian Pounds as follows:

- Assets and liabilities of foreign branches are translated using the closing rate at the financial position date.
- Revenues and expenses in the income statement are translated using average exchange rates unless the average does not represent an acceptable approximation of the cumulative effect for the prevailing exchange rates on that date then revenue and expense are translated using exchange rates on the dates of transactions.
- Resulted valuation differences are recognized as (foreign currency translation differences reserve) included in other comprehensive income in the equity .
- Owner's Equity accounts are translated according to historical exchange rates at the date of transaction.

### **G-Revenue recognition**

#### **G/1 Interest income and expense**

Interest income and expense is recorded in the income statement as interest on loans and similar income, interest on deposits and similar expenses using effective rate method for all financial instruments that are calculated except for those classified for trading purposes or those classified at fair value through profit and loss.

The calculation includes all fees and points paid or received between parties to the contract that represents an integral part of the effective interest rate, transaction costs include all other premiums or discounts.

#### **G/2 Fee and commission income**

- Fees charged for servicing a loan or facility are recognized as revenue when the service is provided. Fees and commissions on non-performing or impaired loans or debts are cased to be recognized as income, and are rather recorded in marginal records outside the financial statements; these are recognized as revenue, on a cash basis, only when interest income on those loans is recognized, for fees and commissions that represent an integral part of the effective interest rate of a financial asset are treated as an adjustment to the effective interest rate of that financial asset.
- Fees on the debt instruments that are measured at fair value are recognized in revenues on initial recognition and syndicated loan fees received by the bank are recognized when the syndication

has been completed and the bank does not hold any portion of it, or holds a part at the same effective interest rate used for the other participant's portions.

- Fees and Commissions resulting from negotiating, or participating in the negotiation of a transaction for a third party – such as the arrangement of the acquisition of shares or other financial instruments or the purchase or sale of institution – are recognized on completion of the underlying transaction in the income statement, Administrative and other services fees are recognized as income on a time proportionate basis over the lifetime of the service, Fees charged for custodian services provided over long periods are recognized as income over the period during which the service is rendered.

### **G/3 Dividend Income**

Dividends from investments except investment in subsidiaries and associates are recognized in the income statement when the right to collect it is declared.

### **H-Repo and Reverse repo agreements**

Securities lent or sold according to a commitment to repurchase (repos) are presented in the financial statements and deducted from treasury bills balance. Securities borrowed or (reverse repos) are reclassified in the financial statements and added to treasury bills balance. The difference between purchase and resale price is treated as interest and accrued over the life of the agreements using the effective interest method.

### **I- Financial investments at fair value through profit and loss**

Equity instruments, debt instruments and securities are measured at fair value, and changes in fair value are recognized in the statement of profit and loss.

### **J- Financial investments at fair value through other comprehensive income**

Equity instruments, debt instruments and securities are measured at fair value, and changes in fair value are recognized in the statement of comprehensive income.

### **K-Financial investments at amortized cost**

It is recorded under this item at amortized cost and it is not subject to the requirements of fair value measurement, but subject to the requirements for measuring expected credit losses.

### **L- Impairment of financial assets**

#### **Policy implemented as of July 1, 2019**

Impairment losses are recognized for the expected credit losses of the following financial instruments, which are not measured at fair value through profit and loss, namely:

- Financial assets that are debt instruments.
- Accrued debts.
- Financial guarantee contracts.
- Loan commitments and similar debt instruments.

Impairment losses on investments in equity instruments are not recognized.

