EFG Holding Company
(Egyptian Joint Stock Company)

Consolidated interim financial statements
for the period ended 30 September 2026
&
Review Report

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KPMG

Hazem Hassan
Public Accountants & Consultants

B (105) – Avenue (2) – Smart Village
Km 28 Cairo – Alex Desert Road
Giza – Cairo – Egypt
Postal Code : 12577

Telephone : (202) 35 37 5000 – 35 37 5005
E-mail : Egypt@kpmg.com.eg
Fax : (202) 35 37 3537
P.O. Box : (5) Smart Village

Review Report

To the Board of Directors of EFG Holding Company

Introduction

We have performed a limited review for the accompanying consolidated statement of financial position of EFG Holding Company S.A.E as at 30 September 2026 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine months then ended, and a summary of significant accounting policies and other explanatory notes. The company's management is responsible for the preparation and fair presentation of these consolidated interim financial statements in accordance with Egyptian Accounting Standards. Our responsibility is to express a conclusion on these consolidated interim financial statements based on our limited review.

Scope of Limited Review

We conducted our limited review in accordance with Egyptian Standard on Review Engagements 2410, "Limited Review of Interim Financial Statements Performed by the Independent Auditor of the Entity." A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters in the Company and applying analytical and other limited review procedures. A limited review is substantially less in scope than an audit conducted in accordance with Egyptian Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these consolidated interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Company as at 30 September 2026, and of its consolidated financial performance and its consolidated cash flows for the nine months then ended in accordance with Egyptian Accounting Standards.

Cairo, 18 November, 2026

KPMG Hazem Hassan

KPMG Hazem Hassan
Public Accountants and Consultants
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Consolidated statement of financial position

(in EGP Thousands)	Note no.	30/9/2026	31/12/2025
Assets			
Cash and cash equivalents	(5)	53,199,614	46,767,027
Loans and faciltites to customers	(6)	101,412,199	78,128,024
Accounts receivables	(7)	26,683,108	17,672,952
Investments at fair value through profit and loss	(8)	28,524,870	34,406,171
Investments at fair value through OCI	(9)	11,565,114	20,758,482
Investments at amortised cost	(10)	16,500,813	17,404,066
Assets held for sale	(11)	115,377	-
Equity accounted investees	(12)	429,259	348,710
Property, plant and equipment	(13)	4,384,610	4,003,498
Goodwill and other intangible assets	(14)	1,920,075	1,903,301
Investment property	(15)	80,480	84,681
Deferred tax assets	(16)	166,139	206,765
Other assets	(17)	9,129,955	8,963,377
Total assets		254,111,613	230,647,054
Liabilities			
Due to banks and financial institutions	(18)	17,352,015	34,586,591
Customer Deposits	(19)	95,334,954	79,322,035
Loans and borrowings	(20)	29,410,911	15,104,080
Accounts payable - customers credit balance at fair value through profit and loss	(21)	9,150,020	13,987,720
Accounts payable - customers credit balance		31,724,414	23,136,225
Issued bonds	(22)	8,593,433	3,909,625
Provisions	(23)	1,876,920	1,984,757
Deferred tax liabilities	(16)	938,648	893,918
Current tax liability	(24)	1,361,412	1,923,015
Other liabilities	(25)	10,319,436	10,841,107
Total liabilities		206,062,163	185,689,073
Equity			
Share Capital	(26)	7,179,465	7,179,465
Share premium		1,965,100	1,843,542
Legal reserve		1,034,102	993,689
Other reserves		9,977,977	9,661,185
Retained earnings		17,401,920	15,744,718
Equity attributable to owners of the Company		37,558,564	35,422,599
Non - controlling interests	(27)	10,490,886	9,535,382
Total equity		48,049,450	44,957,981
Total equity and liabilities		254,111,613	230,647,054

The accompanying notes and accounting policies from page (6) to page (122) are an integral part of these consolidated interim financial statements and are to be read therewith.

" Review Report attached "

Mona Zulficar
Chairperson

Karim Awad
Group Chief Executive Officer

Consolidated income statement

(in EGP Thousands)	Note no.	2026 For the period from 1/7/2026 to 30/9/2026	2026 For the period from 1/1/2026 to 30/9/2026	2025 For the period from 1/7/2025 to 30/9/2025	2025 For the period from 1/1/2025 to 30/9/2025
Interest income	(34)	7,398,026	21,899,043	6,778,907	19,866,746
Interest expense	(34)	(5,468,853)	(15,415,347)	(4,939,141)	(14,616,473)
Net Interest Income		1,929,173	6,483,696	1,839,766	5,250,273
Fee and commission income	(34)	3,872,094	11,597,358	3,171,776	9,279,985
Fee and commission expense		(672,766)	(1,865,613)	(540,301)	(1,442,048)
Net Fees and commission Income		3,199,328	9,731,745	2,631,475	7,837,937
Securities (Loss) gain		(299,407)	(17,438)	72,183	618,292
Changes in investments at fair value through profit & loss		234,619	(496,199)	(187,571)	78,076
Dividend income	(34)	54,545	131,501	54,822	115,094
Other revenues	(29)	774,807	2,420,661	1,854,061	3,226,336
Foreign currencies exchange differences		649,823	1,243,655	(16)	602,510
Share of profit from equity accounted investees	(34)	18,798	19,964	(8,473)	56,572
Revenue		6,561,686	19,517,585	6,256,247	17,785,090
General administrative expenses	(30)	(4,022,005)	(11,423,681)	(3,405,904)	(10,119,002)
Financial guarantee provision	(23)	1,744	(57,295)	(28,817)	(68,422)
Impairment loss on assets	(31)	(410,619)	(1,237,050)	(258,805)	(798,962)
Provisions	(23)	(63,337)	(118,296)	(48,870)	(78,922)
Depreciation and amortization	(13,14,15)	(299,987)	(871,634)	(228,180)	(645,952)
Profit before tax		1,767,482	5,809,629	2,285,671	6,073,830
Income tax expense	(32)	(640,820)	(1,784,000)	(544,364)	(1,472,374)
Profit for the period		1,126,662	4,025,629	1,741,307	4,601,456
Profit attributable to:					
Owners of the company		719,805	2,529,783	846,336	2,853,042
Non - controlling interests	(27)	406,857	1,495,846	894,971	1,748,414
		1,126,662	4,025,629	1,741,307	4,601,456
Earnings Per Share (EGP)	(36)	0.50	1.76	0.59	1.99

The accompanying notes and accounting policies from page (6) to page (122) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of comprehensive income

(in EGP Thousands)	2026		2025	
	For the period from 1/7/2026 to 30/9/2026	For the period from 1/1/2026 to 30/9/2026	For the period from 1/7/2025 to 30/9/2025	For the period from 1/1/2025 to 30/9/2025
Profit for the period	1,126,662	4,025,629	1,741,307	4,601,456
Other comprehensive income:				
Items that are or may be reclassified to profit or loss				
Foreign operations - foreign currency translation differences	1,023,434	1,325,390	(673,963)	(463,982)
Foreign currency translation differences - reclassified to profit or loss	(508,481)	(808,881)	(235,337)	(941,810)
Investments at fair value through OCI - net change in fair value	(502,761)	(825,988)	(21,127)	127,651
Investments at fair value through OCI - net change in fair value - reclassified to profit or loss	768,072	779,129	(28,018)	(26,328)
Investment at fair value through OCI - reclassified to retained earnings	-	-	(3,058)	(99,927)
Share of OCI of equity accounted investees	(7,244)	8,003	-	12,491
Actuarial Gain re-measurement of employees' benefits obligations	783	5,878	632	1,861
Related tax	(2,255)	(16,616)	(2,160)	14,912
Other comprehensive income, net of tax	771,548	466,915	(963,031)	(1,375,132)
Total comprehensive income	1,898,210	4,492,544	778,276	3,226,324
Total comprehensive income attributable to:				
Owners of the company	1,436,263	2,957,080	(7,388)	1,543,214
Non - controlling interests	461,947	1,535,464	785,664	1,683,110
	1,898,210	4,492,544	778,276	3,226,324

The accompanying notes and accounting policies from page (6) to page (122) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of changes in equity as at September 30,2026

(in EGP Thousands)	Attributable to owners of the Company												
				Other reserves									
	Share capital	Legal reserve	Share premium	General reserve	Translation reserve	Fair value reserve	Empolyee stock Ownership plan reserve	Operational Risk Reserve	Treasury shares	Retained earnings	Total	Non - controlling interests	Total equity
Balance as at 31 December 2025	7,179,465	993,689	1,843,542	158	10,924,335	(1,459,325)	121,558	74,459	-	15,744,718	35,422,599	9,535,382	44,957,981
Total comprehensive income													
Profit	-	-	-	-	-	-	-	-	-	2,529,783	2,529,783	1,495,846	4,025,629
Other comprehensive income	-	-	-	-	415,711	5,708	-	-	-	5,878	427,297	39,618	466,915
Total comprehensive income	-	-	-	-	415,711	5,708	-	-	-	2,535,661	2,957,080	1,535,464	4,492,544
Transactions with owners of the Company													
Contributions and distributions													
Transferred to legal reserve	-	40,413	-	-	-	-	-	-	-	(40,413)	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	(820,246)	(820,246)	(582,670)	(1,402,916)
Transferred to share premium	-	-	121,558	-	-	-	(121,558)	-	-	-	-	-	-
Operational risk reserve	-	-	-	-	-	-	-	16,931	-	(16,931)	-	-	-
Changes in ownership interests													
Changes in ownership interests without change in control	-	-	-	-	-	-	-	-	-	(869)	(869)	477	(392)
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	-	-	-	-	2,233	2,233
Balance as at 30 September 2026	7,179,465	1,034,102	1,965,100	158	11,340,046	(1,453,617)	-	91,390	-	17,401,920	37,558,564	10,490,886	48,049,450
Balance as at 31 December 2024	7,298,030	993,689	1,797,838	158	12,378,187	(1,038,051)	364,672	95,597	(399 975)	12,568,681	34,058,826	5,309,139	39,367,965
Total comprehensive income													
Profit	-	-	-	-	-	-	-	-	-	2,853,042	2,853,042	1,748,414	4,601,456
Other comprehensive income	-	-	-	-	(1,336,491)	24,802	-	-	-	1,861	(1,309,828)	(65,304)	(1,375,132)
Total comprehensive income	-	-	-	-	(1,336,491)	24,802	-	-	-	2,854,903	1,543,214	1,683,110	3,226,324
Transactions with owners of the Company													
Contributions and distributions													
Dividends	-	-	-	-	-	-	-	-	-	(649,132)	(649,132)	(265,090)	(914,222)
Transferred to share premium	-	-	243,114	-	-	-	(243,114)	-	-	-	-	-	-
Operational risk reserve	-	-	-	-	-	-	-	14,655	-	(14,655)	-	-	-
Writing off treasury shares	(118,565)	-	(281,410)	-	-	-	-	-	399 975	-	-	-	-
Sale of equity securities through OCI	-	-	-	-	-	-	-	-	-	99,927	99,927	-	99,927
Changes in ownership interests													
Changes in ownership interests without change in control	-	-	-	-	-	-	-	-	-	(332,722)	(332,722)	381,870	49,148
Balance as at 30 September 2025	7,179,465	993,689	1,759,542	158	11,041,696	(1,013,249)	121,558	110,252	-	14,527,002	34,720,113	7,109,029	41,829,142

The accompanying notes and accounting policies from page (6) to page (122) are an integral part of these consolidated interim financial statements and are to be read therewith.

Consolidated statement of cash flows

(in EGP Thousands)	Note no.	For the period ended 30/9/2026	30/9/2025
Cash flows from operating activities			
Profit before income tax		5,809,629	6,073,830
Adjustments for:			
Depreciation and amortization	(13,14,15)	871,634	645,952
Provisions formed	(23)	175,591	147,344
Provisions used	(23)	(105,129)	(111,529)
Provisions reversed	(23)	(185,569)	(121,490)
Gains on sale of property, plant and equipment		(35,061)	(16,905)
Gain from securitization		(1,891,861)	(1,513,198)
Gain on sale of investment at FVTOCI		(14,759)	(14,879)
Amortization of premium / issue discount		(1,271,807)	(1,355,957)
Gains from assets acquired as settlement of debts		(2,087)	-
Changes in the fair value of investments at fair value through profit and loss		496,199	(78,076)
Share of profit from equity accounted investees		(19,964)	(56,572)
Impairment loss on assets	(31)	1,237,050	798,962
Employees' benefits		18,996	13,233
Foreign currency translation differences		1,479,946	(963,495)
Foreign currencies exchange differences		(1,243,655)	(602,510)
Gain on selling of Investments in Subsidiaries and Associates		(395,903)	(503,409)
Operating profit before changes in current assets and liabilities		4,923,250	2,341,301
Changes in:			
Other assets		(66,234)	(2,689,152)
Other liabilities		(1,193,062)	(3,024,025)
Accounts receivables		(4,483,554)	(5,508,268)
Accounts payable		4,010,425	21,960,773
Accounts payable - customers credit balance at fair value through profit and loss		(4,837,700)	1,389,485
Loans and facilities to customers		(29,277,371)	(17,492,846)
Due from banks		3,284,850	3,475,353
Due to banks		(2,817,636)	(398,897)
Customers deposits		14,442,782	14,622,596
Employees' benefits obligations paid		(1,139)	(1,918)
Investments at fair value through profit and loss		7,897,115	(4,403,306)
Income tax paid		(2,270,697)	(1,325,241)
Net cash (used in) provided from operating activities		(10,388,971)	8,945,855
Cash flows from investing activities			
Payments to purchase property, plant and equipment and other intangible assets		(1,174,686)	(1,005,258)
Proceeds from sale of property, plant and equipment		68,554	61,295
Proceeds from sale of assets held for sale		-	9,976
Proceeds from sale of non-FVTPL financial investments		26,322,767	17,485,838
Payments for acquiring non-FVTPL financial investments		(14,009,234)	(19,690,144)
Payments to purchase equity accounted investees		(77,000)	(39,500)
Proceeds from sale equity accounted investees		-	762,317
Dividends collected		16,667	10,000
Payments to purchase investment in subsidiaries		(71,637)	(257,609)
Proceeds from sale of investment in subsidiaries		-	500,045
Net cash provided from (used in) investing activities		11,075,431	(2,163,040)
Cash flows from financing activities			
Dividends paid		(1,382,351)	(708,432)
Proceeds from securitization		7,473,711	3,914,750
Proceeds from Issued bonds		8,233,433	3,550,410
Payment for Issued bonds		(3,549,625)	(1,033,675)
Proceeds from financial institutions		16,083,944	14,754,762
Payment for financial institutions		(24,874,841)	(11,781,339)
Proceeds from loans and borrowings		18,965,836	7,005,443
Payment for loans and borrowings		(4,624,210)	(2,111,210)
Net cash provided from financing activities		16,325,897	13,590,709
Net change in cash and cash equivalents		17,012,357	20,373,524
Cash and cash equivalents at 1 January	(33)	14,868,805	24,159,356
Cash from acquisition of subsidiary		10,108	-
Cash and cash equivalents at 30 September	(33)	31,891,270	44,532,880

The accompanying notes and accounting policies from page (6) to page (122) are an integral part of these consolidated interim financial statements and are to be read therewith.

1- Background

1-1 Incorporation

EFG Holding Company S.A.E "the company" is an Egyptian Joint Stock Company subject to the provisions of the Capital Market Law No.95 of 1992 and its executive regulations. The company's registered office is located in Smart Village building No. B129, phase 3, KM 28 Cairo / Alexandria Desert Road, 6 October 12577 Egypt.
The name of the company has been changed to EFG Holding based on the General Assembly's approval on May 24, 2023 and was reflected in the commercial register on June 14, 2023.

1-2 Purpose of the company

EFG Holding Company is a premiere financial services corporation that offers diverse investment banking services including securities brokerage, investment banking, Promoting and Underwriting, Asset management and Private Equity. In addition to its non-bank finance products, which include leasing and micro-finance, installment services, factoring, securitization, collection and Sukuk Issuance. The purpose of the company also includes participation in the establishment of companies which issue securities or in increasing their share capital, custody activities, margin trading and commercial bank activities.

2- Basis of preparation

2-1 Statement of compliance

- These consolidated financial statements have been prepared in accordance with Egyptian Accounting Standards and relevant Egyptian laws and regulations.
- Management concluded that a liquidity-based presentation provides more reliable and relevant information, given the nature of financial services and banking activities within the Group. Accordingly, assets and liabilities are presented in order of liquidity rather than current/non-current classification." In accordance with EAS 1.63".

2-2 Authorization of the financial statements

The financial statements were authorized for issue in accordance with a resolution of the board of directors on November 17, 2026.

3- Functional and presentation currency

These consolidated financial statements are presented in Egyptian pounds (EGP) which is the Company's functional currency.

4- Use of estimates and judgments

- In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.
- Estimates and assumptions about them are re-viewed on regular basis.
- The change in accounting estimates is recognized in the period where the estimate is changed whether the change affects only that period, or in the period of change and the future periods if the change affects them both.

5- Cash and cash equivalents

	30/9/2026	31/12/2025
Cash on hand	486,623	290,255
Cheques under collection	139	8,940
Banks - current accounts	25,055,850	24,359,814
Obligatory reserve balance with CBE	7,203,647	9,747,374
Banks - time deposits	20,464,403	12,368,336
Balance	53,210,662	46,774,719
Impairment loss	(11,048)	(7,692)
Balance	53,199,614	46,767,027

6- Loans and facilities to customers

	30/9/2026	31/12/2025
Micro finance	6,292,779	6,063,580
Finance lease	21,336,673	8,476,718
Consumer finance	18,285,692	13,985,674
Factoring	4,332,426	5,839,134
Commercial bank (Bank NXT)	64,512,131	51,327,225
Other loans	2,963,225	2,582,842
SME lending	638,661	226,789
Unearned interest	(13,387,518)	(7,365,751)
Balance	104,974,069	81,136,211
Impairment loss*	(3,561,870)	(3,008,187)
Balance	101,412,199	78,128,024
Current	45,789,195	36,942,975
Non-current	55,623,004	41,185,049
Balance	101,412,199	78,128,024

Impairment loss *

	30/9/2026	31/12/2025
Balance at the beginning of the period / year	3,008,187	3,005,261
Impairment during the period / year	1,076,180	853,663
Write off during the period / year	(643,553)	(838,707)
Recoveries during the period / year	78,731	35,556
Effect of foreign currency translation	42,325	(47,586)
Balance at the end of the period / year	3,561,870	3,008,187

7- Accounts receivables

	30/9/2026	31/12/2025
Accounts receivables	22,322,107	16,655,456
Other brokerage companies	4,851,367	1,441,209
Balance	27,173,474	18,096,665
Impairment loss *	(490,366)	(423,713)
Balance	26,683,108	17,672,952

Impairment loss *

	30/9/2026	31/12/2025
Balance at the beginning of the period / year	423,713	489,105
Impairment during the period / year	48,923	(14,803)
Write off during the period / year	--	(37,189)
Effect of foreign currency translation	17,730	(13,400)
Balance at the end of the period / year	490,366	423,713

8- Investments at fair value through profit and loss

	30/9/2026	31/12/2025
Mutual fund certificates	11,974,328	12,322,103
Equity securities	88,070	92,504
Debt instruments	3,005,043	6,184,413
Structured notes	9,150,020	13,987,720
Treasury bills	4,307,409	1,819,431
Balance	28,524,870	34,406,171

9- Investments at fair value through OCI

	30/9/2026	31/12/2025
Non-current investments		
Equity securities	1,340,956	1,205,839
Mutual fund certificates	162,205	137,412
Debt instruments	5,391,301	8,137,503
	6,894,462	9,480,754
Current investments		
Debt instruments	4,670,652	11,277,728
Balance	11,565,114	20,758,482

10- Investment at amortised cost

	30/9/2026	31/12/2025
Debt instruments-Listed	10,476,655	11,853,420
Debt instruments-Non Listed	6,104,067	5,623,977
	16,580,722	17,477,397
Impairment loss	(79,909)	(73,331)
Balance	16,500,813	17,404,066

11- Assets held for sale

The group reclassified the value of its direct contribution to the capital of EFG Hermes Kenya LTD with value of 76,394 thousand pounds, EFG Hermes Nigeria with value of 33,212 thousand pounds and EFG Singapore with value of 5,771 thousand pounds to the item of assets held for sale. Management remains committed to the sale plan, and the sale is considered highly probable. The assets are available for immediate sale in their present condition.

