



# 60 years of growth and excellence

Annual Report 2024

QNB Egypt Annual Report 2024 60 years of growth and excellence

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# Who we are and what we do

QNB Egypt is one of the largest Egyptian private sector banks, and a subsidiary of QNB Group, the largest financial institution in the Middle East and Africa. The bank offers a wide range of products and services that serve the financial needs of medium-sized companies, small enterprises and individuals, and provides services and products that suit their specific requirements, with a balanced focus on both the corporate sector and the retail banking sector.

It has succeeded in maintaining its position in the Egyptian market, which helped to achieve a remarkable growth in the loan and deposit portfolio, market share, and returns, while maintaining a sound asset quality and cost ratios. QNB has established a number of subsidiaries in specialized fields, such as QNB Leasing, which was established in 1997, QNB Life Insurance in 2003, and QNB Factoring in 2012.

QNB Egypt currently has a network of 235 branches covering the most important governorates in Egypt, 938 ATMs, and 39,193 points of sale, in addition to allocating a 24/7 customer service call center to serve 1,853,244 customers as of December 2024.

## Contents



### Overview

- 5 Board of Directors
- 6 QNB Egypt's Chairman Statement
- 8 QNB Egypt's Chief Executive Officer Statement
- 16 QNB Egypt at a glance

### Strategic report

- 20 QNB Egypt's Strategy
- 26 QNB Egypt's Sustainability

### Operational Performance

- 30 Large Corporate Finance and Investment
- 32 Retail Banking Division
- 34 Small, Medium & Micro Enterprises

### Corporate Social Responsibility - Human Resources

- 38 Corporate Social Responsibility
- 40 Human Resources Division

### Corporate Governance & Risk Management

- 44 Corporate Governance
- 54 Risk Management
- 58 Compliance Division Structure
- 62 Internal Audit

### Financial Statements

- 70 Financial Statements-Separated
- 140 Financial Statements-Consolidated

### Branches Network

- 210 Branches Network



## Board of Directors



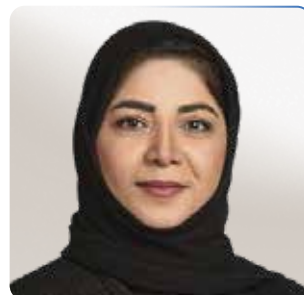
**Mr. Ali Rashid A. A. Al-Mohannadi**

• Chairman - Non-Executive



**Mr. Assem Mohamed Fahmy Mohamed Ragab**

• Vice Chairman - Non-Executive  
• Board Member - Independent



**Ms. Heba Ali Ghaith Al-Tamimi**

• Non-Executive Board Member



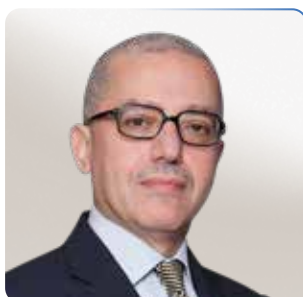
**Mr. Mohamed Mahmoud Aly Bedeir**

• Chief Executive Officer  
• Board Member



**Mr. Adel Ali Mohamed Al-Malki**

• Non-Executive Board Member



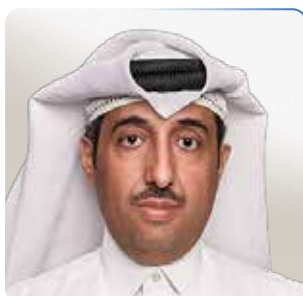
**Mr. Tarek Abdel Raouf Magdy Fayed**

• Executive Board Member



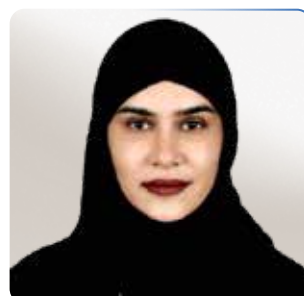
**Mr. Abdullah Nasser Salem M. Al-Khalifa**

• Non-Executive Board Member



**Mr. Khaled Ahmed Khalifa A. Al-Sada**

• Non-Executive Board Member



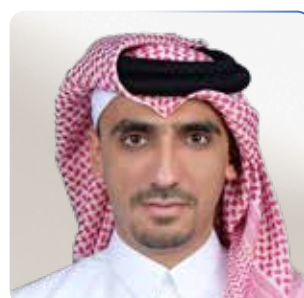
**Ms. Shaikha Salem Abdulla A. A. Al-Dosari**

• Non-Executive Board Member



**Mr. Nedhal Shafi Hassan F. Al-Nuaimi**

• Non-Executive Board Member



**SHK. Hamad Talal A.A. Al-Thani**

• Non-Executive Board Member  
- Independent



# QNB Egypt's Chairman Statement



**Mr. Ali Rashid A. A. Al-Mohannadi**

Chairman of the Board of Directors of QNB Egypt

“I am delighted to share with you today a new successful chapter in QNB Group's journey so far. Once again, QNB Group demonstrated its ability to achieve strong and outstanding performance despite the global economy challenges.

The past year constituted a real test for the resilience and sustainability of our business model. Even though we faced an economic environment characterized by geopolitical changes and volatility in financial markets, we were able to maintain steady growth and strong financial indicators which emphasize the strength of our financial position.

## **Delivering a strong financial performance that reflects our integrated strategy**

QNB Group delivered exceptional financial performance in 2024. We demonstrated remarkable growth across various performance indicators. We achieved a net profit of QR16.7 billion, up 8% from the previous year, and an operating income of QR41.3

billion, an increase of 6%. As a result, QNB remains one of the world's top 50 banks in terms of market capitalisation, reaching QR159 billion which best reflects the effectiveness of our strategies and the flexibility of our business model. These results would not have been possible without our firm commitment to providing the best banking services, embracing the latest financial technologies, and focusing on delivering real value to our customers and shareholders.

We continued our ongoing efforts to enhance our capabilities in the areas of finance and investment, enabling us to provide integrated financial solutions that meet customer needs in various sectors. Prudent cost management, combined with the expansion of our business, has helped us achieve sustainable growth rates, despite global economic challenges.

## **A clear vision and sustainable growth**

Our successes would have been impossible were it not for our hard dedicated work, strategic planning focusing on sustainable growth and smart expansion in target markets. We developed an ambitious vision aimed at strengthening our leading position not only at the regional level, but also at the international level.

Our commitment to sustainable growth is not just involved about increasing financial returns, but also fostering innovation, integrating both technology and banking, as well as investing in promising sectors that offer new growth opportunities. We are also keen to support digital transformation, which has become a

main pillar of our future strategy, ensuring that we excel in providing an advanced banking experience to our customers.

### **A professional team is the basis of our success**

Human resources are our most valuable assets. We believe that human competencies are the main driver of the Group's growth. Therefore, we are keen to attract the best banking talents and invest in our employees' development through specialized training programs that keep pace with the latest developments in the financial sector.

We also believe in a work culture based on transparency, innovation and teamwork, which altogether help in creating a positive work environment that stimulates creativity and excellence. This approach has contributed to the establishment of a high-performance corporate culture, which is directly reflected in the quality of services we provide to our customers.

### **Expansion and development in international markets**

QNB Group continues to strengthen its global footprint as we continue to explore expansion opportunities in promising markets, building on a successful track record of managing global banking operations.

The aim of our expansion is not only confined to increasing our market share, but is rather part and parcel of a broader strategy to strengthen our position as one of the world's leading financial institutions. We believe that our success in overseas markets is the result of our balanced approach, which combines cautious expansion with the ability to adapt to different market demands.

### **Efficiency of operational policies and procedures**

The efficiency of operations is a critical factor in the success of any banking institution. For such reason, QNB Group places great emphasis on developing our operational procedures to ensure the highest levels of efficiency and flexibility.

We have adopted a continuous performance improvement approach by applying the latest banking technologies, strengthening governance systems, and adopting advanced risk management strategies. These policies have not only helped us improve our operations, but have also enabled us to face economic challenges with confidence and ensure the long-term stability of our business.

### **Commitment to sustainability and corporate social responsibility**

The success of organizations is by no means exclusively measured by profits, but also by their positive impact on society and the environment. Sustainability remains a key part of our strategy. We are committed to supporting projects that contribute to sustainable development, as well as funding environmental and social initiatives that promote

economic and societal stability.

Our commitment to corporate social responsibility is reflected in our various programs that aim to support vital sectors such as education, entrepreneurship, and financial inclusion. We seek to provide opportunities for growth and development in the communities where we operate, thus, advancing further our positive impact as a responsible financial institution.

### **Digital development and banking innovation**

Today, we live in a digital transformation era, where innovation has become a key factor in achieving banking excellence. As such, QNB Group continues to invest in fintech for delivering cutting-edge digital banking solutions to meet customer needs in more efficient and easy ways.

We have upgraded our digital systems, enhanced the use of AI-powered tools in our services, and developed advanced online platforms that provide a seamless and secure banking experience. We acknowledge that technology is the driving force behind digital transformation in the banking sector in future. That's why we remain steadfast in our investments in this area to ensure providing services that fulfill our customers' growing expectations.

### **Global challenges and preparing for the future**

In the face of an increasingly volatile global economy, QNB Group has developed its flexibility and efficiency to confront challenges with confidence. Our strategy is based on prudent risk management, diversification of revenue sources, and investment in sectors that provide added value to our shareholders and customers.

Our future preparedness is not only limited to addressing challenges, but also extends to exploring new opportunities that may potentially enhance the Group's growth. We believe that sustainable success depends on adaptability and innovation. For such reason, we shall continue to develop our activities in line with global changes.

### **Appreciation and gratitude**

In concluding, I wish to express my sincere gratitude and appreciation to all those who contributed to QNB Group's success over the past year. Our accomplishments would not have been possible without the sincere efforts of the team, the wise guidance of the Board of Directors, and the continuous support of our customers and partners.

As we look ahead to the future with confidence, we remain committed to demonstrate our capacity for teamwork to promote additional successes, solidify our banking leadership, and continue to deliver true value to our shareholders and customers in every corner of the world.

Ali Rashid Al-Mohannadi

Chairman of the Board of Directors





# Chief Executive Officer's Statement



**Mr. Mohamed Mahmoud Aly Bedeir**

Chief Executive Officer and Board Member of QNB Egypt

“Year 2024 represents a distinct year, not only in QNB Egypt’s journey, but also marks a true testimony of the bank’s capacities towards achieving excellence and leadership across the entire Egyptian banking system.

Throughout the year, the bank has proven to be a game changer despite current challenges which were turned into stepping stones for success. We were able to adapt and overcome unfavorable conditions thanks to our flexible strategy and ambitious vision. We also followed a proactive and comprehensive approach that adopted innovative strategies which enabled the bank to maintain its financial stability and enhance its competitiveness. These strategies also composed of scaling up the bank’s investments in many areas including digital transformation. Those enhancements contributed to providing integrated banking solutions to meet customer needs promptly and more efficiently. Besides, the bank relies on strong risk management systems which help in predicting potential risks and make the right decisions at the right time.

At the outset, I would like to express my pride and deep gratitude for all efforts exerted by QNB Egypt’s workforce which reached more than 7,500 valuable employees who work with dedication and a strong sense of commitment whether at branches, headquarters or our subsidiaries. To each individual, I address this message, “You are a main pillar on which we depend on achieving our ambitious vision amidst a fierce competition that has recently intensified in the banking sector”. With the rise of new banks in the market, our ambition remains fixed and clear to become number one in the private sector ranking.

## **Exceptional performance in extraordinary conditions**

The bank’s activities and performance has shown significant growth during 2024 supported by the strong performance of all bank sectors.

QNB Egypt succeeded in reaching a consolidated net profit of EGP 26.4 billion with an increase of EGP 10.17 billion and a growth rate of 63% compared to the same period in 2023. The bank’s independent net profit reached EGP 25.8 billion, while the consolidated asset portfolio reached EGP 820 billion at end of December 2024 with an increase of EGP 191 billion compared to 2023 and a growth rate of 30%.



“Based on our pivotal role in supporting the national economy, the loans and advances portfolio increased by EGP 98 billion, reaching a total of EGP 365 billion, which represents a growth of 37% compared to December 2023.

The bank's Capital Adequacy ratio stood at 24.3% in light of optimal application of credit policies. The Non-Performing Loans (NPL) ratio reached 5.44% at the end of December 2024, while the Provision Coverage Ratio (PCR) for doubtful loans reached 107.0%. Meanwhile, customer deposits accounted for EGP 680 billion at the end of December 2024, with an increase of EGP 150 billion and a growth rate of 28% compared to December 2023, driven by growth across all sectors.

These positive results emphasize the efficiency and flexibility of the bank's executive policies and procedures that helped in developing its operations, overcoming crises, addressing strong market competition and taking advantage of existing opportunities through its network consisting of 235 branches which provide an excellent geographical coverage for meeting the needs of the largest number of customers in various sectors. In addition, the bank has encouraged and urging customers to use electronic banking services, which have proven highly efficient in facilitating the workflow. In parallel, QNB Egypt seeks to continue investing in improving electronic banking services to ensure a better service is provided to its customers.

Moreover, we persist our leading role in supporting economic growth through a comprehensive program that not only provides distinctive banking services, but also provides integrated solutions through our subsidiaries such as QNB Life Insurance, QNB Leasing and QNB Factoring companies. Services offered through our subsidiaries may be attained at any of our branches which are equipped with a specialized team to serve the customer segment requesting these types of services.

### **The rebranding of QNB ALAHLI to QNB represents a leap towards new horizons in the Egyptian market**

The rebranding of QNB ALAHLI to “QNB Egypt” is considered a pivotal strategic step that is not just about changing names. It deeply reflects the bank's ambitious vision and strengthens its corporate identity as being a financial institution that belongs to QNB Group, one of the largest banking institutions in the Middle East and Africa and ranks among the best financial institutions in the world. The rebranding has cemented the bank's position in the Egyptian market.

The new brand has become a symbol of excellence and innovation thanks to the direct and continuous support of the Parent Group. The affiliation with the global QNB Group offers QNB Egypt an exceptional competitive advantage. Additionally, the rebranding shows QNB Egypt's commitment to development and growth. This transformation further reflects an integrated strategic vision aimed at achieving sustainability and leadership. The aim of such change was not only in form, but also to emphasize the bank efficiency and ability to excel in a competitive environment, thanks to the unlimited support of QNB Group.

### **QNB Egypt network expansion serves financial inclusion and digital transformation**

QNB Egypt branch network succeeded in achieving an evolutionary advantage during 2024. The geographically dispersed network, consisting of 235 branches, across Egypt have contributed to enhancing the bank presence in all vital areas with the aim of reaching the broadest customer segments, whether in major cities or remote areas. In belief of its pivotal role in supporting the principles of financial inclusion and digital transformation in Egypt, the bank relied on a well thought out strategy for inaugurating its branches in vital places including major cities and regions. This expansion has allowed customers to easily access banking services in close locations to their businesses and homes, thus further enhancing customer satisfaction levels and confidence in the bank.

The branch network plays a significant role in achieving the bank's objectives which aim at spreading the financial inclusion concept across Egypt. The bank branches aim to provide innovative banking solutions to the unbanked population including individuals and owners of small and medium enterprises, thus contributing to the integration of additional customers into the banking system.

### **Ongoing remarkable performance of the Small and Medium-sized Enterprises (SMEs)**

QNB Egypt continues its support and leadership in the small and medium-sized enterprises (SMEs) sector, believing in their pivotal role in supporting the national economy. SMEs are the backbone of any successful economy, providing job opportunities, fostering innovation and expanding across various governorates and regions. Based on this, QNB Egypt, as one of the leading banks in this sector, has adopted a comprehensive strategy to support this vital sector.

In recent years, we have witnessed significant growth in the volume of financing directed to this segment, which has directly contributed to diversifying the bank portfolio and increasing operating and production rates in the local market.

Our support for this sector is not limited to financing alone, but extends to include providing financial consulting, digital empowerment services, project management assistance and non-financial services, which has contributed to strengthening the capabilities of these companies and enabling them to achieve sustainability and growth. As part of its



# Chief Executive Officer's Statement (continued)

ongoing efforts to support emerging small and medium-sized enterprises, QNB signed a sponsorship agreement with Nile University to launch the "Accelerating Local Industry 4.0" program, a business accelerator that aims to enable technology companies to develop innovative solutions that support local industry and enhance the competitiveness of Egyptian projects in local and international markets. QNB Egypt also launched a satellite office in Quena Governorate under the Nilepreneurs Initiative. QNB Egypt was one of the first banks to participate in the initiative since its launch in 2019, in order to contribute to supporting and developing all emerging companies, he emphasized that business development centers play a significant role in providing a range of financial and non-financial services such as training courses, raising financial awareness and offering consulting and marketing services that enhance job opportunities.

In light of the government vision to support a productive economy and empower entrepreneurs, our commitment to small and medium-sized enterprises (SMEs) will remain a fundamental pillar of our future strategy. We are confident that our investment in this sector is an investment in a promising future and a more inclusive economy.

## Unprecedented boost in Syndicated loans

FY 2024 enjoyed an unprecedented increase in the syndicated deals, which reflects the prime role of syndicated deals in supporting the national economy. QNB Egypt maintains its pioneering position as one of the largest banks in Egypt in terms of arranging, financing, and supporting projects in diversified economic sectors which was positively reflected on its strong performance with a portfolio of syndicated facilities exceeding EGP 34.8 billion.

QNB Egypt successfully arranged, participated and lead significant Syndicated deals along with other banks including the following transactions as a Syndicated facility amounting to EGP 50 Billion granted to Social Housing and Mortgage Finance Fund participated in a syndicated facility amounting to EGP 18 Billion Telecom Egypt, participated in a syndicated facility amounting to EGP 4.2 Billion granted to Zahi Group, participated in a Syndicated facility amounting to EGP 10 Billion granted to "Misr Petroleum Company" and participated in a Syndicated facility amounting to EGP 10 Billion granted to Cooperation Petroleum Company "COOP" in addition to other transactions. The diversification of such deals reflects the ability of the syndications segment to accommodate the growing market needs and adapting to the market dynamics while supporting the economic evolution to enhance the country's National Gross domestic Product.

## The most innovative Retail Banking Services

The retail banking sector resumed achieving remarkable growth in its portfolio by end of 2024 reaching approximately EGP 66.4 billion with a growth rate exceeding 23%. The sector continues to launch a wide range of innovative products and services that

meet the diverse banking needs of our customers in various sectors. Building on our banking experience that extends over 40 years in the Egyptian market and with the support of our integrated and multi-channel network that relies on technological developments, we continue to expand and diversify digital services to facilitate customer access to products and services and to enhance their banking journey and experience in general. Our retail products offer a wide range of deposits, savings, loans, facilities, and mortgage finance. It is worth mentioning that the mortgage finance portfolio has played a remarkable role in positioning QNB Egypt at an advanced rank among our peers. We succeeded in increasing our market share in mortgage finance to guarantee sustainable growth in profitability, as well as an active participation in the financial inclusion initiatives of the Central Bank of Egypt.

Furthermore, we have participated in several events to enhance financial inclusion aiming at the integration of unbanked segments.

## QNB Bebasata reshapes digital banking services

QNB Bebasata has solidified its position as a digital platform that can make a breakthrough in digital banking products. In just a short time, it has proven to serve as a model that reflects the bank vision towards innovation and digital excellence. Since its launch two years ago, the platform succeeded in attracting more than 50 K customers via providing a wide range of customized banking products and services to meet the ambitious needs of the young generations. What distinguishes QNB Bebasata is its focus on offering an easy and comprehensive digital banking experience. It enables customers to manage their accounts, perform transactions and avail various banking services easily through the internet without the need for visiting the branch. Such flexibility does not only promote customer satisfaction but also positions the bank as a leading financial institution that relies on digital solutions to widen its scope of services.

With the growing reliance on fintech, we look forwards to the upcoming achievements QNB Bebasata can accomplish in terms of development, innovation, offering more sustainable and developed solutions and introducing new features that enhance security and speed of transactions. These prospects would boost QNB Bebasata as the first destination for creative financial tools and makes it the first choice for youth who search for a modern digital banking experience that meets their changing needs.

## Cyber Security and Information Technology designed to safeguard our financial transactions

In light of the increasing challenges in the digital world, QNB Egypt places cybersecurity and information technology at the top of its priorities to ensure customer data protection and the safety of banking operations. The bank has invested heavily in developing an advanced infrastructure that depends on the latest digital protection technologies. Such advancements have allowed to keep up with evolving

cyber threats in an effective and proactive way. To further enhance these measures, the bank launched specialized training programs aimed at raising employee awareness of cybersecurity risks and enable them to apply the best international practices in data protection, thus leading to the enhancement of cybersecurity culture within the organization. These initiatives do not only cover protection measures but also seek to enhance the Bank ability to address any potential threats.

On the other hand, QNB Egypt IT systems have undergone an overall transformation through implementing comprehensive upgrades to its operational structure. These endeavors have significantly improved operational efficiency in terms of reducing the time for transactions, ensuring continuity of operations and improving the quality of services provided to customers. In addition, the bank invested in artificial intelligence and data analytics technologies to enhance the monitoring of banking operations and detect any abnormal activities in real time, thus, ensuring the highest security levels for our customers.

As digital threats continue to emerge, QNB Egypt is committed to keep pace with the latest innovations in cybersecurity and information technology. The bank commitment in this respect has positioned it at the forefront of financial institutions that provide a secure, innovative and reliable banking experience to customers.

**Green Economy, Sustainable Finance and Youth Encouragement.. Promising opportunities that must be captured. Building a strong governance system in addition to complying with international standards has become essential.**

Sustainable finance and green economy are the most prominent activities in which QNB Egypt has actively engaged and made great success in seizing global opportunities. In a first-of-its-kind move in the Egyptian market, QNB Egypt signed a risk guarantee agreement worth EUR 70 million with the European Bank for Reconstruction and Development (EBRD). With the signing of this agreement, the cooperation portfolio between QNB Egypt and EBRD increases

about \$ 830 million. We shall continue our endeavors to assist in the transformation into a green economy in all sectors, especially new and renewable energy so as to mitigate the effects of climate change and reduce CO2 emissions. This step also reflects QNB Egypt commitment to supporting the growth of small and medium enterprises, especially those that contribute to the principles of environmental, social and economic sustainability.

QNB Egypt also took successful steps in sustainable finance and environmental sustainability activities. The bank financed several projects including solar, wind, green hydrogen and renewable energy plants, just to name a few. Further joint success was achieved with the bank sustainable financing provided to its customers in support of green and sustainable projects so as to achieve the Sustainable Development Goals for those projects.

**Several initiatives were taken to reflect QNB Egypt commitment to these activities briefly stated as follows:**

- > QNB Egypt signed a sponsorship agreement with Nile University to launch the "Accelerating Local Industry 4.0" program, a business accelerator aimed at enabling technology companies to develop innovative solutions that support local industry and enhance the competitiveness of Egyptian enterprises in local and international markets.
- > QNB Egypt launched a new business unit in Qena Governorate which builds on the bank pioneering journey in the SME sector. QNB Egypt was one of the first banks to participate in the NilePreneurs initiative since its launch in 2019, contributing to the support and development of all startups. QNB Egypt emphasized that business development centers play a significant role in providing a range of financial and non-financial services such as training courses, raising financial awareness and offering advisory and marketing services that enhance job opportunities.
- > QNB focuses on building strong partnerships with multilateral institutions and development banks to ensure full support, with unique value propositions and incentives, for youth and/or women in business, sustainable green projects and other specialized sectors where financial and non-financial services are provided.
- > QNB Egypt has published its second GRI Sustainability Report for the reporting period 2022-2023, and is in the process of publishing its third GRI report for the year 2024.
- > QNB Egypt was one of the first signatories of UNEP FI's Principles of Responsible Banking (PRB). It has published its first PRB report for the reporting period 2023, and in continuation of its PRB journey QNB Egypt is in the process of publishing its second PRB report. Throughout the PRB journey, QNB Egypt can significantly enhance its environmental and social impact through strategic target setting and continuous progress monitoring.





# Chief Executive Officer's Statement (continued)

Crowning our commitment to social responsibility, the bank continues its strategic partnership with the Social Housing and Mortgage Finance Fund which was recently strengthened by the signing of Protocol Agreement worth EGP 10 billion. The partnership aims to enable low and middle-income segment to own affordable housing with flexible facilities and favorable terms. This course supports QNB social stability and strengthens our position as one of the leading banks in financing sustainable housing projects. In this context, our partnership with the Urban Development Fund (UDF) also complements our efforts to support Egypt's vision to provide adequate housing and eradicate slums, thereby contributing to achieving integrated and sustainable urban development communities.

## Driven by new levels of excellence and leadership to achieve organizational goals in 2025

As we celebrate our achievements in the current year, we are looking ahead at 2025 with a spirit of optimism, ambition and caution. Despite a multitude of opportunities, we face challenges that we still have to overcome. We are confident that we can further achieve a lot of goals with our determination to complete the steps we have already started and achieved towards strategic expansion, banking leadership and high ambition. To turn our goals into reality, we are committed to continue supporting small and medium enterprises through providing innovative products and comprehensive consulting services. We also relentlessly seek ways to enhance our retail banking services continue to innovate and develop digital services and products in all the activities which we plan to expand. Moreover, we make headway in the implementation of cybersecurity standards to provide a banking experience that is completely safe. Not to mention our emphasis on supporting sustainable finance and green economy in line with the bank's plans and the objectives of the Egyptian State.

🎯 We are not only determined to achieve financial growth in 2025, but also to enhance our positive impact on our customers and society. We have a clear vision based on innovation, sustainability and customer service excellence.

We shall earnestly strive to position QNB Bank as a reliable partner for every customer and every project ranging from small needs through great customer ambitions. We shall focus on enhancing financial inclusion via reaching out to non-banking segments, providing services that facilitate their lives and open up new horizons for them. We shall expand our retail banking services to become more inclusive to meet

diverse customer needs. We shall also continue to invest in supporting SMEs, as they are not only a key driver of the economy, but also viewed as an inspirational example for the paths of fruitful partnerships between us and our customers.

## Culture change starts from within

QNB Egypt featured an extreme makeover in its corporate culture. This massive transformation has embedded the values of belonging and cooperation which form the main drivers of our success and the key to achieving excellence. Rooted within our culture, we not only strive to provide innovative banking services, but also create a work environment that stimulates creativity and builds bridges of trust among all our team members. With fostering this new corporate spirit transformation, we were able to draw in positive energy every day flowing from the values of synergy and partnership so as to help us achieve our common goals. Every single employee at QNB Egypt, working across various functional areas in our vast network of branches and headquarters, has been a true partner in this transformation and has contributed in shaping our culture through his/her creativity and commitment. The formulation of this culture has focused on customer centricity and has also regarded teamwork as a matter of the highest priority. Accordingly, the "Corporate Culture Development Initiative" was launched where more than 700 employees shared and interacted from various sectors, departments, and branches to encourage the principles of innovation and the continuous pursuit of excellence. Working together as one team, the basic principles of Corporate Culture Development Program were fostered to achieve the bank strategic objectives by working on 4 main themes, namely "Lead through Empowerment", "Find New and Better Ways", "Optimize to Win", and "Together for Number 1" which all work in harmony to bring about a culture that will unite us, empower us to achieve our strategic goals and drive us toward success.

🎯 The transformation of our corporate culture is yet another significant step in our ambitious strategy for many years ahead and represents a solid foundation for building a brighter future. We regard ourselves not just a banking institution, but rather an entity that ranks individuals in the first place and believes that real change starts from within.

## Innovation is an essential pillar for pursuing leadership

Innovation is no longer an option but has become a basic necessity in a rapidly changing world. Innovation distinguishes us from other competing institutions since it helps us become the first-choice bank for our customers who are looking for easy, secure and fast banking services. Consequently, we shall continue to improve our digital platforms, develop our smart applications and services and provide an exceptional banking experience to our customers. Furthermore, we will pursue to enhance our technological infrastructure with a focus on enhancing cybersecurity to protect our customers' data. This commitment is not only to maintain customer trust, but also to ensure that we provide the safest and most innovative banking experience in the market.

## Customer satisfaction is our first goal

Our customers are the cornerstone upon which our organization is built. I am confident that in 2025, we shall even go beyond the basic standards of meeting customer needs to reach new levels of exceeding customer expectations. For us, customer satisfaction is not just a goal, but serves as an essential part of our corporate culture. To achieve this end, we shall focus on improving the quality of our services delivered through all channels, whether at branches or online. We shall also work on streamlining our operations, reducing processing time and making every transaction with QNB Egypt a unique and enjoyable experience.

## Our Human Resources are the bank's most vital pillars

I would like to emphasize that the success of QNB Egypt's strategy depends mainly on the efforts and creativity of our staff. Every new idea you put forward and every effort you make contribute to move us forward. The role and keenness of the Human Resources team to develop and enhance employee competencies and skills cannot be overlooked. These endeavors contributed to building an efficient and professional team that is able to achieve institutional goals efficiently and professionally. In addition, specialized and innovative training programs were conducted to meet the needs of various departments and keep pace with the latest trends in the labor market. This positively reflected on improving individual and group performance. We are determined to continue together to create a supportive and inspiring work environment that contributes to enhance the spirit of creativity and cooperation. Our aim is to have our workforce better prepared to face challenges and achieve sustainable excellence. We shall not spare any effort to provide all necessary support to develop QNB Egypt staff to become the best calibers in the banking system. To put practical efforts into action, QNB Egypt signed cooperation protocols and partnerships with several prominent international and local training institutions including

Harvard Business School and the Egyptian Banking Institute in a step to keep employees updated with all changes and developments in the banking industry and keep pace with the latest systems and international studies.

## Corporate Social Responsibility forms an integral part of QNB Egypt's strategy

At QNB Egypt, we believe that the true success of institutions is not only measured through financial achievements alone but extends far beyond this concept to include the positive role these institutions play in supporting the society and achieving sustainable development. From this aspect, social responsibility lies at the core of the bank strategy. QNB Egypt is committed to providing effective initiatives that aim to improve the quality of the lives of individuals and thus creates a lasting positive impact on society. QNB Egypt pursued during the past year to strengthen its position as one of the largest entities in the banking sector that supports the Egyptian society in all aspects starting from education, health through youth and women empowerment and up to supporting people with special needs. As part of our corporate social responsibility commitment, QNB Egypt carried out the below activities, just to name a few:

- > The Bank participated in sponsoring several important events including the Central Bank of Egypt initiative for the banking sector to reduce patient waiting lists in cooperation with the Medical Emergency and Genetic Diseases Fund of the Ministry of Health and Population.
- > The bank contributed to many development projects aiming to improve the living conditions of the neediest families. It also continued its participation in "Haya Karima" initiative in which the housing conditions were improved and clean drinking water was delivered to many homes for deserving families in need of assistance in villages at Beni Suef Governorate in cooperation with "Dar Al-Orman Association".
- > The Bank provided "Training for Employment for Women Breadwinners" to 100 women at the Estidama Center for the Empowerment of rural women in Aswan Governorate aiming to train and enhance their skills to enable them earn a permanent income, in cooperation with "Sonaa El Khair Foundation for Development".
- > In addition, the Bank participated in a project for the replacement and renovation of potable water system in Damshir village at Minya Governorate and a number of villages belonging to Sohag Governorate, in cooperation with Misr El Kheir Foundation. The Bank also provided the necessary equipment for the elderly home of the Lions Ladies Association in Maadi at Cairo Governorate.
- > As for medical care, the Bank lend its hand to support some health facilities in the country for the sake of developing of our communities by bridging the shortage in medical equipment.



# Chief Executive Officer's Statement (continued)

The Bank continued to donate important medical devices to hospitals that provide free health services in order to eliminate waiting lists and offer the best medical services to the neediest segments.

- > As for education, a major area of concern to the bank in order to prepare a distinguished generation, QNB Egypt participated in providing scholarships to a number of distinguished students at Zewail University of Science, Technology and Innovation. The Bank also provided an artificial intelligence laboratory at Galala University and established and equipped an IoT lab at El Sewedy University of Technology -SU Tech -Polytechnic of Egypt.
- > The bank also provided partial scholarships to outstanding students at Samanoud Technological University in cooperation with "Sonaa El Khair Foundation for Development". In addition, the bank developed and provided school equipment to "Al-Shaheed Nofal School for Basic Education" in Damietta Governorate in cooperation with "Sonaa El Khair Foundation for Development".
- > As for the development and support of youth, the bank continued its support to NilePreneurs initiative for the sixth year under the auspices of the Central Bank of Egypt and in partnership with Nile University. The bank sponsored the "Creativity Incubator" at Nile University campus, which aims to create awareness about the creative design industry as a competitive advantage in various projects and its importance in driving economic growth to raise competitiveness and differentiation.
- > QNB Egypt supports People with Special Needs: As part of the bank keenness to provide support to people with special needs, QNB Egypt provided several prosthetic devices for distribution among some people with special needs at villages covered within the scope of Haya Karima Initiative in Damietta and Minya governorates in cooperation with Misr El Kheir Foundation.
- > In addition, the Bank participated in the "Economic Empowerment Project for People with Special Needs" under Haya Karima Initiative. The project included financing 10 micro-projects to generate income for people with special needs and their families in Beni Suef Governorate with the aim to provide a permanent source of income to enable them to uplift their families' economic level and reduce the unemployment rate in cooperation with Orman Association.
- > As for social care, QNB Egypt participated in the annual winter campaign in cooperation with Misr El Kheir Foundation to provide a decent life for the most deserving families. The activities included constructing roofs for a number of houses in several governorates.

- > Employee volunteering initiatives: The bank organized many volunteering initiatives in belief of their importance in promoting a positive work environment. The bank organized a blood donation campaign for employees in cooperation with the Egyptian Company for Blood Transfusion Services (VACSERA) at the bank's headquarters.
- > In addition, the bank organized a voluntary campaign for employees and their families to pack Ramadan cartons in cooperation with Misr El Kheir Foundation. The bank also organized a voluntary campaign for employees' participation in "medical convoys for the elderly" "at the Aqeela Al-Samaa Home for Homeless Adults, Om Kulthum Home for the Elderly and the Social Care Home for Homeless Men" with the aim to foster a culture of volunteerism, promote human values and create a sustainable positive impact.

## **Women and youth empowerment lie at the forefront of our corporate social responsibility**

Women empowerment is one of the top priorities of QNB Egypt. It is reflected in our deep belief in the importance of women's role in society being a fundamental cornerstone of its success and progress. We believe that empowering women is not just an option, but a vital necessity to achieve sustainable and comprehensive societal development, as women represent half of the society and a key partner in building the future. Therefore, investing in their abilities is considered an investment in the society as a whole.

From this perspective, QNB Egypt strives to support women economically and socially through launching initiatives and programs aimed at enhancing their role in various fields. For instance, the Bank held many meetings and signed agreements with specialized organizations for the development of women's skills and to open for them job opportunities that allow their financial independence. On the other hand, the Bank is keen to maintain a work environment that enables women to advance in their careers and gives emphasis on equality in opportunities and promotions.

We realized that supporting women is not only limited to providing job opportunities, but also includes their encouragement to reach leadership positions and their effective contribution to decision-making. This approach is practiced by QNB Egypt and is strongly revealed in providing leadership opportunities for women who also join the boards of directors. The bank constantly seeks to launch banking services and products that are particularly dedicated to women to meet their banking needs and aspirations. It also launches initiatives to raise awareness and offers financial education for women. Moreover, it actively participates in ongoing events taking place throughout the year under the umbrella of the Central Bank of Egypt to support women.



## QNB Egypt wins more prestigious awards to mark its strength and leadership in the Banking Sector

QNB Egypt won several significant awards from international and prestigious institutions which altogether demonstrate its leading role in the Egyptian Banking Sector. The bank continues to offer a wide range of innovative products and services that meet the requirements of all customer segments. Those awards vary across various business sectors emphasizing on our strong market presence. The bank won two awards for the “Best SME Bank” and the “Best Retail Bank in Egypt” by the Capital Finance International Magazine.

The bank also won six awards from ‘The Global Banking and Finance’ namely, the “Best SME Bank”; the “Best Retail Bank”; the “Best Trade Finance Bank”; and the “Best Bank for Treasury Activities”.

QNB Egypt also won the “Best SME Beyond Banking Initiative” award by ‘The Digital Banker’. The bank also won two awards by ‘The International Finance Magazine’ namely, the “Best Customer Experience Bank in Egypt”, the “Most Innovative Retail Bank”, and “Best foreign bank in Egypt” by EMEA Finance African Banking Awards.

### The trust and support of shareholders are fundamental to pursue our remarkable achievements

I am glad to extend my deepest and most sincere thanks and appreciation to all QNB Egypt shareholders for their precious trust and continuous support they have shown throughout our successful journey. Their great contributions and trust have paved the way to enable us achieve exceptional results and strengthen our position as a leading banking institution in Egypt. We were able to achieve sustainable growth rates, expand our services to meet the needs of our customers and pursue in developing innovative banking products that meet changing market requirements. I also wish to reiterate my warm thanks to our shareholders for being our true partners in this distinguished journey and for their belief in our mission that aims to achieve excellence and sustainability.

## A Tribute

To the Board of Directors,

To my dear colleagues,

I would like to express my sincere gratitude and extend my appreciation to each and every individual for the considerable effort and deep commitment during 2024. In spite of being a distinct year full of challenges and opportunities, we succeeded thanks to your dedication and professionalism, to make remarkable achievements which cemented QNB Egypt position as one of the most significant and leading banks in the Egyptian banking sector.

Always believe that your efforts make a real difference, not just in our financial results but in the lives of our customers and society as a whole. The efforts exerted by each one of you are deeply valued, appreciated and estimated. I'm fully aware that the upcoming year holds new challenges but I'm absolutely certain however, that we can confront them with your commitment and dedication which will drive us to successes beyond our expectations.

Our successes in 2024 are not merely figures or indicators but are rather success stories written by every individual who shared his / her story of hard work, dedication and creativity that were reflected in all aspects of our business. Each one of you has proudly contributed in putting a distinctive imprint on QNB Egypt's journey.

**Let me thank you again for your dedication and creativity. I'm looking forwards to seeing your amazing achievements in 2025.**

**Mohamed Bedeir**

Chief Executive Officer, QNB Egypt



# QNB Egypt at a glance

QNB Egypt succeeded to maintain its status as a strong player in the Egyptian market. This has come as a result of its strategy to remain a committed business partner to its clients during all times.

## Our Heritage:

QNB Egypt is one of the leading financial institutions in Egypt established in April 1978. The bank is ranked as one of the largest private banks in Egypt.

QNB Group acquired 94.967% of QNB Egypt as of 31/12/2022

## Retail Banking:

QNB Egypt has managed to capitalize on its leading position as a pioneer in developing and industrializing a world-class retail banking service, where QNB Egypt adopted a unique market segmentation approach to be able to structure products and solutions that meet the requirements of each segment.

## SMEs Banking:

QNB Egypt has capitalized on its trust in the power of SME's to push growth and deliver sustained development, perhaps just as importantly manages to support its SMEs customers through the peaks of the economic cycle.

## Corporate and Investment Banking:

QNB Egypt provides dedicated products in corporate banking, financial advisory, project financing, structured financing, trade financing, cash management, and foreign exchange with its competitive offerings, it has managed to establish a strong bond with its various corporate clientele whether large domestic corporations, subsidiaries of multinational companies, medium caps, as well as SME's.

## Our Subsidiaries:

The Bank established a number of subsidiaries in specialized fields such as:

### QNB Leasing

### QNB Life Insurance

### QNB Factoring

## 2024 Awards



QNB Egypt was selected by several prestigious financial institutions committees as the undisputed winner based on the following documents:

- 🏆 Best SME Bank in Egypt
  - > By The Capital Finance International Magazine
- 🏆 Best Retail Bank in Egypt
  - > By The Capital Finance International Magazine
- 🏆 Best SME Bank
  - > By The Global Banking and Finance
- 🏆 Best Retail Bank
  - > By The Global Banking and Finance
- 🏆 Best Trade Finance Bank
  - > By The Global Banking and Finance
- 🏆 Best Bank for Treasury Activities
  - > By The Global Banking and Finance
- 🏆 Best Corporate Bank
  - > By The Global Banking and Finance
- 🏆 Best Bank for Digital Banking Services
  - > By The Global Banking and Finance
- 🏆 Best SME Beyond Banking Initiative
  - > By The Digital Banker
- 🏆 Best Customer Experience Bank - Egypt
  - > By International Finance Magazine
- 🏆 Most Innovative Retail Bank
  - > By International Finance Magazine
- 🏆 Best foreign bank in Egypt
  - > By EMEA Finance African Banking Awards

## Our Financial Strength

### Assets

**EGP 819,840 million**

### Net profit

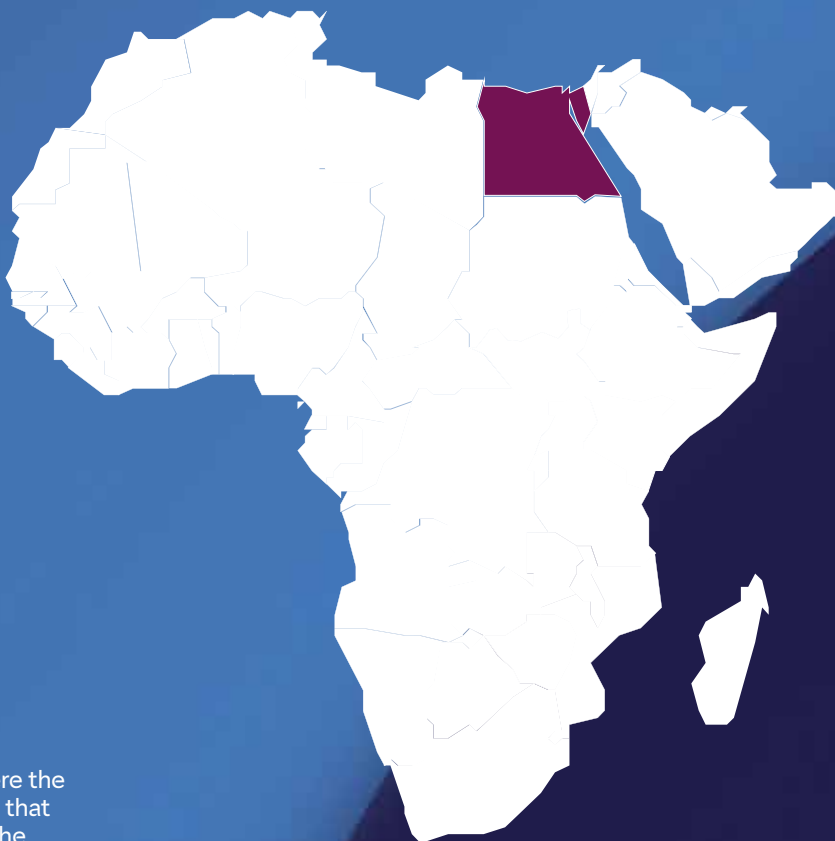
**EGP 26,398 million**

### Earnings Per share

**EGP 10.76**

### CAR (Basel II)

**24.3%**



QNB Egypt is an integrated financial group where the bank is interested in supporting its subsidiaries that provide banking financial services which meet the needs of a wide segment of its customers.

### QNB Leasing

The company continued its outstanding performance as one of the first companies in this field and the company was able to support its position in the local market by increasing the growth of its business volume and profit rates in addition to maintaining high quality of its assets and it has ambitious plans to expand and increase the volume of its business and meet the growth of this activity.

### QNB Life Insurance

The company maintained its advanced position in the field of life insurance and continued to increase the volume of its business steadily in addition to providing advanced and modern insurance products and services that meet the needs of the company's customers.

### QNB Factoring

The company has maintained its market position and outstanding performance, especially with the promising sector of small and medium-sized companies, and the company continues to work to increase the volume of its business, which is balanced and through an ambitious work plan.

QNB Egypt has become the vehicle of choice for multilateral financiers to distribute credit amongst small businesses & companies in addition to help shape and implement women in business programs. The Bank serves more than 1.8 million clients through 7,605 banking professionals. The bank vision is to keep close to its clients through offering a wide range of products serving almost every financial need of corporates, medium and small enterprises or individuals. To achieve this vision, our bank expands its

network of branches to 235 branches covering all governorates. Moreover, the bank keeps enhancing its multi-channels automated tools to reach its clients through a network that reaches 938 ATMs, in addition to a dedicated call-center available 24 hours a day, 7 days a week.

QNB Egypt pays close attention to how it reaches out to its valued clients ensuring the ease and comfort with world-class professionalism, while the bank continues to selectively expand its always- expanding branch network.

QNB Egypt strives to employ its quality and innovative resources to support the Egyptian Economy and help in its development by always expanding the financial services coverage and financial inclusion.

As part of QNB Egypt Corporate Social Responsibility, it has cooperated with a number of community organizations in various initiatives and projects aimed at supporting the neediest sectors in society.

QNB Egypt took on its shoulders the responsibility to support sustainability and green projects which depend on renewable sources of energy. We succeeded in financing dozens of environment-friendly projects which had an impact on reducing and minimizing the negative effects of carbon emissions caused by conventional fuels. At QNB Egypt we believe in the importance of granting funds for these types of projects to substantially preserve the environment. We also take into account the economic and social dimensions of this matter. Moreover, sustainable financing and supporting climate projects are regarded as a future trend the world is striving to follow.





# Strategic Report











# QNB Egypt Strategy

QNB Egypt focuses on establishing lifelong partnerships with all stakeholders by placing them at the center of its strategy and continuously providing state-of-the-art solutions leading it to the forefront of the financial industry.

## Our Vision & Mission

As part of QNB Group, we at QNB Egypt seek to contribute to the Group's aspiration as the leading bank in the Middle East and Africa, as well as an ambassador channeling their corporate values and identity to the Egyptian market.

Building on these aspirations, we are devoted to our Vision, "Becoming a leading bank, transforming lives and empowering communities through innovative financial solutions to foster sustainable growth" and Mission, "Delivering innovative, customer-centric financial experience that nurtures individuals, businesses, and communities' long-term prosperity, while driving value for all stakeholders".

## Our Value Proposition

The main goal of our strategy is to create long-lasting value for all our stakeholders. This value may take on multiple forms, whether financial or non-financial, and requires efficient allocation of energy, resources, and talents to continuously achieve the desired result.

With that in mind, our value creation model consists of four elements: customer centricity & bespoke services, human capital, technological focus, and financial performance, each aiming to provide a unique outcome to our stakeholders: our customers, employees, shareholders, investors, regulators and the environment.

### 1. Customer Centricity & Bespoke services

As market leaders, we strive to provide our customers with the highest possible service. As such, we continuously tailor our products and services to match the entire needs of all customers, while ensuring a smooth and pleasant experience within a highly dynamic market.

### 2. Human Capital

Meanwhile, our employees' knowledge, abilities, and development provide us with great opportunities. By harnessing their unique attributes and skills, we are able to achieve greater operational excellence and stronger financial performance, further elevating our position in the market.

In this regard, we aim to empower and compensate our employees by fostering a high-performance culture, investing in ongoing training and development, and creating clear expectations and goals.

### 3. Technological Focus

Alongside possessing highly-talented individuals, we aim to exploit newly disruptive technologies by integrating them into our processes to provide a seamless experience to our customers. Additionally, our focus on digitalization allows us to identify new trends, be more cost effective and improve our decision-making, in addition to enhancing our security measures. Consequently, we will continue to invest in our infrastructure and technology to elevate our proficiency and position ourselves as a bank of choice.

### 4. Financial Performance

QNB Egypt is dedicated to delivering strong and sustainable financial results for its shareholders, investors, and other stakeholders. These results are supported by our strong foundations of maintaining a healthy balance sheet, ensuring strong capital adequacy ratio, mitigating risks and achieving an attractive return to equity (ROE) that surpasses the market, all with the aim of solidifying our place as an admired market leader.

## Our Heritage

With such market leadership comes immense pride. We at QNB Egypt are proud to be a part of QNB Group, the largest financial institution in the Middle East and Africa, present in more than 28 countries and serving more than 30 million customers.

## Our Highlights

This has been a successful year for us, as we were able once again to amplify our profits in the Egyptian market. Despite the multiple challenges faced by the economy throughout 2024, we continue to grow larger, with over 235 branches across 25 governorates, all dedicated to serve our ever-so-growing customer base, currently standing at 1.8 million clients. This growth continues to solidify our position as the largest private bank in terms of presence in the Egyptian market.

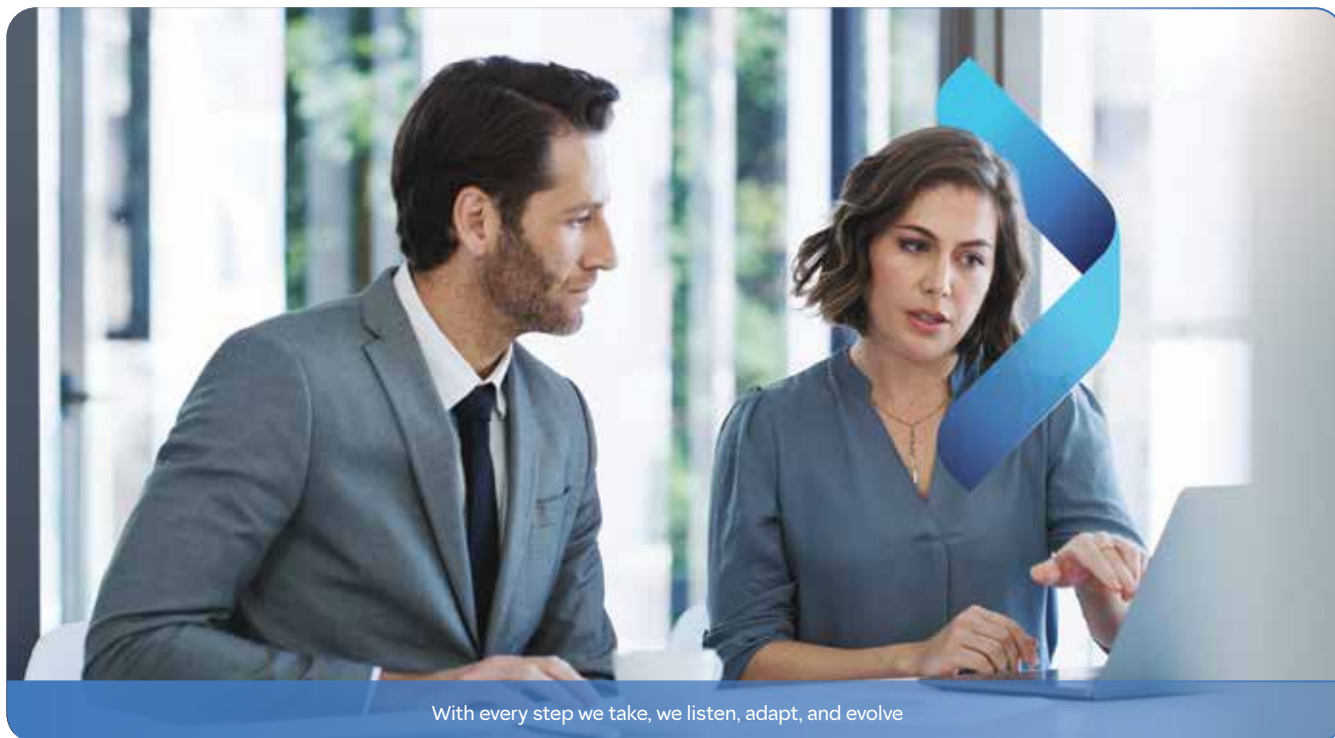
938 ATMs

39K POS

24/7 Contact Center

181K e-Wallet Users

756K Internet Banking Users



With every step we take, we listen, adapt, and evolve

## Market Developments

Early in the year, economic weakness across major advanced economies dominated the global macro agenda. A rapid slowdown in the US, disappointing growth in China and continuous stagnation in Europe provided a gloomy environment for 2024, with global growth expectations starting the year at 2.6%, only a touch above the 2.5% mark that commonly defines a global recession.

In H1 2024, both activity and inflation surprised to the upside globally, creating a temporary renewal of the “inflation scare” that contributed to spur significant uncertainty about the path and even the direction of policy rates. However, price pressures were related to lagging factors, such as housing costs. Despite this, labour markets eased gradually while remaining resilient and inflation moderated, triggering a change in sentiment and turnaround of outlook later in the year. Lower inflation justified the beginning of meaningful monetary policy easing cycles. The US Federal Reserve (Fed) cut policy rates by 100 basis points (bps) to 4.5% and the European Central Bank (ECB) cut by 100 bps to 3.0%. As a result, the year ended up being defined by a more positive backdrop of moderate global growth of around 3% combined with falling inflation across most advanced economies and significant monetary policy easing.

Importantly, this positive external scenario proved to also be supportive to Egypt’s macroeconomic adjustments and reforms. The country’s economic stabilization programs have been progressing well, leading to lower inflation, more currency stability, and better access to international capital. Official international financial support and strong policy commitments are also contributing to limit the potential downside in activity from tighter fiscal and monetary policies. This should allow for a positive outlook of moderate growth with the consolidation of a more resilient macroeconomic policy framework, which is already attracting more foreign direct investments and should boost GDP potential over the medium-term.

“Egypt strong drive for urbanization, infrastructure development, sustainable projects and 5G, alongside the large-scale development of Ras El-Hekma, should provide opportunities for the banking sector to take part in assisting and financing more complex projects.





# QNB Egypt Strategy (continued)



We place our customers' experience at the forefront of our strategy

## Our Strategy

Our strategy is centered around being a committed business partner to our customers, employees, shareholders, investors, regulators, and environment during all times. This commitment stems from our determination to achieve our Vision of "Becoming a leading bank, transforming lives and empowering communities through innovative financial solutions to foster sustainable growth". As such, we are devoted to continuing the notion of strengthening and enhancing our value proposition to cater for clients' needs, attaining the highest levels of satisfaction, while upholding our reputation and image of being a highly ethical and inclusive bank, encouraging employees, investors and partners to contribute to this success.

In this regard, we aim to improve our market position by utilizing Bebasata's flexibility and accessibility to the younger audience, constructing a much larger and sustainable client base. This approach will also be complemented by our digital and innovation teams, which will seek to respond to the current market dynamics and provide long lasting solutions that ensure operational efficiency, customer centricity and overall satisfaction.

Meanwhile, our rebranding from 'QNB ALAHLI' to 'QNB Egypt' comes with a wide range of opportunities. Alongside the aspiration of becoming one big, harmonized group internationally, domestically we aim to exploit this rebranding campaign by spreading brand awareness through our numerous marketing channels, exposing multiple audiences towards some of our new offerings which contain special layers of customization, while also enlightening them about our unique value propositions. These efforts are made with the intention of achieving desirability towards our brand and enhancement of business activities.

Lastly, we strive to achieve operational efficiency. Successful execution of our strategy requires not only coordination between all of our divisions but also flexibility to reflect and adjust our initiatives to serve emerging trends and market dynamics, all with the aim of serving our clients' evolving wants and needs and positioning us as the number one choice for customers, simply "the go to bank". With that being said, our strategy for 2025 accounts for these trends and market dynamics by directing all our talents and abilities towards creating and maximizing value from them. In this regard, we plan to:

- > Increase our sources of sustainable foreign funding and attract more low-cost current & savings account deposits.
- > Increase our cross-selling and fee-generating ability.
- > Strengthen our position by enriching our value proposition and adapting to market dynamics.
- > Leverage advanced tech and digital tools to improve efficiency and customer centricity.
- > Enhance our leading market position by capitalizing on QNB Group's network.
- > Maintain consistent growth in Retail, SMEs, and Corporate portfolio.
- > Digitalize commercial and operational processes.
- > Improve credit screening and early warning capabilities.
- > Streamline processes and SLAs with the aim of easing the customer journey and enhancing their experience.
- > Continue to adopt a Total Quality Management environment and adopting Net Performance Score.
- > Enrich our culture to reflect our values and beliefs ensuring full engagement and collaboration.

Accordingly, our strategic directions and pillars aim to strengthen our position in the market with a deep focus on achieving exceptional financial performance. In alignment with our mission and vision, we have created new directions and refined our pillars to meet our current strategic objectives.

## Our Strategic Directions

- **Customer Centricity:**  
Focus on delivering personalized and seamless customer experiences by using tools like data analytics and customer relationship management (CRM) systems. Build stronger client relationships with tailored solutions based on their needs.
- **Operational Efficiency:**  
Streamline processes through automation and smart tools to cut costs and improve resource use. Regularly review operations to identify gaps and resolve inefficiencies.
- **Innovation & Digital Technologies:**  
Work closely with partners and explore practical solutions that improve efficiency and minimize risks. Enhance business models with the aim of enhancing the user's experience.
- **Growth & Financial Success:**  
Expand revenue streams through introducing new products and services. Optimize operations to reduce costs and mitigate risks to enhance profitability.

## Our Strategic Pillars

### 1. Retail Build-Up:

- > Boost lending efforts with targeted credit solutions for retail clients.
- > Offer user-friendly savings and deposit products, ensuring accessibility utilizing digital capabilities.

### 2. Corporate Enhancement & Expansion:

- > Grow the loan and deposit portfolio by offering desirable financial solutions.
- > Support corporate operations by offering tailored financial advisory and partnerships.

### 3. Small and Medium Enterprises (SMEs) Enrichment:

- > Leverage our partners to reach out to a larger number of customers.
- > Roll out accessible digital platforms and other tailored SME services.

### 4. Treasury Diversification:

Introduce other simple and sustainable products and services to cope with the market's needs.

Focus on digitalization to improve efficiency.

“Innovation is an integral driving force in our efforts to deliver our strategy.”

## Innovation and Creativity Drive QNB Egypt's Overall Strategy

We truly believe that innovation is a catalyst for growth and success and is the key to realizing our vision “Becoming a leading bank, transforming lives and empowering communities through innovative financial solutions to foster sustainable growth”. Fostering innovation drives QNB Egypt's growth, it also allows it to prosper and transform; leading it to navigate changes in the market, products, processes, services, systems, business models, technology, governance, and regulations. Looking ahead, we intend to continue evolving our innovation platform to encourage disruptive ways of working and improve the overall customer experience.



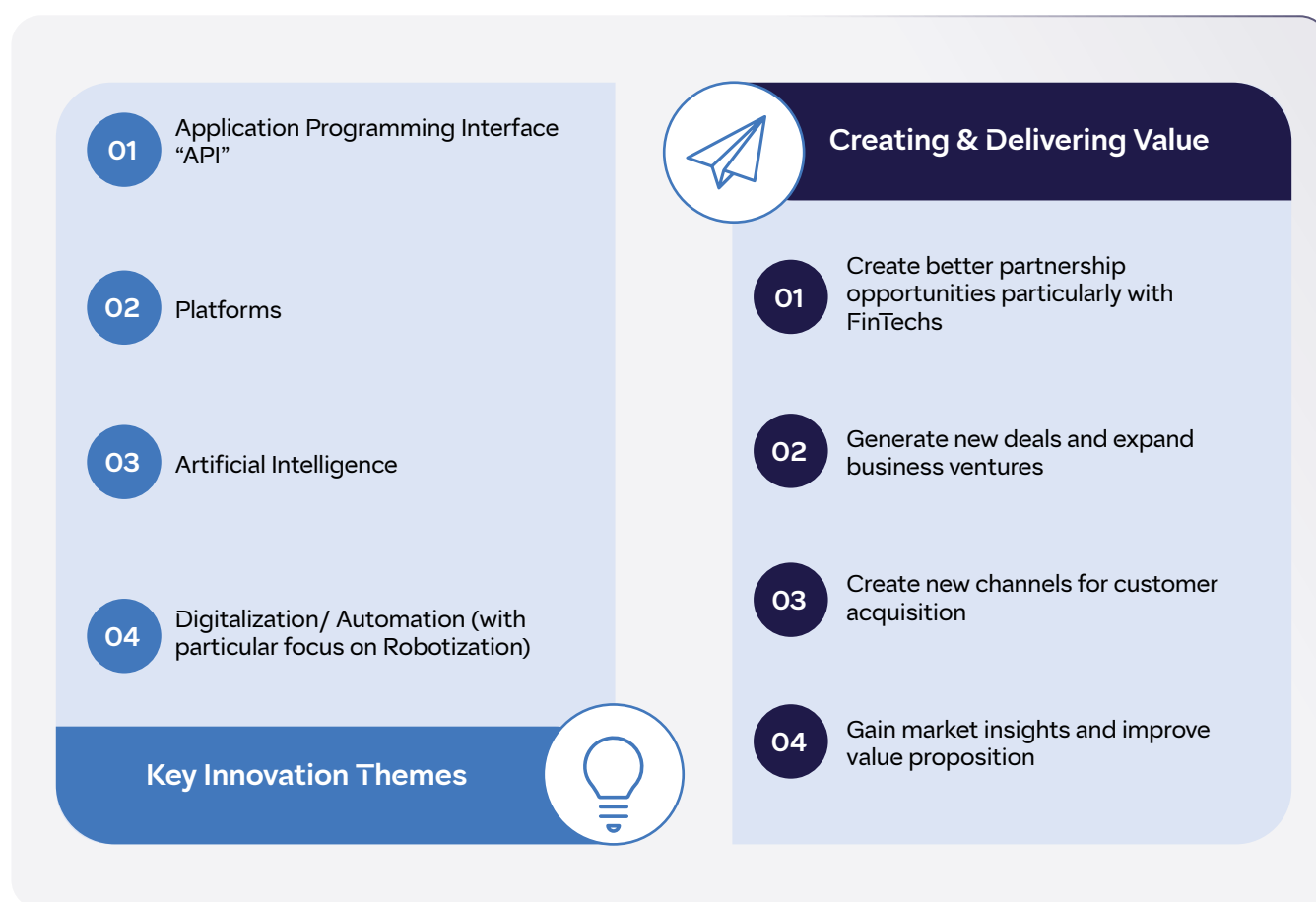
# QNB Egypt Strategy (continued)

## Key Innovation Themes

The rapid developments in innovation and the continuous technological advancements have led to evolving customer expectations. These developments allow for the creation of long-term trends that we view can be utilized strategically to enhance our business model. Given that context, QNB Egypt focuses on four key strategic themes:

- > **Application Programming Interface:** Utilize “API” allowing for different digital applications to work together and to exchange information.

