

**Board of directors' annual report Form Attached to  
The financial statements  
(As per article 40 of Listing rules)**

|                     |                               |
|---------------------|-------------------------------|
| <b>Company Name</b> | Abu Dhabi Islamic Bank -Egypt |
|---------------------|-------------------------------|

➤ **General Information:**

|  |  |   |                           |
|--|--|---|---------------------------|
| <b>Company Purpose</b>                                 | Directing all activities compatible with Islamic Sharia principles and activities authorized for banks |   |                           |
| <b>Duration of the company</b>                         | 25 years   | <b>Listing date</b>                                       | 19-6-1996                 |
| <b>The law under which the company is incorporated</b> | Law No.43<br>Year: 1974  | <b>Stock nominal value</b>                                | 10 EGP                    |
| <b>Authorized capital (updated)</b>                    | 7 billion Egyptian pounds  | <b>Issued Capital (updated)</b>                           | 5 billion Egyptian pounds |
| <b>Paid-in Capital (updated)</b>                       | 5 billion Egyptian pounds  | <b>Commercial registry number &amp; registration date</b> | 205364 in 4/8/1980        |

➤ **Investors Relations:**

|                                   |  |                |  |
|-----------------------------------|--|----------------|--|
| <b>Investor relations officer</b> | Mahmoud Mohamed Hussein El Semeen<br>Rasha Elsayed Ibrahim elhefnawey                      |                |  |
| <b>Head Office address</b>        | 9 Al-Mostashar Mohamed Fahmy Al-Sayed Street (Rostom),                                     |                |  |
| <b>Telephone no.</b>              | 27986370<br>01021114893<br>01017033343   | <b>Fax No.</b> |  |
| <b>Website</b>                    | www.adib.eg  |                |  |
| <b>E-mail</b>                     | <a href="mailto:ADIB.EG_investors.Relation@adib.eg">ADIB.EG_investors.Relation@adib.eg</a> |                |  |

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➤ **External Auditors**

|                         |   |
|-------------------------|---|
| Name                    | 1) Mr. Tamer Abd Eltawab (PricewaterhouseCoopers EzzEldeen, Diab& CO.)<br>2) Ms. Huda Mostafa Shawki (MAZARS Mostafa Shawki)                                |
| Date of appointment     | In accordance with the resolution of the ordinary general assembly held on March 21, 2023   |
| Listing in FRA Register | 1) Mr. Tamer Abdel Tawab (Financial Regulatory Authority record number 388)<br>2) Ms. Huda Mustafa Shoukry (Financial Regulatory Authority record number 7) |

➤ **Shareholder's Structure and BOD's ownership on the date of financial**

(a) **Shareholders of 5% or more of company's' shares:**

| Name  | No. owned shares      | Percentage of ownership |
|---|-----------------------|-------------------------|
| Abu Dhabi Islamic Bank - public joint stock company | 266,020,862.00        | 53.20%                  |
| Emirates International Investment Company LLC,      | 67,206,667.00         | 13.44%                  |
| RESPOND INVESTMENT LLC                              | 25,972,671.00         | 5.19%                   |
| <b>Total</b>  | <b>359,200,200.00</b> | <b>71.84%</b>           |

(b) **BOD's ownership in the company:**

| Board member name                                   | No. owned shares      | Percentage of ownership |
|---|-----------------------|-------------------------|
| Abu Dhabi Islamic Bank - public joint stock company | 266,020,862.00        | 53.20%                  |
| Emirates International Investment Company LLC,      | 67,206,667.00         | 13.44%                  |
| Heidi Ahmed Kamal                                   | 10                    | 0.000002%               |
| <b>Total</b>  | <b>333,227,539.00</b> | <b>66.646%</b>          |

(c) **Treasury stocks as of date of purchase:**

| Treasury Stock | Outstanding balance as of the last disclosure statement | Percentage% |
|----------------|---|-------------|
| <b>Total</b>   | Nothing   | -           |