**Measuring expected credit losses**

- The bank evaluates the debt instrument portfolios on a monthly basis at the portfolio level to all financial assets for individuals, small, medium, micro enterprises and on a periodic basis in relation to the financial assets of institutions classified under the follow-up list in order to monitor the credit risk related to them, as this evaluation is done at the counterparty level on a periodic basis, the criteria used to determine the significant increase in credit risk are reviewed and monitored periodically by the Credit Risk Department.
- On the date of the financial statements, the Bank estimates the provision for impairment losses for the financial instrument at an amount equal to the expected credit losses over the life of the financial instrument, except for the following cases in which the provision for the impairment losses is estimated at an amount equal to the expected credit losses over a period of twelve months:
  - 1) A debt instrument that has been identified as having a low credit risk at the date of the financial statements (debt instruments for Stage one).
  - 2) Other financial instruments that the credit risks at the reporting date has not increased significantly since the initial recognition (debt instruments for the Stage one).
- The Bank considers the expected credit losses to be a probabilistic estimate of the expected credit losses, which are measured as follows:
  - The expected credit losses of financial assets are measured in the stage one on the basis of the present value of the total monetary deficit calculated on the basis of adjusted historical failure probabilities rates with forecasts of average scenarios for macroeconomic indicators for a future twelve months multiplied by the value at failure, taking into account the weighting of expected recovery rates when calculating the loss rate for each group of debt instruments with similar credit risk. Given that the expected credit losses take into account the amount and timing of the payments, the credit losses arise even if the facility expects to be paid in full but at a later time after the debt becomes payable under the contractual terms. The expected credit losses over a period of twelve months are part of the expected credit losses over the life of the asset that result from defaulting events in the payment of a financial instrument and potential within twelve months after the date of the financial statements.
  - The expected credit losses for the financial assets in the second stage are measured on the basis of the present value of the total cash deficit calculated on the basis historical probability of default rates modified by the expectations of the average scenarios of macroeconomic indicators for the life of the financial asset multiplied by the value upon failure, taking into account the weighting of the expected recovery rates when calculating the loss rate for each group of debt instruments with similar credit risk.
  - Financial assets that are credit-impaired at the date of the financial statements are measured as the difference between the total carrying amount of the asset and the present value of expected future cash flows.

When calculating the loss rates, the bank considers the expected recovery rates from the present value of the expected cash flows, whether from cash and non-cash guarantees or expected future or historical repayment rates, as follows:

- For debt instruments classified within the stage one, only the value of the cash collateral and cash equivalents represented in cash and other financial instruments that can be converted into cash easily in a short period of time (3 months or less) and without a change (loss) in their value as a result of credit risk.
- For debt instruments classified under both stage two and three, only the types of guarantees are considered in accordance with the rules issued by the Central Bank of Egypt on 24/5/2005 regarding determining the creditworthiness of clients and creating provisions,



while the value of those guarantees is calculated according to what is mentioned in the rules for presentation and preparation of financial statement for banks and the standards of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008.

- For debt instruments held by banks that operate outside Egypt, the probability default rates are determined on the basis of the credit rating of the head office of the bank operating outside Egypt and not exceeding credit rating of the head office country and taking into account the instructions issued by the central bank regarding country risks, and the rate is calculated The loss is at least 45%.
- For debt instruments held by banks operating inside Egypt, the probability loss given default is calculated on the basis of the bank's classification by foreign international rating agencies and Egyptian bank branches abroad are treated as the head office, and branches of foreign banks that operate inside Egypt are treated as their head office, the loss given default is calculated at the rate of at least 45%.
- The provision for impairment for financial assets recognized in the financial position is deducted from the value of the financial assets when presenting the statement of financial position, while the provision for impairment relating to loan commitments, financial guarantee contracts and contingent liabilities is recognized under the provision for financial position liabilities.
- For financial guarantees contracts, the bank estimates the expected credit loss based on the difference between the payments expected to be paid to the guarantee holder, deducted any other amounts that the bank expects to recover.

#### **M- Derivative financial instruments and hedge accounting**

Derivatives are recognized initially and subsequently at fair value. Fair values of exchange-traded derivatives are obtained from quoted market price. Fair value of over – the – counter derivatives are obtained using valuation techniques including discounted cash flow models and option pricing models. Derivatives are classified as assets when their fair value is positive and as liabilities when their fair value is negative.

#### **N- Intangible assets**

##### **A. Goodwill**

- Goodwill represents the increase in the cost of acquisition over the fair value of the group's share of net assets and the Goodwill is amortized by 20% annually.

##### **B. Other Intangible assets**

- Intangible assets represent the cost of acquiring computer programs and the licensees of using it. Intangible assets appear with historical cost after deducting accumulated amortization and provision of impairment losses.
- Other intangible assets: Intangible assets other than goodwill and computer software like trademarks, licenses, and the benefits of leases. Other intangible assets are represented at the cost of acquisition and amortized in by straight-line method or on the basis of the expected economic benefits, over their estimated production lifetime, and for assets that do not have a specific production lifetime and are not subject to amortization, but tested for impairment annually and the value of the impairment (if any) is carried on the income statement.

**O-Property, plant and equipment**

All property, plant and equipment are recorded at historical cost less depreciation and impairment losses. Depreciation of Fixed assets is calculated using the straight-line method with reliable rates for each subsidiary to allocate their residual values over estimated useful lives.