- > **Platforms:** Create open and scalable business models.
- > **Artificial Intelligence:** leverage “AI” to personalize customer experience, identify opportunities and predict risks and fraud.
- > **Digitalization/ Automation/Robotization:** Automate repetitive processes to reduce costs and improve operational efficiency and decision making.



## Our Innovation Approach

QNB Egypt adopts a Global Innovation Program, leveraging a tripartite agreement between QNB Group, QNB Türkiye and, QNB Egypt to cooperatively discuss, exchange, and build on disruptive technologies.

Since the inception of our innovative efforts in 2005, our employees at QNB Egypt have been leading the way in innovation by submitting their ideas to our dedicated innovation team. The team then validates, sharpens, and tests the feasibility of these ideas.

“The main goal of this process is to leverage the experience and strategic placement of our employees to detect market trends and identify customer behaviors. We firmly believe

that innovation is the key to driving growth, preparing for the future, and gaining a competitive advantage. To sum up, innovation is a major component of QNB Egypt's DNA.

## Breakthrough Innovations

### 1 Invoice Tracking Cycle

- Centralized invoice receiving in one hub, consolidating invoice and purchase order management for efficiency.
- Streamlined invoicing workflows with improved validation and supplier communication.
- Automated notifying suppliers upon finance validation, strengthening relationships.

### 3 Digital Payment Acceptance

- Launched the M-Visa B2B mobile banking app for business transactions.
- Enabling IPN acceptance and Instapay payments at merchants through POS and E-Commerce. (In Final Stage)

### 5 Host-to-Host Service

- An advanced service offering automated transactions, real-time updates, enhanced security, and customizable ERP integrations for corporate clients, meeting global banking trends and improving operational efficiency.

### 2 Retail Mobile Banking

- Enabled Fawry payments through the mobile banking app, including telecom, internet, utilities, donations, insurance, education, tickets, subscriptions, ads, financial services, real estate, medical, and car licensing.
- Availied investment funds redemption and breaking deposits fully or partially through the mobile banking app.
- Introducing biometric login (Face ID/ Fingerprint) for enhanced customer experience. (In Final Stage)

### 4 Corporate Digital Business Solutions

- Expanding QNB Egypt digital banking platforms with the introduction of E-Business mobile banking. (In Final Stage).

### 6 Oracle Custodies

- This system automates vault key custodies by integrating staff cards and key management into Oracle, ensuring efficient management, tracking ownership, and increasing transparency.







# QNB Egypt Strategic Sustainability Framework

At QNB Egypt, we are dedicated to promoting prosperity and sustainable growth. In alignment with QNB Group purpose, our strategy focuses on addressing sustainability and climate change across all our business activities and operations.

We are committed to making a positive impact and delivering value to our stakeholders. As a leading financial institution, we recognize our responsibility to contribute to a brighter future, driving the transition towards a more environmentally sustainable and socially equitable world for everyone.

By integrating environmental, social, and governance (ESG) principles into our control environment, environmental risk management framework, strategy, performance management, and business practices, we aim to foster a comprehensive approach to sustainability.

## Our approach is built on three main pillars:

- > Sustainable finance
- > Sustainable operations
- > Beyond banking

We are dedicated to supporting and aligning with the sustainability goals outlined in the United Nations Sustainable Development Goals (UNSDGs), United Nations Environment Programme - Finance Initiative (UNEP-FI), Principles of Responsible Banking (PRB), Egypt's Vision 2030 for Sustainable Development, and the QNB Group Sustainability Strategy.

“Our commitment to environmental and social impact is deeply embedded in our business and operational model.”

## QNB Egypt Commitment to Sustainability: Integrating ESG Principles for a Better Future

One of our crucial goals is to improve societal well-being and protect natural resources through our green initiatives, sustainable practices across our value chain, and active engagement with the community. Our ESRP framework reflects this target, outlining our approach to integrating sustainability into our lending practices.

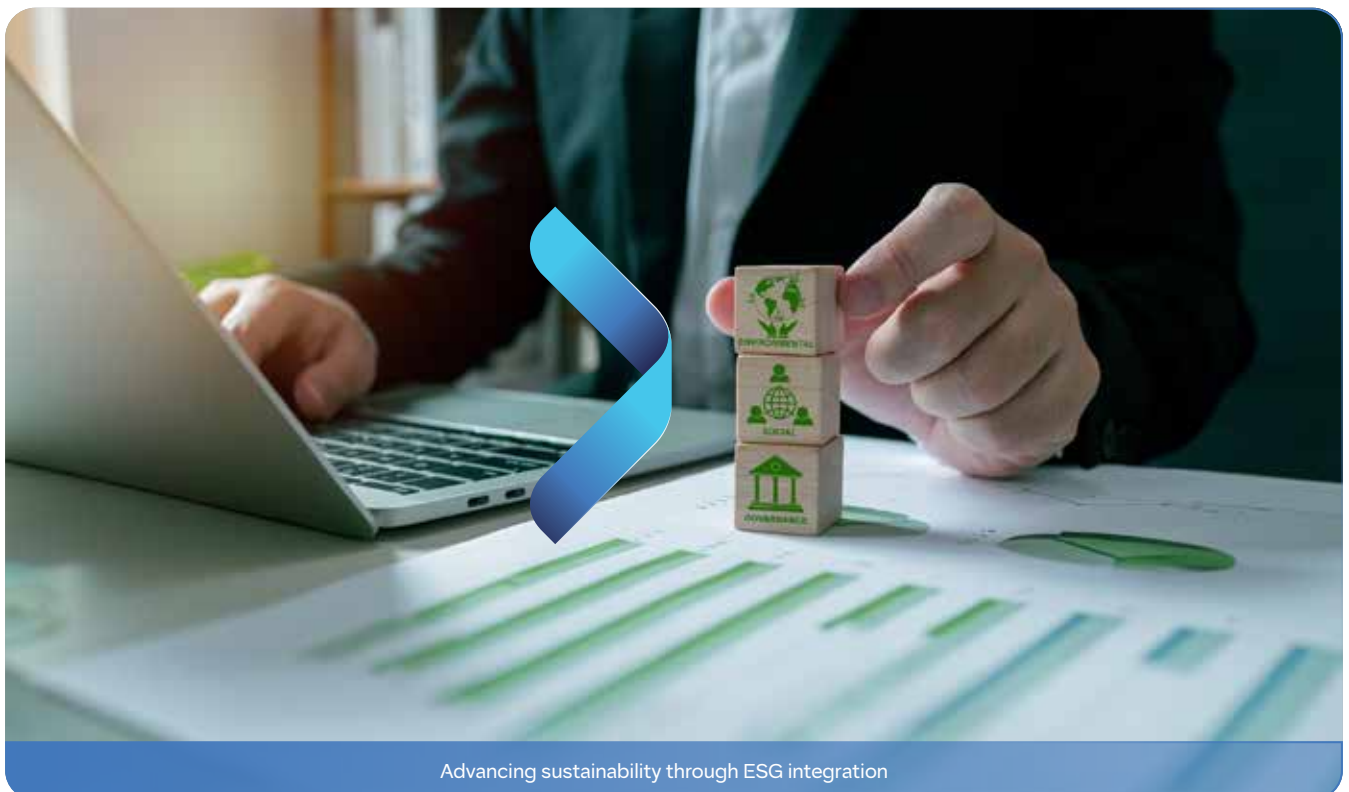
“This is vital for maintaining environmental, economic, and social sustainability and delivering lasting value to our customers, shareholders, employees, and the communities we serve.”

Dedicated to community service, QNB Egypt continually seeks to partner with the State and its institutions on initiatives and projects designed to enhance the lives of the most vulnerable groups. In addition, the Bank is planning to further expand its collaborations and efforts to support the development of Egyptian society. For instance, through the “Hayah Karima” Initiative, the bank aims to fostering significant advancements in health, education, economic and social empowerment, aiding needy families, and providing adequate living conditions.

At QNB Egypt, the Sustainability and Sustainable Finance Department plays a crucial role in embedding sustainability principles into our core operations and lending practices. Various environmental management initiatives were implemented to enhance efficiency and reduce environmental impact of our operations. With a strong focus on environmental and social responsibility, the department leads initiatives to align the Bank's activities with the Sustainable Development Goals (SDGs).

🗣️ We are dedicated to regular reporting and communication of our sustainability initiatives. In this regard, we have already published two Sustainability Reports, covering the period from 2019 to 2023 and highlighting how we create value for our stakeholders.

Furthermore, QNB Egypt has become a signatory to the Principles for Responsible Banking (PRB) in July 2022. Our first PRB Progress Report, published in July 2023, highlights our headway toward responsible banking practices.



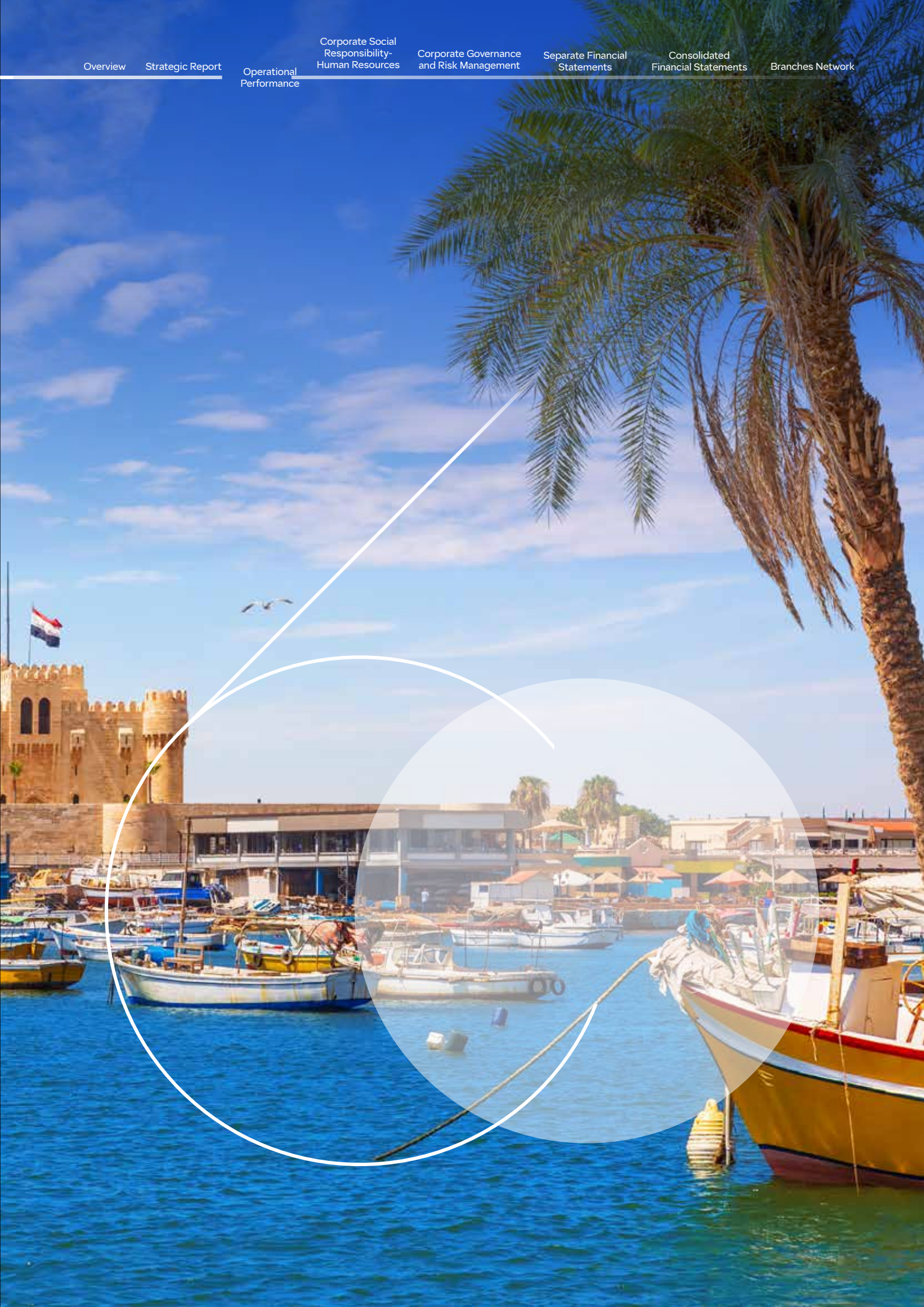
Advancing sustainability through ESG integration



# Operational Performance











# Large Corporate Finance and Investment

The Large corporate finance and investment banking has achieved significant growth during 2024, as the increase in the loans reached 37%, recording EGP 368 billion, despite the presence of many local, regional, and global challenges.

For over 40 years, QNB Egypt has maintained its pioneering position as a leading private bank in corporate finance. Its role had significant impact on national economy and sustained economic development as the bank has effectively contributed to supporting a large number of clients and dynamic economic projects by offering a wide range of integrated banking services and innovative structured financing tailored in accordance to latest global technologies.

Despite global challenges in 2024, QNB Egypt achieved a significant growth by leading and arranging significant deals in Egypt, whether in terms of syndicated loans or offering financing solutions tailored to meet the needs of corporate clients. Leveraging on the Bank strong relationships with mega investors in the public and private sectors, multilateral institutions, and both local and international banks which facilitated the bank continuous participation in arranging and leading syndicated deals. These deals aim to finance mega projects across various economic sectors, including oil, gas, petrochemicals, telecommunications, infrastructure, energy, construction, building materials, agriculture, logistics services, and others.

Moreover, QNB Egypt played a significant role in underwriting and subscribing in the investment of bonds and securitization of market issuances, which reflects QNB Egypt prominent role in Debt Capital Markets.

In line with the Bank and Group's Strategy, QNB Egypt has a range of programs aiming to enhance the sustainability projects, attracting foreign and local investors, encouraging women empowerment and other initiatives designed to reinforce economic development.

“ In 2024, QNB Egypt financed the establishment of 3 MW & 14 MW tri-generation Combined Heat & Power “CHP” plant for one of the big industrial sector clients with the aim of enhancing the efficiency of electricity generation and the reduction of CO2 emissions.



QNB Egypt's tailored financing programs is well recognized in the Egyptian market for its innovative solutions in promoting sustainability and energy efficiency



QNB Egypt full-fledged banking services offer diversified financing alternatives catering to the client's needs either locally or internationally

**During the past period, QNB Egypt has won several awards granted by EMEA Finance most significantly, the below awards:**

1. Best Petrochemicals Deal.
2. Best Real Estate Deal.
3. Best Securitization Deal in Africa.
4. Best Syndicated Loan in Africa.
5. Best Project Financing Deal.



# Retail Banking Division

A comprehensive and diversified range of products and services tailored to meet the diversified banking needs of customers across various segments.

With over 40 years of extensive banking experience, supported by an integrated multichannel network leveraging technological and digital advancements, we facilitate seamless customer access to our products and services, enhancing the overall customer journey and experience. This approach has resulted in sustainable market share growth and profitability.

**Retail Banking managed to achieve these figures:**

Growth Rate in Retail Assets	19.5%
Growth Rate in Retail Liabilities	17%
Number of Credit/Charge Cards	236,585
Number of Debit Cards	2,006,243
Number of Prepaid Cards	21,845
Number of branches	235
Number of ATMs	941

## Retail Products

QNB Egypt is always dedicated to developing and launching new products while enhancing the existing ones, that keeps us updated with the most recent dynamic market trends to meet the evolving banking needs of our customers.

## Depository products

A variety of depository products have been introduced to cope with the market changes and meet our customers' savings needs:

- > **New Certificates of Deposit:** Three new certificates were introduced to cater to diverse saving goals.
- > **EGP Savings Account:** New tiers with competitive interest rates were added to attract new customers and expand our savings portfolio.
- > **Salary Continuity Program:** Integrated within our Payroll Package offering, ensuring a holistic financial solution for our customers.

## Loans and Facilities

Comprehensive strategies have been developed to expand lending across various customer segments, spreading credit risk and enhancing profitability:

- > **Simplified Lending Criteria:** For doctors, "First" clients, self-employed individuals, and express loans to serve to more customers and offer attractive financing amounts.
- > **Enhanced Car Loan Criteria:** Simplified documentation and improved processing cycle to reduce turn around time.
- > **Revamped Banker's Loan:** Simplified criteria and fast-track processing to widen opportunities.
- > **Promotional Campaigns:** Launched to boost unsecured and secured facilities acquisitions and production.

## Mortgage Finance

A significant growth in mortgage finance has been achieved by focusing on CBE Mortgage Initiatives aimed at supporting low and middle-income customers with enhanced features to meet all segments' needs.

Moreover, QNB Egypt signed a partnership with the Urban Development Fund (UDF) which is building over 60,000 residential units across Egypt, to capitalize on both CBE Mortgage Initiatives and conventional mortgage programs.

## Cards

QNB Egypt is committed to introducing new cards and enhancing the services of existing ones, the following services were successfully implemented:

- > **Platinum Debit Cards:** Delivered by courier and activated via SMS.
- > **Visa Smart Delay Service:** For Platinum Debit cards in foreign currencies, offering complimentary airport lounge access in case of flight delays over 60 minutes.
- > **Transaction Installments:** QNB Egypt credit cardholders can now pay for their transactions on Jumia platforms in installments directly.
- > **Additional Security:** OTP required for loyalty points redemption in the "Life" Reward program.
- > **Seasonal Campaigns:** Launched throughout the year to increase card utilization.

## Contact Center

Providing our customers with the best services through our Contact Center

- > **Dedicated Hotline for First Customers:** "17003" launched, separate from the main hotline "19700," ensuring direct access to First customer service agents.
- > **IVR Menu Renovation:** Simplified to facilitate IVR-Self services, promoting digital direction.

- > **Award Recognition:** The Contact Center received "The Leader in the Digital Customer Service Experience Award in the Middle East from Genesys® International."

## Digital Transformation

We introduced numerous enhancements to our digital services and e-banking products to improve customer experience and increase accessibility:

- > **On Ground Activation Campaigns:** Conducted to promote Digital Banking Services activation.
- > **Cross Currency Transfers between a customer's own accounts:** Limit increased to EGP 1 million equivalent for flexibility and convenience.

## ATM Network

QNB Egypt expanded its ATM network both geographically and functionally, adding new features and services. Total number of ATMs reached 938, with the following features:

- > **Cardless Services:** For E-Wallet holders.
- > **Contactless Transactions, Cash Deposits, and Foreign Currency Exchange:** Available at selected ATMs.
- > **Support for Special Needs:** Through Braille Keypads and accessibility ramps, Available at selected ATMs.

## Retail Segments

QNB Egypt Retail segments organized several special events for First Plus Customers to recognize and appreciate their loyalty, holding accounts with us for over 20 years, with different events held in 2024.

## Campaigns

Throughout the year, multiple campaigns were launched covering depository and lending products, digital products, and cards. Dedicated campaigns for cards included installment programs and discounts designed for all customer segments during special events and seasons.

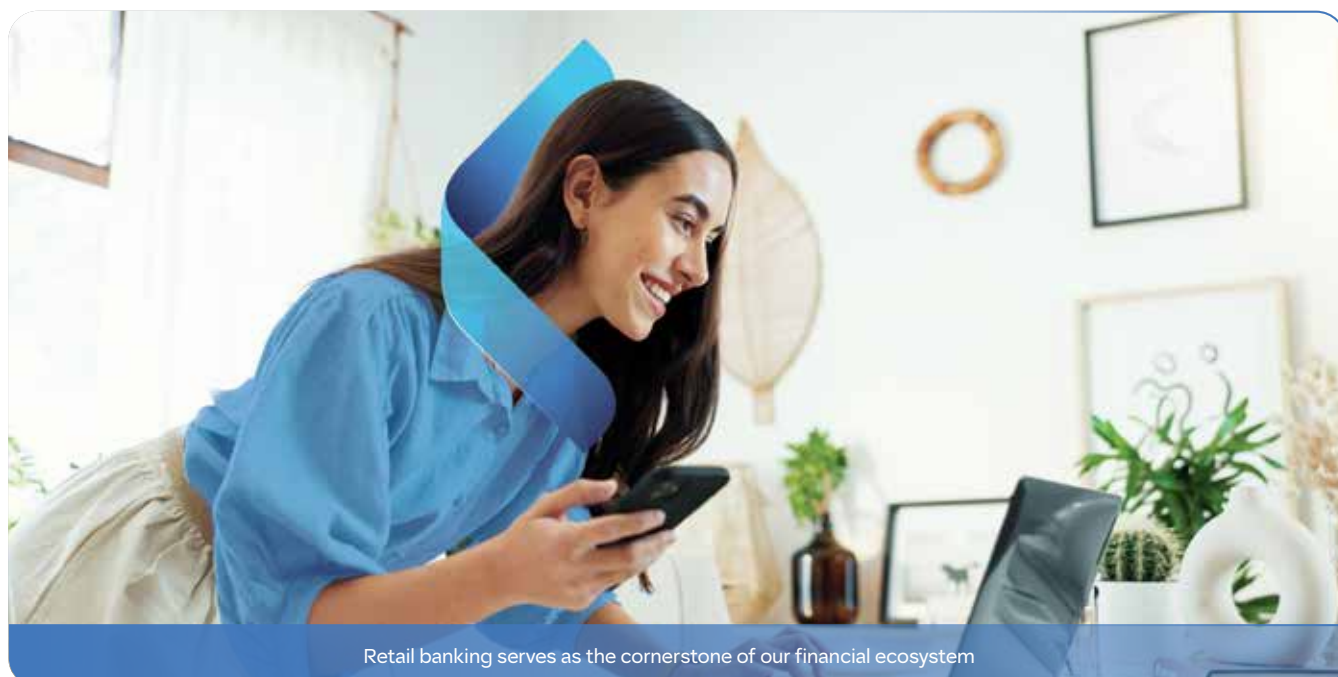
QNB Egypt collaborated with Visa International on several credit card utilization and acquisition campaigns, offering hospitality packages during:

- > Africa Cup of Nations Côte d'Ivoire 2024
- > Olympic Games Paris 2024
- > Fashion Week Paris 2024

## Financial Inclusion

QNB Egypt is dedicated to actively participating in the CBE Financial Inclusion initiatives and events, launching products and packages to serve various societal segments' financial needs.

In celebration of World Water Day, QNB Egypt signed a cooperation protocol with the Ministry of Water Resources and Irrigation, promoting sustainability and financial inclusion, especially in governorates prioritized by the Central Bank of Egypt.



Retail banking serves as the cornerstone of our financial ecosystem





# Small, Medium and Micro Enterprises

QNB Egypt has reinforced its leading role in industry among private banks operating in Egypt.

QNB Egypt has strengthened its pioneering position in serving small, medium, and micro enterprises by providing a diversified range of tailor-made lending programs covering working capital, medium-term loans, unfunded facilities, and commercial services within an expedited time frame.

Since it has started financing the SMEs sector, QNB Egypt adopted the slogan **“From Micro to Corporate”** to cement its effective and leading role as a partner of success to SMEs. Afterwards, QNB Egypt implemented in practice its message **(Together we build your company)** into action by supporting financed companies in expanding their businesses. Later, another slogan was adopted **(Start... and grow your project)** highlighting QNB Egypt role in supporting SMEs to launch, scale, and establish a solid foundation for their projects.

To enhance access to financing opportunities and banking services throughout all regions, QNB Egypt adopted a geographical expansion plan which focused on promising regions such as Delta and Upper Egypt to increase access to finance the Micro and Very Small Enterprises sector (MVSE's), as well as young entrepreneurs. QNB Egypt offered customized lending programs and packages that suits the needs of this sector while leveraging its extensive network of branches which includes approximately 235 branches and increasing the number of SMEs staff to reach almost 250.

## Enrichment of the Customer Experience through Digital Transformation Solutions.

QNB Egypt devotes great emphasis on delivering an exceptional customer experience, starting from attracting new potential customers, offering non-financial services, and qualifying them through digital tools that allow them to enjoy a wide range of non-financial services for facilitating access to finance.

QNB Egypt takes customers to the next level in availing the process of applying for credit facilities online. By this service, the bank takes steps forward in further serving SMEs. Likewise, it shall continue to integrate many products and services within the coming period to lead the way towards digital transformation of SMEs products.

QNB Egypt leverages on its dedicated SMEs hotline 17004 and its additional enhancements made to the WhatsApp Business App. These channels enable SMEs to inquire 24/7 about QNB Egypt range of SMEs products and services to ensure the best customer experience in the market is provided.

QNB Egypt also continues to refine its digital customer experience by offering integrated packages that enable customers to manage their cash flows and government payments such as taxes, social insurance, and customs. Other services also include trade network services, cash payment services and business cards which have been upgraded with new features.



QNB Egypt continues to provide innovative financing solutions and specialized banking services to support Small and Medium-sized Enterprises across various sectors

Additionally, it offers a wide range of products that facilitate, secure, and increase sales volume such as Point of Sale machines, mVisa and e-commerce.

### **Youth entrepreneurs, women empowerment, sustainability, green projects, and other specialized sectors.**

QNB Egypt is dedicated to forging strong partnerships with both multilateral institutions on one hand and development banks on the other hand. To extend its full support, QNB Egypt delivers unique value propositions and incentives for youth and/or women in business, green sustainable projects and other specialized sectors which benefit from QNB Egypt financial and non-financial services.

### **Comprehensive financial services that meet various customer needs all under one roof.**

The role of QNB Egypt is not limited to providing distinguished banking services to SMEs but also extends to cover a comprehensive range of solutions provided through its subsidiaries which also offer various non-banking financial services through the following companies:

- > QNB Leasing
- > QNB Factoring
- > QNB Life Insurance

### **QNB Egypt Business Development Centers**

The latest series of our Business Development Centers (BDC) was recently inaugurated in Qena, Upper Egypt. This expansion comes in support of our achievements over the past five years since the first establishment of our BDCs. QNB Egypt has maintained its first rank among the participating banks in the Nilepreneurs Initiative in terms of services provided. The number of BDCs has currently reached 6 centers and branch offices located in Delta and Upper Egypt to establish a foothold in these regions and to help entrepreneurs and SMEs in these areas.

### **QNB Egypt Creative Incubator Hub:**

For the fifth round, QNB Egypt efforts to support entrepreneurs continues successfully in sponsoring the Creative Design Incubator Hub at Nile University. A total of 45 startups benefited from these rounds under various themes covering furniture design, creative products, reviving culture and heritage, and sustainable product design. Round 6 will be recently launched before the end of this year.

## **2024 Awards**



QNB Egypt was selected as an undisputed winner by designated committees of various renowned financial institutions for the following awards:

🏆 Best SME Bank in Egypt

By The Capital Finance International Magazine

🏆 Best SME Bank

By The Global Banking and Finance

🏆 Best SME Beyond Banking Initiative

By The Digital Banker





# Corporate Social Responsibility









# QNB Egypt Corporate Social Responsibility Activities 2024

QNB Egypt firmly believes in the effectiveness and importance of supporting communities in which we operate to promote social and economic development.

Through CSR department's leading role, QNB Egypt has worked throughout this year to improve the livelihoods of all groups, especially the unprivileged people. Our Corporate Social Responsibility agenda has focused on the core pillars of education, healthcare, social development, financial capacity development, financial literacy and disaster recovery, in addition to implementing many initiatives to support our communities in line with CSR pillars.

“We are pleased to present QNB Egypt's Social Responsibility Report for 2024, shedding light on the social and humanitarian achievements that accompanied the bank's business successes. QNB Egypt has participated in many projects aimed at supporting the unprivileged sectors of society, reaffirming its commitment to social responsibility across Egypt.

QNB Egypt continues in 2024, to affirm its position as one of the leading entities in the banking sector and its role in supporting Egyptian society and sponsoring significant events. The bank has participated in the initiative of “Eliminating waiting lists” that has been launched by the **Central Bank of Egypt** in cooperation with **The Medical Emergency Response and Genetic Disease Fund** affiliated with the **Ministry of Health and Population**, aiming to provide the sufficient support for all healthcare sector institutions.

Adding to the above-mentioned initiative, QNB Egypt has supported many fields of social responsibility activities, as follows:

## In the Social Welfare Field:

QNB Egypt has contributed to many developmental projects to improve the living conditions of unprivileged families. For the sixth year, QNB Egypt has participated in the national initiative “**Hayah Karima**” to improve the housing environment and to avail potable water pipelines for several houses in the villages that belong to Hayah Karima initiative in Beni-Suef governorate in cooperation with Dar El Orman foundation.

QNB Egypt has also participated in “the Women Empowerment Projects” by providing training for 100 women in “The Sustainability Center” for rural woman empowerment” in Aswan governorate to enhance their skills and to secure a constant income for them in cooperation with Sonaa El Kheir Foundation.

Furthermore, the bank has also participated in “the Renovation of Water Network” in Demsher village in El-Menya governorate in addition to a number of villages in Sohag governorate in cooperation with Misr El Kheir Foundation.

The bank has also provided **Lyons Maadi for Women's Association for the Elderly** in Cairo Governorate with the needed equipment.

## In the Healthcare field:

The bank has supported the health institutions as an essential pillar for the development of the communities aiming to fill the shortage in the medical devices. Hence, QNB Egypt continued to donate important medical devices to hospitals that provide free-of-charge services to eliminate waiting lists and provide the best medical services to the neediest groups, among these medical institutions: **Cairo University Hospitals- El Kasr El-Ainy, Jossab Foundation, Shefaa Al-Orman Hospital** in Luxor Governorate, **Ain Shams University Hospitals** in Cairo Governorate, **Sohag University Hospitals, Baheya Hospital for Early Detection and Treatment of Breast Cancer, the Health unit in Damietta Governorate** in cooperation with Misr El Kheir.

Furthermore, QNB Egypt organized **medical convoys for the Elderly**, that facilitate the procedures of having a total medical checkup, providing the free medication and performing the necessary operations for the patients in Al Qalyubiya, Al Fayoum and Al Menoufia governorates in cooperation with **Ibrahim Ahmed Badran Charitable Foundation**.

## In the Education field:

On the one hand, the bank prioritizes the educational field aiming to prepare a distinguished generation. QNB Egypt granted scholarships to distinguished students at **Zewail University of Science, Technology and Innovation** in order to continue the bank's leading role in supporting the educational system and scientific research. The bank has also provided partial scholarships to a number of outstanding students at **Samannoud Technological University** in cooperation with **Sonaa El Kheir Foundation**.

Additionally, QNB Egypt has supported the technical education through establishing two laboratories: “**IoT Laboratory**” at **Elsewedy University for Technology - Polytechnic Egypt** and the “**Artificial Intelligence Laboratory**” at **El-Galala University**.





The bank has also implemented the project of renovating **AL Shaheed Nofal Preparatory School** in Kafr Saad Center in Damietta Governorate and provided the essential equipment for the students in cooperation with **Sonaa El Kheir Foundation**.

On the other hand, QNB Egypt has organized financial literacy sessions for the beneficiaries of the CSR projects to raise their awareness about the concept of financial inclusion and its importance and introduce the different retail banking products and services and Business Development Services Hubs (BDS). Hence, the bank aims to increase people's financial awareness, moving towards a cashless society and working to provide banking services to all members of society.

#### Youth development and support:

QNB Egypt has participated in the **NilePreneur Initiative** for the sixth year under the auspices of the **Central Bank of Egypt** in partnership with the **Nile University** by sponsoring one of the incubators "Creative Design Incubator" at the headquarters of the university aiming to create awareness about the creative design industry being a competitive advantage in various projects and the significance of the creative design industry in driving economic growth as a source of competition.

#### Support for people with special needs:

As part of our bank's keenness to support people with special needs, QNB Egypt contracted to provide **prosthetic devices** to people with special needs in Hayah Karima villages in both Damietta and Menya Governorates in cooperation with **Misr El Kheir Foundation**.

Furthermore, the bank has implemented "**Economic Empowerment project for People with Disabilities**" under

Hayah Karima initiative through funding small and micro projects for people with special needs in Beni Suef governorate aiming to guarantee a constant income for them and their families to raise their standard of living and reduce the unemployment rate and this project comes in cooperation with **El Orman Association**.

#### QNB Egypt Sponsorship:

QNB Egypt has participated in the **annual winter campaign** in cooperation with **Misr El Kheir Foundation** to provide decent life for unprivileged families through **roofing a number of houses in different governorates**.

#### Volunteering Campaigns for QNB Egypt Staff:

QNB Egypt organizes several volunteering campaigns that adhere to its belief in the significance of volunteer work and its role in shaping a positive and engaging working environment. Hence, the bank has organized a **blood donation campaign for QNB Egypt staff in cooperation with Vacsera, the Egyptian Company for Blood Transfusion Services at QNB Egypt Head Office**.

The bank has also organized a volunteering campaign "**Ramadan packing campaign**" for QNB Egypt staff and their families in cooperation with **Misr El Kheir Foundation**.

Furthermore, the bank has organized another campaign for QNB Egypt Staff who participated in "**Medical Convoys for the elderly**" at "Dar Aqila Al-Samaa for the homeless elderly care, Dar Umm Kulthum for the elderly care, Social nursing home for homeless men", with the aim of establishing the culture of volunteer work, promoting human values and leaving a sustainable positive impact.





# Human Resources Division

In 2024, the Human Resources Division continued to champion a culture of innovation, continuous development, collaboration, and employee well-being, aligning its initiatives with QNB Egypt strategic objectives.

By fostering an environment that promotes teamwork and professional growth, HR Division created a foundation where employees feel empowered to contribute their best. Through a combination of transformative programs, enhanced workforce strategies, and a steadfast commitment to employee engagement, HR Division strengthened its role as a driver of organizational success.

One of the most significant milestones this year was the launch of the **Cultural Transformation Program**, designed to reshape the internal identity of the bank. This initiative reflects our commitment to aligning the bank's culture with its strategic ambitions while creating an environment that supports employees' aspirations. To ensure clarity and engagement, the program was introduced during a Town Hall event, where its objectives and implementation phases were shared with employees. This moment marked the beginning of a transformative journey, fostering a shared sense of purpose and belonging.

In addition to cultural transformation, the HR Division intensifies its emphasis on **Staff Wellness** initiatives, recognizing that the health and happiness of the workforce are vital to sustainable success. We launched several programs aimed at improving physical & mental health, ensuring that our employees feel supported both inside and outside the workplace.

These efforts reinforced our belief that a healthy and supported workforce is integral to maintaining a high-performance culture.

In addition to this, **Awareness Sessions**, hosted in collaboration with leading medical institutions, equipped employees with valuable insights to adopt preventive healthcare practices. Additionally, **Special Occasion** were marked with thoughtful giveaways and bazaars fostering positive work environment and reinforcing a sense of belonging.

🔊 To support the Egyptian products, we were keen to have most of the exhibitors from local brands and most of which are from our bank clients to ensure a continuous fruitful relationship with our clients in addition to exhibitors that the bank supported among our CSRs activities.



Our people remain at the heart of our success, driving forward our mission with commitment and professionalism

Complementing these initiatives, the HR Division continued to maintain **Active Diversified Communication Channels**, ensuring staff concerns are promptly addressed.

Throughout the year, we expanded opportunities for **Career Growth** and **Skill Enhancement** by offering robust learning programs, promoting internal mobility, and providing exposure to diverse roles. These initiatives empower employees to shape & take charge of their career growth and contribute to QNB Egypt collective success. These efforts not only reinforced QNB Egypt's commitment to building a future-ready workforce but also ensured that our people remain at the forefront of innovation and excellence.

QNB Egypt commitment to **Leadership Excellence** was exemplified through partnerships with top-rated institutions. These programs offered transformative learning experiences for leaders, combining global insights with local relevance.

In line with our vision for inclusivity, QNB Egypt continued its **Community Inclusion Program**, which provides opportunities for differently abled individuals to join our workforce and actively contribute to the bank success.

Recognizing the importance of **Youth Empowerment**, we continued to strengthen our internship programs, offering young talents the opportunity to bridge the gap between academic knowledge and practical experience. These initiatives have established a strong pipeline of skilled candidates who are ready to contribute to the bank's future.

Building on the previous year's **Structural Reviews**, we continued to streamline processes and align organizational structures with our strategic objectives ensuring that the bank operates with agility and efficiency, positioning us for future growth.

Our **Compensation Strategy** also reflected our dedication to take proactive steps to safeguard the financial well-being of our employees. In response to inflationary pressures, we implemented targeted salary adjustments to ensure that employees feel financially secure and valued for their contributions.

As we look to the future, the HR Division remains committed to driving cultural transformation, fostering wellness, and aligning our efforts with QNB Egypt strategic vision. By prioritizing employee engagement, well-being, and a shared sense of purpose, we are building a resilient and agile workforce that will continue to support the bank toward greater achievements.

“The progress achieved in 2024 is a testament to the dedication and collaboration of our people. With our employees' support, we are confident in our ability to create a culture of excellence and innovation, positioning QNB Egypt as an employer of choice and a leader in the banking industry.”





# Corporate Governance









# Corporate Governance

QNB Egypt recognizes the need to adhere to the best practices in Corporate Governance, which is derived from the importance of implementing rational corporate governance policies and procedures.

Corporate Governance is considered by the bank as a core culture, long-term vision and strategy that are applied sustainably and not only in the short term. They are applied on the long term in order to maximize value of the bank to the shareholders and maintain confidence of customers and investors in addition to preserving the rights of all stakeholders, as well as the staff and customers. QNB Egypt always aspires to maintain the highest standards of Corporate Governance and publish the results reports accurately and transparently in full compliance with all applicable laws, regulations and controls.

## The main pillars of governance:

Corporate Governance is based on four main pillars (responsibility, accountability, fairness, and transparency), QNB Egypt is committed to implementing these pillars through the following:

### First: General Assembly Meeting for Shareholders

The General Assembly comprises of all shareholders of the bank, in proportion to the share owned by each shareholder, all shareholders are entitled to attend the General Assembly meetings; the Bank will take actions to facilitate the attendance of shareholders to the General Assembly meetings, in compliance with the bank's statutes related to laws and regulations organizing the procedures and deadlines for calling the General Assembly and the manner of managing its meetings. The General Assembly is managed in a way that allow all shareholders to express their views in light of what is regulated by the law and bank's statutes, according to the agenda of the Assembly meeting, the Bank adequately discloses the topics that are included in the agenda of the Assembly meetings which is accompanied with the supporting information that enable shareholders to take their decisions properly, the bank provides reply to all enquiries raised by the shareholders and sent before the meeting to be included in the agenda.

Then, the Bank discloses the decisions taken by the General Assembly in addition to all the Major Events that happened, at the same time, minutes of General Assembly meeting are published on the Bank website, The Bank is committed to provide the Central Bank of Egypt and financial regulatory authority as well as notify the Egyptian Exchange with ordinary and extraordinary General Assembly decisions immediately after its conclusion at the maximum no later than before the start of the first next trading session and

following end of the meeting, which guarantee fair disclosure of crucial information to all.

## Shareholding Structure

Owners of 5% or more of the bank's capital	Number of shares as of 31/12/2024	Percentage %
Qatar National Bank	2,046,369,862	94.967
Total	2,046,369,862	94.967

## Brief of Bank's achievements during 2024 that contributed to strengthening Corporate Governance

QNB Egypt updates periodically and continuously the general framework of Corporate Governance inside the bank to ensure that the bank is aligned with global, international and regional best practices for applying Corporate Governance guidelines, as well as applying the instructions, rules and laws of local regulatory authorities. The bank has taken many regulations and improvements to meet Corporate Governance requirements that aim to mitigate and reduce banking risks and risky complex activities, which have been lately increased each day and limiting the current circumstance and the consecutive economic and financial crises. They are reflected on countries and governments as well and thus are reflected on Banks and the whole Banking sector too, and amongst the most important of these achievements during the year 2024:

1. Ratification of New Management committee which is The Capex Management Committee "Business Plan" to review and endorse the annual business plan and capex across the Bank in line with the strategic direction changes in economy, and competitive market.
2. Update IT Management Committees Terms of References to cope with strategic IT Plans.
3. Study and analyze new CBE Corporate Governance Instruction for implementation.



## Second: Board of Directors

### Composition of the Board of Directors

The current composition of the board of directors comprises of 11 members, in accordance with Statutes of the Bank. It is managed by a board of directors composed of a number no less than five members selected by the general assembly from amongst the shareholders, for a period of three years and this does not prejudice the right of the legal person who is a member of the board of directors to replace whoever represents him in the board, and to be presented in BOD with the same proportional of number of shares they own in capital, the Board is composed of Executive, Non-Executive (independent and Non-Independent members) to ensure that board decisions are not dominated by a specific individual or a small group of individuals, and the board of directors must have at most two of the executive members and the majority of the board members must be non-executives.

In electing members of the Board of Directors, the cumulative voting system must be applied by granting each shareholder a number of votes equal to the number of shares that he owns so that he can give them all to one candidate or distribute them on more than one candidate in a manner that allows proportional representation in the membership of the Board of Directors, whenever possible.

“The board of directors shall appoint a Chairman, a Vice-Chairman and Chief Executive Officer (CEO) from amongst its members and in the absence of the Chairman and the vice Chairman; the eldest member shall chair the board.

All members of the Board of Directors shall have the necessary experience and knowledge to perform their duties effectively and efficiently to achieve bank, its shareholders and its customers' goals. Moreover, members of the Board of Directors shall have full knowledge of their guiding role and their part towards establishing the guidelines of rational governance.

The following is the composition of the Board of Directors in its current round 2022-2025:

No	Name	Capacity (executive/ non-executive)	Title
1	Mr. Ali Rashid A. A. Al-Mohannadi	Non-executive	Chairman
2	Mr. Assem Mohamed Fahmy Mohamed Ragab	Non-executive	Vice Chairman
3	Mr. Mohamed Mahmoud Aly Bedeir	Executive	CEO and Board Member
4	Ms. Heba Ali Ghaith Al-Tamimi	Non-executive	Board Member
5	Mr. Tarek Abdel Raouf Magdy Fayed	Executive	Board Member
6	Mr. Adel Ali Mohamed Al-Malki	Non-executive	Board Member
7	Mr. Abdullah Nasser Salem M. Al-Khalifa	Non-executive	Board Member
8	Ms. Shaikha Salem Abdulla A. A. Al-Dosari	Non-executive	Board Member
9	Mr. Khaled Ahmed Khalifa A. Al-Sada	Non-Executive	Board Member
10	Mr. Nedhal Shafi Hassan F. Al-Nuaimi	Non-Executive	Board Member
11	SHK. Hamad Talal A.A. Al-Thani	Non-Executive	Board Member





# Corporate Governance (continued)

## Role, Duties, and Responsibilities of the Board of Directors:

QNB Egypt has Effective Board of Directors, based on the general assembly's assignment; the Board is individually and / or collectively responsible for optimum methods of Bank management with the objective of maximizing the value of shareholders' investments, achieving the projected business plan results as well as preserving the rights of customers and all stakeholders, the Board of Directors is keen to achieve all its objectives in full compliance with the applicable laws and regulations regulating the bank's activities.

## Main Board of Directors duties and responsibilities are defined as follows:

- > Ensures that the Bank's organizational structure enables the Board of Directors and top management to assume their responsibilities, facilitates effective decision-making and applies rational governance. This includes a clear delineation of responsibilities and main powers of the Board, top management and control functions officials.
- > Approve the Bank's strategic objectives, policies and plans, appoint and replace members of the executive management of the bank.
- > Set the Bank's values and standards; ensure compliance with obligations towards shareholders and other related parties.
- > Ensure that the Bank complies with legislations, the Bank's Statutes and internal regulations; the board is also responsible for protecting the Bank against illegal and inappropriate practices and activities.
- > One of the main authorities of the board is approving strategies of business activities, verifying quality and integrity of financial control, internal control, in addition to assuring the Bank's financial adequacy. Moreover, Board members must be fully aware of all the Bank activities and functions.
- > Careful implementation of the governance standards in accordance with the bank business activities, the market position and other relevant economic factors.
- > Establish a legislative framework within the Bank, particularly with respect to the organizational structure and business activities, including the methodology for distributing Human cadres and competencies on all divisions and departments and manage it in a scientific and rational manner.
- > Perform periodic review of arrangements and agreements with external auditors to ensure consistency with the volume and nature of the Bank's operations.
- > Ensure the credibility and adequacy of financial and accounting rules, including those related to the preparation of financial reports.
- > Submit the financial reports to shareholders regarding the Bank's businesses.



QNB Egypt always aspires to maintain the highest standards of Corporate Governance and publish the results reports accurately and transparently in full compliance with all applicable laws, regulations and controls

- > Guarantee accuracy of disclosure procedures and communicate with shareholders, investors and all other related parties, about the Bank's strategy, financial results and significant developments.
- > Provide effective internal control environment to assess and mitigate risks, in addition to creating an appropriate framework for risk management.
- > Set a reporting system to submit the inappropriate acts inside the bank to the Board of Directors
- > Formulate clear, effective and adequate rules to deal with conflict of interest.
- > The board seeks to ensure availability of adequate timely information to all members of board to enable them to perform their duties efficiently and effectively.

### Conduct of Board of Directors Meetings

The board of directors convened 13 times during 2024 in presence and chair of Mr. Chairman of the Board of Directors, in presence of the CEO of the bank, as the supervisory controls requires the board of directors to convene 6 times at least during the year. The members of the board of directors may participate in the meetings via modern means of communications (phone call or video call). The member's participation in the meeting via modern electronic communication means is considered actual participation in the board's meetings, he may vote, and is considered within the quorum and validity of the decisions issued by it. The board meeting may be held outside the bank's premises inside Egypt or abroad provided that all the members or their representatives approve this procedure and are present in them. The board may hold its meetings outside Arab Republic of Egypt once during the fiscal year. Moreover, the board may take its decisions via circulation without meeting in case of necessity, provided that; all the members approve it, if the decision is approved, it must be ratified in the first BOD meeting following the decision.

### Reports and information submitted to the board of directors and its subcommittees

In addition to the reports and documents submitted to the board of directors before convening the board's meetings, the members shall be provided with adequate information, reports and documents in a timely manner so as to be able to perform the tasks required from them. The members of committees receive the relevant information- sufficiently before holding the committees' meetings- to study and research them aiming to support and enable the members to take the appropriate decisions inside different committees of the board.


### Executive Management

Whereas the board of directors assumes absolute responsibility within the governance framework of , the executive management assumes the responsibility of daily management of all the bank's activities, it is responsible for ensuring that the operations are completed in an effective, secure and accurate manner in accordance with policies, procedures and bank's internal rules . This is done within the framework of relevant rules, laws, and regulations.

### Third: Board's Committees and Management Committees of the Bank

The Board of Directors has composed a number of committees to empower achieving Bank objectives optimally, such committees support and assist the BOD in the implementation of assigned responsibilities and duties, these committees were formed in accordance with Banks corporate governance regulations issued by the Central Bank of Egypt in addition to the relevant applicable laws & regulations, paying attention to the nature of the Bank's various activities. Each BOD committee comprises of no less than three members, the committees submit their reports and recommendations periodically to the Board of Directors for taking the necessary decisions.

Each BOD committee has a Terms of Reference (ToR) which regulate its objective, scope of responsibilities, regularity, membership and attendance quorum. Such ToRs have been approved by the Board of Directors. Each committee reports to the Board of Directors with absolute transparency of its performed tasks, findings, conclusions and recommendations, the Board of Directors periodically follow-up the activities of committees to verify fulfilling its mandates. The Board committees may assign any of the Bank's Executive Directors or external consultants to perform specific tasks that help the committee in conducting its mandated activities.

 A brief overview of the formation of each committee and the number of its meetings during the year are Clearfield and explained at the annual report and the Bank's website.



# Corporate Governance (continued)

## 1. Audit & Compliance Committee

The Committee is composed of three non-Executive Board members, preferably non-executive independent members so as the non-executive independent member who presided the audit committee is prohibited from presiding another committee. They must have adequate expertise in financial, accounting and auditing standards. The committee meetings are held at least four times a year.

## 2. Risk Committee

The committee comprises of three members of the board of directors, most of them are non-executive Board members, Chief Risk Officer of the bank is invited to attend the committee's meetings. the Committee is responsible for developing and monitoring the Bank's risk management strategy and determine hedge policies for protentional risks, It also reviews procedures and overall risk management framework, the committee also define the relevant roles and responsibilities throughout the Bank.

The committee holds its meetings at least four times a year.

## 3. Corporate Governance & Nominations Committee

The Committee is composed of three non-executive members having adequate expertise in governance's standard and aware of regulatory environment, the committee meets twice a year and submits its report to the Board of Directors, the committee supervises the Bank's corporate governance practices and ensures that rationale governance's rules and procedures are effectively applied. The committee proposes appropriate changes in corporate governance policies, in addition to reviewing all nomination proposals for Board members or the reformation of the BOD.

## 4. Compensation & Benefit Committee

The committee is composed of three non-executive board members having adequate expertise of organizational structure and human resources issues, the committee meets at least once a year and submits its report to the Board of Directors, the committee is responsible for managing human resources activities, including setting the annual budget and reviewing the annual staff benefits and remunerations.

## 5. Strategy Committee

The committee is composed of five non-executive board members having adequate expertise, and it is responsible for reviewing and follow up tender's approval, bank's business plan, budget, and strategy.

The committee meets once per year and upon request.

## C- Internal Committees of the Bank (Management Committees)

The executive management has composed a number of specialized Management committees to support and supervise the Bank vast activities as follows:

### 1. Senior Committee

The executive committee became a management committee instead of board's committees under the name (Senior Committee) in accordance with the Board of Directors' decision No.8/2021 dated 27/9/2021.

Responsible for implementing the Bank's strategy and is capable of steering all the Bank's business and activities, in addition to reviewing the submitted issues by all Bank divisions and departments.

The Committee is composed of executive members of the BOD and the Senior Executive Management, Committee meetings are held upon needed.

### 2. Asset Liability Committee (ALCO)

The committee analyzes and approves the impact of the financial environment and market changes on the Bank's financial management methods with the necessary proposals and authorize any changes in applied interest rates for several banking operations, the committee meets monthly and upon needed.

### 3. Risk Review Committee

The committee focus on reviewing credit cases proposed by risk division which require revising and taking the relevant credit decisions, including allocating provisions if needed, reviews reports of the Bank credit portfolio, the Committee meets on a monthly basis.

### 4. Operational Risk Committee

The committee reviews periodically the changes in operational risk exposure, bank regulatory environment, crisis management and business continuity plan, the Committee meets quarterly.

### 5. Recovery Committee

The committee reviews Bank's NPL portfolio status and its related provisions, reviewing recovery achievements, discussing prospects of recovery, forecasting provisions level, the committee meets on a quarterly basis.

### 6. Tariffs Committee

The committee reviews, updates and validates the Bank's unified tariff, the Committee meets semi-annually.

### 7. Communications Committee

The committee approves the strategic framework and the proposed advertising campaigns, the committee meets on semiannually basis and upon needed.



## 8. Foreign Exchange Committee

The Committee allocate the foreign currency free market resources in compliance with the relevant rules, regulations and directives of the Central Bank of Egypt, the Committee meets on a daily basis.

## 9. New Products Committee

The Committee validates the characteristics of new products or services or significant changes to existing products and services, and make sure that all the risks have been identified, analyzed and accepted, the Committee convened when necessary.

## 10. New Branches Committee

The Committee sets and implements Network Capex expansion plan, in terms of opening new branches, expansions, relocation of existing branches, major/minor renovations, rent, renewals, etc.

The Committee meets on Biweekly basis.

## 11. Credit Committees

The committee is responsible for approving credit granting decisions, it's divided into several credit sub-committees according to type and volume of the required credit facilities, the committees are convened when needed.

## 12. Quality Committee

The committee is responsible for following up the activities of total quality management and analyzing customer complaints and the actions taken to solve and reduce them, as well as studying internal and external customer satisfaction surveys and their results and recommendations of total quality management to

improve the level of customer satisfaction in all the activities of the bank, and it also provides strategic guidance that guarantees excellence in the services provided to clients, the committee meets on annually basis.

## 13. Information Technology Committee

The Information Technology Committee direct, review, monitor and approve IT strategic plans, oversee technological business plan capex initiatives / projects, allocate resources and establish IT priorities for the business. The Committee convenes quarterly or upon needed

## 14. Information Security Committee

The committee is responsible for approving any initiatives/ modification required on information security policy reviewing the bank's plans related to business continuity, recovery from crises and disasters, response to workplace accidents. Moreover, the committee reviews incidents related to information security, and determines if there were sufficient controls to prevent their recurrence. The committee holds quarterly meetings.

## 15. Human Resources Committee

Review changes in human resources policies on annual basis, review and approve revision of annual compensations (raising salaries- distribution of profits- employees' promotions and complaints). Periodic update of employees' promotions. The committee convenes semi-annually and upon required.



QNB Egypt recognizes the need to adhere to the best practices in Corporate Governance, which is derived from the importance of implementing rational corporate governance policies and procedures. Corporate Governance is considered by the bank as a core culture, long-term vision and strategy



# Corporate Governance (continued)

## 16. Recovery Management Committee

The Recovery Management Committee (RMC) typically performs Review Recovery Plan every 2 years and annually approve Recovery Plan (changes if needed) prior to submission to the Board and Group, and review of Early Warning Indicators and Recovery Trigger breaches, and determine the nature of the present risks and threats to the Bank and the potential of an emerging crisis, evaluate the capital and liquidity position of the Bank, and define level of stress and high-level funding objectives, determine whether the bank has entered/or forecasted to enter the recovery zone as per recovery plan, where the committee meets when required (when any recovery indicator is triggered separately or in combination or leads to breaches of either one of the capital or liquidity adequacy indicators).

## 17. Capex Management Committee “Business Plan”

The Capex Management “Business Plan” Committee Review and endorse the annual business plan and capex across the Bank in line with the strategic direction and changes in economy, competitive market, and regulatory environments. the Committee convenes quarterly or upon needed.

## D- Independent Committees

Investment Funds Supervisory (Protecting Investment Certificates Holders)

It's an independent committee that is entitled to supervise all the activities of investment funds launched and sponsored by QNB Egypt, the committee comprises of minimum 3 members and maximum 11 members, the majority of its members must be independent, the committee meets at least four times during the year.

The duties and responsibilities of the committee have been identified by law, such as appointing the investment manager, fund admin services company, the custodian and fund's external auditors in addition to approving the financial statements of the fund, follow up the duties of the internal auditor of the investment manager, and assure that all parties fulfil their obligations.

## Fourth: Control Environment

### Internal Control System

The Bank periodically develop an effective system of internal control that ensures availability of a number of policies, rules, and procedures that are prepared by the concerned control departments in the bank. The bank defines the description of each department or job to achieve total separation between responsibilities and functions. The board of directors approved the internal control system, and audit and compliance committee periodically evaluate this system and submit its recommendations in this concern to the board of directors.

The internal control system is designed to ensure the accuracy of the implementation of the internal regulations and the instructions of Qatar National Bank Group, As well as the instructions of all concerned regulatory authorities, Ensuring the accuracy and quality of information, whether for the internal use of the Bank or its clients from outside parties and regulatory authorities, and protecting the physical assets of the Bank from the exposed risks, ratifies and record those assets at bank records, ensure the achievement of the short-term or strategic objectives plans of the bank.

### Internal Audit Division

The bank attaches great importance to the internal audit function and consider it as an independent and objective activity, designed to control all activities and support it to achieve its objectives, through a systematic and structured approach to assess Bank's methods and systems of internal control and risk management procedures. Moreover, internal audit ensures the corporate governance rules are applied properly for all departments and operational, financial and legal activities.

The Bank has an independent Internal Audit Division, A full-time executive director occupies this position, this Division is under technical supervision of Audit and Compliance Committee, and this position is administratively subordinate to the Chairman of the Board of Directors.

The Head of Internal Audit Division submits a quarterly report to the Audit and Compliance Committee, that shows the internal audit activity during that period, the main findings, and follow up execution of internal audit Division's recommendations, the extent of commitment of the various Divisions and departments of the Bank to execute these recommendations pursuant to the set plan.

### Risk Division

Based on the instructions of the Central Bank of Egypt, the risk management identifies, analyses, measures and monitors various protentional risks to recognize the reasons and how to hedge and mitigate such risks, ensure the quality and effectiveness of risk management methods at the bank, and ensuring a robust information management system including early warning indicators, in addition to ensuring the extent of acceptable risk appetite for the bank with both strategic planning and capital adequacy management, ensure that adequate capital is in line with the level of risk associated with the Bank's activities.

## Compliance Division

QNB Egypt Bank is committed to ensure that all its activities are being conducted in compliance with applicable banking laws, regulations, relevant laws or ethical standards and monitoring compliance. They are the primary responsibilities of the Audit and Compliance Committee, the Board of Directors, the CEO and senior executive management directors. Accordingly, the Bank has an independent Compliance Division whose objective is identifying, monitoring, and evaluating any risks arising from non-compliance. Moreover, it supports the bank with the technical opinion and continuous monitoring of compliance risk, The Chief Compliance officer technically reports to the Audit, and Compliance Committee, while administratively reports to the Chairman of the Board of Directors.

Compliance Division applies an affective follow up process to ensure applying the new regulatory instructions and ensure that they reach the related parties who are responsible for implementing them and listing them within work procedures. Moreover, the Division prepares and submits quarterly reports concerning assessment of executing regulations and procedures to Compliance committee. This is done in addition to continuity of adhering to the law of FATCA, applying and developing it.

## Corporate Governance Department

Corporate Governance Department is targeting to establish the principles of rational Bank Corporate Governance, monitor its implementation and evaluate its effectiveness. The role of Corporate governance department is to identify and demonstrate the rational behavior for the bank management in accordance with the best international practices of corporate governance, thus achieving a balance between the interests of all related parties (Stakeholders) in addition to ensuring the protection of shareholders' rights, to be fully aware of the significant information, voting rights and participation in the decisions regarding the fundamental changes in the Bank, which will have an impact on their investments. Moreover, to ensure full disclosure of all substantial information and fundamental events accurately, equally, transparently and on time.

## External Auditors:

The Bank assigns external auditors who meet the conditions stipulated in the Accounting and Auditing Profession Law, including competence, reputation and necessary expertise. Their experience, competence and abilities must be corresponding with the volume and nature of the Bank's activity. The External Auditors are appointed by the General Assembly based on the proposal of the Board of Directors and after the recommendation of the Audit and Compliance Committee. External auditors are fully independent of the Bank and its Board of Directors, they are neither shareholders nor members of the Board, and are not relative to any of Board of Directors, they also do not permanently engage in any technical, administrative or advisory tasks. External auditors are also neutral in expressing opinions, their assignment is invulnerable to the intervention of the Board of Directors.

“The Bank abides to the instructions of the Central Bank of Egypt concerning the rotation of external auditors, moreover, the Bank is committed to the present external auditor's report regarding its Corporate Governance activities in accordance with the applicable governance and disclosure regulations. Such report is being presented to the General Assembly of shareholders.





# Risk Management









# Risk Management

Risk management within QNB Egypt is a key focus at all levels of the Bank.

QNB Egypt has a robust risk management governance structure and framework that ensures a crucial balance between risk and reward.

Effective risk management is essential to consistent and sustainable performance and an integral part of our business and decision-making process. Risk management within QNB Egypt is a key focus at all levels of the Bank.

Risk works to identify, assess, control and monitor, and manage risk at all levels and reports to senior management and the board of directors. As a result, we have a robust risk management governance structure and framework that ensures a crucial balance between risk and reward.

QNB Egypt ensures regulatory compliance in line with best risk management practices.

QNB Egypt Risk Appetite statement articulates the risk culture, governance and boundaries of QNB Egypt.

The Risk Appetite Statement provides a framework for QNB Egypt approach towards risk-taking and is reviewed, reassessed and agreed alongside the bank's strategic and financial planning process.

Our risk profile and appetite are approved by the BOD and the Risk Committee then cascaded to every division, department and employee.

QNB Egypt ensures regulatory compliance in line with best risk management practices.

## **Risk identification, monitoring and control.**

The identification of principal risks is a process overseen by the Risk Division. The material risks are regularly reported to the Risk Committee (RC), together with a regular evaluation of the effectiveness of the risk-operating controls.

During 2024, Risk Division continued the efforts to build up a strong risk management framework. This framework consists of a comprehensive set of policies, standards, procedures and processes designed to identify, measure, monitor and mitigate and report risk in a consistent and effective manner.




Working through details to reach a shared understanding



We continue to improve our frameworks for risk identification to ensure timely early-warning indicators and decision making.

This has resulted in effective control of the non-performing portfolio, operational risk losses, cyber and other fraud protections, preventions, and exposure to market risk.