12- Equity accounted investees

September 30, 2026

	Company's location	Company's asset	Company's liabilities	Company's net gain (losses)	Company's gross profit (losses)	Shareholding Percentage %	Shareholding value
Interest in joint venture							
Bedaya Mortgage Finance Co	Egypt	4,164,445	3,642,140	49,765	110,117	33.3	179,527
EFG-EV Fintech	Egypt	6,163	2,036	(1,408)	15	50	5,073
Interest in associate							
Kaf Life Insurance takaful	Egypt	2,120,483	467,882	23,601	55,765	37.5	243,311
Prime for investment fund management *	Egypt	5,577	3,514	(678)	(339)	20	413
Falcon Partners GP Limited	UAE	49,749	45,972	2,114	70,208	25	935
Balance							429,259

December 31, 2025

	Company's location	Company's asset	Company's liabilities	Company's net gain (losses)	Company's gross profit (losses)	Shareholding Percentage %	Shareholding value
Interest in joint venture							
Bedaya Mortgage Finance Co	Egypt	1,282,320	835,856	143,423	213,547	33.34	157,454
EFG-EV Fintech	Egypt	54,127	807	(1,420)	311	50	29,245
Interest in associate							
Kaf Life Insurance takaful	Egypt	1,538,793	467,882	(43,855)	(44,244)	37.5	161,458
Prime for investment fund management *	Egypt	2,845	79	(259)	(540)	20	553
Falcon Partners GP Limited	UAE	18,965	22,772	(4,619)	--	25	--
Balance							348,710

* Equity accounted investees acquired through Bank NXT.

13- Property, plant and equipment

	Land & Buildings*	Leasehold improvements	Office furniture, equipment & electrical appliances	Computer Equipment	Vehicles	Right of use assets	Total
Cost							
Balance as at 1/1/2026	1,407,964	866,204	1,140,419	1,538,699	258,755	1,915,639	7,127,680
Additions	10,271	69,866	213,455	554,484	38,475	171,715	1,058,266
Disposals	(29,663)	(13,259)	(7,846)	(16,321)	(20,120)	(30,185)	(117,394)
Adjustment	--	(655)	806	(151)	--	--	--
Foreign currency translation differences	--	1,938	40,666	32,349	3,227	76,762	154,942
Acquisition from subsidiaries	--	--	53	340	--	--	393
Total cost as at 30/9/2026	1,388,572	924,094	1,387,553	2,109,400	280,337	2,133,931	8,223,887
Balance as at 1/1/2025	1,506,330	521,868	1,042,304	1,306,354	228,058	1,116,884	5,721,798
Additions	--	171,907	105,898	183,455	27,435	964,281	1,452,976
Disposals	(12,500)	(2,347)	(2,498)	(30,189)	(15,239)	(129,903)	(192,676)
Adjustments	(83,346)	83,328	18	--	--	--	--
Foreign currency translation differences	--	(1,711)	(27,058)	(20,152)	(2,108)	(42,110)	(93,139)
Total cost as at 30/9/2025	1,410,484	773,045	1,118,664	1,439,468	238,146	1,909,152	6,888,959

Accumulated depreciation							
Accumulated depreciation as at 1/1/2026	348,246	360,826	698,516	922,018	99,701	694,875	3,124,182
Depreciation	37,839	67,276	107,415	215,731	45,516	204,748	678,525
Disposals' accumulated depreciation	(4,536)	(13,516)	(7,465)	(15,024)	(11,453)	(19,243)	(71,237)
Adjustment	--	(354)	444	(90)	--	--	--
Foreign currency translation differences	--	1,424	33,656	25,485	2,194	44,795	107,554
Acquisition from subsidiaries	--	--	30	223	--	--	253
Accumulated depreciation as at 30/9/2026	381,549	415,656	832,596	1,148,343	135,958	925,175	3,839,277
Accumulated depreciation as at 1/1/2025	300,779	306,890	652,662	809,084	63,510	613,243	2,746,168
Depreciation	37,864	44,503	74,603	139,280	34,343	164,731	495,324
Disposals' accumulated depreciation	(2,438)	(1,096)	(1,995)	(4,568)	(8,279)	(113,172)	(131,548)
Adjustments	--	(19)	19	--	--	--	--
Foreign currency translation differences	--	(1,101)	(23,674)	(18,084)	(1,259)	(30,376)	(74,494)
Accumulated depreciation as at 30/9/2025	336,205	349,177	701,615	925,712	88,315	634,426	3,035,450
Carrying amount							
Carrying amount as at 30/9/2026	1,007,023	508,438	554,957	961,057	144,379	1,208,756	4,384,610
Carrying amount as at 30/9/2025	1,074,279	423,868	417,049	513,756	149,831	1,274,726	3,853,509
Carrying amount as at 31/12/2025	1,059,718	505,378	441,903	616,681	159,054	1,220,764	4,003,498

*See note (20)

14- Goodwill and other intangible assets

	Goodwill	Customer Relationships	Retailer list	Licenses	Brand Name	Software	Total
Cost							
Balance as at 1 January 2026	1,220,841	264,103	--	35,008	--	1,109,582	2,629,534
Additions	--	--	--	--	--	112,836	112,836
Acquisition	79,299	--	--	--	--	10,728	90,027
Disposals	--	--	--	(9,277)	--	(4,853)	(14,130)
Foreign currency translation differences	--	22,093	--	1,728	--	22,495	46,316
Total cost as at 30 September 2026	**1,300,140**	**286,196**	--	**27,459**	--	**1,250,788**	**2,864,583**
Balance as at 1 January 2025	1,594,539	646,862	53,825	36,847	34,704	863,474	3,230,251
Additions	--	--	--	--	--	198,598	198,598
Disposal	(373,698)	(366,644)	(53,825)	--	(34,704)	(89,977)	(918,848)
Foreign currency translation differences	--	(15,135)	--	(1,736)	--	(6,819)	(23,690)
Total cost as at 30 September 2025	1,220,841	265,083	--	35,111	--	965,276	2,486,311
Accumulated amortisation and impairment							
Balance as at 1 January 2026	**37,667**	**209,812**	--	**19,970**	--	**458,784**	**726,233**
Amortisation	--	24,105	--	3,055	--	161,748	188,908
Disposals	--	--	--	--	--	(2,074)	(2,074)
Acquisition	--	--	--	--	--	1,967	1,967
Foreign currency translation difference	--	18,823	--	1,295	--	9,356	29,474
Total accumulated amortisation and impairment as at 30 September 2026	**37,667**	**252,740**	**--**	**24,320**	**--**	**629,781**	**944,508**
Balance as at 1 January 2025	**37,667**	**326,385**	**19,863**	**16,759**	**--**	**338,657**	**739,331**
Amortisation	--	36,687	1,923	3,009	--	104,808	146,427
Disposals	--	(148,404)	(21,786)	--		(34,703)	(204,893)
Foreign currency translation difference	--	(11,646)	--	(708)	--	(5,069)	(17,423)
Total accumulated amortisation and impairment as at 30 September 2025	**37,667**	**203,022**	**--**	**19,060**	**--**	**403,693**	**663,442**
Carrying amount							
Carrying amount as at 30 September 2026	**1,262,473**	**33,456**	**--**	**3,139**	**--**	**621,007**	**1,920,075**
Carrying amount as at 30 September 2025	**1,183,174**	**62,061**	**--**	**16,051**	**--**	**561,583**	**1,822,869**
Carrying amount as at 31 December 2025	**1,183,174**	**54,291**	**--**	**15,038**	**--**	**650,798**	**1,903,301**

14-1 Goodwill is relating to the acquisition of the following subsidiaries:

	30/9/2026	31/12/2025
EFG- Hermes IFA Financial Brokerage Company Kuwait – (KSC)	179,148	179,148
Tanmeyah Micro Enterprise Services S.A.E	365,399	365,399
Frontier Investment Management Partners LTD	325,801	325,801
Paynas BV	312,826	312,826
Balad Corp*	79,299	--
Balance	1,262,473	1,183,174

* **Acquisition of Balad Corp**

In March 2026, EFG Finance B.V (one of subsidiaries) acquired 56.35% of Balad Corp shares with an acquisition cost amounting to EGP Thousands 71,637.
The Company's share in the acquired net assets and liabilities on the date of acquisition amounted to EGP Thousands (7,662). Accordingly the goodwill will represents the difference which amounts to EGP Thousands 79,299.

The following represents the assets and liabilities on the acquisition date:

Description	EGP
Acquired total assets	19,624
Acquired total liabilities	(33,221)
Net assets (liabilities) acquired	**(13,597)**
Non- controlling Interest	(5,935)
Company's share in the acquired net assets (liabilities)	(7,662)
Paid in acquisition	71,637
Goodwill	**79,299**

The acquiree's financial statements have been consolidated based on the book value of the identifiable assets and liabilities, the company has a grace period of 12 months ending February 2027 for preparing Purchase Price Allocation (PPA) study to determine the fair value of the identifiable asset and liabilities according to the Egyptian Accounting Standards.

15- Investment property

	Buildings
Cost	
Balance as at 1/1/2026	145,437
Total cost as at 30/9/2026	**145,437**
Balance as at 1/1/2025	145,437
Total cost as at 30/9/2025	**145,437**
Accumulated depreciation	
Accumulated depreciation as at 1/1/2026	60,756
Depreciation for the period	4,201
Accumulated depreciation as at 30/9/2026	**64,957**
Accumulated depreciation as at 1/1/2025	55,154
Depreciation for the period	4,201
Accumulated depreciation as at 30/9/2025	**59,355**
Carrying amount	
Net carrying amount as at 30/9/2026	**80,480**
Net carrying amount as at 30/9/2025	**86,082**
Net carrying amount as at 31/12/2025	**84,681**

Investment property net carrying amounted to EGP Thousands 80,480 as at 30 September 2026, representing the following:-

- EGP Thousands 78,339 the book value of the area owned by EFG Holding Company in Nile City building, and with a fair value of EGP Thousands 796,080.
- EGP Thousands 2,141 the book value of the area owned by Hermes Securities Brokerage, one of the subsidiaries, in Elharam branch and with a fair value of EGP Thousands 24,322.

See note (20).

16- Deferred tax assets (liabilities)

	Balance at 1/1/2026	Acquisition of subsidiaries	Recognized in profit or loss	Recognized in equity	Disposals	Foreign currency differences	Net	Deferred tax assets	Deferred tax liabilities
Fixed assets depreciation	(221,249)	100	(8,678)	--	322	--	(229,505)	--	(229,505)
Claims provision	70,586	--	12,515	--	(369)	--	82,732	82,732	--
Impairment loss on assets	2,545	--	(97)	--	(1,223)	--	1,225	1,225	--
Prior year losses carried forward	54,501	--	12,630	--	(2,816)	3,661	67,976	67,976	--
Investment at fair value	(644,371)	--	43,279	(16,616)	--	--	(617,708)	--	(617,708)
Foreign currency translation differences	66,820	(411)	(157,750)	--	(60)	--	(91,401)	--	(91,401)
Revaluation of investment property	1,867	--	--	--	--	--	1,867	1,867	--
Investment in Associates	(34)	--	--	--	--	--	(34)	--	(34)
ESOP deferred	10,446	--	--	--	--	--	10,446	10,446	--
Securitization Surplus Revaluation	(28,264)	--	30,157	--	--	--	1,893	1,893	--
	(687,153)	(311)	(67,944)	(16,616)	(4,146)	3,661	(772,509)	166,139	(938,648)

17- Other assets

		30/9/2026	31/12/2025
Deposits with others	(17-1)	551,507	292,628
Down payments to suppliers		285,685	182,737
Prepaid expenses		1,102,684	686,511
Employees' advances		257,003	244,930
Accrued revenues		2,745,240	3,820,979
Taxes withheld by others		58,388	60,660
Payments for investments		10,005	348,771
Settlement guarantee fund		713,574	536,446
Due from Egypt Gulf Bank- Tanmeyah Clients		45,236	29,622
Receivables-sale of investments		166,762	109,130
Due from custodian		206,097	63,204
Due from Payment Channels		166,025	155,873
Securitization surplus		235,084	678,763
Sundry debtors		1,003,141	428,796
Assets acquired as settlement of debts		465,427	448,910
Advance Payments for the Acquisition of PPE and Intangible Assets		1,274,469	994,026
Total		9,286,327	9,081,986
Deduct: Impairment loss		(156,372)	(118,609)
Balance		9,129,955	8,963,377

17-1 Deposits with others include an amount of EGP Thousands 22,407 in the name of the subsidiaries, EFG-Hermes International Securities Brokerage and Hermes Securities Brokerage Company which represents blocked deposits for same day trading operations settlement takes place in the Egyptian Stock Exchange. Both companies are not entitled to use these amounts without prior approval from Misr Clearance Company.

-Deposits with others include an amount of EGP Thousands 367,545 in the name of the subsidiary, EFG- Hermes KSA. This represents margin deposited with the General Clearing Member (GCM) as required by the Clearing House (Muqassa) in Saudi stock exchange.

18- Due to banks and financial institutions

	30/9/2026	31/12/2025
Financial institutions	2,999,617	10,771,170
Bank overdraft	14,186,162	20,916,540
Deposits*	--	2,645,342
Current account*	166,236	250,327
Due to Central Bank*	--	3,212
Balance	17,352,015	34,586,591

* Relate to Bank NXT

19- Customer deposits

	30/9/2026	31/12/2025
Call deposits	39,802,454	39,536,889
Term deposits	17,741,761	16,194,881
Saving and deposit certificates	17,231,301	11,895,618
Saving deposits	19,982,474	10,744,147
Other deposits	576,964	950,500
Balance	95,334,954	79,322,035
Corporate deposits	45,730,471	44,860,335
Individual deposits	49,604,483	34,461,700
Balance	95,334,954	79,322,035
Current	80,229,894	69,620,404
Non-current	15,105,060	9,701,631
Balance	95,334,954	79,322,035

20- Loans and borrowings

The borrower	Credit Limit	Contract date	Maturity date	30/9/2026	31/12/2025
EFG Corp-Solutions *	750 million	15/12/2025	15/12/2032	653,724	83,103
	201.7 million	20/5/2025	20/5/2032	159,424	174,119
	950 million	4/8/2025	4/8/2032	84,550	107,784
	500 million	2/9/2025	2/9/2032	483,583	455,100
	2.380 billion	21/4/2024	21/4/2031	1,921,238	86,077
	1.702 billion	13/7/2026	13/7/2033	849,829	788,158
	11.099 million	22/7/2026	22/7/2033	11,100	13,400
	2.958 million	21/6/2023	13/7/2027	174,323	199,150
	393 million	1/7/2024	1/4/2026	66,530	105,849
	100 million	25/6/2023	25/6/2030	--	--
	400 million	12/12/2023	12/12/2028	205,553	160,516
	455.672 million	31/3/2026	31/3/2033	455,673	120,565
	4 million	19/10/2017	3/3/2027	207,960	381,600
	186.78 million	24/6/2025	24/6/2032	180,360	107,432
	1.3 billion	4/3/2025	4/3/2032	701,091	450,204
	900 million	11/6/2025	11/6/2032	--	--
	560 million	26/10/2025	26/10/2032	497,322	231,634
	2 billion	2/8/2026	2/8/2031	--	4,784
	400 million	30/3/2026	30/3/2031	146,040	158,361
	1.200 billion	23/9/2026	23/9/2033	724,702	380,370
	950 million	25/3/2026	25/3/2031	665,651	--
Tanmeyah Micro Enterprise Services S.A.E	300 million	25/1/2025	27/4/2027	280,724	148,134
	600 million	28/7/2025	29/7/2027	423,680	313,315
	140 million	1/11/2025	24/12/2026	102,581	297,221
	175 million	1/11/2025	30/11/2026	103,374	164,401
	800 million	1/3/2024	28/2/2028	732,842	--
	300 million	1/4/2025	30/3/2027	264,504	--
	400 million	1/5/2025	30/4/2027	86,666	--
	200 million	14/8/2025	11/5/2026	185,064	--
	150 million	1/12/2025	30/11/2026	135,711	--
	200 million	15/2/2025	9/4/2027	190,816	--
	170 million	3/12/2024	10/1/2027	147,275	--

The borrower	Credit Limit	Contract date	Maturity date	30/9/2026	31/12/2025
U Consumer finance	1.518 billion	18/9/2025	23/6/2027	1,014,276	688,053
	123 million	3/12/2024	2/12/2025	--	122,454
	1 billion	2/2/2026	1/2/2027	935,515	167,589
	500 million	17/4/2025	16/4/2026	5,708	355,672
	50 million	12/11/2024	11/11/2025	--	18,167
	1.300 billion	15/6/2026	31/5/2027	768,462	715,120
	600 million	15/12/2025	14/12/2026	556,401	305,989
	1 billion	5/5/2026	4/5/2029	378,796	251,171
	2.700 billion	15/3/2026	15/3/2027	1,673,142	1,162,232
	4.700 billion	21/7/2025	20/7/2026	2,040,514	2,162,154
	100 million	21/9/2025	31/8/2026	20	59,319
	1.100 billion	18/9/2025	20/8/2026	194,234	1,098,860
	150 million	14/12/2025	16/8/2026	27,685	149,685
	170 million	17/2/2026	17/9/2027	82,231	171,963
	500 million	24/3/2026	23/3/2027	136,238	50,147
	600 million	5/3/2026	4/3/2027	212,707	261,994
	300 million	23/2/2026	25/1/2027	296,892	--
	2 billion	7/6/2026	6/6/2027	1,695,359	--
	750 million	30/5/2026	30/5/2027	700,327	--
	500 million	16/8/2026	16/8/2027	486,430	--
	300 million	15/6/2026	15/6/2027	300,000	--
	400 million	14/8/2026	14/8/2027	381,626	--
EFG Finance Holding	400 million	2/3/2023	31/3/2028	392,509	81,694
	1 billion	19/1/2026	18/1/2027	800,000	--
EFG For SME	150 million	29/7/2024	28/7/2025	146,071	131,998
	150 million	18/11/2024	15/9/2025	57,992	2,554
	100 million	8/7/2025	30/6/2026	96,204	--
Bank NXT	120 million	18/8/2014	4/1/2040	103,949	110,683
	985 million	1/4/2026	21/12/2030	1,039,774	--
EFG Holding	2.080 billion	31/7/2026	31/7/2030	2,079,600	--
Valu Jordan	220 million	14/4/2026	13/4/2027	71,585	--
Lease liabilities**				1,894,774	2,105,305
Balance				29,410,911	15,104,080

Current	12,425,244	10,595,592
Non-current	16,985,667	4,508,488
Balance	29,410,911	15,104,080

* EFG Corp Solutions (wholly owned subsidiary) is committed to settle the credit granted by waiving the rental value of the finance lease contracts to the banks within the credit amount.

** Lease liabilities amount of EGP Thousands 1,894,774 in the name of EFG Holding Company that represents sale and lease back agreement for the entire land and buildings located in Smart Village and the owned area by the company in Nile City building.

Note no. (13 &15)

21- Accounts payable - customers credit balance at fair value through profit and loss

This amount represents payable to customers against the structured notes issued by one of group companies. These financial liabilities are linked to structured notes purchased by the Company. These structured notes are linked mainly to Treasury Bills and quoted equity securities.