**P- Cash and cash equivalents**

For purposes of presenting cash flow statement, cash and cash equivalents including (cash, obligatory reserve balances with CBE, due from banks as well as treasury bills) maturing within 3 months from the acquisition date.

**Q-Other provisions**

Other provisions are recognized when the bank has present legal or constructive obligations as a result of past events; where it is more likely than not that a transfer of economic benefit will be necessary to settle the obligation, and it can be reliably estimated.

In case of similar obligations, the related cash outflow should be determined in order to settle these obligations as a group.

When a provision is wholly or partially no longer required, it is reversed through profit or loss under other operating income (expenses).

Provisions are measured at the present value of the expected required expenditures to settle obligations after one year from financial statement date using the appropriate rate in accordance with the terms of settlement, which reflects the time value of money. If the settlement term is less than one year, the estimated value of obligations is calculated.

**R- Income tax**

Income tax on the profit or loss for the period and deferred tax are recognized in the income statement except for income tax relating to unearned gain which was recognized directly in equity.

Income tax is recognized based on net taxable profit using the tax rates applicable on the date of the financial statement in addition to tax adjustments for previous years.

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 principle of the tax. This is to determine the value of deferred tax on the expected manner to realize or settle the values of assets and liabilities using tax rates applicable on the date of the financial statement.

Deferred tax assets of the bank recognized when there is a probable possibility of achieving taxable profits in the future through which asset can be used, the value of the deferred tax assets is reduced by the value of the part from which the expected tax benefit will not be realized during the following years. in the case of a higher benefit expected tax, deferred tax assets will increase within the limits of the previously reduced.

**3- Financial risk management**

The Bank's activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. Taking risk is core to the financial business, and the operational risks are an inevitable consequence of being in business. The Bank's aim is to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Bank's financial performance, and the most important types of financial risks are credit risk, market risk, liquidity risk and other operating risks, also market risk includes exchange rate risk, rate of loss given default risk and other prices risks.

The Bank's risk management policies are designed to identify and analyze these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Bank regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

Risk management is carried out by a risk department under policies approved by the Board of Directors. Risk department identifies, evaluates and hedges financial risks in close co-operation with the Bank's operating units. In addition, risk department is responsible for the independent review of risk management and the control environment.

### **Capital Management**

Capital adequacy and the use of regulatory capital are monitored periodically by the Bank's management through employing techniques based on the guidelines developed by the Basel Committee for Banking supervision. The required data is submitted to the Central Bank of Egypt on a quarterly basis.

Central bank of Egypt requires the following:

- Maintain the sum of EGP 5 bn as a minimum limit for issued and paid-up capital.
- Maintaining a ratio between elements of capital and between elements of assets and contingent liabilities weighted by risk weights equal to or greater than 13.25%.

The bank branches operating outside the Arab Republic of Egypt are subject to the rules of supervision regulating banking business in the countries in which they operate.

The bank has complied with all capital requirements and in the countries in which its foreign branches operate during the past two years.

The Board of Directors of the Central Bank of Egypt decided, in its session held on December 18, 2012, to approve the instructions for the minimum capital adequacy standard within the framework of implementing the Basel II decisions.

The following table shows CAR of the financial group at the end of period ended December 31<sup>st</sup>2021, and the comparative year in accordance with CBE regulations issued on Basle II applications.

	Amounts in EGP Thousands	
	<b><u>December 31,2021</u></b>	<b><u>June 30,2020</u></b>
<b><u>Capital</u></b>		
Tier 1 Capital	107,152,991	87,906,121
Tier 2 Capital	50,478,057	18,482,983
Total Capital	<b><u>157,631,048</u></b>	<b><u>106,389,104</u></b>
Total risk weighted assets and contingent liabilities	<b><u>787,719,852</u></b>	<b><u>561,862,956</u></b>
<b>Capital Adequacy Ratio</b>	<b><u>20.01%</u></b>	<b><u>18.94%</u></b>

The financial leverage ratio according to the financial statements of banking group as the end of current period 5.40% against 5.79% in comparative year.