 We continue to improve our frameworks for risk identification to ensure timely early-warning indicators and decision making.

### Liquidity Risk

QNB Egypt intends to maintain sustainable funding and liquidity across the bank in order to withstand unforeseen macroeconomic headwinds and shocks.

QNB Egypt considers the prudent management of liquidity as essential in ensuring a sustainable and profitable business and in retaining the confidence of the financial markets as well as the Central Bank of Egypt.

Ultimate responsibility for structural liquidity management resides with the local ALCO in accordance with the pre-approved policies by the board of directors, with day-to-day management being managed by the treasury function.

The risk management oversight process through representation within the ALCO provide assurance that the bank resources are sufficient in amount and are diversified.

This allows for the accommodation of planned and unplanned increases in funding requirements routinely without material adverse impact on earnings or on the Bank's reputation.

### Market Risk

The bank separates Market Risk Exposures into trading and non-trading portfolios, where Market Risk Exposures primarily relate to interest rate risk in the banking book and exchange rate risk that generally arise as a result of the Bank's day-to-day business activities. The bank manages its market risk via a comprehensive framework of limits that reflects a limited risk appetite. Oversight of the management of market risk is delegated by the BOD to the Bank's.

### Stress testing and Internal Capital Adequacy Assessment (ICAAP)

The ICAAP process is an important component of assessing capital adequacy of the bank, as well as providing a forward-looking assessment of QNB Egypt's ability to operate in a more stressed economic situation. The results of this process help us to determine and plan the availability of adequate resources to withstand unforeseen macroeconomic headwinds and shocks. Through this process we ensure that the Bank maintains healthy risk metrics in line with our approved Group risk appetite and regulatory limits.

ICAAP is an integral part of assessing the bank's capital adequacy, providing a forward-looking evaluation of our ability to operate in a more stressed economic situation. The process helps us determine and plan how to allocate our capital and liquidity most efficiently. In 2024, we initiated a project on strengthening and expanding key functional aspects of our stress testing process, including technical assessment of external scenarios, measurement of credit cycles and credit migrations, and benchmarking analysis. At the same time, improving capabilities for modelling financial impacts and transmission mechanism between macroeconomic factors and financial and prudential parameters.

In addition, our Interest Rate Risk in the Banking Book framework provides us with a means to measure, calculate, report and hedge interest rate risk, ensuring regulatory compliance while optimizing capital requirements.

### Recovery Plan

The Recovery Plan forms an integral part of QNB Egypt Risk Management Framework which has been developed in line with industry best practice and regulatory requirements. It is aligned with the Bank's Risk Appetite Framework (RAF), Contingency Funding Plan (CFP) as well as the ICAAP, and aims to prepare the Bank to sustainably restore its capital and liquidity position in the event of any of the various severe stress scenarios.



# Risk Management (Continued)

“The operational risk team in QNB Egypt will continuously challenge the businesses to assume greater accountability through identification, measurement, assessment and control of their own risks.

## Operational Risk

Operational risk frameworks are continually being enhanced and embedded with improved business continuity infrastructure and disaster recovery sites.

Data quality and reporting on key risk indicators continue to improve as the frameworks evolve.

We aim to keep operational risk at the lowest level through applying best practices and complying with regulatory requirements as we are currently applying standardized measurement approach (SMA), in line with the Bank's business strategy. We Promote a Bank wide operational risk awareness and management culture, further contributing to a process efficiency and effectiveness.

A transparent governance structure is established and maintained, with clear roles and responsibilities, ensuring appropriate oversight and on-going review of the Operational Risk Management Framework. Risk governance is discussed at Operational Risk Committee where all risks and actions are routinely analyzed and scrutinized, and day-to-day activities and issues are assigned and resolved.

We made further significant improvements to our operational risk frameworks, reflecting the growing complexity of our business as it continues to expand locally, operational risk is giving a great focus on technology risks and invested in new tools to help build awareness. Our Operational Risk tools are aligned with international standards providing better analysis of all operational risk events and risks and their potential impact on the Bank, customers, regulators, and reputation.

The key components of operational risk framework are RCSA, actions management and KRI's which significantly enhance our capacity and ability to capture data, giving us a deeper and more comprehensive view of our risks.

According to bank management instructions, Operational Risk Department has taken all required precautions to ensure bank staff safety and business continuity during COVID-19 outbreak: (Distributing disinfectant Hand Gel, latex gloves, Surgical masks in all Bank premises, replacing internal & external training by e-learning, Working with decreased staff (pregnant & chronic disease cases) and activating remote access protocol while applying all Information security aspects.

Also, under the initiative of Central Bank of Egypt & Federation of Egyptian Banks, QNB Egypt & Ministry of Health have organized many vaccination campaigns.

The Bank implemented appropriate Third-Party Risk management strategies, policies and programs to identify, prevent, or reduce risks. where activities are assessed as critical the Bank shall consider proportionally enhanced measures / controls within specific elements of the Third-Party Risk.

## Cyber Threats

Cyber Security Threats and incidents are rising worldwide. Cyber Security Risk is one of the top agenda items in executive boards across all industries.

In 2024 QNB Egypt successfully continued its strategic investment journey as part of the GRC program to protect the bank from constantly evolving sophisticated cyber-attacks.

The Information Security team consists of several experts in the cyber security, IS Governance, Risk and Compliance field with one core focus of effectively protecting the bank information assets by enforcing the required security controls and measures in compliance with IS international standards, frameworks and best practices. The information security team continuously measures the effectiveness of applied controls and keeps a close eye around the clock on any detected security alerts where incidents are well investigated, analyzed, and reported to IT operation for mitigation and containment of the detected incident.

QNB Egypt has successfully maintained PCI-DSS re-certification. This demonstrates QNB Egypt's commitment in investing in all pillar, people, process and technology following best practice to maintain highest level of security maturity levels across the bank to assure protection of customer information through all states (rest, transit and motion).



QNB Egypt continually invests in its defenses to protect the Bank from constantly evolving and increasingly sophisticated cyberattacks.

### Credit Risk

We manage credit risk through a framework of models, policies and procedures that measure and facilitate the management of credit risk. We ensure a strict segregation of duties between front-line transaction originators and the Credit Risk function as reviewers and analysts. Our credit exposure limits are decided based on a credit authorization framework.

The bank has an integrated process covering credit initiation, rating validation, analytics, approvals, credit administration and documentation, model risk validation controls, collateral management, and limits monitoring at multiple levels.

### Environmental and Social Risk

We integrate the environmental and social considerations in making the decisions for lending and managing the internal operations, as QNB Egypt aims to achieve profit with purpose by applying the concept of sustainable finance and sustainable operations.





# QNB Egypt Compliance Division Structure

QNB Egypt is committed to high ethical standards that produce long-term value for customers, shareholders, employees and the community.

Independent Compliance division has been set on structure depending on six main arms which's financial crime compliance including:

- > Anti-Money Laundering
- > Sanctions & Filtering
- > Anti-Fraud
- > New Products & Regulatory
- > CBE Relation & Compliance
- > Corporate Governance

QNB Egypt is committed to ensure that its activities are conducted in accordance with applicable banking rules, regulations, related laws, and ethical and best standards.

The Compliance Division is responsible for overseeing adherence to regulatory and internal policies, ensuring the bank operates within legal and ethical standards. This oversight is furtherly monitored by the Audit & Compliance Committee, which the Board of Directors has delegated to assess and manage compliance risks.

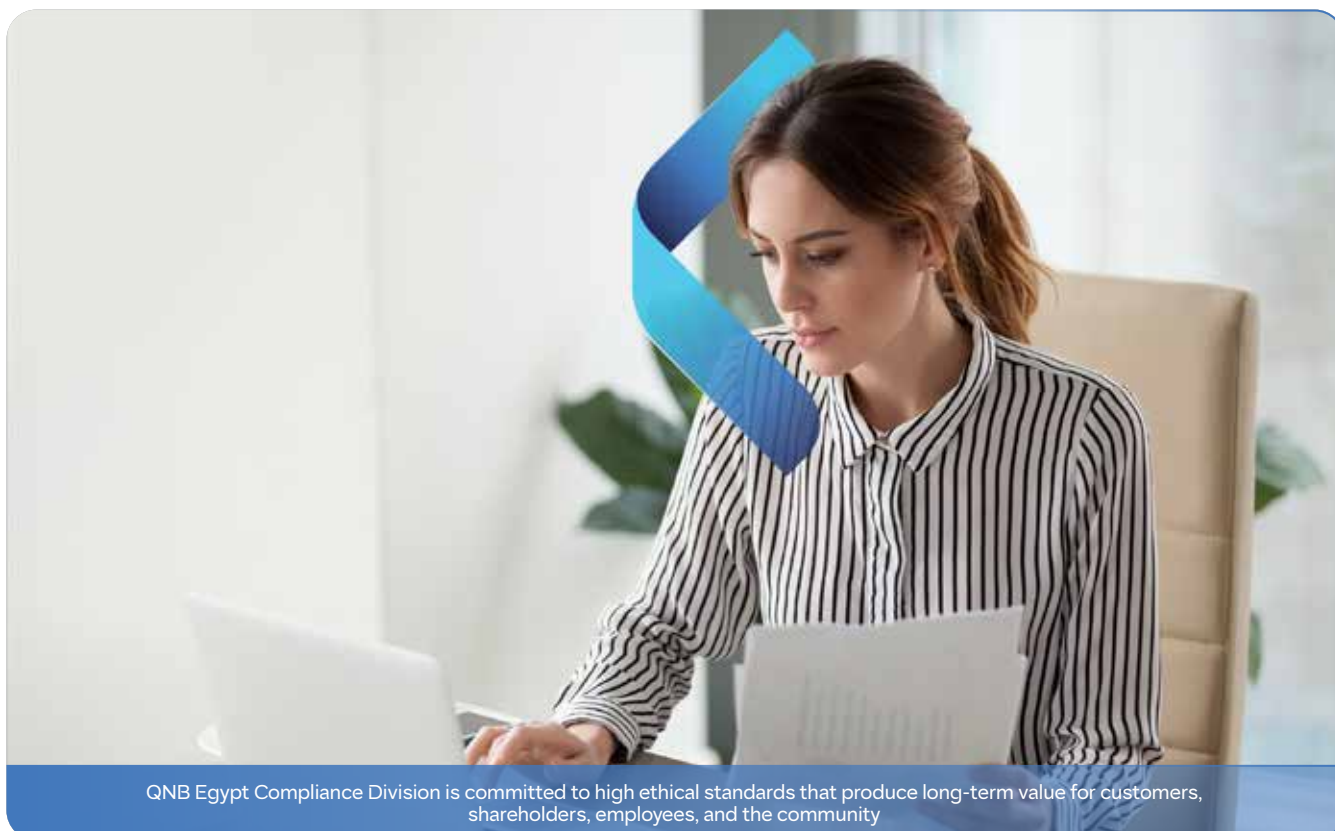
## QNB Egypt Compliance Division Strategy

QNB Egypt is committed to upholding high ethical standards that create long-term value for customers, shareholders, employees, and the community. We continuously enhance our compliance measures to ensure effective monitoring and awareness, fostering a strong compliance culture through various initiatives. Our goal is to ensure that all practices, activities, and staff operate within the regulatory framework and in alignment with the bank's policies and procedures.

## The Compliance Framework

QNB Egypt compliance division is a multi- dimensional function with strong practices which protect the bank from the risk of non-compliance with the regulations in frame of the AML/CTF Law and related instructions issued by the Central Bank of Egypt and related International Sanctions Regulations.

QNB Egypt compliance framework has ensured the review and updating of impacted policies and procedures to ensure compliance with the legislative changes.



Furthermore, the compliance with the code of ethics, and principles such as prudence and due care that ensure meeting the leading professional standards and alignment with QNB Egypt's vision, mission, and strategy regarding the following:

QNB Egypt has zero risk tolerance for AML/CTF. No transactions or entering in new relations shall be accepted that fall outside laws or contrary to Code of Ethics.

Zero tolerance policy with misleading data, products, and service that non-compliant with laws and regulations.

No account shall be opened, or a business relationship be continued, or any transaction shall be executed without applying proper client due diligence/ know your customer.

Whistleblowing project, QNB Egypt's Compliance considers Whistleblowing as a top responsibility and a key element of its effective Compliance program, the whistleblowing right is granted to all QNB Egypt's employees which enables them to raise their concerns about the wrongdoings or violations they are aware of or have suspicions in -based on justified reasons- to minimize the bank's exposure to the risks like reputational, financial damage or noncompliance.

Whistleblowing Policy and Procedures were prepared in order to define Whistleblowing, who could blow the whistle, and the channels that could be utilized to whistle-blow, including e-mail and the Whistle-blowing hot-line. The drafted policies and procedures concerning the same govern and guarantee the anonymity of the reporting staff.

### The Financial Crime Compliance Framework

QNB Egypt, through its Compliance Division, maintains an Anti-Money Laundering and Combating Terrorism Financing (AML/CTF) framework to fend off financial crimes and related corruption in its many forms. The framework outlines all the proper detection systems and controls designed to deter/illicit funds from flowing into the bank's system.

### Combating Financial Crime, Know Your Customers (KYC) Policy, and Enhanced Due Diligence:

QNB Egypt has its own AML and CFT policy which is critical for safeguarding the bank. The policy establishes a framework to prevent and detect money laundering, terrorist financing, and other financial crimes. The policy also helps the bank to protect its reputation, minimize financial and legal risks. The policy also ensure adherence with local and global AML and CTF standards.

Understanding and managing money laundering and terrorist financing risks in all bank area is crucial for QNB Egypt's AML program. On annual basis AML department assesses QNB Egypt AML risk based on the following factors (customer types, products, services, delivery channels, and geographical areas), aligning with the FATF Recommendations, this process considers the National Risk Assessment, inherent risks in business activities, and adapts controls accordingly. QNB Egypt tailors its AML risk assessment based on its risk appetite, customer base, and operational characteristics.

QNB Egypt AML department participate in the annual performance evaluation of staff located in the related functions to ensure that AML controls and instructions are effectively applied within their business area.

QNB Egypt has its own customer acceptance policy which is a set of guidelines and procedures to assess and decide whether to accept a customer or not. The customer acceptance policy aims to mitigate the risk of money laundering and terrorist financing. It typically involves due diligence measures such as verifying the customers identify, understanding the nature of their business and assessing the potential risks associated with the customer.

Entering new relation (onboarding) with High Risk / Sensitive Customers (such as, politically exposed persons, precious good dealers, nonprofit organization, .....etc.) which requires Compliance Division approval in order to assess this client's risk before starting new relations &/or sometimes before continuing relation.

QNB Egypt's Compliance assesses new and existing products and services from Compliance and AML/ CFT perspectives; and updates the bank's strategy and procedures on an ongoing basis to cover Compliance and AML/CFT risks.

### AML/CFT transactions monitoring:

Combating Money Laundering is practiced on both Head Office level & the branches level, due to the significant volume of banking transactions done through QNB Egypt's branches or its electronic channels, as well as the complexity of some products. QNB Egypt has an efficient automated tool for monitoring customer transactions that helps to identify & analyse the unusual patterns / suspicious behaviours among the customers, in addition to other tools and reporting channels initiated for an efficient risk mitigation process.

QNB Egypt AML department is also responsible for responding promptly to the regulators (CBE and EMLCU) requirements. Knowing that AML department ensures that proactive and reactive measures are in place to address possible AML/CFT concerns and to avoid non-compliance risks that may lead to fines, penalties, or reputational damage.

### The Sanctions Compliance Framework

The Compliance Division is keen to comply with international and local standards of sanctions policies in order to ensure full compliance with the sanctions policies set by the local regulator and international organizations, by screening the database of existing and new customers, in addition to Screening all transfers, bank transactions and the continuous development and updating of sanctions program, which are considered one of the most important roles of the compliance division.



# QNB Egypt Compliance Division Structure

(continued)

 QNB Egypt continues its efforts to strengthen its sanctions programs to meet the growing challenges of sanctions regulations without disrupting customer service while ensuring that the bank's reputation is enhanced.

The sanctions program contains strict and effective controls aimed at meeting regulatory requirements, taking into consideration the needs of customers, as well as ensuring effective protection of the bank's business from the risk of Violating Sanctions Regulations such as the risks of terrorist financing and the proliferation of weapons of mass destruction while achieving full compliance with sanctions programs.

## **Fraud Monitoring:**

Anti-Fraud team has currently joined Compliance division. QNB Egypt Anti-Fraud unit / Compliance division owns Fraud Policy and Fraud Risk Management Framework and detailed oversight of the end-to-end internal and external fraud control function. Anti-Fraud unit / Compliance division has full accountability for defining fraud management framework and performs the primary second line of defence role. The purpose is to manage the risk of fraud across QNB Egypt.

QNB Egypt Anti-Fraud team is engaged in the development or update of any internal processes, procedures, and policies to avoid any missing / Insufficient fraud control to the process.

## **Roles and Responsibilities**

### **Ongoing follow up to ensure proper implementation of the Central Bank of Egypt new regulations and international laws:**

QNB Egypt's Compliance implemented an efficient follow up process to ensure new regulatory requirements are communicated to relevant stakeholders and ensure follow up completeness of actions taken to implement such regulation, furthermore, QNB Egypt implement onsite Compliance review assignments to provide objective assurance that bank's activities are complied with the Central Bank of Egypt regulations and laws.

In addition to report an evaluation on such implementation to the Audit & Compliance Committee on quarterly basis.

Furthermore, Compliance undertakes continues efforts to ensure the effective implementation of all FATCA requirements and enhance the relevant systems and controls, in addition to providing continuous training to the concerned stakeholders.

## **Training Strategy:**

QNB Egypt Compliance division is highly committed towards the implementation of training programs to help employees stay abreast of latest requirements and increases their productivity with less supervision, whilst ensuring that they are aware of their roles and responsibilities taking into account all the relevant laws, regulations and internal policies adopting with Group Compliance's Training Strategy & Programs to ensure the spread of a Compliance culture and awareness of key risks and risk mitigation actions. Trainings include but are not limited to Compliance, AML/CFT, Sanctions, Fraud, KYC, special trainings concerning key regulatory requirements.

Also, QNB Egypt fostered a top-down compliance culture, by providing diverse learning options to employees by using a variety of training methods.

AML department start sending communication by email to QNB Egypt staff to highlight & emphasis on important AML tips to increase and refresh staff knowledge.

## **QNB Egypt Compliance Division Plans and Continuous Enhancement**

The continuous development of monitoring and reporting tools, including the relevant systems and applications to manage Compliance and AML/CFT risks.

Professional Certification which is an ongoing educational process to ensure the continuous professional development of Compliance staff and raise their levels of expertise.

## **QNB Egypt Compliance Function Main Achievements:**

- > Internal Control Over Financial Reporting (ICOFR) evaluation mission was finalized with a final clearance from the External Auditor and no reported findings.
- > Achieving target to cover all bank staff in Trainings programs of AML



# Customer Rights

QNB Egypt emphasize the rights of customers and the necessity to deal with them based on fairness and transparency and to ensure financial awareness and customer data confidentiality.

Customer Rights regulatory actions are translated on continuous basis across the various arms and sectors of the bank. The scope covers the bank obligations regarding all clients (Individuals, Corporate, SMES), as well as Outsourced Companies and Payment Service Providers obligations towards Bank clients.

## The overall objectives of the Customer Rights and Protection include:

- > Promote good & fair banking practices that promotes a fair and cordial relationship between customers & the Bank.
- > Increase transparency & foster confidence in the banking system.
- > Promote financial & banking awareness among customers.
- > Promote Quality of service awareness inside the bank and its subsidiaries as part of QNB Egypt culture.
- > Empowering customer voice through the usage of surveys to analyze patterns, and pinpoint areas for improvement or growth.
- > Conducting regular branch visits for service assurance and control measures.

QNB Egypt embraces the five Principles of Customer Rights Protection and continuously work to ensure that all clients are covered according to Fairness & Equity, Transparency & Disclosure, Banking & Financial Awareness, Customer Satisfaction and Handling and finally, Confidentiality and Data Protection



QNB Egypt is committed to implementing the principles of customer rights protection by promoting transparency, fairness, financial awareness, and data protection, to ensure a fair and secure banking experience for all customers



# Internal Audit

Our philosophy is to partner with the business, objectively influencing and challenging to facilitate the best results for the bank and its stakeholders.

The Internal Audit Division (IAD) plays a vital role in evaluating the effectiveness of risks, controls, and governance frameworks, by performing a comprehensive and systematic program of independent audits. Our work supports the proper functioning of the bank, ensuring efficiency and effectiveness across our internal processes. It goes beyond financial risks and statements to consider wider issues such as reputation, risk awareness, growth, the environment, and employees' development.

We do this by providing our stakeholders with a mix of assurance and advisory services, reviewing our systems and processes by offering insight to support ongoing improvement. We have unrestricted authority to access all bank's records, documentation, systems, properties, and personnel.

“Our philosophy is to partner with the business, objectively influencing and challenging to facilitate the best results for the bank and its stakeholders. Our audit staff are professionally qualified and hold globally recognized certifications.

Our team is composed of individuals with experience from leading financial institutions and audit firms. Our experience and ongoing professional development provide us with the required competencies to tackle the growing sophistication and challenges of 21<sup>st</sup> century banking. It is vital that the audit team possesses a level of understanding that is equal to the business. The Internal Audit Division adheres to the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA), as well as Basel Committee recommendations and other leading standards. Under the IPPF, a qualified, independent assessor must conduct an external quality assessment of an internal audit activity at least once every five years.

This quality assurance was provided in 2023 when a leading independent audit firm conducted a comprehensive external quality assessment. This certified that we generally conform with the international Standards including the ethics and professionalism. In addition, we continued performing

an Internal Quality Assurance review to reconfirm Bank's continuous adherence to the IIA standards including the ethics and professionalism. The findings of external and internal assessments were presented to the QACC and GIAD along with the actions required to ensure full conformance with the standards.

## Assurance to key stakeholders and regulators

The Internal Audit division is headed by the Chief Internal Auditor (CIA), who reports to the Board of Directors, through the QNB Egypt Audit & Compliance Committee (QACC), thus ensuring the independence of the audit function. The CIA is nominated by the QACC and the remuneration of the internal audit division is also determined on the basis of the QACC's evaluation of the division's performance.

The Internal Audit function is responsible for audit and independent assurance covering all of the bank's divisions, branches, and subsidiaries.

## Our purpose is to provide:

- > An independent assurance service to the Board of Directors through the QACC on the effectiveness of the bank's governance, risk management and control processes.
- > Advice to management on governance, risks and controls.
- > Coverage and assurance to key regulatory authorities.

We maintain and promote the confidence of all our stakeholders - including the Board of Directors, regulators, and senior management By executing all our tasks with consistent objectivity, rigor, and discipline, backed by a process of continuous improvement.

We give special concerns to the financial crime reviews in our audit processes to address growing concerns from regulators about financial crime. This has ensured that sound controls are in place and operating effectively, and all applicable regulatory requirements are adequately incorporated in our policy and procedures and implemented accordingly. We have devoted increased resources to this area and enhanced the depth of controls testing carried out as well as the scope of coverage.

In line with relevant regulations, we provide support for QNB Egypt subsidiaries.

“In addition to sharing knowledge and best practice, we deliver training programs to raise control awareness and enhance risk culture and provide policy advice.

Tracking of audit recommendations and ensuring management implementation of agreed action plans to address that audit observations are facilitated using our Audit Management System.

Dashboards provide the QACC, QNB Egypt CEO, and Group Internal Audit Division (GIAD) with real-time information on open and overdue issues and highlight our follow-up activities. This information also apprises senior management and QACC on the implementation status of pending audit recommendations and is used as part of the bank-wide key performance indicators measure on the control environment.

In addition, we report on total observations classified by risk category to senior management, and QACC on a quarterly basis.

We continued to prioritize reviews required by regulators. This includes Financial Crime reviews (AML/CTF and Sanctions Risks) and user access management, IFRS9, treasury activities...etc.

We also enhanced our information technology and information security audit methodology. This is an integral part of our internal audit methodology and aims at ensuring the alignment of audit practices in the assessment of information and communication technology as well as information security risk.

The methodology encompasses concepts and guidelines from global and regional stakeholders, such as ISACA, an international professional association focused on IT governance.



Providing independent assurance on governance, risk management and controls processes is a pivotal role of our robust and constantly evolving internal audit team to navigate the emerging challenges and related risks





# Internal Audit (continued)

## Advisory services, insight, and analysis

The valuable insights we gain through our unbiased and objective analysis of our operations enables us to help the bank improve its systems and processes.

As an independent reviewer, we participate in the review of new and updated policies in an advisory capacity. The main objectives of the review are to ensure that the policies address and mitigate key business, IT, and regulatory risk factors. By utilizing the combined technical knowledge of the business and our experienced and certified IT auditors, our policies can be effectively benchmarked against industry best-practice.

We also supported the rollout of major IT projects by advising on key risks and controls. We continue to provide IT and information security with regular feedback and insight on the Business Continuity Management (BCM) process.

## Enhance the bank's governance framework

We continued to enhance the bank's governance framework related to internal audit function, as we optimized our internal audit processes, in line with the Basel Committee and the Committee of Sponsoring Organizations of the Treadway Commission (COSO) recommendations.

The audit team also ensured the effective implementation of the QNB Group international governance framework, with regards to the development and implementation of the annual audit plan including the audit universe and risk assessments as well as the audit methodology.

## Audit programs and techniques


 We prioritized the emerging, higher risk areas and analytical processes focusing on key risks that were identified.

Other enhancements included:

- > Enhancing our audit programs and working papers of audit engagements to cover gaps and inadequacy of system-level controls.
- > Reviewing the adoption of IFRS 9.
- > Evaluating the internal control environment in accordance with the COSO requirements.
- > Reviewing the bank's recovery plan.
- > Evaluating the bank's stress testing frameworks

## Promoting control awareness and risk culture

The importance of our internal audit services stems from our endeavors to add value to the bank by helping to build an informed risk culture, raising control awareness of the issues we face across the business on daily basis.

 We ensure continuous improvement of QNB Egypt's risk management framework by highlighting emerging risks and placing emphasis on systemic issues related to the various processes that we audit.

To support this initiative, we expanded our awareness program on key risks and controls for the newcomers and bank's managers across the bank. The training includes:

- > Basel Committee Three Lines of Control approach.
- > Overview of the key banking risks and the internal control framework and assurance structure.
- > Common and repeated audit findings covering respective functions and key processes.

## Promoting transparency

We believe that greater transparency brings more accountability and improved stakeholder confidence. For that reason, we continue to improve communication on our activities throughout the business. Final audit reports incorporating audit recommendations, management action plans and target dates for implementation are regularly issued to the management, the QNB Egypt CEO and the QACC. In addition, a quarterly report summarizing activities and outcomes is also issued and discussed with the QACC, and GIAD.

## Looking ahead

The accelerated use of digital channels by customers, increased transaction volumes, cyber security, and privacy, and focus on customer experience has resulted in the rapid evolution and growth of the QNB Egypt's ICT infrastructure. To remain relevant and continue adding value we have adapted and evolved our internal assurance approach in response to the major technology changes that are reshaping the demands on internal auditors.

In addition, we will continue to deepen and harmonize the coverage of financial crime risks across the bank to align with regulatory expectations.

We will continue to keep a watchful eye on all emerging and systemic risks that have the potential to affect the performance of the bank, ensuring the board and senior management are apprised of the details in a timely manner. As part of our ongoing commitment to developing our workforce, we will continue upgrading teammate plus audit tool, and leverages technologies to streamline and enhance the audit function.

“In alignment with the Group, special consideration in our strategic plan for auditing third parties, sustainability that assesses the Environmental, Social, and Governance (ESG) practices, and proactive involvement in the new projects and programs emphasizing our advisory role.





# Financial Statements - Separated







*Translation of Auditor's report  
originally issued in Arabic*

**AUDITORS' REPORT**  
**To the Shareholders of QNB Bank (S.A.E.)**

**Report on the Separate Financial Statements**

We have audited the accompanying separate financial statements of QNB Bank (S.A.E.) which comprise the separate financial position as at December 31, 2024 and the related separate statements of income, comprehensive income, changes in equity, and cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for Separate the Financial Statements**

These separate financial statements are the responsibility of Bank's management. Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with the rules of preparation and presentation of the banks' financial statements basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations, management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the separate financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the bank's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the separate financial statements.

## Opinion

In our opinion, the separate financial statements referred to above present fairly, in all material respects, the separate financial position of QNB Bank (S.A.E) as of December 31, 2024, its separate financial performance and its separate cash flows for the year then ended, in accordance with the rules of preparation and presentation of the banks' financial statements basis of recognition and measurement issued by Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations related to the preparation of these separate financial statements.

## Report on Legal and Other Regulatory Requirements

According to the information and explanations given to us during the financial year ended December 31, 2024 no contravention of the Central Bank and Banking Sector Law No. 194 of 2020.

The bank maintains proper books of accounts, which include all that is required by law and the statutes of the bank, the separate financial statements are in agreement thereto.

The financial information included in the Board of Directors' report which is prepared according to Law No. 159 of 1981 and its Executive Regulations and their amendments, is in agreement with the books of the bank insofar as such information is recorded therein.

## Auditors

### **Mohamed Hossam Hilal**

Financial Regulatory Authority No.(390)

### **Wahid Abdel Ghaffar BT Mohamed Hilal**

**Public Accountants & Consultants**

### **Abdelhadi Mohamed Ali Ibrahim**

Financial Regulatory Authority No.(395)

### **KPMG Hazem Hassan**

**Public Accountants & Consultants**

Cairo, 13, January 2025



# Qatar National Bank S.A.E

## Separate Statement of Financial Position

### As of 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Note	December 31, 2024	December 31, 2023
<b>Assets:</b>			
Cash and due from Central Bank of Egypt (CBE)	(16)	71,189,180,717	61,558,547,091
Due from banks	(17)	121,283,214,717	42,610,823,880
Treasury bills and Other Governmental notes	(18)	130,925,413,471	152,105,446,740
Loans and credit facilities to banks	(19)	2,504,444,938	884,737,336
Loans and credit facilities to customers	(20)	344,010,801,512	252,467,782,728
Financial derivatives	(21)	3,693,595	-
<b>Financial Investments:</b>			
Fair value through other comprehensive income	(22)	34,062,689,073	16,292,961,610
Amortized cost	(22)	86,823,766,207	80,536,769,618
Fair value through profit or loss	(22)	105,921,395	101,198,551
Investments in subsidiaries	(23)	540,261,839	540,261,839
Intangible assets	(24)	543,099,390	477,474,366
Other assets	(25)	14,351,073,830	9,998,521,260
Deferred tax assets	(32)	-	313,607,221
Property and equipment	(26)	2,632,397,887	2,642,483,903
<b>Total assets</b>		<b>808,975,958,571</b>	<b>620,530,616,143</b>
<b>Liabilities and equity:</b>			
<b>Liabilities:</b>			
Due to banks	(27)	16,122,650,231	5,088,111,931
Customer deposits	(28)	681,863,637,359	530,118,813,705
Financial derivatives	(21)	8,809,370	6,264,722
Other loans	(29)	4,132,253,873	3,995,190,883
Other liabilities	(30)	10,453,432,006	9,244,749,175
Other provisions	(31)	711,793,719	1,299,276,603
Current income tax payable		6,285,380,460	5,480,510,017
Deferred tax liabilities	(32)	222,685,190	-
Defined benefits obligation	(33)	626,522,132	595,997,416
<b>Total liabilities</b>		<b>720,427,164,340</b>	<b>555,828,914,452</b>
<b>Equity:</b>			
Issued and paid-up capital	(34)	10,774,114,830	10,774,114,830
Reserves	(35)	42,621,619,614	31,615,807,892
Profit for the year and retained earnings	(35)	35,153,059,787	22,311,778,969
<b>Total equity</b>		<b>88,548,794,231</b>	<b>64,701,701,691</b>
<b>Total liabilities and equity</b>		<b>808,975,958,571</b>	<b>620,530,616,143</b>

**Mohamed Bedeir**  
Chief Executive Officer

**Ali Rashid Al-Mohannadi**  
Chairman of the Board of Directors

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements.  
(Auditor's report attached).

**Qatar National Bank S.A.E**  
**Separate Income Statement**  
**For the Year Ended 31 December 2024**

(All amounts are shown in Egyptian Pounds)

	Note	From January 01, 2024 To December 31, 2024	From January 01, 2023 To December 31, 2023
Interest on loans and similar income	(6)	119,788,544,307	76,742,486,077
Cost of deposits and similar expense	(6)	(79,373,559,593)	(46,360,249,587)
<b>Net interest income</b>		<b>40,414,984,714</b>	<b>30,382,236,490</b>
Fee and commission income	(7)	7,709,022,318	5,607,640,142
Fee and commission expense	(7)	(2,022,682,326)	(1,593,464,239)
<b>Net interest, fee and commission income</b>		<b>46,101,324,706</b>	<b>34,396,412,393</b>
Dividend income	(8)	480,106,935	335,092,482
Net trading income	(9)	943,418,046	597,437,852
Gain on financial investments	(22)	265,909,347	86,459,835
Impairment credit losses	(12)	(5,393,149,395)	(5,582,564,383)
Administrative expenses	(10)	(7,475,891,455)	(5,852,634,087)
Other operating revenues (expenses)	(11)	3,789,419,842	326,188,914
<b>Profit before income tax</b>		<b>38,711,138,026</b>	<b>24,306,393,006</b>
Income tax expense	(13)	(12,904,962,837)	(8,536,708,869)
<b>Net profit for the year</b>		<b>25,806,175,189</b>	<b>15,769,684,137</b>
Earnings per share	(14)	10.76	6.57

**Mohamed Bedeir**  
Chief Executive Officer

**Ali Rashid Al-Mohannadi**  
Chairman of the Board of Directors

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements

# Qatar National Bank S.A.E

## Separate Statement of Comprehensive Income

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	From January 01, 2024 To December 31, 2024	From January 01, 2023 To December 31, 2023
Net profit for the year	25,806,175,189	15,769,684,137
<b>Other comprehensive income items that will not be reclassified to the Profit or Loss:</b>		
Net change in fair value of investments in equity instruments measured at fair value through other comprehensive income	1,202,766,228	332,776,563
Tax impact related to other comprehensive income that will not be reclassified to the profit or loss	(267,096,923)	(73,275,835)
Amount transferred to retained earning, net of tax	(11,800,665)	(19,961,016)
<b>Other comprehensive income items that is or may be reclassified to the profit or loss:</b>		
Net change in fair value of debt instruments measured at fair value through other comprehensive income	1,209,137,007	(1,396,049,269)
Tax impact related to other comprehensive income that will be reclassified to the profit or loss	(189,160,198)	274,772,291
Expected credit loss for fair value of debt instruments measured at fair value through other comprehensive income	6,626,917	375,571
<b>Total other comprehensive income items for the year, net of tax</b>	<b>1,950,472,366</b>	<b>(881,361,695)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>27,756,647,555</b>	<b>14,888,322,442</b>

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements.



# Qatar National Bank S.A.E

## Separate Statement of Changes in Equity

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Issued and Paid Up Capital	Legal Reserve	General Reserve	Special Reserve	Capital Reserve	Fair Value Reserve
<b>December 31, 2023</b>						
Balance at 1 January 2023	10,774,114,830	2,790,716,593	23,979,176,120	12,856,666	42,271,621	237,308,338
Transfer to reserves and retained earnings	-	506,169,256	4,905,392,798	-	779,000	-
Dividend distributions for year 2022	-	-	-	-	-	-
Net change in other comprehensive income	-	-	-	-	-	(861,400,679)
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	(19,961,016)
Net profit for the year	-	-	-	-	-	-
Transfer from general banking risk reserve	-	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>10,774,114,830</b>	<b>3,296,885,849</b>	<b>28,884,568,918</b>	<b>12,856,666</b>	<b>43,050,621</b>	<b>(644,053,357)</b>
<b>December 31, 2024</b>						
Balance at 1 January 2024	10,774,114,830	3,296,885,849	28,884,568,918	12,856,666	43,050,621	(644,053,357)
Transfer to reserves and retained earnings	-	788,000,907	8,257,672,449	-	9,666,000	-
Dividend distributions for year 2023	-	-	-	-	-	-
Net change in other comprehensive income	-	-	-	-	-	1,962,273,031
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	(11,800,665)
Net profit for the year	-	-	-	-	-	-
<b>Balance at 31 December 2024</b>	<b>10,774,114,830</b>	<b>4,084,886,756</b>	<b>37,142,241,367</b>	<b>12,856,666</b>	<b>52,716,621</b>	<b>1,306,419,009</b>

	General Banking Risk Reserve	General Risk Reserve	Retained Earnings	Net Profit for the Year	Total
<b>December 31, 2023</b>					
Balance at 1 January 2023	1,669,066	21,453,923	4,597,484,441	10,124,164,122	<b>52,581,215,720</b>
Transfer to reserves and retained earnings	-	-	1,924,025,581	(7,336,366,635)	-
Dividend distributions for year 2022	-	-	-	(2,787,797,487)	<b>(2,787,797,487)</b>
Net change in other comprehensive income	-	-	-	-	<b>(861,400,679)</b>
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	19,961,016	-	-
Net profit for the year	-	-	-	15,769,684,137	<b>15,769,684,137</b>
Transfer from general banking risk reserve	(623,794)	-	623,794	-	-
<b>Balance at 31 December 2023</b>	<b>1,045,272</b>	<b>21,453,923</b>	<b>6,542,094,832</b>	<b>15,769,684,137</b>	<b>64,701,701,691</b>
<b>December 31, 2024</b>					
Balance at 1 January 2024	1,045,272	21,453,923	6,542,094,832	15,769,684,137	<b>64,701,701,691</b>
Transfer to reserves and retained earnings	-	-	2,792,989,101	(11,848,328,457)	-
Dividend distributions for year 2023	-	-	-	(3,921,355,680)	<b>(3,921,355,680)</b>
Net change in other comprehensive income	-	-	-	-	<b>1,962,273,031</b>
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	11,800,665	-	-
Net profit for the year	-	-	-	25,806,175,189	<b>25,806,175,189</b>
<b>Balance at 31 December 2024</b>	<b>1,045,272</b>	<b>21,453,923</b>	<b>9,346,884,598</b>	<b>25,806,175,189</b>	<b>88,548,794,231</b>

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements.

# Qatar National Bank S.A.E

## Separate Statement of Cash Flow

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Note	December 31, 2024	December 31, 2023
<b>Cash flows from operating activities</b>			
Profit before tax		38,711,138,026	24,306,393,006
<b>Adjusted by:</b>			
Property and Equipment depreciation and Intangible assets amortization	(10)	507,540,460	471,049,492
Impairment credit losses	(12)	5,393,149,395	5,582,564,383
Loans written off during the year		(3,778,409,034)	(4,619,748,983)
Recovery from loans previously written off		384,743,671	74,208,693
Net formed / (reversed) other provisions		(905,312,615)	189,033,211
Utilized provisions other than loans provision		(96,750,772)	(1,260,578)
Translation differences of other provisions in foreign currencies		414,580,503	140,716,437
Translation differences of other Financial assets provisions in foreign currencies other than loans provision		102,764,246	12,402,515
Translation differences resulting from monetary foreign currency investments		(6,120,000,464)	(1,099,855,905)
Amortization of premium / discount for bonds		(414,788,192)	(1,548,118,287)
(Gain) on sale of Property and Equipment		(8,162,000)	(9,666,000)
Dividend income	(8)	(480,106,935)	(335,092,482)
Gain on financial investments	(22)	(265,909,347)	(86,459,835)
<b>Operating profits before changes in assets and liabilities resulting from operating activities</b>		<b>33,444,476,942</b>	<b>23,076,165,667</b>
<b>Net decrease / increase in assets and liabilities</b>			
Due from banks		(18,788,179,382)	(18,323,666,885)
Treasury bills and Other Governmental notes		104,787,427,948	(93,442,398,899)
Loans and credit facilities to Banks		(1,640,471,679)	(886,408,881)
Loans and credit facilities to customers		(93,386,746,463)	(36,815,189,774)
Financial derivatives		(1,148,947)	6,888,087
Financial investment recognized at fair value through profit or loss		(4,722,844)	(27,223,135)
Other assets		(4,462,334,669)	(1,186,839,907)
Due to banks		11,034,538,300	1,566,383,909
Customer deposits		151,744,823,654	123,052,012,875
Other liabilities		1,050,876,802	3,447,080,163
Defined benefits obligation		30,524,716	30,813,316
Income tax paid		(12,020,057,104)	(6,055,588,340)
<b>Net cash flows resulting from / used in operating activities (1)</b>		<b>171,789,007,274</b>	<b>(5,557,971,804)</b>
<b>Cash flows from investing activities</b>			
Acquisition of Property and Equipment and Intangible assets		(563,105,616)	(471,596,452)
Proceeds from sale of Property and Equipment		8,188,148	9,682,814
Proceeds from financial investments other than held for trading investments		35,516,584,965	45,163,034,003
Acquisition of financial investments other than held for trading investments		(51,274,611,402)	(32,121,274,058)
Dividends received		480,106,935	334,092,481
<b>Net cash flows used in / resulting from investing activities (2)</b>		<b>(15,832,836,970)</b>	<b>12,913,938,788</b>

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements.

# Qatar National Bank S.A.E

## Separate Statement of Cash Flow

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

<b>Cash flows from financing activities</b>		
Other loans	137,062,990	535,860,570
Dividends paid	(3,763,549,651)	(2,685,050,043)
<b>Net cash flows used in financing activities (3)</b>	<b>(3,626,486,661)</b>	<b>(2,149,189,473)</b>
<b>Net increase in cash and cash equivalents during the year (1+2+3)</b>	<b>152,329,683,643</b>	<b>5,206,777,511</b>
Cash and cash equivalents at the beginning of the year	49,046,171,055	43,839,393,544
<b>Cash and cash equivalents at the end of the year (36)</b>	<b>201,375,854,698</b>	<b>49,046,171,055</b>
<b>Cash and cash equivalents at end of the year are represented in :</b>		
Cash and due from Central Bank of Egypt (16)	71,189,180,717	61,558,547,091
Due from banks (17)	121,391,269,008	42,660,349,493
Treasury bills and Other Governmental notes	131,405,754,289	153,436,872,353
Balances with Central Bank of Egypt (mandatory reserve)	(61,807,570,392)	(55,539,436,865)
Due from banks with maturities more than 3 months	(12,520,045,855)	-
Treasury bills and Other Governmental notes with maturity more than 3 months	(48,282,733,069)	(153,070,161,017)
<b>Cash and cash equivalents at end of the year</b>	<b>201,375,854,698</b>	<b>49,046,171,055</b>

The accompanying notes from (1) to (40) are an integral part of these Separate Financial Statements.





# Qatar National Bank S.A.E

## Statement of Profit Distribution Proposal

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	December 31, 2024	December 31, 2023
Net year's profits (from income statement)	25,806,175,189	15,769,684,137
<b>Deduct/Add</b>		
Profits of sale fixed assets transferred to capital reserve	(8,162,000)	(9,666,000)
Change in General Banking Risk Reserve	-	623,794
Item transferred to retrained earnings	11,800,665	19,961,016
<b>Distributable years net profits</b>	<b>25,809,813,854</b>	<b>15,780,602,947</b>
<b>Add</b>		
Beginning balance of retained earnings	9,335,083,933	6,521,510,022
<b>Total</b>	<b>35,144,897,787</b>	<b>22,302,112,969</b>
<b>To be distributed as follows:</b>		
Statutory reserve	1,289,900,659	788,000,907
General reserve	13,872,099,446	8,257,672,449
shareholders' Dividends	3,232,234,449	2,154,822,966
Employees' profit share	2,600,965,649	1,595,306,685
Remuneration for board members	19,500,000	13,420,000
Banking System Support and Development Fund*	258,098,139	157,806,029
Retained earnings carried forward	13,872,099,445	9,335,083,933
<b>Total</b>	<b>35,144,897,787</b>	<b>22,302,112,969</b>

\*According to Article 178 of the Central Bank and Banking Systems Law No. 194 for year 2020, to deduct an amount not exceeding 1% of the distributable year's net profits for the benefit of the Support and Development the Banking System Fund.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 1. Background:

QNB "S.A.E" ("The Bank") was incorporated as an investment and commercial bank on April 13, 1978, in accordance with the provisions of the Investment Law no 43 of 1974 and its executive regulations and the amendments thereon. The Bank provides all banking services related to its activity, through its Head Office located in 5 Champlion Street - Downtown - Cairo and its 235 branches served by 7,443 staff at the date of the financial statements. The Bank is listed on the Egyptian Stock Exchange (EGX).

These Financial statements were approved by the Board of Directors on January 13, 2025.

#### 2. Summary of significant accounting policies:

##### 2.1 Basis of preparation of the separate financial statements

These separate financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE) rules approved by its Board of Directors on December 16, 2008; and as per IFRS 9 "Financial Instruments" in accordance with the instructions of the Central Bank of Egypt (CBE) dated February 26, 2019.

The separate and consolidated financial statements of the Bank and its subsidiaries have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE) rules, the affiliated companies are entirely included in the consolidated financial statements and these companies are the companies that the Bank - directly or indirectly has more than half of the voting rights or has the ability to control the financial and operating policies, regardless of the type of activity, the Bank's consolidated financial statements can be obtained from the Bank's management. The Bank accounts for investments in subsidiaries and associate companies in the separate financial statements at cost minus impairment loss.

The separate financial statements of the Bank should be read with its consolidated financial statements, for the period ended on December 31, 2024 to get complete information on the Bank's financial position, income statements, cash flows and change in shareholders equity.

##### 2.2 Accounting for Investments in subsidiaries and associates

Investments in subsidiaries and associates are presented in the attached separate financial statements using the cost method which represents the bank's direct share ownership and not according to the business results and the net assets of the investees. And the consolidated financial statements provide a wider understanding for the consolidated financial position, business results and the consolidated cash flows for the bank and its subsidiaries (The Group), including the bank's share in the net assets of its associate companies.

###### 2.2.1 Investments in subsidiaries

Subsidiaries are entities (including Special Purposes Entities / SPEs) which the bank exercises direct or indirect control over its financial and operating policies in order to get benefits from its activities and usually have an ownership share of more than half of its voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered in assessing whether the bank has the control over its investees.

###### 2.2.2 Investments in associates

Associates are entities over which the bank exercises significant influence directly or indirectly, but without exercising control or joint control, where the bank holds 20% to 50% of voting rights in the associate.

The purchase method is used to account for the bank's purchases of subsidiaries and associates when they are initially recognized; the acquisition date is the date on which the acquirer obtains control or significant influence of acquiree "subsidiary or associate". According to the purchase method, the investments in subsidiaries and associates are initially recognized at cost (which may be incorporated goodwill). The acquisition cost represents the fair value of the consideration given in addition to the other acquisition related costs.

In business combination achieved in stages, and business combination achieved through more than one transaction, is then dealing with every transaction of such transactions that separately on the basis of the acquisition consideration and fair value information at the date of each transition until the date where the control is achieved.

The investments in subsidiaries and associates are subsequently accounted for using the cost method on the separate financial statements. According to the cost method; investments are recognized at acquisition cost less any impairment losses in value, if any. Dividends are recognized as revenue in the separate income statement when they are declared and the bank's right to collect them has been established.

##### 2.3 Segment reporting

An operating segment is a group of assets and operations providing products or services whose risks and benefits are different from those associated with products or services provided by other operating segments. A geographical segment provides products or services within a specific economic environment characterized by risks and benefits different from those related to other geographical segments operating in a different economic environment.

The Bank is divided into two main business lines, which are corporate banking and retail banking. In addition, a corporate center acts as a central funding department for the bank's core businesses. The dealing room, proprietary activity and other non-core businesses are reported under the corporate banking business line.

For the purpose of preparation of segment reporting by geographical region, segment profit or loss and assets and liabilities are presented based on the location of the branches. Given that the bank does not have any entity abroad, and unless otherwise stated in a specific disclosure, all equity and debt instruments of the bank issued by foreign institutions and credit facilities granted to foreign counterparties are reported based on the location of the domestic branch where such assets are recorded.

##### 2.4 Foreign currency translation

###### 2.4.1 Functional and presentation currency

The separate financial statements of the bank are presented in the Egyptian pound which is the bank's functional and presentation currency.

###### 2.4.2 Transactions and balances in foreign currencies

The Bank maintains its accounting records in Egyptian pounds. Transactions in foreign currencies during the period are translated into the Egyptian pounds using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at end of reporting Year at the exchange rates then prevailing. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following line items:

- Net trading income from held for trading assets and liabilities;
- Other operating revenues (expenses) from the remaining assets and liabilities;
- Investments in equity instrument recognized at fair value through other comprehensive income in equity.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Changes in the fair value of investments in debt instruments; which represent monetary financial instruments, denominated in foreign currencies and classified as FVTOCI assets are analyzed into differences resulting from changes in the amortized cost of the instrument, differences resulting from changes in the applicable exchange rates and differences resulting from changes in the fair value of the instrument. Differences resulting from changes in the amortized cost are recognized and reported in the income statement in "Interest on loans and similar income" whereas differences resulting from changes in foreign exchange rates are recognized and reported in "Other operating revenues (expenses)". The remaining differences resulting from changes in fair value are recognized in equity and accumulated in the "Fair value reserve" in Other Comprehensive Income.

Valuation differences arising on the measurement of non-monetary items at fair value include gains or losses resulting from changes in foreign currency exchange rates used to translate those items. Total fair value changes arising on the measurement of equity instruments classified as at fair value through the profit or loss are recognized in the income statement, whereas total fair value changes arising on the measurement of equity instruments classified as FVTOCI are recognized directly in equity in the "Fair value revaluation reserve" in Other comprehensive income.

#### 2.5 Financial assets

Financial assets classified as amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL). The classification depends on the business model of the financial assets that are managed with its contractual cash flow and is determined by management at the time of initial recognition.

##### Business model assessment:

The bank makes an assessment of the objective of a business model in which an 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. Whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets.
- › How the performance of the portfolio is evaluated and reported to the bank's management;
- › The risks that affect the performance of the business model) and the financial assets held withing that business model) and its strategy for how those risks are managed;
- › How managers of the business are compensated 9e.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 in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the bank's stated objective for managing the financial assets is achieved and how cash flows are realized.

##### Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI):

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 profit margin.

In assessing whether the contractual cash flows are SPPI, the bank 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 the assessment, the bank considers:

- › Contingent events that would change the amount and timing of cash flows;
- › Leverage features;
- › Prepayment and extension terms;
- › Terms that limit the bank's claim to cash flows from specified assets (e.g. nonOrecourse loans); and

Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

##### 2.5.2.1 Financial assets classified as amortized cost

The financial asset is retained in the business model of financial assets held to collect contractual cash flow. The objective from this business model is to collect contractual cash flow which represented in principal and interest. The sale is an exceptional event for the purpose of this model and under the terms of the standard represented in following:

- › Significant deterioration for the issuer of financial instrument;
- › Lowest sales in terms of rotation and value;
- › A clear and reliable documentation process for the justification of each sale and its conformity with the requirements of the standard.

##### A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL):

- › The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- › The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.5.2.2 Financial assets classified as fair value through other comprehensive income

The financial asset is retained in the business model of financial assets held to collect contractual cash flows and sales. Held to collect contractual cash flows and sales are integrated to achieve the objective of the model. Sales are high in terms of turnover and value as compared to the business model retained for the collection of contractual cash flows.

A debt instrument is measured at Fair Value Through Other Comprehensive Income (FVOCI) only if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL):

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).

On initial recognition of an equity investment that is not held for trading, the bank may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at Fair Value Through Profit and Loss (FVTPL).

#### 2.5.2.3 Financial assets classified as fair value through profit or loss

The financial asset is held in other business models including trading, management of financial assets at fair value, maximization of cash flows through sale.

The objective of the business model is not to retain the financial asset for the collection of contractual or retained cash flows for the collection of contractual cash flows and sales. Collecting contractual cash flows is an incidental event for the objective of the model.

The characteristics of the business model are as follows:

- Structuring a set of activities designed to extract specific outputs;
- Represents a complete framework for a specific activity (inputs - activities - outputs);
- One business model can include sub-business models.

#### 2.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the bank has a legally enforceable right to offset the recognized amounts and it intends to settle these amounts on a net basis, or realize the asset and settle the liability simultaneously.

#### 2.7 Financial derivatives and hedge accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Fair values are determined based on quoted market prices in active markets, including recent market transactions, or valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded derivatives, such as the conversion option in a convertible bond, are treated as separate derivatives if they meet the definition of a financial instruments, and when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement "Net trading income"; unless the bank chooses to designate the hybrid contract as a whole as at fair value through profit or loss.

The timing of recognition in profit or loss, of any gains or losses arising from changes in the fair value of derivatives, depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. The parent bank designates certain derivatives as:

- Hedging instruments of the risks associated with fair value changes of recognized assets or liabilities or firm commitments (fair value hedge);
- Hedging of risks relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

Hedge accounting is used for derivatives designated in a hedging relationship when the following criteria are met. At the inception of the hedging relationship, the bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the bank documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

##### 2.7.1 Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized immediately in the profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in profit or loss. Additionally, interest differential on interest rate swaps is recognized in profit or loss as part of "Net interest income" line item in the income statement. Any ineffectiveness is recognized in profit or loss in "Net trading income".

When the hedging instrument no longer qualifies for hedge accounting, the adjustment to the carrying amount of a hedged item, measured at amortized cost, arising from the hedged risk is amortized to profit or loss from that date to maturity of the asset using the effective interest method. Adjustment to the carrying amount of a hedged equity instrument that has been deferred in equity remains in equity until the asset is derecognized.

##### 2.7.2 Cash flow hedge

The effective portion of changes in the fair value of derivatives designated and effective for cash flow hedge is recognized in equity while changes in fair value relating to the ineffective portion is recognized immediately in the income statement in "Net trading income".

Amounts accumulated in equity are transferred to income statement in the relevant periods when the hedged item affects the income statement. The effective portion of changes in fair value of interest rate swaps and options are reported in "Net trading income".

When a hedging item expires, or is sold or if hedging instrument no longer qualifies for hedge accounting requirements, gains or losses that have been previously accumulated in equity remain in equity and are only recognized in profit or loss when the forecast transaction ultimately occurs. If the forecast transaction is no longer expected to occur, any related cumulative gain or loss on the hedging instrument that has been recognized in equity shall be reclassified immediately to profit or loss.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.7.3 Derivatives that do not qualify for hedge accounting

Where a derivative instrument does not qualify for hedge accounting, changes in fair value of that derivative and related interest are recognized immediately in the income statement in "Net trading income" line item. However, gains or losses arising from changes in fair value of derivatives that are managed in conjunction with financial assets or financial liabilities, designated upon initial recognition at fair value through profit or loss, are included in "Net income from financial instruments designated upon initial recognition as at fair value through profit or loss".

#### 2.8 Interest income and expense

Interest income and expense on all interest-bearing financial instruments are recognized in "Interest income" and "Interest expense" line items in the income statement using the effective interest rate method.

The effective interest rate is a method of calculating the amortized cost of a debt instrument whether a financial asset or a financial liability and of allocating its interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial debt instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability on initial recognition. When calculating the effective interest rate, the bank estimates the future cash flows, considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Interest income on loans is recognized on an accrual basis except for the interest income on non-performing loans, which ceases to be recognized as revenue when the recovery of interest or principle is in doubt.

Interest income on non-performing or impaired (Stage 3) loans and receivables ceases to be recognized in profit or loss and is rather recorded off-balance sheet in statistical records. Interest income on these loans is recognized as revenue on a cash basis as follows:

1- For retail loans, personal loans, small and medium business loans, real estate loans for personal housing and small loans for businesses, when interest income is collected and after recovery of all arrears.

2- For corporate loans, interest income is recognized on a cash-basis after the bank collects 25% of the rescheduled installments and provided these installments continue to be paid for at least one year.

If a loan continues to be performing thereafter, interest accrued on the principal then outstanding starts to be recognized as revenues. Interest that is marginalized prior to the date when the loan becomes performing is not recognized in the profit or loss except when the total balance of loan, prior to that date, is paid in full.

#### 2.9 Fees and commission income

Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off balance sheet. These are recognized as revenue - on a cash basis - only when interest income on those loans is recognized in profit or loss, at which time, fees and commissions that are an integral part of the effective interest rate of a financial asset are treated as an adjustment to the effective interest rate of that financial asset.

Commitment fees received by the bank to originate a loan are deferred if it is probable that the bank will enter into a specific lending arrangement and are regarded as a compensation for an ongoing involvement with the acquisition of the financial instrument and recognized as an adjustment to the effective interest rate. If the commitment expires without the bank making the loan, the fees are recognized as revenue on expiry.

Loan syndication fees received by the bank are recognized as revenue when the syndication has been completed, only if the bank arranges the loan and retains no part of the loan package for itself (or retains a part at the same effective interest rate for comparable risk as other participants).

Fees and commissions that are earned on negotiating or participating in the negotiation of a transaction in favor of another entity, such as arrangements for the allotment of shares or another financial instrument or acquisition or sale of an enterprise on behalf of a client, are recognized as revenue when the transaction has been completed. Administrative consultations and other service fees are usually recognized as revenue on a straight-line basis over the period in which the service is rendered. Fees from financial planning management and custodian services provided to clients over long periods are usually recognized as revenue on a straight-line basis over the period in which these services are rendered.

#### 2.10 Dividends income

Dividend income on investments in equity instruments and similar assets is recognized in the income statement when the bank's right to receive payment is established.

#### 2.11 Purchase and resale agreements and sale and repurchase agreements (repos and reverse repos)

Financial instruments sold under repurchase agreements are not derecognized from the statement of financial position and cash receipts are shown in liability side in the statement of financial position.

#### 2.12 Impairment of financial assets

The Bank reviews all its financial assets except for financial assets that are measured at fair value through profit or loss to assess the extent of impairment as described below.

##### Financial assets are classified at three stages at each reporting date:

- Stage 1: Financial assets that have not experienced a significant increase in credit risk since the date of initial recognition, and the expected credit loss is calculated for 12 months.
- Stage 2: Financial assets that have experienced a significant increase in credit risk since the initial recognition or the date on which the investments are made, and the expected credit loss is calculated over the life of the asset.
- Stage 3: Impairment of financial assets whose expected credit loss is to be recognized over the life of the asset on the basis of the difference between the carrying amount of the instrument and the present value of expected future cash flows.

Credit losses and impairment losses on the value of financial instruments are measured as follows:

- The low risk financial instrument is classified at initial recognition in the first stage and credit risk is monitored continuously by the Bank's credit risk management.
- If it is determined that there has been a significant increase in credit risk since the initial recognition, the financial instrument is transferred to the second stage where it is not yet considered impaired at this stage.
- If there are indicators of impairment of the financial instrument, it is transferred to the third stage.
- The purchased or originated credit impaired financial assets are recognized on the initial recognition of the second stage directly and therefore the expected credit losses are measured on the basis of expected credit losses over the life of the asset.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.12.2.1 Significant increase in credit risk

The Bank considers that the financial instrument has experienced a significant increase in the credit risk when one or more of the following quantitative and qualitative criteria, as well as the factors relating to default, have been met.

#### 2.12.2.2 Quantitative factors

When the probability of default over the remaining life of the instrument is increased from the date of the financial position compared to the probability of default over the remaining life expected at initial recognition in accordance with the Bank's acceptable risk structure.

The bank uses three criteria for determining whether there has been a significant increase in credit risk:

- › A quantitative test based on movement in PD;
- › Qualitative indicators; and
- › A back stop of 30 days past due

Definition of default

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

- › Facilities with rating of 8,9 and 10 based on the bank's Obligor Risk Rating Model.
- the borrower is more than 90 days past due on any material credit obligation to the bank (except for SMEs where a back stop of 180 days is applied).

#### 2.12.2.3 Qualitative Factors

##### Retail loans, micro and small businesses

If the borrower encounters one or more of the following events:

- › The borrower submits a request to convert short-term to long-term payments due to negative effects on the borrower's cash flows.
- › Extension of the deadline for repayment at the borrower's request.
- › Frequent Past dues over the previous 12 months.
- › Future adverse economic changes affecting the borrower's future cash flows.

##### Corporate loans and Medium businesses

If the borrower has a follow-up list and / or financial instrument faced one or more of the following events:

- › A significant increase in the rate of return on the financial asset as a result of increased credit risk.
- › Significant negative changes in the activity and physical or economic conditions in which the borrower operates.
- › Scheduling request as a result of difficulties facing the borrower.
- › Significant negative changes in actual or expected operating results or cash flows.
- › Future economic changes affecting the borrower's future cash flows.
- › Early indicators of cash flow / liquidity problems such as delays in servicing creditors / business loans.
- › Cancellation of a direct facility by the bank due to the high credit risk of the borrower.

##### Nonpayments

The loans and facilities of institutions, medium, small, micro and retail banking are included in stage two if the period of non-payment is more than 60 days and less than 90 days, (180 days for SME's according to CBE Circular dated 14 December 2021 regarding the temporary amendments of SME's NPL treatment in IFRS9 regulation). Note that this period (60 days) will be reduced by (10) days per year to become (30) days during (3) years from the date of application (Year 2019).

