



Al Tadamun Microfinance Foundation

ANNUAL REPORT 2022

Stronger together



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PRESIDENT'S MESSAGE



Mona Zulficar

President of the Board of Trustees
Al Tadamun Microfinance
Foundation

“I emphasize the importance of the small, medium and micro enterprises sector, which contributes significantly to the promotion of economic activity in order to achieve Egypt’s vision 2030 and sustainable development.”

Dear Stakeholders,

Al Tadamun Microfinance Foundation continued its success and its pioneering role in supporting underprivileged women in emerging markets who own small projects during the year 2022, as it demonstrated a superior ability to face successive crises starting from the Covid-19 pandemic to the Russian-Ukrainian crisis and its repercussions on various economies around the world.

I express my pride in the institution’s outstanding performance during year 2022. In light of achieving an unprecedented growth and development rates that exceeded prospects, Al Tadamun was able to reach more than 240,000 active clients benefiting from its services by the end of 2022, in concurrence with strong 29% growth in active portfolio which exceeded one billion Egyptian pounds.

I expect Al Tadamun to continue its efforts towards reaching its various services to various segments of beneficiaries throughout Egypt in order to achieve financial inclusion, sustainable development, and to contribute to supporting economic growth, combating poverty, raising the standard of living, and providing job opportunities. Another point to consider is continuing to offer innovative financial services that are suitable for all needs.

The Financial Regulatory Authority and the Central Bank of Egypt play a pivotal role in ensuring stability and soundness of the microfinance market creating an enabling environment and adopting unprecedented policies for the success of the sector in providing its services in the Egyptian market and accessing microfinance services to all Egyptians, which would support the spread of financial inclusion in Egypt.

The number of beneficiaries who have received microfinance loans is on the rise with a growth rate exceeding 10% which reached end of 2022 a total of microfinance beneficiaries 4.7 million clients by the end of 2022 in addition to the growth of active portfolio estimated by 7.9%, to reach 64.9 billion Egyptian pounds. Moreover, according to the Financial Regulatory Authority's report for the year 2022, microfinance portfolio of companies, associations and institutions increased by 42.8%, to record 38.7 billion pounds at the end of 2022, compared to 27.1 billion pounds at the end of 2021. End of 2022, the number of active clients reached 3.94 million beneficiaries, compared to 3.5 million beneficiaries in 2021.

I emphasize the importance of the small, medium and micro enterprises sector, which contributes significantly to the promotion of economic activity in order to achieve Egypt's vision 2030 and sustainable development.

Al Tadamun has taken a strategic view in investing to prepare for the future of inclusive financial services. Al Tadamun is evolving, with a developing awareness of sustainability effects that urgently need to be contained. We believe that only institutions that successfully negotiate this alteration will succeed. To this end, Al Tadamun is investing tools to understand how we can better bring financial services to underbanked informal sector thereby empowering communities to thrive. Thankfully, we have achieved significant progress in 2022 in terms of gaining business momentum, strengthening existing relationships and integrating digital solutions to align with the emerging demand for remote services.

Let me extend my sincere gratitude to all our partners, board members, institutions, and staff for their continuous support throughout all the difficult times and believing in our ability to serve the clients to the best.



President of the Board of Trustees
Al Tadamun Microfinance Foundation

CEO's Message



Reham Farouk

Cheif Executive Officer

Al Tadamun Microfinance
Foundation

“In 2022, we are delighted to report another year of growth across all of our critical business metrics. With a long-term vision to become the undisputed leader in our industry and despite the challenging and unpredictable market environment”

Dear valued stakeholders,

We sincerely hope you and your loved ones are happy, healthy and safe.

A year ago, we were finally emerging from the world-changing impact of COVID with renewed optimism and faith as to what the future could bring. Yet in only 12 months, we have seen the invasion of Ukraine with all the human and economic implications such as spiraling inflation, high costs, unstable exchange rates affecting prices crisis and the growing likelihood of recession.

In 2022, we are delighted to report another year of growth across all of our critical business metrics. With a long-term vision to become the undisputed leader in our industry and despite the challenging and unpredictable market environment, Al Tadamun Microfinance Foundation achieved strong financial results driven by record of outstanding portfolio of 1 billion EGP and more than 240,000 active clients. Despite the turmoil globally we have seen in recent months, Al Tadamun has witnessed very strong growth, posting a remarkable 29% growth in its portfolio, 13% in active clients and 35% in disbursed loans compared to year 2021 and expand to 112 branches across 14 governorates in Egypt.

Mounting on its core strength towards financial inclusion and emerging from the need to more digitization that the pandemic has disclosed, Al Tadamun invested in more digital solutions to ease up payments and improve clients' experience. Al Tadamun is joining forces with the top five electronic payment companies in Egypt which includes; Fawry, Masary, O-Pay, Cashcall and Wakty where the electronic payment rate reached to 99%.

Al Tadamun entered 2022 a stronger and resilient foundation, thus in March 2022, Al Tadamun upgraded the working environment for its workforce and there was the inauguration of a best-in-class new headquarter to meet the criteria of providing a strong cultural alignment to deliver on their full potential, offering a strategic fit and making financial sense for our stakeholders.

We worked hard to future-proof our organization, we were pleased to end the year partnering with seven banks to ease up the liquidity constraint of the clients and we were proud to end the year as one of the top-performing foundations in microfinance sector. In 2023, Al Tadamun is joining forces with a few other banks including CIB to enlarge its loans portfolio.