22- Issued bonds

- The details of the EGP thousands 8,593,433 issued bonds are as follow:

Issuer	**Series**	**Issuance Date**	**Maturity Date**	**Face Value**	**Type**
EFG Corp Solutions	1st Program 2nd Issuance	Oct-24	Oct-29	360,000	Tradeable - Non-Convertible
EFG Corp Solutions	3rd Issuance	Jun-26	Jul-27	5,100,000	Tradeable - Non-Convertible
Hermes Securities Brokerage	4th Program 1st Issuance	May-26	May-27	2,135,000	Tradeable - Non-Convertible
U Consumer Finance	1st Program 1st Issuance	Aug-26	Sep-27	460,000	Tradeable - Non-convertible
U Consumer Finance	1st Program 1st Issuance	Aug-26	Aug-29	540,000	Tradeable - Non-convertible
Total				**8,595,000**	

23- Provisions

		30/9/2026	31/12/2025
Claims provision	(23-1)	880,294	1,058,200
Commercial Bank (Bank NXT) contingent liabilities	(23-1)	108,750	89,414
Severance pay provision	(23-1)	825,532	759,071
Financial guarantee for contingent liabilities	(23-1)	62,344	78,072
Balance		1,876,920	1,984,757

23-1

	Claims provision	Severance Pay provision*	Financial guarantee for contingent liabilities	Commercial bank contingent liabilities	Total
Balance at the beginning of the period	1,058,200	759,071	78,072	89,414	1,984,757
Formed during the period	57,712	42,195	57,295	18,389	175,591
Foreign currency differences	9,803	69,543	--	947	80,293
Amounts used during the period	(59,852)	(45,277)	--	--	(105,129)
Bad Debt	--	--	(73,023)	--	(73,023)
No longer needed	(185,569)	--	--	--	(185,569)
Balance at the end of the period	880,294	825,532	62,344	108,750	1,876,920

* Related to group entities outside Egypt.

24- Current tax Liability

	30/9/2026	31/12/2025
Balance at the beginning of period / year	1,923,015	1,020,705
Formed for the period / year	1,716,056	2,405,334
Withholding tax receivable	(3,124)	(27,678)
Income tax paid	(2,270,697)	(1,470,852)
Disposal	(9,185)	--
Effect of foreign currency translation	5,347	(4,494)
Balance at the end of period / year	1,361,412	1,923,015

25- Other liabilities

	30/9/2026	31/12/2025
Accrued expenses	4,171,986	6,229,992
Dividends payable (prior years)	69,098	43,251
Deferred revenues	165,332	93,477
Suppliers	1,485,604	1,119,338
Clients' coupons - custody activity	1,166,034	258,114
Tax authority	226,719	248,507
Social Insurance Association	43,570	18,770
Payables- purchase of investments	166,319	109,023
Medical takaful insurance tax	47,612	59,581
Deposits due to others –finance lease contracts	10,517	10,296
Pre collected Installments	594,366	753,562
Sundry creditors	678,409	461,558
Lease liabilities (25-1)	1,347,788	1,314,765
Employees' benefits obligations (25-2)	146,082	120,873
Balance	10,319,436	10,841,107

25-1 Lease Liabilities

	30/9/2026	31/12/2025
Balance at the beginning of the period / year	1,314,765	560,583
Additions	142,729	942,790
Disposals	(6,850)	(2,041)
Accretion of interest	174,394	197,603
Paid during the period / year	(308,965)	(369,592)
Effect of foreign currency translation	31,715	(14,578)
Balance at the end of the period / year	1,347,788	1,314,765
Current	342,188	279,968
Non-current	1,005,600	1,034,797
Balance	1,347,788	1,314,765

25-2 Employees' benefits obligations

A- Movements in the net liabilities recognized in the statement of financial position and their components are as follows:

	30/9/2026	31/12/2025
Balance at the beginning of the period / year	120,873	89,516
Charge for the period / year	18,996	17,724
Actuarial (gain) loss on re-measurement of employees' benefit obligations	(5,878)	21,483
Paid during the period / year	(1,139)	(105)
Foreign currency translation difference	11,038	(5,855)
Transferred from /(to) related parties	2,192	(1,890)
Balance at the end of the period / year	146,082	120,873

B- Amounts recognized included in statement of profit or loss:

	30/9/2026	31/12/2025
Current service cost	13,699	12,365
Interests on defined benefit obligation	5,297	5,359
Balance	18,996	17,724

26- Share capital

- The company's Extraordinary General Assembly approved in its session held on September 20, 2025 to decrease the company's issued capital from EGP Thousands 7,298,030 to EGP Thousands 7,179,465 distributed on 1,435,893,008 shares with an decrease amounting to EGP Thousands 118,565 through writing off 23,713,000 treasury shares with par value EGP 5 per share, which had been held for more than one year, while charging the price difference between the acquisition cost of the treasury shares and their par value, amounting to EGP Thousands 281,410 to the Share Premium account. All written-off shares were originally issued for cash consideration. The required procedures were completed, and the reduction was recorded in the company's Commercial Register.

27- Non - controlling interests

	30/9/2026	31/12/2025
Share capital	5,844,147	3,010,921
Additional paid-in capital	404,395	355,060
Legal reserve	252,097	158,469
Other reserves	995,439	3,045,339
Retained earnings	1,498,962	769,270
Profit for the period / year	1,495,846	2,196,323
Balance	10,490,886	9,535,382

28- Contingent liabilities

The holding company guarantees its subsidiary EFG- Hermes UAE LLC against the Letters of Guarantee issued from banks amounting to:

	30/9/2026	31/12/2025
AED	143,670	143,670
Equivalent to EGP Thousands	2,033,620	1,865,900

Group off-financial position items:

- Assets under management	387,899,515	314,047,634

- Securitization and Sukuk transactions

  The group has entered into some securitization and Sukuk transactions the assets and liabilities related to those transactions do not qualify for the recognition criteria under Egyptian accounting standards accordingly the group has not recognized those assets or liabilities.

  The assets and liabilities related to those transactions are represented in :

Client portfolios related to securitization transactions	14,406,977
Balances with custodians	1,398,114
Land and Buildings related to Sukuk transactions	600,000
Total Assets	16,405,091
Bonds	12,943,375
Sukuk	180,000
Total liabilities	13,123,375

Bank NXT Contingent liabilities are as follows:

A- Capital commitments

Financial investments

The value of commitments related to financial investments for which payments was not requested until the date of the financial position as at 30 September 2026:

	Contribution amount USD Thousands	Amount paid USD Thousands	Residual amount USD Thousands
African Export -Import Bank	6,372	2,708	3,664

	Contribution amount EGP Thousands	Amount paid EGP Thousands	Residual amount EGP Thousands
Long-Term Assets	509,980	476,829	33,151

B- Commitments on loans guarantees and facilities

The bank's commitments on loans and facilities are as follows:

	30/9/2026 Thousands EGP	31/12/2025 Thousands EGP
Loan commitments	13,450,278	15,431,790
Letters of guarantees	5,918,441	3,287,494
Letters of credit (Export and Import)	2,435,424	1,778,560
Acceptances of supplier facilities	1,205,007	1,195,543
Balance	23,009,150	21,693,387

29- Other Revenues

- Other revenues includes rental income and non-recurring income.

30- General administrative expenses

	2026		2025	
	For the period from 1/7/2026 to 30/9/2026	For the period from 1/1/2026 to 30/9/2026	For the period from 1/7/2025 to 30/9/2025	For the period from 1/1/2025 to 30/9/2025
Wages, salaries and similar items*	2,421,723	6,831,088	2,149,537	6,343,997
Consultancy	413,729	1,287,128	258,412	831,622
Travel, accommodation and transportation	37,212	90,980	31,619	103,896
Leased line and communication	184,820	490,381	166,810	439,751
Rent and utilities expenses	84,137	181,967	50,824	153,577
Other expenses	880,384	2,542,137	748,702	2,246,159
Total	4,022,005	11,423,681	3,405,904	10,119,002

*** Share-based payments**.

The Company introduced an Employees Share Ownership plan (ESOP) in accordance with the shareholder's approval at the extraordinary general assembly meeting by issuing Free shares representing 5.5% of the issued capital of the Company shall be granted to employees managers and executive board members of the Company and its subsidiaries.

The duration of this program is five years starting as of 1 January 2021 till 31 December 2025 the vesting period is 3-4 years starting from 1 January 2021 till 31 December 2024. The beneficiary entitled to shares granted to 4 equal installments.

The equity instruments for share-based payment are recognized at fair value on the grant date and are recorded in the income statement with a corresponding increase in equity.

Equity instruments during the period/year represents the following:

	For the period ended 30/9/2026 No. of Shares	For the year ended 31/12/2025 No. of Shares
Total at the beginning of the period / year	16,006,056	48,018,166
Granted shares during the period / year	--	11,060,729
Exercised during the period / year	(16,006,056)	(43,072,839)
Total at the end of the period / year	--	16,006,056

31- Impairment loss on assets

	2026		2025	
	For the period from 1/7/2026 to 30/9/2026	For the period from 1/1/2026 to 30/9/2026	For the period from 1/7/2025 to 30/9/2025	For the period from 1/1/2025 to 30/9/2025
Accounts receivables	29,066	48,923	14,402	32,234
Loans and facilities to customers	358,895	1,076,180	215,243	705,195
Cash and cash equivalents	2,693	5,001	(1,083)	(2,191)
Other Debit Accounts	30,912	119,677	36,139	61,483
Financial investments	(10,947)	(12,731)	(5,896)	2,241
Total	410,619	1,237,050	258,805	798,962

32- Income tax expense

	2026		2025	
	For the period from 1/7/2026 to 30/9/2026	For the period from 1/1/2026 to 30/9/2026	For the period from 1/7/2025 to 30/9/2025	For the period from 1/1/2025 to 30/9/2025
Current income tax	(520,676)	(1,716,056)	(675,045)	(1,719,173)
Deferred tax	(120,144)	(67,944)	130,681	246,799
Total	(640,820)	(1,784,000)	(544,364)	(1,472,374)

33- Cash and cash equivalents

For the purpose of preparing the statement of cash flows cash and cash equivalents are represented in the following :

	30/9/2026	31/12/2025
Cash and due from banks	46,007,016	37,027,344
Bank overdraft	(14,186,162)	(20,916,540)
Treasury bills less than 90 days	210,328	940,480
Time deposit maturing in more than 90 days	(139,912)	(881,035)
Effect of exchange rate	--	(1,301,444)
Cash and cash equivalents	31,891,270	14,868,805

34- Operating segment

(a) Basis for operating segment

Segment information is presented in respect of the Group's business segments.

The primary format business segment is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

Segment results assets and liabilities include items directly attributable to a segment. The revenue & expense and assets & liabilities analyses in the table below are based on the type of business activities and services that are distinguishable component.

For the period ended September 30, 2026

	Holding & Treasury	Brokerage	Asset Management	Investment Banking	Private Equity	Finance Holding	Leasing	Micro Finance	Consumer Finance	Factoring	SME Lending	Commercial bank (Bank NXT)	Adjustments	Total
Interest income	1,560,116	1,873,794	2,643	9,071	762	28,349	1,788,161	1,981,104	1,655,238	686,355	99,476	13,109,383	(895,409)	21,899,043
Interest Expense	(1,931,630)	(657,075)	--	(786)	--	(29,235)	(1,514,352)	(855,379)	(2,170,993)	(623,488)	(51,581)	(8,305,650)	724,822	(15,415,347)
Net Interest income	**(371,514)**	**1,216,719**	**2,643**	**8,285**	**762**	**(886)**	**273,809**	**1,125,725**	**(515,755)**	**62,867**	**47,895**	**4,803,733**	**(170,587)**	**6,483,696**
Fee and commission income	959,129	4,820,018	1,421,671	667,551	467,014	1,946	123,899	311,537	1,784,970	67,130	14,786	987,243	(29,536)	11,597,358
Fees and commission expense	(66,079)	(1,084,709)	(230,361)	--	--	(1,688)	(982)	(124,554)	(100,355)	--	(874)	(256,011)	--	(1,865,613)
Net fees & commission income	**893,050**	**3,735,309**	**1,191,310**	**667,551**	**467,014**	**258**	**122,917**	**186,983**	**1,684,615**	**67,130**	**13,912**	**731,232**	**(29,536)**	**9,731,745**
Securities loss	(589,155)	(10,711)	--	--	--	412,297	19,098	--	--	--	--	151,033	--	(17,438)
Changes in the investments at fair value through profit and loss	(493,398)	(2,252)	1,927	(8,992)	(3)	--	--	6,463	5,003	--	--	(4,947)	--	(496,199)
Dividend income	28,825	66,920	11,420	3,056	--	--	--	--	--	--	--	21,280	--	131,501

	Holding & Treasury	Brokerage	Asset Management	Investment Banking	Private Equity	Finance Holding	Leasing	Micro Finance	Consumer Finance	Factoring	SME Lending	Commercial bank (Bank NXT)	Adjustments	Total
Other Revenues	337,771	45,378	8,347	2,319	--	--	(41,907)	169,065	1,890,482	--	--	80,820	(71,614)	2,420,661
Foreign currencies exchange differences	1,188,710	2,734	--	--	--	(36,275)	37,070	738	1,626	18,062	(107)	31,097	--	1,243,655
Share of profit from equity accounted investees	--	--	--	--	915	19,190	--	--	--	--	--	(141)	--	19,964
Total revenues	**994,289**	**5,054,097**	**1,215,647**	**672,219**	**468,688**	**394,584**	**410,987**	**1,488,974**	**3,065,971**	**148,059**	**61,700**	**5,814,107**	**(271,737)**	**19,517,585**
General administrative expenses	(1,788,695)	(2,931,937)	(641,196)	(709,140)	(383,229)	(138,636)	(162,522)	(1,167,443)	(1,534,818)	(53,959)	(57,547)	(2,326,549)	471,990	(11,423,681)
Financial guarantee provision	--	--	--	--	--	--	--	(57,295)	--	--	--	--	--	(57,295)
Impairment loss on assets	11,252	(67,396)	(4,771)	--	12,792	172	(59,523)	(397,931)	(401,001)	7,870	(20,124)	(322,885)	4,495	(1,237,050)
Provisions	(584)	(37,394)	(2,638)	(50)	(1,829)	--	--	--	(41,361)	--	--	(34,440)	--	(118,296)
Depreciation and amortisation	(130,403)	(60,569)	(17,464)	(1,552)	(4,798)	(2,206)	(679)	(91,693)	(81,829)	(35)	(3,233)	(272,425)	(204,748)	(871,634)
Profit before income tax	(914,141)	1,956,801	549,578	(38,523)	91,624	253,914	188,263	(225,388)	1,006,962	101,935	(19,204)	2,857,808	--	5,809,629
Income tax expense	(58,482)	(381,923)	(15,808)	(60,376)	(138)	1,103	(46,191)	(8,874)	(265,162)	(24,177)	12,899	(936,871)	--	(1,784,000)
Profit for the period	**(972,623)**	**1,574,878**	**533,770**	**(98,899)**	**91,486**	**255,017**	**142,072**	**(234,262)**	**741,800**	**77,758**	**(6,305)**	**1,920,937**	**--**	**4,025,629**
Total assets	20,897,028	61,029,691	2,091,681	986,586	430,741	1,568,132	15,715,508	6,820,716	22,093,657	4,065,574	581,745	117,830,554	--	254,111,613
Total liabilities	9,997,309	50,593,889	530,682	372,941	218,773	85,694	14,679,854	6,106,509	19,253,324	3,669,777	350,917	100,202,494	--	206,062,163

For the period ended September 30, 2025

	Holding & Treasury	Brokerage	Asset Management	Investment Banking	Private Equity	Finance Holding	Leasing	Micro Finance	Consumer Finance	Factoring	SME Lending	Commercial bank (Bank NXT)	Adjustments	Total
Interest income	962,049	1,557,902	8,974	11,827	7,175	71,275	1,838,353	2,762,867	1,065,263	716,956	23,476	11,404,712	(564,083)	19,866,746
Interest Expense	(1,436,982)	(446,148)	--	(606)	--	(66,964)	(1,484,042)	(1,292,363)	(1,842,918)	(635,239)	(10,009)	(7,831,337)	430,135	(14,616,473)
Net Interest income	**(474,933)**	**1,111,754**	**8,974**	**11,221**	**7,175**	**4,311**	**354,311**	**1,470,504**	**(777,655)**	**81,717**	**13,467**	**3,573,375**	**(133,948)**	**5,250,273**
Fee and commission income	--	4,099,741	1,290,012	1,142,729	329,464	--	112,030	346,909	1,346,344	62,929	2,745	629,701	(82,619)	9,279,985
Fees and commission expense	(3,234)	(895,391)	(187,828)	--	--	(87)	(112)	(97,228)	(44,754)	--	(531)	(212,883)	--	(1,442,048)
Net fees & commission income	**(3,234)**	**3,204,350**	**1,102,184**	**1,142,729**	**329,464**	**(87)**	**111,918**	**249,681**	**1,301,590**	**62,929**	**2,214**	**416,818**	**(82,619)**	**7,837,937**
Securities gain	239,578	9,402	--	--	--	3,610	--	(7,190)	--	--	--	374,792	(1,900)	618,292
Changes in the investments at fair value through profit and loss	87,771	2,706	--	(14,862)	3	--	--	--	558	--	--	--	1,900	78,076
Dividend income	44,890	43,228	7,959	--	--	--	--	--	--	--	--	19,017	--	115,094
Other Revenues	186,798	31,578	548	125,433	4,596	--	66,611	97,805	1,512,545	35	--	1,257,596	(57,209)	3,226,336
Foreign currencies exchange differences	514,604	16,860	--	--	--	41,872	(1,805)	37,082	(20,658)	(11,803)	(5)	26,363	--	602,510
Share of profit from equity accounted investees	--	--	--	--	(625)	37,868	--	--	--	--	--	19,329	--	56,572
Total revenues	**595,474**	**4,419,878**	**1,119,665**	**1,264,521**	**340,613**	**87,574**	**531,035**	**1,847,882**	**2,016,380**	**132,878**	**15,676**	**5,687,290**	**(273,776)**	**17,785,090**

	Holding & Treasury	Brokerage	Asset Management	Investment Banking	Private Equity	Finance Holding	Leasing	Micro Finance	Consumer Finance	Factoring	SME Lending	Commercial bank (Bank NXT)	Adjustments	Total
General administrative expenses	(1,672,402)	(2,892,874)	(560,281)	(826,260)	(247,356)	(142,667)	(138,003)	(1,201,837)	(1,038,945)	(50,837)	(36,164)	(1,749,884)	438,508	(10,119,002)
Financial guarantee provision	--	--	--	--	--	--	--	(68,422)	--	--	--	--	--	(68,422)
Impairment loss on assets	(1,359)	(37,087)	(335)	--	5,516	(175)	(25,647)	(281,005)	(188,500)	(28,176)	(1,029)	(241,165)	--	(798,962)
Provisions	(542)	(43,739)	(1,877)	(14,450)	(1,734)	--	(1,551)	(1,594)	(9,237)	--	--	(4,198)	--	(78,922)
Depreciation and amortisation	(105,989)	(50,812)	(15,361)	(1,354)	(4,808)	(623)	(625)	(78,445)	(67,733)	(94)	(231)	(155,145)	(164,732)	(645,952)
Profit before income tax	(1,184,818)	1,395,366	541,811	422,457	92,231	(55,891)	365,209	216,579	711,965	53,771	(21,748)	3,536,898	--	6,073,830
Income tax expense	110,042	(253,778)	(13,741)	(32,523)	(6,221)	(5,074)	(85,107)	(49,916)	(156,257)	(12,901)	136	(967,034)	--	(1,472,374)
Profit for the period	**(1,074,776)**	**1,141,588**	**528,070**	**389,934**	**86,010**	**(60,965)**	**280,102**	**166,663**	**555,708**	**40,870**	**(21,612)**	**2,569,864**	--	**4,601,456**
Total assets	26,758,371	81,764,330	1,851,381	1,092,475	337,771	1,788,256	10,222,012	5,935,507	14,263,687	3,459,948	168,730	96,014,657	--	243,657,125
Total liabilities	15,438,158	73,325,945	401,982	573,428	131,504	49,659	9,243,032	4,911,347	11,363,626	1,842,256	98,838	84,448,208	--	201,827,983

(b) Geographical segments

- The Group operates in main geographical areas: Egypt and GCC. In presenting the geographic information segment revenue has been based on the geographical location of operation and the segment assets were based on the geographical location of the assets. The group's operations are reported under geographical segments reflecting their respective size of operation.
- The revenue analysis in the tables below is based on the location of the operating company which is the same as the location of the major customers and the location of the operating companies.