##### Transfer between the Three stages:

##### Transfer from second stage to first stage:

The financial asset shall not be transferred from the second stage to the first stage unless all the quantitative and qualitative elements of the first stage are met and the full arrears of the financial asset and the proceeds are paid.

##### Transfer from third stage to second stage:

The financial asset shall not be transferred from the third stage to the second stage until all the following conditions have been met:

- › Completion of all quantitative and qualitative elements of the second stage.
- › Repayment of 25% of the balance of the outstanding financial assets, including accrued segregated / statistical interest.
- › Regularity of payment for at least 12 months.

#### 2.13 Intangible assets

##### 2.13.1 Goodwill

Goodwill, arising from the acquisition or legal merger of subsidiaries, represents the difference between the cost of the combination and the acquiree interest in the fair value of the identifiable assets, liabilities and qualifying contingent liabilities of the acquire at the acquisition date. Goodwill is annually tested for impairment and is written-down to profit or loss at an annual amortization of 20% or impairment loss whichever is higher.

##### 2.13.2 Software (computer programs)

Expenditure on upgrade and maintenance of computer programs is recognized as an expense in the income statement in the period in which it is incurred. Expenditures directly incurred in connection with specific software are recognized as intangible assets if they are controlled by the bank and when it is probable that they will generate future economic benefits within more than one year that exceed its cost. Direct costs include the cost of the staff involved in upgrading the software in addition to a reasonable portion of relative overheads.

Upgrade costs are recognized and added to the original cost of the software when it is likely that such costs will increase the efficiency or enhance the performance of the computers software beyond its original specification.

Cost of computer software recognized as an asset shall be amortized over the period of expected benefits from three to five years except for the core IT system which is amortized over ten years.





# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.14 Property and Equipment

The Bank's property and equipment include lands and buildings of the bank which basically comprise the head office premises and branch buildings. All property and equipment are carried at historical cost net of accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the construction or acquisition of the items. Subsequent costs are included in the assets carrying amount or recognized separately, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the bank and the cost of the item can be measured reliably. Repairs and maintenance expenses are recognized in profit or loss within "other operating costs" line item during the financial year in which they are incurred.

The Bank considers the residual value of its property and equipment as insignificant and immaterial in relation to the depreciable amount; therefore, the depreciable amount of the bank's property and equipment is determined without any deduction for residual values. Depreciation is charged so as to write off the cost of assets, other than land which is not depreciated, over their estimated useful lives, using the straight-line method based on the following annual rates:

Buildings	50 years
Decoration & installations	10 years
Lifts	15 years
Electricity & Air conditioning	10 years
Fixtures	30 years
Generators	10 years
Telephone network & CCTV	10 years
Firefighting system & Plumbing system	10 years
Other installations	10 years
Leasehold improvements	The shortest of 10 years or contract period

Depreciation periods for property and equipment, other than buildings, depend on their useful lives which are usually estimated as specified below:

Furniture	10 years
Armored vaults	20-30 years
IT equipment	5 years
Electric appliances	5 years
Vehicles	5 years

The bank reviews the carrying amounts of its depreciable property and equipment whenever changes in circumstances or events indicate that the carrying amounts of those assets may not be recovered. Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount.

The recoverable amount of an asset is the higher of the asset's net realizable value or value in use. Gains or losses on disposals are determined by comparing proceeds with relevant carrying amount. These are included in the profit or loss in other operating income (expenses) in the income statement.

#### 2.15 Impairment of non-financial assets

Non-financial assets that do not have definite useful lives, except for goodwill, are not amortized. These are annually tested for impairment. Depreciable property and equipment are tested for impairment whenever changes in circumstances or events indicate that the carrying amounts of those assets may not be recovered. Impairment loss is recognized and the carrying amount of an asset is reduced to the extent that such carrying amount exceeds the asset's recoverable amount.

The recoverable amount of an asset is the higher of the asset's net realizable value or value in use. For the purpose of estimating the impairment loss, where it is not possible to estimate the recoverable amount of an individual asset, the bank estimates the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

At the end of each year, the bank reviews non-financial assets for which an impairment loss is recognized to assess whether or not all or part of such impairment losses should be reversed through profit or loss.

#### 2.16 Leasing

All lease contracts to which the bank is a party are treated as operating or finance leases as follows:

##### 2.16.1 As a lessee

Lease payments made under operating leases, net of any discounts received from the lessor, are recognized as an expense in the profit or loss on a straight-line basis over the lease term.

##### 2.16.2 As a lessor

Assets leased out under operating lease contracts are reported as part of the property and equipment in the statement of financial position and are depreciated over the expected useful lives of the assets, on the same basis as other property assets. Lease rental income is recognized in profit or loss, net of any discounts granted to the lessee, using the straight line method over the contract term.

#### 2.17 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances due within three months from date of placement or acquisition. They include cash and balances placed with the Central Bank of Egypt (other than those required under the mandatory reserve), current accounts with Banks and treasury bills, certificates of deposits and other governmental notes.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.18 Other provisions

Provisions for obligations, other than those for credit risk or employee benefits, due within more than 12 months from the date of Separate financial statements are recognized based on the present value of the best estimate of the consideration required to settle the present obligation at the reporting date. An appropriate pretax discount rate that reflects the time value of money is used to calculate the present value of such provisions.

For obligations due within less than twelve months from the date of Separate financial statements, provisions are calculated based on undiscounted expected cash outflows unless the time value of money is material, in which case provisions are measured at present value.

When a provision is wholly or partially no longer required, it is reversed through the profit or loss under "Other Operating Income (expenses)" line item.

#### 2.19 Financial guarantees

A financial guarantee contract is a contract issued by the bank as security for loans or overdrafts due from its clients to other entities that requires the bank to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees are generally issued by the bank to beneficiary banks, corporations and other entities on behalf of the bank's clients

When a financial guarantee is recognized initially, it is measured at its fair value plus, transaction costs that is directly attributable to the issue of such financial guarantee

After initial recognition, a financial guarantee contract issued by the bank is measured at the higher of:

(I) The amount initially recognized less, when appropriate, cumulative amortization of security fees recognized as income in profit or loss using the straight-line method over the term of the guarantee; and

(II) The best estimate for the payments required to settle any financial obligation resulting from the financial guarantee at the reporting date.

Such estimates are made based on experience in similar transactions and historical losses as supported by management judgment.

Any increase in the obligations resulting from the financial guarantee, shall be recognized within other operating income (expenses) in the income statement.

#### 2.20 Employee benefits

##### Post-employment benefits (defined benefit plans) and defined contribution plans:

The Bank is liable for all obligations arising from its plans for employee benefits which comply, in all material respects, with the principles set out below. Starting 1 January 2009, the bank has fully complied with the policy referred to below, and recognized any adjustments, resulting from the first full implementation of amendments to the CBE rules, directly on retained earnings.

The Bank provides several post-employment benefits to its employees, such as the medical care scheme which qualifies as a defined-benefit plan. A defined benefit plan commits the bank, either formally or constructively, to pay a certain amount or level of future benefits and therefore bears the medium- or long-term risk.

The Bank recognizes the defined benefit obligation as a liability in the statement of financial position under "obligations for post-retirement schemes" to cover the total value of such obligations. This is assessed regularly by independent actuary using the projected unit credit method. This valuation technique incorporates assumptions about demographics variables, staff turnover, salary growth rate and discount and inflation rates.

When these plans are financed from external funds classified as plan assets, the fair value of these funds is subtracted from the defined benefit obligation. Differences arising from changes in the actuarial assumptions and estimates are recognized in the income statement as actuarial gains or losses to the extent of the higher of the following two amounts as of the end of the previous financial period:

- 10% of the present value of the defined benefit obligation (before deducting plan assets); and
- 10% of the fair value of the plan assets.

Actuarial gains and losses that exceed the 10 percent criteria above are amortized to profit or loss over the expected average remaining working lives of the participating employees.

Past service cost is recognized immediately to the extent that the benefits have already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. Annual cost of employee benefits plans is reported as part of general and administrative expenses (employee costs).

Defined contribution plans are pension schemes whereby the bank pays defined contributions to an independent entity. The Bank shall not be under legal or constructive obligation to pay more contributions if this entity doesn't maintain adequate assets to pay-off the employees' benefits in return for their service in the current and previous periods.

According to the defined contribution plans, the bank pays contributions to private sector pension scheme under mandatory or voluntary contractual arrangement. The Bank shall be under no additional obligation other than the contribution payments. Contributions to defined contribution retirement benefit plans are recognized as employee benefits cost when employees have rendered service entitling them to the contributions. Prepaid contributions shall be recognized as assets to the extent that these contribution payments will reduce future payments or result in cash refunds.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.21 Income taxes

Income tax expense on the years's profit or loss represents the sum of the tax currently payable and deferred tax and is recognized in the income statement, except when they relate to items that are recognized directly in equity, in which case the tax is also recognized in equity.

The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting Year, in addition to income tax differences related to prior years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. However, when it is expected that the tax benefit will increase, the carrying amount of deferred tax assets shall increase to the extent of previous reduction.

#### 2.22 Borrowings

Loans obtained by the bank are initially recognized at fair value net of transaction costs incurred in connection with obtaining the loan. Borrowings are subsequently measured at amortized cost, with the difference between net proceeds and the value to be paid over the borrowing period, recognized in profit or loss using the effective interest rate method.

#### 2.23 Capital

##### 2.23.1 Capital issuance cost

Issued and paid up-capital (i.e. Bank's own equity instruments) is initially measured at the cash proceeds received, less transaction costs directly attributable to the issuance of new shares, issuance of shares to effect business combination, or issue of share options. Transaction costs, net of tax benefits, are reported as a deduction from equity.

##### 2.23.2 Dividends

Dividends on equity instruments issued by the bank are recognized when the general assembly of the bank's shareholders approves them. Dividends include the employees' profit share and the board of directors' remuneration as prescribed by the bank's articles of incorporation and the corporate law.

#### 2.24 Fiduciary activities

The Bank carries out fiduciary activities that result in ownerships or management of assets on behalf of individuals, trusts, and retirement benefit plans and other institutions. These assets and income arising thereon are not recognized in the bank's separate financial statements, as they are not assets or income of the bank.

#### 2.25 Comparative figures

Comparative figures are reclassified, where necessary, to conform to changes in the current period's financial statements presentation.

### 3. Management of financial risks

The Bank as a result of conducting its activities is exposed to various financial risks. Since financial activities are based on the concept of accepting risks and analyzing and managing individual risks or group of risks altogether, the bank aims at achieving a well-balanced risks and relevant rewards, as appropriate and to reduce the probable adverse effects on the bank's financial performance. The most important types of risks are credit risk, market risk, liquidity risk and other operating risks. The market risk comprises foreign currency risk, interest rate risk and other pricing risks.

For example, the bank has laid down to determine and analyze the risks, set limits to the risks and control them through reliable methods and up-to-date systems. The Bank regularly reviews the risk management policies and systems and amendments thereto, so that they reflect the changes in markets, products and services and the best up-to-date applications.

Risks are managed in accordance with pre-approved policies by the board of directors. The risk management department identifies, evaluates and covers financial risks, in close collaboration with the bank's various operating units. The board of directors provides written rules which cover certain risk areas, such as credit risk, foreign exchange risk, interest rate risk and the use of derivative and non-derivative financial instruments. Moreover, the risk department is responsible for the periodic review of risk management and the control environment independently.

#### Risk management strategy

The Bank operates in business lines, which generate a range of risks whose frequency, severity and volatility can be of different and significant magnitudes. A greater ability to calibrate its risk appetite and risk parameters, the development of risk management core competencies, as well as the implementation of a high-performance and efficient risk management structure are therefore critical undertakings for bank.

Thus, the primary objectives of the bank's risk management framework are:

- To contribute to the development of the Bank in various business lines to reach an ideal level of general risk.
- To guarantee the bank's sustainability as a going concern, through the implementation of a high-quality risk management infrastructure.

In defining the bank's overall risk appetite, the bank management takes various considerations and variables into account, including:

- The relative balance between risk and reward of the bank's various activities.
- Earnings sensitivity to business, credit and economic cycles.
- The aim of achieving a well-balanced portfolio of earnings streams.

#### Risk management governance and risk principles

Bank's risk management governance is based on:

- Strong managerial involvement, throughout the entire organization, starting from the Board of Directors down to operational field management teams.
- A tight framework of internal procedures and guidelines;
- Continuous supervision by business lines and support functions as well as by an independent body to monitor risks and to enforce rules and procedures.

Within the board, the Risk and Audit Committees are more specifically responsible for examining the consistency of the internal framework for monitoring risks and compliance.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Risk categories

The following are part of the risks associated with Bank's Banking activities:

##### a- Credit risk:

(Including country risk): represents risk of losses arising from the inability of the Bank's customers, sovereign issuers or other counterparties to meet their financial commitments.

Credit risk also includes the replacement risk linked to market transactions. In addition, credit risk may be further increased by a concentration risk, which arises either from large individual exposures or from groups of counterparties with a high default probability.

##### b- Market risk:

Represents risk of loss resulting from changes in market prices and interest rates.

##### c- Operational risk:

(Including legal, compliance, accounting, environmental, reputational risks, etc.): represents risk of loss or fraud or of producing inaccurate financial and accounting data due to inadequacies or failures in procedures and internal systems, human error or external events. Additionally, operational risks may also take the form of compliance risk, which is the risk of the bank incurring either legal, administrative or disciplinary sanctions or financial losses due to failure to comply with relevant rules and regulations.

##### d- Structural interest and exchange rate risk:

Represents risk of loss or of residual depreciation in the bank's balance sheet and off-balance sheet assets arising from changes in interest or exchange rates. Structural interest and exchange rate risk arises from banking commercial activities and on Corporate Center transactions (operations on equities, investments and bond issues).

##### e- Liquidity risk:

Represents the risk that bank might not be able to meet its obligations as they become due.

The Bank dedicates significant resources to constantly adapting its risk management to its activities and ensures that its risk management framework operates in full compliance with the following fundamental principles of:

- Full independence of risk assessment departments from the operating divisions; and
- Consistent approach to risk assessment and monitoring applied throughout the bank.

The Risk Division is independent from the bank's operating entities and reports directly to general management. Its role is to contribute to the development and profitability of the bank by ensuring that the risk management framework in place is both robust and effective. It employs various teams specializing in the operational management of credit and market risk.

#### More specifically, the Risk Division:

- Defines and approves the methods used to analyze, assess, approve and monitor credit risks, country risks, market risks and operational risks; conducts a critical review of commercial strategies in high risk areas and continually seeks to improve such risk forecasting and management;
- Contributes to independent assessment by analyzing transactions implying a credit risk and by providing guidance on transactions proposed by sales managers;
- Identifying a frame for all Bank's operational risks.

The Assets and Liabilities Unit under the Finance Division, for its part, is entrusted with assessing and managing other major types of risks, namely liquidity and structural risks (resulting from interest rate, exchange rate and liquidity) as well as the bank's long term financing, management of capital requirements and equity structure.

The Internal Legal Counsel deals with compliance and legal risks.

Responsibility for devising the relevant risk management structure and defining risk management operating principles lies mainly with both the Risk Division and, in particular fields, the assets and liabilities management under Finance Division.

The Bank's Risk Committee is in charge of reviewing all the bank's key risk management issues and meets at least on quarterly basis. Risk Committee's monthly meetings involve members of the Executive Committee, the heads of the business lines and the Risk Division managers and are used to review all the core strategic issues: risk-taking policies, assessment methods, material and human resources, analysis of credit portfolios and of the cost of risk, market and credit concentration limits (by product, country, sector, region, etc.).

On the other hand, the Assets and Liabilities management committee (ALCO) is competent for matters relating to funding and liquidity policy making and planning.

All new products and activities or products under development must be submitted to the New Product Committee.

This New Product Committee aims at ensuring that, prior to the launch of a new activity or product, all associated risks are fully understood, measured, approved and subject to adequate procedures and controls, using the available information and processing systems.

Operational risks, permanent control and audit (periodic) control process are supervised by the Audit and Accounts Committee that meets on a quarterly basis.

Finally, the Bank's risk management principles, procedures and infrastructures and their implementation are monitored by the Internal Audit team and the External Auditors.

#### (A) CREDIT RISKS

The Bank is exposed to the credit risk which is the risk resulting from failure of the client 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. The credit risk manifests itself in the lending activities and debt instruments in bank's assets as well as off balance sheet financial instruments, such as letters of credit and letters of guarantee.

##### (A/1) Credit risk management: organization and structure

Maintaining comprehensive and efficient management and monitoring of credit risk - which constitutes the bank's primary source of risk - is vital to preserving bank financial strength and profitability. As a result, the bank implements a tight credit risk control framework, whose cornerstone is the Credit Risk Policy and Authorities defined jointly by the Risk Division and the Business Lines, and is subject to periodic review and approval by the Board of Directors.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Within the Risk Division, persons are responsible for:

- Setting credit limits by customer, customer group or transaction type;
- Approving credit score or internal customer rating criteria;
- Monitoring and surveillance of large exposures and various credit portfolios; and
- Reviewing specific and general provisioning policies.

In addition, comprehensive portfolio analysis is performed in order to provide guidance to the General Management on the bank's overall credit risk exposure as well as reporting to Risk Committee.

The Risk Division also helps define criteria for measuring risk and defining appropriate provisioning practices.

#### **Risk approval**

Embedded in bank's credit policy is the concept that approval of any credit risk undertaking must be based on sound knowledge of the client and a thorough understanding of the client's business, the purpose, nature and structure of the transaction and the sources of repayment, while bearing in mind the bank's risk strategy and risk appetite.

The risk approval process is based on four core principles:

- All transactions involving replacement risk must be pre-authorized, replacement risk is bearing a loss when a bank is forced to replace a contract in case of breaching the original party's contract (debtor risk, non-settlement or non-delivery risk and issuer risk).
- Staff assessing credit risk is fully independent from the decision-making process.
- Subject to relevant credit delegations, responsibility for analyzing and approving risk lies with the most appropriate business line or credit risk unit, which reviews all authorization requests relating to a specific client or client group, to ensure a consistent approach to risk management.
- All credit decisions systematically include internal obligor risk ratings, as proposed by business lines and vetted by the Risk Division and approved by concerned Credit Committee.

#### **Risk management and audit**

Changes in the quality of outstanding commitments are reviewed on a periodic basis and at least once a quarter, as part of the "sensitive names" and provisioning procedures. This review is based on analyses performed by the business divisions and the risk function. Furthermore, the Internal Audit also carries out file reviews or risk audits in the bank's branch groups and reports its findings to the General Management.

#### **Replacement risk**

Replacement risk provides the measurement of the replacement cost of a transaction in the event of default by the original counterparty and the necessity to close the ensuing position with counterparty; hence, the replacement cost is the result of the market price between the date on which the original transaction is entered into and the default date. Transactions giving rise to replacement risk include interest rate swaps and forward FX deals.

#### **Replacement risk management**

The Bank places great emphasis on carefully monitoring its replacement risk exposure in order to minimize its losses in case of default of its counterparties and counterparty limits are, therefore, assigned to all trading counterparties, irrespective of their status (bank, other financial institution, corporate and public institutions).

#### **(A/2) Risk measurement and internal ratings**

Bank rating system is based on three key pillars:

- The internal ratings models used to measure and quantify counterparty risk.
- A set of procedures defining guidelines for devising and using ratings (scope, frequency of rating revision, procedure for approving ratings, etc.).
- Reliance on human judgment to improve modeling results to include elements outside the scope of rating model.

Credit risk rating is supported by a set of procedures ensuring reliable, consistent and timely default and loss data detection.

Rating models are reviewed and developed when necessary. The Bank regularly evaluates performance of credit rating models and their capacity to predict default cases

The calculations used to measure and monitor replacement risk include:

- Current Average Risk (CAR) is a calculation of the Average risk of all the future scenarios, excluding the negative scenarios, i.e., when the replacement makes a gain.
- Credit value at risk (VAR) is a calculation of the largest loss that would be incurred in 99% of cases.

#### **Following are some risk mitigations methods:**

##### **Collaterals**

The Bank designs several policies and controls for credit risk mitigation such as collaterals for funds provided. The Bank lays down guidelines for specific categories of the accepted collaterals.

The main types of collaterals for Loans and credit facilities to customers are:

- Real estate mortgage;
- Pledge on business assets like machinery and merchandise;
- Pledge in financial instruments like debt instruments and equity.

The long term financing and lending for companies are often collateralized while credit facilities for persons are not collateralized. The Bank attempts to mitigate the credit risk through additional collaterals from the concerned parties immediately on arising of impairment indicators for any of the loans or facilities.

Collaterals taken to secure assets other than Loans and credit facilities are identified according to the nature of the instrument.

Debit instruments and treasury bills are often not collateralized.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Derivatives

The Bank exercise prudential strict control procedures on net open positions of derivatives. i.e. the difference between sale and purchase agreements at the level of value and duration. The amount exposed to credit risk at any time is determined at fair value of the instrument that may achieve benefit to the bank. i.e. any assets with high positive fair value which represents insignificant part of contractual imputed value used to reflect the volume of existing instruments. This credit risk is managed as part of overall lending limit granted to the customer together with the potential risk as a result of market changes.

The Bank doesn't obtain collaterals for credit risk related to such instruments except for the amounts requested by the bank as marginal deposits from other parties.

#### (A/3) Provisioning policy (Measurement of expected credit losses)

The Bank's policies require the identification of three stages of classifying financial assets measured at amortized cost, loan commitments and financial guarantees as well as debt instruments at fair value through other comprehensive income in accordance with changes in credit quality since initial recognition and thereafter measuring the impairment losses (expected credit losses) as follows:

The un-impaired financial asset is classified at initial recognition in the first stage and credit risk is monitored continuously by the Bank's credit risk management.

In the case of a significant increase in credit risk since the initial recognition, the financial asset is transferred to the second stage and the financial asset is not considered at this stage (the expected credit loss over the life of the asset without impairment).

In case of indications of impairment of the financial asset, it is transferred to the third stage. The Bank relies on the following indicators to determine whether there is objective evidence of impairment:

- A significant increase in the rate of return on the financial asset as a result of increased credit risk.
- Significant negative changes in the activity and financial or economic conditions in which the borrower operates.
- Scheduling request as a result of difficulties facing the borrower.
- Significant negative changes in actual or expected operating results or cash flows.
- Future economic changes affecting the borrower's future cash flows.
- Early indicators of cash flow / liquidity problems such as delays in servicing creditors / business loans.
- Cancellation of a direct facility by the bank due to the high credit risk of the borrower.

The following is excluded from the calculation of expected credit losses:

- Deposits with banks that are maturing one month or less from the date of the financial position.
- Current accounts with banks.
- Balances with the Central Bank in local currency.
- Guarantees issued by the Egyptian government and the Central Bank to meet outstanding claims in local currency may are considered for the purpose of calculating expected credit losses.
- Debt instruments issued by the Egyptian government in local currency are excluded from measuring expected credit losses

The following table illustrates the proportional distribution of loans and credit facilities reported in the financial position for each of the four internal ratings of the Bank and their relevant impairment losses:

	December 31, 2024		December 31, 2023	
	Loans and credit facilities	Allowance for impairment loss	Loans and credit facilities	Allowance for impairment loss
Good debts	86.39%	7.90%	86.20%	11.60%
Normal watch-list	6.71%	21.40%	6.99%	22.49%
Special watch-list	1.52%	6.87%	1.38%	5.22%
Non performing loans	5.38%	63.83%	5.43%	60.69%
	100%	100%	100%	100%





# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (A/4) General Model for Measurements of Banking Risks:

In addition to the four categories of the bank's internal credit ratings indicated above, management classifies Loans and credit facilities based on more detailed subgroups in accordance with the CBE requirements.

Assets exposed to credit risk in these categories are classified according to detailed rules and terms depending heavily on information relevant to the customer, his activity, financial position and his repayment track record.

The Bank calculates the allowances required for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE. In case, the allowance required for impairment losses as per CBE credit worthiness rules exceeds the provisions as required by the expected credit loss, that excess shall be debited from distributable net profits and carried to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so that the reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution; note (35) shows the movement (if any) on the general banking risk reserve during the financial year.

Below is a statement of credit rating for corporations as per the Bank's internal ratings compared with those of CBE's; it also includes the percentages of provisions required for impairment of assets exposed to credit risk.

CBE rating	Description	Required Provision According to ORR%	Internal Rating	Internal Description
1	Low risk	0%	1	Good debts
2	Moderate risks	1%	1	Good debts
3	Satisfactory risks	1%	1	Good debts
4	Appropriate risks	2%	1	Good debts
5	Acceptable risks	2%	1	Good debts
6	Marginally acceptable risks	3%	2	Normal watch-list
7	Watch-list	5%	3	Special watch-list
8	Substandard debts	20%	4	Non-performing loans
9	Doubtful debts	50%	4	Non-performing loans
10	Bad debts	100%	4	Non-performing loans

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (A/5) Maximum limit for credit risk before collaterals

Financial position items exposed to credit risks	December 31, 2024	December 31, 2023
Treasury bills and Other Governmental notes	130,925,413,471	152,105,446,740
Loans and credit facilities to banks	2,504,444,938	884,737,336
<b>Loans and credit facilities to customers</b>		
<b>Retail loans</b>		
Overdrafts	4,261,472,000	4,859,175,860
Credit cards	2,250,177,858	1,894,866,993
Personal loans	49,956,409,240	40,077,773,714
Real estate loans	8,269,226,822	5,855,296,397
<b>Corporate loans</b>		
Overdrafts	146,312,853,344	105,978,617,046
Direct loans	96,605,131,122	69,385,570,831
Syndicated Loans and facilities	33,435,330,839	21,703,784,911
Other loans	3,088,936,641	2,887,279,702
Segregated interest , unearned discount & deferred income	(168,736,354)	(174,582,726)
Financial derivatives	3,693,595	-
<b>Financial investments</b>		
Debt instrument	118,072,255,117	95,200,815,468
Other Financial assets	10,324,142,511	7,305,530,717
<b>Total</b>	<b>605,840,751,144</b>	<b>507,964,312,989</b>

The following table provides information on the quality of financial assets during the year:

Due from banks	December 31, 2024			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	47,920,064,824	8,187,863,865	-	56,107,928,689
Normal watch-list	36,459,710,447	17,969,347,807	-	54,429,058,254
Special watch-list	-	10,854,282,065	-	10,854,282,065
Non performing loan	-	-	-	-
	<b>84,379,775,271</b>	<b>37,011,493,737</b>	-	<b>121,391,269,008</b>
Allowance for impairment losses	(65,688,919)	(42,365,372)	-	(108,054,291)
<b>Carrying amount</b>	<b>84,314,086,352</b>	<b>36,969,128,365</b>	-	<b>121,283,214,717</b>

Due from banks	December 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	17,047,358,363	2,145,449,746	-	19,192,808,109
Normal watch-list	11,344,464,186	4,031,688,423	-	15,376,152,609
Special watch-list	-	8,091,388,775	-	8,091,388,775
Non performing loan	-	-	-	-
	<b>28,391,822,549</b>	<b>14,268,526,944</b>	-	<b>42,660,349,493</b>
Allowance for impairment losses	(49,525,613)	-	-	(49,525,613)
<b>Carrying amount</b>	<b>28,342,296,936</b>	<b>14,268,526,944</b>	-	<b>42,610,823,880</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024				
Treasury bills and Other Governmental notes	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	131,094,220,487	-	-	131,094,220,487
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	131,094,220,487	-	-	131,094,220,487
Allowance for impairment losses	(168,807,016)	-	-	(168,807,016)
<b>Carrying amount</b>	<b>130,925,413,471</b>	<b>-</b>	<b>-</b>	<b>130,925,413,471</b>

December 31, 2023				
Treasury bills and Other Governmental notes	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	152,211,434,928	-	-	152,211,434,928
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	152,211,434,928	-	-	152,211,434,928
Allowance for impairment losses	(105,988,188)	-	-	(105,988,188)
<b>Carrying amount</b>	<b>152,105,446,740</b>	<b>-</b>	<b>-</b>	<b>152,105,446,740</b>

December 31, 2024				
Loans and credit facilities to Banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	-	2,524,609,541	-	2,524,609,541
Special watch-list	-	3,157,277	-	3,157,277
Non performing loan	-	-	-	-
	-	2,527,766,818	-	2,527,766,818
Allowance for impairment losses	-	(23,321,880)	-	(23,321,880)
<b>Carrying amount</b>	<b>-</b>	<b>2,504,444,938</b>	<b>-</b>	<b>2,504,444,938</b>

December 31, 2023				
Loans and credit facilities to Banks	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	-	856,058,261	-	856,058,261
Special watch-list	-	30,349,887	-	30,349,887
Non performing loan	-	-	-	-
	-	886,408,148	-	886,408,148
Allowance for impairment losses	-	(1,670,812)	-	(1,670,812)
<b>Carrying amount</b>	<b>-</b>	<b>884,737,336</b>	<b>-</b>	<b>884,737,336</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024				
Retail loans	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	60,489,071,776	-	-	60,489,071,776
Normal watch-list	1,861,790,294	-	-	1,861,790,294
Special watch-list	-	2,902,005,321	-	2,902,005,321
Non performing loan	-	-	1,137,813,255	1,137,813,255
	62,350,862,070	2,902,005,321	1,137,813,255	66,390,680,646
Allowance for impairment losses	(529,273,088)	(149,013,571)	(975,108,067)	(1,653,394,726)
<b>Carrying amount</b>	<b>61,821,588,982</b>	<b>2,752,991,750</b>	<b>162,705,188</b>	<b>64,737,285,920</b>

December 31, 2023				
Retail loans	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	49,658,531,618	-	-	49,658,531,618
Normal watch-list	1,482,408,419	-	-	1,482,408,419
Special watch-list	-	1,809,162,645	-	1,809,162,645
Non performing loan	-	-	1,009,880,460	1,009,880,460
	51,140,940,037	1,809,162,645	1,009,880,460	53,959,983,142
Allowance for impairment losses	(245,166,104)	(143,779,975)	(883,924,099)	(1,272,870,178)
<b>Carrying amount</b>	<b>50,895,773,933</b>	<b>1,665,382,670</b>	<b>125,956,361</b>	<b>52,687,112,964</b>

December 31, 2024				
Corporate loans	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	251,952,658,767	3,160,601,806	-	255,113,260,573
Normal watch-list	44,187,914	22,601,522,162	-	22,645,710,076
Special watch-list	-	2,634,080,683	-	2,634,080,683
Non performing loan	-	-	18,509,363,824	18,509,363,824
	251,996,846,681	28,396,204,651	18,509,363,824	298,902,415,156
Allowance for impairment losses	(1,101,016,052)	(5,856,757,653)	(12,502,389,505)	(19,460,163,210)
<b>Carrying amount</b>	<b>250,895,830,629</b>	<b>22,539,446,998</b>	<b>6,006,974,319</b>	<b>279,442,251,946</b>

December 31, 2023				
Corporate loans	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	178,156,629,737	3,675,574,820	-	181,832,204,557
Normal watch-list	28,267,715	17,272,626,060	-	17,300,893,775
Special watch-list	-	1,898,918,796	-	1,898,918,796
Non performing loan	-	-	13,584,814,288	13,584,814,288
	178,184,897,452	22,847,119,676	13,584,814,288	214,616,831,416
Allowance for impairment losses	(1,387,991,908)	(4,487,617,751)	(8,785,969,267)	(14,661,578,926)
<b>Carrying amount</b>	<b>176,796,905,544</b>	<b>18,359,501,925</b>	<b>4,798,845,021</b>	<b>199,955,252,490</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024

Debt instruments at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	20,706,652,459	-	-	20,706,652,459
Normal watch-list	10,541,836,451	-	-	10,541,836,451
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>31,248,488,910</b>	-	-	<b>31,248,488,910</b>
Allowance for impairment losses	(7,337,046)	-	-	(7,337,046)
<b>Carrying amount - fair value</b>	<b>31,248,488,910</b>	-	-	<b>31,248,488,910</b>

December 31, 2023

Debt instruments at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	7,622,400,264	-	-	7,622,400,264
Normal watch-list	7,041,645,586	-	-	7,041,645,586
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>14,664,045,850</b>	-	-	<b>14,664,045,850</b>
Allowance for impairment losses	(710,128)	-	-	(710,128)
<b>Carrying amount - fair value</b>	<b>14,664,045,850</b>	-	-	<b>14,664,045,850</b>

December 31, 2024

Debt instruments at amortized cost	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	86,823,766,207	-	-	86,823,766,207
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>86,823,766,207</b>	-	-	<b>86,823,766,207</b>
Allowance for impairment losses	-	-	-	-
<b>Carrying amount</b>	<b>86,823,766,207</b>	-	-	<b>86,823,766,207</b>

December 31, 2023

Debt instruments at amortized cost	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	80,536,769,618	-	-	80,536,769,618
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>80,536,769,618</b>	-	-	<b>80,536,769,618</b>
Allowance for impairment losses	-	-	-	-
<b>Carrying amount</b>	<b>80,536,769,618</b>	-	-	<b>80,536,769,618</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The following table shows changes in impairment credit losses between the beginning and ending of the year as a result of these factors:

Due from banks	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2024	49,525,613	-	-	49,525,613
New financial assets purchased or issued	-	42,365,372	-	42,365,372
Financial assets have been matured or derecognised	(14,176,294)	-	-	(14,176,294)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	30,339,600	-	-	30,339,600
<b>Balance at the end of the year</b>	<b>65,688,919</b>	<b>42,365,372</b>	<b>-</b>	<b>108,054,291</b>

Due from banks	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2023	14,109,794	-	-	14,109,794
New financial assets purchased or issued	46,019,860	-	-	46,019,860
Financial assets have been matured or derecognised	(14,109,794)	-	-	(14,109,794)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	3,505,753	-	-	3,505,753
<b>Balance at the end of the year</b>	<b>49,525,613</b>	<b>-</b>	<b>-</b>	<b>49,525,613</b>





# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024				
Treasury bills and Other Governmental notes	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Allowance for impairment losses at January 01, 2024	105,988,188	-	-	105,988,188
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	(8,674,335)	-	-	(8,674,335)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	71,493,163	-	-	71,493,163
<b>Balance at the end of the year</b>	<b>168,807,016</b>	<b>-</b>	<b>-</b>	<b>168,807,016</b>

December 31, 2023				
Treasury bills and Other Governmental notes	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	Total
Allowance for impairment losses at January 01, 2023	33,418,324	-	-	33,418,324
New financial assets purchased or issued	97,697,744	-	-	97,697,744
Financial assets have been matured or derecognised	(33,418,324)	-	-	(33,418,324)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	8,290,444	-	-	8,290,444
<b>Balance at the end of the year</b>	<b>105,988,188</b>	<b>-</b>	<b>-</b>	<b>105,988,188</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Loans and credit facilities to Banks	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2024	-	1,670,812	-	1,670,812
New financial assets purchased or issued	-	20,764,077	-	20,764,077
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	886,991	-	886,991
<b>Balance at the end of the year</b>	<b>-</b>	<b>23,321,880</b>	<b>-</b>	<b>23,321,880</b>

Loans and credit facilities to Banks	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2023	-	-	-	-
New financial assets purchased or issued	-	1,671,545	-	1,671,545
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	(733)	-	(733)
<b>Balance at the end of the year</b>	<b>-</b>	<b>1,670,812</b>	<b>-</b>	<b>1,670,812</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Retail loans	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2024	245,166,104	143,779,975	883,924,099	1,272,870,178
Net impairment loss recognized during the year	284,106,984	(33,751,674)	269,369,579	519,724,889
Loans written-off during the year	-	-	(178,185,611)	(178,185,611)
Collections of loans previously written-off	-	38,985,270	-	38,985,270
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>529,273,088</b>	<b>149,013,571</b>	<b>975,108,067</b>	<b>1,653,394,726</b>

Retail loans	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2023	291,012,829	81,531,385	845,342,229	1,217,886,443
Net impairment loss recognized during the year	(45,846,725)	46,755,371	231,460,839	232,369,485
Loans written-off during the year	-	-	(192,884,225)	(192,884,225)
Collections of loans previously written-off	-	15,493,219	-	15,493,219
Foreign exchange translation differences	-	-	5,256	5,256
<b>Balance at the end of the year</b>	<b>245,166,104</b>	<b>143,779,975</b>	<b>883,924,099</b>	<b>1,272,870,178</b>

Corporate loans	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
Allowance for impairment losses at January 01, 2024	1,387,991,908	4,487,617,751	8,785,969,267	14,661,578,926
New financial assets purchased or issued	318,036,953	3,113,421,902	-	3,431,458,855
Financial assets have been matured or derecognised	(793,882,187)	(4,174,408,342)	(45,017,027)	(5,013,307,556)
Transfer to stage 1	173,327,746	(173,216,060)	(111,686)	-
Transfer to stage 2	(32,585,115)	32,585,115	-	-
Transfer to stage 3	(13,465,892)	(413,212,540)	426,678,432	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	(429,080,321)	1,051,806,179	5,676,790,996	6,299,516,854
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	(25,272)	(3,600,198,151)	(3,600,223,423)
Collections of loans previously written-off	-	345,758,401	-	345,758,401
Foreign exchange translation differences	490,672,960	1,586,430,519	1,258,277,674	3,335,381,153
<b>Balance at the end of the year</b>	<b>1,101,016,052</b>	<b>5,856,757,653</b>	<b>12,502,389,505</b>	<b>19,460,163,210</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2023				
Corporate loans	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	802,778,336	4,166,720,386	7,815,098,134	12,784,596,856
New financial assets purchased or issued	430,997,812	741,235,787	-	1,172,233,599
Financial assets have been matured or derecognised	(305,744,235)	(1,555,814,710)	(231,852,284)	(2,093,411,229)
Transfer to stage 1	119,775,858	(119,552,769)	(223,089)	-
Transfer to stage 2	(17,448,519)	17,448,519	-	-
Transfer to stage 3	(1,908,505)	(1,911,814,459)	1,913,722,964	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	264,477,956	2,604,277,032	3,303,580,713	6,172,335,701
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	(7,011,166)	(4,419,853,592)	(4,426,864,758)
Collections of loans previously written-off	-	58,715,474	-	58,715,474
Foreign exchange translation differences	95,063,205	493,413,657	405,496,421	993,973,283
<b>Balance at the end of the year</b>	<b>1,387,991,908</b>	<b>4,487,617,751</b>	<b>8,785,969,267</b>	<b>14,661,578,926</b>

December 31, 2024				
Debt instruments at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	710,129	-	-	710,129
New financial assets purchased or issued	5,921,575	-	-	5,921,575
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	705,342	-	-	705,342
<b>Balance at the end of the year</b>	<b>7,337,046</b>	<b>-</b>	<b>-</b>	<b>7,337,046</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2023

Debt instruments at fair value through other comprehensive income	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	334,557	-	-	334,557
New financial assets purchased or issued	225,104	-	-	225,104
Financial assets have been matured or derecognised	(12,956)	-	-	(12,956)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	163,423	-	-	163,423
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>710,128</b>	<b>-</b>	<b>-</b>	<b>710,128</b>

December 31, 2024

Debt instruments at amortized cost	Stage 1	Stage 2	Stage 3	Total
	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	-	-	-	-
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Debt instruments at amortized cost	December 31, 2023			Total
	Stage 1	Stage 2	Stage 3	
	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	2,437,472	-	-	2,437,472
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	(3,043,790)	-	-	(3,043,790)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	606,318	-	-	606,318
<b>Balance at the end of the year</b>	-	-	-	-

Off balance sheet items exposed to credit risks	December 31, 2024	December 31, 2023
Financial guarantees	255,000	255,000
L/Cs	4,693,066,288	4,356,626,045
Accepted papers	3,082,753,242	1,370,130,079
L/Gs	85,742,233,015	65,307,349,039
<b>Total</b>	<b>93,518,307,545</b>	<b>71,034,360,163</b>

Commitments for credit facilities and others exposed to credit risk have a carrying amount of EGP 51,766,479,043 at the end of current reporting year against EGP 43,357,669,494 in the prior year.

The preceding table shows the maximum limit exposure to risks at the end of December 2024 and December, 2023 without taking into consideration collaterals held by the bank, if any. For financial position items, amounts stated depend on the net carrying amount shown in the financial position.

The preceding table related to financial position items exposed to credit risks shows that 57% of the maximum limit exposed to credit risk at the end of current reporting year is attributable to loans and credit facilities to customers and Banks against 50% at the end of the prior year, investments in debt instruments constitute 19% against 19% at the end of the prior year and treasury bills and other governmental notes constitute 22% against 30% at the end of the prior year.

The management is confident of its ability to maintain control on an ongoing basis and maintain the minimum credit risk resulting from loan portfolio, facilities, and debt instruments based on the following facts:

93% of the loans and credit facilities portfolio at the end of the current reporting year comprises loans and credit facilities classified at the top 2 categories of the internal rating against 93% at the end of the prior year.

93% of the loan and credit facilities portfolio at the end of the current reporting year does not have arrears or indicators of impairment against 93% at the end of the prior year.

Loans and credit facilities that are individually assessed for impairment (Stage 3) at the end of the current reporting year have a carrying amount of EGP 19,647,177,079 . Impairment on these loans and credit facilities represents 69 % of their carrying amount. Loans and credit facilities, that are individually assessed for impairment at the end of the prior year had a carrying amount of EGP 14,594,694,748 and their impairment represents 66% of such carrying amount.

The Bank applied more prudential selection process on granting loans and credit facilities during the current reporting year ended December 31, 2024.

92% of investments in debt instruments and treasury bills and other governmental notes treasury bills at the end of the current reporting year comprise local sovereign debt instruments against 97% at the end of the prior year.





# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (A/6) Loans and credit facilities

Balances of loans and credit facilities in terms of credit risk rating are analyzed below:

	December 31, 2024		December 31, 2023	
	Loans and credit facilities to customers	Loans and credit facilities to banks	Loans and credit facilities to customers	Loans and credit facilities to banks
Neither have arrears nor impaired	340,614,279,337	2,527,766,818	250,455,473,311	886,408,148
Have arrears but not impaired	5,031,639,386	-	3,526,646,499	-
Impaired	19,647,177,079	-	14,594,694,748	-
<b>Total</b>	<b>365,293,095,802</b>	<b>2,527,766,818</b>	<b>268,576,814,558</b>	<b>886,408,148</b>
Less: Allowance for impairment losses	(21,113,557,936)	(23,321,880)	(15,934,449,104)	(1,670,812)
Less: Segregated interest	-	-	(205,723)	-
Less: Unearned discount & deferred income	(168,736,354)	-	(174,377,003)	-
<b>Net</b>	<b>344,010,801,512</b>	<b>2,504,444,938</b>	<b>252,467,782,728</b>	<b>884,737,336</b>

Total credit allowance for loans and credit facilities to customers at the end of the current reporting year amounted to EGP 21,113,557,936 (EGP 15,934,449,104 at the end of the prior year) of which EGP 13,477,497,572 represent impairment in stage three (EGP 9,669,893,366 at the end of the prior year) and EGP 7,636,060,364 represent impairment for stage one and stage two in the credit portfolio (EGP 6,264,555,738 at the end of the prior year)

Note (20-A) includes additional information on the allowance for impairment losses for Loans and credit facilities to customers during the current reporting year.

During the current accounting year, the loans and credit facilities to customers portfolio increase by 36% due to the increase on lending activity.

#### Loans and credit facilities which do not have arrears and are not subject to impairment

The credit quality of Loans and credit facilities that not subject to impairment is assessed by reference to the bank's internal rating.

#### Loans and credit facilities to customers

December 31, 2024					
Retail					
Rating	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Good debts	4,261,678,582	2,377,171,901	45,825,911,718	8,024,309,575	60,489,071,776
Normal watch-list	11,563	-	-	-	11,563
Special watch-list	4,943	-	-	-	4,943
<b>Total</b>	<b>4,261,695,088</b>	<b>2,377,171,901</b>	<b>45,825,911,718</b>	<b>8,024,309,575</b>	<b>60,489,088,282</b>

Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Good debts	140,738,060,110	81,107,847,561	30,088,667,837	3,095,321,087	255,029,896,595
Normal watch-list	4,972,838,463	14,483,954,807	3,030,786,758	-	22,487,580,028
Special watch-list	513,368,851	726,878,829	1,367,466,752	-	2,607,714,432
<b>Total</b>	<b>146,224,267,424</b>	<b>96,318,681,197</b>	<b>34,486,921,347</b>	<b>3,095,321,087</b>	<b>280,125,191,055</b>

Guaranteed loans are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

December 31, 2023					
Retail					
Rating	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Good debts	4,859,425,996	1,753,128,662	37,359,507,787	5,686,469,173	49,658,531,618
Normal watch-list	33,957	-	-	-	33,957
Special watch-list	29,359	-	-	-	29,359
<b>Total</b>	<b>4,859,489,312</b>	<b>1,753,128,662</b>	<b>37,359,507,787</b>	<b>5,686,469,173</b>	<b>49,658,594,934</b>

Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Good debts	96,964,204,859	62,427,451,670	19,485,185,230	2,879,140,451	181,755,982,210
Normal watch-list	10,591,807,260	3,859,721,738	2,754,783,730	-	17,206,312,728
Special watch-list	578,968,504	1,255,614,935	-	-	1,834,583,439
<b>Total</b>	<b>108,134,980,623</b>	<b>67,542,788,343</b>	<b>22,239,968,960</b>	<b>2,879,140,451</b>	<b>200,796,878,377</b>

Guaranteed loans are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Loans and credit facilities which have arrears but are not subject to impairment

These are loans and credit facilities with past-due installments but are not subject to impairment, unless information has otherwise indicated. Loans and credit facilities to customers which have arrears but are not subject to impairment are analyzed below:

December 31, 2024					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Up to 30 days	-	117,129,586	1,585,507,947	159,141,199	1,861,778,732
More than 30 - 60 days	-	146,901,827	2,369,981,333	119,275,902	2,636,159,062
More than 60 - 90 days	-	14,124,263	235,562,657	16,154,395	265,841,315
Total	-	278,155,676	4,191,051,937	294,571,496	4,763,779,109

Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Up to 30 days	-	77,496,180	-	-	77,496,180
More than 30 - 60 days	-	47,995,365	-	-	47,995,365
More than 60 - 90 days	-	32,386,783	-	-	32,386,783
More than 90 days	-	109,981,949	-	-	109,981,949
Total	-	267,860,277	-	-	267,860,277

December 31, 2023					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Up to 30 days	-	101,942,766	1,282,585,399	97,846,297	1,482,374,462
More than 30 - 60 days	-	116,481,067	1,403,535,791	117,244,836	1,637,261,694
More than 60 - 90 days	-	7,651,178	159,001,962	5,218,452	171,871,592
Total	-	226,075,011	2,845,123,152	220,309,585	3,291,507,748

Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Up to 30 days	653,773	48,298,011	-	-	48,951,784
More than 30 - 60 days	243,038	29,751,710	-	-	29,994,748
More than 60 - 90 days	-	57,601,004	-	-	57,601,004
More than 90 days	-	98,591,215	-	-	98,591,215
Total	896,811	234,241,940	-	-	235,138,751

Past due loans and credit facilities are those amounts, or any part thereof, which have fallen due but for which no payment has been received in accordance with the contractual terms. These include arrears for periods more than one day.

Amounts shown in the note represent the whole balance of the loan or facility and not only the past due amounts. These do not include the remaining loans and credit facilities of the same customer so long default has not fully or partially occurred on those loans.

On initial recognition of loans and credit facilities, the fair value of collaterals, if any, is assessed based on valuation methods used for similar assets but are not recognized in the financial statements since these do not represent assets of the bank at that date. In subsequent periods, the fair value is updated to reflect the market price or prices for similar assets.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Loans and credit facilities which are individually impaired

##### Loans and credit facilities to customers

At the end of the current reporting year the carrying amount of loans and credit facilities, that are assessed to be individually impaired (Stage 3) excluding any cash flows expected to arise from the associated guarantees, amounted to EGP 19,647,177,079 against EGP 14,594,694,748 at the end of the prior year.

The following table provides a breakdown of the balance of such loans and credit facilities which are individually impaired including the fair value of the collaterals shall prevail when calculating the provisions.

December 31, 2024					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Loans which are individually impaired	81,259,106	50,227,975	925,379,291	80,946,883	1,137,813,255
Fair value of collaterals	-	-	1,130,261	-	1,130,261
Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Loans which are individually impaired	5,833,210,836	12,375,319,599	293,233,389	7,600,000	18,509,363,824
Fair value of collaterals	388,161,722	874,212,779	-	-	1,262,374,501
December 31, 2023					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Loans which are individually impaired	59,858,741	37,692,884	848,670,128	63,658,707	1,009,880,460
Fair value of collaterals	-	-	1,081,980	-	1,081,980
Corporate					
	Overdrafts	Direct loans	Syndicated Loans and facilities	Other loans	Total
Loans which are individually impaired	2,674,450,290	10,846,103,882	2,660,087	61,600,029	13,584,814,288
Fair value of collaterals	234,336,583	338,848,222	-	-	573,184,805

#### Restructured loans and facilities:

The Bank applies different types of restructuring policies to its loans and credit facilities, which include extending payment terms, executing forced management programmes and applying prepayment and extension provisions to the loan. The applied restructuring policies depend on factors or criteria that indicate, in management judgment that the counterparty's continuous payment of the loan is unlikely to occur in the absence of such restructuring policies that are subject to ongoing review. Within the bank renegotiated outstanding loans relate to long-term loans made to any type of clientele (retail and corporate loans clients).

Total renegotiated loans amounted to EGP 6,309,255,157 at the end of the current reporting year against EGP 2,791,009,153 at the end of the prior year. These balances do not include any amounts whose commercial terms were renegotiated to preserve the quality of the bank's relationship with its clients, including those terms pertaining to loans interest rates and/or loans repayment periods.

The Bank practice calls for most clients whose loans have been renegotiated to be maintained in the "non-performing" category, as long as the bank remains uncertain of their ability to meet their future commitments in accordance with the definition of default under Basel II.

#### Loans and credit facilities to customers

Corporate loans	December 31, 2024	December 31, 2023
Overdrafts	3,095,775,492	31,232,271
Direct loans	3,213,479,665	2,759,776,882
<b>Total</b>	<b>6,309,255,157</b>	<b>2,791,009,153</b>



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(A/7) Debt instruments, treasury bills, and other governmental notes

The following table shows a breakdown of debt instruments, treasury bills, and other governmental notes (excluding allowances for impairment) per last rating for Fitch and its equivalent:

	Rating	December 31, 2024	December 31, 2023
Egyptian Treasury Bills and Other Governmental notes	B	131,094,220,487	152,211,434,928
Fair value through other comprehensive income			
Other debt instruments	Unrated	2,218,406,603	2,507,159,381
Other debt instruments	A to A+	5,057,464,202	-
Egyptian debt instruments	B	10,541,836,451	7,041,645,586
US Treasury Bonds	AA+	13,430,781,654	5,115,240,883
Amortized cost			
Egyptian Treasury Bonds	B	86,823,766,207	80,536,769,618
Total		249,166,475,604	247,412,250,396

(A/8) Acquisition of collaterals

The Bank acquire foreclosed asset as acquisition of guarantees as following:

Asset type	December 31, 2024	December 31, 2023
Building & Lands	222,999,649	18,480,000

Assets acquired are classified under the other Assets item in the financial position. These assets are sold or used for the purposes of the Bank whenever practicable.

(A/9) Concentration of risks of financial assets exposed to credit risks  
(Geographical segments)

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets including loans and credit facilities is segmented into the geographical regions of the bank's clients except for investments in foreign treasury bonds which are reported in the "other countries" category.

	Arab Republic of Egypt				Total	Other countries	Total
	Great Cairo	Alex	Delta	Red Sea & Upper Egypt			
Treasury bills and Other Governmental notes	131,094,220,487	-	-	-	131,094,220,487	-	131,094,220,487
Loans and credit facilities to banks	2,527,766,818	-	-	-	2,527,766,818	-	2,527,766,818
Loans and credit facilities to customers							
Retail loans							
Overdrafts	2,742,051,591	768,259,984	672,371,934	160,270,685	4,342,954,194	-	4,342,954,194
Credit cards	2,007,399,254	316,661,750	275,745,819	105,748,729	2,705,555,552	-	2,705,555,552
Personal loans	36,752,984,067	4,852,209,126	6,608,889,867	2,728,259,886	50,942,342,946	-	50,942,342,946
Real estate loans	6,681,949,946	321,842,476	578,311,642	817,723,890	8,399,827,954	-	8,399,827,954
Corporate loans							
Overdrafts	123,537,603,049	16,106,191,558	8,569,829,843	3,843,853,810	152,057,478,260	-	152,057,478,260
Direct loans	80,753,644,368	11,916,224,039	11,295,883,949	4,996,108,717	108,961,861,073	-	108,961,861,073
Syndicated loans and facilities	30,787,358,860	2,024,343,086	1,896,335,337	72,117,453	34,780,154,736	-	34,780,154,736
Other loans	2,988,015,963	75,905,124	-	39,000,000	3,102,921,087	-	3,102,921,087
Financial derivatives	(1,573,700)	(25,155,744)	-	-	(26,729,444)	30,423,039	3,693,595
Financial investments							
Debt instruments	99,584,009,261	-	-	-	99,584,009,261	18,488,245,856	118,072,255,117
Other financial assets	9,582,541,784	300,085,013	361,205,211	73,211,406	10,317,043,414	123,068,799	10,440,112,213
Total at the end of the current year	529,037,971,748	36,656,566,412	30,258,573,602	12,836,294,576	608,789,406,338	18,641,737,694	627,431,144,032
Total at the end of the comparative year	451,670,764,574	31,630,804,499	25,924,811,188	9,779,318,269	519,005,698,530	5,181,492,892	524,187,191,422



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (Business segments)

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets is segmented into business sectors in which the bank's clients operate.

	Agricultural entities	Industrial entities	Trading entities	Service entities	Governmental sector	Foreign Governments	Other activities	Individuals	Total
Treasury bills and Other Governmental notes	-	-	-	-	131,094,220,487	-	-	-	131,094,220,487
Loans and credit facilities to banks	-	-	-	-	-	-	2,527,766,818	-	2,527,766,818
<b>Loans and credit facilities to customers</b>									
<b>Retail loans</b>									
Overdrafts	-	-	-	-	-	-	-	4,342,954,194	4,342,954,194
Credit cards	-	-	-	-	-	-	-	2,705,555,552	2,705,555,552
Personal loans	-	-	-	-	-	-	-	50,942,342,946	50,942,342,946
Real estate loans	-	-	-	-	-	-	-	8,399,827,954	8,399,827,954
<b>Corporate loans</b>									
Overdrafts	2,296,770,974	60,558,472,078	17,041,527,161	72,160,708,047	-	-	-	-	152,057,478,260
Direct loans	1,338,634,285	69,533,886,781	13,913,763,873	24,175,576,134	-	-	-	-	108,961,861,073
Syndicated loans and facilities	118,236,831	24,219,600,018	5,883,530,930	4,558,786,957	-	-	-	-	34,780,154,736
Other loans	-	189,566,560	722,355,534	1,042,815,549	-	-	1,148,183,444	-	3,102,921,087
Financial derivatives	-	(26,929,786)	200,342	-	-	-	30,423,039	-	3,693,595
<b>Financial investments</b>									
Debt instruments	-	-	-	2,218,406,603	97,365,602,658	13,430,781,654	5,057,464,202	-	118,072,255,117
Other financial assets	40,050,805	1,648,508,413	400,772,206	1,299,201,550	6,220,131,702	123,068,799	-	708,378,738	10,440,112,213
<b>Total at the end of current year</b>	<b>3,793,692,895</b>	<b>156,123,104,064</b>	<b>37,962,150,046</b>	<b>105,455,494,840</b>	<b>234,679,954,847</b>	<b>13,553,850,453</b>	<b>8,763,837,503</b>	<b>67,099,059,384</b>	<b>627,431,144,032</b>
<b>Total at the end of the comparative year</b>	<b>3,473,973,934</b>	<b>122,708,340,623</b>	<b>29,702,748,245</b>	<b>62,485,875,912</b>	<b>245,000,645,208</b>	<b>5,181,492,892</b>	<b>1,282,982,901</b>	<b>54,351,131,707</b>	<b>524,187,191,422</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (B) Market Risk

Market risk is the risk of losses resulting from unfavorable changes in market parameters. It contains all trading book transactions as well as some banking book portfolios valued using the mark-to-market approach. The bank's policy on market risk transactions is "Prudent" in that:

- Products subject to "market risk" which are offered by the Bank to its customers are restricted to cash and simple financial derivatives such as interest rate swaps and foreign exchange swap and forward contracts.
- The only trading activity conducted by the Bank is over-night foreign exchange position, within a prudent limit that cannot be exceeded.
- Open positions must be centrally managed and matched.

The front-office managers assume primary responsibility in terms of risk exposure; however, management lies with an independent structure being the Market Risk Controller (MRC), within Risk Division. The main function of MRC is the ongoing analysis, independently from the trading rooms, of the positions and risks linked to the market activities of the bank and the comparison of these positions to the allowed limits. The MRC carries out the following functions:

- Daily and periodic analysis and reporting (independently from the front office) of the exposures, stress tests and risks incurred by the bank's market activities and comparison of said exposure and risks with the pre-set limits.
- Definition of the risk-measurement methods and control procedures, approval of the valuation methods used to calculate and monitor risks, including those made on a gross or nominal basis.
- Management of the approval process for limits.
- Reviewing new products or services from market risk aspect under New Product Committee to ensure that market risks are properly identified and controlled.

At the proposal of this MRC and Head of Risk Division, the board sets the levels of authorized risk by type of market activity and makes the main decisions concerning bank's market risk management.

#### (B/1) Methods of Measuring Market Risk and Defining Exposure Limits

As a part of managing market risk, the Bank has several hedging strategies and enters into interest rate swaps to balance the risks inherent in debt instruments and fixed rate long term loans, if the fair value option is applied. The Bank uses a lot of methods to control market risk such as stress testing "ST".

Stress testing gives indicator of the loss volume expected that may arise from sharp adverse circumstances. Stress testing is designed to match business using standard analysis for specific scenarios. The Bank sets set a maximum limit of expected losses of 10% from authorized limit according to internal bank rules.

#### (B/2) Stress test for foreign exchange risk

The following table provides FX position (whether short or long) for all balance sheet items and off balance sheet items.

Currency	Short/Long FX positions	FX short positions	FX long positions	Expected loss at 10%
USD	243,071,851	-	243,071,851	24,307,185
EUR	24,622,224	-	24,622,224	2,462,222
GBP	(2,132,452)	(2,132,452)	-	(213,245)
JPY	28,171	-	28,171	2,817
CHF	472,163	-	472,163	47,216
DKK	61,077	-	61,077	6,108
NOK	331,518	-	331,518	33,152
SEK	68,568	-	68,568	6,857
CAD	121,479	-	121,479	12,148
AUD	172,442	-	172,442	17,244
AED	728,886	-	728,886	72,889
BHD	4,046	-	4,046	405
KWD	(369,890)	(369,890)	-	(36,989)
OMR	8,304	-	8,304	830
QAR	682,422	-	682,422	68,242
SAR	890,500	-	890,500	89,050
CNY	91,774	-	91,774	9,177
EGP	(268,853,083)	(268,853,083)	-	-
Maximum expected loss at December 31, 2024				26,885,308
Maximum expected loss at December 31, 2023				12,355,016



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (B/3) Foreign exchange rate volatility risk (concentration of FX risk on financial instruments)

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised. The following table summarizes the bank's exposure to the risks of fluctuations in foreign exchange rates at the end of the current reporting year. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.

	EGP	USD	EUR	GBP	Other currencies	Total
<b>Financial assets</b>						
Cash and due from Central Bank of Egypt (CBE)	68,428,307,819	1,879,026,131	708,360,132	80,324,438	93,162,197	71,189,180,717
Due from banks	13,311,081,540	89,884,704,068	15,104,119,162	2,317,791,340	665,518,607	121,283,214,717
Treasury bills and Other Governmental notes	111,226,598,766	19,698,814,705	-	-	-	130,925,413,471
Loans and credit facilities to Banks	-	2,504,444,938	-	-	-	2,504,444,938
Loans and credit facilities to customers	244,111,025,359	93,020,640,190	6,456,955,013	210,643,121	211,537,829	344,010,801,512
Financial derivatives	3,693,595	-	-	-	-	3,693,595
<b>Financial investments</b>						
Fair value through other comprehensive income	13,482,585,357	20,574,765,850	5,337,865	-	-	34,062,689,073
Amortized cost	86,823,766,207	-	-	-	-	86,823,766,207
Fair value through profit or loss	105,921,395	-	-	-	-	105,921,395
Other financial assets	9,455,004,663	795,618,781	68,770,910	4,740,166	7,991	10,324,142,511
<b>Total financial assets</b>	<b>546,947,984,701</b>	<b>228,358,014,663</b>	<b>22,343,543,082</b>	<b>2,613,499,065</b>	<b>970,226,624</b>	<b>801,233,268,136</b>
<b>Financial liabilities</b>						
Due to banks	15,656,297,374	338,101,357	56,085,371	72,166,129	-	16,122,650,231
Customer deposits	446,870,472,222	209,599,173,777	22,190,691,514	2,474,200,534	729,099,312	681,863,637,359
Financial derivatives	-	8,809,370	-	-	-	8,809,370
Other loans	158,533,829	3,908,699,318	65,020,726	-	-	4,132,253,873
Other financial liabilities	2,990,107,265	625,489,956	16,622,151	11,965,147	157,772	3,644,342,291
<b>Total financial liabilities</b>	<b>465,675,410,690</b>	<b>214,480,273,778</b>	<b>22,328,419,762</b>	<b>2,558,331,810</b>	<b>729,257,084</b>	<b>705,771,693,124</b>
<b>Net financial position</b>	<b>81,272,574,011</b>	<b>13,877,740,885</b>	<b>15,123,320</b>	<b>55,167,255</b>	<b>240,969,540</b>	<b>95,461,575,012</b>
<b>At the end of the comparative year</b>						
<b>Total financial assets</b>	<b>485,635,148,901</b>	<b>113,298,586,439</b>	<b>13,447,923,963</b>	<b>905,547,135</b>	<b>576,591,833</b>	<b>613,863,798,271</b>
<b>Total financial liabilities</b>	<b>422,414,084,276</b>	<b>104,782,904,141</b>	<b>13,318,005,402</b>	<b>903,977,029</b>	<b>426,861,942</b>	<b>541,845,832,790</b>
<b>Net financial position</b>	<b>63,221,064,625</b>	<b>8,515,682,298</b>	<b>129,918,561</b>	<b>1,570,106</b>	<b>149,729,891</b>	<b>72,017,965,481</b>

#### (B/4) Structural Interest Rate Risk

Structural interest rate risk is linked to commercial activities and corporate center transactions. Structural interest rate risk arises from residual gaps (surplus or deficit) of the bank's fixed-rate positions. The general principle is to reduce structural interest rate risk to the maximum extent.

