



Board of Directors report on the Consolidated financial statements for the three months ended on 31-3-2024

Housing and Development Bank is honored to present the financial results achieved during the three months ending on 31 March 2024.

Despite the economic and political events and their repercussions on the local and international levels, as well as the increase in the interest rate by 800 point during 2024, continuing with the positive results achieved by the bank and its companies over the past years our bank and its companies were able to maintain their strong performance.

The bank and its companies have achieved a net profit after tax of EGP 2,808 bln during the three months ended on 31 March 2024, with an increase of EGP 1,477 bln, 110.9% compared to the comparative period, despite the fact that the bank and its companies have provided loans impairment losses and other provisions with EGP 375 mln compared to EGP 214 mln for the comparative period to maintain the bank's financial position strength and resilience against any negative repercussions on the economic level.

In light of these challenges and due to the professionalism of the bank's executive management, its employees and its board of directors, and the continuous follow-up of all the bank's and its companies indicators, our bank was able to achieve remarkable indicators in light of the unfavorable economic conditions across all items of the financial position and income statement for the three months ended on 31 March 2024.

The financial indicators of the bank and its companies for the three months ended on 31 March 2024

Summary of Consolidated Income statement

Figures in thousands

Consolidated Income Statement	31/03/2024	31/03/2023	Change %
Net interest income	3,715,692	2,037,848	82.3%
Net fees and commission income	211,494	164,094	28.9%
Dividends income	2,991	3,006	(0.5%)
Net trading income	20,069	19,873	1%
Real estate housing income	333,064	295,562	12.7%
Bank's portion in the income of associates companies	456,113	86,340	428.3%
Subsidiaries companies revenues	177,472	126,864	39.9%
Loans impairment loss	(293,741)	(215,090)	36.6%
Other provisions (reversal)	(81,154)	758	--
Other operating income (expenses)	(9,517)	(8,950)	6.3%
Operating income	4,532,483	2,510,305	80.6%
Administrative expenses	(590,668)	(541,305)	9.1%
Subsidiaries companies expenses	(252,654)	(154,477)	63.6%
Net income before tax	3,689,161	1,814,523	103.3%
Income tax expense	(880,759)	(482,799)	82.4%
Net income for the period	2,808,402	1,331,724	110.9%
Earning per share	5.27	2.50	110.9%



Summary of Consolidated Financial Position

Figures in thousands

Consolidated Financial Position	31/03/2024	31/12/2023	Change %
Cash and balances with central bank of egypt	16,714,127	15,513,075	7.7%
Due from banks	26,698,441	14,112,626	89.2%
Loans & facilities to customers	43,995,130	41,303,049	6.5%
Financial investments at fair value through profit and loss	223,687	210,570	6.2%
Financial investments at fair value through other comprehensive income	33,781,116	43,297,861	(22%)
Financial investments at amortized costs	3,215,847	3,117,035	3.2%
Investments in associates	3,470,009	3,013,897	15.1%
Housing projects	3,543,273	3,212,312	10.3%
Other assets	7,878,093	6,963,599	13.1%
Total Assets	139,519,723	130,744,024	6.7%
Due to banks	2,360,785	2,316,995	1.9%
Customers' deposits	106,340,297	101,005,114	5.3%
Other liabilities	12,312,464	9,369,966	31.4%
Total Liabilities	121,013,546	112,692,075	7.4%
Total shareholders'equity and non controlling interest	18,506,177	18,051,949	2.5%
Total liabilities and shareholders'equity and non controlling interest	139,519,723	130,744,024	6.7%

The bank undertakes to maintain its strong performance across all indicators in the upcoming period relying on the diverse banking management ideas of the members of the board of directors, as well as the efficiency of its employees focusing on its ambitious strategy to provide the best financing solutions for institutions and individuals, and working on enhancing the bank's position in the banking market through expansion across all over Egypt's governorates, this will strengthen its competitive position and maintain its market share, qualifying the bank to remain one of the top 10 banks in Egypt.

I would like to conclude my words expressing gratitude to my colleagues, the members of the board of directors, and the employees for their efforts.

Chairman

(Basel Mohammed Bahaa El-Din El-Hini)

Date: /05/2024