➤ **Board of Directors**

**(a) Current Structure**

| Name              | Title        | Entity represented                             | Description<br>(Executive/ Non-executive) |
|-------------------|--------------|--|---|
| Khalifa Almheiri  | Chairman     | Abu Dhabi Islamic Bank                         | Non-executive                             |
| Mohamed Aly       | CEO and MD   | Abu Dhabi Islamic Bank                         | Executive                                 |
| Bassam El Hage    | Board Member | Abu Dhabi Islamic Bank                         | Non-executive                             |
| Joseph Iskander   | Board Member | Emirates International Investment Company LLC, | Non-executive                             |
| Heidi Ahmed Kamal | Board Member | For individual shareholders                    | Executive                                 |
| Rania Al Mashaat  | Board Member | Independent                                    | Non-executive                             |

**(b) The most significant changes occurred in the composition of the board during the year are as follows:**

- Six members were elected to the Board of Directors during the ordinary general assembly held on March 21, 2023.
- The term of membership for Mr. Mohamed Ismail Al-Dahan in the Board of Directors ended in March 2023.
- Mr. Fareed Al-Balbissi, a board member, submitted his resignation from the board in September 2023.
- Dr. Rania Al-Mashaat was appointed as an independent member of the Board of Directors in July 2023.

**(c) Board of Directors Meeting: (no. of meetings during the year):**

- The Board of Directors convened 6 times during the year 2023



➤ **Audit Committee**

**(a) Latest formation of the audit committee**

| Name                       | Representing  |
|----------------------------|---|
| Mr. Bassam El Hage         | Head of AC – Abu Dhabi Islamic Bank                             |
| Mr. Khalifa Matar AlMheiri | Member of AC – Abu Dhabi Islamic Bank                           |
| Mr. Joseph Iskandar        | Member of AC – Emirates International Investment Company (EIIC) |

**(b) Statement of the committee's powers and assigned tasks**

- The committee is responsible for implementing the terms of reference as stated in Article 27 of the Executive Regulations of the Central Bank of Egypt Law No. 88 of 2003, the governance rules issued by the Central Bank of Egypt, and Article 37 of the rules for listing and delisting securities on the Egyptian Stock Exchange issued by the Financial Supervision Authority. The committee assists the Board of Directors in its supervisory responsibility with regard to financial reports, monitoring the internal control system and monitoring the process of compliance with laws, rules and regulations.

**(c) Meanwhile the audit committee seeks to assist and support the board of directors in achieving its responsibilities, it undertakes the following duties**

- Overseeing Financial Reporting.
- Overseeing the Bank's risk management framework and quality assurance.
- Overseeing the integrity of the Bank's internal control system.
- Overseeing internal and external audit processes, effectiveness and assessing performance.
- Overseeing the Bank's process for compliance with laws, regulations and code of conduct.

**(d) The Board of Directors authorizes the Audit committee to**

- Perform activities within the scope of this charter.
- Engage and independent consultant/professional for advice, as it deems necessary, to carry out its duties at the Bank's expense.
- Investigate any activity within this charter.
- Have unrestricted, direct access to members of management, employees and auditors (internal / external).

**(e) Audit Committee activities during year 2023**

|  |     |
|--|-----|
| Number of AC meetings  | 4   |
| Were the committee's reports presented to the bank's board of directors?           | Yes |
| Did the committee's reports include essential observations that must be addressed? | No  |
| Has the Board of Directors addressed the essential observations?                   | --  |

➤ Company employees

|   |            |
|---|------------|
| Average no of employees during the year | 2318       |
| Average income of employees during year | 24,700 EGP |

➤ Employee Stock Ownership Plan (ESOP) (For employees and managers-if any):

|   |                       |
|---|-----------------------|
| Total no. of shares available according to ESOP                                   | <b><u>Nothing</u></b> |
| Total no. of shares granted during the year                                       |                       |
| No. of beneficiaries from ESOP  |                       |
| Total no. of shares granted since the implementation of ESOP                      |                       |
| Owner of 5% or more of shares according to ESOP shares, or 1% of company's shares |                       |

➤ Violations and Actions Taken related to Capital market law and Listing rules:

List of all actions taken either by FRA or the stock exchange against the company, its board of directors, or any of its managers during the year due to violations and breaches related to capital market law and its executive regulations, or listing rules. In addition, their reasons, procedures of addressing and avoiding repeating them in the future "if any".