Whenever possible, commercial operations are hedged against interest rate, either through micro-hedging (individual hedging of each commercial transaction) or macro-hedging techniques (hedging of portfolios of similar commercial transactions within the treasury department).

Consequently, structural interest rate risk only results from the residual positions remaining after hedging. The absence of interest rate derivative market in Egyptian Pound makes it difficult to hedge positions in this currency.

#### Organization of the management of Structural Interest Rate risks

Identification and measurement of the risk is carried out by the Assets & Liabilities Management Unit (ALMU) which comes under the authority of the Bank's finance department.

Risk assessment, limits and corrective actions are decided by the Assets & Liabilities Management Committee (ALCO) headed by the Chief Executive officer with the participation of the Managing Directors, the Chief Financial Officer and the Commercial Divisions Heads, the Branch Network Head, the General Secretary and the Head of the Dealing Room.

Execution of the necessary actions decided by the ALCO for the rectification of the gaps is carried out by the dealing room through the financial market. Progress is reported and notified to the ALMU/ALCO.

#### Assets & Liabilities Management Committee (ALCO) duties

- Decide on the limits for the sensitivity.
- Review, validate and approve any assumptions used for the identification and measurements of the respective risks.
- Review interest rate Gap and sensitivity position reported through ALMU.
- Assess, amend and approve recommendations for bringing the Gap (if any) within the previously approved limits.

#### Assets & Liabilities Management Unit (ALMU) duties

- Document and maintain the respective risks management policy as approved by the ALCO.
- Construct and continuously elaborate on the models used for the identification and measurement of the respective risks.
- Report to ALCO on the respective exposures and the evolution of such exposures over time.
- Provide recommendations for bringing the gaps within limits.
- Follow up and notify ALCO of the progress made in the implementation of the ALCO decisions.



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Dealing Room duties

- Provide frequent updates on markets movements.
- Execute and Report progress of ALCO approved recommendations.
- Co-ordinate with ALMU on the spontaneous hedging of special transactions according to ALCO approved policy and recommendations.

Bank's Objective of Interest Rate Risk Management

The Bank's aim is to reduce exposure to structural interest rate risk as much as possible.

Any residual interest rate risk exposure must comply with the sensitivity limits approved by the ALCO. Sensitivity is defined as the variation in the net present value of future residual fixed-rate positions for a 1% parallel increase in the yield curve. Adherence to applicable limits is closely monitored.

Measurement and monitoring of structural interest rate risks

In order to quantify the Bank's exposure to structural interest rate risks, all fixed rate assets and liabilities on future maturities are analyzed to identify any gaps.

On a quarterly basis, assets and liabilities are analyzed independently, without any prior matching. Maturities on outstanding positions are determined on the basis of the contractual terms of the transactions and models of historic client behavior (e.g. saving accounts) as well as conventional assumptions for some balance sheet items (e.g. equity).

Once the gaps have been identified for each major currency, the sensitivity is calculated as the variation of the net present value of the fixed rate position of an instantaneous parallel shift of the 1% in the yield curve of each major currency. The cumulative sensitivity for all currencies as well as for any single currency should not exceed the above mentioned limit.

The following table summarizes the extent to which the bank is exposed to the risks of fluctuations in the interest rate including the carrying amount of the financial instruments distributed on the basis of the rate prevailing in re-pricing dates or maturity dates, whichever is earlier.

At the end of the year	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	Interest free	Total
Financial assets							
Cash and due from Central Bank of Egypt (CBE)	-	-	-	-	-	71,189,180,717	71,189,180,717
Due from banks	57,553,668,103	43,096,503,219	12,520,045,855	-	-	8,112,997,540	121,283,214,717
Treasury bills and Other Governmental notes	86,126,672,773	23,316,445,025	21,482,295,673	-	-	-	130,925,413,471
Loans and credit facilities to Banks	2,501,287,661	3,157,277	-	-	-	-	2,504,444,938
Loans and credit facilities to customers	276,701,339,811	11,569,577,647	14,766,625,758	32,833,583,412	8,139,674,884	-	344,010,801,512
Financial derivatives	-	-	-	-	-	3,693,595	3,693,595
Financial investments							
Fair value through other comprehensive income	749,723,866	862,405,602	4,155,253,018	25,481,106,424	-	2,814,200,163	34,062,689,073
Amortized cost	5,098,491,212	2,511,518,356	12,583,966,844	63,942,132,549	2,687,657,246	-	86,823,766,207
Fair value through profit or loss	-	-	-	-	-	105,921,395	105,921,395
Other financial assets	-	-	-	-	-	10,324,142,511	10,324,142,511
Total financial assets	428,731,183,426	81,359,607,126	65,508,187,148	122,256,822,385	10,827,332,130	92,550,135,921	801,233,268,136
IRS (notional amount)	-	-	-	3,812,910,000	-	-	3,812,910,000
Financial liabilities							
Due to banks	403,741,848	-	-	-	-	15,718,908,383	16,122,650,231
Customer deposits	407,959,592,661	66,942,908,347	45,873,337,300	88,033,615,674	146,519,014	72,907,664,363	681,863,637,359
Financial derivatives	-	-	-	-	-	8,809,370	8,809,370
Other loans	3,921,400,283	63,220,710	143,207,310	4,425,570	-	-	4,132,253,873
Other financial liabilities	-	-	-	-	-	3,644,342,291	3,644,342,291
Total financial liabilities	412,284,734,792	67,006,129,057	46,016,544,610	88,038,041,244	146,519,014	92,279,724,407	705,771,693,124
IRS (notional amount)	3,812,910,000	-	-	-	-	-	3,812,910,000
Re-pricing gap	12,633,538,634	14,353,478,069	19,491,642,538	38,031,691,141	10,680,813,116	270,411,514	95,461,575,012
At the end of the comparative year							
Total financial assets	261,688,691,545	67,033,178,290	116,199,174,793	85,159,974,533	11,091,983,777	72,690,795,333	613,863,798,271
IRS (notional amount)	656,478,377	173,773,686	-	-	-	-	830,252,063
Total financial liabilities	285,020,765,690	68,780,613,817	54,870,681,075	71,414,261,468	202,309,367	61,557,201,373	541,845,832,790
IRS (notional amount)	830,252,063	-	-	-	-	-	830,252,063
Re-pricing gap	(23,505,847,831)	(1,573,661,841)	61,328,493,718	13,745,713,065	10,889,674,410	11,133,593,960	72,017,965,481



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### **(C) Liquidity Risk**

Liquidity risk is defined as the risk of not being able to meet cash flow or collateral requirements when they fall due and at a reasonable price.

The Bank manages this exposure through modeling of its cash flow under several scenarios.

#### **Organization of Liquidity Risk Management**

Identification and measurement of the risk is carried out by the Assets & Liabilities Management Unit (ALMU) which comes under the authority of the bank's Finance Department.

Risk assessment and corrective actions are decided by the Assets & Liabilities Management Committee (ALCO) headed by the Chief Executive officer with the participation of the Managing Directors, the Chief Financial Officer and the Commercial Divisions Heads, the Branch Network Head, the General Secretary and the Head of the Dealing Room.

Execution of the necessary actions decided by the ALCO for the rectification of the gaps is carried out by the dealing room and/or the business lines. Progress is reported and notified to the ALMU/ALCO.

#### **Assets & Liabilities Management Committee (ALCO) duties**

- Review, validate and approve any assumptions and scenarios used for the identification and measurements of the respective risks.
- Review the structured liquidity Gap reported by ALMU.
- Assess, amend and approve recommendations for funding strategy and/or the portfolio composition for the remedy of the gaps.

#### **Assets & Liabilities Management Unit (ALMU) duties**

- Document and maintain the respective risks' management policy as approved by the ALCO.
- Construct and continuously elaborate on the models used for the identification and measurement of the respective risks.
- Report to ALCO on the respective exposures and the evolution of such exposures over time.
- Follow up and notify ALCO of the progress made in the implementation of the ALCO decisions.
- Co-ordinate with the various business lines for funding needs and report potential impact on the liquidity gap.
- Test and advice on the potential impact of any new product offering on the structured liquidity positions.

#### **Dealing Room duties**

- Is responsible for managing short term liquidity.
- Provide frequent updates on markets' status and alerting signals of liquidity stretches.
- Execute and Report progress of ALCO approved recommendations.
- Communicate their funding needs to ALMU for the construction of the liquidity gap.

#### **Bank's Objective of Liquidity Risk Management**

The Bank's objective is to finance its activities at the best possible rates under normal conditions and to ensure it can meet its obligations in the event of a crisis.

To this end, the main principles of the bank's liquidity management are as follows:

- Management of the short-term liquidity in accordance with The regulatory framework.
- Diversification of funding sources.
- Maintenance of a portfolio of liquid assets.

#### **Measurement and monitoring of structural liquidity risks**

The Bank's liquidity management framework comprises the following processes:

- Regular assessment of the bank structural liquidity profile and its development over time.
- Monitoring of the diversification of funding sources.
- Assessment of the bank's funding needs on the basis of the budget forecasts in order to plan appropriate funding solutions.

Liquidity gaps are constructed by listing the respective on and off-balance sheet-items according to the currency of denomination and residual maturity. Maturities on outstanding assets and liabilities are determined on the basis of the contractual terms of transactions, models of historic client behavior patterns (e.g. savings accounts) as well as conventional assumptions relating to certain balance sheet items (e.g. equity).

#### **Liquidity risk**

Liquidity risk represents difficulty encountering the bank in meeting its financial commitments upon maturity and refurbishing amounts withdrawn. This may results in failure in fulfilling obligations related to depositors and meeting lending commitments.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Contractual maturities	December 31, 2024					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Financial liabilities</b>						
Due to banks	16,122,650,692	-	-	-	-	16,122,650,692
Customer deposits	481,908,835,102	71,915,042,690	60,544,787,965	110,058,124,158	183,758,312	724,610,548,227
Other loans	1,402,791,887	26,400,013	1,136,285,405	1,742,832,606	-	4,308,309,911
<b>Total financial liabilities</b>	<b>499,434,277,681</b>	<b>71,941,442,703</b>	<b>61,681,073,370</b>	<b>111,800,956,764</b>	<b>183,758,312</b>	<b>745,041,508,830</b>

- All balances shown in the table above represent the undiscounted cash flows; therefore, it is not possible to match these figures with the corresponding items in the statement of financial position.
- The spot foreign exchange rate and interest rate prevailing at that date are used in the above table.

Contractual maturities	December 31, 2023					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Financial liabilities</b>						
Due to banks	5,150,788,704	-	-	-	-	5,150,788,704
Customer deposits	337,722,832,542	72,769,903,585	66,474,084,010	85,715,057,205	259,289,488	562,941,166,830
Other loans	3,898,046,942	30,198,642	194,642,600	116,731,166	-	4,239,619,350
<b>Total financial liabilities</b>	<b>346,771,668,188</b>	<b>72,800,102,227</b>	<b>66,668,726,610</b>	<b>85,831,788,371</b>	<b>259,289,488</b>	<b>572,331,574,884</b>

- All balances shown in the table above represent the undiscounted cash flows; therefore, it is not possible to match these figures with the corresponding items in the statement of financial position.
- The spot foreign exchange rate and interest rate prevailing at that date are used in the above table.

Assets available to meet all liabilities and cover loan commitments include cash, balances with Central Banks, due from banks, treasury bills, other governmental notes and Loans and credit facilities to banks and clients. Maturity term of percentage of loans to clients that are maturing within a year is extended in the normal course of the bank's business. Moreover, some debt instruments, treasury bills and other governmental notes are pledged to cover liabilities. The Bank has the ability to meet unexpected net cash flows through selling securities, and finding other financing sources.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Cash flow derivatives

##### Derivatives settled on a gross-basis

The Bank is a party to derivative contracts that are settled on a gross-basis, in particular foreign exchange derivatives. The following table shows derivative financial liabilities that shall be settled in gross distributed over the remaining periods of contractual maturities at the balance sheet date. The amounts shown in the table represent the undiscounted cash flows.

Maturities for statement of financial position items	December 31, 2024					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	1,398,522,151	980,198,180	199,350,107	-	-	<b>2,578,070,438</b>
Cash inflows	1,399,870,944	981,831,629	199,587,371	-	-	<b>2,581,289,944</b>

Maturities for statement of financial position items	December 31, 2023					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	642,556,029	351,704,971	83,333,353	-	-	<b>1,077,594,353</b>
Cash inflows	643,923,874	353,220,424	83,443,851	-	-	<b>1,080,588,149</b>

#### Cash flow for Off-balance sheet items

Maturities for off-balance sheet items	December 31, 2024			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Financial guarantees	255,000	-	-	<b>255,000</b>
Operating lease commitments	190,842,397	559,152,213	149,278,619	<b>899,273,229</b>
Capital commitments resulting from acquisition of property and equipment	1,437,705,910	-	-	<b>1,437,705,910</b>
<b>Total</b>	<b>1,628,803,307</b>	<b>559,152,213</b>	<b>149,278,619</b>	<b>2,337,234,139</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Commitments for credit facilities and others exposed to credit risk	45,578,551,520	5,908,054,745	279,872,778	<b>51,766,479,043</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Financial guarantees	255,000	-	-	<b>255,000</b>
Operating lease commitments	145,830,597	360,617,435	108,548,902	<b>614,996,934</b>
Capital commitments resulting from acquisition of property and equipment	1,121,252,067	-	-	<b>1,121,252,067</b>
<b>Total</b>	<b>1,267,337,664</b>	<b>360,617,435</b>	<b>108,548,902</b>	<b>1,736,504,001</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Commitments for credit facilities and others exposed to credit risk	40,041,912,029	3,063,129,759	252,627,706	<b>43,357,669,494</b>



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(D) Fair value of financial assets and liabilities and sources of fair value

(D/1) Financial instruments measured at fair value

Financial assets classified as trading financial assets at fair value with changes in fair value are measured in the statement of income under ‘Net trading income’.

Debt instruments classified as financial assets at fair value through other comprehensive income are measured at fair value with changes in fair value recognized in the other comprehensive income statement under “fair value reserve”.

For investments in equity instruments, equity securities listed on the stock exchange are measured at fair value in accordance with quoted market prices on the date of the separate financial statements.

For non-listed shares, except for strategic investments, they are evaluated in one of the accepted techniques: discounted cash flow method multiples of value “and the inclusion of the valuation differences in other comprehensive income within the” fair value reserve “; for strategic investments, the cost or nominal value is the fair value of those investments.

The table below shows the financial assets and liabilities at fair value in the separate financial statements within the fair value hierarchy, based on the levels of inputs that are essential for measuring the fair value as a whole:

Level 1:

The first level inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank can access on the measurement date.

Level 2:

The inputs of the second level are all inputs other than quoted prices within the first level and these inputs are observable for the asset or liability, directly or indirectly.

Level 3:

The third level inputs are the unobservable inputs of the asset or liability.

December 31, 2024				
Financial Assets	Level 1	Level 2	Level 3	Total
US Treasury Bonds	13,430,781,654	-	-	13,430,781,654
Other debt instruments	5,057,464,202	2,218,406,603	-	7,275,870,805
Egyptian debt instruments	10,541,836,451	-	-	10,541,836,451
Funds at fair value through other comprehensive income	89,081,205	-	-	89,081,205
Funds at fair value through profit or loss	105,921,395	-	-	105,921,395
Equity Instruments	177,067,823	-	2,548,051,135	2,725,118,958
Financial derivatives	-	3,693,595	-	3,693,595

December 31, 2023				
Financial Assets	Level 1	Level 2	Level 3	Total
US Treasury Bonds	5,115,240,883	-	-	5,115,240,883
Other debt instruments	-	2,507,159,381	-	2,507,159,381
Egyptian debt instruments	7,041,645,586	-	-	7,041,645,586
Funds at fair value through other comprehensive income	75,625,755	-	-	75,625,755
Funds at fair value through profit or loss	101,198,551	-	-	101,198,551
Equity Instruments	174,854,480	-	1,378,435,525	1,553,290,005
Financial derivatives	-	-	-	-



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (D/2) Financial instruments not measured at fair value

The following table summarizes the carrying amount and fair value of financial assets and liabilities that are not stated in the statement of financial position at fair value:

	Carrying amount		Fair value	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
<b>Financial assets</b>				
Due from banks	121,283,214,717	42,610,823,880	121,283,214,717	42,610,823,880
Loans and credit facilities to Banks	2,504,444,938	884,737,336	2,499,826,410	877,070,284
Loans and credit facilities to customers	344,010,801,512	252,467,782,728	341,759,239,671	248,540,416,840
<b>Financial investments at amortized Cost</b>				
Debt instruments	86,823,766,207	80,536,769,618	82,447,541,915	72,798,254,598
<b>Financial liabilities:</b>				
Due to banks	16,122,650,231	5,088,111,931	16,122,650,231	5,088,111,931
Customer deposits	681,863,637,359	530,118,813,705	669,663,643,525	515,905,252,890
Other loans	4,132,253,873	3,995,190,883	4,132,253,873	3,995,190,883

#### Due from Banks:

The carrying amount of variable interest rate of placements and deposits for one day represents reasonable estimate for its fair value. Fair value expected for due to banks with free interest rate is the current value. Fair value expected for deposits bearing fixed interest rate is the current value for those deposits as it is maturity is less than one year.

#### Loans and credit facilities to customers:

Loans and credit facilities are stated at the statement of financial position net of allowance for impairment losses.

#### Debt instruments at amortized cost:

The fair value of debt instruments is determined at the cost charged on the "Egyptian Treasury Bonds" according to Reuters announced at the end of the financial year.

#### Customer deposits and due to other banks:

The estimated fair value for deposits of indefinite maturity, including free-interest rate deposits, represents the amount paid on demand.

#### (E) Capital management:

For capital management purposes, the Bank's capital includes total equity as reported in the statement of financial position plus some other elements that are managed as capital. The Bank manages its capital to ensure that the following objectives are achieved:

- Compliance with the legally imposed capital requirements in Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling it to generate yield for shareholders and other parties dealing with the Bank.
- Maintaining a strong capital base to enhance growth of the Bank's operations.

Capital adequacy and uses are reviewed by the bank's management in accordance with the requirements of the regulatory authority represented by the Central Bank of Egypt (CBE). Data is submitted and filed with the CBE on a quarterly basis. The CBE requires the Bank to comply with the following:

- Maintaining EGP 5 Billion as a minimum requirement for the issued and paid-up capital. The Bank's paid-up capital amounted to EGP 10,774,114,830 at the end of the current year.
- Maintaining a minimum level of capital adequacy ratio of 10%, calculated as the ratio between total value of the capital elements, and the risk-weighted average of the bank's assets and contingent liabilities. Minimum level of capital adequacy ratio reached 12.50 % during current year, The Bank's capital adequacy ratio reached 24.30% at the end of the current year (December 31, 2023: 23.61%) according to Basel II.

Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The numerator in the capital adequacy ratio according to Basel II comprise the following 2 tiers:

- Tier 1: basic capital which comprises paid-up capital (net of treasury stock), plus: retained earnings and reserves resulting from profit appropriations (other than general reserve for banking risks & special reserve), less: any goodwill previously recognized and any carried forward losses, plus: the carrying amount of other comprehensive income.
- The interim net profit was incorporated in Tier 1 capital in accordance with the decision of Central Bank of Egypt Board of Directors held on 15 February 2017.
- Tier 2: subordinated capital which comprises with equivalent amount of the loans provision for debt instrument / Loans and credit facilities at stage 1 which does not exceed 1.25% from the total risk-weighted average of assets and contingent liabilities, plus: the carrying amount of subordinated loans/ deposits maturing over more than 5 years (provided that such carrying amount shall be reduced by 20 % of its value in each of the last five years of their maturity), in addition to 45% from increase in fair value above the carrying amount of investments in subsidiaries and associates and 45% from special reserve.

In calculating the numerator of the capital adequacy ratio, total value of Tier 2 should not exceed total value of Tier 1. Also, total value of subordinated loans (deposits) should not exceed 50 % of Tier 1.

Assets are risk weighted at a range of 0 to 200%. Risk classification of these assets is based on the type of the debtor as to reflect the associated credit risk and after consideration of cash collaterals. The same treatment is applied for the off-balance sheet items which shall be adjusted to reflect the contingent nature of and potential loss on these amounts.

Capital adequacy Standard had been prepared based on Basel II requirements, and Central Bank of Egypt Board of Directors had approved in its meeting held on December 18, 2012, which had been issued on December 24, 2012 and in accordance with the instructions of the Central Bank of Egypt for the capital adequacy ratio (Basel II) issued during May 2019, And CBE instructions issued in January 2021 regarding the adoption of Standardized Approach for measuring operational risk starting from year 2022 to replace Basic Indicator Approach.

The tables below summarizes the compositions of Tier 1, Tier 2 and the capital adequacy ratio based on Basel II:

According to Basel II	December 31, 2024	December 31, 2023 Restated**
<b>Tier 1 capital</b>		
Share capital	10,774,114,830	10,774,114,830
General reserve	37,142,241,367	37,142,241,367
Legal reserve	4,084,886,756	4,084,886,756
Other reserves	52,716,621	52,716,621
Retained earnings	10,226,790,824	10,214,990,159
Net profit for the year	26,152,179,497	-
General risk reserve	21,453,923	21,453,923
Other comprehensive income	1,299,081,963	(644,763,486)
Total deductions from capital invested	(1,034,149,604)	(1,098,486,030)
<b>Total tier 1 capital</b>	<b>88,719,316,177</b>	<b>60,547,154,140</b>
<b>Tier 2 capital</b>		
45% from special reserve	16,761,150	16,761,150
Impairment provision for loans, debt instruments and contingent liabilities in stage one*	2,010,617,253	2,368,758,685
<b>Total tier 2 capital</b>	<b>2,027,378,403</b>	<b>2,385,519,835</b>
<b>Total capital</b>	<b>90,746,694,580</b>	<b>62,932,673,975</b>
<b>Risk weighted assets and contingent liabilities:</b>		
Credit Risk	354,718,307,707	252,691,828,214
Market Risk	2,371,562	2,070,856
Operational Risk	18,715,383,276	13,850,135,473
<b>Total risk weighted assets and contingent liabilities</b>	<b>373,436,062,545</b>	<b>266,544,034,543</b>
<b>Capital adequacy ratio for Tier 1</b>	<b>23.76%</b>	<b>22.72%</b>
<b>Capital adequacy ratio</b>	<b>24.30%</b>	<b>23.61%</b>

\* Provided it does not exceed 1.25% from total value of risk weighted assets and contingent liabilities.

\*\* After 2023 profit distribution.

- Based on Separate financial statement after the disposal of insurance activity.

Leverage financial ratio

Central Bank of Egypt Board of Directors had approved in its meeting held on July 7, 2015 on special supervisory instructions related to leverage ratio which maintaining a minimum level of leverage ratio of 3% to be reported in quarterly basis to be obligatory ratio started from year 2018.

This ratio will be included in Basel requirement Tier1 in order to maintain Egyptian Banking system strong and safe, as long to keep up with best international regulatory treatments.

Leverage financial ratio reflect relationship between Tier 1 for capital that is used in capital adequacy ratio (after exclusions) and other assets (on balance sheet and off-balance sheet) that are not risk weighted assets.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Ratio Elements

##### I- The numerator elements

The numerator consists of Tier 1 for capital that is used in capital adequacy ratio (after exclusions) in accordance with the requirements of the regulatory authority represented by the Central Bank of Egypt (CBE).

##### II- The denominator elements

The denominator consists of all bank assets (on balance sheet and off-balance sheet) according to financial statements called "Bank exposures" which include total the following:

- 1- On balance sheet items after deducting some of Tier I Exclusions for capital base.
- 2- Derivatives contracts exposures.
- 3- Financing Financial papers operations exposures.
- 4- Off-balance sheet items (weighted by credit conversion factor).

The tables below summarizes the leverage financial ratio:	December 31, 2024	December 31, 2023 Restated*
<b>Tier 1 capital after exclusions</b>	<b>88,719,316,177</b>	60,547,154,140
Total on-balance sheet exposures, derivatives contracts and financial papers operations.	812,021,143,669	622,305,349,796
Total exposures off-balance sheet	54,381,387,115	39,518,803,764
<b>Total exposures on-balance sheet and off-balance sheet</b>	<b>866,402,530,784</b>	<b>661,824,153,560</b>
<b>Leverage financial ratio</b>	<b>10.24%</b>	<b>9.15%</b>

\* After 2023 profit distribution.

– Based on Consolidated financial statements after the disposal of insurance activity.

#### 4- Significant accounting estimates and assumptions :

In the application of the bank's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting Period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial Period.

##### a. Impairment of Loans and credit facilities (Expected Credit Loss)

The Bank reviews its Loans and credit facilities portfolio, at least, on a quarterly basis. Management uses its discretionary judgment in determining whether it is necessary to recognize impairment loss in the income statement. This requires it to identify any reliable evidence indicating measurable decline in the expected future cash flows from loan portfolio before identifying any decline for each individual loan.

This evidence includes data indicating negative change in the ability of a portfolio of borrowers to repay the bank, or local and economic circumstances related to default. On scheduling future cash flows, the management use estimates based on previous experience related to impairment of assets having similar credit risks. Such experience refers to impairment similar to that of the portfolio in question. The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on management given experience.

##### b. Fair value of derivatives

Fair value of derivative financial instruments not quoted in an active market is determined using valuation techniques. When these techniques (such as the pricing models) are used to determine fair value, periodic tests and review are performed on them using competent independent personnel other than those responsible for the preparation of such techniques. All such models have been approved and tested prior to use to ensure that their results reflect reliable data and prices that can be compared to the market. These models use market observable data only to the extent it is practical to obtain such data, however, some areas such as credit risk related to the bank and counterparties, volatility and correlations requires management judgement. Changes in assumptions about these factors can affect the fair value of the financial instrument's disclosure.

##### c. Debt instrument at amortized cost:

Non-derivative financial assets with fixed or determinable payments and maturity dates are classified as debt instruments at amortized cost "within the business model of financial assets held to collect contractual cash flows".

If classification of investments as amortized cost - other than stakes required to be retained by the Bank in accordance with the provisions of the law - were suspended by the bank, the carrying amount of the outstanding amortized cost investments at the end of the current reporting year would have decreased by EGP 4,376,224,292 to reach the fair value with a corresponding decrease in the fair value through other comprehensive income.



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

5- Segmentation analysis

(5/A) Segmental analysis by activity

Segment activity includes operational processes, assets used in offering banking services, management of surrounding risks and related yield. Such activity may be different from other activities. Segmentation analysis of operations according to banking activities includes:

**Corporate:** This includes current account activities, deposits, overdrafts, loans, credit facilities, and financial derivatives to large, medium, and small entities.

**Individuals:** This includes current account activities, deposits, savings, credit cards, personal loans, and real estate loans.

**Other businesses:** They include other Banking activities such as fund management.

Inter-segment activities are affected within the bank's normal course of business. Assets and liabilities of each segment include operating assets and liabilities as shown in the bank's balance sheet.

At the end of the current year Income and expenses according to segmental activities (December 31, 2024)	Corporate	Investments	Individual	Other businesses	Total
Net interest income	13,383,612,295	4,713,233,036	11,035,513,075	11,282,626,308	40,414,984,714
Net fee and commission income	3,978,934,748	(9,798,738)	1,401,623,301	315,580,681	5,686,339,992
Dividend income	-	480,106,935	-	-	480,106,935
Net trading income	1,680,825,584	-	627,800,639	(1,365,208,177)	943,418,046
Gain on financial investments	-	265,909,347	-	-	265,909,347
Impairment credit losses	(4,717,668,153)	2,752,760	(519,724,889)	(158,509,113)	(5,393,149,395)
Administrative expenses	(3,055,759,922)	(4,164,157)	(4,316,188,489)	(99,778,887)	(7,475,891,455)
Other operating revenues (expenses)	482,687,577	(250,542,759)	(821,132,682)	4,378,407,706	3,789,419,842
<b>Profit before income tax</b>	<b>11,752,632,129</b>	<b>5,197,496,424</b>	<b>7,407,890,955</b>	<b>14,353,118,518</b>	<b>38,711,138,026</b>
Income tax expense	(3,917,923,590)	(1,732,666,659)	(2,469,536,220)	(4,784,836,368)	(12,904,962,837)
<b>Net profit for the current year</b>	<b>7,834,708,539</b>	<b>3,464,829,765</b>	<b>4,938,354,735</b>	<b>9,568,282,150</b>	<b>25,806,175,189</b>

Assets and liabilities according to segmental activities (December 31, 2024)	Corporate	Investments	Individual	Other businesses	Total
Segment activity assets	279,274,905,222	252,458,051,985	64,709,166,846	185,625,653,086	782,067,777,139
Unclassified assets	-	-	-	-	26,908,181,432
<b>Total assets</b>	<b>279,274,905,222</b>	<b>252,458,051,985</b>	<b>64,709,166,846</b>	<b>185,625,653,086</b>	<b>808,975,958,571</b>
Segment activity liabilities	447,577,622,789	-	234,286,014,570	20,263,713,474	702,127,350,833
Unclassified liabilities	-	-	-	-	18,299,813,507
<b>Total liabilities</b>	<b>447,577,622,789</b>	<b>-</b>	<b>234,286,014,570</b>	<b>20,263,713,474</b>	<b>720,427,164,340</b>

At the end of comparative year Income and expenses according to segmental activities (December 31, 2023)	Corporate	Investments	Individual	Other businesses	Total
Net interest income	9,999,859,018	5,928,141,998	8,255,587,394	6,198,648,080	30,382,236,490
Net fee and commission income	2,397,448,247	(698,343)	1,389,591,267	227,834,732	4,014,175,903
Dividend income	-	335,092,482	-	-	335,092,482
Net trading income	646,552,710	-	57,436,034	(106,550,892)	597,437,852
Gain on financial investments	-	86,459,835	-	-	86,459,835
Impairment credit losses	(5,251,158,071)	(61,611,201)	(232,369,485)	(37,425,626)	(5,582,564,383)
Administrative expenses	(2,426,701,404)	(5,720,204)	(3,407,363,876)	(12,848,603)	(5,852,634,087)
Other operating revenues (expenses)	(453,865,371)	3,546,625	(573,020,806)	1,349,528,466	326,188,914
<b>Profit before income tax</b>	<b>4,912,135,129</b>	<b>6,285,211,192</b>	<b>5,489,860,528</b>	<b>7,619,186,157</b>	<b>24,306,393,006</b>
Income tax expense	(1,725,203,222)	(2,207,444,688)	(1,928,107,599)	(2,675,953,360)	(8,536,708,869)
<b>Net profit for the comparative year</b>	<b>3,186,931,907</b>	<b>4,077,766,504</b>	<b>3,561,752,929</b>	<b>4,943,232,797</b>	<b>15,769,684,137</b>

At the end of comparative year Assets and liabilities according to segmental activities (December 31, 2023)	Corporate	Investments	Individual	Other businesses	Total
Segment activity assets	199,818,182,995	249,576,638,358	52,649,599,733	99,034,998,081	601,079,419,167
Unclassified assets	-	-	-	-	19,451,196,976
<b>Total assets</b>	<b>199,818,182,995</b>	<b>249,576,638,358</b>	<b>52,649,599,733</b>	<b>99,034,998,081</b>	<b>620,530,616,143</b>
Segment activity liabilities	356,737,883,377	-	173,378,111,265	9,092,386,599	539,208,381,241
Unclassified liabilities	-	-	-	-	16,620,533,211
<b>Total liabilities</b>	<b>356,737,883,377</b>	<b>-</b>	<b>173,378,111,265</b>	<b>9,092,386,599</b>	<b>555,828,914,452</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (5/B) Segmental analysis by geographic area At the end of current year

Income and expenses according to geographical segments (December 31, 2024)	Great Cairo	Alex	Delta	Red Sea / Upper Egypt	Head office	Total
Net interest income	19,969,680,432	3,151,510,522	2,635,305,124	1,216,823,356	13,441,665,280	40,414,984,714
Net fee and commission income	2,985,448,054	579,686,613	604,744,674	176,248,526	1,340,212,125	5,686,339,992
Dividend income	-	-	-	-	480,106,935	480,106,935
Net trading income	1,637,673,410	396,975,557	318,173,091	104,603,021	(1,514,007,033)	943,418,046
Gain on financial investments	-	-	-	-	265,909,347	265,909,347
Impairment credit losses	(3,334,040,015)	(517,227,051)	(1,087,574,477)	(282,926,435)	(171,381,417)	(5,393,149,395)
Administrative expenses	(5,047,151,287)	(943,231,179)	(832,491,188)	(437,093,579)	(215,924,222)	(7,475,891,455)
Other operating revenues (expenses)	(739,338,549)	(149,812,310)	(159,978,389)	(79,921,651)	4,918,470,741	3,789,419,842
<b>Profit before income tax</b>	<b>15,472,272,045</b>	<b>2,517,902,152</b>	<b>1,478,178,835</b>	<b>697,733,238</b>	<b>18,545,051,756</b>	<b>38,711,138,026</b>
Income tax expense	(5,157,923,686)	(839,382,032)	(492,774,016)	(232,600,279)	(6,182,282,824)	(12,904,962,837)
<b>"Net profit for the current year"</b>	<b>10,314,348,359</b>	<b>1,678,520,120</b>	<b>985,404,819</b>	<b>465,132,959</b>	<b>12,362,768,932</b>	<b>25,806,175,189</b>

Assets and liabilities according to geographical segments (December 31, 2024)	Great Cairo	Alex	Delta	Red Sea/ Upper Egypt	Head office	Total
Assets of geographical segments	275,843,750,806	36,004,958,928	27,597,361,058	12,260,250,514	456,726,537,875	808,432,859,181
Unclassified assets	-	-	-	-	-	543,099,390
<b>Total assets</b>	<b>275,843,750,806</b>	<b>36,004,958,928</b>	<b>27,597,361,058</b>	<b>12,260,250,514</b>	<b>456,726,537,875</b>	<b>808,975,958,571</b>
Liabilities of geographical segments	546,412,000,613	76,925,204,742	51,201,434,667	26,730,636,500	11,311,506,317	712,580,782,839
Unclassified liabilities	-	-	-	-	-	7,846,381,501
<b>Total liabilities</b>	<b>546,412,000,613</b>	<b>76,925,204,742</b>	<b>51,201,434,667</b>	<b>26,730,636,500</b>	<b>11,311,506,317</b>	<b>720,427,164,340</b>

At the end of comparative year Income and expenses according to geographical segments (December 31, 2023)	Great Cairo	Alex	Delta	Red Sea/ Upper Egypt	Head office	Total
Net interest income	15,058,891,883	2,464,964,067	2,048,119,288	888,624,750	9,921,636,502	30,382,236,490
Net fee and commission income	1,942,553,367	383,478,178	368,062,315	123,755,711	1,196,326,332	4,014,175,903
Dividend income	-	-	-	-	335,092,482	335,092,482
Net trading income	584,108,598	85,154,809	61,054,763	18,854,764	(151,735,082)	597,437,852
Gain on financial investments	-	-	-	-	86,459,835	86,459,835
Impairment credit losses	(4,051,120,227)	(427,322,708)	(646,073,112)	(362,678,183)	(95,370,153)	(5,582,564,383)
Administrative expenses	(4,008,989,318)	(754,329,190)	(671,880,541)	(336,798,220)	(80,636,818)	(5,852,634,087)
Other operating revenues (expenses)	(665,557,022)	(151,576,068)	(125,663,018)	(71,142,778)	1,340,127,800	326,188,914
<b>Profit before income tax</b>	<b>8,859,887,281</b>	<b>1,600,369,088</b>	<b>1,033,619,695</b>	<b>260,616,044</b>	<b>12,551,900,898</b>	<b>24,306,393,006</b>
Income tax expense	(3,111,703,095)	(562,069,616)	(363,020,149)	(91,531,610)	(4,408,384,399)	(8,536,708,869)
<b>Net profit for the comparative year</b>	<b>5,748,184,186</b>	<b>1,038,299,472</b>	<b>670,599,546</b>	<b>169,084,434</b>	<b>8,143,516,499</b>	<b>15,769,684,137</b>

At the end of comparative year Assets and liabilities according to geographical segments (December 31, 2023)	Great Cairo	Alex	Delta	Red Sea/ Upper Egypt	Head office	Total
Assets of geographical segments	194,951,738,171	30,905,568,014	24,162,400,428	9,234,128,261	360,485,699,682	619,739,534,556
Unclassified assets	-	-	-	-	-	791,081,587
<b>Total assets</b>	<b>194,951,738,171</b>	<b>30,905,568,014</b>	<b>24,162,400,428</b>	<b>9,234,128,261</b>	<b>360,485,699,682</b>	<b>620,530,616,143</b>
Liabilities of geographical segments	429,310,967,578	57,867,319,686	35,594,800,763	14,164,807,696	11,515,234,693	548,453,130,416
Unclassified liabilities	-	-	-	-	-	7,375,784,036
<b>Total liabilities</b>	<b>429,310,967,578</b>	<b>57,867,319,686</b>	<b>35,594,800,763</b>	<b>14,164,807,696</b>	<b>11,515,234,693</b>	<b>555,828,914,452</b>

Geographical segmental analysis is based on the locations of branches through which the bank provides its services.

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

6- Net interest income	December 31, 2024	December 31, 2023
Interest from loans and similar income:		
Loans and credit facilities:		
Customers and banks	59,428,219,790	37,911,646,206
<b>Total</b>	<b>59,428,219,790</b>	<b>37,911,646,206</b>
Treasury bills, bonds and Other Governmental notes	50,760,599,393	34,462,483,349
Other debt instruments	744,725,680	223,434,456
Deposits and current accounts	8,899,670,641	4,174,488,453
Net interest differential on hedging instruments (IRS contracts)	(44,671,197)	(29,566,387)
<b>Total</b>	<b>119,788,544,307</b>	<b>76,742,486,077</b>
Cost of deposits and similar expense :		
Deposits and current accounts:		
Banks	(868,305,399)	(547,653,577)
Customers	(78,224,703,496)	(45,571,520,779)
<b>Total</b>	<b>(79,093,008,895)</b>	<b>(46,119,174,356)</b>
Repo arrangements	(5,835,267)	(12,921,870)
Other loans	(274,715,431)	(228,153,361)
<b>Total</b>	<b>(79,373,559,593)</b>	<b>(46,360,249,587)</b>
<b>Net</b>	<b>40,414,984,714</b>	<b>30,382,236,490</b>
<b>7- Net fee and commission income:</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Fee and commission income:		
Credit fees and commission	4,390,045,547	3,130,705,657
Custody fees	58,690,919	38,642,464
Investment commission	34,918,926	26,645,773
Other fees	3,225,366,926	2,411,646,248
<b>Total</b>	<b>7,709,022,318</b>	<b>5,607,640,142</b>
Fee and commission expense:		
Brokerage fees	(12,021,465)	(6,606,669)
Other fees	(2,010,660,861)	(1,586,857,570)
<b>Total</b>	<b>(2,022,682,326)</b>	<b>(1,593,464,239)</b>
<b>Net</b>	<b>5,686,339,992</b>	<b>4,014,175,903</b>
<b>8 - Dividend income</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
subsidiaries	299,949,000	249,957,500
Equity instruments at fair value through other comprehensive income	180,157,935	85,134,982
<b>Total</b>	<b>480,106,935</b>	<b>335,092,482</b>
<b>9 - Net trading income:</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
Forex operations:		
Foreign exchange trading gains ( loss )	935,630,529	626,246,799
Changes in fair value of currency forward contracts	7,629,861	(27,484,114)
Changes in fair value of currency swap contracts	(13,253)	(16,899)
Changes in fair value IRS contracts	170,909	(1,307,934)
<b>Total</b>	<b>943,418,046</b>	<b>597,437,852</b>
<b>10 - Administrative expenses</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Staff cost:</b>		
Salaries and wages	3,184,143,059	2,413,957,717
Social insurance	171,632,131	144,123,690
<b>Pension cost:</b>		
Defined contribution scheme	119,774,122	102,135,363
Other retirement benefits (Defined benefit scheme )	100,961,963	80,101,574
	<b>3,576,511,275</b>	<b>2,740,318,344</b>
Depreciation and amortization	507,540,460	471,049,492
Other administrative expenses	3,391,839,720	2,641,266,251
<b>Total</b>	<b>7,475,891,455</b>	<b>5,852,634,087</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

11 - Other operating revenues (expenses)	December 31, 2024	December 31, 2023
Foreign exchange differences from translation of foreign currency monetary assets and liabilities other than held for trading items and those classified as at fair value through profit or loss at initial recognition	4,071,416,587	1,255,189,789
Gain on sale of property and equipment	8,162,000	9,666,000
Software cost	(1,022,642,244)	(672,856,011)
Operating lease rental expense	(220,977,988)	(201,082,018)
Gain on sale of foreclosed assets reverted to the bank in settlement of debts	105,713	28,579,205
Other provisions (net of reversed amounts)	905,312,615	(189,033,211)
Other income (expense)	48,043,159	95,725,160
<b>Total</b>	<b>3,789,419,842</b>	<b>326,188,914</b>

12 - Impairment credit losses	December 31, 2024	December 31, 2023
Loans and credit facilities to customers	(5,237,393,042)	(5,483,527,556)
Loans and credit facilities to Banks	(20,764,077)	(1,671,545)
Due from banks	(28,189,078)	(31,910,066)
Treasury bills and Other Governmental notes	8,674,335	(64,279,420)
Debt instruments at fair value through other comprehensive income	(5,921,575)	(375,571)
Debt instruments at amortized cost	-	3,043,790
Other assets	(109,555,958)	(3,844,015)
<b>Total</b>	<b>(5,393,149,395)</b>	<b>(5,582,564,383)</b>

13 - Income tax expense	December 31, 2024	December 31, 2023
Current tax	(12,821,501,548)	(8,621,094,382)
Deferred tax	(83,461,289)	84,385,513
<b>Total</b>	<b>(12,904,962,837)</b>	<b>(8,536,708,869)</b>

Additional data on deferred tax is disclosed in note 31. Income tax expense is different from the tax that would have arisen had the statutory tax rate been applied on pre-tax accounting profit as shown below:

Profit before tax	38,711,138,026	24,306,393,006
Income tax calculated at 22.5 % tax rate	8,710,006,056	5,468,938,426
<b>Tax impact for:</b>		
Non-taxable income	(299,696,832)	(204,642,367)
Non-deductible expenses for tax purposes	4,149,521,826	2,961,419,163
Prior-years' tax settlements	(36,737,979)	(18,643,179)
Recognize of deferred tax assets	(17,925,028)	(15,603,075)
Provision and segregated interest	268,639,515	397,103,752
Tax deductible (10% on dividend income)	47,693,990	32,521,662
<b>Effective income tax expense</b>	<b>12,821,501,548</b>	<b>8,621,094,382</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Tax Position

##### A) QNB Position:

##### A-1) Corporate Tax

- The Bank's accounts were tax-inspected and settled with respect to Tax since the beginning of activity till the end of December 31, 2010.
- Years 2011 and 2012 transferred to court.
- Years 2013 till 2020 have been inspected, and the due tax was paid.
- Years 2021, the period for the examination was requested, and the documents were submitted to the Egyptian Tax Authority during the legal dates
- Year 2022 & 2023 the Bank submitted its tax return in the due date and books have not been inspected yet.

##### A-2) Salaries Taxes

- The Bank's books have been inspected, and the due tax was paid until year 2020.
- Years 2021, 2022 & 2023 the Bank submitted its tax return in the due date and books have not been inspected yet.

##### A-3) Stamp duties

- The Bank's books have been inspected, for all branches until July 31, 2006 and all tax was paid.
- Years August 01, 2006 till December 31, 2021 have been inspected, and the due tax was paid.
- Year 2022 & 2023 the Bank paid the taxes on the due date and books have not been inspected yet.

##### (B) EX-MIBank Position:

##### B-1) Corporate Tax

- The Bank's accounts were tax- inspected, and settled since the beginning of activity till November 30, 2006.

##### B-2) Salaries Taxes

- The Bank's books have been inspected, and the due tax was paid till November 30, 2006.

##### B-3) Stamp duties

- The Bank's books have been inspected for all branches until July 31, 2006 and all due tax was paid.
- Period from August 01, 2006 till November 30, 2006 have been inspected, and the due tax was paid.

14- Earnings Per Share	December 31, 2024	December 31, 2023
Net Profit for the year	25,806,175,189	15,769,684,137
Remuneration for the Board Members (from the year's net profit)*	(19,500,000)	(13,420,000)
Staff profit share (from the year's net profit)*	(2,600,965,649)	(1,595,306,685)
<b>Profit available to shareholders</b>	<b>23,185,709,540</b>	<b>14,160,957,452</b>
Weighted average number of the shares outstanding during the year	2,154,822,966	2,154,822,966
<b>Earning Per Share</b>	<b>10.76</b>	<b>6.57</b>

\* Based on Profits distribution proposal. The actual amounts will be subject to the ordinary AGM approval .



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 15 - Classification and measurement of financial assets and financial liabilities

The following table shows the gross financial assets and financial liabilities (excluding allowances for impairment) according to the business model classification:

December 31, 2024	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Financial instruments at fair value through profit or loss	Total Carrying amount
Cash and due from Central Bank of Egypt (CBE)	71,189,180,717	-	-	-	71,189,180,717
Due from banks	121,391,269,008	-	-	-	121,391,269,008
Treasury bills and Other Governmental notes	19,867,621,720	111,226,598,767	-	-	131,094,220,487
Loans and credit facilities to Banks	2,527,766,818	-	-	-	2,527,766,818
Loans and credit facilities to customers	365,293,095,802	-	-	-	365,293,095,802
Financial derivatives	-	-	-	3,693,595	3,693,595
Fair value through other comprehensive income	-	31,248,488,910	2,814,200,163	-	34,062,689,073
Amortized cost	86,823,766,207	-	-	-	86,823,766,207
Fair value through profit or loss	-	-	-	105,921,395	105,921,395
Other financial assets	10,440,112,213	-	-	-	10,440,112,213
<b>Total financial assets</b>	<b>677,532,812,485</b>	<b>142,475,087,677</b>	<b>2,814,200,163</b>	<b>109,614,990</b>	<b>822,931,715,315</b>
Due to banks	16,122,650,231	-	-	-	16,122,650,231
Customer deposits	681,863,637,359	-	-	-	681,863,637,359
Financial derivatives	-	-	-	8,809,370	8,809,370
Other loans	4,132,253,873	-	-	-	4,132,253,873
Other financial liabilities	3,644,342,291	-	-	-	3,644,342,291
<b>Total financial liabilities</b>	<b>705,762,883,754</b>	<b>-</b>	<b>-</b>	<b>8,809,370</b>	<b>705,771,693,124</b>

December 31, 2023	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Financial instruments at fair value through profit or loss	Total Carrying amount
Cash and due from Central Bank of Egypt (CBE)	61,558,547,091	-	-	-	61,558,547,091
Due from banks	42,660,349,493	-	-	-	42,660,349,493
Treasury bills and Other Governmental notes	12,144,840,783	140,066,594,145	-	-	152,211,434,928
Loans and credit facilities to Banks	886,408,148	-	-	-	886,408,148
Loans and credit facilities to customers	268,576,814,558	-	-	-	268,576,814,558
Financial derivatives	-	-	-	-	-
Fair value through other comprehensive income	-	14,664,045,850	1,628,915,760	-	16,292,961,610
Amortized cost	80,536,769,618	-	-	-	80,536,769,618
Fair value through profit or loss	-	-	-	101,198,551	101,198,551
Other financial assets	7,311,718,320	-	-	-	7,311,718,320
<b>Total financial assets</b>	<b>473,675,448,011</b>	<b>154,730,639,995</b>	<b>1,628,915,760</b>	<b>101,198,551</b>	<b>630,136,202,317</b>
Due to banks	5,088,111,931	-	-	-	5,088,111,931
Customer deposits	530,118,813,705	-	-	-	530,118,813,705
Financial derivatives	-	-	-	6,264,722	6,264,722
Other loans	3,995,190,883	-	-	-	3,995,190,883
Other financial liabilities	2,637,451,549	-	-	-	2,637,451,549
<b>Total financial liabilities</b>	<b>541,839,568,068</b>	<b>-</b>	<b>-</b>	<b>6,264,722</b>	<b>541,845,832,790</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

16 - Cash and due from Central Bank of Egypt (CBE)	December 31, 2024	December 31, 2023
Cash	9,381,610,325	6,019,110,226
Balances with CBE (mandatory reserve)	61,807,570,392	55,539,436,865
<b>Total</b>	<b>71,189,180,717</b>	<b>61,558,547,091</b>
Interest free balances	71,189,180,717	61,558,547,091
<b>Total</b>	<b>71,189,180,717</b>	<b>61,558,547,091</b>

17 - Due from Banks	December 31, 2024	December 31, 2023
Current accounts	8,837,770,998	3,755,945,439
Deposits	112,553,498,010	38,904,404,054
	<b>121,391,269,008</b>	<b>42,660,349,493</b>
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>121,283,214,717</b>	<b>42,610,823,880</b>
Balances at CBE other than those under the mandatory reserve	36,459,710,448	11,344,464,186
Local banks	27,298,465,872	13,917,033,336
Foreign Banks	57,633,092,688	17,398,851,971
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>121,283,214,717</b>	<b>42,610,823,880</b>
Interest free balances	8,112,997,540	2,096,603,215
Balances at floating interest rates	724,773,458	1,659,342,224
Balances at fixed interest rates	112,553,498,010	38,904,404,054
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>121,283,214,717</b>	<b>42,610,823,880</b>
Current balances	121,283,214,717	42,610,823,880
<b>Total</b>	<b>121,283,214,717</b>	<b>42,610,823,880</b>

18- Treasury bills and Other governmental notes	December 31, 2024	December 31, 2023
91 days maturity	4,300,425,000	375,875,000
182 days maturity	9,318,800,000	44,945,900,000
More than 182 days maturity	41,365,735,160	120,868,832,420
Less : Unearned interest	(2,579,205,871)	(12,753,735,067)
	<b>52,405,754,289</b>	<b>153,436,872,353</b>
Less : Allowance for impairment losses	(168,807,016)	(105,988,188)
Fair Value Reserve	(311,533,802)	(1,225,437,425)
<b>Total Treasury bills</b>	<b>51,925,413,471</b>	<b>152,105,446,740</b>
Other governmental notes	79,000,000,000	-
<b>Total Treasury bills and Other governmental notes</b>	<b>130,925,413,471</b>	<b>152,105,446,740</b>
Treasury bills and Other governmental notes classified as amortized cost	19,698,814,704	12,038,852,595
Treasury bills and Other governmental notes classified as FVOCI	111,226,598,767	140,066,594,145
<b>Total</b>	<b>130,925,413,471</b>	<b>152,105,446,740</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

19 - Loans and credit facilities to Banks	December 31, 2024	December 31, 2023
Other loans	3,157,277	886,408,148
Term Loans	2,524,609,541	-
<b>Total</b>	<b>2,527,766,818</b>	<b>886,408,148</b>
Less : Allowance for impairment losses	(23,321,880)	(1,670,812)
<b>Total</b>	<b>2,504,444,938</b>	<b>884,737,336</b>

20 - Loans and credit facilities to customers	December 31, 2024			December 31, 2023		
	Total	Allowance for impairment losses	Net	Total	Allowance for impairment losses	Net
<b>Individuals</b>						
Overdrafts	4,342,954,194	(81,482,194)	4,261,472,000	4,919,348,053	(60,172,193)	4,859,175,860
Credit cards	2,705,555,552	(455,377,694)	2,250,177,858	2,016,896,557	(122,029,564)	1,894,866,993
Personal loans	50,942,342,946	(985,933,706)	49,956,409,240	41,053,301,067	(975,527,353)	40,077,773,714
Real estate loans	8,399,827,954	(130,601,132)	8,269,226,822	5,970,437,465	(115,141,068)	5,855,296,397
<b>Total (1)</b>	<b>66,390,680,646</b>	<b>(1,653,394,726)</b>	<b>64,737,285,920</b>	<b>53,959,983,142</b>	<b>(1,272,870,178)</b>	<b>52,687,112,964</b>
<b>Corporate including small loans for businesses</b>						
Overdrafts	152,057,478,260	(5,744,624,916)	146,312,853,344	110,810,327,724	(4,831,710,678)	105,978,617,046
Direct loans	108,961,861,073	(12,356,729,951)	96,605,131,122	78,623,134,165	(9,237,563,334)	69,385,570,831
Syndicated loans and facilities	34,780,154,736	(1,344,823,897)	33,435,330,839	22,242,629,047	(538,844,136)	21,703,784,911
Other loans	3,102,921,087	(13,984,446)	3,088,936,641	2,940,740,480	(53,460,778)	2,887,279,702
<b>Total (2)</b>	<b>298,902,415,156</b>	<b>(19,460,163,210)</b>	<b>279,442,251,946</b>	<b>214,616,831,416</b>	<b>(14,661,578,926)</b>	<b>199,955,252,490</b>
<b>Total loans and credit facilities to customers (1+2)</b>	<b>365,293,095,802</b>	<b>(21,113,557,936)</b>	<b>344,179,537,866</b>	<b>268,576,814,558</b>	<b>(15,934,449,104)</b>	<b>252,642,365,454</b>
Less: Segregated interest			-			(205,723)
Less: Unearned discount and deferred income			(168,736,354)			(174,377,003)
<b>Net Loans and credit facilities to customers distributed as follows:</b>			<b>344,010,801,512</b>			<b>252,467,782,728</b>
Current balances			245,597,741,533			187,238,751,778
Non-current balances			98,413,059,979			65,229,030,950
<b>Net Loans and credit facilities to customers</b>			<b>344,010,801,512</b>			<b>252,467,782,728</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 20-A - Allowance for impairment losses

December 31, 2024					
Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at beginning of the year	60,172,193	122,029,564	975,527,353	115,141,068	1,272,870,178
Net impairment loss recognized during the year	27,931,518	361,891,431	109,349,268	20,552,672	519,724,889
Loans written-off during the year	(6,621,517)	(28,543,301)	(137,928,185)	(5,092,608)	(178,185,611)
Collection of loans previously written-off	-	-	38,985,270	-	38,985,270
Foreign exchange translation differences	-	-	-	-	-
<b>Balance at end of the year</b>	<b>81,482,194</b>	<b>455,377,694</b>	<b>985,933,706</b>	<b>130,601,132</b>	<b>1,653,394,726</b>

Corporate	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Balance at beginning of the year	4,831,710,678	9,237,563,334	538,844,136	53,460,778	14,661,578,926
Net impairment loss recognized during the year	(186,257,741)	4,272,166,660	683,397,426	(51,638,192)	4,717,668,153
Loans written-off during the year	-	(3,600,223,423)	-	-	(3,600,223,423)
Collection of loans previously written-off	-	345,758,401	-	-	345,758,401
Foreign exchange translation differences	1,099,171,979	2,101,464,979	122,582,335	12,161,860	3,335,381,153
<b>Balance at end of the year</b>	<b>5,744,624,916</b>	<b>12,356,729,951</b>	<b>1,344,823,897</b>	<b>13,984,446</b>	<b>19,460,163,210</b>
<b>Total</b>					<b>21,113,557,936</b>

December 31, 2023					
Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at beginning of comparative year	64,693,995	65,722,988	949,400,304	138,069,156	1,217,886,443
Net impairment loss recognized during the year	43,963,696	89,856,570	107,717,578	(9,168,359)	232,369,485
Loans written-off during the year	(48,485,498)	(33,549,994)	(97,089,004)	(13,759,729)	(192,884,225)
Collection of loans previously written-off	-	-	15,493,219	-	15,493,219
Foreign exchange translation differences	-	-	5,256	-	5,256
<b>Balance at end of the year</b>	<b>60,172,193</b>	<b>122,029,564</b>	<b>975,527,353</b>	<b>115,141,068</b>	<b>1,272,870,178</b>

Corporate	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Balance at beginning of comparative year	2,565,771,479	9,977,038,963	203,466,088	38,320,326	12,784,596,856
Net impairment loss recognized during the year	2,066,456,311	2,852,981,603	319,559,023	12,161,134	5,251,158,071
Loans written-off during the year	-	(4,426,864,758)	-	-	(4,426,864,758)
Collection of loans previously written-off	-	58,715,474	-	-	58,715,474
Foreign exchange translation differences	199,482,888	775,692,052	15,819,025	2,979,318	993,973,283
<b>Balance at end of the year</b>	<b>4,831,710,678</b>	<b>9,237,563,334</b>	<b>538,844,136</b>	<b>53,460,778</b>	<b>14,661,578,926</b>
<b>Total</b>					<b>15,934,449,104</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

21- Financial derivatives		December 31, 2024		
(A) Held for trading		Notional amount	Assets	Liabilities
- Forward foreign exchange contracts		2,301,200,818	3,723,747	-
- Swap foreign exchange contracts		276,869,620	(30,152)	-
<b>Total</b>		<b>2,578,070,438</b>	<b>3,693,595</b>	<b>-</b>
(B) Fair value hedge				
Interest rate swap contracts		3,812,910,000	-	8,809,370
<b>Total</b>		<b>3,812,910,000</b>	<b>-</b>	<b>8,809,370</b>
<b>Total</b>		<b>6,390,980,438</b>	<b>3,693,595</b>	<b>8,809,370</b>

		December 31, 2024		
(A) Held for trading		Notional amount	Assets	Liabilities
- Forward foreign exchange contracts		926,169,965	-	3,906,114
- Swap foreign exchange contracts		151,424,388	-	16,899
<b>Total</b>		<b>1,077,594,353</b>	<b>-</b>	<b>3,923,013</b>
(B) Fair value hedge				
Interest rate swap contracts		830,252,063	-	2,341,709
<b>Total</b>		<b>830,252,063</b>	<b>-</b>	<b>2,341,709</b>
<b>Total</b>		<b>1,907,846,416</b>	<b>-</b>	<b>6,264,722</b>

Forward exchange contracts represent commitments to purchase local and foreign currencies including the unexecuted part of regular-way transactions. Interest rate swap contracts represent commitments to swap fixed interest rate with variable interest rate where the physical exchange of funds is not required except in foreign exchange swaps. The Bank's credit risk represents the cost of potential replacement of the swaps in case other parties fail to meet their obligations. This risk is controlled on an ongoing basis in terms of fair value and percentage of contracted amounts. To control the outstanding credit risk, the Bank assesses counterparties to the contract in the same manner used in lending activities.

#### Fair value hedge

The Bank uses interest rate swap contracts to mitigate part of the risk of potential increase in fair value of its fixed rate customer deposits in foreign currencies to the extent caused by declining market interest rates.

Net fair value of hedging instruments (Interest rate swap) liability amounted to EGP 8,809,370 as of December 31, 2024 (Liability EGP 2,341,709 in the prior year). Loss resulting from hedging instruments amounted to EGP 6,467,661 (Gain of EGP 20,612,927 in the prior year) and Gain arose from the hedged items reached EGP6,638,570 (Loss of EGP 21,920,861 in the prior year).