With optimism and our values guiding us, we remain laser-focused on continuing to set free the potential of Al Tadamun as we move forward. We want to thank the Board of Trustees for their continued support and governance of Al Tadamun; the dedicated employees for helping to keep the services moving forward; and our partners for their enthusiastic and solid support of our mission. We also want to thank our clients for continuing to be great stewards of our services. Thank you for your commitment, and having faith in Al Tadamun.

In the face of the challenging macro-economic situation, Al Tadamun is well positioned to meet the challenges in 2023.



Chief Executive Officer
Al Tadamun Microfinance Foundation

Al Tadamun at a Glance



Al Tadamun Microfinance Foundation is one of the top microfinance institutions in Egypt. The Foundation supports underprivileged Egyptian women micro-entrepreneurs for a source of finance to set up, sustain and expand their microenterprises, thus generating more income for themselves and their families.

1996

Al Tadamun started in **1996** when the Egyptian Field Office of Save the Children USA, in partnership with the local NGO Women’s Health Improvement Association (WHIA) presented a Group Guaranteed Lending and Saving (GGLS) as a pilot project in order to meet the needs of underprivileged Egyptian women micro-entrepreneurs and help them developing and expanding an already existing micro-project, which contributes to providing sufficient income to raise their standard of living for them and their families.

Subsequently, the pilot project witnessed a great development and growth, to turn into an actual project in 1998, which prompted Save the Children USA to extend the umbrella of project services to the neighborhoods of “Imbaba, Abdin and Dar El Salaam”, using sustainable funding resources.

1998

2003

In **July 2003**, the three branches were merged together in partnership with Save the Children and the Women’s Health Improvement Association, WHIA, and renamed it to “Al Tadamun Microfinance Program” running under the legal umbrella of WHIA.



Al Tadamun became independent on **March 22, 2009** and was officially registered as a nongovernmental organization under the legal umbrella of the Ministry of Social Solidarity under number 573 in accordance with the provision of Law No. 84 of 2002 and its implementing regulations.

2009

2015

In **January 2015**, Al Tadamun became under the supervision of the Financial Regulatory Authority in accordance with the microfinance law no. 141 of 2014. On **October 29, 2015** Al Tadamun obtained the license no. 1117 for practicing microfinance.



Vision Statement

To become every Egyptian woman's address for micro financial services

Mission Statement

To increase the income of women micro-entrepreneurs in the various governorates in Egypt to improve their quality of life through providing access to responsible, sustainable and diversified financial services that suit their needs

OBJECTIVES

- Increase outreach to achieve a higher market share and deeper penetration
- Maintain a competitive edge in the market through continuous improvement of our products, financial services and our customer care
- Develop Institutional capacity to continue delivering high quality services in a sustainable and efficient manner.

CORE VALUES

- Trust
- Integrity
- Transparency
- Credibility
- Respect
- Belonging
- Social Responsibility

Al Tadamun's Financial Services



1. Group Loan Product

The Group Loan Product is tailored to micro-scale women with small, individual, and multiple cycle working capitals to improve their enterprises. In 2022, the product served 194,063 active clients with an outstanding portfolio of EGP 665,445,217.



2. Individual Loan Product

Al Tadamun launched the Individual Loan Product at the beginning of 2015 to support a diversified range of individual financing projects. In 2022, the product served 44,655 active clients with an outstanding portfolio of EGP 392,442,866.



3. Family Loan Product for Machinery, Equipment & Vehicles

The Family Loan Product for Machinery, Equipment & Vehicles was launched in March 2018 as a pilot project in five branches to support a diversified range of equipment, machinery and vehicles such as sewing machine, photocopying machines, and tricycles. In 2022, the product was activated throughout all branches reaching 1,010 active clients with an outstanding portfolio EGP 7,296,973.