	September 30, 2026			
	Egypt	**GCC**	**Other**	**Total**
Total revenues	15,499,794	3,796,679	221,112	19,517,585
Segment assets	185,153,702	58,873,231	10,084,680	254,111,613
	September 30, 2025			
	Egypt	**GCC**	**Other**	**Total**
Total revenues	13,030,829	4,488,303	265,958	17,785,090
Segment assets	167,343,163	70,563,619	5,750,342	243,657,124

35- Tax status (Holding company)

- As to Income Tax, for the years from the start of operations until 2019, the competent Tax Inspectorate inspected the parent company’s books and all the disputed points have been settled with the Internal Committee. And as to years 2020/2022 have been inspected and appealed and as to years 2023/2025 have not been inspected yet.
- As to Salaries Tax the parent company’s books had been examined till 2022 and all the disputed points have been settled with the Internal committee and as to years 2023- September 2026 have not been inspected yet.
- As to Stamp Tax the parent company’s books had been examined from year 1998 till 2022 and all the disputed points have been settled with the competent Tax Inspectorate and as to years 2023/2025 have not been inspected yet.
- As to Property Tax for Smart Village building the company paid tax till December 31, 2025 and for Nile City’s building the company paid tax till December 31, 2025.

36- Earnings Per Share

	2026		2025	
	For the period from 1/7/2026 to 30/9/2026	For the period from 1/1/2026 to 30/9/2026	For the period from 1/7/2025 to 30/9/2025	For the period from 1/1/2025 to 30/9/2025
Profit for the period	719,805	2,529,783	846,336	2,853,042
Weighted average number of shares	1,435,893	1,435,893	1,435,893	1,435,893
Earnings per share (EGP)	0.50	1.76	0.59	1.99

37- Group's entities

The parent company owns the following subsidiaries:

	Direct ownership %	Indirect ownership %
EFG Hermes International Securities Brokerage	99.87	0.09
EFG Hermes Fund Management	88.51	11.49
Hermes Portfolio and Fund Management	78.81	21.19
Hermes Securities Brokerage	97.58	2.42
Hermes Corporate Finance	100	--
EFG - Hermes Advisory Inc.	100	--
EFG- Hermes Financial Management (Egypt) Ltd.	--	100
EFG - Hermes Promoting & Underwriting	99.88	--
Bayonne Enterprises Ltd.	100	--
EFG- Hermes Fixed Income	99	1
EFG Hermes for Digital solutions	96.3	3.7
EFG- Hermes Private Equity-BVI	--	100
EFG- Hermes UAE LLC.	--	100
Flemming CIIC Holding	100	--
Flemming Mansour Securities	--	99.33
Flemming CIIC Securities	--	96
Flemming CIIC Corporate Finance	--	74.92
EFG- Hermes UAE Ltd.	--	100
EFG- Hermes KSA	--	100
Mena Opportunities Management Limited	--	95
Mena (BVI) Holding Ltd.	--	95
EFG - Hermes Mena Securities Ltd.	--	100
Middle East North Africa Financial Investments W.L.L	--	100
EFG- Hermes Regional Investment Ltd.	--	100
Offset Holding KSC *	--	50

	Direct ownership %	Indirect ownership %
EFG- Hermes IFA Financial Brokerage	--	63.084
IDEAVELOPERS	--	81
EFG- Hermes CB Holding Limited	--	100
EFG- Hermes Global CB Holding Limited	100	--
Mena Long-Term Value Feeder Holdings Ltd. *	--	50
Mena Long-Term Value Master Holdings Ltd. *	--	45
Mena Long-Term Value Management Ltd. *	--	45
EFG - Hermes CL Holding SAL	--	100
EFG-Hermes IB Limited	100	--
EFG Hermes Securitization	100	--
EFG Hermes-Direct Investment Fund	64	--
Tanmeyah Micro Enterprise Services S.A.E	--	100
EFG – Hermes Brokerage Holdings Ltd	100	--
EFG – Hermes USA	100	--
EFG Capital Partners III	--	100
Health Management Company	--	54.6875
EFG – Hermes Kenya Ltd.	--	100
EFG Finance Holding	99.82	0.18
EFG - Hermes UK Limited	--	100
OLT Investment International Company (B.S.C)	--	100
Frontier Investment Management Partners LTD *	--	50
EFG-Hermes SP limited	--	100
U Consumer Finance	--	67
EFG Corp – Solutions	--	100
Beaufort Asset Managers LTD	--	100
EFG Hermes Bangladesh Limited	--	100
EFG Hermes FI Limited	--	100
EFG Securitization	--	100
EFG International Treasury Management Ltd	100	--
Etkan for Inquiry and Collection and Business Processes	--	100
RX Healthcare Management	--	54.6875
FIM Partners KSA *	--	50
Egypt Education Fund GP Limited	--	94.471
EFG Hermes Nigeria Limited	--	100
EFG-Hermes Int. Fin Corp	100	--
FIM Partners UK Ltd	--	50
EFG Hermes Sukuk	90	10
Beaufort Holding LTD	--	100

	Direct ownership %	Indirect ownership %
Beaufort Management LTD.	--	100
Vortex IV GP LTD.	--	100
Beaufort SLP Holding	--	100
Beaufort Private Investment Holding LTD.	--	100
Bank NXT	51	--
EFG VA Holdco Limited	--	100
EFG VA Investco Limited	--	100
Lighthouse Energy GP Limited	--	100
Beaufort SLP II Limited	--	100
Lighthouse Energy GP II	--	100
Beaufort Management Spain	--	100
EFG Singapore PTE LTD	--	100
Elevate Holdco B.V.		
-(Previously) Fatura Netherlands B.V	--	100
FIM Partners Muscat SPC	--	50
Noutah for electronic commerce	--	100
VA LTIP Holdco 1 limited		
– (Previously) EFG National Holding Limited	--	100
VA LTIP Holdco 2 limited	--	100
-(Previously) EFG IB Holdco Limited		
EFG For SME Financing	--	100
EFG Finance B.V	--	100
Valu for payments and Digital Solutions	--	67
Paynas BV	--	67
EFG Hermes PE Holdco Ltd	--	100
EFG Hermes IB Holding Ltd	100	--
WM Holdco Limited	--	100
Wolfraam B.V	--	100
Valu Jordan	--	67
Balad Corp	--	56.35
Balad Technologies	--	56.35
Balad Pay	--	56.35
Aurium Ltd	--	100
ValU For SME Financing	--	67

* The Holding Company has the power to govern the financial and operating policies of the mentioned companies. Then, the investees Companies are classified as investments in subsidiaries.

38- Measurement of fair value

- A number of the Group's accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities.
- When measuring the fair value of an asset or a liability the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

  • Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

  • Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

  • Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).
- If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.
- Valuation techniques include net present value and discounted cash flow models comparison with similar instruments for which observable market prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates credit spreads and other premiums used in estimating discount rates bond and equity prices foreign currency exchange rates.
- The following table analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position:

		30 September 2026			
Financial assets	**Note no**	**Level 1**	**Level 2**	**Level 3**	**Total**
Mutual fund certificates	(8,9)	--	589,248	11,547,285	12,136,533
Equity securities	(8,9)	61,167	--	1,367,859	1,429,026
Treasury bills	(8,9)	--	8,978,061	--	8,978,061
Structured notes	(8)	--	9,150,020	--	9,150,020
Debt instruments	(8,9)	8,396,344	--	--	8,396,344
Financial Liabilities		**8,457,511**	**18,717,329**	**12,915,144**	**40,089,984**
Accounts payable - customers credit balance at fair value through profit and loss	(21)	--	9,150,020	--	9,150,020
		--	**9,150,020**	**--**	**9,150,020**

		31 December 2025			
Financial assets	**Note no**	**Level 1**	**Level 2**	**Level 3**	**Total**
Mutual fund certificates	(8,9)	--	385,541	12,073,974	12,459,515
Equity securities	(8,9)	68,578	--	1,229,765	1,298,343
Structured notes	(8)	--	13,987,720	--	13,987,720
Debt instruments	(8,9)	14,321,916	13,097,159	--	27,419,075
Financial Liabilities		**14,390,494**	**27,470,420**	**13,303,739**	**55,164,653**
Accounts payable - customers credit balance at fair value through profit and loss	(21)	--	13,987,720	--	13,987,720
		--	**13,987,720**	**--**	**13,987,720**

39- Classification of financial assets and financial liabilities

30 September 2026

Financial assets		**Amortised**		
	Note no	**Cost**	**FVTPL**	**FVTOCI**
Mutual fund certificates	(8,9)	--	11,974,328	162,205
Equity securities	(8,9)	--	88,070	1,340,956
Treasury bills	(8,9,10)	6,041,608	4,307,409	4,670,652
Structured notes	(8)	--	9,150,020	--
Debt instruments	(8,9,10)	10,459,205	3,005,043	5,391,301
Cash and cash equivalents	(5)	53,199,614	--	--
Loans and facilities to customer	(6)	101,412,199	--	--
Accounts receivables	(7)	26,683,108	--	--
Other assets	(17)	9,129,955	--	--
		206,925,689	28,524,870	11,565,114
Financial Liabilities				
Due to banks and financial institutions	(18)	17,352,015	--	--
Customer Deposits	(19)	95,334,954	--	--
Loans and borrowings	(20)	29,410,911	--	--
Other Liability	(25)	10,319,436	--	--
Accounts payable - customers credit balance at fair value through profit and loss	(21)	--	9,150,020	--
Accounts payable - customers credit balance		31,724,414	--	--
Issued bonds	(22)	8,593,433	--	--
		192,735,163	9,150,020	--

31 December 2025

Financial assets	**Note no**	**Amortised Cost**	**FVTPL**	**FVTOCI**
Mutual fund certificates	(8,9)	--	12,322,103	137,412
Equity securities	(8,9)	--	92,504	1,205,839
Structured notes	(8)	--	13,987,720	--
Debt instruments	(8,9,10)	17,404,066	8,003,844	19,415,231
Cash and cash equivalents	(5)	46,767,027	--	--
Loans and facilities to customer	(6)	78,128,024	--	--
Accounts receivables	(7)	17,672,952	--	--
Other assets	(17)	8,963,377	--	--
		168,935,446	34,406,171	20,758,482
Financial Liabilities				
Due to banks and financial institutions	(18)	34,586,591	--	--
Customer Deposits	(19)	79,322,035	--	--
Loans and borrowings	(20)	15,104,080	--	--
Other Liability	(25)	10,841,107	--	--
Accounts payable - customers credit balance at fair value through profit and loss	(21)	--	13,987,720	--
Accounts payable - customers credit balance		23,136,225	--	--
Issued bonds	(22)	3,909,625	--	--
		166,899,663	13,987,720	--

40- Financial instruments and management of related risks:

The Company's financial instruments are represented in the financial assets and liabilities. Financial assets include cash balances with banks investments and debtors while financial liabilities include loans and creditors. Notes to financial statements includes significant accounting policies applied regarding basis of recognition and measurement of the important financial instruments and related revenues and expenses by the company to minimize the consequences of such risks.

Management of financial risk in the commercial bank (Bank NXT) is conduct through a separate organization from the investment bank due to regulatory rules and operational necessity. Below is a summary of the risk management frame work in both business segments.

40-1 Risk management framework in the investment bank:

Risk management

In the ordinary course of business the Group is exposed to a variety of risks the most important of which are liquidity risk interest rate risk currency risk credit risk and market risk. These risks are identified measured and monitored through various control mechanisms in order to price facilities and products on a risk adjusted basis and to prevent undue risk concentrations.

The independent risk control process does not include business risks such as changes in the environment technology and industry. They are monitored through the Group’s strategic planning process.

Credit risk

Credit risk is the risk of a person or an organization defaulting in the repayment of their obligations to the Group in respect of the terms and conditions of the credit facilities granted to them by the Group. The management minimizes this risk by spreading its loan portfolio overall economic sectors and by adopting appropriate procedures and controls to evaluate the quality of the credit facilities granted and the creditworthiness of the borrowers. The credit risk of connected accounts is monitored on a united basis. In addition the effective credit appraisal procedure for examining applications for credit facilities followed by the Group adopts as the main criteria the repayment capability and obtaining sufficient collateral. The continuous monitoring of credit accounts and the timely preventive action further minimize to a large extent the exposure to credit risk.

The following table provides information on the quality of financial assets subject to ECL calculation during the financial year:

	30 September 2026			
Account	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Banks and Time deposits				
Banks	24,803,701	--	--	**24,803,701**
Time Deposit	4,449,194	1,885,915	--	**6,335,109**
ECL	(2,299)	(6,740)	--	**(9,039)**
Net carrying amount	29,250,596	1,879,175	--	**31,129,771**
Loans and facilities to customers				
Loans and facilitates to customers	39,689,071	947,668	955,077	**41,591,816**
ECL	(309,647)	(113,433)	(557,932)	**(981,012)**
Net carrying amount	39,379,424	834,235	397,145	**40,610,804**
Accounts Receivable				
Accounts Receivable	26,411,267	326,758	435,449	**27,173,474**
ECL	(45,650)	(35,741)	(408,975)	**(490,366)**
Net carrying amount	26,365,617	291,017	26,474	**26,683,108**
Investments FVTOCI				
Debt Instruments	39,873	--	--	**39,873**
ECL	--	--	--	--
Net carrying amount	39,873	--	--	**39,873**
Other Assets				
Other assets	5,034,887	24,944	228,023	**5,287,854**
ECL	(29,766)	(4,113)	(77,123)	**(111,002)**
Net carrying amount	5,005,121	20,831	150,900	**5,176,852**

	31 December 2025			
Account	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Banks and Time deposits				
Banks	23,971,014	--	--	**23,971,014**
Time Deposit	3,628,095	987,675	--	**4,615,770**
ECL	(2,497)	(1,322)	--	**(3,819)**
Net carrying amount	27,596,612	986,353	--	**28,582,965**
Loans and facilities to customers				
Loans and facilitates to customers	28,832,806	919,747	763,452	**30,516,005**
ECL	(196,349)	(69,153)	(438,465)	**(703,967)**
Net carrying amount	28,636,457	850,594	324,987	**29,812,038**
Accounts Receivable				
Accounts Receivable	17,550,303	29,059	517,303	**18,096,665**
ECL	(17,720)	(4,488)	(401,505)	**(423,713)**
Net carrying amount	17,532,583	24,571	115,798	**17,672,952**
Investments FVTOCI				
Debt Instruments	9,350,019	--	--	**9,350,019**
ECL	(11,011)	--	--	**(11,011)**
Net carrying amount	9,339,008	--	--	**9,339,008**
Other Assets				
Other assets	5,668,086	59,724	176,724	**5,904,534**
ECL	(31,009)	(2,571)	(63,388)	**(96,968)**
Net carrying amount	5,637,077	57,153	113,336	**5,807,566**

Activity segments

The following table represents the analysis of the Investment Bank's main credit exposure at carrying value categorized by the activities practiced by the Investment bank's customers.

30 September 2026	Commercial activity	Industrial activity	Financial institutions	Real estate companies	Governmental sector	Other Activities	Individuals	Total
Banks and Time deposits	--	--	31,129,771	--	--	--	--	31,129,771
Loans and facilities to customers	6,951,584	3,108,395	262,635	8,950,291	--	2,813,109	18,524,790	40,610,804
Accounts Receivable	--	--	14,228,735	--	--	--	12,454,373	26,683,108
Investment FVTPL	2,405	--	27,075,175	--	--	51,519	--	27,129,099
Investment FVTOCI	--	--	225,921	29,181	--	970,881	--	1,225,983
Other assets	--	--	4,563,895	--	3,659	442,759	166,539	5,176,852
Total	6,953,989	3,108,395	77,486,132	8,979,472	3,659	4,278,268	31,145,702	131,955,617
31 December 2025								
Banks and Time deposits	--	--	28,582,965	--	--	--	--	28,582,965
Loans and facilities to customers	5,761,669	2,659,080	461,934	6,435,436	--	160,143	14,333,776	29,812,038
Accounts Receivable	554,264	--	9,741,249	--	--	--	7,377,439	17,672,952
Investment FVTPL	2,405	--	32,185,417	--	--	410,418	--	32,598,240
Investment FVTOCI	889,141	--	9,492,472	17,448	--	1,102	--	10,400,163
Other assets	--	--	5,140,192	--	4,372	522,103	140,899	5,807,566
Total	7,207,479	2,659,080	85,604,229	6,452,884	4,372	1,093,766	21,852,114	124,873,924

Market risk

Market risk is defined as the potential loss in both on and off financial position resulting from movements in market risk factors such as foreign exchange rates interest rates and equity prices.

Market risk is represented in the factors which affect values earnings and profits of all securities negotiated in stock exchange or affect the value earning and profit of a particular security.

According to the company's investment policy the following procedures are undertaken to reduce the effect of this risk.

- Performing the necessary studies before investment decision in order to verify that investment is made in potential securities.
- Diversification of investments in different sectors and industries.
- Performing continuous studies required to follow up the company's investments and their development.

Foreign currencies risk

- The foreign currencies exchange risk represents the risk of fluctuation in exchange rates which in turn affects the company’s cash inflows and outflows as well as the value of its assets and liabilities in foreign currencies.
- The company has revaluate assets and liabilities at the financial position date as disclosed in foreign currency accounting policy.

Interest rate risk

Interest rate risk stems from the sensitivity of earnings to future movements in interest rates applied on assets and liabilities.

The Group’s management closely monitors interest rate fluctuations on a continuous basis and ensures that assets and liabilities are matched and re-priced in a timely manner. The Group is exposed to interest rate risk as a result of mismatches or gaps in the amounts of assets and liabilities that mature or are re-priced in a given period. The most important source of interest rate risk derives from the lending funding and investing activities where fluctuations in interest rates are reflected in interest margins and earnings.