Amounts in EGP Thousands

	December 31, 2021	June 30, 2020
<b><u>(4) Loans and advances to banks</u></b>		
Term loans	4,452,165	3,646,949
Deduct : impairment provision for loan losses	(51,415)	(50,081)
	<b>4,400,750</b>	<b>3,596,868</b>
<b><u>(5) Loans and advances to customers</u></b>		
<b><u>Individuals and small enterprises</u></b>		
Overdraft	9,995,498	8,807,242
Credit cards	2,807,128	1,701,673
Personal loans	102,898,428	79,236,486
Direct loans	33,808,855	11,046,246
Mortgages loans	12,467,555	15,875,136
Other loans	6,084,184	64,925
<b>Total (1)</b>	<b>168,061,648</b>	<b>116,731,708</b>
<b><u>Corporates and medium enterprises</u></b>		
Over draft	119,870,706	66,244,218
Direct loans	257,649,368	190,286,296
Syndicated loans	182,088,769	69,932,075
Other loans	619,434	581,096
Discounted commercial paper	1,202,162	489,084
<b>Total (2)</b>	<b>561,430,439</b>	<b>327,532,769</b>
<b>Total loans and advances to customers (1+2)</b>	<b>729,492,087</b>	<b>444,264,477</b>
Deduct: impairment provision for customer loans	(24,608,716)	(16,278,712)
Deduct: unearned doubtful interest	(744,148)	(755,414)
Deduct: unearned discount	(142,963)	(373,139)
<b>Net loans and advances to customers and discounted commercial papers</b>	<b>703,996,260</b>	<b>426,857,212</b>

Amounts in EGP Thousands

	December 31, 2021	June 30, 2020
<b><u>(6) Financial investments at fair value through P&amp;L</u></b>		
<b><u>- Equity instruments</u></b>		
Corporate shares	292,241	124,563
Mutual Funds	462,942	230,397
<b>Total equity instruments</b>	<b>755,183</b>	<b>354,960</b>
<b><u>- Debt instruments</u></b>		
Other debt instruments	305,271	21,354
<b>Total debt instruments</b>	<b>305,271</b>	<b>21,354</b>
Financial investments managed by others	4,299,656	3,846,956
<b>Total financial investments at fair value through P&amp;L</b>	<b>5,360,110</b>	<b>4,223,270</b>
<b><u>(7) Financial investments at fair value through OCI</u></b>		
Equity instruments	19,018,867	13,667,963
Debt instruments	355,227,875	506,440,569
<b>Total financial investments at fair value through OCI</b>	<b>374,246,742</b>	<b>520,108,532</b>



	Amounts in EGP Thousands	
	December 31, 2021	June 30, 2020
<b>(8) Intangible assets</b>		
<b>A. Goodwill</b>		
Goodwill	844,405	-
Deduct : Accumulated amortization of Goodwill	(78,753)	-
<b>Net of Good will</b>	<b>765,652</b>	<b>-</b>
<b>B. Other intangible assets</b>		
Cost at the beginning of the financial period / year	2,249,178	1,233,974
Accumulated amortization at the end of the financial period / year	(1,437,216)	(896,471)
<b>Net other intangible assets</b>	<b>811,962</b>	<b>337,503</b>
<b>Net intangible assets</b>	<b>1,577,614</b>	<b>337,503</b>
<b>(9) Customers' deposits</b>		
Demand deposits	202,713,795	97,690,853
Call and time deposits	239,728,814	162,894,922
Certificates of deposit	751,818,027	590,973,802
Saving deposits	241,238,848	227,552,301
Other deposits	21,037,213	17,559,363
<b>Total customers' deposits</b>	<b>1,456,536,697</b>	<b>1,096,671,241</b>