4. Golden Loan Product

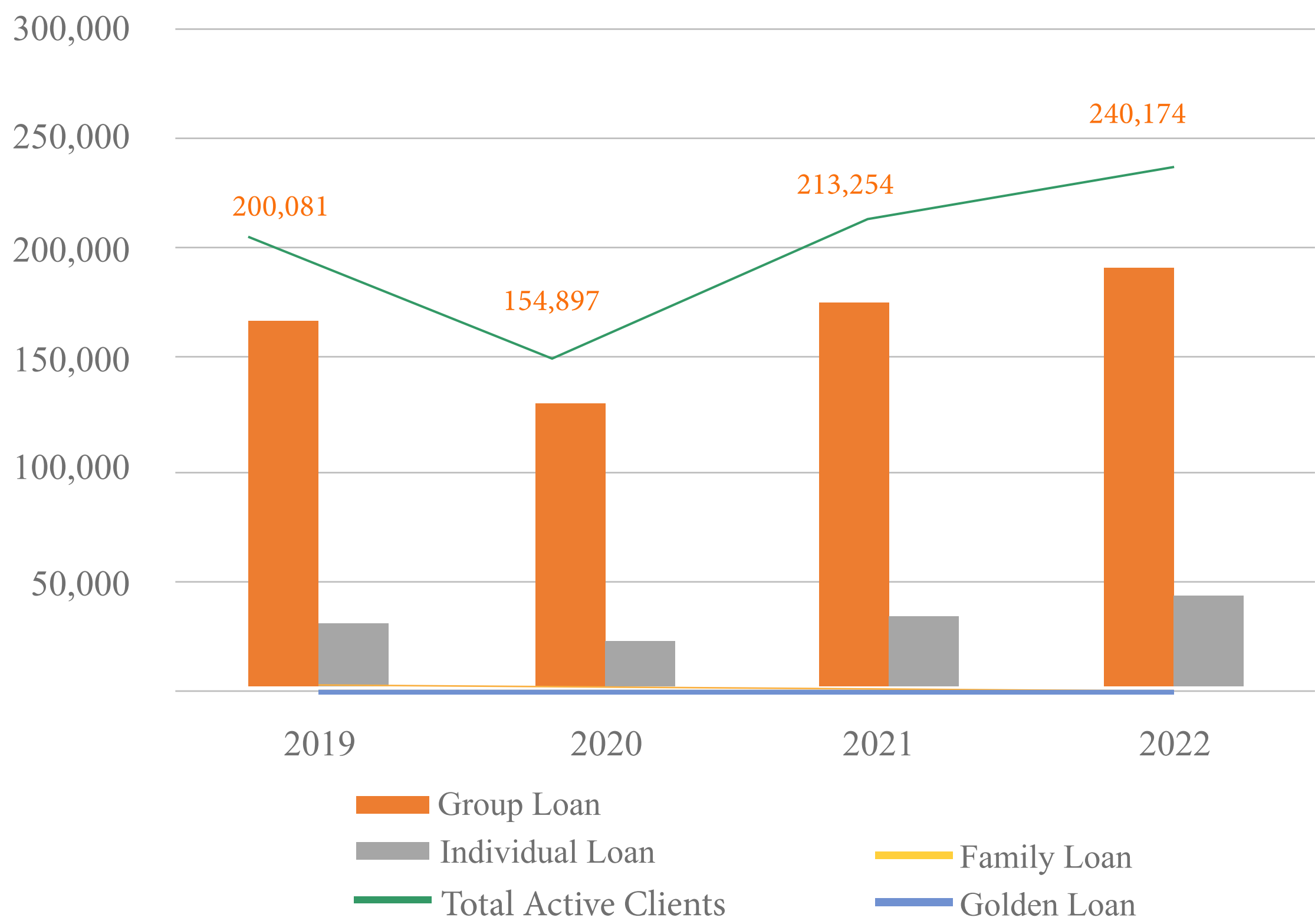
In 2019, Al Tadamun launched the Golden Loan Product as a pilot project in five branches to provide a new segment of underprivileged women micro-entrepreneurs with financial services that suit their needs. By the end 2022, the Golden Loan Product served 10 active clients with an outstanding portfolio of EGP 222,414.