The tables below summaries the Investment Bank's exposure to the interest rate fluctuations risk:

30 September 2026	Up to 1 month	More than 1 month to 3 months	More than 3 months to 1 year	More than 1 year to 5 years	More than 5 years	Without interest	Total
Financial Assets							
Cash and cash equivalents	21,140,590	972,270	84,440	--	--	8,945,704	31,143,004
Accounts Receivable	4,887,943	1,435,080	1,338,202	--	--	19,021,883	26,683,108
Loans and facilities to customers	3,849,034	2,563,171	7,233,241	26,916,635	48,723	--	40,610,804
Financial Investments at Fair value through other comprehensive income	21,169	5,000	--	47,472	11,281	1,141,061	1,225,983
Financial Investments at Fair value through profit or loss	1,668,237	4,384,497	3,339,036	8,331,783	1,003,866	8,401,680	27,129,099
Other Assets	--	3,199	--	--	--	5,173,653	5,176,852
Total financial assets at 30 September 2026	**31,566,973**	**9,363,217**	**11,994,919**	**35,295,890**	**1,063,870**	**42,683,981**	**131,968,850**

	Up to 1 month	More than 1 month to 3 months	More than 3 months to 1 year	More than 1 year to 5 years	More than 5 years	Without interest	Total
Financial liabilities							
Due to banks and financial institutions and over draft	1,777,993	4,430,599	8,752,808	2,224,379	--	--	17,185,779
Loans and borrowing	1,174,697	2,792,116	7,314,820	15,090,781	1,894,774	--	28,267,188
Other liabilities	1,717	21,652	19,414	125,126	1,659	7,693,395	7,862,963
Accounts payable - customers credit balance at fair value through profit and loss	1,668,237	4,040,001	3,339,036	102,746	--	--	9,150,020
Accounts payable - customers credit balance	--	--	--	--	--	31,724,414	31,724,414
Issued bonds	177,786	110,000	7,445,647	860,000	--	--	8,593,433
Total financial liabilities at 30 September 2026	**4,800,430**	**11,394,368**	**26,871,725**	**18,403,032**	**1,896,433**	**39,417,809**	**102,783,797**
30 September 2026	**26,766,543**	**(2,031,151)**	**(14,876,806)**	**16,892,858**	**(832,563)**	**3,266,172**	**29,185,053**

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 to 5 years	More than 5 years	Without interest	Total
Financial Assets							
Cash and cash equivalents	16,952,410	777,825	830,169	--	--	10,046,786	28,607,190
Accounts Receivable	2,972,009	2,555,891	2,452,280	2,050,407	--	7,642,365	17,672,952
Loans and facilities to customers	1,675,066	2,831,389	10,510,389	14,769,819	25,375	--	29,812,038
Financial Investments at fair value through other comprehensive income	--	570,564	6,713,789	2,044,442	13,331	1,058,037	10,400,163
Financial Investments at Fair value through profit or loss	818,748	6,781,248	7,463,309	3,026,884	2,305,121	12,202,930	32,598,240
Other Assets	--	--	--	--	--	5,807,566	5,807,566
Total financial assets at 31 December 2025	22,418,233	13,516,917	27,969,936	21,891,552	2,343,827	36,757,684	124,898,149

	Up to 1 month	More than 1 month to 3 months	More than 3 months to 1 year	More than 1 year to 5 years	More than 5 years	Without interest	Total
Financial liabilities							
Due to banks and financial institutions and over draft	1,424,098	4,523,138	24,521,909	1,218,564	--	--	31,687,709
Loans and borrowing	539,783	1,840,691	6,921,909	3,585,709	2,105,305	--	14,993,397
Other liabilities	4,604	61,242	99,890	162,161	--	8,686,821	9,014,718
Accounts payable - customers credit balance at fair value through profit and loss	818,748	6,781,248	6,072,031	315,693	--	--	13,987,720
Accounts payable - customers credit balance	--	--	--	--	--	23,136,225	23,136,225
Issued bonds	--	--	3,909,625	--	--	--	3,909,625
Total financial liabilities at 31 December 2025	**2,787,233**	**13,206,319**	**41,525,364**	**5,282,127**	**2,105,305**	**31,823,046**	**96,729,394**
31 December 2025	**19,631,000**	**310,598**	**(13,555,428)**	**16,609,425**	**238,522**	**4,934,638**	**28,168,755**

Equity price risk

Equity price risk is the risk that the value of a portfolio will fall as a result of change in stock prices. Risk factors underlying this type of market risk are a whole range of various equity (and index) prices corresponding to different markets (and currencies/maturities) in which the Group holds equity-related positions.

The Group sets tight limits on equity exposures and the types of equity instruments that traders are allowed to take positions in. Nevertheless depending on the complexity of financial instruments equity risk is measured in first cash terms such as the market value of a stock/index position and also in price sensitivities such as sensitivity of the value of a portfolio to changes in the underlying asset price. These measures are applied to an individual position and/or a portfolio of equity products.

Operational risk

Operational risk is the risk of direct or indirect loss due to an event or action causing failure of technology process infrastructure personnel and other risks having an operational risk impact. The Group seeks to minimize actual or potential losses from operational risk failure through a framework of policies and procedures that identify assess control manage and report those risks. Controls include effective segregation of duties access authorization and reconciliation procedures staff education and assessment processes.

Fair value of financial instruments

The fair value of the financial instruments does not substantially deviated from its book value at the financial position date. According to the valuation basis applied in accounting policies to the assets and liabilities.

Derivative financial instruments and hedge accounting

- Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value according to the valuation basis applied in accounting policies to derivative financial instruments.
- In accordance with an arrangement between the subsidiary EFG-Hermes Mena Securities Limited Co. and its customers (“the

customers") the Company from time to time enters into fully paid Shares Swap Transaction Contracts ("the contracts") with the customers. Under the contracts the customers pay to the Company a pre-determined price which is essentially the market price at the trade date in respect of certain reference securities. In return for such shares swap transactions the Company pays to the customers the mark to market price of the reference securities at a pre-determined date (normally after one year). However the contracts can be terminated at any time by either of the parties which shall be the affected party.

In order to hedge the price risks with respect to the reference securities under the contracts the Company enters into back-to-back fully paid Share Swap Transaction Contracts with other subsidiaries MENA Financial Investments W.L.L. ("MENA-F") and EFG-Hermes KSA.

Accordingly the Share Swap Transactions are measured at fair value based on underlying reference securities under the contracts.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to meet its payment obligations when they fall due under normal and stress circumstances. To limit this risk management has arranged diversified funding sources in addition to its core deposit base manages assets with liquidity in mind and monitors future cash flows and liquidity on daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The Group maintains a portfolio of high marketable and diverse assets that can be easily liquidated in the event of an unforeseen interpretation of cash flow. In addition the Group maintains statutory deposits with the Central Banks.

The liquidity position is assessed and managed under a variety of scenarios giving due consideration to stress factors relating to both the market in general and to the Group in specific. The Group maintains a solid ratio of high liquid net assets in foreign currencies to deposits and commitments in foreign currencies taking markets conditions into consideration.

40-2 Risk management framework in Bank NXT:

Credit risk

The Bank is exposed to credit risk which is the risk resulting from a party's failure to meet its contractual obligations towards the Bank. The credit risk is considered to be the most significant risk for the bank therefore requiring careful management. Credit risk is mainly represented in lending activities that give rise to loans facilities and investment activities that result in the Bank's assets including debt instruments. Credit risk exists also in financial instruments outside the financial position such as loan commitments. The financial risk management and control are centralized in a financial risk management team in the bank's risk management department which reports to the board of directors and head of each business unit regularly.

Loans and facilities to banks and customers (including commitments and financial guarantee contracts)

In measuring credit risk of loans and facilities to customers and to banks the Bank's rating system is based on three key pillars:

- Current exposures to the counterparty and its likely future development from which the Bank derive the (exposure at default).
- The risk of default failure (Loss given default).
- The probability of default by the customer or counterparty on its contractual obligations.

These credit risk measurements are embedded in the Bank's daily operations which reflect expected loss through the expected loss model required by the Banking Supervision Committee and the operational measures can contradict with the burden of impairment in accordance with the previous standards that depend on the losses that have realized on the date of the financial statements (realized loss model) and not the expected losses as will come after.

The Bank assesses the probability of default per each customer using internal rating techniques tailored to the various categories of customers. These techniques have been developed internally and the statistical analyses combine credit officers' personal judgment to reach the appropriate viability rating.

Customers of the Bank are segmented into four viability rating classes. The Bank's viability rating scale which is shown below reflects the range of default probabilities defined for each rating class. This means that in principle credit positions migrate between classes as the assessment of their probability of default changes. The rating techniques are kept under review and are upgraded as necessary. The Bank regularly validates the performance of the viability rating techniques and their ability to predict cases of default.

Bank's internal rating classes

Bank's rating	Rating description
1	Performing Debts
2	Standard Monitoring
3	Special Monitoring
4	Non- Performing Debt

The position exposed to default depends on the amounts expected by the bank to be outstanding when default occurs. For example for a loan this position is the nominal value and for commitments the bank recognizes all amounts actually withdrawn in addition to other amounts that are expected to have been withdrawn up to the date of the delay if it occurs.

Loss given default or loss severity represents the bank's expectation of the extent of loss on a claim should a default occur. It is expressed as percentage of loss to debt and typically varies by type of the debtor seniority of claim and availability of collateral or other credit coverages.

Estimation of exposure to 98s to manage the credit risks is a complex matter that requires the use of statistical and electronic models as the level of exposure to credit risks changes depending on the changes in market conditions and other economic areas in a complex and rapid degree.

The exposure to credit risk changes depending on the changes in the level value and timing of expected cash flows and the passage of time. Accordingly assessment of the credit risk of the assets portfolio requires further estimations of the probability of default and the related loss rates.

The bank measures credit risk losses by using the probability of default (default in contractual liabilities) based on the carrying amount balance of the financial instrument at the date of exposure at default and loss given default.

Classification

The Bank assesses the probability of default at the level of each customer/ related group / credit product by using techniques to classify the customers into different categories taking into account the minimum rating in accordance with the CBE instructions in terms of determining the creditworthiness of the customers and making the provisions issued during the year 2005. Therefore the Bank uses a group of internally developed models and evaluation techniques for the categories of counterparties customers and the nature of various loans in light of the available information that is collected on the date of adoption of the used model (such as: level of income level of disposable income and guarantees for individual clients revenues type of industry and other financial and non-financial indicators of the institutions). The Bank completes such indicators with a set of external data such as the inquiry reports issued by both CBE and credit reporting companies on borrowers and the reports issued by the other local and external credit rating agencies. Moreover the models used by the Bank allow the systematic exercise of expert assessment by credit risk officials in the final internal credit rating. Therefore this allows to consider other matters and indicators that may not have been taken as part of other data inputs in the internally or externally developed assessment models and techniques or through external sources. Credit grades are assessed so that the risk of default increases incrementally at each higher risk grade namely the difference in default rates between the rating grade A and A- is less than the difference in default rates between rating grade B and B-. Additional considerations for each type of credit portfolio held by the Bank are set out below:

Individuals retail banking products and small & micro enterprises

After the date of initial recognition the borrower's payment behavior is monitored periodically to calculate a measurement of the payment pattern. Any other information known about the borrower supposed to be determined by the Bank may have an impact the creditworthiness such as unemployment rates and non-payment precedents as they are included to measure the payment pattern and default rates are accordingly determined for each payment pattern measurement.

(Large & Medium) Enterprises and Companies

The rating is determined at the level of the borrower / groups with similar credit risks. Any updated or new credit information or assessments are included in the credit system constantly and periodically. In addition information about the creditworthiness of the borrower / groups with similar credit risks is also updated periodically from other sources such as financial statements and other published financial and non-financial statements.

Debt Instruments Treasury Bills and Government Bonds

The Bank uses the external ratings issued by the institutions mentioned in the CBE's instructions to manage the credit risk in terms of the debt instruments in the investment portfolio. These published classifications are monitored and updated regularly and periodically. The default rates associated with each rating are determined based on the rates realized over the previous twelve months as published by the aforementioned rating agencies. The loss rate of the government and CBE debt instruments dominated in local currency is zero.

Future data used in the expected loss model

Future data is used in assessing whether there is a significant increase in the credit risk of financial instruments and estimating the expected credit losses (ECL). The management of Bank determines the main economic variables that affect credit risk and expected credit losses for each credit portfolio by carrying out an analysis of historical data. The economic variables and the related effect on both Probability of Default "PD" and the Exposure at Default "EAD" and Loss Given Default "LGD" are different depending on the financial asset. The Bank will use expert opinions regarding these assumptions and estimates if necessary.

To determine the impact of such economic variables on both Probability of Default (PD) Exposure at Default (EAD) and Loss Given Default (LGD) the management of the Bank carries out the "regression analysis" to understand the historical effects arising from such variables on the default rates and the inputs used in calculating both Exposure at Default (EAD) and Loss Given Default (LGD).

Further to the key economic scenarios the management of Bank establishes other potential scenarios in addition to assumptions relating to each scenario separately.

The lifetime probability of default (PD) relating to the key assumption and other assumptions are used as the outcome of multiplication is determined for each assumption with the related probabilities of each in addition to the supporting indicators and qualitative indicators. Based on the results of such study it is assessed whether this financial asset is located at the first second or third level on the basis of which it is determined whether the expected credit losses "ECL" will be computed on 12- month bases "12-month ECL" or over lifetime of the financial instrument "Lifetime ECL".

The expectations and probabilities of occurrence are subject to a high degree of uncertainty as it is known to any economic forecasts therefore the actual results may be significantly different from those anticipated. The Bank makes the best estimate of these potential expectations and carries out an analytical study of the irrelevant and non -similar factors for the different credit portfolios to conclude appropriate assumptions for all possible scenarios.

Variable Economic Assumptions

The most significant assumptions that have an impact on the expected credit losses "ECL" are:

a) Consumption pricing indicators (CPI)
b) Unemployment rate
c) Gross domestic product (GDP)
d) Gross national saving/investment
e) Real available income

Classification of the instruments relating to the losses measured on basis of the similar groups

For ECL provisions groups are classified on the basis of similar credit risk characteristics as risk exposure within the Bank is homogeneous. When carrying out this classification it is taken into consideration that there is sufficient information that enables the Bank to classify the Bank with statistical reliability. When sufficient information is not available the Bank takes into consideration the complementary internal / external reference data.

Corporate loans

- Probability of default model (S& P) is used.
- A conciliation was made between "S&P" and "ORR".
- The model was updated by some economic indicates to keep the probability of default in line with the clients existing in Egypt.
- The model was updated by the ratios of change in the low credit rating of the other clients of the Bank for two years to keep the ratios of model default in line with the clients of the Bank.

Maximum exposure to credit risks – impaired financial instruments

The following table represents the total carrying amount of the financial assets and the maximum exposure to credit risk on these financial assets.

EGP Thousands

Retail	**30 September 2026**			
	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring				
Overdraft	127,414	76	--	**127,490**
Personal loans	18,982,788	38,729	--	**19,021,517**
Credit cards	1,378,930	58,070	26,859	**1,463,859**
Mortgage Loans	4,481,059	5,625	--	**4,486,684**
Special monitoring				
Overdraft	--	--	1	**1**
Personal loans	5,442	722,705	255,683	**983,830**
Credit cards	--	--	318	**318**
Mortgage Loans	39	14,891	2,256	**17,186**
Total carrying amount	**24,975,672**	**840,096**	**285,117**	**26,100,885**
Expected credit losses	(37,815)	(28,111)	(283,350)	**(349,276)**
Net carrying amount	**24,937,857**	**811,985**	**1,767**	**25,751,609**
Collaterals	4,892,737	439,978	33,587	5,366,302

EGP Thousands

Retail — **31 December 2025**

Order of Expected Credit Losses

Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring				
Overdraft	31,513	--	5	**31,518**
Personal loans	13,082,285	825	1,078	**13,084,188**
Credit cards	984,714	--	55	**984,769**
Mortgage Loans	3,068,529	--	5,227	**3,073,756**
Special monitoring				
Overdraft	16,530	87	602	**17,219**
Personal loans	47,080	459,231	172,862	**679,173**
Credit cards	24,800	3,945	16,481	**45,226**
Mortgage Loans	3,315	7,196	1,108	**11,619**
Total carrying amount	**17,258,766**	**471,284**	**197,418**	**17,927,468**
Expected credit losses	(39,118)	(32,418)	(195,006)	(266,542)
Net carrying amount	**17,219,648**	**438,866**	**2,412**	**17,660,926**
Collaterals	4,167,762	335,459	1,122	4,504,343

Corporate	**30 September 2026**			**EGP Thousands**
	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring				
Overdraft	3,273,376	325	--	**3,273,701**
Direct loans	27,165,365	336,420	--	**27,501,785**
Syndicated Loans	4,973,619	1,403,923	--	**6,377,542**
Special monitoring				
Overdraft	--	40	--	**40**
Direct loans	--	39,407	--	**39,407**
Default				
Overdraft	--	--	3,373	**3,373**
Direct loans	--	--	1,064,762	**1,064,762**
Syndicated Loans	--	--	150,636	**150,636**
Total carrying amount	**35,412,360**	**1,780,115**	**1,218,771**	**38,411,246**
Expected credit losses	(322,406)	(908,586)	(1,000,590)	(2,231,582)
Net carrying amount	**35,089,954**	**871,529**	**218,181**	**36,179,664**
Collaterals	4,489,195	291,220	217,519	4,997,934

Corporate	**31 December 2025**			**EGP Thousands**
	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring				
Overdraft	1,270,830	1,022	--	**1,271,852**
Direct loans	24,244,813	75,490	--	**24,320,303**
Syndicated Loans	5,338,574	1,280,353	--	**6,618,927**
Special monitoring				
Overdraft	--	106	--	**106**
Direct loans	--	209,348	--	**209,348**
Default				
Overdraft	--	--	2,610	**2,610**
Direct loans	--	--	774,477	**774,477**
Syndicated Loans	--	--	202,134	**202,134**
Total carrying amount	**30,854,217**	**1,566,319**	**979,221**	**33,399,757**
Expected credit losses	(283,662)	(866,189)	(887,827)	(2,037,678)
Net carrying amount	**30,570,555**	**700,130**	**91,394**	**31,362,079**
Collaterals	4,531,299	259,046	96,742	4,887,087

EGP Thousands

Due From Banks

	30 September 2026 Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	14,381,443	--	--	**14,381,443**
Total carrying amount	**14,381,443**	**--**	**--**	**14,381,443**
Expected credit losses	(2,009)	--	--	**(2,009)**
Net carrying amount	**14,379,434**	**--**	**--**	**14,379,434**

EGP Thousands

Financial Investments

	30 September 2026 Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	27,998,573	--	--	**27,998,573**
Total carrying amount	**27,998,573**	**--**	**--**	**27,998,573**
Expected credit losses	(96,939)	--	--	**(96,939)**
Net carrying amount	**27,901,634**	**--**	**--**	**27,901,634**

EGP Thousands

Other Assets

	30 September 2026 Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	3,998,473	--	--	**3,998,473**
Total carrying amount	**3,998,473**	**--**	**--**	**3,998,473**
Expected credit losses	(45,370)	--	--	**(45,370)**
Net carrying amount	**3,953,103**	**--**	**--**	**3,953,103**

EGP Thousands

Due From Banks — **31 December 2025**

	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	8,141,365	--	--	**8,141,365**
Total carrying amount	**8,141,365**	**--**	**--**	**8,141,365**
Expected credit losses	(3,873)	--	--	**(3,873)**
Net carrying amount	**8,137,492**	**--**	**--**	**8,137,492**

EGP Thousands

Financial Investments — **31 December 2025**

	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	29,361,551	--	--	**29,361,551**
Total carrying amount	**29,361,551**	**--**	**--**	**29,361,551**
Expected credit losses	(92,728)	--	--	**(92,728)**
Net carrying amount	**29,268,823**	**--**	**--**	**29,268,823**

EGP Thousands

Other Assets — **31 December 2025**

	Order of Expected Credit Losses			
Credit Rating	**Stage 1 12 Month**	**Stage 2 Lifetime**	**Stage 3 Lifetime**	**Total**
Standard monitoring	3,177,452	--	--	**3,177,452**
Total carrying amount	**3,177,452**	**--**	**--**	**3,177,452**
Expected credit losses	(21,641)	--	--	**(21,641)**
Net carrying amount	**3,155,811**	**--**	**--**	**3,155,811**

The following table displays changes in balances and ECL between the beginning and end of the period:

	30 September 2026			
Corporate Loans	**Stage 1**	**Stage 2**	**Stage 3**	**EGP Thousands**
	12 months ECL	**Life time ECL**	**Life time ECL**	**Total ECL**
Balance as of 1 January 2026	**283,662**	**866,189**	**887,827**	**2,037,678**
New financial assets purchased or issued	190,527	15,954	--	**206,481**
Financial assets matured or derecognized	(74,529)	(34)	(97)	**(74,660)**
Transfer to stage 1	1,823	(1,823)	--	**--**
Transfer to stage 2	(2,323)	2,323	--	**--**
Transfer to stage 3	(452)	(111,812)	112,264	**--**
Changes in the probability of default	(78,363)	128,662	(79,666)	**(29,367)**
Write off during the period	--	--	(27)	**(27)**
Proceeds from previously written off debts	--	--	46,921	**46,921**
Foreign exchange differences	2,061	9,127	33,368	**44,556**
Balance as of 30 September 2026	**322,406**	**908,586**	**1,000,590**	**2,231,582**

31 December 2025

EGP Thousands

Corporate Loans	**Stage 1 12 months ECL**	**Stage 2 Life time ECL**	**Stage 3 Life time ECL**	**Total ECL**
Balance as of 1 January 2025	**525,427**	**468,763**	**1,054,238**	**2,048,428**
New financial assets purchased or issued	170,651	177,832	10	**348,493**
Financial assets matured or derecognized	(154,299)	(38,454)	(21,935)	**(214,688)**
Transfer to stage 1	1,733	(1,733)	--	**--**
Transfer to stage 2	(28,491)	28,491	--	**--**
Transfer to stage 3	(610)	(2,089)	2,699	**--**
Changes in the probability of default	(222,680)	239,933	(5,156)	**12,097**
Write- off during the year	--	--	(129,146)	**(129,146)**
Proceeds from previously written off debts	--	--	20,150	**20,150**
Foreign exchange differences	(8,069)	(6,554)	(33,033)	**(47,656)**
Balance as of 31 December 2025	**283,662**	**866,189**	**887,827**	**2,037,678**