**( 10 ) Other loans**

		Amounts in EGP Thousands	
<u>Item</u>	<u>Interest Rate</u>	<u>December 31, 2021</u>	<u>June 30, 2020</u>
Subordinated deposit	without interest	46,816,763	14,434,610
Long term loans - Egyptian Company for Refinancing	with interest	8,778	10,778
Small Enterprises Development Agency	with interest	925,000	-
Social fund loans - Financing projects	with interest	3,070	7,690
Social fund loans- bedaity 1	with interest	-	100,000
Social fund loans- bedaity 2	with interest	133,000	293,200
Social fund loans- bedaity 3	with interest	187,500	250,000
Upper Egypt for Concentrates Industry (Upper Egypt Investment)	with interest	-	1,386
Long-term loans from foreign banks	with interest	69,697,387	53,532,147
Short-term loans from foreign banks	with interest	12,644,062	23,547,065
Short-term loans from local banks	with interest	3,359,942	968,915
Arab Economic Fund for Development loan - Kuwait	with interest	785,835	484,152
Medium Enterprises Development Agency loan (BDCE)	with interest	1,712,693	1,459,163
sanad fund for SMSE (BDCE)	with interest	471,501	293,425
GREEN for growth fund (BDCE)	with interest	628,668	146,730
Financing loan for Arab trade program (BDCE)	with interest	7,858	435,737
European Investment Bank	with interest	1,571,670	-
European Bank for Reconstruction and Development	with interest	785,835	-
Financing loan for financial leasing contracts - NBE	with interest	394,307	151,058
Financing loan for financial leasing contracts - EALB	with interest	139,532	123,575
Financing loan for financial leasing contracts - Al Baraka Bank	with interest	167,003	18,107
Financing loan for financial leasing contracts - EBE	with interest	287,692	352,520
Financing loan for financial leasing contracts - SMES Agency	with interest	73,438	41,186
Financing loan for financial leasing contracts - ABK Bank	with interest	79,287	52,531
Financing loan for financial leasing contracts - United Bank of Egypt	with interest	460,904	138,237
Financing loan for financial leasing contracts - SAIB	with interest	338,596	143,853
Financing loan for financial leasing contracts - Attijariwafa bank	with interest	155,392	-
Factoring Loans - EALB	with interest	134,627	93,602
Factoring Loans - Bank Audi	with interest	30,237	-
Financing loan for financial leasing contracts - SAIB	with interest	57,586	-
African Export-Import Bank	with interest	3,143,340	-
Financing loan for financial leasing contracts - NBK	with interest	13,600	-
<b>Total other loans</b>		<b>145,215,103</b>	<b>97,079,667</b>

Amounts in EGP Thousands

**(11) Other Provisions**

	December 31, 2021	June 30, 2020
Provision for tax and legal claims	1,676,795	1,053,928
Provision for contingent liability and commitments	2,438,844	2,601,247
Others	144,337	49,067
<b>Total other provisions</b>	<b>4,259,976</b>	<b>3,704,242</b>

**(12) Post retirement benefits liabilities**

	December 31, 2021	June 30, 2020
Post retirement medical benefits	6,276,451	4,849,649
End of service benefits	1,099,136	1,019,207
<b>Total post retirement benefits liabilities</b>	<b>7,375,587</b>	<b>5,868,856</b>

**(13) Capital**

**A. Authorized capital**

Based on the extraordinary general assembly held on March 22, 2015 , The authorized capital has been increased from EGP 15,000 million to EGP 30,000 million.

**B. Issued and paid-in capital**

The issued and paid-in capital reached EGP 15000 million divided into 3000 million shares of EGP 5 per share .

**(14) Reserves**

Amounts in EGP Thousands

	December 31, 2021	June 30, 2020
Legal reserve	5,736,096	4,422,711
General reserve	3,666,668	2,528,851
Capital reserve	2,251,745	2,157,689
Supportive reserve	13,430,851	7,855,383
Fair value reserve - equity instrument	7,068,681	7,544,992
Fair value reserve - debt instrument	4,222,043	4,849,395
Special reserve	1,442	1,118
General banking risk reserve	2,792,794	2,479,975
Foreign currency translation differences reserve	2,026,425	2,156,785
Difference of nominal value and present value of subordinated deposit	58,183,237	40,565,390
General risk reserve	984,563	165,867
ECL - debt instruments through OCI reserve	850,623	891,336
Leasing risk reserve	21,073	0
Acquisition reserve	(180,234)	-
<b>Total reserves</b>	<b>101,056,007</b>	<b>75,619,492</b>

**(15) Comparative Figures**

The Consolidation financial statements (balance sheet , income statement ,other comprehensive income, changes in shareholders' equity and cash flow statement) and it's notes have presented eighteen months starting from 1<sup>st</sup> of July,2020 to the end of December ,2021 compared with latest approved by the general assembly which represented a twelve months starting from 1<sup>st</sup> of July 2019 ends at 30<sup>th</sup> of June 2020 which represented a twelve months The general Assembly of our bank has approved on 11<sup>th</sup> of October amend article 25 of the new bank's statute to began from 1<sup>st</sup> of Jan ends 31<sup>st</sup> of December 2021, Starts from 1<sup>st</sup> of Jan 2022. So, the period from 1<sup>st</sup> of July 2020 to 31<sup>st</sup> of December is transitional period extended for eighteen months