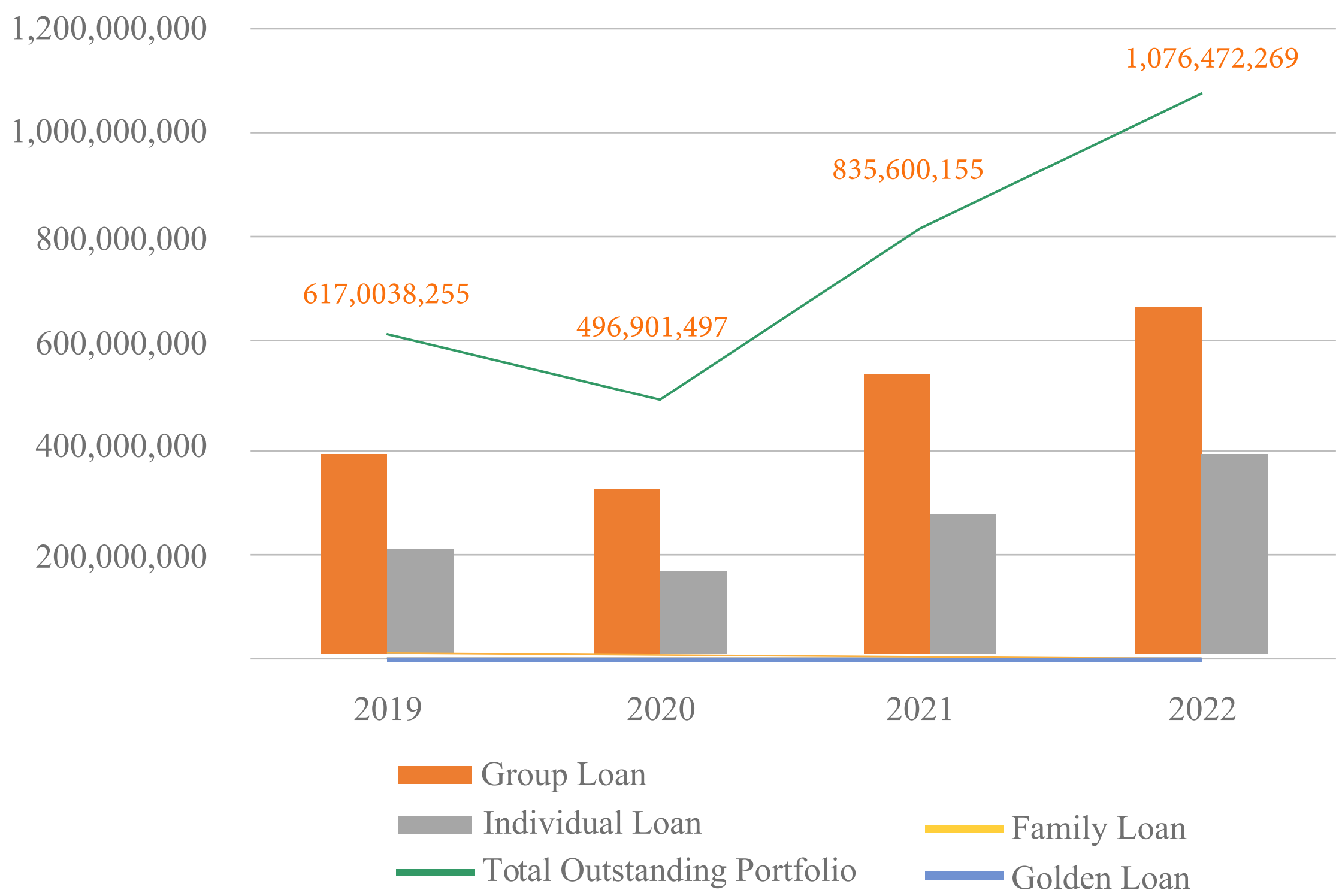
5. Forsa Loan Product

A new product was developed in 2020 called “Forsa” which means opportunity. This product provides machinery and equipment to the active clients who can afford paying the installments of two loans. The product is based on clients’ actual needs and repayment capacity. In 2022, Forsa Loan Product reached 5,353 clients with an outstanding portfolio EGP 11,064,797.

Number of Active Clients



Outstanding Portfolio (EGP)



Al Tadamun's Client Benefits

1. Insurance Services

Al Tadamun provides insurance coverage for all active clients as in death, the client is exempted from the rest of the installments, in addition to contributing the paid amount to their families as part of Al Tadamun social responsibility role towards the community. Also, in case of being hospitalized, Al Tadamun provides a specified amount to the client for each day she spent in the hospital, in addition to the Foundation extending the insurance umbrella to include the client's entire portfolio. The insurance services are as follows:

- Hospitalization
- Disability
- Death

2. Summer Trips

On an annual basis, Al Tadamun always strives to provide better services to its clients and is keen to reduce the burdens of life for them.

During 2022, Al Tadamun offered a motivational trip to 64 of its committed clients and their families, which is a one-week trip to Marsa Matrouh.

It is worth mentioning that Al Tadamun covers the expenses of housing and transportation, as it contracted apartments and buses to ensure the comfort of clients and their families. Al Tadamun clients expressed their joy at the surprise that made them happy and brought joy to their children.

3. Trade Fairs

Al Tadamun is keen to support its clients in marketing their products through a different channel. Therefore, the Foundation tends to participate in various exhibitions throughout the year to provide the largest possible opportunity for clients to promote their products. In 2022, Al Tadamun participated in the below mentioned trade fairs.



The 55th Round of Cairo International Fair, CIF

Al Tadamun participated in the 55th round of Cairo International Fair, which is one of the most famous and prestigious international fairs in the Middle East and Africa, from March 9 - 18, 2022. Many countries also participated in the exhibition, such as; Indonesia, Sri Lanka, Iraq and Vietnam.

Al Tadamun presented to nine of its clients a decent space in order to give them the opportunity to sell their products, which included their products such as: accessories, cosmetics, clothes, Linens and handicrafts.



Clients agreed that the exhibition was an excellent opportunity to market their products in a wider marketing range, and they showed their willingness to participate again in future trade fairs. It is worth mentioning that clients achieved good gains during the period of the exhibition.

Cairo Flea Market

On September 24, 2022, Al Tadamun participated in Cairo Flea Market Exhibition organized by Wasabi Experience, a professional agency in the field of events and exhibition planning. Al Tadamun rented spacious table for two clients specialized in garments and accessories. Both clients agreed that the exhibition was a great opportunity to market their products and networking.



Moreover, the clients praised Al Tadamun's role in providing continuous support for achieving social solidarity; and expressed their happiness and satisfaction from the exhibition experience that without hesitation will join again in next exhibitions.

Outreach

During 2022, Al Tadamun opened 14 new branches to expand its services in 112 branches through 14 governorates as follows:



Cairo	Giza	Qalubiyah	Menoufeya
Sharkia	Gharbia	Beni Suef	Menia
Assiut	Dakahleya	Kafr El Sheikh	Behera
	Damietta	Alexandria	

Key Performance Indicators

The following table illustrates key performance indicators during 2022 and 2021:

INDICATOR	2022	2021	% OF INCREASE
Number of Branches	112	98	14%
Number of Staff	2,331	2,155	8%
Number of Field Coordinators	1,244	1,148	3.8%
Number of Loans Disbursed (clients)	271,748	239,464	13%
Amount of Loans Disbursed - EGP	1,922,672,899	1,437,279,556	35%
Number of Active Clients	240,174	213,245	13%
Gross Outstanding Portfolio - EGP	1,076,472,269	835,600,155	27%
Sustainability/Profitability			
Operational Sustainability		90%	
FinancialSustainability		87%	