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 22- Financial investments

Fair value through other comprehensive income (FVTOCI)	December 31, 2024	December 31, 2023
<b>(A) Debt instruments at fair value:</b>		
Listed Instruments in Egyptian Stock Exchange Market	12,760,243,054	9,548,804,967
Listed instruments in foreign stock exchange market	18,488,245,856	5,115,240,883
<b>Total debt instruments measured at fair value through other comprehensive income</b>	<b>31,248,488,910</b>	<b>14,664,045,850</b>
<b>(B) Equity instruments at fair value:</b>		
Listed instruments in Egyptian stock exchange market	177,067,823	174,854,480
Unlisted instruments in stock exchange market	2,548,051,135	1,378,435,525
<b>Total equity instruments measured at fair value through other comprehensive income</b>	<b>2,725,118,958</b>	<b>1,553,290,005</b>
<b>(C) Money market funds and balanced funds:</b>		
Unlisted instruments in stock exchange market	89,081,205	75,625,755
<b>Total financial investments measured at Fair value through other comprehensive income (1)</b>	<b>34,062,689,073</b>	<b>16,292,961,610</b>
<b>Amortized cost</b>		
<b>(A) Debt instruments:</b>		
Listed instruments in stock exchange market	86,823,766,207	80,536,769,618
<b>Total Debt instruments measured at amortized cost (2)</b>	<b>86,823,766,207</b>	<b>80,536,769,618</b>
<b>Fair value through profit or loss (FVTPL)</b>		
<b>(A) Mutual funds:</b>		
Unlisted instruments in stock exchange market *	105,921,395	101,198,551
<b>Total equity instruments measured at fair value through profit or loss (3)</b>	<b>105,921,395</b>	<b>101,198,551</b>
<b>Total Financial investments (1+2+3)</b>	<b>120,992,376,675</b>	<b>96,930,929,779</b>
<b>Current balances</b>	<b>24,134,521,127</b>	<b>29,208,492,988</b>
<b>Non-current balances</b>	<b>96,857,855,548</b>	<b>67,722,436,791</b>
<b>Total financial investment</b>	<b>120,992,376,675</b>	<b>96,930,929,779</b>
<b>Fixed interest debt instruments</b>	<b>115,853,848,514</b>	<b>92,693,656,087</b>
<b>Variable interest debt instruments</b>	<b>2,218,406,603</b>	<b>2,507,159,381</b>
<b>Total debt instruments</b>	<b>118,072,255,117</b>	<b>95,200,815,468</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The following table analyzes the movements on financial investments during the year:

	Fair value through other comprehensive income	Amortized cost
<b>Balance at the beginning of the current year</b>	16,292,961,610	80,536,769,618
Additions	18,678,778,518	32,595,832,884
Amortization of premium / discount	76,090,486	338,697,706
Disposals (sale/redemption)	(8,587,914,953)	(26,647,534,001)
Translation differences resulting from monetary foreign currency denominated assets	6,120,000,464	-
Changes in fair value reserve	1,497,999,612	-
Transferred to Retained Earnings	(15,226,664)	-
Change in Allowance for impairment during the year	-	-
<b>Balance at the end of the current year</b>	<b>34,062,689,073</b>	<b>86,823,766,207</b>

The following table analyzes the movements on financial investments during the comparative year:

	Fair value through other comprehensive income	Amortized cost
<b>Balance at the beginning of the comparative year</b>	15,780,960,730	91,191,494,225
Additions	7,080,305,224	25,040,968,834
Amortization of premium / discount	(15,725,290)	1,563,843,577
Disposals (sale/redemption)	(7,508,426,070)	(37,542,391,950)
Translation differences resulting from monetary foreign currency denominated assets	819,438,445	280,417,460
Changes in fair value reserve	162,164,719	-
Transferred to Retained Earnings	(25,756,148)	-
Change in Allowance for impairment during the year	-	2,437,472
<b>Balance at the end of the comparative year</b>	<b>16,292,961,610</b>	<b>80,536,769,618</b>

Gain on financial investments	December 31, 2024	December 31, 2023
Gain on financial investments at fair value through profit or loss	19,804,638	11,297,196
Gain on selling financial investments at fair value through other comprehensive income	246,104,709	75,162,639
<b>Total</b>	<b>265,909,347</b>	<b>86,459,835</b>

\* The Bank's equity instruments classified in the fair value through other comprehensive income category represent Bank subscribed stake at 5% from the total certificates' number of its QNB First Fund with cumulative daily return (THEMAR Money Market Fund) upon its initial offering, in addition to the Bank subscribed stake at 20% from the total certificates' number of its QNB Second Fund with yearly / cumulative return (Tawazon Balanced Fund), in addition to the 20% from the total certificates' number of its QNB Third Fund with yearly / cumulative return (Tadawol Equity Fund) upon its initial offering. All stakes required to be retained by the Bank until maturity of the funds in accordance with the provisions of the law, had a nominal value of EGP 5 million each.



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

23 - Investments in subsidiaries

The following table summarizes the Bank’s holdings in its subsidiaries:

December 31, 2024	Country of residence	Investee's assets	Investee's liabilities (excluding equity)	Investee's revenues	Investee's profit (loss)	Carrying amount	The Bank's stake
QNB leasing company (Subsidiary)	Egypt	5,555,080,352	4,525,228,741	1,238,014,439	287,487,362	144,915,453	99.98%
QNB Life Insurance company (Subsidiary)	Egypt	10,800,966,887	9,509,821,158	783,169,424	545,422,122	69,179,676	99.98%
QNB Asset Management Egypt (Subsidiary)	Egypt	19,377,434	391,345	2,669,568	2,398,417	1,176,710	97.48%
QNB Factoring Company (Subsidiary)	Egypt	1,152,104,234	749,078,076	308,400,744	63,679,328	324,990,000	99.997%
<b>Total</b>		<b>17,527,528,907</b>	<b>14,784,519,320</b>	<b>2,332,254,175</b>	<b>898,987,229</b>	<b>540,261,839</b>	

December 31, 2023	Country of residence	Investee's assets	Investee's liabilities (excluding equity)	Investee's revenues	Investee's profit (loss)	Carrying amount	The Bank's stake
QNB leasing company (Subsidiary)	Egypt	4,405,493,376	3,645,715,984	792,863,307	170,131,408	144,915,453	99.98%
QNB Life Insurance company (Subsidiary)	Egypt	7,814,733,678	6,735,940,311	696,645,288	520,796,782	69,179,676	99.98%
QNB Asset Management Egypt (Subsidiary)	Egypt	16,936,309	348,588	1,739,438	1,472,081	1,176,710	97.48%
QNB Factoring Company (Subsidiary)	Egypt	876,865,335	536,775,227	247,765,535	6,232,763	324,990,000	99.997%
<b>Total</b>		<b>13,114,028,698</b>	<b>10,918,780,110</b>	<b>1,739,013,568</b>	<b>698,633,034</b>	<b>540,261,839</b>	

24 - Intangible assets	December 31, 2024	December 31, 2023
<b>Software</b>		
Net book value at the beginning of the year	477,474,366	341,252,070
Additions	196,797,514	244,924,839
Amortization	(131,172,490)	(108,702,543)
<b>Net book value at the end of the year</b>	<b>543,099,390</b>	<b>477,474,366</b>

25 - Other assets	December 31, 2024	December 31, 2023
Accrued revenues	10,440,112,213	7,311,718,320
Pre-paid expenses	534,066,908	275,711,607
Advance payments for acquisition of property and equipment	1,562,659,116	1,076,138,114
Foreclosed assets reverted to the bank in settlement of debts	242,524,926	19,525,277
Deposits held with others and custody	27,554,222	21,413,298
Advance payments to tax authority	7,223,007	10,679,330
Others	1,652,903,140	1,289,522,917
	<b>14,467,043,532</b>	<b>10,004,708,863</b>
Less : Expected credit loss (ECL)	(115,969,702)	(6,187,603)
<b>Total</b>	<b>14,351,073,830</b>	<b>9,998,521,260</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

26- Property and Equipment	Lands and buildings	Renovations of leased assets	Machinery & equipment	Others	Total
<b>January 1, 2023</b>					
Cost	3,101,564,748	362,948,675	1,534,834,331	296,529,140	5,295,876,894
Accumulated depreciation	(1,102,987,884)	(193,439,341)	(1,034,102,532)	(187,171,084)	(2,517,700,841)
<b>Net book value</b>	<b>1,998,576,864</b>	<b>169,509,334</b>	<b>500,731,799</b>	<b>109,358,056</b>	<b>2,778,176,053</b>
<b>December 31, 2023</b>					
Net book value at the beginning of the year	1,998,576,864	169,509,334	500,731,799	109,358,056	2,778,176,053
Additions	43,907,434	41,146,157	117,343,867	24,274,155	226,671,613
Disposals from property and equipment	(1,696)	(1,671,745)	(27,699)	(5,579,153)	(7,280,293)
Disposals from accumulated depreciation	1,696	1,671,745	10,885	5,579,153	7,263,479
Depreciation for the year	(131,558,073)	(25,941,224)	(178,235,674)	(26,611,978)	(362,346,949)
<b>Net book value</b>	<b>1,910,926,225</b>	<b>184,714,267</b>	<b>439,823,178</b>	<b>107,020,233</b>	<b>2,642,483,903</b>
<b>January 1, 2024</b>					
Cost	3,145,470,486	402,423,087	1,652,150,499	315,224,142	5,515,268,214
Accumulated depreciation	(1,234,544,261)	(217,708,820)	(1,212,327,321)	(208,203,909)	(2,872,784,311)
<b>Net book value</b>	<b>1,910,926,225</b>	<b>184,714,267</b>	<b>439,823,178</b>	<b>107,020,233</b>	<b>2,642,483,903</b>
<b>December 31, 2024</b>					
Net book value at the beginning of the year	1,910,926,225	184,714,267	439,823,178	107,020,233	2,642,483,903
Additions	57,194,969	49,963,745	227,413,195	31,736,193	366,308,102
Disposals from property and equipment	(874,349)	(162,752)	(1,138,493)	(4,506,806)	(6,682,400)
Disposals from accumulated depreciation	852,468	162,752	1,134,226	4,506,806	6,656,252
Depreciation for the year	(131,835,223)	(31,046,696)	(185,493,686)	(27,992,365)	(376,367,970)
<b>Net book value</b>	<b>1,836,264,090</b>	<b>203,631,316</b>	<b>481,738,420</b>	<b>110,764,061</b>	<b>2,632,397,887</b>
<b>Balances at December 31, 2024</b>					
Cost	3,201,791,106	452,224,080	1,878,425,201	342,453,529	5,874,893,916
Accumulated depreciation	(1,365,527,016)	(248,592,764)	(1,396,686,781)	(231,689,468)	(3,242,496,029)
<b>Net book value</b>	<b>1,836,264,090</b>	<b>203,631,316</b>	<b>481,738,420</b>	<b>110,764,061</b>	<b>2,632,397,887</b>

# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

27 - Due to banks	December 31, 2024	December 31, 2023
Current accounts	15,799,484,736	637,668,765
Deposits	-	3,928,770,066
Repos transactions	323,165,495	521,673,100
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Central banks	323,165,495	521,673,100
Local banks	1,158	908
Foreign banks	15,799,483,578	4,566,437,923
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Non-interest bearing balances	15,718,908,383	577,720,370
Variable interest rate balances	80,576,353	59,948,395
Fixed interest rate balances	323,165,495	4,450,443,166
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Current balances	16,122,650,231	5,088,111,931
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>

28 - Customer deposits	December 31, 2024	December 31, 2023
Demand deposits	221,345,846,979	157,349,998,365
Time deposits and call accounts	290,615,178,152	235,002,478,471
Term saving certificates	119,892,892,548	98,574,549,873
Saving deposits	41,043,076,877	30,603,731,183
Other deposits*	8,966,642,803	8,588,055,813
<b>Total</b>	<b>681,863,637,359</b>	<b>530,118,813,705</b>
Corporate deposits	447,577,622,789	356,740,702,440
Retail deposits	234,286,014,570	173,378,111,265
<b>Total</b>	<b>681,863,637,359</b>	<b>530,118,813,705</b>
Non-interest bearing balances	72,907,664,363	58,335,764,732
Variable interest rate balances	202,775,498,925	139,655,045,516
Fixed interest rate balances	406,180,474,071	332,128,003,457
<b>Total</b>	<b>681,863,637,359</b>	<b>530,118,813,705</b>
Current balances	590,004,605,868	458,195,256,486
Non-current balances	91,859,031,491	71,923,557,219
<b>Total</b>	<b>681,863,637,359</b>	<b>530,118,813,705</b>

\*Other deposits include deposits covering irrevocable letters of credit in the total of EGP 760,094,224 as of December 31, 2024 (December 31, 2023 EGP 1,243,440,368 ). The fair value of these deposits approximates its carrying amount.

29 - Other loans	December 31, 2024	December 31, 2023
National Bank of Egypt (Epap & Eco)	110,666,347	32,639,187
Commercial International Bank	136,500,000	68,365,000
European Bank for Reconstruction and Development	3,869,178,459	3,854,142,629
The Micro, Small and Medium Enterprises Development Agency	15,909,067	40,044,067
<b>Total</b>	<b>4,132,253,873</b>	<b>3,995,190,883</b>
Current balances	2,432,947,603	1,615,939,362
Non-current balances	1,699,306,270	2,379,251,521
<b>Total</b>	<b>4,132,253,873</b>	<b>3,995,190,883</b>

30 - Other liabilities	December 31, 2024	December 31, 2023
Accrued interest	3,644,342,291	2,637,451,549
Unearned revenues	265,932,117	178,058,901
Accrued expenses	2,760,568,873	1,975,474,232
Sundry credit balances	3,782,588,725	4,453,764,493
<b>Total</b>	<b>10,453,432,006</b>	<b>9,244,749,175</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 31 - Other provisions

Description	Balance at the beginning of the year	Formed during the year	December 31, 2024		Used during the year	Balance at the end of the year
			Released during the year	Foreign currencies translation differences + (-)		
Provision for tax claims	36,478,878	-	-	-	-	36,478,878
Provision for legal claims	35,309,506	-	(13,135,654)	525,701	(2,531,781)	20,167,772
Provision for contingent liabilities	1,165,748,204	-	(893,149,375)	379,647,325	-	652,246,154
Provision for fidelity	61,171,778	869,718	-	34,028,935	(94,218,991)	1,851,440
Provision for operational risk	568,237	102,696	-	378,542	-	1,049,475
<b>Total</b>	<b>1,299,276,603</b>	<b>972,414</b>	<b>(906,285,029)</b>	<b>414,580,503</b>	<b>(96,750,772)</b>	<b>711,793,719</b>

Description	Balance at the beginning of the year	Formed during the year	December 31, 2023		Used during the year	Balance at the end of the year
			Released during the year	Foreign currencies translation differences + (-)		
Provision for tax claims	37,391,004	-	-	-	(912,126)	36,478,878
Provision for legal claims	8,843,548	26,655,581	-	158,829	(348,452)	35,309,506
Provision for contingent liabilities	875,390,079	161,809,303	-	128,548,822	-	1,165,748,204
Provision for fidelity	49,162,902	-	-	12,008,876	-	61,171,778
Provision for operational risk	-	568,327	-	(90)	-	568,237
<b>Total</b>	<b>970,787,533</b>	<b>189,033,211</b>	<b>-</b>	<b>140,716,437</b>	<b>(1,260,578)</b>	<b>1,299,276,603</b>

#### 32 - Deferred income tax

Deferred tax has been calculated on all temporary tax differences using the balance sheet method and using the expected tax rate on a time that the Bank will recognize a benefit from assets / incurred liabilities at a tax rate of 22.5% for the current financial Year. The Bank does not offset deferred tax assets and deferred tax liabilities unless the bank has a legally enforceable right to set off current tax assets against current tax liabilities; and if the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

#### Deferred tax assets and liabilities

Below are the balances and movements of deferred tax assets and liabilities:

Tax impact on temporary differences arising from:	Deferred tax assets		Deferred tax liabilities	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Property and equipment	-	-	(176,727,828)	(159,982,611)
Provisions (other than the provision for loan impairment)	358,218,549	432,326,712	-	-
Differences in fair value of financial investments at fair value through other comprehensive income	-	29,543,805	(423,287,317)	-
Others	19,111,406	11,719,315	-	-
<b>Deferred tax assets (liabilities)</b>	<b>377,329,955</b>	<b>473,589,832</b>	<b>(600,015,145)</b>	<b>(159,982,611)</b>
<b>Net balance of DTA (DTL)</b>		<b>313,607,221</b>	<b>222,685,190</b>	

Movement of deferred tax assets and liabilities:	Deferred tax assets		Deferred tax liabilities	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Beginning balance	473,589,832	342,611,489	(159,982,611)	(320,681,370)
DT recognized / utilized during the year	(96,259,877)	130,978,343	(440,032,534)	160,698,759
<b>Closing balance</b>	<b>377,329,955</b>	<b>473,589,832</b>	<b>(600,015,145)</b>	<b>(159,982,611)</b>

Balances of deferred tax assets (liabilities) recognized directly in equity	December 31, 2024	December 31, 2023
Differences in fair value of financial investments at fair value through other comprehensive income	(423,287,317)	29,543,805



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 33 - Defined benefits obligation

	December 31, 2024	December 31, 2023
<b>Amounts recognized in the statement of financial position:</b>		
Liability for post-retirement medical benefits	626,522,132	595,997,416
<b>Amounts recognized in the income statement:</b>		
Post-retirement medical benefits	100,961,963	80,101,574
<b>Post-retirement medical benefits obligation constitutes of:</b>		
Balances shown in the statement of financial position are represented as follows:		
Present value of unfunded liabilities	563,288,192	503,299,378
Unrecognized actuarial gain	63,233,940	92,698,038
	<b>626,522,132</b>	<b>595,997,416</b>
<b>Liability movements during the year are represented as follows:</b>		
Balance at the beginning of the financial year	595,997,416	565,184,100
Current service cost	6,098,995	5,120,749
Interest cost	98,675,737	78,082,532
Actuarial gain/losses	(3,812,769)	(3,101,707)
Benefits paid	(70,437,247)	(49,288,258)
	<b>626,522,132</b>	<b>595,997,416</b>
<b>Amounts recognized in the income statement are shown below:</b>		
Current service cost	6,098,995	5,120,749
Interest cost	98,675,737	78,082,532
Actuarial gain/losses recognized during the year	(3,812,769)	(3,101,707)
	<b>100,961,963</b>	<b>80,101,574</b>

<b>The main actuarial assumptions used by the Bank are outlined below:</b>		
	December 31, 2024	December 31, 2023
<b>Discount rate (two plans):</b>		
A- QNB current employees plan	24.29%	21.50%
B-Ex-MIBank retirees plan	24.29%	21.50%
QNB -long term increase in the cost of medical care (on top of inflation)	17.00%	15.00%
Ex-MIBank - long term increase in the cost of medical care (on top of inflation)	17.00%	15.00%
<b>Sensitivities to +1% in discount rate (duration of the plan):</b>		
	<b>Service cost</b>	<b>DBO</b>
Post-retirement medical benefits	2.74%	4.80%

#### 34 - Issued and paid-up capital

##### (A) Authorized Capital

- The authorized capital amounts to EGP 15 billion.

##### (B) Issued and Paid up Capital

- The issued and paid up capital amounted to EGP 9,794,649,850 on December 31, 2018 representing 979,464,985 shares with a nominal value of EGP 10 each, of which 854,141,985 shares were paid in Egyptian pound and 125,323,000 shares were paid in foreign currency according to the exchange rates prevailing on the payment date.
- The Extraordinary General Assembly held on February 28, 2019 decided to increase the capital from EGP 9,794,649,850 to EGP 10,774,114,830, an increase of EGP 979,464,980 by transferring from the general reserve, and decided to split the face value of each share of the Bank's capital from EGP 10 to be EGP 5.
- The issued and paid up capital amounted to EGP 10,774,114,830 on December 31, 2024 representing 2,154,822,966 shares with a nominal value of EGP 5 each, of which 1,904,176,966 shares were paid in Egyptian pound and 250,646,000 shares were paid in foreign currency according to the exchange rates prevailing on the payment date.



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 35 - Reserves and retained earnings

(1) Reserves	December 31, 2024	December 31, 2023
General reserve (a)	37,142,241,367	28,884,568,918
General banking risk reserve (b)	1,045,272	1,045,272
Legal reserve (c)	4,084,886,756	3,296,885,849
Fair value reserve (d)	1,306,419,009	(644,053,357)
Special reserve (e)	12,856,666	12,856,666
Capital reserve	52,716,621	43,050,621
General risk reserve	21,453,923	21,453,923
<b>Total reserves at the end of the year</b>	<b>42,621,619,614</b>	<b>31,615,807,892</b>

#### Reserve movements are as follows:

(a) General reserve	December 31, 2024	December 31, 2023
Balance at the beginning of the financial year	28,884,568,918	23,979,176,120
Transferred from retained earnings	8,257,672,449	4,905,392,798
<b>Balance at the end of the year</b>	<b>37,142,241,367</b>	<b>28,884,568,918</b>
<b>(b) General banking risk reserve</b>		
Balance at the beginning of the year	1,045,272	1,669,066
Transferred to retained earnings	-	(623,794)
<b>Balance at the end of the year</b>	<b>1,045,272</b>	<b>1,045,272</b>

General bank risk reserve represent the difference between the allowance required for impairment losses as per CBE credit worthiness rules and the allowance as required by the expected credit loss which recognized in financial statements .

In accordance with the instructions of the Central Bank of Egypt, the general banking risk reserve is supported annually by 10% of the value of the assets owned by the Bank in return for debt if these assets are not disposed of within the period specified in the law.

(c) Legal Reserve	December 31, 2024	December 31, 2023
Balance at the beginning of the year	3,296,885,849	2,790,716,593
Transferred from the net profit of the prior year	788,000,907	506,169,256
<b>Balance at the end of the year</b>	<b>4,084,886,756</b>	<b>3,296,885,849</b>

According to the provisions of local laws, 5% of net profit of the year shall be transferred to a non-distributable statutory reserve until it reaches 100% of the bank's capital.

(d) Fair Value Reserve	December 31, 2024	December 31, 2023
Balance at the beginning of the year	(644,053,357)	237,308,338
Net change in fair value (Notes 18 and 22 )	2,411,903,235	(1,063,272,706)
Impairment losses on debt instruments at fair value through other comprehensive income	6,626,917	375,571
Transferred to retained earnings	(15,226,664)	(25,756,149)
Deferred tax recognized during the year (Note 32)	(452,831,122)	207,291,589
<b>Balance at the end of the year</b>	<b>1,306,419,009</b>	<b>(644,053,357)</b>

#### (e) Special Reserve

The application of the CBE new basis rules of preparation and presentation of financial statements as well as the modified principles of recognition and measurement requires to restate the comparative figures of the first financial year that have been impacted by this change, including comparative figures in the balance sheet and the income statements for the previous year as the impact of adjustment is positive, such impact was carried directly to retained earnings then transferred to the special reserve in equity and shall not be used except by approval from CBE. The following is a breakdown of the items that generated the special reserve amount:

	December 31, 2024	December 31, 2023
Amortized cost method using EIR for held to maturity investments	253,607	253,607
Amortized cost method using EIR for Available-for-sale investments	393,930	393,930
Deferred tax (Tax impact on adjustment)	(4,249,739)	(4,249,739)
Available-for-sale investments (Equity instruments)	16,458,868	16,458,868
<b>Total</b>	<b>12,856,666</b>	<b>12,856,666</b>

Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(2) Profit for the year and retained earnings	December 31, 2024	December 31, 2023
<b>Movements on retained earnings:</b>		
Balance at the beginning of the year	22,311,778,969	14,721,648,563
Net profit for the year	25,806,175,189	15,769,684,137
Previous year's profit distribution	(2,154,822,966)	(1,616,117,225)
Employees' profit share	(1,595,306,685)	(1,057,772,118)
Board of directors' remuneration	(13,420,000)	(11,160,700)
Banking System Support and Development Fund	(157,806,029)	(102,747,444)
Transferred to capital reserve	(9,666,000)	(779,000)
Transferred to general reserve	(8,257,672,449)	(4,905,392,798)
Transferred to legal reserve	(788,000,907)	(506,169,256)
Transferred from fair value reserve, net of tax	11,800,665	19,961,016
Transferred from general banking risk reserve	-	623,794
<b>Balance at the end of the year</b>	<b>35,153,059,787</b>	<b>22,311,778,969</b>

36 - Cash and cash equivalents

For the purpose of presenting the cash flow statement, cash and cash equivalents include the following balances maturing within less than 3 months from placement or acquisition date.

	December 31, 2024	December 31, 2023
Cash and balances with central banks	9,381,610,325	6,019,110,226
Due from banks in less than 3 months	108,871,223,153	42,660,349,493
Treasury bills and other governmental notes (91 days)	83,123,021,220	366,711,336
<b>Total</b>	<b>201,375,854,698</b>	<b>49,046,171,055</b>

37 - Contingent liabilities and other commitments

(a) Legal claims (litigation)

Several lawsuits were brought against the Bank and are still outstanding as of December 31, 2024. No provision has been formed since it is not probable that the Bank will incur losses in regard of these lawsuits.

(b) Capital commitments:

The Bank is a party to contracts for capital commitments amounting to EGP 1,437,705,910 as of December 31, 2024 (EGP 1,121,252,067 on December 31, 2023). These represent commitments by the Bank for the purchases of buildings and equipment. Management is sufficiently confident that net profit shall be realized and finance shall be made available to cover these commitments.

(c) Commitments for guarantees

The Bank's commitments for loans, guarantees and facilities are set out below:

	December 31, 2024	December 31, 2023
Financial guarantees	255,000	255,000
Accepted papers	3,082,753,242	1,370,130,079
L/Gs	85,742,233,015	65,307,349,039
Import L/Cs	4,343,713,917	3,510,920,407
Export L/Cs	349,352,371	845,705,638
<b>Total</b>	<b>93,518,307,545</b>	<b>71,034,360,163</b>

(d) Commitments for credit facilities and others exposed to credit risk

	December 31, 2024	December 31, 2023
Commitments for credit facilities and others	51,766,479,043	43,357,669,494

(e) Commitments under operating lease contracts

Total minimum rental payments for the irrevocable operating lease contracts are as follows:

	December 31, 2024	December 31, 2023
Not more than one year	190,842,397	145,830,597
More than one year and less than 5 years	559,152,213	360,617,435
More than 5 years	149,278,619	108,548,902
<b>Total</b>	<b>899,273,229</b>	<b>614,996,934</b>



# Qatar National Bank S.A.E

## Notes to the Separate Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 38 - Related-party transactions

Qatar National Bank (Q.P.S.C.) is the ultimate parent and controlling party as at the end of the reporting year which owns 94.97% of the bank's ordinary shares whereas the remaining 5.03% are held by other shareholders.

A number of transactions have been conducted during the reporting Year with related parties within the bank's normal course of business. These include loans, deposits, and foreign currency transactions..

#### Related party transactions with the parent company other than the payment of dividends on ordinary shares:

QNB Group	December 31, 2024	December 31, 2023
Due from banks	10,103,837,297	1,820,941,837
Due to banks	321,832,979	4,184,019,659
Loans and credit facilities to banks	2,524,609,541	-
LGs for banks	21,411,983,025	15,871,167,405
Foreign exchange derivative	-	151,424,388
Interest rate swap	3,812,910,000	830,252,063
Administrative expenses	240,079,224	204,386,585

#### A - Loans and credit facilities to related parties

	Directors and other key management personnel (and close family members)		Subsidiaries	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Outstanding loans at the beginning of the financial year	111	111	4,015,220,218	4,028,199,751
Loans issued during the financial year	25,165	-	1,531,375,304	1,566,030,977
Loans repayment during the financial year	(111)	-	(1,120,860,413)	(1,579,010,510)
<b>Loans outstanding at the end of the financial year</b>	<b>25,165</b>	<b>111</b>	<b>4,425,735,109</b>	<b>4,015,220,218</b>
Interest income on loans	4,661	-	875,123,878	649,510,726

#### Loans and credit facilities to related parties can be analyzed below

	Directors and other key management personnel (and close family members)		Subsidiaries	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Overdrafts	-	111	179	872
Revolving term loan	-	-	4,425,734,930	3,960,003,392
Credit card	25,165	-	-	866
Direct loans	-	-	-	55,215,088
<b>Total</b>	<b>25,165</b>	<b>111</b>	<b>4,425,735,109</b>	<b>4,015,220,218</b>

#### B - Deposits from related parties

	Directors and other key management personnel (and close family members)		Subsidiaries	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Deposits outstanding at the beginning of the financial year	19,391,336	11,768,595	559,059,134	824,364,339
Deposits placed during the year	68,620,420	9,079,677	1,926,988,182	526,837,798
Deposits repaid during the year	(2,923,129)	(1,456,936)	(509,594,644)	(792,143,003)
<b>Deposits outstanding at the end of the financial year</b>	<b>85,088,627</b>	<b>19,391,336</b>	<b>1,976,452,672</b>	<b>559,059,134</b>
Interest expense on deposits	11,178,127	987,043	99,240,773	26,555,435

#### Deposits from related parties can be analyzed below

	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Demand Deposits	4,623,338	5,474,343	82,445,399	541,307,417
Saving account	916,149	336,569	-	-
Certificates of deposits	79,326,326	13,447,775	1,749,058,075	12,171,881
Time Deposits	222,814	132,649	144,949,198	5,579,836
<b>Total</b>	<b>85,088,627</b>	<b>19,391,336</b>	<b>1,976,452,672</b>	<b>559,059,134</b>



Qatar National Bank S.A.E

Notes to the Separate Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

C - Other transactions with related parties

	Directors and other key management personnel (and close family members)		Subsidiaries	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Fee and commission income	44,717	78,661	25,230,074	16,484,614
Guarantees issued by the bank	-	-	50,891,865	110,701,204
The above guarantees comprise:				
LGs	-	-	3	3
LCs	-	-	50,891,862	110,701,201
Total	-	-	50,891,865	110,701,204

The pricing for related parties’ transactions are the same for other parties.

In accordance with the instructions of the Central Bank of Egypt (CBE) rules in 23 August 2011. The monthly average of net salaries and benefits for top 20 employees with the largest salaries and benefits reached ( EGP 13,313,433 ) during the current year.

39- Money Market and balanced Funds

A - QNB Egypt First Fund with cumulative daily return (THEMAR Money Market Fund)

The Bank has set up an investment fund under the name of “THEMAR” with daily accumulated interest as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

THEMAR initial offering was for one million certificates at nominal value of EGP 100 million, of which 50,000 certificates worth of EGP 5 million were subscribed by the bank at that time. EFG HERMES is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 10,051,791 at a total value of EGP 7,049,310,977 The Bank currently holds 201,036 certificates worth of EGP 140,986,345 of which EGP 35,064,950 classified as fair value through other comprehensive income that represent 5% from the total number of certificates that were initially issued, whereas the remaining value of EGP 105,921,395 which represents 2% of the increase in fund’s net asset value since initial subscription are classified as fair value through profit or loss.

According to the management agreement and the fund’s prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 33,996,898 have been reported in the “fees and commission income” line item in the income statement.

B - QNB Egypt Second Fund with periodically / cumulative return (Tawazon Balanced Fund)

The Bank has set up an investment fund under the name of Tawazon Fund with periodic income as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

Tawazon initial offering was for two hundred and fifty thousand certificates amounting to EGP 25 million, of which 50,000 certificates worth of EGP 5 million were subscribed by the bank at that time. Beltone Asset Management is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 87,780 at a total value of EGP 43,444,771 The Bank currently holds 50,000 certificates worth of EGP 24,746,395 that are classified as fair value through other comprehensive income and represent 20% of the total number of certificates that were initially issued.

According to the management agreement and the fund’s prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 289,243 have been reported in the “fees and commission income” line item in the income statement.

C - QNB Egypt Third Fund with periodically / cumulative return (Tadawol Equity Fund)

The Bank has set up an investment fund under the name of Tadawol Fund with periodic accumulated income as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

Tadawol certificates were offered in a public offering amounting to EGP 25 million distributed over two hundred and fifty thousand certificates with a nominal value of EGP 100 each, subscriptions have only covered a number of one hundred and twenty five thousand certificates amounting to EGP 12.5 million, of which 50,000 certificates worth of EGP 5 million were subscribed at by the bank at that time. HC Fund Manager Asset Management is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 95,141 at a total value of EGP 55,695,275 The Bank currently holds 50,000 certificates worth of EGP 29,269,860 that are classified as fair value through other comprehensive income and represent 40% from the total number of certificates that were initially issued.

According to the management agreement and the fund’s prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 632,784 have been reported in the “fees and commission income” line item in the income statement.

40- Important Events

The Extraordinary General Assembly held on February 15, 2024 decided to amend Article 2 of the bank’s statute to change the name of the bank from Qatar National Bank ALAHLI to Qatar National Bank.



# Financial Statements - Consolidated







*Translation of Auditor's report  
originally issued in Arabic*

**AUDITORS' REPORT**  
**To the Shareholders of QNB Bank (S.A.E.)**

**Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of QNB Bank (S.A.E.) and its subsidiaries (the group) which comprise the consolidated financial position as at December 31, 2024 and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the financial year then ended, a summary of significant accounting policies and other explanatory notes.

**Management's Responsibility for the Consolidated Financial Statements**

These consolidated financial statements are the responsibility of the Bank's management. Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the rules of preparation and presentation of the banks' financial statements, basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations, management responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the bank's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



### **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the group as of December 31, 2024, its consolidated financial performance, and its consolidated cash flows for the year then ended, in accordance with the rules of preparation and presentation of the banks' financial statements basis of recognition and measurement issued by the Central Bank of Egypt on December 16, 2008 as amended by the regulations issued on February 26, 2019 and in light of the prevailing Egyptian laws and regulations related to the preparation of these consolidated financial statements.

### **Auditors**

#### **Mohamed Hossam Hilal**

Financial Regulatory Authority No.(390)

**Wahid Abdel Ghaffar BT Mohamed Hilal**

**Public Accountants & Consultants**

#### **Abdelhadi Mohamed Ali Ibrahim**

Financial Regulatory Authority No.(395)

**KPMG Hazem Hassan**

**Public Accountants & Consultants**

Cairo, 13, January 2025

# Qatar National Bank S.A.E

## Consolidated Statements of Financial Position

### As at 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Note	December 31, 2024	December 31, 2023
<b>Assets:</b>			
Cash and due from Central Bank of Egypt (CBE)	(16)	71,189,334,488	61,558,659,045
Due from banks	(17)	123,331,058,971	44,248,972,757
Treasury bills and Other Governmental notes	(18)	130,925,413,471	153,708,167,648
Trading investments	(19)	139,902,917	146,204,108
Loans and credit facilities to banks	(20)	2,504,444,938	884,737,336
Loans and credit facilities to customers	(21)	341,001,467,032	249,596,398,561
Financial derivatives	(22)	3,693,595	-
<b>Financial Investments:</b>			
- Fair value through other comprehensive income	(23)	34,062,689,073	16,292,961,610
- Amortized cost	(23)	93,028,809,101	84,115,173,001
- Fair value through profit or loss	(23)	119,851,297	112,555,023
Intangible assets	(24)	548,997,076	482,729,934
Other assets	(25)	14,878,265,227	10,284,760,505
Deferred tax assets	(33)	-	355,980,280
Finance lease		5,412,034,321	4,265,977,996
Property and equipment	(26)	2,693,549,793	2,704,592,357
<b>Total assets</b>		<b>819,839,511,300</b>	<b>628,757,870,161</b>
<b>Liabilities and equity:</b>			
<b>Liabilities:</b>			
Due to banks	(27)	16,122,650,231	5,088,111,931
Customer deposits	(28)	679,887,184,687	529,559,754,569
Financial derivatives	(22)	8,809,370	6,264,722
Other loans	(29)	4,478,121,616	4,045,426,305
Other liabilities	(30)	11,149,003,437	9,567,094,922
Other provisions	(31)	751,734,002	1,324,771,683
Insurance policyholders' rights	(32)	9,094,841,537	6,361,613,287
Current income tax payable		6,472,526,472	5,571,122,446
Deferred tax liabilities	(33)	222,549,538	-
Defined benefits obligation	(34)	626,522,132	595,997,416
<b>Total liabilities</b>		<b>728,813,943,022</b>	<b>562,120,157,281</b>
<b>Equity:</b>			
Issued and paid-up capital	(35)	10,774,114,830	10,774,114,830
Reserves	(36)	42,652,257,888	31,646,446,165
Profit for the year and retained earnings	(36)	37,599,195,560	24,217,151,885
<b>Total equity attributable to equity holders of the bank</b>		<b>91,025,568,278</b>	<b>66,637,712,880</b>
Non-controlling interests		-	-
<b>Total equity</b>		<b>91,025,568,278</b>	<b>66,637,712,880</b>
<b>Total liabilities and equity</b>		<b>819,839,511,300</b>	<b>628,757,870,161</b>

**Mohamed Bedeir**  
Chief Executive Officer

**Ali Rashid Al-Mohannadi**  
Chairman of the Board of Directors

The accompanying notes from (1) to (41) are an integral part of these Consolidated Financial Statements.  
(Auditor's report attached).

# Qatar National Bank S.A.E

## Consolidated Income Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Note	From January 01, 2024 To December 31, 2024	From January 01, 2023 To December 31, 2023
Interest on loans and similar income	(6)	120,440,854,194	77,224,305,355
Cost of deposits and similar expense	(6)	(79,329,207,746)	(46,339,981,860)
<b>Net interest income</b>		<b>41,111,646,448</b>	<b>30,884,323,495</b>
Fee and commission income	(7)	7,630,769,438	5,541,890,057
Fee and commission expense	(7)	(2,023,751,175)	(1,594,136,760)
<b>Net interest, fee and commission income</b>		<b>46,718,664,711</b>	<b>34,832,076,792</b>
Dividend income	(8)	180,157,935	85,134,981
Net trading income	(9)	979,547,787	632,500,995
Gain on financial investments	(23)	268,482,777	88,100,797
Impairment credit losses	(12)	(5,457,454,606)	(5,673,394,798)
Administrative expenses	(10)	(7,652,512,580)	(5,994,708,763)
Other operating revenues (expenses)	(11)	4,597,300,166	951,837,501
<b>Profit before income tax</b>		<b>39,634,186,190</b>	<b>24,921,547,505</b>
Income tax expense	(13)	(13,236,021,918)	(8,693,217,364)
<b>Net profit for the year</b>		<b>26,398,164,272</b>	<b>16,228,330,141</b>
<b>Attributable to:</b>			
Equity holders of the Bank		26,398,164,272	16,228,329,997
Non-controlling interests		-	144
<b>Net profit for the year</b>		<b>26,398,164,272</b>	<b>16,228,330,141</b>
Earnings per share	(14)	10.76	6.57

**Mohamed Bedeir**  
Chief Executive Officer

**Ali Rashid Al-Mohannadi**  
Chairman of the Board of Directors

The accompanying notes from (1) to (41) are an integral part of these Consolidated Financial Statements.

# Qatar National Bank S.A.E

## Consolidated Statements of Comprehensive Income

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	From January 01, 2024 To December 31, 2024	From January 01, 2023 To December 31, 2023
Net profit for the year	26,398,164,272	16,228,330,141
<b>Other comprehensive income items that will not be reclassified to the Profit or Loss:</b>		
Net change in fair value of investments in equity instruments measured at fair value through other comprehensive income	1,202,766,228	332,776,562
Tax impact related to other comprehensive income that will not be reclassified to the profit or loss	(267,096,923)	(73,275,835)
Amount transferred to retained earning, net of tax	(11,800,665)	(19,961,016)
<b>Other comprehensive income items that is or may be reclassified to the profit or loss:</b>		
Net change in fair value of debt instruments measured at fair value through other comprehensive income	1,209,137,007	(1,396,049,269)
Tax impact related to other comprehensive income that will be reclassified to the profit or loss	(189,160,198)	274,772,291
Expected credit loss for fair value of debt instruments measured at fair value through other comprehensive income	6,626,918	375,571
<b>Total other comprehensive income items for the year net of tax</b>	<b>1,950,472,367</b>	<b>(881,361,696)</b>
<b>Total comprehensive income for the year, net of tax</b>	<b>28,348,636,639</b>	<b>15,346,968,445</b>
<b>Attributable to:</b>		
Equity holders of the Bank	28,348,636,639	15,346,968,301
Non-controlling interests	-	144
<b>Total comprehensive income for the year, net of tax</b>	<b>28,348,636,639</b>	<b>15,346,968,445</b>

The accompanying notes from (1) to (41) are an integral part of these Consolidated Financial Statements.



# Qatar National Bank S.A.E

## Consolidated Statements of Changes in Equity

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Issued and Paid Up Capital	Legal Reserve	General Reserve	Special Reserve	Capital Reserve	Reserve for Transactions Under Common Control	Fair Value Reserve
<b>Balance at 1 January 2023</b>	<b>10,774,114,830</b>	<b>2,790,716,593</b>	<b>23,979,176,120</b>	<b>39,494,455</b>	<b>42,271,621</b>	<b>4,000,483</b>	<b>237,308,343</b>
Transfer to reserves and retained earnings	-	506,169,256	4,905,392,798	-	779,000	-	-
Dividend distributions	-	-	-	-	-	-	-
Net Change in Other Comprehensive Income	-	-	-	-	-	-	(861,400,680)
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	-	(19,961,016)
Business combination under common control	-	-	-	-	-	-	-
Net profit for the year	-	-	-	-	-	-	-
Transfer from general banking risk reserve	-	-	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>10,774,114,830</b>	<b>3,296,885,849</b>	<b>28,884,568,918</b>	<b>39,494,455</b>	<b>43,050,621</b>	<b>4,000,483</b>	<b>(644,053,353)</b>
<b>January 1, 2024</b>	<b>10,774,114,830</b>	<b>3,296,885,849</b>	<b>28,884,568,918</b>	<b>39,494,455</b>	<b>43,050,621</b>	<b>4,000,483</b>	<b>(644,053,353)</b>
Transfer to reserves and retained earnings	-	788,000,907	8,257,672,449	-	9,666,000	-	-
Dividend distributions	-	-	-	-	-	-	-
Net Change in Other Comprehensive Income	-	-	-	-	-	-	1,962,273,032
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	-	(11,800,665)
Net profit for the year	-	-	-	-	-	-	-
<b>Balance at 31 December 2024</b>	<b>10,774,114,830</b>	<b>4,084,886,756</b>	<b>37,142,241,367</b>	<b>39,494,455</b>	<b>52,716,621</b>	<b>4,000,483</b>	<b>1,306,419,014</b>

	General Banking Risk Reserve	General Risk Reserve	Retained Earnings	Net Profit for the Year	Equity Attributable to Equity Holders of the Bank	Non-Controlling Interests	Total
<b>Balance at 1 January 2023</b>	<b>1,669,064</b>	<b>21,453,923</b>	<b>5,857,185,135</b>	<b>10,350,459,000</b>	<b>54,097,849,567</b>	<b>41,272</b>	<b>54,097,890,839</b>
Transfer to reserves and retained earnings	-	-	2,111,051,942	(7,523,392,996)	-	-	-
Dividend distributions	-	-	-	(2,827,066,004)	(2,827,066,004)	-	(2,827,066,004)
Net Change in Other Comprehensive Income	-	-	-	-	(861,400,680)	-	(861,400,680)
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	19,961,016	-	-	-	-
Business combination under common control	-	-	-	-	-	(41,416)	(41,416)
Net profit for the year	-	-	-	16,228,329,997	16,228,329,997	144	16,228,330,141
Transfer from general banking risk reserve	(623,795)	-	623,795	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>1,045,269</b>	<b>21,453,923</b>	<b>7,988,821,888</b>	<b>16,228,329,997</b>	<b>66,637,712,880</b>	<b>-</b>	<b>66,637,712,880</b>
<b>January 1, 2024</b>	<b>1,045,269</b>	<b>21,453,923</b>	<b>7,988,821,888</b>	<b>16,228,329,997</b>	<b>66,637,712,880</b>	<b>-</b>	<b>66,637,712,880</b>
Transfer to reserves and retained earnings	-	-	3,200,408,735	(12,255,748,091)	-	-	-
Dividend distributions	-	-	-	(3,972,581,906)	(3,972,581,906)	-	(3,972,581,906)
Net Change in Other Comprehensive Income	-	-	-	-	1,962,273,032	-	1,962,273,032
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	11,800,665	-	-	-	-
Net profit for the year	-	-	-	26,398,164,272	26,398,164,272	-	26,398,164,272
<b>Balance at 31 December 2024</b>	<b>1,045,269</b>	<b>21,453,923</b>	<b>11,201,031,288</b>	<b>26,398,164,272</b>	<b>91,025,568,278</b>	<b>-</b>	<b>91,025,568,278</b>

The accompanying notes from (1) to (41) are an integral part of these Consolidated Financial Statements.

# Qatar National Bank S.A.E

## Consolidated Statements of Cash Flows

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

	Note	December 31, 2024	December 31, 2023
<b>Cash flows from operating activities</b>			
Profit before tax		39,634,186,190	24,921,547,505
<b>Adjusted by:</b>			
Property and Equipment depreciation and Intangible assets amortization	(10)	515,135,476	478,757,803
Impairment credit losses	(12)	5,457,454,606	5,673,394,798
Loans written off during the year		(3,803,714,894)	(4,670,725,670)
Recovery from loans previously written off		388,743,671	80,208,693
Net formed / (reversed) other provisions		(890,618,484)	186,240,908
Utilized provisions other than loans provision		(97,370,209)	(2,861,291)
Translation differences of other provisions in foreign currencies		414,951,012	140,716,437
Translation differences of other Financial assets provisions in foreign currencies other than loans provision		102,764,247	12,402,514
Translation differences resulting from monetary foreign currency investments		(6,120,000,464)	(1,099,855,906)
Amortization of premium / discount for bonds		(432,880,702)	(1,539,606,805)
Insurance policyholders' rights provisions		2,733,228,250	1,097,254,619
(Gain) on sale of Property and Equipment		(8,162,000)	(10,082,730)
Dividend income	(8)	(180,157,935)	(85,134,981)
Gain on financial investments	(23)	(268,482,777)	(88,100,797)
<b>Operating profits before changes in assets and liabilities resulting from operating activities</b>		<b>37,445,075,987</b>	<b>25,094,155,097</b>
<b>Net decrease / increase in assets and liabilities</b>			
Due from banks		(19,184,397,081)	(18,863,955,786)
Treasury bills and Other Governmental notes		105,006,191,706	(93,184,998,123)
Trading investments		6,301,191	(67,663,679)
Loans and credit facilities to banks		(1,640,471,679)	(886,408,881)
Loans and credit facilities to customers		(93,291,795,501)	(36,620,829,521)
Financial derivatives		(1,148,947)	6,888,087
Financial investment recognized at fair value through profit or loss		(7,296,274)	(28,864,097)
Other assets		(4,703,286,821)	(1,387,748,700)
Due to banks		11,034,538,300	1,566,383,909
Customer deposits		150,327,430,118	123,317,318,077
Other liabilities		1,424,102,486	3,455,928,999
Defined benefits obligation		30,524,716	30,813,316
Net change Leased assets		(1,146,056,325)	(328,996,069)
Income tax paid		(12,212,345,195)	(6,215,035,123)
<b>Net cash flows resulting from / used in operating activities (1)</b>		<b>173,087,366,681</b>	<b>(4,113,012,494)</b>
<b>Cash flows from investing activities</b>			
Acquisition of Property and Equipment and Intangible assets		(570,386,202)	(475,842,023)
Proceeds from sale of Property and Equipment		8,188,148	10,109,972
Proceeds from financial investments other than held for trading investments		35,777,575,394	45,704,283,965
Acquisition of financial investments other than held for trading investments		(54,141,575,402)	(32,459,973,058)
Acquisition of Non-Controlling Interests in subsidiary		-	(41,416)
Dividends received		180,157,935	84,134,981
<b>Net cash flows used in / resulting from investing activities (2)</b>		<b>(18,746,040,127)</b>	<b>12,862,672,421</b>
<b>Cash flows from financing activities</b>			
Other loans		432,695,311	485,791,051
Dividends paid		(3,814,775,877)	(2,724,318,560)
<b>Net cash flows used in financing activities (3)</b>		<b>(3,382,080,566)</b>	<b>(2,238,527,509)</b>
<b>Net increase in cash and cash equivalents during the year (1+2+3)</b>		<b>150,959,245,988</b>	<b>6,511,132,418</b>
Cash and cash equivalents at the beginning of the year		50,431,054,735	43,919,922,317
<b>Cash and cash equivalents at the end of the year</b>	<b>(37)</b>	<b>201,390,300,723</b>	<b>50,431,054,735</b>
<b>Cash and cash equivalents at end of the year are represented in :</b>			
Cash and due from Central Bank of Egypt	(16)	71,189,334,488	61,558,659,045
Due from banks	(17)	123,439,113,262	44,298,498,370
Treasury bills and Other Governmental notes		131,405,754,289	155,039,593,261
Balances with Central Bank of Egypt (mandatory reserve)		(61,807,570,392)	(55,539,436,865)
Balances Due from banks with maturities more than 3 months		(14,553,597,855)	(1,637,334,301)
Treasury bills and Other Governmental notes with maturity more than 3 months		(48,282,733,069)	(153,288,924,775)
<b>Cash and cash equivalents at end of the year</b>		<b>201,390,300,723</b>	<b>50,431,054,735</b>

The accompanying notes from (1) to (41) are an integral part of these Consolidated Financial Statements.

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 1. Background:

QNB "S.A.E" ("The Bank") was incorporated as an investment and commercial bank on April 13, 1978, in accordance with the provisions of the Investment Law no 43 of 1974 and its executive regulations and the amendments thereon. The Bank provides all banking services related to its activity, through its Head Office located in 5 Champlion Street - Downtown - Cairo and its 235 branches served by 7,605 staff at the date of the financial statements. The Bank is listed on the Egyptian Stock Exchange (EGX).

These consolidated financial statements were approved by the Board of Directors on January 13, 2025.

#### 2 Summary of significant accounting policies:

##### 2.1 Basis of preparation of the consolidated financial statements

These consolidated financial statements have been prepared in accordance with the instructions of the Central Bank of Egypt (CBE) rules approved by its Board of Directors on December 16, 2008; and as per IFRS 9 "Financial Instruments" in accordance with the instructions of the Central Bank of Egypt (CBE) dated February 26, 2019.

These consolidated financial statements have been prepared in accordance with the applicable laws of Egypt.

##### 2.2.1 Basis of Combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method unless the transaction does not constitute an acquisition in form or substance. Application of the purchase method involves the following steps:

- › Identifying an acquirer;
- › Measuring the cost of the business combination;
- › And allocating, at the acquisition date, the cost of the combination to the assets acquired, liabilities and contingent liabilities assumed.

On acquisition date where control is obtained, the cost of the business combination is measured as the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for control of the acquiree, in addition to any costs directly attributable to the business combination.

Thus, the acquirer recognizes the acquiree's identifiable assets, liabilities and contingent liabilities that meet the recognition criteria at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale, that are recognized and measured at the lower of their carrying amounts, or fair value less costs to sell.

Goodwill arising on acquisition date is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the net fair value of the identifiable assets, liabilities and contingent liabilities recognized.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognized immediately in profit or loss.

The non-controlling interest in an acquiree is initially measured at the non-controlling interest proportionate share in the fair value of the assets, liabilities and contingent liabilities recognized at acquisition date.

When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the acquirer includes the amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

A business combination agreement may allow for adjustments to the cost of the combination that are contingent on one or more future events. The acquirer usually estimates the amount of any such adjustment at the time of initially accounting for the combination, even though some uncertainty exists. If the future events do not occur or the estimate needs to be revised, the cost of the business combination is adjusted accordingly.

However, when a business combination agreement provides for such an adjustment, that adjustment is not included in the cost of the combination at the time of initially accounting for the combination if it either is not probable or cannot be measured reliably. If that adjustment subsequently becomes probable and can be measured reliably, the additional consideration shall be treated as an adjustment to the cost of the combination.

In case of a business combination - made through step acquisitions for a Group reorganization purposes - involving entities or businesses under common control in which all of the combining entities or businesses are ultimately controlled by the same party or parties, both before and after the business combination, the acquirer recognizes the identifiable assets, liabilities and contingent liabilities that meet the recognition criteria at their carrying amounts previously reported at the books of the Group with common control.

Any difference between the consideration paid or transferred and the carrying amounts of the acquiree's net assets and contingent liabilities is reflected within equity as a reserve for transactions under common control. This policy is also applied in case of the groups' full or partial acquisition of shares held by the non-controlling interests in a subsidiary or the partial disposition of the Group's interest in a subsidiary while retaining control over that subsidiary.

Therefore, no adjustments are made to reflect new fair value at the date of the combination; rather fair value for net assets, and contingent liabilities acquired in such cases shall be determined based on the fair value that was previously determined when control was initially obtained, as adjusted by any changes in equity components that have occurred during the period from the date when control was initially obtained up to the date when control has increased or decreased.

Since combinations of entities or businesses under common control are scoped out of the CBE basis of preparation and presentation of the banks financial statements, EAS (29) and IFRS (3) Business Combinations, management applied the requirements of EAS (5) and IAS (8), which allows it, in the absence of a specific Standard or Interpretation specifically addressing certain transaction, event or other circumstances, to set and develop an appropriate accounting policy that results in information that is more reliable and relevant to the economic decisions making needs of the financial statements users.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.2.2 Transactions Eliminated on Consolidation

Intra-group balances, and income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### 2.2.3 Loss of Control

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or in accordance with the Group's accounting policy for financial instruments, depending on the level of influence retained.

#### 2.2.4 Basis of presentation of consolidation

The consolidated financial statements of the Group incorporate the financial statements of QNB (Parent) and entities controlled by the Bank (its Subsidiaries) at the end of each reporting date.

A Subsidiary is an entity (including Special Purpose Entities) that is controlled, directly or indirectly, by the bank (Parent). Control exists when the Bank has the power, to govern the financial and operating policies of an entity to obtain benefits from its activities. This is usually achieved when the bank owns, directly or indirectly, through subsidiaries, more than half of the voting power of an entity, the existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

The Group fully consolidates its subsidiaries from the effective date in which control is obtained and deconsolidates them when such control ceases to exist.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of a Group entity to bring its accounting policies into line with those used by other members of the Group.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and their share of changes in equity since the date of the combination. Losses applicable to owners of the non-controlling interests in excess of their interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that owners of the non-controlling interests have a binding obligation and are able to make an additional investment to cover the losses.

Since QNB incorporated QNB Factoring Company in which it owns 100% of its capital, increased its interest in QNB Leasing Company to 100%, and increased in QNB Life Insurance Company to 100% instead of 25%, and increased in QNB Asset Management Egypt Company to 100% instead of 4.875%, therefore, the full consolidation basis has been used for the preparation of the Group accompanying consolidated financial statements which comprise the financial statements of QNB (the parent) and its subsidiaries, QNB Factoring, QNB Leasing Company, QNB Life Insurance Company and QNB Asset Management Egypt Company from the date in which control over each subsidiary was obtained.

Non-controlling interest in these consolidated financial statements represents interests held by investors other than QNB in the subsidiaries. Information on subsidiaries is set out below.

Company name	Origin Country	Year of controlling (Acquisition or Incorporation)	Group Stake %
QNB Factoring Company	Egypt	2012	100
QNB Leasing Company	Egypt	2012	100
QNB Life Insurance Company	Egypt	2014	100
QNB Asset Management Egypt Company	Egypt	2014	100

#### 2.2.5 Investments in associates

An associate is an entity over which the Group has significant influence that is not control or joint control. Significant influence exists where the bank holds voting rights of 20% to 50% in an entity.

Acquisitions of Associates are accounted for using the purchase method; goodwill arising on acquisition of an associate, if any, is not presented separately, but is rather included within the carrying amount of the investment. Investments in associates are accounted for subsequently in the consolidated financial statements using the equity method.

According to the equity method, an investment in an associate is initially recognized in the statement of financial position at cost and is subsequently adjusted to recognize the Group's share in profit or loss, and other changes in the net assets, of the associate.

#### 2.3 Segment reporting

An operating segment is a group of assets and operations providing products or services whose risks and benefits are different from those associated with products or services provided by other operating segments. A geographical segment provides products or services within a specific economic environment characterized by risks and benefits different from those related to other geographical segments operating in a different economic environment.

The Bank is divided into two main business lines, which are corporate banking and retail banking. In addition, a corporate center acts as a central funding department for the bank's core businesses. The dealing room, proprietary activity and other non-core businesses are reported under the corporate banking business line.

For the purpose of preparation of segment reporting by geographical region, segment profit or loss and assets and liabilities are presented based on the location of the branches. Given that the bank does not have any entity abroad, and unless otherwise stated in a specific disclosure, all equity and debt instruments of the bank issued by foreign institutions and credit facilities granted to foreign counterparties are reported based on the location of the domestic branch where such assets are recorded.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.4 Foreign currency translation

##### 2.4.1 Functional and presentation currency

The consolidated financial statements of the Group are presented in the Egyptian Pound which is the Bank's functional and presentation currency.

##### 2.4.2 Transactions and balances in foreign currencies

The Bank maintains its accounting records in Egyptian Pounds. Transactions in foreign currencies during the period are translated into the Egyptian Pounds using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at end of reporting period at the exchange rates then prevailing. Foreign exchange gains and losses resulting from settlement and translation of such transactions and balances are recognized in the income statement and reported under the following line items:

- › Net trading income from held for trading assets and liabilities;
- › Other operating revenues (expenses) from the remaining assets and liabilities;
- › Investments in equity instrument recognized at fair value through other comprehensive income in equity

Changes in the fair value of investments in debt instruments; which represent monetary financial instruments, denominated in foreign currencies and classified as FVTOCI assets are analyzed into differences resulting from changes in the amortized cost of the instrument, differences resulting from changes in the applicable exchange rates and differences resulting from changes in the fair value of the instrument. Differences resulting from changes in the amortized cost are recognized and reported in the income statement in "Interest on loans and similar income" whereas differences resulting from changes in foreign exchange rates are recognized and reported in "Other operating revenues (expenses)". The remaining differences resulting from changes in fair value are recognized in equity and accumulated in the "Fair value revaluation reserve" in Other Comprehensive Income.

Valuation differences arising on the measurement of non-monetary items at fair value include gains or losses resulting from changes in foreign currency exchange rates used to translate those items. Total fair value changes arising on the measurement of equity instruments classified as at fair value through the profit or loss are recognized in the income statement, whereas total fair value changes arising on the measurement of equity instruments classified as FVTOCI are recognized directly in equity in the "Fair value reserve" in Other Comprehensive Income.

Leased assets denominated in foreign currency which the group leases to others are measured at historical cost and translated to Egyptian Pounds using the exchange rates prevailing at the dates of the initial recognition.

#### 2.5 Financial assets

Financial assets are classified at amortized cost, fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL). The classification depends on the business model of the financial assets that are managed with its contractual cash flow and is determined by management at the time of initial recognition.

##### Business model assessment:

The bank makes an assessment of the objective of a business model in which an 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. Whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets.
- › How the performance of the portfolio is evaluated and reported to the bank's management;
- › The risks that affect the performance of the business model) and the financial assets held withing that business model) and its strategy for how those risks are managed;
- › How managers of the business are compensated 9e.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 in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the bank's stated objective for managing the financial assets is achieved and how cash flows are realized.

Assessment of whether contractual cash flows are solely payments of principal and interest (SPPI):

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 profit margin.

In assessing whether the contractual cash flows are SPPI, the bank 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 the assessment, the bank considers:

- › Contingent events that would change the amount and timing of cash flows;
- › Leverage features;
- › Prepayment and extension terms;
- › Terms that limit the bank's claim to cash flows from specified assets (e.g. nonOrecourse loans); and
- › Features that modify consideration of the time value of money (e.g. periodical reset of interest rates).



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.5.1 Financial assets classified as amortized cost

The financial asset is retained in the business model of financial assets held to collect contractual cash flow. The objective from this business model is to collect contractual cash flow which represented in principal and interest. The sale is an exceptional event for the purpose of this model and under the terms of the standard represented in following:

- › Significant deterioration for the issuer of financial instrument.
- › Lowest sales in terms of rotation and value.
- › A clear and reliable documentation process for the justification of each sale and its conformity with the requirements of the standard

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL):

- › The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- › The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).

#### 2.5.2 Financial assets classified as fair value through other comprehensive income

The financial asset is retained in the business model of financial assets held to collect contractual cash flows and sales. Held to collect contractual cash flows and sales are integrated to achieve the objective of the model. Sales are high in terms of turnover and value as compared to the business model retained for the collection of contractual cash flows.

A debt instrument is measured at Fair Value Through Other Comprehensive Income (FVOCI) only if it meets both of the following conditions and is not designated as at Fair Value Through Profit and Loss (FVTPL):

- › The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- › The contractual terms of the financial asset give rise on specified dates to cash flows that are Solely Payment of Principal and Interest (SPPI).

On initial recognition of an equity investment that is not held for trading, the bank may irrevocably elect to present subsequent changes in fair value in Other Comprehensive Income (OCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at Fair Value Through Profit and Loss (FVTPL).

#### 2.5.3 Financial assets classified as fair value through profit or loss

The financial asset is held in other business models including trading, management of financial assets at fair value, maximization of cash flows through sale. The objective of the business model is not to retain the financial asset for the collection of contractual or retained cash flows for the collection of contractual cash flows and sales. Collecting contractual cash flows is an incidental event for the objective of the model.

The characteristics of the business model are as follows:

- › Structuring a set of activities designed to extract specific outputs.
- › Represents a complete framework for a specific activity (inputs - activities - outputs).
- › One business model can include sub-business models.

#### 2.6 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset when the group has a legally enforceable right to offset the recognized amounts and it intends to settle these amounts on a net basis, or realize the asset and settle the liability simultaneously.

#### 2.7 Financial derivatives and hedge accounting

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value. Fair values are determined based on quoted market prices in active markets, including recent market transactions, or valuation techniques, including discounted cash flow models and options pricing models, as appropriate. All derivatives are recognized as assets when their fair value is positive and as liabilities when their fair value is negative.