	30 September 2026			
Retail Loans	**Stage 1**	**Stage 2**	**Stage 3**	**EGP Thousands**
	12 months ECL	**Life time ECL**	**Life time ECL**	**Total ECL**
Balance as of 1 January 2026	**39,118**	**32,418**	**195,006**	**266,542**
New financial assets purchased or issued	20,943	7,924	--	**28,867**
Financial assets matured or derecognized	(1,800)	(2,153)	58,106	**54,153**
Transfer to stage 1	55,689	(8,901)	(46,788)	--
Transfer to stage 2	(1,096)	10,121	(9,025)	--
Transfer to stage 3	(845)	(10,640)	11,485	--
Changes in the probability of default	(74,192)	(663)	191,805	**116,950**
Write- off during the period	--	--	(149,049)	**(149,049)**
Proceeds from previously written off debts	--	--	31,809	**31,809**
Foreign exchange differences	(2)	5	1	**4**
Balance as of 30 September 2026	**37,815**	**28,111**	**283,350**	**349,276**

31 December 2025

Retail Loans	**Stage 1 12 months ECL**	**Stage 2 Life time ECL**	**Stage 3 Life time ECL**	**Total ECL**
				EGP Thousands
Balance as of 1 January 2025	**40,232**	**9,388**	**148,911**	**198,531**
New financial assets purchased or issued	10,120	9,248	28,949	**48,317**
Financial assets matured or derecognized	(2,230)	(165)	25,839	**23,444**
Transfer to stage 1	30,547	(2,758)	(27,789)	--
Transfer to stage 2	(857)	2,371	(1,514)	--
Transfer to stage 3	(223)	(3,362)	3,585	--
Changes in the probability of default	(38,442)	17,644	103,865	**83,067**
Write- off during the year	--	--	(102,292)	**(102,292)**
Proceeds from previously written off debts	--	--	15,406	**15,406**
Foreign exchange differences	(29)	52	46	**69**
Balance as of 31 December 2025	**39,118**	**32,418**	**195,006**	**266,542**

	30 September 2026			
Due From Banks	**Stage 1**	**Stage 2**	**Stage 3**	**EGP Thousands**
	12 months ECL	**Life time ECL**	**Life time ECL**	**Total ECL**
Balance as of 1 January 2026	3,873	--	--	**3,873**
New financial assets purchased or issued	16,424	--	--	**16,424**
Financial assets matured or derecognized	(10,582)	--	--	**(10,582)**
Changes in the probability of default	(7,453)	--	--	**(7,453)**
Foreign exchange differences	(253)	--	--	**(253)**
Balance as of 30 September 2026	**2,009**	--	--	**2,009**

	31 December 2025			
Balance as of 1 January 2025	4,012	--	--	**4,012**
New financial assets purchased or issued	26,569	--	--	**26,569**
Financial assets matured or derecognised	(18,554)	--	--	**(18,554)**
Changes in the probability of default	(7,741)	--	--	**(7,741)**
Foreign exchange differences	(413)	--	--	**(413)**
Balance as of 31 December 2025	**3,873**	--	--	**3,873**

	30 September 2026			
Financial Investments at AC	**Stage 1**	**Stage 2**	**Stage 3**	**EGP Thousands**
	12 months ECL	**Life time ECL**	**Life time ECL**	**Total ECL**
Balance as of 1 January 2026	73,331	--	--	**73,331**
New financial assets purchased or issued	63,137	--	--	**63,137**
Financial assets matured or derecognized	(38,329)	--	--	**(38,329)**
Changes in the probability of default	(23,478)	--	--	**(23,478)**
Foreign exchange differences	5,248	--	--	**5,248**
Balance as of 30 September 2026	**79,909**	**--**	**--**	**79,909**

	31 December 2025			
Balance as of 1 January 2025	63,034	--	--	**63,034**
New financial assets purchased or issued	28,090	--	--	**28,090**
Financial assets matured or derecognised	(22,989)	--	--	**(22,989)**
Changes in the probability of default	9,144	--	--	**9,144**
Foreign exchange differences	(3,948)	--	--	**(3,948)**
Balance as of 31 December 2025	**73,331**	**--**	**--**	**73,331**

	30 September 2026			
Financial Investments at fair value through Other Comprehensive income	**Stage 1**	**Stage 2**	**Stage 3**	**EGP Thousands**
	12 months ECL	**Life time ECL**	**Life time ECL**	**Total ECL**
Balance as of 1 January 2026	19,397	--	--	**19,397**
New financial assets purchased or issued	12,063	--	--	**12,063**
Financial assets matured or derecognized	(15,429)	--	--	**(15,429)**
Changes in the probability of default	379	--	--	**379**
Foreign exchange differences	620	--	--	**620**
Balance as of 30 September 2026	**17,030**	**--**	**--**	**17,030**
	31 December 2025			
Balance as of 1 January 2025	**33,747**	--	--	**33,747**
New financial assets purchased or issued	8,220	--	--	**8,220**
Financial assets matured or derecognized	(6,058)	--	--	**(6,058)**
Changes in the probability of default	(15,711)	--	--	**(15,711)**
Foreign exchange differences	(801)	--	--	**(801)**
Balance as of 31 December 2025	**19,397**	**--**	**--**	**19,397**

The following table displays changes in balances and expected credit losses (ECL) between the beginning and end of the year:

Credit Guarantees

The Bank uses many policies and practices to limit the credit risks. The most widely adopted of these is the acceptability of collateral for debt instruments and loan commitments. The Bank has internal policies regarding classes of collateral that can be accepted to limit or decrease the credit risk.

The Bank accrues out an assessment of the guarantees that have been obtained when establishing these loans. This assessment is regularly assessed. The key types of guarantees are:

- Cash and cash equivalent
- Real estate mortgage
- Derivatives margin agreement that has been signed with the Bank as a part of main offsetting agreements.
- Commercial mortgages
- Financial assets pledge such as debt instruments and equity instruments.

The guarantees held as collateral against the financial assets other than loans and facilities depend on the nature of the instrument as debt securities government bonds and other qualified bills are generally not secured except for the asset-backed securities and similar instruments secured by portfolios of financial instruments. The derivatives are often secured.

The policies adopted by the Bank have not been changed significantly in terms of obtaining guarantees during the financial year and there has been no change in the quality of those guarantees held by the Bank compared to the previous financial year.

The Bank closely monitors the guarantees held against the low – credit financial assets as it is likely that the Bank will hold collateral to mitigate potential credit losses.

Written-off financial instruments (loans)

The Bank excludes the financial assets that are still under compulsory collection for unpaid contractual amounts of the bad assets. The Bank seeks to fully recover some amounts legally due that were partially or fully written off due to the lack of a possibility of a full recovery.

Modifications of loans terms and rescheduling

The Bank sometimes modifies terms of the loans granted to the customers due to the commercial renegotiation or non-performing to increase the chances of recovery. The activities of restructuring include arrangements of extension of repayment terms grace periods exemption from repayment or some or full interests. Restructuring policies and practices are based on indicators or criteria that indicate – based on the discretion of management - that repayment is likely to continue. These policies are constantly reviewed.

Reduction and risk avoidance policies

The Bank manages limits and controls the concentration of credit risks at the debtor level groups industries and countries. The Bank regulates the levels of acceptable credit risks by setting limits to the amount of risk that will be accepted at the level of each borrower or group of borrowers and at the level of economic activities and geographical sectors. These risks are monitored constantly and are reviewed annually or on a recurring basis when necessary. Limits of the credit risks at the level of the borrower / bank producer sector and country are quarterly approved by the Board of Directors.

Credit limits for any borrower including banks are divided into sub-limits that include the amounts on- and off- balance sheet and the daily risk limit relating to trading items such as forward foreign exchange contracts. Actual amounts are compared with the daily limits. Exposure to credit risks is also managed through periodic analysis of the ability of borrowers and potential borrowers to meet the repayment of their liabilities and by amending lending limits if appropriate.

Means of setting limits of to the risks are shown as following:

Guarantees

The Bank adopts many policies and controls to limit the credit risks. These means include the guarantees obtained against borrowed funds. The Bank sets guiding rules for specific acceptable classes of guarantees. The key types guarantee of loans and facilities are:

- Real estate mortgages.
- Mortgage of activity assets such as machinery and merchandise.
- Mortgage of financial instruments such as debt instruments and equity.

The financing is often granted in the longer term and loans to the companies are secured. In order to reduce the credit loss to a minimum the Bank seeks to get additional guarantees from the concerned parties and when indicators of impairment are shown for a loan or facilities. The guarantees taken as collateral for assets other than loans and facilities are determined based on the nature of the instrument. Generally the debt instruments and treasury bills are not secured except for groups of financial instruments covered by Asset-Backed Securities and similar instruments that are secured by a portfolio of financial instruments.

Derivatives

The Bank maintains strict control limits on net open derivative positions (i.e. the difference between purchase and sale contracts) by both amount and term. The amount exposed to credit risk at any time is determined at the fair value of the instrument that provides a benefit for the Bank i.e. an asset with a positive fair value that represents a portion of the contractual / notional value used to express the size of the existing instruments. This credit risk exposure is managed as part of the overall lending limits with customers together with potential exposures from market movements. Collateral or other security is not usually obtained for credit risk exposures on these instruments except where the Bank requires margin deposits from counterparties.

Settlement risk arises in any situation where a payment in cash securities or equities is made against the expectation of a corresponding receipt in cash securities or equities. Daily settlement limits are established for each counter party to cover the aggregate of all settlement risk arising from the Bank's market transactions on any single day.

Master netting arrangements

The Bank further restricts its exposure to credit losses by entering into master netting arrangements with counterparties with which it undertakes a significant volume of transactions. Master netting arrangements do not generally result in an offset of assets and liabilities shown in the balance sheet as transactions are either usually settled on a gross basis. However the credit risk associated with favorable contracts is reduced by a master netting arrangement to the extent that if a default occurs all amounts with the counterparty are terminated and settled on a net basis. The Bank's overall exposure to credit risk on derivative instruments subject to master netting arrangements can change substantially within a short year as it is affected by each transaction subject to the arrangement.

Credit related commitments

The main purpose of credit-related commitments is to ensure that funds are available to the customer on demand and financial guarantee contracts carry a credit risk related to loans and documentary and commercial credits issued by the Bank on behalf of the customer to grant a third party the right to withdraw from the Bank within certain amounts and under specific terms and conditions often secured against the goods being shipped and therefore carries a lower degree of risk than a direct loan.

Commitments to extend credit represent unused portions of authorizations to extend credit in the form of loans 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 specific 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.

Expected credit loss measurement policy

The Bank's policy requires defining three stages for classifying financial assets that are measured at amortized cost loan commitments and financial guarantees as well as debt instruments at fair value through other comprehensive income according to changes in credit quality since the initial recognition and then measuring (expected credit losses) in the value related to these instruments as follows:

The unimpaired financial asset is classified upon initial recognition in Stage 1 and credit risk is monitored on an ongoing basis by the Bank's credit risk department.

If there has been a significant increase in credit risk since initial recognition the financial asset is transferred to Stage 2 and the financial asset is not considered impaired at this stage (lifetime expected credit loss in the absence of credit impairment).

If there are indications of impairment in the value of the financial asset it is transferred to Stage 3 and the Bank relies on the following indicators to determine whether there are objective evidence indicating :

•A significant increase in the rate of interest on the financial asset as a result of the increase in credit risk.

•Negative material changes in the activity and financial or economic conditions in which the borrower operates.

•A scheduling request as a result of difficulties facing the borrower.

•Negative material changes in actual or expected operating results or cash flows.

•Early signs of cash flow/liquidity problems such as delays in servicing creditors/business loans.

•Cancellation of a direct facility by the Bank due to the borrower's high credit risk.

General Bank Risk Measurement Model

The management performs classifications in the form of a more detailed subgroup to comply with the requirements of the central bank of Egypt and the assets exposed to credit risk are classified according to detailed rules and conditions that depend largely on the information related to the customer his activity his financial status and the extent of his regularity of payment.

The bank calculates the required provisions in accordance with the instructions of creditworthiness on the basis of specific ratios by the Central Bank of Egypt and in the event that the required provisions in accordance with the rules of the central bank of Egypt exceed the expected credit losses calculated for the purposes of preparing the financial statements the general bank risk reserve is set aside within rights ownership with a discount on the distributable profits by the amount of that increase and this reserve is periodically adjusted by increase or decrease so that it is always equal to the amount of the increase between the two provisions and this reserve is not distributable.

Following is a table on the creditworthiness levels for institutions in accordance with the internal assessment bases compared to the Central Bank of Egypt assessment bases and the provision ratios required for the impairment of the assets exposed to credit risk:

CBE Rating	Rating description	Provision%	Internal rating description
1	Low Risk	0%	Good debts
2	Moderate Risk	1%	Good debts
3	Satisfactory Risk	1%	Good debts
4	Reasonable Risk	2%	Good debts
5	Acceptable Risk	2%	Good debts
6	Marginally Acceptable Risk	3%	Standard monitoring
7	Watch List	5%	Special monitoring
8	Substandard	20%	Non-performing debts
9	Doubtful	50%	Non-performing debts
10	Bad Debt	100%	Non-performing debts

Maximum limits for credit risk before collateral - items exposed to credit risk (on-balance sheet)

	30 September 2026 EGP Thousands	31 December 2025 EGP Thousands
Treasury Bills and other Government Securities	11,967,170	12,502,180
Due from banks	14,379,434	8,137,492
Loans and facilities to customers		
Retail Loans		
Personal loans	19,715,050	13,547,692
Credit cards	1,416,914	987,338
Overdraft	118,595	48,737
Mortgage loans	4,501,050	3,077,159
Corporate Loans		
Overdraft	3,256,167	1,264,530
Direct loans	27,489,120	24,309,881
Syndicated loans	5,434,377	5,787,668
Suspended interest	(643)	(643)
Unearned interest	(1,129,235)	(706,376)
Financial Investment		
Debt instruments	15,810,633	16,786,040
Other assets - accrued revenue	1,584,505	1,336,750
	104,543,137	**87,078,448**

Off-balance sheet items exposed to credit risk:

	30 September 2026 EGP Thousands	31 December 2025 EGP Thousands
Loan Commitment	13,450,278	15,431,790
Letters of guarantee	6,996,233	4,513,566
Letters of credit	2,452,109	1,790,308
Acceptances on supplier facilities	1,205,007	1,200,646
	24,103,627	**22,936,310**

The above table represents the maximum bank exposure to credit risk 30 September 2026 and 31 December 2025 without taking in consideration any collateral held for in-balance sheet items the balances included are based on net carrying amounts as reported in the balance sheet and as shown above 58.16% of the maximum exposure arising from loans and facilities to customers against 55.39% at 31 December 2025; While investments in debt tools represent 26.57% compared to 33.75% on December 31, 2025.

Management is confident in its ability to continue to control and sustain minimal exposure of credit risk to the Bank resulting from both its loan and facility portfolio and debt instruments based on the following:

- 98.11% of the loans and facility portfolio is categorized in the top two grades of the internal rating system against 98.09% on 31 December 2025.
- 91.67% of the loans and facility portfolio without accruals or impairment indicators against 90.06% on 31 December 2025.
- 88.82% of the investments in debt instruments and treasury bills represent the debt instruments on Egyptian Government against 89.93% on 31 December 2025.

Loans and facilities

Balances of loans and facilities at 30 September 2026 are set out below:

	30 September 2026 EGP Thousands	31 December 2025 EGP Thousands
Stage 1	60,388,032	48,112,983
Stage 2	2,620,211	2,037,603
Stage 3	1,503,888	1,176,639
Total	**64,512,131**	**51,327,225**
Less:		
Expected credit losses	(2,580,858)	(2,304,220)
Suspended interest	(643)	(643)
Unearned interest	(1,129,235)	(706,376)
Net	**60,801,395**	**48,315,986**

EGP Thousands

	30 September 2026							
	Retail				Corporate			
	Overdraft	Credit cards	Personal loans	Mortgage loans	Overdraft	Direct loans	Syndicated loans	Total loans and facilities to customers
Rating								
Performing /No Dues	127,414	1,204,774	17,488,214	4,422,582	3,276,448	26,954,199	5,664,266	**59,137,897**
Past due up to 30 days	--	174,827	1,500,016	58,516	451	554,390	--	**2,288,200**
Past due 30-60 days	--	19,932	256,463	2,622	18	15,897	--	**294,932**
Past due 60 -90 days	--	36,701	466,288	17,585	51	16,700	--	**537,325**
Impaired	77	27,943	294,366	2,565	146	1,064,768	863,912	**2,253,777**
Total	**127,491**	**1,464,177**	**20,005,347**	**4,503,870**	**3,277,114**	**28,605,954**	**6,528,178**	**64,512,131**
Expected Credit Losses	(8,896)	(47,263)	(290,297)	(2,820)	(20,947)	(1,116,834)	(1,093,801)	**(2,580,858)**
Suspended interest	--	--	(5)	--	--	(638)	--	**(643)**
Unearned interest	--	--	(993,695)	--	--	(135,540)	--	**(1,129,235)**
Total	**118,595**	**1,416,914**	**18,721,350**	**4,501,050**	**3,256,167**	**27,352,942**	**5,434,377**	**60,801,395**

								EGP Thousands
	31 December 2025							
	Retail				**Corporate**			**Total loans and facilities to customers**
	Overdraft	**Credit cards**	**Personal loans**	**Mortgage loans**	**Overdraft**	**Direct loans**	**Syndicated loans**	
Rating								
Performing /No Dues	47,195	860,110	12,017,364	3,050,551	1,273,693	23,695,459	5,282,719	**46,227,091**
Past due up to 30 days	472	124,500	1,113,218	26,824	297	799,424	451,908	**2,516,643**
Past due 30-60 days	253	20,325	294,054	5,516	42	16,640	--	**336,830**
Past due 60 -90 days	259	8,001	170,713	1,936	61	14,650	275,586	**471,206**
Impaired	558	17,059	168,012	548	475	777,955	810,848	**1,775,455**
Total	**48,737**	**1,029,995**	**13,763,361**	**3,085,375**	**1,274,568**	**25,304,128**	**6,821,061**	**51,327,225**
Expected Credit Losses	--	(42,657)	(215,669)	(8,216)	(10,038)	(994,247)	(1,033,393)	**(2,304,220)**
Suspended interest	--	--	(5)	--	--	(638)	--	**(643)**
Unearned interest	--	--	(700,329)	--	--	(6,047)	--	**(706,376)**
Total	**48,737**	**987,338**	**12,847,358**	**3,077,159**	**1,264,530**	**24,303,196**	**5,787,668**	**48,315,986**

Restructured loans and facilities

Restructuring activities include extending payment arrangements implementing forced management programs modifying and postponing payments. Policies for implementing restructuring depend on indicators or criteria that indicate that there is a high probability of Continued payments based on the personal judgment of management. These policies are subject to continuous review. It is usual to apply restructuring to long-term loans especially customer financing loans. The restructured loans at 30 September 2026 amounted 734,544 EGP thousands compared to 2,079,245 EGP thousand at 31 December 2025.

Written-off loans

In accordance with the Board of Directors' decision or its specialized committees the written-off loans from the non-performing loans are written-off against its related loan loss provisions and that step is made after exhausting all the possible recovery processes.

Debt Instruments and Treasury Bills

The table below presents an analysis of debt instruments and other treasury bills according to the rating agencies at 30 September 2026.

EGP Thousands

30 September 2026	Treasury bills & other Governmental securities	Debt Instruments	Total
B	**12,029,629**	**15,968,944**	**27,998,573**

31 December 2025	Treasury bills & other Governmental securities	Debt Instruments	Total
B	**12,538,926**	**16,822,625**	**29,361,551**

Activity segments

The following table represents the analysis of the Bank's main credit exposure at carrying value categorized by the activities practiced by the bank's customers.