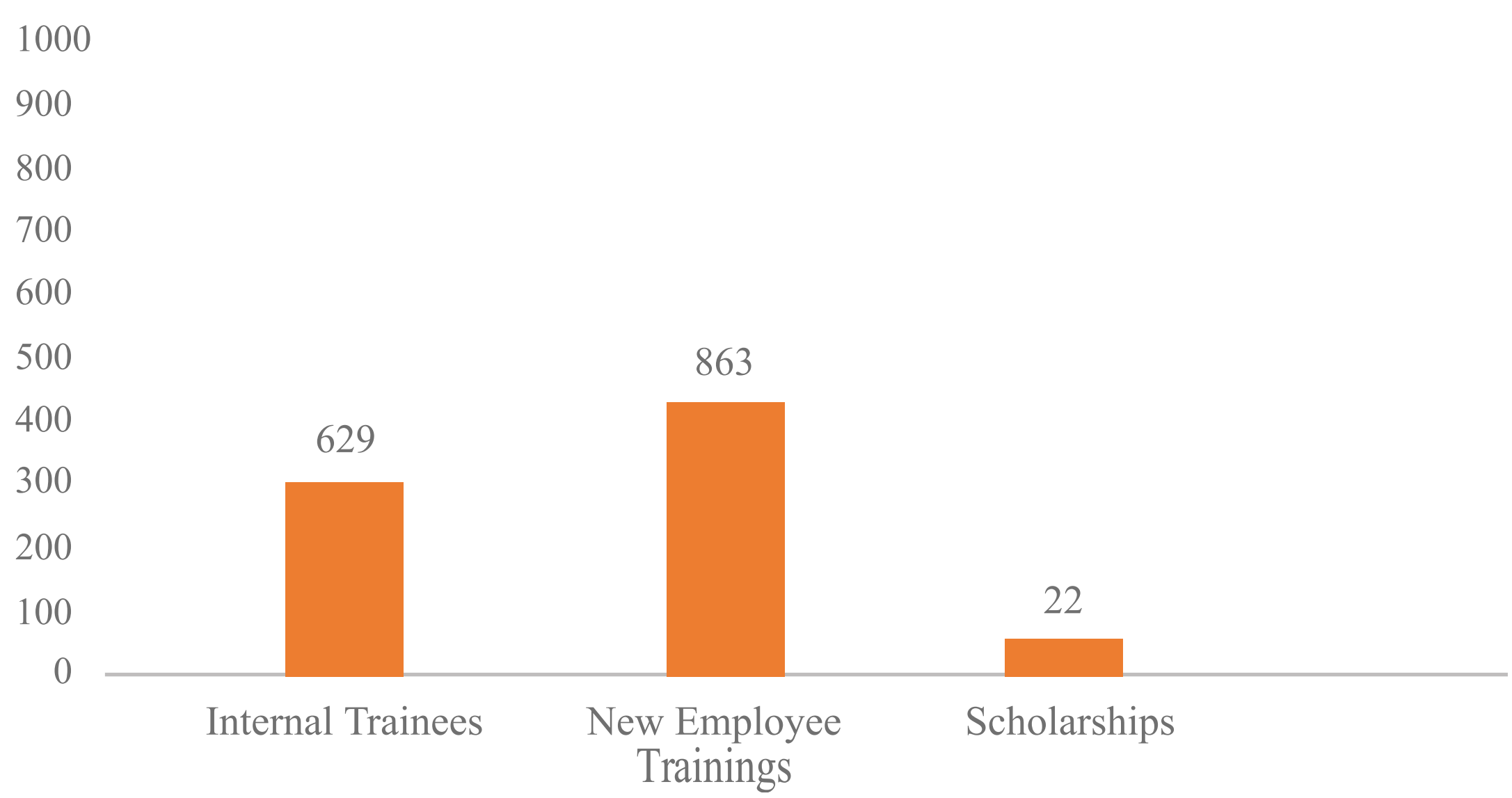
Al Tadamun’s Board of Trustees

Al Tadamun’s Board of Trustees is composed of five members who provide strategic direction and supervise the organization. An Audit and Risk Committee was established in 2015 to ensure that proper risk and compliance management processes are embedded at Al Tadamun.



Capacity Building

In 2022, Al Tadamun’s Training and Development Unit provided capacity building for a total of 1,492 staff members.



Al Tadamun's External Training Services

In accordance with Al Tadamun's direction to transfer its knowledge and expertise to support other organizations working in microfinance industry, Al Tadamun partnered with different entities to conduct trainings to these organizations and also conduct training to clients to raise their awareness on financial education.

1. Arab Woman Enterprise Fund (AWEF)

With the aim of encouraging and motivating clients to use various cashless payment systems through sustainable digital means and in light of the initiative launched by the Financial Supervisory Authority "Digital Financial Inclusion for 2021", Al Tadamun in cooperation with the Arab Women Enterprise Fund (AWEF), launched a program aimed at spreading awareness of the importance and the nature of non-cash payment tools and the benefits that accrue to their users, especially women. The program was launched in Al Tadamun's 112 branches, covering 14 governorates in Lower and Upper Egypt.

The program is a presentation of educational film materials in an animation system developed by the Arab Women Enterprise Fund (AWEF), which focuses on mobile phone wallet payment, electronic payment and the use of the QR Code in payment. This included an explanation of the advantages that benefit clients. The program benefits microfinance clients by supporting their abilities to use electronic payment channels.

2. National Council for Women

Within the framework of the presidential initiative to develop villages for a decent life and in cooperation with the National Council for Women, Al Tadamun trained more than 2,000 women on the "financial education" program.

3. Egyptian Federation for Financing Medium, Small & Micro Projects

Upgrading Egyptian Microfinance Institutions (MFIs) from Category C to Category B is a program implemented by the Egyptian Federation for Financing Small, Medium and Micro Projects (EFFMSMP) in cooperation with the International Finance Corporation (IFC) and under the auspices of the Central Bank of Egypt for a period of 3 years to raise the efficiency of microfinance associations. The program aims to upgrade 41 microfinance associations from category "C", whose portfolio size is less than 10 million pounds, to enable them to upgrade to category "B".