- Nothing

➤ Transactions with Related parties:

Mention all commutative contracts entered into by the company with one of its founders or major shareholders and associated groups during the previous year, the value of each contract, its terms and details, and the date of prior approval of each contract by the General Assembly.

- Nothing

➤ **Abu Dhabi Islamic Bank - Egypt's contribution to community development during 2023**

- Out of Abu Dhabi Islamic Bank - Egypt's faith in serving its community, the bank exerted a lot of efforts to maintain a leadership role in the field of paying back the community. In 2023, the bank made donations and signed charitable protocols from the Charity Account to support initiatives in the areas of health and beyond society.
- The bank has begun to establish principles and define societal concepts within its culture and its governance of daily activity that is completely in harmony with the bank's system and its strategy, as our bank has been a pioneer in supporting basic areas such as and not limited to education, community and humanitarian affairs.
- In 2023, an amount of 13,457,582 was donated for community responsibilities.

➤ **In the field of community development during 2023**

Abu Dhabi Islamic Bank - Egypt has donated to a wide range of associations and signed protocols, whether through it or through the Abu Dhabi Islamic Bank Foundation, those projects were chosen out of its belief in effective solidarity.

| Amount    | Beneficiaries                            |  | Purpose  |
|-----------|--|--|--|
|           | Name of Beneficiaries                    | Number of beneficiaries                              |  |
| 400,400   | Al Orman foundation                      | 1100   | Ramdan boxes   |
| 100,000   | El Takfol foundation in Qena             | 50   | Contribution in buying supplies for 50 orphans brides  |
| 1,000,000 | El Galala University                     | 500 per year   | Setting up two computers labs  |
| 1,486,000 | Bahya new Zayed hospital                 | 500 Women per year                                   | Financing a room to receive breast cancer Women and financing their treatment including the chemo  |
| 5,180,000 | South valley university<br>حملة قدم صحيح | Examine of 4320 annually and treatment of 1152 cases | Setting up two rooms inside south valley university to receive the cases and accommodate in those rooms during treatment in collaboration of sonaa el khier foundation |
| 1,376,000 | Aydina foundation                        | 115 kids   | Providing 115 prostheses for kids using D3 technique from different governorates , including the regular maintenance for the prostheses.                               |
| 2,250,000 | Al Fayoum cancer center                  | 500+ per year and maybe more later                   | Purchasing a thermal frequency device for surgical operations for patients with metastatic tumors  |
| 900,000   | Karima el Ola foundation                 | From 5000 to 7000 per year                           | Three water treatment stations at Al Fayoum, Menya and Kafr Elshiekh.as those the top three governorates that has kidney failure cases due to unclean water            |
| 765,182   | Zewail university                        | Needed 16 students                                   | Financing the tuition fees for 16 senior students and accommodation for expats   |

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➤ Summary of standalone results for financial Year ended 31 December 2023

Currency: EGP

Approximation: In Thousands

**First: Standalone Income Statement for financial Year ended 31 December 2023 compared to same financial Year in 2022:**

