








Crédit Agricole Egypt, Q3 2021 Financial Results

**Good commercial momentum across all business lines and sharp increase in profitability
with Net Profit reaching EGP 1,167 million, up 13% YoY**

Main Highlights

-  Gross Loans portfolio reached EGP 30 billion, up 12% Year-to-Date
-  Customer Deposits reached EGP 45 billion, up 10% Year-to-Date
-  Strong liquidity position, Loans-to-Deposit Ratio of 66%
-  High quality of assets, Non-performing Loans ratio of 3.4%
-  Resilient capital structure, Capital Adequacy ratio of 21.8%
-  Net Profit recorded EGP 1,167 million, up 13% Year-on-Year
-  Return on average Assets of 2.9% and Return on average Equity of 20.1%

Crédit Agricole Egypt: steady growth

Within the current environment, Crédit Agricole Egypt maintains its solid performance through 9M21, generating a Net banking income of EGP 2,830million, up 4%YoY, and continues to support the economy, with a gross loan portfolio reaching EGP 30billion, up 12%YtD.

All business lines have performed well, where Customer deposits reached EGP 45billion, up 10%YtD, combined with the increase in the lending portfolio. The bank has continued accelerating the development plans serving automation and digitalization, while maintaining the bank's vigilant risk approach, high quality of assets and ongoing improved efficiency.

During the third quarter, CA Egypt reinforced its commitment to support the development and growth of its Corporate and SMEs customers. The bank joined a large syndicated loan transaction along with 11 other banks, in order to finance the construction of the new Abu Qir city and port in Alexandria.

As part of CA Egypt commitment towards various CBE initiatives and efforts to protect the environment, the bank has launched an Auto Loan product to finance dual-fuel vehicles along with existing electric car finance program. Furthermore, CA Egypt signed a partnership with "City Edge Developments" one of the dominant developers in new cities, in consistency with CBE's middle class housing finance initiative and the bank's strategy to support sustainable housing.

In addition, CA Egypt has continued to offer tailored solutions to its customers and recognized their loyalty for a sustainable relationship. In that respect, various commercial activities have been launched during Q3 to accelerate the customer base growth including segmented acquisition offers, customer onboarding journey enhancement and cross selling campaigns.

Crédit Agricole Egypt Awards

For the second time this year CAE has been named the "Best Digital Trade Finance Services" and "Best Mobile Banking App" by Global Finance Magazine, a publication specialized in international financial markets. This acknowledgment of Crédit Agricole Egypt efforts towards providing an A-class level of services to all its customers is a strong recognition of the successful strategy of the bank that focuses on delivering innovative products and services to its customers as well as digitalization to attain customers' satisfaction and long-term relationship.



Corporate Social Responsibility

CA Egypt Foundation for Development in collaboration with Education First Foundation, and under the umbrella of “EBHAR Misr” program, together have provided scholarship opportunities to five students at Ain Shams University, as well as celebrated the graduation of third and fourth classes of talented students from the program. They are aiming for strategic societal development by fostering youths and nurturing talents.

A Dynamic Commercial Activity reflecting the economic recovery and the bank’s ambitious growth plan

All CA Egypt business lines have supported both Corporate and Individual customers with adequate financial solutions, and expanded its active customer base +10%YoY. Hence, gross loan portfolio (including Loans to Banks) increased +12%YtD, to reach EGP 30billion, while Customer Deposits increased +10%YtD, to reach EGP 45 billion.

(Clients and Banks)	Sep-21	Jun-21	QtD	Dec-20	YtD	Sep-20	YoY
Gross Loans Portfolio	EGP billion	EGP billion	Sep-21 vs Jun-21	EGP billion	Sep-21 vs Dec-20	EGP billion	Sep-21 vs Sep-20
Corporate Loans	20	19	4%	18	13%	18	9%
Retail Loans	10	9	2%	9	4%	9	3%
Loans to Banks	0.4	0	n.m.	0	n.m.	0	n.m.
Gross Loans	30	29	5%	27	12%	28	8%
Loans LCY	25	25	2%	23	9%	23	9%
Loans FCY	5	4	25%	4	32%	4	7%