Al Tadamun, was selected to provide technical support and consultations in three areas which are to evaluate the creditworthiness of customers, risks and internal audit. Technical support includes, theoretical training, vocational guidance and field visits.

In 2022, the training was conducted for 66 employees from 11 Microfinance Institutions, MFIs and the number of field visits were 14 days for each MFI. The deliverables were creating gap analysis report, developing policies and procedures manual and organizational chart restructuring.

New Headquarter Opening

Al Tadamun Microfinance Foundation organized the opening ceremony of the new headquarters and added to the ceremony the presence of the Chairman of the Board of Trustees, Mona Zulficar and members of the Board of Trustees, Essam Al Adawi, in addition to a group of journalists. The ceremony began with a speech by Reham Farouk, CEO of Al Tadamun, who spoke about the challenges that Al Tadamun faced during COVID 19 pandemic, Farouk said: “Al Tadamun’s flexible policy and efforts in repayment enabled it to respond to the crisis, and it also works as a supporter of the economic stumble of clients.”

Zulficar also gave a speech in which she expressed her happiness with Al Tadamun achievements despite all the circumstances during the previous period. She also praised the efforts of the Egyptian government, stating: “The state’s move to spread the concepts of financial inclusion and digitization of financial services is one of the main factors in crossing the national economy to safety.”

A number of employees who achieved academic achievement during the past years were honored, in addition to honoring the employees of 2019, 2020, 2021 for their outstanding performance during the past period, as well as the distribution of Zulficar financial annual awards to the distinguished clients and employees of Al Tadamun during those years.

Zulficar was honored and praised for her tremendous efforts to support and empower Egyptian women through the social responsibility provided by Al Tadamun. The former member of the Board of Trustees, Sameh Makram Ebeid, was honored for his dedication in supporting Al Tadamun for 15 years. As well as honoring the CEO of Al Tadamun, Reham Farouk, who did not compromise in advancing the wheel of work and achievement during 22 years of hard and fruitful efforts to achieve the vision, mission and goals of the Foundation.



Networking & Partnerships

Awareness Campaign for Al Tadamun Clients in Cooperation with National Telecom Regulatory Authority (NTRA)

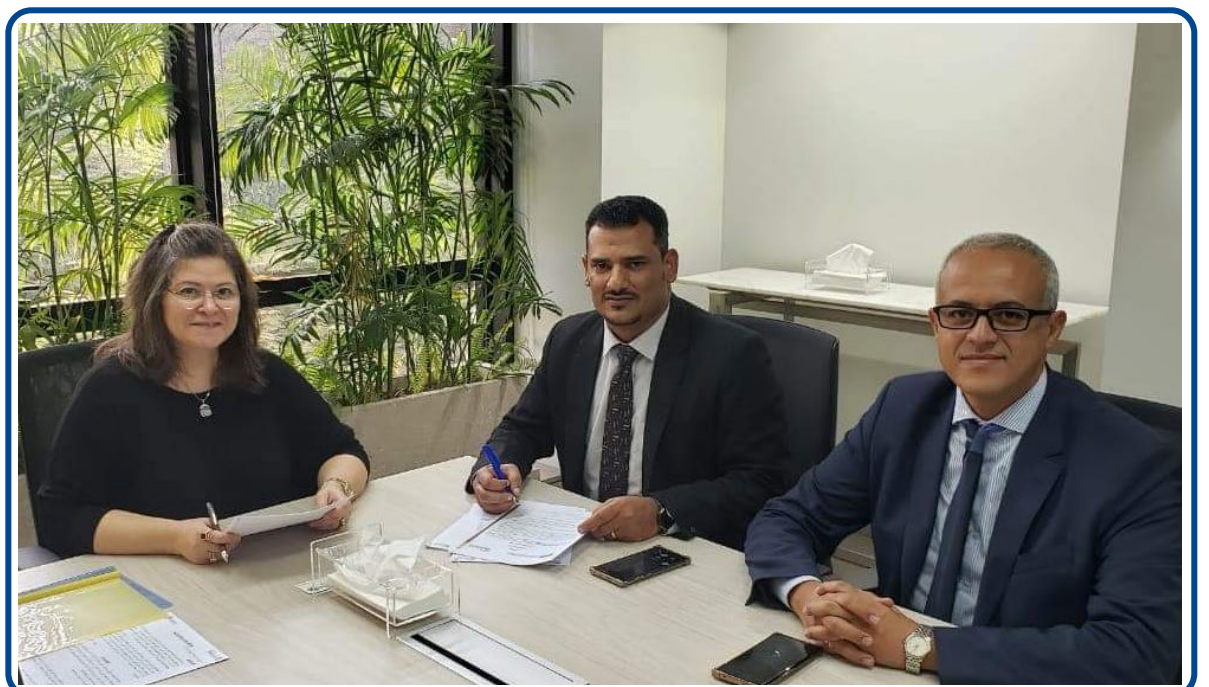
In cooperation with the National Telecom Regulatory Authority, NTRA, Al Tadamun organized several sessions to its clients to raise awareness about electronic risks, methods of safe use of payment, and ways to report crimes. It also aims to educate users about the importance of data and maintaining privacy on the Internet.