- Total revenues amounted EGP 10,563 million, an increase of EGP 4,650 million, by 79% compared to the same financial Year ended on December 31, 2022. This growth is due to the following - :
  - Net revenues from fund amounted EGP 8,786 million, an increase of EGP 4,053 million, by 86% compared to the same financial Year of 2022. This is due to the increase in the profit margin achieved from the financing portfolio by EGP 4,058 million, by 62% compared to the same financial Year of 2022, in addition, to the increase in the Financial Debt Instruments and return from placements and current accounts with banks amounted EGP 4,284 million, or 99%, compared to the same financial year 2022, after deducting the increase in the cost of deposits and similar costs by EGP 10,396 million, or 70% compared to the same financial Year in 2022.
  - Net fees and commissions income amounted EGP 1,513 million, an increase of EGP 497 million, or 49% compared to the same financial Year in 2022.
  - Net trading income amounted EGP 259 million, an increase of EGP 104 million, or 67% compared to the same financial Year in 2022.
  - The general and administrative expenses amounted EGP 1,818 million, an increase of EGP 353 million, or 24% compared to the same financial Year in 2022.
- The amount of expected credit losses during the financial Year amounted EGP 1,637 million, compared to EGP 801 million, an increase of EGP 835 million, more than 100% change compared to the same financial Year in 2022.
- Net profit before taxes amounted EGP 6,316 million, an increase of 3,097 million EGP, or 96% increase, compared to the same financial Year in 2022.
- Income tax expenses during the financial Year amounted EGP 1,825 million, an increase of EGP 732 million, or 67%, compared to the same financial Year in 2022.
- Accordingly, the Standalone net profit after taxes amounted EGP 4,491 million, an increase of EGP 2,365 million, or more than 100% increase compared to the same financial Year in 2022.

**Second: Balance sheet items as of 31 December 2023 compared to 31 December 2022:**

- Total assets increased by EGP 45 billion, an increase of 39%, to reach EGP 160.6 billion on December 31, 2023.
- Net financing and facilities to customers increased by EGP 6.8 billion, an increase of 12%, to reach EGP 63.56 billion on December 31, 2023.
- Total customer deposits increased by EGP 29.4 billion, an increase of 30%, to reach EGP 127 billion on December 31, 2023.
- Shareholders' equity increased by EGP 5.3 billion, an increase of 62%, to reach EGP 13.9 billion on December 31, 2023.

➤ The main activities of the company and its affiliates and any changes in ownership of affiliates during the year.

## Main activities and changes in ownership of subsidiaries during 2023

| S# | Subsidiaries   | Main activities   | نسبة المساهمة المباشرة % |           |                   |
|----|--|---|--------------------------|-----------|-------------------|
|    |  |   | 31-Dec-23                | 31-Dec-22 | التغير خلال السنة |
| 1  | Cairo National Company for Investment                | 1- Promoting and covering subscription to securities and participating in the establishment of companies that issue securities or contribute to increasing their capital, forming and managing securities portfolios, and providing risk capital.   | 64.75%                   | 64.75%    | 0.0%              |
| 2  | National Company for Trading and Development (Entad) | 1- Trading and distributing goods, machinery, equipment, building materials, raw materials, means of transportation, chemicals, fertilizers, and agricultural fertilisers, trading and marketing grains of all kinds and all agricultural crops, owning projects, and buying and selling land.<br>2- import, export, commercial agencies and aspects of tourism activity. | 40.00%                   | 40.00%    | 0.0%              |
| 3  | ADI Finance  | 1- The company's purpose is financial leasing activity in accordance with Islamic Sharia and the law, according with the General Authority for Investment and Free Zones was also obtained to add the activities of factoring and real estate financing to the main activities of the company   | 98.66%                   | 98.66%    | 0.0%              |
| 4  | ADI holding company                                  | 1- Participation in establishing companies that issue securities or contribute to increasing their capital in accordance with the principles of Islamic Sharia.   | 99.60%                   | 99.60%    | 0.0%              |
| 5  | ADI Capital  | 1- Promoting and covering subscription to securities in accordance with the principles of Islamic Sharia.   | 92.86%                   | 92.86%    | 0.0%              |
| 6  | ADI Properties                                       | 1- Real estate investment in new cities and urban communities, remote areas, and areas outside the Old Valley, except for North and South Sinai and Qantara East, requires the Authority's prior approval."<br>2- Buying, selling and renting land and real estate  | 5.00%                    | 5.00%     | 0.0%              |
| 7  | ADIB Investment                                      | 1- Managing and forming securities portfolios and investment funds in accordance with the principles of Islamic Sharia.   | 98.00%                   | 98.00%    | 0.0%              |
| 8  | ADIB Consumer Finance                                | 1- Consumer financing activity in accordance with the principles of Islamic Sharia.   | 98.00%                   | 98.00%    | 0.0%              |
| 9  | ADIB MicroFinance                                    | 1- Financing medium, small and micro projects in accordance with the principles of Islamic Sharia.  | 98.00%                   | 98.00%    | 0.0%              |
| 10 | ADI Taskeek  | 1- Issuing sukuk that are compatible with the Islamic Sharia and that own the assets, benefits, rights, or project being financed   | 98.00%                   | 0.00%     | 98.0%             |