Embedded derivatives, such as the conversion option in a convertible bond, are treated as separate derivatives if they meet the definition of a financial derivative, and when their economic characteristics and risks are not closely related to those of the host contract, provided that the host contract is not classified as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognized in the income statement "Net trading income"; unless the group chooses to designate the hybrid contract as a whole as at fair value through profit or loss.

The timing of recognition in profit or loss, of any gains or losses arising from changes in the fair value of derivatives, depends on whether the derivative is designated as a hedging instrument, and the nature of the item being hedged. The parent bank designates certain derivatives as:

- › Hedging instruments of the risks associated with fair value changes of recognized assets or liabilities or firm commitments (fair value hedge);
- › Hedging of risks relating to future cash flows attributable to a recognized asset or liability or a highly probable forecast transaction (cash flow hedge).

Hedge accounting is used for derivatives designated in a hedging relationship when the following criteria are met. At the inception of the hedging relationship, the bank documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the bank documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

##### 2.7.1 Fair value Hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognized immediately in the profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The effective portion of changes in the fair value of the interest rate swaps and the changes in the fair value of the hedged item attributable to the hedged risk are recognized in profit or loss.

Additionally, interest differential on interest rate swaps is recognized in profit or loss as part of 'net interest income' line item in the income statement. Any ineffectiveness is recognized in profit or loss in "Net trading income".

When the hedging instrument no longer qualifies for hedge accounting, the adjustment to the carrying amount of a hedged item, measured at amortized cost, arising from the hedged risk is amortized to profit or loss from that date to maturity of the asset using the effective interest method. Adjustment to the carrying amount of a hedged equity instrument that has been deferred in equity remains in equity until the asset is derecognized.

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.7.2 Cash flow hedge

The effective portion of changes in the fair value of derivatives designated and effective for cash flow hedge is recognized in equity while changes in fair value relating to the ineffective portion is recognized immediately in the income statement in "Net trading income".

Amounts accumulated in equity are transferred to income statement in the relevant periods when the hedged item affects the income statement. The effective portion of changes in fair value of interest rate swaps and options are reported in "Net trading income".

When a hedging item expires or is sold or if hedging instrument no longer qualifies for hedge accounting requirements, gains or losses that have been previously accumulated in equity remain in equity and are only recognized in profit or loss when the forecast transaction ultimately occurs. If the forecast transaction is no longer expected to occur any related cumulative gain or loss on the hedging instrument that has been recognized in equity shall be reclassified immediately to profit or loss.

#### 2.7.3 Derivatives that do not qualify for hedge accounting

Where a derivative instrument does not qualify for hedge accounting, changes in fair value of that derivative and related interest are recognized immediately in the income statement in "Net trading income" line item. However, gains or losses arising from changes in fair value of derivatives that are managed in conjunction with financial assets or financial liabilities, designated upon initial recognition at fair value through profit or loss, are included in "net income from financial instruments designated upon initial recognition as at fair value through profit or loss".

#### 2.8 Interest income and expense

Interest income and expense on all interest-bearing financial instruments are recognized in "Interest income" and "Interest expense" line items in the income statement using the effective interest rate method.

The effective interest rate is a method of calculating the amortized cost of a debt instrument whether a financial asset or a financial liability and of allocating its interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial debt instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability on initial recognition. When calculating the effective interest rate, the Group estimates the future cash flows, considering all contractual terms of the financial instrument (for example, prepayment options) but does not consider future credit losses. The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Interest income on loans is recognized on an accrual basis except for the interest income on non-performing loans, which ceases to be recognized as revenue when the recovery of interest or principal is in doubt.

Interest income on non-performing or impaired (Stage 3) loans and receivables ceases to be recognized in profit or loss and is rather recorded off balance sheet in statistical records. Interest income on these loans is recognized as revenue on a cash basis as follows:

1. For retail loans, personal loans, small and medium business loans, real estate loans for personal housing and small loans for businesses, when interest income is collected and after recovery of all arrears.
2. For corporate loans, interest income is recognized on a cash-basis after the bank collects 25% of the rescheduled installments and provided these installments continue to be paid for at least one year.

If a loan continues to be performing thereafter, interest accrued on the principal then outstanding starts to be recognized as revenues. Interest that is marginalized prior to the date when the loan becomes performing is not recognized in the profit or loss except when the total balance of loan, prior to that date, is paid in full.

#### 2.9 Fees and commission income

Fees charged for servicing a loan or facility that is measured at amortized cost, are recognized as revenue as the service is provided. Fees and commissions on non-performing or impaired loans or receivables cease to be recognized as income and are rather recorded off balance sheet. These are recognized as revenue - on a cash basis - only when interest income on those loans is recognized in profit or loss, at which time, fees and commissions that are an integral part of the effective interest rate of a financial asset are treated as an adjustment to the effective interest rate of that financial asset.

Commitment fees received by the bank to originate a loan are deferred if it is probable that the bank will enter into a specific lending arrangement and are regarded as a compensation for an ongoing involvement with the acquisition of the financial instrument and recognized as an adjustment to the effective interest rate. If the commitment expires without the bank making the loan, the fees are recognized as revenue on expiry.

Loan syndication fees received by the bank are recognized as revenue when the syndication has been completed, only if the bank arranges the loan and retains no part of the loan package for itself (or retains a part at the same effective interest rate for comparable risk as other participants).

Fees and commissions that are earned on negotiating or participating in the negotiation of a transaction in favor of another entity, such as arrangements for the allotment of shares or another financial instrument or acquisition or sale of an enterprise on behalf of a client, are recognized as revenue when the transaction has been completed. Administrative consultations and other service fees are usually recognized as revenue on a straight-line basis over the period in which the service is rendered. Fees from financial planning management and custodian services provided to clients over long periods are usually recognized as revenue on a straight-line basis over the period in which these services are rendered.

#### Leasing revenues

Revenues from lease contracts are recognized based on the interest rate implicit in each contract plus an amount equal to depreciation of the leased asset. Debit/credit differences between revenue recognized in profit or loss and rental value for each period are recorded in "leased assets - lease contracts settlement" account in the balance sheet whose balance is to be settled against the carrying amount of leased asset at the end of the contract period.

#### Insurance revenues

Premium income and Claim expense is recognized on accrual basis.

#### 2.10 Dividends income

Dividend income on investments in equity instruments and similar assets, other than investments in subsidiaries and associates, is recognized in the income statement when the bank's right to receive payment is established.

#### 2.11 Purchase and resale agreements and sale and repurchase agreements (repos and reverse repos)

Financial instruments sold under repurchase agreements are not derecognized from the statement of financial position and cash receipts are shown in liability side in the statement of financial position.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.12 Impairment of financial assets

The Group reviews all its financial assets except for financial assets that are measured at fair value through profit or loss to assess the extent of impairment as described below.

Financial assets are classified at three stages at each reporting date:

- › Stage 1: Financial assets that have not experienced a significant increase in credit risk since the date of initial recognition, and the expected credit loss is calculated for 12 months.
- › Stage 2: Financial assets that have experienced a significant increase in credit risk since the initial recognition or the date on which the investments are made, and the expected credit loss is calculated over the life of the asset.
- › Stage 3: Impairment of financial assets whose expected credit loss is to be recognized over the life of the asset on the basis of the difference between the carrying amount of the instrument and the present value of expected future cash flows.

Credit losses and impairment losses on the value of financial instruments are measured as follows:

- › The low risk financial instrument is classified at initial recognition in the first stage and credit risk is monitored continuously by the Bank's credit risk management.
- › If it is determined that there has been a significant increase in credit risk since the initial recognition, the financial instrument is transferred to the second stage where it is not yet considered impaired at this stage.
- › If there are indicators of impairment of the financial instrument, it is transferred to the third stage.
- › The financial assets created or acquired by the Group and include a high credit risk ratio for the Bank's low risk financial assets are recognized on the initial recognition of the second stage directly and therefore the expected credit losses are measured on the basis of expected credit losses over the life of the asset.

##### 2.12.1 Significant increase in credit risk

The Group considers that the financial instrument has experienced a significant increase in the credit risk when one or more of the following quantitative and qualitative criteria, as well as the factors relating to default, have been met.

##### 2.12.2 Quantitative Factors

When the probability of default over the remaining life of the instrument is increased from the date of the financial position compared to the probability of default over the remaining life expected at initial recognition in accordance with the Bank's acceptable risk structure.

The bank uses three criteria for determining whether there has been a significant increase in credit risk:

- › A quantitative test based on movement in PD;
- › Qualitative indicators; and
- › A back stop of 30 days past due

Definition of default

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

- › Facilities with rating of 8,9 and 10 based on the bank's Obligor Risk Rating Model.
- › the borrower is more than 90 days past due on any material credit obligation to the bank (except for SMEs where a back stop of 180 days is applied).

##### 2.12.3 Qualitative Factors

###### Retail loans, micro and small businesses

If the borrower encounters one or more of the following events:

- › The borrower submits a request to convert short-term to long-term payments due to negative effects on the borrower's cash flows.
- › Extension of the deadline for repayment at the borrower's request.
- › Frequent Past dues over the previous 12 months.
- › Future adverse economic changes affecting the borrower's future cash flows.

###### Corporate loans and Medium businesses

If the borrower has a follow-up list and / or financial instrument faced one or more of the following events:

- › A significant increase in the rate of return on the financial asset as a result of increased credit risk.
- › Significant negative changes in the activity and physical or economic conditions in which the borrower operates.
- › Scheduling request as a result of difficulties facing the borrower.
- › Significant negative changes in actual or expected operating results or cash flows.
- › Future economic changes affecting the borrower's future cash flows.
- › Early indicators of cash flow / liquidity problems such as delays in servicing creditors / business loans.
- › Cancellation of a direct facility by the bank due to the high credit risk of the borrower.

#### Nonpayments

The loans and facilities of institutions, medium, small, micro and retail banking are included in stage two if the period of non-payment is more than 60 days and less than 90 days, (180 days for SME's according to CBE Circular dated 14 December 2021 regarding the temporary amendments of SME's NPL treatment in IFRS9 regulation). Note that this period (60 days) will be reduced by (10) days per year to become (30) days during (3) years from the date of application (Year 2019).



Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Transfer between the Three stages:

Transfer from second stage to first stage:

The financial asset shall not be transferred from the second stage to the first stage unless all the quantitative and qualitative elements of the first stage are met and the full arrears of the financial asset and the proceeds are paid.

Transfer from third stage to second stage:

The financial asset shall not be transferred from the third stage to the second stage until all the following conditions have been met:

- › Completion of all quantitative and qualitative elements of the second stage;
- › Repayment of 25% of the balance of the outstanding financial assets, including accrued segregated / statistical interest;
- › Regularity of payment for at least 12 months.

2.13 Intangible assets

2.13.1 Goodwill

Goodwill, arising from the acquisition or legal merger of subsidiaries, represents the difference between the cost of the combination and the acquiree interest in the fair value of the identifiable assets, liabilities and qualifying contingent liabilities of the acquire at the acquisition date. Goodwill is annually tested for impairment and is written-down to profit or loss at an annual amortization of 20% or impairment loss whichever is higher.

2.13.2 Software (computer programs)

Expenditure on upgrade and maintenance of computer programs is recognized as an expense in the income statement in the period in which it is incurred. Expenditures directly incurred in connection with specific software are recognized as intangible assets if they are controlled by the group and when it is probable that they will generate future economic benefits within more than one year that exceed its cost. Direct costs include the cost of the staff involved in upgrading the software in addition to a reasonable portion of relative overheads.

Upgrade costs are recognized and added to the original cost of the software when it is likely that such costs will increase the efficiency or enhance the performance of the computers software beyond its original specification.

Cost of computer software recognized as an asset shall be amortized over the year of expected benefits from three to five years except for the core IT system which is amortized over ten years.

2.14 Property and Equipment

The Group's property and equipment include lands and buildings of the bank which basically comprise the head office premises and branch buildings. All property and equipment are carried at historical cost net of accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the construction or acquisition of the items. Subsequent costs are included in the assets carrying amount or recognized separately, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. Repairs and maintenance expenses are recognized in profit or loss within "other operating costs" line item during the financial period in which they are incurred.

The Group considers the residual value of its property and equipment as insignificant and immaterial in relation to the depreciable amount; therefore, the depreciable amount of the group's property and equipment is determined without any deduction for residual values. Depreciation is charged so as to write off the cost of assets, other than land which is not depreciated, over their estimated useful lives, using the straight-line method based on the following annual rates:

Buildings	50 years
Decoration & installations	10 years
Lifts	15 years
Electricity & Air conditioning	10 years
Generators	30 years
Telephone network & CCTV	10 years
Firefighting system & Plumbing system	10 years
Other installations	10 years
Leasehold improvements	The shortest of 10 years or contract period

Depreciation years for property and equipment, other than buildings, depend on their useful lives which are usually estimated as specified below:

Furniture	10 years
Armored vaults	20-30 years
IT equipment	5 years
Electric appliances	5 years
Vehicles	5 years

The carrying amounts of its depreciable property and equipment are reviewed whenever changes in circumstances or events indicate that the carrying amounts of those assets may not be recovered. Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount.

The recoverable amount of an asset is the higher of the asset's net realizable value or value in use. Gains or losses on disposals are determined by comparing proceeds with relevant carrying amount. These are included in the profit or loss in other operating income (expenses) in the income statement.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.15 Impairment of non-financial assets

Non-financial assets that do not have definite useful lives, except for goodwill are not amortized. These are annually tested for impairment. Depreciable property and equipment are tested for impairment whenever changes in circumstances or events indicate that the carrying amounts of those assets may not be recovered. Impairment loss is recognized and the carrying amount of an asset is reduced to the extent that such carrying amount exceeds the asset's recoverable amount.

The recoverable amount of an asset is the higher of the asset's net realizable value or value in use. For the purpose of estimating the impairment loss, where it is not possible to estimate the recoverable amount of an individual asset, The Group estimates the recoverable amount of the cash-generating unit to which the asset belongs is estimated.

At the end of each period, the group reviews non-financial assets for which an impairment loss is recognized to assess whether or not all or part of such impairment losses should be reversed through profit or loss.

#### 2.16 Leasing

Lease contracts are accounted according to Law 95 of 1995 for financial lease. All other lease contracts are recognized as operating leases.

##### 2.16.1 As a lessee

Lease payments made under operating leases, net of any discounts received from the lessor, are recognized as an expense in the profit or loss on a straight-line basis over the lease term.

##### 2.16.2 As a lessor

Assets leased out under operating lease contracts are reported as part of the fixed assets in the statement of financial position and are depreciated over the expected useful lives of the assets, on the same basis as other property assets. Lease rental income is recognized in profit or loss, net of any discounts granted to the lessee, using the straight line method over the contract term.

Assets leased out under finance lease contracts, are reported in the statement of financial position within fixed assets and are depreciated over the expected useful life of the assets using the same method followed in depreciating similar assets. Lease income is recognized using the rate of return implicit in each lease contract in addition to an amount equal to depreciation charge for the period. Differences between lease income recognized in the income statement and rental receivable from lease customers are accumulated and reported in the statement of financial position in a separate account until duration of the lease contract expires, at which time offset occurs between the account balance and net book value of leased assets.

Maintenance and insurance expenses shall be charged to the income statement when incurred to the extent that they are chargeable to the lessee. If substantive evidence indicates that the group could not be able to collect all balances due from finance lease debtors, these balance are reduced to their expected realizable value.

Assets leased under finance lease arrangements, rentals in arrear and the related impairment loss allowance has been presented in financial position under the finance lease item.

Depreciation is charged so as to write off the cost of leased assets, other than land which is not depreciated, over their estimated useful lives, using the straight-line method based on the following annual rates:

Computers	2-8 years
Equipment	4-10 years
Vehicles	4-5 years
Building	17-50 years

#### 2.17 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances due within three months from date of placement or acquisition. They include cash and balances placed with the Central Bank of Egypt (other than those required under the mandatory reserve), current accounts with Banks and treasury bills, certificates of deposits and other governmental notes.

#### 2.18 Other provisions

Provisions for obligations, other than those for credit risk or employee benefits, due within more than 12 months from the date of consolidated financial statements are recognized based on the present value of the best estimate of the consideration required to settle the present obligation at the reporting date. An appropriate pretax discount rate that reflects the time value of money is used to calculate the present value of such provisions.

For obligations due within less than twelve months from the date of consolidated financial statements, provisions are calculated based on undiscounted expected cash outflows unless the time value of money is material, in which case provisions are measured at present value.

When a provision is wholly or partially no longer required, it is reversed through the profit or loss under "Other Operating Income (expenses)" line item.

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.19 Insurance activity

##### 2.19.1 Technical reserves

###### 2.19.1.1 Mathematical reserve

The mathematical reserve is calculated by the actuarial expert according to the technical basis approved by the board of the Egyptian Financial Supervisory Authority (Formerly Egyptian Insurance Supervisory Authority), in addition to the portion of each certificate from the increase (decrease) in the capital value resulting from insurance premiums invested in investment portfolio for the account of policyholders.

###### 2.19.1.2 Provision for outstanding claims

A provision for outstanding claims is established for life and personal accident insurance policies. Which were reported before the period-end but not settled at the balance sheet date.

###### 2.19.2 Receivables arising from insurance contracts

Receivables arising from insurance contract either as installments under collection or current accounts of insured parties are carried at amortized cost which represent nominal balances, net of impairment loss.

###### 2.19.3 Due from insurance and reinsurance companies

Insurance and reinsurance companies stated at amortized cost, which represent its book value, net of allowance for impairment loss.

#### 2.20 Financial guarantees

A financial guarantee contract is a contract issued by the group as security for loans or overdrafts due from its clients to other entities that requires the group to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantees are generally issued by the Bank to beneficiary banks, corporations and other entities on behalf of the bank's clients.

When a financial guarantee is recognized initially, it is measured at its fair value plus, transaction costs that is directly attributable to the issue of such financial guarantee.

After initial recognition, a financial guarantee contract issued by the bank is measured at the higher of:

- › (I) The amount initially recognized less, when appropriate, cumulative amortization of security fees recognized as income in profit or loss using the straight-line method over the term of the guarantee; and
- › (II) The best estimate for the payments required to settle any financial obligation resulting from the financial guarantee at the reporting date.

Such estimates are made based on experience in similar transactions and historical losses as supported by management judgment.

Any increase in the obligations resulting from the financial guarantee, is recognized within other operating income (expenses) in the income statement.

#### 2.21 Employee benefits

##### 2.21.1 Post-employment benefits (defined benefit plans) and defined contribution plans:

The Bank is liable for all obligations arising from its plans for employee benefits which comply, in all material respects, with the principles set out below. Starting 1 January 2009, the Bank has fully complied with the policy referred to below, and recognized any adjustments, resulting from the first full implementation of amendments to the CBE rules, directly on retained earnings.

The Bank provides several post-employment benefits to its employees, such as the medical care scheme which qualifies as a defined-benefit plan. A defined benefit plan commits the Bank, either formally or constructively, to pay a certain amount or level of future benefits and therefore bears the medium- or long-term risk.

The Bank recognizes the defined benefit obligation as a liability in the statement of financial position under "obligations for post-retirement schemes" to cover the total value of such obligations. This is assessed regularly by independent actuary using the projected unit credit method. This valuation technique incorporates assumptions about demographics variables, staff turnover, salary growth rate and discount and inflation rates.

When these plans are financed from external funds classified as plan assets, the fair value of these funds is subtracted from the defined benefit obligation. Differences arising from changes in the actuarial assumptions and estimates are recognized in the income statement as actuarial gains or losses to the extent of the higher of the following two amounts as of the end of the previous financial period:

- › 10% of the present value of the defined benefit obligation (before deducting plan assets); and
- › 10% of the fair value of the plan assets.

Actuarial gains and losses that exceed the 10 percent criteria above are amortized to profit or loss over the expected average remaining working lives of the participating employees.

Past service cost is recognized immediately to the extent that the benefits have already vested, and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. Annual cost of employee benefits plans is reported as part of general and administrative expenses (employee costs).

Defined contribution plans are pension schemes whereby the group pays defined contributions to an independent entity. The group shall not be under legal or constructive obligation to pay more contributions if this entity doesn't maintain adequate assets to pay-off the employees' benefits in return for their service in the current and previous periods.

According to the defined contribution plans, contributions are paid to private sector pension scheme under mandatory or voluntary contractual arrangement. The group shall be under no additional obligation other than the contribution payments. Contributions to defined contribution retirement benefit plans are recognized as employee benefits cost when employees have rendered service entitling them to the contributions. Prepaid contributions shall be recognized as assets to the extent that these contribution payments will reduce future payments or result in cash refunds.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 2.22 Income taxes

Income tax expense on the period's profit or loss represents the sum of the tax currently payable and deferred tax and is recognized in the income statement, except when they relate to items that are recognized directly in equity, in which case the tax is also recognized in equity.

The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period, in addition to income tax differences related to prior years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. However, when it is expected that the tax benefit will increase, the carrying amount of deferred tax assets shall increase to the extent of previous reduction.

#### 2.23 Borrowings

Loans obtained by the bank are initially recognized at fair value net of transaction costs incurred in connection with obtaining the loan. Borrowings are subsequently measured at amortized cost, with the difference between net proceeds and the value to be paid over the borrowing period, recognized in the profit or loss using the effective interest rate method.

#### 2.24 Capital

##### 2.24.1 Capital issuance cost

Issued and paid up-capital (i.e. bank's own equity instruments) is initially measured at the cash proceeds received, less transaction costs directly attributable to the issuance of new shares, issuance of shares to effect business combination, or issue of share options. Transaction costs, net of tax benefits, are reported as a deduction from equity.

##### 2.24.2 Dividends

Dividends on equity instruments issued by the group entities are recognized when the general assembly of the group's shareholders approves them. Dividends include the non-controlling interests' share in the subsidiaries' dividends, and employees' profit share and board of directors' remuneration as prescribed by the articles of incorporation of the bank and Group entities as well as the corporate law.

#### 2.25 Fiduciary activities

The Bank carries out fiduciary activities that result in ownerships or management of assets on behalf of individuals, trusts, and retirement benefit plans and other institutions. These assets and income arising thereon are not recognized in the group's consolidated financial statements, as they are not assets or income of the Bank or the Group.

#### 2.26 Comparative figures

Comparative figures are reclassified, where necessary, to conform to changes in the current period's financial statements presentation.

### 3. Management of financial risks

The Group is exposed to various financial risks, mainly as a result of activities conducted by the Bank and some subsidiaries. Since financial activities are based on the concept of accepting risks and analyzing and managing individual risks or group of risks altogether, the group aims at achieving a well-balanced risks and relevant rewards, as appropriate and to reduce the probable adverse effects on the group's financial performance. The most important types of risks are credit risk, market risk, liquidity risk and other operating risks. The market risk comprises foreign currency risk, interest rate risk and other pricing risks.

For example, the Bank has laid down risk management policies to determine and analyze the risks, set limits to the risks and control them through reliable methods and up-to-date systems. The Bank regularly reviews the risk management policies and systems and amendments thereto, so that they reflect the changes in markets, products and services and the best up-to-date applications.

Risks are managed in accordance with pre-approved policies by the board of directors. The risk management department identifies, evaluates and covers financial risks, in close collaboration with the Bank's various operating units. The board of directors provides written rules which cover certain risk areas, such as credit risk, foreign exchange risk, interest rate risk and the use of derivative and non-derivative financial instruments. Moreover, the risk department is responsible for the periodic review of risk management and the control environment independently.

#### Risk management strategy

The bank operates in business lines, which generate a range of risks whose frequency, severity and volatility can be of different and significant magnitudes. A greater ability to calibrate its risk appetite and risk parameters, the development of risk management core competencies, as well as the implementation of a high-performance and efficient risk management structure are therefore critical undertakings for the bank.

Thus, the primary objectives of the bank's risk management framework are:

- › To contribute to the development of the Bank in various business lines to reach an ideal level of general risk.
- › To guarantee the Bank's sustainability as a going concern, through the implementation of a high-quality risk management infrastructure.

In defining the Bank's overall risk appetite, the bank management takes various considerations and variables into account, including:

- › The relative balance between risk and reward of the bank's various activities.
- › Earnings sensitivity to business, credit and economic cycles.
- › The aim of achieving a well-balanced portfolio of earnings streams.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Risk management governance and risk principles

Bank's risk management governance is based on:

- › i) Strong managerial involvement, throughout the entire organization, starting from the Board of Directors down to operational field management teams;
- › ii) A tight framework of internal procedures and guidelines; and
- › iii) Continuous supervision by business lines and support functions as well as by an independent body to monitor risks and to enforce rules and procedures.

Within the Board, the Risk and Audit Committees are more specifically responsible for examining the consistency of the internal framework for monitoring risks and compliance.

#### Risk categories

The following are part of the risks associated with the bank's Banking activities:

##### A-Credit risk:

(Including country risk): represents risk of losses arising from the inability of the Bank's customers, sovereign issuers or other counterparties to meet their financial commitments.

Credit risk also includes the replacement risk linked to market transactions. In addition, credit risk may be further increased by a concentration risk, which arises either from large individual exposures or from groups of counterparties with a high default probability.

##### B-Market risk:

Represents risk of loss resulting from changes in market prices and interest rates.

##### C-Operational risk:

(Including legal, compliance, accounting, environmental, reputational risks, etc.): represents risk of loss or fraud or of producing inaccurate financial and accounting data due to inadequacies or failures in procedures and internal systems, human error or external events. Additionally, operational risks may also take the form of compliance risk, which is the risk of the bank incurring either legal, administrative or disciplinary sanctions or financial losses due to failure to comply with relevant rules and regulations.

##### D-Structural interest and exchange rate risk:

Represents risk of loss or of residual depreciation in the bank's balance sheet and off-balance sheet assets arising from changes in interest or exchange rates. Structural interest and exchange rate risk arises from banking commercial activities and on Corporate Center transactions (operations on equities, investments and bond issues).

##### E-Liquidity risk:

Represents the risk that the bank might not be able to meet its obligations as they become due.

The Bank dedicates significant resources to constantly adapting its risk management to its activities and ensures that its risk management framework operates in full compliance with the following fundamental principles of:

- › Full independence of risk assessment departments from the operating divisions; and
- › Consistent approach to risk assessment and monitoring applied throughout the Bank.

The Risk Division is independent from the bank's operating entities and reports directly to general management. Its role is to contribute to the development and profitability of the bank by ensuring that the risk management framework in place is both robust and effective. It employs various teams specializing in the operational management of credit and market risk.

#### More specifically, the Risk Division:

- › Defines and approves the methods used to analyze, assess, approve and monitor credit risks, countries risks, market risks and operational risks; conducts a critical review of commercial strategies in high risk areas and continually seeks to improve such risk forecasting and management;
- › Contributes to independent assessment by analyzing transactions implying a credit risk and by providing guidance on transactions proposed by sales managers.

Identifying a frame for all Banks' operational risks.

The Assets and Liabilities Unit under the Finance Division, for its part, is entrusted with assessing and managing other major types of risks, namely liquidity and structural risks (resulting from interest rate, exchange rate and liquidity) as well as the bank's long term financing, management of capital requirements and equity structure.

The Internal Legal Counsel deals with compliance and legal risks.

Responsibility for devising the relevant risk management structure and defining risk management operating principles lies mainly with both the Risk Division and, in particular fields, the assets and liabilities management under Finance Division.

The Bank's Risk Committee is in charge of reviewing all the bank's key risk management issues and meets at least on quarterly basis. Risk Committee's monthly meetings involve members of the Executive Committee, the heads of the business lines and the Risk Division managers and are used to review all the core strategic issues: risk-taking policies, assessment methods, material and human resources, analysis of credit portfolios and of the cost of risk, market and credit concentration limits (by product, country, sector, region, etc.)

On the other hand, the Assets and Liabilities management committee (ALCO) is competent for matters relating to funding and liquidity policymaking and planning.

All new products and activities or products under development must be submitted to the New Product Committee.

This New Product Committee aims at ensuring that, prior to the launch of a new activity or product, all associated risks are fully understood, measured, approved and subject to adequate procedures and controls, using the available information and processing systems.

Operational risks, permanent control and audit (periodic) control process are supervised by the Audit and Accounts Committee that meets on a quarterly basis.

Finally, the Bank's risk management principles, procedures and infrastructures and their implementation are monitored by the Internal Audit team and the External Auditors.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### **(A) CREDIT RISKS**

The Bank is exposed to the credit risk which is the risk resulting from failure of the client 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. The credit risk manifests itself in the lending activities and debt instruments in bank's assets as well as off balance sheet financial instruments, such as letters of credit and letters of guarantee.

#### **(A/1) Credit risk management: organization and structure**

Maintaining comprehensive and efficient management and monitoring of credit risk - which constitutes the bank's primary source of risk - is vital to preserving bank financial strength and profitability. As a result, the bank implements a tight credit risk control framework, whose cornerstone is the Credit Risk Policy and Authorities defined jointly by the Risk Division and the Business Lines, and is subject to periodic review and approval by the Board of Directors.

Within the Risk Division, persons are responsible for:

- › Setting credit limits by customer, customer group or transaction type;
- › Approving credit score or internal customer rating criteria;
- › Monitoring and surveillance of large exposures and various credit portfolios;
- › Reviewing specific and general provisioning policies.

In addition, comprehensive portfolio analysis is performed in order to provide guidance to the General Management on the bank's overall credit risk exposure as well as reporting to Risk Committee.

The Risk Division also helps define criteria for measuring risk and defining appropriate provisioning practices.

#### **Risk approval**

Embedded in bank's credit policy is the concept that approval of any credit risk undertaking must be based on sound knowledge of the client and a thorough understanding of the client's business, the purpose, nature and structure of the transaction and the sources of repayment, while bearing in mind the bank's risk strategy and risk appetite.

The risk approval process is based on four core principles:

- › All transactions involving replacement risk must be pre-authorized, replacement risk is bearing a loss when a bank is forced to replace a contract in case of breaching the original party's contract (debtor risk, non-settlement or non-delivery risk and issuer risk).
- › Staff assessing credit risk is fully independent from the decision-making process.
- › Subject to relevant credit delegations, responsibility for analyzing and approving risk lies with the most appropriate business line or credit risk unit, which reviews all authorization requests relating to a specific client or client group, to ensure a consistent approach to risk management.
- › All credit decisions systematically include internal obligor risk ratings, as proposed by business lines and vetted by the Risk Division and approved by concerned Credit Committee.

#### **Risk management and audit**

Changes in the quality of outstanding commitments are reviewed on a periodic basis and at least once a quarter, as part of the "sensitive names" and provisioning procedures. This review is based on analyses performed by the business divisions and the risk function. Furthermore, the Internal Audit also carries out file reviews or risk audits in the bank's branch groups and reports its findings to the General Management.

#### **Replacement risk**

Replacement risk provides the measurement of the replacement cost of a transaction in the event of default by the original counterparty and the necessity to close the ensuing position with counterparty; hence, the replacement cost is the result of the market price between the date on which the original transaction is entered into and the default date. Transactions giving rise to replacement risk include interest rate swaps and forward FX deals.

#### **Replacement risk management**

The Bank places great emphasis on carefully monitoring its replacement risk exposure in order to minimize its losses in case of default of its counterparties and counterparty limits are, therefore, assigned to all trading counterparties, irrespective of their status (bank, other financial institution, corporate and public institutions).

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (A/2) Risk measurement and internal ratings

Bank rating system is based on three key pillars:

- › The internal ratings models used to measure and quantify counterparty risk.
- › A set of procedures defining guidelines for devising and using ratings (scope, frequency of rating revision, procedure for approving ratings, etc.)
- › Reliance on human judgment to improve modeling results to include elements outside the scope of rating model.

Credit risk rating is supported by a set of procedures ensuring reliable, consistent and timely default and loss data detection.

Rating models are reviewed and developed when necessary. The Bank regularly evaluates performance of credit rating models and their capacity to predict default cases.

The calculations used to measure and monitor replacement risk include:

- › Current Average Risk (CAR) is a calculation of the Average risk of all the future scenarios, excluding the negative scenarios, i.e., when the replacement makes a gain.
- › Credit value at risk (VAR) is a calculation of the largest loss that would be incurred in 99% of cases.

#### Following are some risk mitigations methods:

##### Collaterals

The Bank designs several policies and controls for credit risk mitigation such as collaterals for funds provided. The bank lays down guidelines for specific categories of the accepted collaterals.

The main types of collaterals for Loans and credit facilities are:

- › Real estate mortgage.
- › Pledge on business assets like machinery and merchandise.
- › Pledge in financial instruments like debt instruments and equity.

The long term financing and lending for companies are often collateralized while credit facilities for persons are not collateralized. The bank attempts to mitigate the credit risk through additional collaterals from the concerned parties immediately on arising of impairment indicators for any of the loans or facilities.

Collaterals taken to secure assets other than Loans and credit facilities are identified according to the nature of the instrument.

Debit instruments and treasury bills are often not collateralized.

##### Derivatives

The Bank exercise prudential strict control procedures on net open positions of derivatives. i.e. The difference between sale and purchase agreements at the level of value and duration. The amount exposed to credit risk at any time is determined at fair value of the instrument that may achieve benefit to the bank. i.e. any assets with high positive fair value which represents insignificant part of contractual imputed value used to reflect the volume of existing instruments. This credit risk is managed as part of overall lending limit granted to the customer together with the potential risk as a result of market changes.

The Bank doesn't obtain collaterals for credit risk related to such instruments except for the amounts requested by the bank as marginal deposits from other parties.

#### (A/3) Provisioning policy (Measurement of expected credit losses)

The Group's policies require the identification of three stages of classifying financial assets measured at amortized cost, loan commitments and financial guarantees as well as debt instruments at fair value through other comprehensive income in accordance with changes in credit quality since initial recognition and thereafter measuring the impairment losses (expected credit losses) as follows:

The un-impaired financial asset is classified at initial recognition in the first stage and credit risk is monitored continuously by the Bank's credit risk management.

In the case of a significant increase in credit risk since the initial recognition, the financial asset is transferred to the second stage and the financial asset is not considered at this stage (the expected credit loss over the life of the asset without impairment).

In case of indications of impairment of the financial asset, it is transferred to the third stage. The Group relies on the following indicators to determine whether there is objective evidence of impairment:

- A significant increase in the rate of return on the financial asset as a result of increased credit risk.
- Significant negative changes in the activity and financial or economic conditions in which the borrower operates.
- Scheduling request as a result of difficulties facing the borrower.
- Significant negative changes in actual or expected operating results or cash flows.
- Future economic changes affecting the borrower's future cash flows.
- Early indicators of cash flow / liquidity problems such as delays in servicing creditors / business loans.
- Cancellation of a direct facility by the bank due to the high credit risk of the borrower.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The following is excluded from the calculation of expected credit losses:

- Deposits with banks that are maturing one month or less from the date of the financial position.
- Current accounts with banks.
- Balances with the Central Bank in local currency.
- Guarantees issued by the Egyptian government and the Central Bank to meet outstanding claims in local currency may are considered for the purpose of calculating expected credit losses.
- Debt instruments issued by the Egyptian government in local currency are excluded from measuring expected credit losses

The following table illustrates the proportional distribution of loans and credit facilities reported in the financial position for each of the four internal ratings of the Bank and their relevant impairment losses:

	December 31, 2024		December 31, 2023	
	Loans and credit facilities	Allowance for impairment loss	Loans and credit facilities	Allowance for impairment loss
Good debts	86.20%	6.67%	85.89%	9.99%
Normal watch-list	6.77%	21.43%	7.13%	22.67%
Special watch-list	1.59%	7.69%	1.45%	5.78%
Non performing loans	5.44%	64.21%	5.53%	61.56%
	100%	100%	100%	100%

#### (A/4) General Model for Measurements of Banking Risks:

In addition to the four categories of the bank's internal credit ratings indicated above, management classifies Loans and credit facilities based on more detailed subgroups in accordance with the CBE requirements. Assets exposed to credit risk in these categories are classified according to detailed rules and terms depending heavily on information relevant to the customer, his activity, financial position and his repayment track record.

The Group calculates the allowances required for impairment of assets exposed to credit risk, including commitments relating to credit on the basis of rates determined by CBE. In case, the allowance required for impairment losses as per CBE credit worthiness rules exceeds the provisions as required by the expected credit loss, that excess shall be debited from distributable net profits and carried to the general banking risk reserve in the equity section. Such reserve is always adjusted, on a regular basis, by any increase or decrease so that the reserve shall always be equivalent to the amount of increase between the two provisions. Such reserve is not available for distribution; note (36) shows the movement (if any) on the general banking risk reserve during the financial year.

Below is a statement of credit rating for corporations as per the Bank's internal ratings compared with those of CBE's; it also includes the percentages of provisions required for impairment of assets exposed to credit risk.

CBE rating	Description	Required Provision According to % ORR	Internal Rating	Internal Description
1	Low risk	0%	1	Good debts
2	Moderate risks	1%	1	Good debts
3	Satisfactory risks	1%	1	Good debts
4	Appropriate risks	2%	1	Good debts
5	Acceptable risks	2%	1	Good debts
6	Marginally acceptable risks	3%	2	Normal watch-list
7	Watch-list	5%	3	Special watch-list
8	Substandard debts	20%	4	Non-performing loans
9	Doubtful debts	50%	4	Non-performing loans
10	Bad debts	100%	4	Non-performing loans



Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(A/5) Maximum limit for credit risk before collaterals

Financial position items exposed to credit risks	December 31, 2024	December 31, 2023
Treasury bills and Other Governmental notes	130,925,413,471	153,708,167,648
Loans and credit facilities to banks	2,504,444,938	884,737,336
<b>Loans and credit facilities to customers</b>		
<b>Retail loans</b>		
Overdrafts	4,261,472,000	4,859,175,860
Credit cards	2,250,177,858	1,894,866,993
Personal loans	49,956,409,240	40,077,773,714
Real estate loans	8,269,226,822	5,855,296,397
<b>Corporate loans</b>		
Overdrafts	142,154,599,788	102,284,714,847
Direct loans	96,605,131,122	69,332,539,580
Syndicated loans and facilities	33,435,330,839	21,703,784,911
Other loans	4,237,855,717	3,763,720,119
Segregated interest , unearned discount and deferred income	(168,736,354)	(175,473,860)
Financial derivatives	3,693,595	-
<b>Financial investments</b>		
Debt instrument	124,277,298,011	98,779,218,851
Other Financial assets	10,621,325,823	7,464,385,164
<b>Total</b>	<b>609,333,642,870</b>	<b>510,432,907,560</b>

The following table provides information on the quality of financial assets during the year:

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Due from banks	12- Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	47,920,064,824	8,187,863,865	-	56,107,928,689
Normal watch-list	36,459,710,447	20,009,248,139	-	56,468,958,586
Special watch-list	-	10,862,225,987	-	10,862,225,987
Non performing loan	-	-	-	-
	<b>84,379,775,271</b>	<b>39,059,337,991</b>	-	<b>123,439,113,262</b>
Allowance for impairment losses	(65,688,919)	(42,365,372)	-	(108,054,291)
<b>Carrying amount</b>	<b>84,314,086,352</b>	<b>39,016,972,619</b>	-	<b>123,331,058,971</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Due from banks	12- Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	17,047,358,363	2,145,449,746	-	19,192,808,109
Normal watch-list	11,344,464,186	5,669,837,300	-	17,014,301,486
Special watch-list	-	8,091,388,775	-	8,091,388,775
Non performing loan	-	-	-	-
	<b>28,391,822,549</b>	<b>15,906,675,821</b>	-	<b>44,298,498,370</b>
Allowance for impairment losses	(49,525,613)	-	-	(49,525,613)
<b>Carrying amount</b>	<b>28,342,296,936</b>	<b>15,906,675,821</b>	-	<b>44,248,972,757</b>

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Treasury bills and Other Governmental notes	12- Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	131,094,220,487	-	-	131,094,220,487
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>131,094,220,487</b>	-	-	<b>131,094,220,487</b>
Allowance for impairment losses	(168,807,016)	-	-	(168,807,016)
<b>Carrying amount</b>	<b>130,925,413,471</b>	-	-	<b>130,925,413,471</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Treasury bills and Other Governmental notes	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	153,814,155,836	-	-	153,814,155,836
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>153,814,155,836</b>	<b>-</b>	<b>-</b>	<b>153,814,155,836</b>
Allowance for impairment losses	(105,988,188)	-	-	(105,988,188)
<b>Carrying amount</b>	<b>153,708,167,648</b>	<b>-</b>	<b>-</b>	<b>153,708,167,648</b>
<b>December 31, 2024</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Loans and credit facilities to Banks</b>	<b>12-Months</b>	<b>Life time</b>	<b>Life time</b>	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	-	2,524,609,541	-	2,524,609,541
Special watch-list	-	3,157,277	-	3,157,277
Non performing loan	-	-	-	-
	<b>-</b>	<b>2,527,766,818</b>	<b>-</b>	<b>2,527,766,818</b>
Allowance for impairment losses	-	(23,321,880)	-	(23,321,880)
<b>Carrying amount</b>	<b>-</b>	<b>2,504,444,938</b>	<b>-</b>	<b>2,504,444,938</b>
<b>December 31, 2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Loans and credit facilities to Banks</b>	<b>12-Months</b>	<b>Life time</b>	<b>Life time</b>	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	-	856,058,261	-	856,058,261
Special watch-list	-	30,349,887	-	30,349,887
Non performing loan	-	-	-	-
	<b>-</b>	<b>886,408,148</b>	<b>-</b>	<b>886,408,148</b>
Allowance for impairment losses	-	(1,670,812)	-	(1,670,812)
<b>Carrying amount</b>	<b>-</b>	<b>884,737,336</b>	<b>-</b>	<b>884,737,336</b>
<b>December 31, 2024</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Retail loans</b>	<b>12-Months</b>	<b>Life time</b>	<b>Life time</b>	
<b>Credit rating</b>				
Good debts	60,489,071,776	-	-	60,489,071,776
Normal watch-list	1,861,790,294	-	-	1,861,790,294
Special watch-list	-	2,902,005,321	-	2,902,005,321
Non performing loan	-	-	1,137,813,255	1,137,813,255
	<b>62,350,862,070</b>	<b>2,902,005,321</b>	<b>1,137,813,255</b>	<b>66,390,680,646</b>
Allowance for impairment losses	(529,273,088)	(149,013,571)	(975,108,067)	(1,653,394,726)
<b>Carrying amount</b>	<b>61,821,588,982</b>	<b>2,752,991,750</b>	<b>162,705,188</b>	<b>64,737,285,920</b>
<b>December 31, 2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Retail loans</b>	<b>12-Months</b>	<b>Life time</b>	<b>Life time</b>	
<b>Credit rating</b>				
Good debts	49,658,531,618	-	-	49,658,531,618
Normal watch-list	1,482,408,419	-	-	1,482,408,419
Special watch-list	-	1,809,162,645	-	1,809,162,645
Non performing loan	-	-	1,009,880,460	1,009,880,460
	<b>51,140,940,037</b>	<b>1,809,162,645</b>	<b>1,009,880,460</b>	<b>53,959,983,142</b>
Allowance for impairment losses	(245,166,104)	(143,779,975)	(883,924,099)	(1,272,870,178)
<b>Carrying amount</b>	<b>50,895,773,933</b>	<b>1,665,382,670</b>	<b>125,956,361</b>	<b>52,687,112,964</b>

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Corporate loans	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	248,583,722,609	3,202,865,340	-	251,786,587,949
Normal watch-list	44,187,914	22,601,522,162	-	22,645,710,076
Special watch-list	-	2,861,690,858	-	2,861,690,858
Non performing loan	-	-	18,570,604,308	18,570,604,308
	<b>248,627,910,523</b>	<b>28,666,078,360</b>	<b>18,570,604,308</b>	<b>295,864,593,191</b>
Allowance for impairment losses	(840,369,462)	(6,027,676,274)	(12,563,629,989)	(19,431,675,725)
<b>Carrying amount</b>	<b>247,787,541,061</b>	<b>22,638,402,086</b>	<b>6,006,974,319</b>	<b>276,432,917,466</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Corporate loans	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	174,813,573,826	3,675,574,820	-	178,489,148,646
Normal watch-list	28,267,715	17,430,013,480	-	17,458,281,195
Special watch-list	-	2,047,334,348	-	2,047,334,348
Non performing loan	-	-	13,680,087,351	13,680,087,351
	<b>174,841,841,541</b>	<b>23,152,922,648</b>	<b>13,680,087,351</b>	<b>211,674,851,540</b>
Allowance for impairment losses	(1,123,354,432)	(4,585,495,321)	(8,881,242,330)	(14,590,092,083)
<b>Carrying amount</b>	<b>173,718,487,109</b>	<b>18,567,427,327</b>	<b>4,798,845,021</b>	<b>197,084,759,457</b>

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Debt instruments at fair value through other comprehensive income	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	20,706,652,459	-	-	20,706,652,459
Normal watch-list	10,541,836,451	-	-	10,541,836,451
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>31,248,488,910</b>	<b>-</b>	<b>-</b>	<b>31,248,488,910</b>
Allowance for impairment losses	(7,337,046)	-	-	(7,337,046)
<b>Carrying amount - fair value</b>	<b>31,248,488,910</b>	<b>-</b>	<b>-</b>	<b>31,248,488,910</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments at fair value through other comprehensive income	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	7,622,400,264	-	-	7,622,400,264
Normal watch-list	7,041,645,586	-	-	7,041,645,586
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	<b>14,664,045,850</b>	<b>-</b>	<b>-</b>	<b>14,664,045,850</b>
Allowance for impairment losses	(710,128)	-	-	(710,128)
<b>Carrying amount - fair value</b>	<b>14,664,045,850</b>	<b>-</b>	<b>-</b>	<b>14,664,045,850</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Debt instruments at amortized cost	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	93,028,809,101	-	-	93,028,809,101
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	93,028,809,101	-	-	93,028,809,101
Allowance for impairment losses	-	-	-	-
<b>Carrying amount</b>	93,028,809,101	-	-	93,028,809,101

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments at amortized cost	12-Months	Life time	Life time	
<b>Credit rating</b>				
Good debts	-	-	-	-
Normal watch-list	84,115,173,001	-	-	84,115,173,001
Special watch-list	-	-	-	-
Non performing loan	-	-	-	-
	84,115,173,001	-	-	84,115,173,001
Allowance for impairment losses	-	-	-	-
<b>Carrying amount</b>	84,115,173,001	-	-	84,115,173,001

The following table shows changes in impairment credit losses between the beginning and ending of the year as a result of these factors:

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Due from banks	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	49,525,613	-	-	49,525,613
New financial assets purchased or issued	-	42,365,372	-	42,365,372
Financial assets have been matured or derecognised	(14,176,294)	-	-	(14,176,294)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	30,339,600	-	-	30,339,600
<b>Balance at the end of the year</b>	65,688,919	42,365,372	-	108,054,291

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Due from banks	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	14,109,794	45,461	-	14,155,255
New financial assets purchased or issued	46,019,860	-	-	46,019,860
Financial assets have been matured or derecognised	(14,109,794)	(45,461)	-	(14,155,255)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	3,505,753	-	-	3,505,753
<b>Balance at the end of the year</b>	49,525,613	-	-	49,525,613



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Treasury bills and Other Governmental notes	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	105,988,188	-	-	105,988,188
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	(8,674,335)	-	-	(8,674,335)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	71,493,163	-	-	71,493,163
<b>Balance at the end of the year</b>	<b>168,807,016</b>	<b>-</b>	<b>-</b>	<b>168,807,016</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Treasury bills and Other Governmental notes	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	33,418,324	-	-	33,418,324
New financial assets purchased or issued	97,697,745	-	-	97,697,745
Financial assets have been matured or derecognised	(33,418,324)	-	-	(33,418,324)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	8,290,443	-	-	8,290,443
<b>Balance at the end of the year</b>	<b>105,988,188</b>	<b>-</b>	<b>-</b>	<b>105,988,188</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Loans and credit facilities to Banks	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	-	1,670,812	-	1,670,812
New financial assets purchased or issued	-	20,764,077	-	20,764,077
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	886,991	-	886,991
<b>Balance at the end of the year</b>	-	<b>23,321,880</b>	-	<b>23,321,880</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Loans and credit facilities to Banks	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	-	-	-	-
New financial assets purchased or issued	-	1,671,545	-	1,671,545
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	(733)	-	(733)
<b>Balance at the end of the year</b>	-	<b>1,670,812</b>	-	<b>1,670,812</b>

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Retail loans	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	245,166,104	143,779,975	883,924,099	1,272,870,178
Net impairment loss recognized during the year	284,106,984	(33,751,674)	269,369,579	519,724,889
Loans written-off during the year	-	-	(178,185,611)	(178,185,611)
Collections of loans previously written-off	-	38,985,270	-	38,985,270
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>529,273,088</b>	<b>149,013,571</b>	<b>975,108,067</b>	<b>1,653,394,726</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Retail loans	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	291,012,829	81,531,385	845,342,229	1,217,886,443
Net impairment loss recognized during the year	(45,846,725)	46,755,371	231,460,839	232,369,485
Loans written-off during the year	-	-	(192,884,225)	(192,884,225)
Collections of loans previously written-off	-	15,493,219	-	15,493,219
Foreign exchange translation differences	-	-	5,256	5,256
<b>Balance at the end of the year</b>	<b>245,166,104</b>	<b>143,779,975</b>	<b>883,924,099</b>	<b>1,272,870,178</b>

Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Corporate loans	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	1,123,354,432	4,585,495,321	8,881,242,330	14,590,092,083
New financial assets purchased or issued	323,634,581	3,194,854,486	-	3,518,489,067
Financial assets have been matured or derecognised	(795,293,643)	(4,186,995,168)	(53,743,746)	(5,036,032,557)
Transfer to stage 1	173,327,746	(173,216,060)	(111,686)	-
Transfer to stage 2	(32,780,400)	32,780,400	-	-
Transfer to stage 3	(13,465,892)	(413,212,540)	426,678,432	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	(429,080,321)	1,051,806,179	5,676,790,996	6,299,516,854
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	(25,272)	(3,625,504,011)	(3,625,529,283)
Collections of loans previously written-off	-	349,758,401	-	349,758,401
Foreign exchange translation differences	490,672,959	1,586,430,527	1,258,277,674	3,335,381,160
Balance at the end of the year	840,369,462	6,027,676,274	12,563,629,989	19,431,675,725

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Corporate loans	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	540,364,095	4,172,950,915	7,953,895,363	12,667,210,373
New financial assets purchased or issued	433,370,033	832,685,462	-	1,266,055,495
Financial assets have been matured or derecognised	(309,453,864)	(1,562,403,182)	(262,465,656)	(2,134,322,702)
Transfer to stage 1	119,855,585	(119,632,496)	(223,089)	-
Transfer to stage 2	(18,314,078)	18,314,078	-	-
Transfer to stage 3	(2,008,494)	(1,911,814,459)	1,913,822,953	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	264,477,956	2,604,277,032	3,341,546,617	6,210,301,605
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	(7,011,166)	(4,470,830,279)	(4,477,841,445)
Collections of loans previously written-off	-	64,715,474	-	64,715,474
Foreign exchange translation differences	95,063,199	493,413,663	405,496,421	993,973,283
Balance at the end of the year	1,123,354,432	4,585,495,321	8,881,242,330	14,590,092,083

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Debt instruments at fair value through other comprehensive income	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	710,128	-	-	710,128
New financial assets purchased or issued	5,921,575	-	-	5,921,575
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	705,343	-	-	705,343
Balance at the end of the year	7,337,046	-	-	7,337,046



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments at fair value through other comprehensive income	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	334,557	-	-	334,557
New financial assets purchased or issued	225,104	-	-	225,104
Financial assets have been matured or derecognised	(12,956)	-	-	(12,956)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	163,423	-	-	163,423
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>710,128</b>	<b>-</b>	<b>-</b>	<b>710,128</b>

December 31, 2024	Stage 1	Stage 2	Stage 3	Total
Debt instruments at amortized cost	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2024	-	-	-	-
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	-	-	-	-
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	-	-	-	-
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

December 31, 2023	Stage 1	Stage 2	Stage 3	Total
Debt instruments at amortized cost	12-Months	Life time	Life time	
Allowance for impairment losses at January 01, 2023	2,437,472	-	-	2,437,472
New financial assets purchased or issued	-	-	-	-
Financial assets have been matured or derecognised	(3,043,790)	-	-	(3,043,790)
Transfer to stage 1	-	-	-	-
Transfer to stage 2	-	-	-	-
Transfer to stage 3	-	-	-	-
Changes in the probability of failure and loss in the event of failure and the balance exposed to failure	-	-	-	-
Changes on model assumptions and methodology	-	-	-	-
Loans written-off during the year	-	-	-	-
Foreign exchange translation differences	606,318	-	-	606,318
<b>Balance at the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Off balance sheet items exposed to credit risks	December 31, 2024	December 31, 2023
Financial guarantees	255,000	255,000
L/Cs	4,642,174,426	4,245,924,844
Accepted papers	3,082,753,242	1,370,130,079
L/Gs	85,742,233,015	65,307,349,039
<b>Total</b>	<b>93,467,415,683</b>	<b>70,923,658,962</b>

Commitments for credit facilities and others exposed to credit risk have a carrying amount of EGP 53,331,004,298 at the end of current reporting year against EGP 43,167,324,290 in the prior year.

The preceding table shows the maximum limit exposure to risks at the end of December, 2024 and December, 2023 without taking into consideration collaterals held by the Group, if any. For financial position items, amounts stated depend on the net carrying amount shown in the financial position.

The preceding table related to financial position items exposed to credit risks shows that 56% of the maximum limit exposed to credit risk at the end of current reporting year is attributable to Loans and credit facilities to customers and Banks against 49% at the end of the prior year, investments in debt instruments constitute 20% against 19% at the end of the prior year and treasury bills and other governmental notes constitute 21% against 30% at the end of the prior year.

The management is confident of its ability to maintain control on an ongoing basis and maintain the minimum credit risk resulting from loan portfolio, facilities, and debt instruments based on the following facts:

- 93% of the loans and credit facilities portfolio at the end of the current reporting year comprises loans and credit facilities classified at the top 2 categories of the internal rating against 93% at the end of the prior year.
- 93% of the loans and credit facilities portfolio at the end of the current reporting year not impaired against 93% at the end of the prior year.
- Loans and credit facilities that are individually assessed for impairment (stage 3) at the end of the current reporting year have a carrying amount of EGP 19,708,417,563 Impairment on these loans and credit facilities represents 69% of their carrying amount. Loans and credit facilities, that are individually assessed for impairment at the end of the prior year had a carrying amount of 14,689,967,811 and their impairment represents 66% of such carrying amount.
- The Bank applied more prudential selection process on granting loans and credit facilities during the current reporting year ended December 31, 2024.
- 92% of investments in debt instruments and treasury bills and other governmental notes at the end of the current reporting year comprise local sovereign debt instruments against 97% at the end of the prior year.

(A/6) Loans and credit facilities

Balances of loans and credit facilities in terms of credit risk rating are analyzed below:

	December 31, 2024		December 31, 2023	
	Loans and credit facilities to customers	Loans and credit facilities to banks	Loans and credit facilities to customers	Loans and credit facilities to banks
Neither have arrears nor impaired	337,369,031,106	2,527,766,818	247,287,302,710	886,408,148
Have arrears but not impaired	5,177,825,168	-	3,657,564,161	-
Impaired	19,708,417,563	-	14,689,967,811	-
<b>Total</b>	<b>362,255,273,837</b>	<b>2,527,766,818</b>	<b>265,634,834,682</b>	<b>886,408,148</b>
Less: Allowance for impairment losses	(21,085,070,451)	(23,321,880)	(15,862,962,261)	(1,670,812)
Less: Segregated interest	-	-	(205,723)	-
Less: Unearned discount & deferred income	(168,736,354)	-	(175,268,137)	-
<b>Net</b>	<b>341,001,467,032</b>	<b>2,504,444,938</b>	<b>249,596,398,561</b>	<b>884,737,336</b>

Total credit allowance for loans and credit facilities to customers at the end of the current reporting year amounted to EGP 21,085,070,451 (EGP 15,862,962,261 at the end of the prior year) of which EGP 13,538,738,056 represent impairment in stage three (EGP 9,765,166,429 at the end of the prior year) and EGP 7,546,332,395 represent impairment for stage one and stage two in the credit portfolio (EGP 6,097,795,832 at the end of the prior year).

Note (21-A) includes additional information on the allowance for impairment losses for Loans and credit facilities to customers during the current reporting year.

During the current accounting year, the loans and credit facilities to customers portfolio increase by 36% due to the increase on lending activity.

Loans and credit facilities which do not have arrears and are not impaired

The credit quality of Loans and credit facilities that not subject to impairment is assessed by reference to the bank’s internal rating.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Loans and credit facilities to customers

December 31, 2024

##### Retail

Rating	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Good debts	4,261,678,582	2,377,171,901	45,825,911,718	8,024,309,575	60,489,071,776
Normal watch-list	11,563	-	-	-	11,563
Special watch-list	4,943	-	-	-	4,943
<b>Total</b>	<b>4,261,695,088</b>	<b>2,377,171,901</b>	<b>45,825,911,718</b>	<b>8,024,309,575</b>	<b>60,489,088,282</b>

##### Corporate

	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Good debts	136,312,325,002	81,107,847,561	30,088,667,837	4,155,012,727	251,663,853,127
Normal watch-list	4,972,838,463	14,483,954,807	3,030,786,758	-	22,487,580,028
Special watch-list	513,368,851	726,878,829	1,367,466,752	120,795,237	2,728,509,669
<b>Total</b>	<b>141,798,532,316</b>	<b>96,318,681,197</b>	<b>34,486,921,347</b>	<b>4,275,807,964</b>	<b>276,879,942,824</b>

Guaranteed loans are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

December 31, 2023

##### Retail

Rating	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Good debts	4,859,425,996	1,753,128,662	37,359,507,787	5,686,469,173	49,658,531,618
Normal watch-list	33,957	-	-	-	33,957
Special watch-list	29,359	-	-	-	29,359
<b>Total</b>	<b>4,859,489,312</b>	<b>1,753,128,662</b>	<b>37,359,507,787</b>	<b>5,686,469,173</b>	<b>49,658,594,934</b>

##### Corporate

	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Good debts	93,004,200,594	62,372,235,716	19,485,185,230	3,544,151,146	178,405,772,686
Normal watch-list	10,591,807,260	3,859,721,738	2,754,783,730	49,319,276	17,255,632,004
Special watch-list	578,968,504	1,255,614,935	-	132,719,647	1,967,303,086
<b>Total</b>	<b>104,174,976,358</b>	<b>67,487,572,389</b>	<b>22,239,968,960</b>	<b>3,726,190,069</b>	<b>197,628,707,776</b>

Guaranteed loans are not considered subject to impairment for the non-performing category after taking into consideration the collectability of the guarantees.

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Loans and credit facilities which have arrears but are not subject to impairment

These are loans and credit facilities with past-due installments but are not subject to impairment, unless information has otherwise indicated. Loans and credit facilities to customers which have arrears but are not subject to impairment are analyzed below.

December 31, 2024					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Up to 30 days	-	117,129,586	1,585,507,947	159,141,199	1,861,778,732
More than 30 - 60 days	-	146,901,827	2,369,981,333	119,275,902	2,636,159,062
More than 60 - 90 days	-	14,124,263	235,562,657	16,154,395	265,841,315
Total	-	278,155,676	4,191,051,937	294,571,496	4,763,779,109
Corporate					
	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Up to 30 days	-	77,496,180	-	31,979,901	109,476,081
More than 30 - 60 days	-	47,995,365	-	22,380,944	70,376,309
More than 60 - 90 days	-	32,386,783	-	7,502,000	39,888,783
More than 90 days	-	109,981,949	-	84,322,937	194,304,886
Total	-	267,860,277	-	146,185,782	414,046,059
December 31, 2023					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Up to 30 days	-	101,942,766	1,282,585,399	97,846,297	1,482,374,462
More than 30 - 60 days	-	116,481,067	1,403,535,791	117,244,836	1,637,261,694
More than 60 - 90 days	-	7,651,178	159,001,962	5,218,452	171,871,592
Total	-	226,075,011	2,845,123,152	220,309,585	3,291,507,748
Corporate					
	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Up to 30 days	653,773	48,298,011	-	28,615,676	77,567,460
More than 30 - 60 days	243,038	29,751,710	-	84,715,425	114,710,173
More than 60 - 90 days	-	57,601,004	-	17,586,561	75,187,565
More than 90 days	-	98,591,215	-	-	98,591,215
Total	896,811	234,241,940	-	130,917,662	366,056,413

Past due loans and credit facilities are those amounts, or any part thereof, which have fallen due but for which no payment has been received in accordance with the contractual terms. These include arrears for periods more than one day.

Amounts shown in the note represent the whole balance of the loan or facility and not only the past due amounts. These do not include the remaining loans and credit facilities of the same customer so long default has not fully or partially occurred on those loans.

On initial recognition of Loans and credit facilities, the fair value of collaterals, if any, is assessed based on valuation methods used for similar assets but are not recognized in the financial statements since these do not represent assets of the bank at that date. In subsequent periods, the fair value is updated to reflect the market price or prices for similar assets.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Loans and credit facilities which are individually impaired

##### Loans and credit facilities to customers

At the end of the current reporting year, the carrying amount of loans and credit facilities, that are assessed to be individually impaired (Stage 3) excluding any cash flows expected to arise from the associated guarantees, amounted to EGP 19,708,417,563 against EGP 14,689,967,811 at the end of the prior year.