The campaign was held in three of Al Tadamun's branches in Greater Cairo, where more than 70 clients attended the one-day awareness sessions. Al Tadamun is aiming to continue the campaign in all branches during the coming period.



Partnership between Al Tadamun & Yemen Network for Microfinance

In October 2022, a protocol was signed for two years between Al Tadamun and the Yemen Network for Microfinance for experience exchange, capacity building and training in the field of microfinance. The first group consisted of five participants from Yemen who were trained during the month of December on



“Professional Microfinance Manager - Strategic Thinker”. The training includes a theoretical framework, field visits and practical application of all training topics.

The protocol was signed by Reham Farouk, CEO of Al Tadamun and Ali Meshwar, Chairman of the Board of the Yemen Network for Microfinance, in the presence of Sharaf Mutahar, Board member of the Yemen Network for Microfinance, at the headquarters of Al Tadamun in Cairo.

Al Tadamun Cooperates with the USAID funded Integrated Management of Cultural Tourism, IMCT

Al Tadamun participated in a workshop conducted by the USAID funded Integrated Management of Cultural Tourism, IMCT on Sunday, October 30, 2022 at Al-Azhar Park for 150 beneficiaries from the Historic Cairo community.

The aim of the event was to connect local business owners with microfinance institutions to help them develop higher value tourism products and promote cultural tourism experiences.

Al Tadamun also expressed its willingness to participate with women entrepreneurs to develop their products to improve their standard of living through Al Tadamun’s diversified and sustainable financial services that suit their needs.



A Visit from a Delegation from Central Bank of Sudan

Al Tadamun had a visit from a delegation from the Central Bank of Sudan with the Egyptian Federation for Financing Medium, Small and Micro Projects.

The aim of the visit is to support the economic sustainability and local production projects of the small projects in the Arab world and we always aspire to many fruitful initiatives to support our economy.



Al Tadamun Participates in the Annual Conference of Sanabel – the Microfinance Network of Arab Countries Network 2022

Al Tadamun participated in annual conference for Sanabel – the Microfinance Network of Arab Countries with the theme of “The Reality and Future of Financial Inclusion in the Arab World”. The conference took place at Triumph Luxury Hotel, New Cairo, on November 22 - 23, 2022.

Reham Farouk, Al Tadamun CEO in the presence of other heads from different departments participated in the conference activities including workshops, speeches and sessions. Sanabel Conference is held annually in different Arab countries to gather microfinance institutions (MFIs), practitioners, policy makers, financiers, experts, and investors from all over the world.

Al Tadamun team held talks and bilateral meetings with various institutions and participants from various member countries, as well as discussions and exchange of experiences on opportunities and challenges facing the microfinance industry.



Sanabel includes MFIs from the Arab world, as it now has 78 members from Egypt, Iraq, Jordan, Lebanon, Mauritania, Morocco, Palestine, Saudi Arabia, Sudan, Syria, Tunisia and Yemen.

A Visit from a Delegation from Central Bank of Iraq

Al Tadamun received a delegation from the Central Bank of Iraq and the Consultative Group to Assist the Poor. The visit aims to develop early solutions for the development of small projects.



Al Tadamun Microfinance Foundation is always proud of every cooperation aimed at providing the national economy with everything it needs in order to increase productivity and grow projects.

Meeza Card

In cooperation with the National Bank of Egypt, Al Tadamun provided the clients with Meeza card through which they can withdraw their loan, thus facilitating financial services and achieving the principle of financial inclusion. The number of clients who have made use of this service are **37% of the total clients**.

Al Tadamun partnered with e-payment platforms in Egypt which included Fawry, Opay, Cashcall, Wakty and Masary to activate the electronic payment service for Al Tadamun clients through their networks to make it easier for clients to pay their installments with less mobility and effort. **To date 99% of the clients have made use of this service.**

Electronic Payment

Banks

During 2022, Al Tadamun signed partnership agreements with seven banks to facilitate line of credit for Al Tadamun. The banks included the following:

- **Abo Dahbi Bank**
- **National Bank of Egypt**
- **Arab African International Bank**
- **Al Baraka Bank**
- **Bank Misr**
- **Suez Canal Bank**
- **QNB Al Ahli**
- **FAB Misr**



Outstanding Awards

Best Women CEO 2022

Reham Farouk, CEO of Al Tadamun, won the Best CEO Award for the year 2022 from the Global Economics Magazine which is a British magazine specialized in economic affairs, as a result of the many achievements and successes achieved.



Most Innovative Loan Product Award 2022

Al Tadamun won the award for the most innovative loan product for the year 2022 from Global Business Outlook. The award was received by Hatem Arabi, Operations Department Director, during the ceremony that was held in Dubai, United Arab Emirates.