Customer Deposits	Sep-21	Jun-21	QtD	Dec-20	YtD	Sep-20	YoY
	EGP billion	EGP billion	Sep-21 vs Jun-21	EGP billion	Sep-21 vs Dec-20	EGP billion	Sep-21 vs Sep-20
Corporate Deposits	22	21	5%	20	15%	19	18%
Retail Deposits	23	23	1%	22	5%	22	4%
Customer Deposits	45	44	3%	41	10%	41	10%
Deposits LCY	35	34	3%	31	11%	31	12%
Deposits FCY	11	10	2%	10	7%	10	5%

LCY L/D Ratio	73%	74%		74%		75%	
FCY L/D Ratio	45%	37%		36%		44%	
Global L/D Ratio	66%	65%		65%		68%	

Profitability Performance

Net Banking Income increased +4% YoY reaching EGP 2,830 million in Sep-21, where Net interest income increased +2%YoY. Despite margins are being pressured by the descending yields in a monetary easing environment, the bank has grown its revenues portraying the bank’s robust commercial momentum.

Thus, CA Egypt continues its decent performance through 9M21, where improved profitability combined with effective expenses control and cost of risk reduction, resonated in Net Income +13%YoY, and +3%QoQ, reaching EGP 1,167million.



Press Release - Third Quarter and First Nine Months 2021

Income Statement	3Q21	2Q21	QoQ	3Q20	YoY	9M21	9M20	YoY
	EGP million	EGP million	3Q21 vs 2Q21	EGP million	3Q21 vs 3Q20	EGP million	EGP million	9M21 vs 9M20
Net Interest Income	728	726	0%	702	4%	2,142	2,098	2%
Fees and Commission	131	134	-2%	152	-14%	425	387	10%
Other Operating Income	90	89	2%	62	46%	264	238	11%
Net Banking Income	949	949	0%	915	4%	2,830	2,722	4%
Overhead Expenses	-331	-330	1%	-318	4%	-989	-941	5%
Gross Operating Profit	617	619	0%	598	3%	1,842	1,781	3%
Other Income/Expense	1	0	n.m.	0	n.m.	48	0	n.m.
Impairment Charges	-71	-69	3%	-96	-26%	-253	-319	-21%
Net Profit before Tax	547	550	0%	502	9%	1,637	1,462	12%
Income Tax	-144	-158	-9%	-172	-16%	-470	-431	9%
Net Profit	403	392	3%	330	22%	1,167	1,031	13%

*Income Statement figures is based on managerial reporting

High Quality of Assets, Strong Solvency and Liquidity

CA Egypt NPL ratio remains notably one of the lowest NPL ratios within the banking sector, coupled with a decent coverage buffer, demonstrating its vigilant risk management policy.

Moreover, the bank's strong liquidity and capital positions, well above regulatory requirements, provide a safeguard that enables the bank to absorb shocks, if any, and provide opportunities for further organic growth associated with the ongoing recovery of the Egyptian economy.

Key Indicators	Sep-21	Jun-21	QtD Change	Dec-20	Ytd Change	Sep-20	YoY Change
Liquidity							
Loans-to-Deposits Ratio	66%	65%	1%	65%	1%	68%	-1%
Liquidity Coverage Ratio	630%	613%	18%	636%	-5%	604%	26%
Net Stable Funding Ratio LCY	172%	171%	1%	169%	3%	171%	1%
Net Stable Funding Ratio FCY	174%	169%	5%	169%	5%	164%	10%
Assets Quality							
Capital Adequacy Ratio	21.8%	21.7%	0.1%	20.3%	1.5%	19.0%	2.8%
Leverage Ratio	11.6%	11.7%	-0.1%	10.9%	0.7%	10.3%	1.3%
Non-performing Loans Ratio	3.43%	3.75%	-0.3%	3.06%	0.4%	2.52%	0.9%
Coverage Ratio	145%	137%	8%	164%	-19%	182%	-37%

*CAR excluding Top 50 Concentration risk

Conclusion

Crédit Agricole Egypt enjoys a solid balance sheet structure, strong liquidity position, prudent risk management and adequate capital buffer, allowing the bank to pursue decent growth YoY. The bank continues to support its customers and the recovery of the Egyptian economy thanks to a comprehensive set of products and services.