	Commercial activity	Industrial activity	Financial institutions	Real estate companies	Governmental sector	Other Activities	Individuals	EGP Thousands Total
Due from banks	--	--	14,379,434	--	--	--	--	14,379,434
Loans and facilities to customers								
Retail loans								
Overdraft	--	--	--	--	--	--	127,491	127,491
Personal loans	--	--	--	--	--	--	20,005,347	20,005,347
Credit Cards	--	--	--	--	--	--	1,464,177	1,464,177
Mortgage loans	--	--	--	--	--	--	4,503,870	4,503,870
Corporate loans								
Overdraft	746	17,218	9	154	--	3,258,987	--	3,277,114
Direct loans	397,520	15,738,807	3,821,123	2,550,056	--	6,098,448	--	28,605,954
Syndicated loans	--	1,750,377	--	2,007,019	179,861	2,590,921	--	6,528,178
Expected Credit Losses	(41,535)	(1,445,332)	(51,660)	(196,334)	--	(496,721)	(349,276)	(2,580,858)
Suspended interest	--	--	--	--	--	(638)	(5)	(643)
Unearned interest	--	--	--	--	--	(135,540)	(993,695)	(1,129,235)
Financial Investments								
Treasury Bills	--	--	11,967,170	--	--	--	--	11,967,170
Debt instruments	--	--	15,951,494	--	--	--	--	15,951,494
Other assets	--	--	1,584,505	--	--	--	--	1,584,505
Total at 30 September 2026	**356,731**	**16,061,070**	**47,652,075**	**4,360,895**	**179,861**	**11,315,457**	**24,757,909**	**104,683,998**
Total at 31 December 2025	**378,513**	**14,479,478**	**41,913,151**	**4,775,121**	**202,986**	**8,368,607**	**16,960,592**	**87,078,448**

Market risk

Market and liquidity risks are defined as the risks to which the bank is exposed because of maintaining certain positions considering changes or fluctuations in the markets in which the bank operates and not necessarily in which the bank is geographically located.

Market risks result from open positions for the purpose of trading whether currency positions or investments that are sensitive to changes in interest rates which affects the market value of those investments and these effects are reflected in the income statement daily.

As for positions held for non-trading purposes that are sensitive to changes in interest rates the effect of changes on the bank's capital is reflected.

Trading portfolios arise because of the bank's direct dealings with clients or with the market. While portfolios are created for non-trading purposes because of the bank's management of assets and liabilities and are primarily created through investments classified at amortized cost or through other comprehensive income.

Types of market risks:

These include interest rate risks exchange rate risks and liquidity risks. Below is an explanation of each category of market risk:

Interest rate risk: The risks that arise from unfavorable movements in the prevailing interest rates in the market during a certain period of time which may negatively affect the bank's profitability or the economic value of its property rights and thus its financial position.

Exchange rate risk: It is the risk of a change in the value of the investment due to change in the exchange rate. This also refers to the risks that the bank faces when it needs to close a long or short position in a foreign currency at a loss due to the adverse movement in exchange rates.

Liquidity risk: It is a type of financial risk that involves the inability to trade financial assets on the market fast enough to influence the price of the market within a given time frame. This happens when there is insufficient market liquidity to make it simple to purchase or sell assets without having a big impact on their price.

Methods for measuring market risk:

Measuring Interest rate risk: Interest rate risks are divided into two types:

Interest rate risks for positions held for non-trading purposes in the Banking Book which result from the main activities of the bank that are not carried out for the purpose of trading.

Additionally interest rate risk in the trading portfolio which arises from positions taken with the intention of trading in financial markets is included in the guidelines for the minimum capital adequacy level under the market risk framework.

The sensitivity of the bank's profitability to interest rate movements in the short term is measured specifically through its impact on net interest income although interest rate risks have an increasing impact on all of the bank's revenues including revenues Other than net income from returns (such as commissions) the focus is It will be mainly based on net income from earnings (EAR).

The process of calculating the value of the capital required to meet the interest rate risk for positions held for non-trading purposes is carried out according to the standard method by following the following steps for each currency separately:

- A netting is made between assets and liabilities - including derivative contracts - that are sensitive to return rates in each period to reach the net position (assets - liabilities).
- The net position for each time period is multiplied by the discount factor for each period which is calculated according to the interest rates for each time period based on the yield curve for each currency.

- To determine the economic value of the bank's equity prior to any shocks a forced summation procedure is carried out (considering the signal to make a clearing between the surplus and deficit positions) of the weighted positions for the various time periods for each currency separately.
- The previous steps are repeated by following 6 scenarios for the rise and fall of interest rates (according to the various changes in the interest curve) for each currency to arrive at the economic value of the bank's equity aftershocks.

Measuring Exchange rate risk:

- The bank applies the value at risk (parametric VAR) method to estimate the market risk of existing positions and the maximum expected loss based on several assumptions for various changes in market conditions. The value at risk (VAR) is a statistical prediction of the potential loss resulting from adverse market movements and expresses the maximum value that the bank can lose using a 99% confidence coefficient meaning that there is a 1% probability that the actual loss will be greater than the value of the expected loss.
- The VAR model assumes a ten-day holding period before closing open positions.

  - Three steps to apply VAR as a measurement approach for foreign exchange risk and cost of capital:

1- The bank is expected to calculate its expected losses on a daily basis.

2- The bank compares the VAR value at the end of the month with the average daily VAR for 60 days and calculates the capital charge based on the larger value of the two.

3- To adequately calculate the cost of capital the bank must conduct a back test by comparing actual daily losses with the calculated value of risk.

Value at risk according to risk type

	30 September 2026			31 December 2025		
	EGP Thousands					EGP Thousands
	Average	**Higher**	**Lower**	**Average**	**Higher**	**Lower**
Foreign Currency Exchange risk	1,625	4,510	180	1,284	4,345	138

Foreign exchange fluctuation risk

The Bank is exposed to the effects of fluctuations in the foreign currency exchange rates on its financial position and cash flows. The Board of Directors sets limits on the level of exposure by currency and in aggregate for both overnight and intra-day positions which are monitored daily. The table below summarizes the Bank's exposure to foreign currency exchange rate risk at the end of financial period and Bank's financial instruments at carrying amounts categorized by currency.

						EGP Thousands
30 September 2026	**EGP**	**USD**	**EUR**	**GBP**	**Other Currencies**	**Total**
Financial Assets						
Cash and balances with Central Bank	7,541,069	84,510	19,111	16,034	16,452	**7,677,176**
Due from banks	6,521,783	6,853,112	612,004	303,810	88,725	**14,379,434**
Loans and facilities to customers	56,432,578	4,266,467	101,821	342	187	**60,801,395**
Financial Investments						
Financial Investments at fair value through other comprehensive income	9,899,884	439,247	--	--	--	**10,339,131**
Financial Investments at amortized cost	6,912,602	9,588,211	--	--	--	**16,500,813**
Financial Investments at Fair value through profit or loss	1,395,771	--	--	--	--	**1,395,771**
Financial Investments in associates	412	--	--	--	--	**412**
Other Financial Assets	1,510,394	73,663	329	89	30	**1,584,505**
Total financial assets at 30 September 2026	**90,214,493**	**21,305,210**	**733,265**	**320,275**	**105,394**	**112,678,637**

						EGP Thousands
30 September 2026	**EGP**	**USD**	**EUR**	**GBP**	**Other Currencies**	**Total**
Financial liabilities						
Due to banks	5,130	156,757	4,349	--	--	**166,236**
Customers' deposits	73,583,651	20,588,786	786,035	297,229	79,253	**95,334,954**
Other loans	103,949	1,039,774	--	--	--	**1,143,723**
Other financial liabilities	479,204	41,226	175	1	--	**520,606**
Total financial liabilities at 30 September 2026	**74,171,934**	**21,826,543**	**790,559**	**297,230**	**79,253**	**97,165,519**
Net financial position at 30 September 2026	**16,042,559**	**(521,333)**	**(57,294)**	**23,045**	**26,141**	**15,513,118**
Net financial position at 31 December 2025	**14,716,412**	**(170,080)**	**(17,410)**	**38**	**(27,991)**	**14,500,969**

Interest rate risk

The risk that arises from unfavorable movements in the prevailing interest rates in the market during a certain period which may negatively affect the bank's profitability or the economic value of its property rights and thus its financial position.

The tables below summaries the Bank 's exposure to the interest rate fluctuations risk that include carrying amount of the financial instruments categorized based on the repricing dates or the maturity date – whichever is earlier.

							EGP Thousands
30 September 2026	**Up to 1 month**	**More than 1 month to 3 months**	**More than 3 months to 1 year**	**More than 1 year to 5 years**	**More than 5 years**	**Without interest**	**Total**
Financial Assets							
Cash and balances with Central Bank	--	--	--	--	--	7,677,176	**7,677,176**
Due from banks	12,047,043	2,082,251	--	--	--	250,140	**14,379,434**
Loans and facilities to customers	34,727,947	3,735,004	10,411,517	14,279,407	1,358,256	*(3,710,736)	**60,801,395**
Financial Investments							
Financial Investments at fair value through other comprehensive income	2,322,909	1,800,817	4,062,431	1,784,025	--	368,949	**10,339,131**
Financial Investments at amortized cost	1,301,820	517,026	9,120,599	5,641,276	--	(79,908)	**16,500,813**
Financial Investments at Fair value through profit or loss	--	294,653	963,696	141,927	--	(4,505)	**1,395,771**
Financial Investments in associates	--	--	--	--	--	412	**412**
Other Financial Assets	--	--	--	--	--	1,584,505	**1,584,505**
Total financial assets at 30 September 2026	**50,399,719**	**8,429,751**	**24,558,243**	**21,846,635**	**1,358,256**	**6,086,033**	**112,678,637**

							EGP Thousands
30 September 2026	**Up to 1 month**	**More than 1 month to 3 months**	**More than 3 months to 1 year**	**More than 1 year to 5 years**	**More than 5 years**	**Without interest**	**Total**
Financial liabilities							
Due to banks	--	--	--	--	--	166,236	**166,236**
Customers' deposits	32,260,187	8,201,122	12,030,299	42,173,426	166	669,754	**95,334,954**
Other Loans	--	1,143,723	--	--	--	--	**1,143,723**
Other financial liabilities	--	--	--	--	--	520,606	**520,606**
Total financial liabilities at 30 September 2026	**32,260,187**	**9,344,845**	**12,030,299**	**42,173,426**	**166**	**1,356,596**	**97,165,519**
30 September 2026	**18,139,532**	**(915,094)**	**12,527,944**	**(20,326,791)**	**1,358,090**	**4,729,437**	**15,513,118**
31 December 2025	**(5,460,650)**	**24,439,205**	**(4,679,132)**	**(3,653,799)**	**3,964,508**	**(533,427)**	**14,076,705**

* It represents credit losses amounting to EGP 2,505,325 thousand, Interest in suspense amounting to EGP 643 thousand, and unearned interest amounting to EGP 1,137,930 thousand.

Liquidity risk

It is a type of financial risk that involves the inability to trade financial assets on the market fast enough to influence the price of the market within a given time frame. This happens when there is insufficient market liquidity to make it simple to purchase or sell assets without having a big impact on their price.

Measuring Liquidity Risk:

- The bank prepares the Liquidity Coverage Ratio (LCR) which aims to ensure that the bank maintains a sufficient amount of high-quality unencumbered liquid assets to meet net cash outflows within 30 days.
- Net Stable Funding Ratio (NSFR): The Net Stable Funding Ratio represents the relationship between the available stable financing (ASF - Funding Stable Funding Required) (the numerator of the ratio) and the stable financing required (RSF - Funding Stable Required) (the denominator of the ratio) as the ratio works to confront the incompatibility of the financing structure. Long-term by urging the use of stable long-term sources of funds for a period extending for at least one year in order to cover investments in assets and any financing claims resulting from obligations outside the budget which helps the bank to structure its sources of funds.
- On an individual basis (the bank's branches at home country and abroad) and on a combined basis (the banking group includes the bank and all its branches at its home country and abroad and all affiliated financial companies with the exception of insurance companies) on a monthly basis gradually for both the local currency and foreign currencies separately and 100% must be adhered to as a limit Lowest LCR & NSFR ratios.
- In case of having a deficit in the Liquidity Coverage Ratio (LCR) sources of funds are provided equivalent to the amount of the deficit in the level of high-quality liquid assets and they are invested within those assets.
- In case of a deficit in the Net Stable Financing Ratio (NSFR) the bank creates capital equivalent to the amount of the deficit in the ratio as additional capital in the capital base which leads to compliance with the specified limit for the Net Stable Financing Ratio.

- The bank calculates the liquidity ratio for both local currency and foreign currencies (keeping the minimum for each of them at 20% and 25% respectively) where the ratio is calculated on the basis of the daily average of the actual working days during the month.

Liquidity Gap:

The liquidity risk control processes implemented by the bank's Asset and Liabilities Department include the following:

- The liquidity gap occurs when there are differences between the maturity dates and the maturity scale for assets and liabilities. Gap analysis includes evaluating the difference between the maturity dates of assets and liabilities (Liquidity Mismatch).

-The bank prepares a monthly report to monitor market risks and prepare reports on net liquidity gap positions liquidity gap limits and liquidity ratio limits.

The following tables represent the analysis of the bank 's liquidity coverage ratio:

	30 September 2026 EGP Thousands	**31 December 2025 EGP Thousands**
Total amount of high-quality liquid assets (1)	25,525,165	29,411,503
Total Cash outflows	19,305,775	17,086,653
Considerable total cash inflows within the set limit (value less than: total cash inflows 75% of total cash outflows)	(14,479,331)	(10,851,391)
Net cash outflows (2)	**4,826,444**	**6,235,262**
Liquidity coverage ratio (1/2)	**528.86%**	**471.70%**

Cash Flows Risk Hedge

EGP Thousands

	30 September 2026						
Description / Maturity Date	**Up to 1 month**	**More than 1 month to 3 months**	**More than 3 months to 1 year**	**More than 1 year to 5 years**	**More than 5 years**	**Without interest**	**Total**
Due to banks	--	--	--	--	--	166,236	166,236
Customers deposits	3,719,875	6,435,965	13,180,125	18,582,402	13,575	60,852,206	102,784,148
Other loans	--	--	148,539	891,235	103,949	--	1,143,723
Other liabilities	--	--	--	--	--	520,606	520,606
Total financial liabilities according to the contractual maturity date	**3,719,875**	**6,435,965**	**13,328,664**	**19,473,637**	**117,524**	**61,539,048**	**104,614,713**
Total financial assets according to the contractual maturity date	**16,785,606**	**13,040,922**	**46,535,678**	**37,586,627**	**9,052,900**	**6,085,646**	**129,087,379**

EGP Thousands

	31 December 2025						
Description / Maturity Date	**Up to 1 month**	**More than 1 month to 3 months**	**More than 3 months to 1 year**	**More than 1 year to 5 years**	**More than 5 years**	**Without interest**	**Total**
Due to banks	2,651,262	--	--	--	--	253,540	2,904,802
Customers deposits	5,225,356	7,272,869	8,718,999	12,018,303	424,034	51,117,110	84,776,671
Other loans	--	--	--	--	110,683	--	110,683
Other liabilities	--	--	--	--	--	550,873	550,873
Total financial liabilities according to the contractual maturity date	**7,876,618**	**7,272,869**	**8,718,999**	**12,018,303**	**534,717**	**51,921,523**	**88,343,029**
Total financial assets according to the contractual maturity date	**10,642,245**	**15,338,825**	**28,645,457**	**35,892,133**	**16,499,415**	**14,013,670**	**121,031,745**

Assets available to satisfy all liabilities and cover loan-associated commitments include cash balances with the Central Bank Due from banks treasury bills and other governmental securities loans and facilities to banks and customers. A percentage of loans to customers that are due to be repaid within a year are extended during the normal activity of Bank NXT in addition to that there is a mortgage of some debt instruments treasury bills and other government securities to guarantee obligations and Bank NXT has the ability to satisfy the unexpected net cash flows by selling securities and finding other financing sources.

* Assets shown in the table represent the undiscounted cash flows in accordance with the contractual maturity date.

Capital Management

The Bank's objectives on managing capital which include other elements in addition to the equity shown in the balance sheet are as follows:

- Compliance with the legal requirements of capital in the Arab Republic of Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling it to continue generating income for shareholders and other parties dealing with the Bank.
- Maintaining a strong capital base that supports the growth of activity.

The capital adequacy and capital uses are daily reviewed according to the requirements of the Central Bank of Egypt by the Bank's management through forms based on the guidelines of the Basel Committee on Banking Supervision. The required data are submitted and provided to the Central Bank of Egypt on a quarterly basis.

The Central Bank of Egypt requires the Bank to do the following:

- Maintain Five billion Egyptian pounds as a minimum for issued and paid-up capital.
- Maintain a ratio equal to or more than 12.5% between the elements of capital and the elements of assets and contingent liabilities weighted by risk weights.
- In accordance with the requirements of the Central Bank of Egypt to update the position of the banking sector with regard to the capital adequacy ratio according to Basel II decisions.

The numerator of the capital adequacy ratio consists of the following two tiers:

Tier I after disposals includes the following:

Some of the items that will be deducted/ will not be considered and mentioned in the "supervisory instructions on the minimum ratio of capital adequacy" Chapter II on the capital base will be dealt with later as stated in the instructions.

•Continuing core capital after disposals (CET1-Common Equity).

•Additional core capital

There are some items that will be deducted/ not considered and mentioned in the "supervisory instructions on the minimum ratio of capital adequacy" Chapter II on the capital base. These items are deducted from the continuous core capital if the balance is negative while they are not considered if it is positive.

Tier II after disposals

It includes 45% of the special reserve loans and subordinated deposits within the limits of the prescribed percentage as well as the considerable provisions required against the debt instruments loans credit facilities and contingent liabilities included in the first stage (Stage 1).

The capital adequacy ratio model includes some important notes and points which are as follows:

1-Reserves: include legal general statutory supportive and capital reserves only.

2-The "general risk reserve" is formed in accordance with the supervisory instructions issued to banks on 26 January 2019. It includes the special reserve – credit the general bank risk reserve - credit and the reserve risk of standard (9) considering that in the subsequent periods of application the Bank shall abide by what is stated within the instructions on minimum capital adequacy ratio "which is not to consider the bank risk reserve when calculating the ratio."

3-The values of accumulated other comprehensive income items whether they are positive or negative are considered.

4-Interim profits/ (losses): It is allowed to record the net interim profits within the capital base after the limited inspection report prepared by the auditor on the Bank's financial statements on a quarterly basis. As for the interim losses they are presented without any conditions.

5-It does not include the part related to credit and the explanatory instructions of the rules on the preparation and presentation of the financial statements issued by the Central Bank in April 2009 page 7 item (9) must be perused.

6-It should not exceed 1.25% of total assets and contingent liabilities weighted for credit risk provided that the required provisions against debt instruments loans credit facilities and contingent liabilities included in the Stage 2 and Stage 3 are sufficient to meet the obligations for which the provision is formed.

7-"The value of exceeding the limits set for investments in countries weighted by risk weights."

8-This value must be included in accordance with Form No. 720 related to investments in countries abroad taking into account that the value of the capital base listed in the aforementioned statement must be adjusted according to the calculated value.

•The continuing core capital after the regulatory adjustments is Clause 1.1 before excluding contributions to financial companies (shares or investment funds) represented in Clause 1.3.1.1.

•Continuing core capital before regulatory adjustments means paid-up capital reserves retained earnings general risk reserve and accumulated other comprehensive income items net of goodwill and treasury shares.

•Subordinated loans (deposits): provided that they do not exceed 50% of Tier I after disposals and that 20% of its value is consumed in each of the last five years.

Financial leverage ratio

The Board of Directors of the Central Bank of Egypt in its session held on 7 July issued a decision approving the supervisory instructions related to the financial leverage besides the banks' compliance with the stipulated minimum percentage (3%) on a quarterly basis as follows:

-As an indicative percentage as of the end of September 2015 until the year 2017.