Financial Ratios 2022

Financial Ratio	2022	2021
Sustainability and Profitability		
Operational Self-Sufficiency (OSS)	111%	90%
Financial Self-Sufficiency (FSS)	105%	87%
Return on Assets (ROA)*	4%	-4.0%
Adjusted Return on Assets (AROA)*	2%	-5.3%
Return on Equity (ROE)*	21%	-16.4%
Asset/Liability		
Yield on Gross Portfolio*	52%	48.1%
Portfolio to Assets	77%	76.0%
Cost of Funds Ratio*	12%	9.0%
Adjusted Cost of Funds*	12%	3.94X
Debt to Equity	3.79X	3.94X
Adjusted Debt to Equity	3.49X	3.89X
Liquid Ratio	0.17X	0.17X
Portfolio Quality		
Portfolio at Risk (PAR) Ratio	2%	2.54%
Write-off Ratio*	0%	0%
Adjusted Write-off Ratio*	0%	0%
Risk Coverage Ratio	1.14 X	1.77X
Adjusted Risk Coverage Ratio	1.14 X	1.77X
Effeciency and Productivity		
Operating Expense Ratio*	39%	45.3%
Adjusted Operating Expense Ratio*	31%	45.3%
Cost per Active Client*	1,658	1,664
Adjusted Cost per Active Client*	1,658	1,664
Borrowers per Loan Officer	217	176
Active Clients per Staff Member	103	99
Client Turnover*	25%	19%
Average Outstanding Loan Size	4,482	3,923
Adjusted Average Outstanding Loan Size	4,482	3,923
Average Loan Disbursed	20,236	18,4425
Gender Ratio		
Female active clients as a percent of total active clients	100%	100%
Female active borrowers as a percent of total active borrowers	100%	100%

Financial Statements 2022

Al Tadamun Microfinance Foundation
Translation of financial statement originally issued in Arabic
Statetment of Financial Position
As of December 31, 2022

(in EGP)	Note no.	31 December 2022	31 December 2021
Current Assets			
Cash on hand and at banks	(6)	188 297 250	107 426 872
Investments in Treasury Bills	(4)	-	40 786 582
Micro-finance loans	(3)	1056 356 597	818 591 944
Debitors and other debit balances	(5-2)	28 060 198	22 200 685
Total Current Assets		1272 714 045	989 006 083
Non-Current Assets			
Fixed assets	(7)	71 568 742	55 850 668
Intangible assets	(7-1)	1 516 102	2 476 905
Right to use asset	(8-1)	51 825 984	44 432 297
Debitors and other debit balances	(5-1)	4 806 988	25 437 432
Total Non-Current Assets		129 717 816	128 197 302
Total Assets		1 402 431 861	1 117 203 385
Non-Current liabilities			
Lease liabilities	(8-2)	48 740 558	39 306 199
Total non-current liability		48 740 558	39 306 199
Current liabilities			
Banks - Credit facilities	(11)	924 052 572	731 421 688
Lease liabilities	(8-2)	9 824 054	8 213 015
Creditors and Other Credit Balances	(9)	50 616 508	40 148 596
End of service benefits provisions	(10)	76 389 226	59 135 214
Total current liability		1060 882 360	838 918 513
Total liabilities		1109 622 918	878 224 712
Surplus			
Surplus of Revenue over expenses - Retained	(20)	187 869 947	235 094 282
Macro finance risk	(21)	29 326 789	19 501 878
Surplus (Deficit) of Revenue over expenses - during the year	(20)	53 830 270	(37 399 424)
Total surplus of Revenue over expenses		271 027 006	217 196 736
Cash and in-kind grants -own resources	(12)	21 781 937	21 781 937
Total liabilities and retained surplus		1 402 431 861	1 117 203 385

The accompanying notes from page (5) to (38) are an integral part of these financial statements and are to be read therewith.

Auditor's report "Attached"

Hala Ali Ahmed Financial Manager	Reham Farouk Mohamed Foundation Manager	Esam Eladawy Treasurer	Mona Salah-Alden zu Al-Faquar Chairman of Board of Trustees
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Al Tadamun Microfinance Foundation

Translation of financial statement originally issued in Arabic

Statement of Revenues and Expenses

For the year ended December 31, 2022

(in EGP)	Note no.	For year ended <u>31 December 2022</u>	For year ended <u>31 December 2021</u>
Revenues			
Financing interest	(13)	501 192 443	320 794 018
Operating Cost	(14)	<u>(296 734 588)</u>	<u>(224 734 610)</u>
Operating surplus		204 457 855	96 059 408
Add:			
Interest income		5 728 682	8 790 456
Income from Treasury Bills		369 161	4 050 225
Gain on sale of fixed assets		13 120	131 653
Other income	(17)	2 580 523	1 332 392
Deduct:			
General and administrative expenses	(15)	(118 606 226)	(93 904 375)
Lease liability Interest	(8-2)	(4 980 099)	(3 895 124)
Right of use asset amortization	(8-1)	(13 132 859)	(10 506 342)
Foreign currencies translation differences		14 890 662	(47 252)
End of service benefits provisions	(10)	(21 470 155)	(14 195 630)
Expected credit loss	(16)	<u>(1 232 880)</u>	<u>(14 396 086)</u>
Surplus (Deficit) of Revenue over Expenses before Depreciation		68 617 784	(26 580 675)
Deduct:			
Fixed assets depreciation	(7)	(13 346 205)	(10 369 219)
Intangible assets amortization	(7-1)	<u>(1 441 309)</u>	<u>(449 530)</u>
Surplus (Deficit) of Revenue over expenses		<u><u>53 830 270</u></u>	<u><u>(37 399 424)</u></u>

The accompanying notes from page (5) to (38) are an integral part of these financial statements and are to be read therewith.

Partners



Members



Contact Us



Al Tadamun Microfinance Foundation



4 Kassim Street, 2nd floor, Dokki, Giza, Egypt



www.altadamun.org



www.facebook.com/altadamun



www.youtube.com/user/AlTadamun1



www.instagram.com/altadamun_microfinance



www.linkedin.com/@altadamun_microfinance www.



tiktok.com/@altadamun_microfinance



+20 37625160