A The percentage of business size and net profit or loss distributed across the company's main activities.

All Amount in EGP Thousand

| 31-Dec-23                                 | Corporate   | Investment | Retail      | Other activities | Total       |
|---|-------------|------------|-------------|------------------|-------------|
| Revenues and expenses by activity segment |             |            |             |                  |             |
| Revenues of activity segment              | 3,776,767   | 2,239,373  | 2,983,338   | 1,477,011        | 10,476,489  |
| Expenses of activity segment              | (1,933,006) | (124,758)  | (1,386,963) | (716,249)        | (4,160,976) |
| Net profit for the year before tax        | 1,843,761   | 2,114,615  | 1,596,375   | 760,762          | 6,315,513   |
| Tax                                       | (414,878)   | (780,124)  | (379,168)   | (250,765)        | (1,824,935) |
| Net profit for the year                   | 1,428,883   | 1,334,491  | 1,217,207   | 509,997          | 4,490,578   |

All Amount In EGP Thousand

| 31-Dec-22                                 | Corporate | Investment | Retail      | Other activities | Total       |
|---|-----------|------------|-------------|------------------|-------------|
| Revenues and expenses by activity segment |           |            |             |                  |             |
| Revenues of activity segment              | 2,059,758 | 1,322,856  | 2,278,105   | 369,378          | 6,030,097   |
| Expenses of activity segment              | (699,426) | (47,767)   | (1,371,109) | (693,143)        | (2,811,445) |
| Net profit for the year before tax        | 1,360,332 | 1,275,089  | 906,996     | (323,765)        | 3,218,652   |
| Tax                                       | (307,967) | (761,070)  | (227,924)   | 204,037          | (1,092,924) |
| Net profit for the year                   | 1,052,365 | 514,019    | 679,072     | (119,728)        | 2,125,728   |

- The current value of assets – If the book value significantly differs from the current market value:

- The book value of assets does not differ significantly from their current market value

➤ Proposals regarding the transfer to reserves:

- In accordance with Article 192 of the Executive Regulations of Companies Law No. 159 of 1981, the bank allocated 5% of the net profits to the reserve account, amounting to 222 million Egyptian pounds.
- The capital reserve was reinforced in accordance with legal provisions with profits resulting from the sale of fixed assets, totaling 41.5 million Egyptian pounds.

- **The proposed profits to be distributed to shareholders**

- According to the proposed dividends plan, it is suggested to distribute 100 million free shares with a nominal value of 1 billion Egyptian pounds to reinforce the bank's capital base.


➤ **Statement of shares issued during the year:**

- 100 million shares with a nominal value of 1 billion Egyptian pounds were issued to comply with Central Bank Law No. 194 of 2020, regarding reaching the issued and paid-up capital of the bank to 5 billion Egyptian pounds. The funds raised were utilized to reinforce the capital base of our bank, supporting its growth and financial investments, whether in loans or financial investments.

The annual reports related to environmental, social, and governance (ESG) disclosures, sustainability, and the financial impacts of climate change:

- Attached is the annual report for the year 2023 prepared in accordance with the Financial Regulatory Authority decisions number 107 and 108 of the year 2021.

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Company legal representative

**Company legal representative**

**Mohamed Aly**

**CEO & MD**

**Company stamp**