-As a compulsory supervisory percentage as of 2018.

This is in preparation for the consideration of it within the first pillar of Basel decisions (the minimum capital adequacy ratio) for maintaining the strength and integrity of the banking sector and keeping pace with the best international control practices in this regard.

The financial leverage reflects the relationship between Tier I of capital used in capital adequacy ratio (after disposals) and the Bank's assets (inside and outside the balance sheet) unweighted with risk weights.

Financial instruments measured at fair value

The fair value of one-day variable-rate placements and deposits represent their present value and the expected fair value of variable-rate deposits is estimated based on the discounted cash flows using the interest rate prevailing in the capital markets for debts that have similar credit risk and maturity date.

Loans and facilities to banks

Loans and facilities to banks represent loans other than bank deposits. The expected fair value of loans and facilities is the discounted value of future cash flows expected to be collected and the cash flows are discounted using the current market interest rate for determining the fair value to determine the fair value to meet all the requirements. This includes replacement of funds on maturity or upon being lent to customers. The Bank is present in global money markets to achieve this objective.

Loans and facilities to customers

They are recognized at net value after deduction of provision for impairment loss. The expected fair value for these loans and facilities represents the discounted value of estimated future cash flows expected to be collected. Cash flows are deducted using the current interest rate in the market to specify the fair value.

Investments in securities

Assets through other comprehensive income or profit or loss are carried at fair value. The fair value is determined based on market prices. If such data is not available fair value is estimated using prices of capital markets for traded securities with similar credit characteristics dates of maturity and rates.

Financial instruments not measured at fair value

Financial investments at amortized cost

They include held-to-maturity financial assets that are listed in the market and are measured at amortized cost in case of bonds and with respect to investment funds the evaluation is done at the recoverable amount (fair value).

Management believes that the fair value is not materially different from the carrying amount of these assets.

Due from banks

The fair value of one-day variable-rate placements and deposits represent their present value and the expected fair value of variable-rate deposits is estimated based on the discounted cash flows using the interest rate prevailing in the capital markets for debts that have similar credit risk and maturity date.

Loans and facilities to banks

Loans and facilities to banks represent loans other than bank deposits. The expected fair value of loans and facilities is the discounted value of future cash flows expected to be collected and the cash flows are discounted using the current market interest rate for determining the fair value. Loans and facilities are presented net of provision for impairment losses.

Investments in securities

Investments in securities include only financial assets that have a fixed or determinable maturity date and the business model aims to hold them in order to obtain only the investment principal and the return thereon. The fair value of these financial assets held to maturity is determined based on market prices or prices obtained from brokers. If this data is not available the fair value is estimated using financial market prices for tradable securities with similar credit characteristics maturity dates and rates.

Due to other banks and customers

The estimated fair value of deposits with an indefinite maturity date that include non-interest-bearing deposits is the amount that would be repaid on demand.

The fair value of fixed interest-bearing deposits and other loans that are not traded in an active market is determined based on the discounted cash flows using the rate of return on new debts with a similar maturity date.

Issued debt instruments

The total fair value is calculated based on current capital market prices. For securities that have no active markets the discounted cash flow model is used for the first time based on the current rate that fits the remaining period till the maturity date.

41- Important events

During the first quarter of 2026, geopolitical tensions in the region continued to evolve, including developments related to the conflict in the Middle East, which were previously disclosed in the subsequent events note in the financial statements for the year ended 31 December 2025.

Management is closely monitoring these developments and assessing any potential impact on the Group's operations, financial position, and cash flows. As of the date of these financial statements, no material financial impact has been identified that can be reliably measured.

42- Significant accounting policies applied

42-1- Basis of consolidation

42-1-1 Business combination

- The Group accounts for business combinations using the acquisition method when control is transferred to the Group.
- The consideration transferred in the acquisition is generally measured at fair value as are the identifiable net assets acquired.
- Any goodwill that arises is tested annually for impairment any gain on a bargain purchase is recognized immediately in profit or loss.
- Transaction costs are expensed as incurred except if related to the issue of debt or equity securities.
- The consideration transferred doesn't include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.
- Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity then it is not re measured and settlement is accounted for within equity. Otherwise other contingent consideration is re measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

42-1-2 Subsidiaries

- Subsidiaries are entities controlled by the Group.
- The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
- The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

42-1-3 Non-controlling interests

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

42-1-4 Loss of control

When the Group loses control over a subsidiary it derecognises the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

42-1-5 Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and a joint venture. Associates are those entities in which the Group has significant influence but not control or joint control over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control where by the Group has rights to the net assets of the arrangement. Rather than rights to its assets and obligations for its liabilities.

Interests in associates and the joint venture are accounted for using the equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition the consolidated financial statements include the Group's share of the profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

42-1-6 Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

42-2 Foreign currency

42-2-1 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However foreign currency differences arising from the translation of the following items are

recognised in OCI:

- An investment in equity securities designated as at FVOCI (except on impairment in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- A financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective and qualifying cash flow hedges to the extent that the hedges are effective.

42-2-2 Foreign operations

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated at the exchange rates at the reporting date. The income and expenses of foreign operations are translated at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in OCI and accumulated in the translation reserve except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control significant influence or joint control is lost the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control the relevant proportion of the cumulative amount is reclassified to profit or loss.

42-3 Discontinued operation

A discontinued operation is a component of the Group's business the operations and cash flows of which can be clearly distinguished from the rest of the Group.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative period.

42-4 Revenue

42-4-1 Gain (loss) on sale of investments

Gain (loss) resulting from sale of investments are recognized on transaction date and measured by the difference between cost and selling price less selling commission and expenses. In case of derecognizing of investments in associates the difference between the carrying amount and the sum of both the consideration received and cumulative gain or loss that had been recognized in shareholders' equity shall be recognized in income statement.

42-4-2 Dividend income

Dividend income is recognized when declared.

42-4-3 Custody fee

Custody fees are recognized when the service is provided and the invoice is issued.

42-4-4 Interest income and expenses

Interest income and expenses are recognized in the income statement under "Interest income" item or "Interest expenses" by using the effective interest rate method of all instruments bearing interest other than those classified held for trading or which have been classified at inception "fair value through income statement".

42-4-5 Fee and commission income

Fee related to servicing the loan or facility are recognized in income when performing the service while the fees and commissions related to non-performing or impaired loans are not recognized instead they are to be recorded in marginal records off the financial position. Then they are recognized within the income pursuant to the cash basis when the interest income is collected. As for fees which represent an integral part of the actual return on the financial assets they are treated as an amendment to the rate of actual return.

42-4-6 Brokerage commission

Brokerage commission resulting from purchase of and sale of securities operations in favor of clients are recorded when operation is implemented and the invoice is issued.

42-4-7 Management fee

Management fee is calculated as determined by the management contract of each investment fund & portfolio and recorded on accrual basis.

42-4-8 Incentive fee

Incentive fee is calculated based on certain percentages of the annual return realized by the fund and portfolio however these incentive fee will not be recognized until revenue realization conditions are satisfied and there is adequate assurance of collection.

42-4-9 Investment property rental income

Rental income from investment property is recognized as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income over the term of the lease. Rental income from other property is recognized as other income.

42-4-10 Revenue from micro-finance services

- Revenue from micro-finance services is recognized based on time proportion taking into consideration the rate of return on asset. Revenue yield is recognized in the income statement using the

effective interest method for all financial instruments that carry a yield the effective interest method is the method of measuring the amortised cost of a financial asset and distributing the revenue over the life of time the relevant instrument. The effective interest rate is the rate that discounts estimated future cash receipts during the expected life of the financial instrument to reach the book value of the financial asset.

- When classifying loans to customers as irregular no income is recognized on its return and it is recognized in marginal records outside the financial statements and are recognized as revenue in accordance with the cash basis when it is collected.
- The commission income is represented in the value of the difference between the yield of the financing granted micro-enterprises and the accruals of the company's bank by deducting the services provided directly from the amounts collected from the entrepreneurs.
- The benefits and commissions resulting from the performance of the service are recognized according to the accrual basis as soon as the service is provided to the client unless those revenues cover more of the financial period are recognized on a time proportion basis.
- An administrative commission of 8% of the loan granted to customers is collected on contracting in exchange for the issuance of the loan service and administrative commission revenue are proven in the income statement upon the issuance of the loan to the client.
- A commission delay in payments of premiums is collected at rates agreed upon within the contracts and are recognized as soon as customers delayed payment on the basis of the extended delay.

42-4-11 Gains from securitization

Gains from securitization is measured as the difference between the fair value of the consideration received or is still due to the company at the end of securitization process and the carrying amount of the securitization portfolios in the company’s books on the date of the transfer agreement.

42-5 Income tax

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in OCI.

42-5-1 Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

42-5-2 Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business

plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects at the reporting date to recover or settle the carrying amount of its assets and liabilities. For this purpose the carrying amount of investment property measured at fair value is presumed to be recovered through sale and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

42-6 Property plant and equipment

42-6-1 Recognition and measurement

Items of property plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of certain items of property plant and equipment. If significant parts of an item of property plant and equipment have different useful lives then they are accounted for as separate items (major components) of property plant and equipment. Any gain or loss on disposal of an item of property plant and equipment is recognized in profit or loss.

42-6-2 Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

42-6-3 Depreciation

Depreciation is calculated to write off the cost of items of property plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated. The estimated useful lives of property plant and equipment for current and comparative periods are as follows:

	Estimated useful life
- Buildings	20 - 50 years
- Office furniture equipment & electrical appliances	2 - 16.67 years
- Computer equipment	3.33 - 5 years
- Transportation means	3.33 - 8 years

Depreciation methods useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

42-6-4 Reclassification to investment property

When the use of a property changes from owner-occupied to investment property.

42-7 Projects under construction

Projects under construction are recognized initially at cost the book value is amended by any impairment concerning the value of these projects cost includes all expenditures directly attributable to bringing the asset to a working condition for its intended use. Property and equipment under construction are transferred to property and equipment caption when they are completed and are ready for their intended use.

42-8 Intangible assets and goodwill

- **Goodwill**

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

- **Research and development**

  Expenditure on research activities is recognized in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably the product or process is technically and commercially feasible future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise it is recognized in profit or loss as incurred. Subsequent to initial recognition development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

- **Other intangible assets**

  Other intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

42-9 Investment property

Investment property is measured at cost on initial recognition.

Subsequent to initial recognition investment property is measured at cost less accumulated depreciation and impairment loss if any. Investment property is depreciated on a straight line basis over is useful life. The estimated useful life of investment property is 33 years.

42-10 Assets held for sale

Non-current assets or disposal groups comprising assets and liabilities are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets or disposal groups are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill and then to the remaining assets and liabilities on a pro rata basis except that no loss is allocated to inventories financial assets deferred tax assets employee benefit assets investment property or biological assets which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale intangible assets and property plant and equipment are no longer amortised or depreciated and any equity-accounted investee is no longer equity accounted.

42-11 Financial instruments

42-11-1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus for an item not at FVTPL transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

42-11-2 Classification and subsequent measurement

Financial assets

On initial recognition a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an instrument‑by‑instrument basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

42-11-3 Financial assets – Business model assessment

The Group makes an assessment of the objective of the 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. These include whether management's strategy focuses on earning contractual interest income maintaining a particular interest rate profile matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's 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;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency volume and timing of sales of financial assets in prior periods the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

If the company determines that its business model has changed in a way that is significant to its operations then all affected assets are reclassified from the first day of the next reporting period (the reclassification date). The change in business model has to be affected before the reclassification date. In order for reclassification to be appropriate the company cannot engage in activities consistent with its former business model after the date of change in business model. Prior periods are not restated.

42-11-4 Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' 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 lending risks and costs (e.g. liquidity risk and administrative costs) as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest 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. In making this assessment the Group considers:

- Contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate including variable‑rate features;
- Prepayment and extension features; and
- Terms that limit the Group's claim to cash flows from specified assets (e.g. non‑recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding which may include reasonable compensation for early termination of the contract. Additionally for a financial asset acquired at a discount or premium to its contractual par amount a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

42-11-5 Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses including any interest or dividend income are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

42-11-6 Financial liabilities – Classification subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held‑for‑trading it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses including any interest expense are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

42-11-7 Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability the difference between the carrying amount extinguished and the consideration paid (including any non‑cash assets transferred or liabilities assumed) is recognised in profit or loss.

42-11-8 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

42-11-9 Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non‑derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item determined on a present value basis from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non‑financial item such as inventory the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non‑financial item when it is recognised.

For all other hedged forecast transactions the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold expires is terminated or is exercised then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued the amount that has been accumulated in the hedging reserve remains in equity until for a hedge of a transaction resulting in the recognition of a non‑financial item it is included in the non‑financial item’s cost on its initial recognition or

For other cash flow hedges it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

When a derivative instrument or a non‑derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation the effective portion of for a derivative changes in the fair value of the hedging instrument or for a non‑derivative foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non‑derivative is

recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

42-12 Share capital

42-12-1 Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with EAS 24.

42-12-2 Repurchase and reissue of ordinary shares (treasury shares)

When shares recognized as equity are repurchased the amount of the consideration paid which includes directly attributable costs is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold or reissued subsequently the amount received is recognized as an increase in equity and the resulting surplus or deficit on the transaction is presented within share premium.

42-13 Legal reserve

The Company's statutes provides for deduction of a sum equal to 5% of the annual net profit for formation of the legal reserve. Such deduction will be ceased when the total reserve reaches an amount equal to half of the Company's issued capital and when the reserve falls below this limit it shall be necessary to resume.

42-14 Impairment

42-14-1 Non-derivative financial assets

Financial instruments and contract assets

The Group recognises loss allowances for Expected Credit Loss (ECLs) on:

- Financial assets measured at amortised cost;
- Debt investments measured at FVOCI;
- contract assets.

The Group also recognises loss allowances for ECLs on loans receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs except for the following which are measured at 12‑month ECLs:

- Debt securities that are determined to have low credit risk at the reporting date; and
- Other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment that includes forward‑looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. unless it can be rebutted.

The Group considers a financial asset to be in default when:

- The debtor is unlikely to pay its credit obligations to the Group in full without recourse by the Group to actions such as realising security (if any is held); or
- The financial asset is more than 90 days past due unless it can be rebutted.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12‑month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

42-14-2 Measurement of ECLs

ECLs are a probability‑weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

42-14-3 Credit-impaired financial assets

At each reporting date the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit‑impaired. A financial asset is 'credit‑impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit‑impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.

42-14-4 Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI the loss allowance is charged to profit or loss and is recognised in OCI.

42-14-5 Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers the Group has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

42-14-6 Non-financial assets

- At each reporting date the Group reviews the carrying amounts of its non-financial assets (other than investment property contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.
- For impairment testing assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.
- The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.
- An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

- Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.
- An impairment loss in respect of goodwill is not reversed. For other assets an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation if no impairment loss had been recognised.

42-15 Provisions

Provisions are recognized when the Group has a legal or constructive current obligation as a result of a past event and it's probable that a flow of economic benefits will be required to settle the obligation. If the effect is material provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessment of the time value of money and where appropriate the risks specific to the liability. Provisions are reviewed at the financial position date and amended (when necessary) to represent the best current estimate.

42-16 Treasury bills

Treasury bills are recorded at nominal value and the unearned income is recorded under the item of "creditors and other credit balances". Treasury bills are presented on the financial position net of the unearned income.

42-17 Trade and notes receivables debtors and other debit balances

- Trade notes receivables debtors and other debit balances are stated at nominal value less impairment losses.
- The Company's lessees and the leased assets are regularly classified & evaluated and their obligations are reduced by the rent value paid in each financial period and with the assurance of the availability of adequate guarantee to collect the client's rent values.

42-18 Cash and cash equivalents

For the purpose of preparing the statement of cash flows cash and cash equivalents includes the balances whose maturity do not exceed three months from the date of acquisition cash on hand cheques under collection and due from banks and financial institutions.

42-19 Profit sharing to employees

The holding company pays 10% of its cash dividends as profit sharing to its employees provided that it will not exceed total employees' annual salaries. Profit sharing is recognized as a dividend distribution through equity and as a liability when approved by the Company's shareholders.

42-20 Employees benefits

42-20-1 Share based payments

Equity settled transactions

For equity-settled share-based payment transactions the company measure the services received and the corresponding increase in equity indirectly by reference to the fair value of the equity instruments granted. The fair value of those equity instruments is measured at grant date.

Vesting conditions other than market conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that ultimately the amount recognized for services received as consideration for the equity instruments granted are based on the number of equity instruments that eventually vest. Hence on a cumulative basis no amount is recognized for services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition.

The company recognize an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and revise that estimate if necessary if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On vesting date the entity shall revise the estimate to equal the number of equity instruments that ultimately vested.

42-21 Micro-enterprises Receivables

42-21-1 Credit policy

Funding Consideration

- Funding are granted to clients who have previous experience not less than one year in his current activity which is confirmed by the client with adequate documentation and field inquiry.

- Funding are granted to the client which it's installment is suitable according to his predictable income activity and this done throw analyzing client's revenues and expenses and his foreseeable marginal income and this done by the branches specialists of the company on the prepared form for this purpose (financial study form and credit decision).
- Before grant funding a client activity field inquiry is done.
- Recording inquiries results about client and guarantor with inquiring forms of the company which reveal client's activity (visit form & Inquiry form).
- The company prohibit grant funding for new client unless the activity is existing with previous one year experience where the granted funds be within a minimum 1 000 EGP and maximum 30 000 EGP with loan duration of 12 months.
- Inquiries for clients are performed by I-Score Company before granting and in case of approval on granting. The credit limit of the client is considered when calculating the client's revenue and expenses.

Client's Life Insurance

The insurance process on the client is performed with the authorized companies from insurance supervisory authority.

Client's Following up

The company keeps specialists in branches from following up all regular clients and irregular with continuous application of that during finance period with judging on their commitment in paying the remaining installments and this done through recording visits for clients with daily basis and also with data base provided by computer system for all branches all over the republic.

Impairment loss of micro financed loans

The company at the date of the financial statements estimates the impairment loss of micro financed loans in the light of the basis and rules of granting credit and forming the provisions according to the Board of Directors decision of the Financial Supervisory Authority No. (173) issued on December 21, 2014 to deal with the impairment loss.

42-22 Leases

At inception of a contract the Group assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset the Group uses the definition of a lease in EAS 49.

42-22-1 As a lessee

At commencement or on modification of a contract that contains a lease component the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset which is determined on the same basis as those of property and equipment. In addition the right-of-use asset is periodically reduced by impairment losses if any and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the interest rate implicit in the lease or if that rate cannot be readily determined the Group’s incremental borrowing rate. Generally the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

fixed payments including in‑substance fixed payments;

variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;

amounts expected to be payable under a residual value guarantee; and the exercise price under a purchase option that the Group is reasonably certain to exercise lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee if the Group changes its assessment of whether it will exercise a purchase extension or termination option or if there is a revised in‑substance fixed lease payment.

When the lease liability is remeasured in this way a corresponding adjustment is made to the carrying amount of the right‑of‑use asset or is recorded in profit or loss if the carrying amount of the right‑of‑use asset has been reduced to zero.

The Group presents right‑of‑use assets that do not meet the definition of investment property in 'property plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right‑of‑use assets and lease liabilities for leases of low – value assets and short‑term leases including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight‑line basis over the lease term.

42-22-2 As a lessor

At inception or on modification of a contract that contains a lease component the Group allocates the consideration in the contract to each lease component on the basis of their relative stand- alone prices.

When the Group acts as a lessor it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case then the lease is a finance lease; if not then it is an operating lease. As part of this assessment the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease not with reference to the underlying asset.

If a head lease is a short-term lease to which the Group applies the exemption described above then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components then the Group applies EAS 11 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in EAS 47 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term as part of ‘other revenue’.

42-23 Operating segment

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment) which is subject to risks and rewards that are different from those of other segments. The Group’s primary format for segment reporting is based on business segment.