The following table provides a breakdown of the balance of such loans and credit facilities which are individually impaired including the fair value of the collaterals shall prevail when calculating the provisions.

December 31, 2024					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Loans which are individually impaired	81,259,106	50,227,975	925,379,291	80,946,883	1,137,813,255
Fair value of collaterals	-	-	1,130,261	-	1,130,261
Corporate					
	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Loans which are individually impaired	5,833,210,836	12,375,319,599	293,233,389	68,840,484	18,570,604,308
Fair value of collaterals	388,161,722	874,212,779	-	-	1,262,374,501
December 31, 2023					
Retail					
	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Loans which are individually impaired	59,858,741	37,692,884	848,670,128	63,658,707	1,009,880,460
Fair value of collaterals	-	-	1,081,980	-	1,081,980
Corporate					
	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Loans which are individually impaired	2,674,450,290	10,846,103,882	2,660,087	156,873,092	13,680,087,351
Fair value of collaterals	234,336,583	338,848,222	-	-	573,184,805

#### Restructured loans and facilities:

The Bank applies different types of restructuring policies to its loans and credit facilities, which include extending payment terms, executing forced management programmes and applying prepayment and extension provisions to the loan. The applied restructuring policies depend on factors or criteria that indicate, in management judgment that the counterparty's continuous payment of the loan is unlikely to occur in the absence of such restructuring policies that are subject to ongoing review. Within the bank renegotiated outstanding loans relate to long-term loans made to any type of clientele (retail and corporate loans clients).

Total renegotiated loans amounted to EGP 6,309,255,157 at the end of the current reporting year against EGP 2,791,009,153 at the end of the prior year. These balances do not include any amounts whose commercial terms were renegotiated to preserve the quality of the bank's relationship with its clients, including those terms pertaining to loans interest rates and/or loans repayment periods.

The Bank practice calls for most clients whose loans have been renegotiated to be maintained in the "non-performing" category, as long as the bank remains uncertain of their ability to meet their future commitments in accordance with the definition of default under Basel II.

#### Loans and credit facilities to customers

Corporate loans	December 31, 2024	December 31, 2023
Overdrafts	3,095,775,492	31,232,271
Direct loans	3,213,479,665	2,759,776,882
<b>Total</b>	<b>6,309,255,157</b>	<b>2,791,009,153</b>

#### (A/7) Debt instruments, treasury bills, and other governmental notes

The following table shows a breakdown of debt instruments, treasury bills, and other governmental notes (excluding allowances for impairment) per last rating for Fitch and its equivalent:

	Rating	December 31, 2024	December 31, 2023
<b>Egyptian Treasury Bills and Other Governmental notes</b>	<b>B</b>	131,094,220,487	153,814,155,836
<b>Fair value through other comprehensive income</b>			
Other debt instruments	Unrated	2,218,406,603	2,507,159,381
Other debt instruments	A to A+	5,057,464,202	-
Egyptian Treasury Bonds	B	10,541,836,451	7,041,645,586
US Treasury Bonds	AA+	13,430,781,654	5,115,240,883
<b>Amortized cost</b>			
Egyptian Treasury Bonds	B	93,028,809,101	84,115,173,001
<b>Total</b>		<b>255,371,518,498</b>	<b>252,593,374,687</b>



Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(A/8) Acquisition of collaterals

The Bank acquire foreclosed asset as acquisition of guarantees as following:

Asset type	December 31, 2024	December 31, 2023
Building & Lands	222,999,649	18,480,000

Assets acquired are classified under the other Assets item in the financial position. These assets are sold or used for the purposes of the Bank whenever practicable.

(A/9) Concentration of risks of financial assets exposed to credit risks  
(Geographical segments)

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets including loans and credit facilities is segmented into the geographical regions of the bank’s clients except for investments in foreign treasury bonds which are reported in the “other countries” category.

	Arab Republic of Egypt				Total	Other Countries	Total
	Great Cairo	Alex	Delta	Red Sea & Upper Egypt			
Treasury bills and Other Governmental notes	131,094,220,487	-	-	-	131,094,220,487	-	131,094,220,487
Loans and credit facilities to banks	2,527,766,818	-	-	-	2,527,766,818	-	2,527,766,818
<b>Loans and credit facilities to customers</b>							
Retail loans							
Overdrafts	2,742,051,591	768,259,984	672,371,934	160,270,685	4,342,954,194	-	4,342,954,194
Credit cards	2,007,399,254	316,661,750	275,745,819	105,748,729	2,705,555,552	-	2,705,555,552
Personal loans	36,752,984,067	4,852,209,126	6,608,889,867	2,728,259,886	50,942,342,946	-	50,942,342,946
Real estate loans	6,681,949,946	321,842,476	578,311,642	817,723,890	8,399,827,954	-	8,399,827,954
<b>Corporate loans</b>							
Overdrafts	119,111,867,941	16,106,191,558	8,569,829,843	3,843,853,810	147,631,743,152	-	147,631,743,152
Direct loans	80,753,644,368	11,916,224,039	11,295,883,949	4,996,108,717	108,961,861,073	-	108,961,861,073
Syndicated loans and facilities	30,787,358,860	2,024,343,086	1,896,335,337	72,117,453	34,780,154,736	-	34,780,154,736
Other loans	4,375,929,106	75,905,124	-	39,000,000	4,490,834,230	-	4,490,834,230
Financial derivatives	(1,573,700)	(25,155,744)	-	-	(26,729,444)	30,423,039	3,693,595
<b>Financial Investments</b>							
Debt instruments	105,789,052,155	-	-	-	105,789,052,155	18,488,245,856	124,277,298,011
Other financial assets	9,879,725,096	300,085,013	361,205,211	73,211,406	10,614,226,726	123,068,799	10,737,295,525
<b>Total at the end of the current year</b>	<b>532,502,375,989</b>	<b>36,656,566,412</b>	<b>30,258,573,602</b>	<b>12,836,294,576</b>	<b>612,253,810,579</b>	<b>18,641,737,694</b>	<b>630,895,548,273</b>
<b>Total at the end of the comparative Year</b>	<b>454,068,763,436</b>	<b>31,630,804,499</b>	<b>25,924,811,188</b>	<b>9,779,318,269</b>	<b>521,403,697,392</b>	<b>5,181,492,892</b>	<b>526,585,190,284</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (Business segments)

The following table provides a breakdown of the gross amount of the most significant credit risk limits to which the bank is exposed at the end of the current reporting year (excluding allowances for impairment). The gross amount of all financial assets is segmented into business sectors in which the bank's clients operate.

	Agricultural entities	Industrial entities	Trading institutions	Service institutions	Governmental sector	Foreign govern- mental	Other activities	Individuals	Total
Treasury bills and Other Governmental notes	-	-	-	-	131,094,220,487	-	-	-	131,094,220,487
Loans and credit facilities to banks	-	-	-	-	-	-	2,527,766,818	-	2,527,766,818
<b>Loans and credit facilities to customers</b>									
<b>Retail loans</b>									
Overdrafts	-	-	-	-	-	-	-	4,342,954,194	4,342,954,194
Credit cards	-	-	-	-	-	-	-	2,705,555,552	2,705,555,552
Personal loans	-	-	-	-	-	-	-	50,942,342,946	50,942,342,946
Real estate loans	-	-	-	-	-	-	-	8,399,827,954	8,399,827,954
<b>Corporate loans</b>									
Overdrafts	2,296,770,974	60,558,472,078	17,041,527,161	67,734,972,939	-	-	-	-	147,631,743,152
Direct loans	1,338,634,285	69,533,886,781	13,913,763,873	24,175,576,134	-	-	-	-	108,961,861,073
Syndicated loans and facilities	118,236,831	24,219,600,018	5,883,530,930	4,558,786,957	-	-	-	-	34,780,154,736
Other loans	-	681,058,795	1,391,534,097	1,270,057,894	-	-	1,148,183,444	-	4,490,834,230
Financial derivatives	-	(26,929,786)	200,342	-	-	-	30,423,039	-	3,693,595
<b>Financial Investments</b>									
Debt instruments	-	-	-	2,218,406,604	103,570,645,551	13,430,781,654	5,057,464,202	-	124,277,298,011
<b>Other financial assets</b>	40,050,805	1,648,508,413	400,772,206	1,328,876,882	6,487,639,682	123,068,799	-	708,378,738	10,737,295,525
<b>Total at the end of the current year</b>	3,793,692,895	156,614,596,299	38,631,328,609	101,286,677,410	241,152,505,720	13,553,850,453	8,763,837,503	67,099,059,384	630,895,548,273
<b>Total at the end of the comparative Year</b>	3,473,973,934	123,209,246,510	30,226,736,095	58,517,509,008	250,342,117,237	5,181,492,892	1,282,982,901	54,351,131,707	526,585,190,284

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (B) Market Risk

Market risk is the risk of losses resulting from unfavorable changes in market parameters. It contains all trading book transactions as well as some banking book portfolios valued using the mark-to-market approach. The bank's policy on market risk transactions is "Prudent" in that:

- Products subject to "market risk" which are offered by the Bank to its customers are restricted to cash and simple financial derivatives such as interest rate swaps and foreign exchange swap and forward contracts.
- The only trading activity conducted by the Bank is over-night foreign exchange position, within a prudent limit that cannot be exceeded.
- Open positions must be centrally managed and matched.

The front-office managers assume primary responsibility in terms of risk exposure; however, global management lies with an independent structure being the Market Risk Controller (MRC), within Risk Division. The main function of MRC is the ongoing analysis, independently from the trading rooms, of the positions and risks linked to the market activities of the bank and the comparison of these positions to the allowed limits. The MRC carries out the following functions:

- Daily and periodic analysis and reporting (independently from the front office) of the exposures, stress tests and risks incurred by the Bank's market activities and comparison of said exposure and risks with the pre-set limits.
- Definition of the risk-measurement methods and control procedures, approval of the valuation methods used to calculate and monitor risks, including those made on a gross or nominal basis.
- Management of the approval process for limits.
- Reviewing new products or services from market risk aspect under New Product Committee to ensure that market risks are properly identified and controlled.

At the proposal of this MRC and Head of Risk Division, the Board sets the levels of authorized risk by type of market activity and makes the main decisions concerning Bank's market risk management.

#### (B/1) Methods of Measuring Market Risk and Defining Exposure Limits

As a part of managing market risk, the Bank has several hedging strategies and enters into interest rate swaps to balance the risks inherent in debt instruments and fixed rate long term loans, if the fair value option is applied. The Bank uses a lot of methods to control market risk such as stress testing "ST"

Stress testing gives indicator of the loss volume expected that may arise from sharp adverse circumstances. Stress testing is designed to match business using standard analysis for specific scenarios. The Bank sets set a maximum limit of expected losses of 10% from authorized limit according to internal bank rules.

#### (B/2) Stress test for foreign exchange risk

The following table provides FX position (whether short or long) for all balance sheet items and off balance sheet items.

Currency	Short/Long FX positions	FX short positions	FX long positions	Expected loss at 10%
USD	310,712,831	-	310,712,831	31,071,283
EUR	25,649,461	-	25,649,461	2,564,946
GBP	(2,132,452)	(2,132,452)	-	(213,245)
JPY	28,171	-	28,171	2,817
CHF	472,163	-	472,163	47,216
DKK	61,077	-	61,077	6,108
NOK	331,518	-	331,518	33,152
SEK	68,568	-	68,568	6,857
CAD	121,479	-	121,479	12,148
AUD	172,442	-	172,442	17,244
AED	728,886	-	728,886	72,889
BHD	4,046	-	4,046	405
KWD	(369,890)	(369,890)	-	(36,989)
OMR	8,304	-	8,304	830
QAR	682,422	-	682,422	68,242
SAR	890,500	-	890,500	89,050
CNY	91,774	-	91,774	9,177
EGP	(337,521,300)	(337,521,300)	-	-
Maximum expected loss at December 31, 2024				33,752,130
Maximum expected loss at December 31, 2023				16,080,806



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (B/3) Foreign exchange rate volatility risk (concentration of FX risk on financial instruments)

The Bank is exposed to foreign exchange rate volatility risk in terms of the financial position and cash flows. The board of directors set limits for foreign exchange risk at the total value of positions at the end of the day and during the day when timely control is exercised. The following table summarizes the bank's exposure to the risks of fluctuations in foreign exchange rates at the end of the reporting year. This table includes the carrying amounts of the financial instruments in terms of their relevant currencies and in EGP equivalent.

	EGP	USD	Euro	GBP	Other currencies	Total
<b>Financial assets</b>						
Cash and due from Central Bank of Egypt (CBE)	68,428,461,590	1,879,026,131	708,360,132	80,324,438	93,162,197	71,189,334,488
Due from banks	13,325,275,210	91,918,354,652	15,104,119,162	2,317,791,340	665,518,607	123,331,058,971
Treasury bills and Other Governmental notes	111,226,598,766	19,698,814,705	-	-	-	130,925,413,471
Trading investments	139,902,917	-	-	-	-	139,902,917
Loans and credit facilities to banks	-	2,504,444,938	-	-	-	2,504,444,938
Loans and credit facilities to customers	241,823,931,984	92,420,751,666	6,334,602,432	210,643,121	211,537,829	341,001,467,032
Financial derivatives	3,693,595	-	-	-	-	3,693,595
<b>Financial investments</b>						
Fair value through other comprehensive income	13,482,585,358	20,574,765,850	5,337,865	-	-	34,062,689,073
Amortized cost	93,028,809,101	-	-	-	-	93,028,809,101
Fair value through profit or loss	119,851,297	-	-	-	-	119,851,297
Other financial assets	9,713,275,594	833,692,188	69,609,884	4,740,166	7,991	10,621,325,823
<b>Total financial assets</b>	<b>551,292,385,412</b>	<b>229,829,850,130</b>	<b>22,222,029,475</b>	<b>2,613,499,065</b>	<b>970,226,624</b>	<b>806,927,990,706</b>
<b>Financial liabilities</b>						
Due to banks	15,656,297,374	338,101,357	56,085,371	72,166,129	-	16,122,650,231
Customer deposits	446,801,719,313	207,692,445,799	22,189,719,729	2,474,200,534	729,099,312	679,887,184,687
Financial derivatives	-	8,809,370	-	-	-	8,809,370
Other loans	504,401,572	3,908,699,318	65,020,726	-	-	4,478,121,616
Other financial liabilities	2,990,107,264	624,421,229	16,622,153	11,965,147	157,772	3,643,273,565
<b>Total financial liabilities</b>	<b>465,952,525,523</b>	<b>212,572,477,073</b>	<b>22,327,447,979</b>	<b>2,558,331,810</b>	<b>729,257,084</b>	<b>704,140,039,469</b>
<b>Net financial position</b>	<b>85,339,859,889</b>	<b>17,257,373,057</b>	<b>(105,418,504)</b>	<b>55,167,255</b>	<b>240,969,540</b>	<b>102,787,951,237</b>
<b>At the end of the comparative year</b>						
<b>Total financial assets</b>	<b>488,777,015,828</b>	<b>114,461,673,609</b>	<b>13,407,385,848</b>	<b>905,547,135</b>	<b>576,591,833</b>	<b>618,128,214,253</b>
<b>Total financial liabilities</b>	<b>422,415,455,023</b>	<b>104,272,361,710</b>	<b>13,317,871,811</b>	<b>903,977,029</b>	<b>426,861,942</b>	<b>541,336,527,515</b>
<b>Net financial position</b>	<b>66,361,560,805</b>	<b>10,189,311,899</b>	<b>89,514,037</b>	<b>1,570,106</b>	<b>149,729,891</b>	<b>76,791,686,738</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (B/4) Structural Interest Rate Risk

Structural interest rate risk is linked to commercial activities and corporate center transactions. Structural interest rate risk arises from residual gaps (surplus or deficit) of the bank's fixed-rate positions. The general principle is to reduce structural interest rate risk to the maximum extent.

Whenever possible, commercial operations are hedged against interest rate, either through micro-hedging (individual hedging of each commercial transaction) or macro-hedging techniques (hedging of portfolios of similar commercial transactions within the treasury department).

Consequently, structural interest rate risk only results from the residual positions remaining after hedging. The absence of interest rate derivative market in Egyptian Pound makes it difficult to hedge positions in this currency.

#### Organization of the management of Structural Interest Rate risks

Identification and measurement of the risk is carried out by the Assets & Liabilities Management Unit (ALMU) which comes under the authority of the Bank's finance department.

Risk assessment, limits and corrective actions are decided by the Assets & Liabilities management Committee (ALCO) headed by the chief executive officer with the participation of the Managing Directors, the Chief Financial Officer and the Commercial Divisions Heads, the Branch Network Head, the General Secretary and the Head of the Dealing Room.

Execution of the necessary actions decided by the ALCO for the rectification of the gaps is carried out by the dealing room through the financial market. Progress is reported and notified to the ALMU/ALCO.

#### Assets & Liabilities Management Committee (ALCO) duties

- Decide on the limits for the sensitivity.
- Review, validate and approve any assumptions used for the identification and measurements of the respective risks.
- Review interest rate Gap and sensitivity position reported through ALMU.
- Assess, amend and approve recommendations for bringing the Gap (if any) within the previously approved limits.

#### Assets & Liabilities Management Unit (ALMU) duties

- Document and maintain the respective risks management policy as approved by the ALCO.
- Construct and continuously elaborate on the models used for the identification and measurement of the respective risks.
- Report to ALCO on the respective exposures and the evolution of such exposures over time.
- Provide recommendations for bringing the gaps within limits.
- Follow up and notify ALCO of the progress made in the implementation of the ALCO decisions.

#### Dealing Room duties

- Provide frequent updates on markets movements.
- Execute and Report progress of ALCO approved recommendations.
- Co-ordinate with ALMU on the spontaneous hedging of special transactions according to ALCO approved policy and recommendations.

#### Bank's Objective of Interest Rate Risk Management

The Bank's aim is to reduce exposure to structural interest rate risk as much as possible.

Any residual interest rate risk exposure must comply with the sensitivity limits approved by the ALCO. Sensitivity is defined as the variation in the net present value of future residual fixed-rate positions for a 1% parallel increase in the yield curve. Adherence to applicable limits is closely monitored.

#### Measurement and monitoring of structural interest rate risks

In order to quantify the Bank's exposure to structural interest rate risks, all fixed rate assets and liabilities on future maturities are analyzed to identify any gaps.

On a quarterly basis, assets and liabilities are analyzed independently, without any prior matching. Maturities on outstanding positions are determined on the basis of the contractual terms of the transactions and models of historic client behavior (e.g. saving accounts) as well as conventional assumptions for some balance sheet items (e.g. equity).

Once the gaps have been identified for each major currency, the sensitivity is calculated as the variation of the net present value of the fixed rate position of an instantaneous parallel shift of the 1% in the yield curve of each major currency. The cumulative sensitivity for all currencies as well as for any single currency should not exceed the above mentioned limit.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The following table summarizes the extent to which the bank is exposed to the risks of fluctuations in the interest rate including the carrying amount of the financial instruments distributed on the basis of the rate prevailing in re-pricing dates or maturity dates, whichever is earlier.

At the end of the current year	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	Interest free	Total
<b>Financial assets</b>							
Cash and due from Central Bank of Egypt (CBE)	-	-	-	-	-	71,189,334,488	71,189,334,488
Due from banks	57,553,668,102	43,096,503,219	12,520,045,855	2,033,552,000	-	8,127,289,795	123,331,058,971
Treasury bills and Other Governmental notes	86,126,672,773	23,316,445,025	21,482,295,673	-	-	-	130,925,413,471
Trading investments	-	-	-	-	-	139,902,917	139,902,917
Loans and credit facilities to Banks	2,501,287,661	3,157,277	-	-	-	-	2,504,444,938
Loans and credit facilities to customers	272,974,367,409	11,955,448,870	15,299,677,687	32,643,296,664	8,128,676,402	-	341,001,467,032
Financial derivatives	-	-	-	-	-	3,693,595	3,693,595
<b>Financial investments</b>							
Fair value through other comprehensive income	749,723,866	862,405,602	4,155,253,018	25,481,106,424	-	2,814,200,163	34,062,689,073
Amortized cost	6,230,536,848	2,773,082,318	13,218,915,879	67,066,860,799	3,739,413,257	-	93,028,809,101
Fair value through profit or loss	-	-	-	-	-	119,851,297	119,851,297
Other financial assets	-	-	-	-	-	10,621,325,823	10,621,325,823
<b>Total financial assets</b>	<b>426,136,256,659</b>	<b>82,007,042,311</b>	<b>66,676,188,112</b>	<b>127,224,815,887</b>	<b>11,868,089,659</b>	<b>93,015,598,078</b>	<b>806,927,990,706</b>
<b>IRS (notional amount)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,812,910,000</b>	<b>-</b>	<b>-</b>	<b>3,812,910,000</b>
<b>Financial liabilities</b>							
Due to banks	403,741,848	-	-	-	-	15,718,908,383	16,122,650,231
Customer deposits	407,814,643,463	66,942,908,347	45,873,337,300	86,284,557,599	146,519,014	72,825,218,964	679,887,184,687
Financial derivatives	-	-	-	-	-	8,809,370	8,809,370
Other loans	4,267,268,026	63,220,710	143,207,310	4,425,570	-	-	4,478,121,616
Other financial liabilities	-	-	-	-	-	3,643,273,565	3,643,273,565
<b>Total financial liabilities</b>	<b>412,485,653,337</b>	<b>67,006,129,057</b>	<b>46,016,544,610</b>	<b>86,288,983,169</b>	<b>146,519,014</b>	<b>92,196,210,282</b>	<b>704,140,039,469</b>
<b>IRS (notional amount)</b>	<b>3,812,910,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,812,910,000</b>
<b>Re-pricing gap</b>	<b>9,837,693,322</b>	<b>15,000,913,254</b>	<b>20,659,643,502</b>	<b>44,748,742,718</b>	<b>11,721,570,645</b>	<b>819,387,796</b>	<b>102,787,951,237</b>
<b>At the end of the comparative year</b>							
<b>Total financial assets</b>	<b>259,059,403,772</b>	<b>68,518,135,245</b>	<b>116,965,655,594</b>	<b>87,603,959,052</b>	<b>12,972,923,701</b>	<b>73,008,136,889</b>	<b>618,128,214,253</b>
<b>IRS (notional amount)</b>	<b>656,478,377</b>	<b>173,773,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>830,252,063</b>
<b>Total financial liabilities</b>	<b>284,577,372,082</b>	<b>68,780,613,817</b>	<b>54,870,681,075</b>	<b>71,402,089,586</b>	<b>202,309,367</b>	<b>61,503,461,588</b>	<b>541,336,527,515</b>
<b>IRS (notional amount)</b>	<b>830,252,063</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>830,252,063</b>
<b>Re-pricing gap</b>	<b>(25,691,741,996)</b>	<b>(88,704,886)</b>	<b>62,094,974,519</b>	<b>16,201,869,466</b>	<b>12,770,614,334</b>	<b>11,504,675,301</b>	<b>76,791,686,738</b>

#### (C) Liquidity Risk

Liquidity risk is defined as the risk of not being able to meet cash flow or collateral requirements when they fall due and at a reasonable price. The Bank manages this exposure through modeling of its cash flow under several scenarios.

#### Organization of Liquidity Risk Management

Identification and measurement of the risk is carried out by the Assets & Liabilities Management Unit (ALMU) which comes under the authority of the bank's Finance Department.

Risk assessment and corrective actions are decided by the Assets & Liabilities Management Committee (ALCO) headed by the chief executive officer with the participation of the Managing Directors, the Chief Financial Officer and the Commercial Divisions Heads, the Branch Network Head, the General Secretary and the Head of the Dealing Room.

Execution of the necessary actions decided by the ALCO for the rectification of the gaps is carried out by the dealing room and/or the business lines. Progress is reported and notified to the ALMU/ALCO.

#### Assets & Liabilities Management Committee (ALCO) duties

- Review, validate and approve any assumptions and scenarios used for the identification and measurements of the respective risks.
- Review the structured liquidity Gap reported by ALMU.
- Assess, amend and approve recommendations for funding strategy and/or the portfolio composition for the remedy of the gaps.

Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

Assets & Liabilities Management Unit (ALMU) duties

- Document and maintain the respective risks’ management policy as approved by the ALCO.
- Construct and continuously elaborate on the models used for the identification and measurement of the respective risks.
- Report to ALCO on the respective exposures and the evolution of such exposures over time.
- Follow up and notify ALCO of the progress made in the implementation of the ALCO decisions.
- Co-ordinate with the various business lines for funding needs and report potential impact on the liquidity gap.
- Test and advice on the potential impact of any new product offering on the structured liquidity positions.

Dealing Room duties

- Is responsible for managing short term liquidity.
- Provide frequent updates on markets’ status and alerting signals of liquidity stretches.
- Execute and Report progress of ALCO approved recommendations.
- Communicate their funding needs to ALMU for the construction of the liquidity gap.

Bank’s Objective of Liquidity Risk Management

The Bank’s objective is to finance its activities at the best possible rates under normal conditions and to ensure it can meet its obligations in the event of a crisis.

To this end, the main principles of the bank’s liquidity management are as follows:

- Management of the short-term liquidity in accordance with The regulatory framework;
- Diversification of funding sources;
- Maintenance of a portfolio of liquid assets.

Measurement and monitoring of structural liquidity risks

The Bank’s liquidity management framework comprises the following processes:

- Regular assessment of the bank structural liquidity profile and its development over time;
- Monitoring of the diversification of funding sources;
- Assessment of the bank’s funding needs on the basis of the budget forecasts in order to plan appropriate funding solutions.

Liquidity gaps are constructed by listing the respective on and off-balance sheet-items according to the currency of denomination and residual maturity. Maturities on outstanding assets and liabilities are determined on the basis of the contractual terms of transactions, models of historic client behavior patterns (e.g. savings accounts) as well as conventional assumptions relating to certain balance sheet items (e.g. equity).

Liquidity risk

Liquidity risk represents difficulty encountering the bank in meeting its financial commitments upon maturity and refurbishing amounts withdrawn. This may results in failure in fulfilling obligations related to depositors and meeting lending commitments.

Contractual maturities	December 31, 2024					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Financial liabilities</b>						
Due to banks	16,122,650,692	-	-	-	-	16,122,650,692
Customer deposits	481,681,440,504	71,915,042,690	60,544,787,965	108,309,066,083	183,758,312	722,634,095,554
Other loans	1,406,391,748	33,567,070	1,170,416,860	2,043,801,975	-	4,654,177,653
<b>Total financial liabilities</b>	<b>499,210,482,944</b>	<b>71,948,609,760</b>	<b>61,715,204,825</b>	<b>110,352,868,058</b>	<b>183,758,312</b>	<b>743,410,923,899</b>

- › All balances shown in the table above represent the undiscounted cash flows; therefore, it is not possible to match these figures with the corresponding items in the statement of financial position.
- › The spot foreign exchange rate and interest rate prevailing at that date are used in the above table.

Contractual maturities	December 31, 2023					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Financial liabilities</b>						
Due to banks	5,150,788,704	-	-	-	-	5,150,788,704
Customer deposits	337,175,945,288	72,769,903,585	66,474,084,010	85,702,885,323	259,289,488	562,382,107,694
Other loans	744,687,030	34,795,374	1,015,521,869	2,491,941,958	2,908,544	4,289,854,775
<b>Total financial liabilities</b>	<b>343,071,421,022</b>	<b>72,804,698,959</b>	<b>67,489,605,879</b>	<b>88,194,827,281</b>	<b>262,198,032</b>	<b>571,822,751,173</b>

- › All balances shown in the table above represent the undiscounted cash flows; therefore, it is not possible to match these figures with the corresponding items in the statement of financial position.
- › The spot foreign exchange rate and interest rate prevailing at that date are used in the above table.

Assets available to meet all liabilities and cover loan commitments include cash, balances with Central Banks, due from banks, treasury bills, other governmental notes and Loans and credit facilities to banks and clients. Maturity term of percentage of loans to clients that are maturing within a year is extended in the normal course of the bank’s business. Moreover, some debt instruments, treasury bills and other governmental notes are pledged to cover liabilities. The Bank has the ability to meet unexpected net cash flows through selling securities, and finding other financing sources.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Cash flow derivatives

##### Derivatives settled on a gross-basis

The Bank is a party to derivative contracts that are settled on a gross-basis, in particular foreign exchange derivatives. The following table shows derivative financial liabilities that shall be settled in gross distributed over the remaining period of contractual maturities at the balance sheet date. The amounts shown in the table represent the undiscounted cash flows.

Maturities for statement of financial position items	December 31, 2024					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	1,398,522,151	980,198,180	199,350,107	-	-	<b>2,578,070,438</b>
Cash inflows	1,399,870,944	981,831,629	199,587,371	-	-	<b>2,581,289,944</b>

Maturities for statement of financial position items	December 31, 2023					Total
	Up to one month	More than one month up to 3 months	More than 3 months up to one year	More than one year up to 5 years	More than 5 years	
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	642,556,029	351,704,971	83,333,353	-	-	<b>1,077,594,353</b>
Cash inflows	643,923,874	353,220,424	83,443,851	-	-	<b>1,080,588,149</b>

#### Cash flow for Off-balance sheet items

Maturities for off-balance sheet items	December 31, 2024			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Financial guarantees	255,000	-	-	<b>255,000</b>
Operating lease commitments	190,842,397	559,152,213	149,278,619	<b>899,273,229</b>
Capital commitments resulting from acquisition of property and equipment	1,437,705,910	-	-	<b>1,437,705,910</b>
<b>Total</b>	<b>1,628,803,307</b>	<b>559,152,213</b>	<b>149,278,619</b>	<b>2,337,234,139</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Commitments for credit facilities and others exposed to credit risk	47,219,548,604	5,899,154,383	212,301,311	<b>53,331,004,298</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Financial guarantees	255,000	-	-	<b>255,000</b>
Operating lease commitments	145,830,597	360,617,435	108,548,902	<b>614,996,934</b>
Capital commitments resulting from acquisition of property and equipment	1,121,252,067	-	-	<b>1,121,252,067</b>
<b>Total</b>	<b>1,267,337,664</b>	<b>360,617,435</b>	<b>108,548,902</b>	<b>1,736,504,001</b>

Maturities for off-balance sheet items	December 31, 2023			Total
	Less than one year	More than one year and less than 5 years	More than 5 years	
Commitments for credit facilities and others exposed to credit risk	39,848,563,545	3,066,133,039	252,627,706	<b>43,167,324,290</b>

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(D) Fair value of financial assets and liabilities and sources of fair value
(D/1) Financial instruments measured at fair value

Financial assets classified as trading financial assets at fair value with changes in fair value are measured in the statement of income under ‘Net trading income’.

Debt instruments classified as financial assets at fair value through other comprehensive income are measured at fair value with changes in fair value recognized in the other comprehensive income statement under “fair value reserve”.

For investments in equity instruments, equity securities listed on the stock exchange are measured at fair value in accordance with quoted market prices on the date of the consolidated financial statements.

For non-listed shares, except for strategic investments, they are evaluated in one of the accepted techniques: discounted cash flow method Multiples of value “and the inclusion of the valuation differences in other comprehensive income within the” fair value reserve “; for strategic investments, the nominal cost or value is the fair value of those investments.

The table below shows the financial assets and liabilities at fair value in the consolidated financial statements within the fair value hierarchy, based on the levels of inputs that are essential for measuring the fair value as a whole:

- Level 1:**  
The first level inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Bank can access on the measurement date.
- Level 2:**  
The inputs of the second level are all inputs other than quoted prices within the first level and these inputs are observable for the asset or liability, directly or indirectly.
- Level 3:**  
The third level inputs are the unobservable inputs of the asset or liability.

December 31, 2024				
Financial Assets	Level 1	Level 2	Level 3	Total
US Treasury bonds	13,430,781,654	-	-	13,430,781,654
Other debt instruments	5,057,464,202	2,218,406,603	-	7,275,870,805
Egyptian Treasury Bonds	10,541,836,451	-	-	10,541,836,451
Funds at fair value through other comprehensive income	89,081,205	-	-	89,081,205
Funds at fair value through profit or loss	119,851,297	-	-	119,851,297
Equity Instruments	177,067,823	-	2,548,051,135	2,725,118,958
Trading investments	139,902,917	-	-	139,902,917
Financial derivatives	-	3,693,595	-	3,693,595

December 31, 2023				
Financial Assets	Level 1	Level 2	Level 3	Total
US Treasury bonds	5,115,240,883	-	-	5,115,240,883
Other debt instruments	-	2,507,159,381	-	2,507,159,381
Egyptian Treasury Bonds	7,041,645,586	-	-	7,041,645,586
Funds at fair value through other comprehensive income	75,625,755	-	-	75,625,755
Funds at fair value through profit or loss	112,555,023	-	-	112,555,023
Equity Instruments	174,854,480	-	1,378,435,525	1,553,290,005
Trading investments	146,204,108	-	-	146,204,108
Financial derivatives	-	-	-	-





# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (D/2) Financial instruments not measured at fair value

The following table summarizes the carrying amount and fair value of financial assets and liabilities that are not stated in the statement of financial position at fair value:

	Carrying amount		Fair value	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
<b>Financial assets</b>				
Due from banks	123,331,058,971	44,248,972,757	123,331,058,971	44,248,972,757
Loans and credit facilities to banks	2,504,444,938	884,737,336	2,499,826,410	877,070,284
Loans and credit facilities to customers	341,001,467,032	249,596,398,561	338,749,905,191	245,669,032,673
<b>Financial investments at amortized Cost</b>				
Debt instruments	93,028,809,101	84,115,173,001	88,093,529,799	75,668,753,339
<b>Financial liabilities:</b>				
Due to banks	16,122,650,231	5,088,111,931	16,122,650,231	5,088,111,931
Customer deposits	679,887,184,687	529,559,754,569	667,687,190,853	515,346,193,754
Other loans	4,478,121,616	4,045,426,305	4,478,121,616	4,045,426,305

#### Due from Banks:

The carrying amount of variable interest rate placements and deposits for one day represents its fair value. For non-interest bearing balances due from banks, the carrying amount represents their fair value. The carrying amount of fixed interest rate deposits represents their fair value since the maturity of these deposits is less than one year.

#### Loans and credit facilities to customers:

Loans and credit facilities are stated at the statement of financial position net of allowance for impairment losses.

#### Debt instruments at amortized cost:

The fair value of debt instruments is determined at the cost charged on the "Egyptian Treasury Bonds" according to Reuters announced at the end of the financial year.

#### Customer deposits and due to other banks:

The estimated fair value for deposits of indefinite maturity, including free-interest rate deposits, represents the amount paid on demand.

#### (E) Capital management:

For capital management purposes, the Bank's capital includes total equity as reported in the statement of financial position plus some other elements that are managed as capital. The Bank manages its capital to ensure that the following objectives are achieved:

- Compliance with the legally imposed capital requirements in Egypt.
- Protecting the Bank's ability to continue as a going concern and enabling it to generate yield for shareholders and other parties dealing with the Bank.
- Maintaining a strong capital base to enhance growth of the Bank's operations.
- Capital adequacy and uses are reviewed by the Bank's management in accordance with the requirements of the regulatory authority represented by the Central Bank of Egypt (CBE). Data is submitted and filed with the CBE on a quarterly basis. The CBE requires the bank to comply with the following;
  - Maintaining EGP 5 Billion as a minimum requirement for the issued and paid-up capital. The Bank's paid-up capital amounted to EGP 10,774,114,830 at the end of the current period.
  - Maintaining a minimum level of capital adequacy ratio of 10%, calculated as the ratio between total value of the capital elements, and the risk-weighted average of the bank's assets and contingent liabilities. Minimum level of capital adequacy ratio reached 12.50% the end of the current year . The Bank's capital adequacy ratio reached 24.30% at the end of the current Period (December 31, 2023 23.61%) according to Basel II.

Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

- The numerator in the capital adequacy ratio according to Basel II comprise the following 2 tiers:**
- Tier 1: basic capital which comprises paid-up capital (net of treasury stock), plus: retained earnings and reserves resulting from profit appropriations (other than general reserve for banking risks and special reserves), less: any goodwill previously recognized and any carried forward losses,plus:the carrying amount of other comprehensive income. The interim net profit was incorporated in Tier 1 capital in accordance with the decision of Central Bank of Egypt Board of Directors held on 15 February 2017.
  - Tier 2: subordinated capital which comprises with equivalent amount of the loans provision for debt instrument / Loans and credit facilities at stage 1 which does not exceed 1.25% from the total risk-weighted average of assets and contingent liabilities, plus: the carrying amount of subordinated loans/ deposits maturing over more than 5 years (provided that such carrying amount shall be reduced by 20 % of its value in each of the last five years of their maturity), in addition to 45% from increase in fair value above the carrying amount of investments in subsidiaries and associates and 45% from special reserve.
  - In calculating the numerator of the capital adequacy ratio, total value of Tier 2 should not exceed total value of Tier 1. Also, total value of subordinated loans (deposits) should not exceed 50 % of Tier 1.

Assets are risk weighted at a range of 0 to 200%. Risk classification of these assets is based on the type of the debtor as to reflect the associated credit risk and after consideration of cash collaterals. The same treatment is applied for the off-balance sheet items which shall be adjusted to reflect the contingent nature of and potential loss on these amounts.

Capital adequacy Standard had been prepared based on Basel II requirements, and Central Bank of Egypt Board of Directors had approved in its meeting held on December 18, 2012, which had been issued on December 24, 2012 and in accordance with the instructions of the Central Bank of Egypt for the capital adequacy ratio (Basel II) issued during May 2019, And CBE instructions issued in January 2021 regarding the adoption of Standardized Approach for measuring operational risk starting from year 2022 to replace Basic Indicator Approach.

The tables below summarizes the compositions of Tier 1, Tier 2 and the capital adequacy ratio based on Basel II:

According to Basel II	December 31, 2024	December 31, 2023 Restated*
<b>Tier 1 capital</b>		
Share capital	10,774,114,830	10,774,114,830
General reserve	37,142,241,367	37,142,241,367
Legal reserve	4,084,886,756	4,084,886,756
Other reserves	52,716,621	52,716,621
Retained earnings	10,226,790,824	10,214,990,159
Net profit for the year	26,152,179,497	-
General risk reserve	21,453,923	21,453,923
Other comprehensive income	1,299,081,963	(644,763,486)
Total deductions from capital invested	(1,034,149,604)	(1,098,486,030)
<b>Total tier 1 capital</b>	<b>88,719,316,177</b>	<b>60,547,154,140</b>
<b>Tier 2 capital</b>		
45% from special reserve	16,761,150	16,761,150
Impairment provision for loans, debt instruments and contingent liabilities in stage one*	2,010,617,253	2,368,758,685
<b>Total tier 2 capital</b>	<b>2,027,378,403</b>	<b>2,385,519,835</b>
<b>Total capital</b>	<b>90,746,694,580</b>	<b>62,932,673,975</b>
<b>Risk weighted assets and contingent liabilities:</b>		
Credit Risk	354,718,307,707	252,691,828,214
Market Risk	2,371,562	2,070,856
Operational Risk	18,715,383,276	13,850,135,473
<b>Total risk weighted assets and contingent liabilities</b>	<b>373,436,062,545</b>	<b>266,544,034,543</b>
<b>Capital adequacy ratio for Tier 1</b>	<b>23.76%</b>	<b>22.72%</b>
<b>Capital adequacy ratio</b>	<b>24.30%</b>	<b>23.61%</b>

\* Provided it does not exceed 1.25% from total value of risk weighted assets and contingent liabilities.

\*\* After 2023 profit distribution.

- Based on Consolidated financial statement after the disposal of insurance activity.

**Leverage financial ratio**

Central Bank of Egypt Board of Directors had approved in its meeting held on July 7, 2015 on special supervisory instructions related to leverage ratio which maintaining a minimum level of leverage ratio of 3% to be reported in quarterly basis to be obligatory ratio started from year 2018.

This ratio will be included in Basel requirement Tier1 in order to maintain Egyptian Banking system strong and safe, as long to keep up with best international regulatory treatments.

Leverage financial ratio reflect relationship between Tier 1 for capital that is used in capital adequacy ratio (after exclusions) and other assets (on balance sheet and off-balance sheet) that are not risk weighted assets.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Ratio Elements

##### I - The numerator elements

The numerator consists of Tier 1 for capital that is used in capital adequacy ratio (after exclusions) in accordance with the requirements of the regulatory authority represented by the Central Bank of Egypt (CBE).

##### II- The denominator elements

The denominator consists of all bank assets (on balance sheet and off-balance sheet) according to financial statements called "Bank exposures" which include total the following:

- 1- On balance sheet items after deducting some of Tier I Exclusions for capital base;
- 2- Derivatives contracts exposures;
- 3- Financing Financial papers operations exposures;
- 4- Off-balance sheet items (weighted by credit conversion factor)

The tables below summarizes the leverage financial ratio:	December 31, 2024	December 31, 2023 Restated*
<b>Tier 1 capital after exclusions</b>	<b>88,719,316,177</b>	60,547,154,140
Total on-balance sheet exposures, derivatives contracts and financial papers operations.	812,021,143,669	622,305,349,796
Total exposures off-balance sheet	54,381,387,115	39,518,803,764
<b>Total exposures on-balance sheet and off-balance sheet</b>	<b>866,402,530,784</b>	<b>661,824,153,560</b>
<b>Leverage financial ratio</b>	<b>10.24%</b>	<b>9.15%</b>

\* After 2023 profit distribution.

– Based on Consolidated financial statements after the disposal of insurance activity.

#### 4- Significant accounting estimates and assumptions :

In the application of the bank's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial Period.

##### a. Impairment of Loans and credit facilities (Expected Credit Loss)

The Bank reviews its Loans and credit facilities portfolio, at least, on a quarterly basis. Management uses its discretionary judgment in determining whether it is necessary to recognize impairment loss in the income statement. This requires it to identify any reliable evidence indicating measurable decline in the expected future cash flows from loan portfolio before identifying any decline for each individual loan.

This evidence includes data indicating negative change in the ability of a portfolio of borrowers to repay the bank, or local and economic circumstances related to default. On scheduling future cash flows, the management use estimates based on previous experience related to impairment of assets having similar credit risks. Such experience refers to impairment similar to that of the portfolio in question. The methods and assumptions used in estimating both the amount and timing of the future cash flows are reviewed on a regular basis to minimize any discrepancy between the estimated loss and actual loss based on management given experience.

##### b. Fair value of derivatives

Fair value of derivative financial instruments not quoted in an active market is determined using valuation techniques. When these techniques (such as the pricing models) are used to determine fair value, periodic tests and review are performed on them using competent independent personnel other than those responsible for the preparation of such techniques. All such models have been approved and tested prior to use to ensure that their results reflect reliable data and prices that can be compared to the market. These models use market observable data only to the extent it is practical to obtain such data, however, some areas such as credit risk related to the bank and counterparties, volatility and correlations requires management judgement. Changes in assumptions about these factors can affect the fair value of the financial instrument's disclosure.

##### c. Debt instrument at amortized cost:

Non-derivative financial assets with fixed or determinable payments and maturity dates are classified as debt instruments at amortized cost "within the business model of financial assets held to collect contractual cash flows".

If classification of investments as amortized cost - other than stakes required to be retained by the Group in accordance with the provisions of the law - were suspended by the bank, the carrying amount of the outstanding amortized cost investments at the end of the current reporting year would have decreased by EGP 4,935,279,302 to reach the fair value with a corresponding decrease in the fair value through other comprehensive income..

#### 5- Segmentation analysis

##### (5/A) Segmental analysis by activity

Segment activity includes operational processes, assets used in offering banking services, management of surrounding risks and related yield. Such activity may be different from other activities. Segmentation analysis of operations according to banking activities includes:

**Corporate:** This includes current account activities, deposits, overdrafts, loans, credit facilities, and financial derivatives to large, medium, and small entities.

**Individuals:** This includes current account activities, deposits, savings, credit cards, personal loans, and real estate loans.

**Other businesses:** They include other Banking activities such as fund management and insurance activity.

Inter-segment activities are affected within the bank's normal course of business. Assets and liabilities of each segment include operating assets and liabilities as shown in the bank's balance sheet.

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

At the end of the current year Income and expenses according to segmental activities (December 31, 2024)	Corporate	Investments	Individuals	Other businesses	Total
Net interest income	12,748,612,275	4,713,233,036	11,035,513,075	12,614,288,062	41,111,646,448
Net fee and commission income	3,992,022,277	(9,798,738)	1,401,623,301	223,171,423	5,607,018,263
Dividend income	-	180,157,935	-	-	180,157,935
Net trading income	1,682,891,241	-	627,800,639	(1,331,144,093)	979,547,787
Gain on financial investments	-	268,482,777	-	-	268,482,777
Impairment credit losses	(4,781,973,364)	2,752,760	(519,724,889)	(158,509,113)	(5,457,454,606)
Administrative expenses	(3,130,194,535)	(4,164,157)	(4,316,188,489)	(201,965,399)	(7,652,512,580)
Other operating revenues (expenses)	1,689,598,616	(250,542,759)	(821,132,682)	3,979,376,991	4,597,300,166
Profit before income tax	12,200,956,510	4,900,120,854	7,407,890,955	15,125,217,871	39,634,186,190
Income tax expense	(4,026,415,611)	(1,732,666,659)	(2,469,536,220)	(5,007,403,428)	(13,236,021,918)
Net profit for the current year	8,174,540,899	3,167,454,195	4,938,354,735	10,117,814,443	26,398,164,272

Assets and liabilities according to segmental activities (December 31, 2024)	Corporate	Investments	Individuals	Other businesses	Total
Segment activity assets	281,705,709,374	251,917,790,147	64,709,166,846	194,004,268,741	792,336,935,108
Unclassified assets	-	-	-	-	27,502,576,192
Total assets	281,705,709,374	251,917,790,147	64,709,166,846	194,004,268,741	819,839,511,300
Segment activity liabilities	447,868,203,749	-	234,286,014,570	27,437,389,122	709,591,607,441
Unclassified liabilities	-	-	-	-	19,222,335,581
Total liabilities	447,868,203,749	-	234,286,014,570	27,437,389,122	728,813,943,022

At the end of comparative year Income and expenses according to segmental activities (December 31, 2023)	Corporate	Investments	Individuals	Other businesses	Total
Net interest income	9,564,226,478	5,928,141,998	8,255,587,394	7,136,367,625	30,884,323,495
Net fee and commission income	2,406,464,349	(698,343)	1,389,591,267	152,396,024	3,947,753,297
Dividend income	-	85,134,981	-	-	85,134,981
Net trading income	646,458,682	-	57,436,034	(71,393,721)	632,500,995
Gain on financial investments	-	88,100,797	-	-	88,100,797
Impairment credit losses	(5,342,034,398)	(61,611,202)	(232,369,485)	(37,379,713)	(5,673,394,798)
Administrative expenses	(2,485,535,211)	(5,720,204)	(3,407,363,876)	(96,089,472)	(5,994,708,763)
Other operating revenues (expenses)	298,496,205	3,578,041	(573,020,806)	1,222,784,061	951,837,501
Profit before income tax	5,088,076,105	6,036,926,068	5,489,860,528	8,306,684,804	24,921,547,505
Income tax expense	(1,721,204,631)	(2,207,444,688)	(1,928,107,599)	(2,836,460,446)	(8,693,217,364)
Net profit for the comparative year	3,366,871,474	3,829,481,380	3,561,752,929	5,470,224,358	16,228,330,141

At the end of comparative year Assets and liabilities according to segmental activities (December 31, 2023)	Corporate	Investments	Individuals	Other businesses	Total
Segment activity assets	201,224,893,226	249,036,376,520	52,649,599,733	105,999,715,426	608,910,584,905
Unclassified assets	-	-	-	-	19,847,285,256
Total assets	201,224,893,226	249,036,376,520	52,649,599,733	105,999,715,426	628,757,870,161
Segment activity liabilities	356,744,172,247	-	173,378,111,265	14,938,887,302	545,061,170,814
Unclassified liabilities	-	-	-	-	17,058,986,467
Total liabilities	356,744,172,247	-	173,378,111,265	14,938,887,302	562,120,157,281



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (5/B) Segmental analysis by geographic area

At the end of current year Income and expenses according to geographical segments (December 31, 2024)	Great Cairo	Alex	Delta	Red Sea / Upper Egypt	Head office	Total
Net interest income	20,666,342,166	3,151,510,522	2,635,305,124	1,216,823,356	13,441,665,280	41,111,646,448
Net fee and commission income	2,906,126,325	579,686,613	604,744,674	176,248,526	1,340,212,125	5,607,018,263
Dividend income	-	-	-	-	180,157,935	180,157,935
Net trading income	1,673,803,151	396,975,557	318,173,091	104,603,021	(1,514,007,033)	979,547,787
Gain on financial investments	2,573,430	-	-	-	265,909,347	268,482,777
Impairment credit losses	(3,398,345,226)	(517,227,051)	(1,087,574,477)	(282,926,435)	(171,381,417)	(5,457,454,606)
Administrative expenses	(5,223,772,412)	(943,231,179)	(832,491,188)	(437,093,579)	(215,924,222)	(7,652,512,580)
Other operating revenues (expenses)	68,541,775	(149,812,310)	(159,978,389)	(79,921,651)	4,918,470,741	4,597,300,166
<b>Profit before income tax</b>	<b>16,695,269,209</b>	<b>2,517,902,152</b>	<b>1,478,178,835</b>	<b>697,733,238</b>	<b>18,245,102,756</b>	<b>39,634,186,190</b>
Income tax expense	(5,488,982,767)	(839,382,032)	(492,774,016)	(232,600,279)	(6,182,282,824)	(13,236,021,918)
<b>Net profit for the current year</b>	<b>11,206,286,442</b>	<b>1,678,520,120</b>	<b>985,404,819</b>	<b>465,132,959</b>	<b>12,062,819,932</b>	<b>26,398,164,272</b>

Assets and liabilities according to geographical segments (December 31, 2024)	Great Cairo	Alex	Delta	Red Sea / Upper Egypt	Head office	Total
Assets of geographical segments	287,241,662,887	36,004,958,928	27,597,361,058	12,260,250,514	456,186,280,837	819,290,514,224
Unclassified assets	-	-	-	-	-	548,997,076
<b>Total assets</b>	<b>287,241,662,887</b>	<b>36,004,958,928</b>	<b>27,597,361,058</b>	<b>12,260,250,514</b>	<b>456,186,280,837</b>	<b>819,839,511,300</b>
Liabilities of geographical segments	554,571,828,652	76,925,204,742	51,201,434,667	26,730,636,500	11,311,506,317	720,740,610,878
Unclassified liabilities	-	-	-	-	-	8,073,332,144
<b>Total liabilities</b>	<b>554,571,828,652</b>	<b>76,925,204,742</b>	<b>51,201,434,667</b>	<b>26,730,636,500</b>	<b>11,311,506,317</b>	<b>728,813,943,022</b>

At the end of comparative year Income and expenses according to geographical segments (December 31, 2023)	Great Cairo	Alex	Delta	Red Sea / Upper Egypt	Head office	Total
Net interest income	15,560,978,888	2,464,964,067	2,048,119,288	888,624,750	9,921,636,502	30,884,323,495
Net fee and commission income	1,876,130,761	383,478,178	368,062,315	123,755,711	1,196,326,332	3,947,753,297
Dividend income	-	-	-	-	85,134,981	85,134,981
Net trading income	619,171,741	85,154,809	61,054,763	18,854,764	(151,735,082)	632,500,995
Gain on financial investments	1,640,962	-	-	-	86,459,835	88,100,797
Impairment credit losses	(4,141,950,642)	(427,322,708)	(646,073,112)	(362,678,183)	(95,370,153)	(5,673,394,798)
Administrative expenses	(4,151,063,994)	(754,329,190)	(671,880,541)	(336,798,220)	(80,636,818)	(5,994,708,763)
Other operating revenues (expenses)	(39,908,435)	(151,576,068)	(125,663,018)	(71,142,778)	1,340,127,800	951,837,501
<b>Profit before income tax</b>	<b>9,724,999,281</b>	<b>1,600,369,088</b>	<b>1,033,619,695</b>	<b>260,616,044</b>	<b>12,301,943,397</b>	<b>24,921,547,505</b>
Income tax expense	(3,268,211,590)	(562,069,616)	(363,020,149)	(91,531,610)	(4,408,384,399)	(8,693,217,364)
<b>Net profit for the comparative year</b>	<b>6,456,787,691</b>	<b>1,038,299,472</b>	<b>670,599,546</b>	<b>169,084,434</b>	<b>7,893,558,998</b>	<b>16,228,330,141</b>

At the end of comparative Year Assets and liabilities according to geographical segments (December 31, 2023)	Great Cairo	Alex	Delta	Red Sea / Upper Egypt	Head office	Total
Assets of geographical segments	203,671,625,400	30,905,568,014	24,162,400,428	9,234,128,261	359,945,437,844	627,919,159,947
Unclassified assets	-	-	-	-	-	838,710,214
<b>Total assets</b>	<b>203,671,625,400</b>	<b>30,905,568,014</b>	<b>24,162,400,428</b>	<b>9,234,128,261</b>	<b>359,945,437,844</b>	<b>628,757,870,161</b>
Liabilities of geographical segments	435,486,102,898	57,867,319,686	35,594,800,763	14,164,807,696	11,515,234,693	554,628,265,736
Unclassified liabilities	-	-	-	-	-	7,491,891,545
<b>Total liabilities</b>	<b>435,486,102,898</b>	<b>57,867,319,686</b>	<b>35,594,800,763</b>	<b>14,164,807,696</b>	<b>11,515,234,693</b>	<b>562,120,157,281</b>

Geographical Segmental analysis is based on the locations of branches through which the bank provides its services.



Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

6 - Net interest income	December 31, 2024	December 31, 2023
Interest from loans and similar income:		
Loans and credit facilities:		
Customers and banks	58,825,875,288	37,487,659,580
<b>Total</b>	<b>58,825,875,288</b>	<b>37,487,659,580</b>
Treasury bills ,bonds and Other Governmental notes	51,901,046,561	35,283,864,358
Other debt instruments	744,725,680	223,434,456
Deposits and current accounts	9,013,877,862	4,258,913,348
Net interest differential on hedging instruments (IRS contracts)	(44,671,197)	(29,566,387)
<b>Total</b>	<b>120,440,854,194</b>	<b>77,224,305,355</b>
Cost of deposits and similar expense :		
Deposits and current accounts:		
Banks	(868,305,399)	(547,653,577)
Customers	(78,138,487,685)	(45,539,508,662)
<b>Total</b>	<b>(79,006,793,084)</b>	<b>(46,087,162,239)</b>
Repo arrangements	(5,835,267)	(12,921,870)
Other loans	(316,579,395)	(239,897,751)
<b>Total</b>	<b>(79,329,207,746)</b>	<b>(46,339,981,860)</b>
<b>Net</b>	<b>41,111,646,448</b>	<b>30,884,323,495</b>
7 - Net fee and commission income:	December 31, 2024	December 31, 2023
Fee and commission income :		
Credit fees and commission	4,387,670,272	3,129,653,378
Custody fees	58,690,919	38,642,464
Investment commission	34,918,926	26,645,773
Other fees	3,149,489,321	2,346,948,442
<b>Total</b>	<b>7,630,769,438</b>	<b>5,541,890,057</b>
Fee and commission expense:		
Brokerage fees	(12,685,388)	(7,185,597)
Other fees	(2,011,065,787)	(1,586,951,163)
<b>Total</b>	<b>(2,023,751,175)</b>	<b>(1,594,136,760)</b>
<b>Net</b>	<b>5,607,018,263</b>	<b>3,947,753,297</b>
8 - Dividend income	December 31, 2024	December 31, 2023
Equity instruments at fair value through other comprehensive income	180,157,935	85,134,981
<b>Total</b>	<b>180,157,935</b>	<b>85,134,981</b>
9 - Net trading income:	December 31, 2024	December 31, 2023
Forex operations:		
Foreign exchange trading gains ( loss )	937,696,186	626,152,771
Investment funds held for trading	34,064,084	35,157,171
Changes in fair value of currency forward contracts	7,629,861	(27,484,114)
Changes in fair value of currency swap contracts	(13,253)	(16,899)
Changes in fair value IRS contracts	170,909	(1,307,934)
<b>Total</b>	<b>979,547,787</b>	<b>632,500,995</b>
10 - Adminstrative expense	December 31, 2024	December 31, 2023
Staff cost:		
Salaries and wages	3,264,058,131	2,475,344,260
Social insurance	176,516,181	148,007,540
Pension cost:		
Defined contribution scheme	121,156,577	103,437,035
Other retirement benefits (Defined benefit scheme )	100,961,963	80,101,574
	<b>3,662,692,852</b>	<b>2,806,890,409</b>
Depreciation and amortization	515,135,476	478,757,803
Other administrative expenses	3,474,684,252	2,709,060,551
<b>Total</b>	<b>7,652,512,580</b>	<b>5,994,708,763</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

11- Other operating revenues (expenses)	December 31, 2024	December 31, 2023
Foreign exchange differences from translation of foreign currency monetary assets and liabilities other than held for trading items and those classified as at fair value through profit or loss at initial recognition	5,516,676,707	1,647,010,019
Gain on sale of property and equipment	8,162,000	10,082,730
Software cost	(1,025,992,946)	(674,669,495)
Operating lease rental expense	(231,216,577)	(206,760,187)
Gain on sale of foreclosed assets reverted to the bank in settlement of debts	105,713	28,579,205
Other provisions (net of reversed amounts)	890,618,484	(186,240,908)
Finance leases revenue ,net	1,083,168,805	707,793,337
Other leasing revenues	149,172,589	78,710,738
Impairment (loss ) reversal on leased assets	(14,999,998)	(38,834,552)
Net return received from insurance activity*	(1,826,437,770)	(509,589,960)
Other income (expense)	48,043,159	95,756,574
<b>Total</b>	<b>4,597,300,166</b>	<b>951,837,501</b>

*The following table summarise the net return received from insurance activity:	December 31, 2024	December 31, 2023
Direct premium	1,584,378,451	1,177,957,122
Re-insurance premium ceded	(138,535,492)	(122,040,127)
Technical reserve during the year	(2,724,660,802)	(1,092,721,288)
Outgoing re-insurance commissions	1,029,469	835,322
Other revenues	73,547,557	49,198,700
Claims paid	(672,521,373)	(636,424,821)
Re-insurance pay-back claim	57,081,546	72,878,308
Change in Provision for Outstanding Claims Balance	(8,567,448)	(4,533,331)
Impairment on receivable arising from insurance contracts	1,810,322	45,260,155
<b>Total</b>	<b>(1,826,437,770)</b>	<b>(509,589,960)</b>

12- Impairment credit losses	December 31, 2024	December 31, 2023
Loans and credit facilities to customers	(5,301,698,253)	(5,574,403,883)
Loans and credit facilities to Banks	(20,764,077)	(1,671,545)
Due from banks	(28,189,078)	(31,864,605)
Treasury bills and Other Governmental notes	8,674,335	(64,279,421)
Debt instruments at fair value through other comprehensive income	(5,921,575)	(375,571)
Debt instruments at amortized cost	-	3,043,791
Other assets	(109,555,958)	(3,843,564)
<b>Total</b>	<b>(5,457,454,606)</b>	<b>(5,673,394,798)</b>

13- Income tax expense	December 31, 2024	December 31, 2023
Current tax	(13,110,323,222)	(8,783,748,991)
Deferred tax	(125,698,696)	90,531,627
<b>Total</b>	<b>(13,236,021,918)</b>	<b>(8,693,217,364)</b>

Additional data on deferred tax is disclosed in note (33). Income tax expense is different from the tax that would have arisen had the statutory tax rate been applied on pre-tax accounting profit as shown below:

Profit before tax	39,634,186,190	24,921,547,505
Income tax calculated at 22.5 % tax rate	8,917,691,893	5,607,348,189
<b>Tax impact for:</b>		
Non-taxable income	(315,644,051)	(152,284,268)
Non-deductible expenses for tax purposes	3,971,710,191	2,838,752,947
Recognize of deferred tax assets	(17,656,338)	(15,220,679)
Prior-years' tax settlements	204,042,494	122,897,432
Provision and segregated interest	302,485,043	349,733,708
Tax deductible (10% on dividend income)	47,693,990	32,521,662
<b>Effective income tax expense</b>	<b>13,110,323,222</b>	<b>8,783,748,991</b>

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### Tax Position

##### A) QNB Position:

###### A-1) Corporate Tax

- The Bank's accounts were tax-inspected and settled with respect to tax since the beginning of activity till the end of December 31, 2010.
- Years 2011 and 2012 transferred to court.
- Years 2013 till 2020 have been inspected, and the due tax was paid.
- Year 2021 the inspection period was requested, and the documents were submitted to the Egyptian Tax Authority during the legal dates.
- Year 2022 & 2023, the tax return was submitted to the tax authority on legal dates, and it has not yet been requested for inspection.

###### A-2) Salaries Taxes

- The Bank's books have been inspected, and the due tax was paid until year 2020.
- Year 2021, 2022 & 2023 the Bank submitted its tax return in the due date and books have not been inspected yet.

###### A-3) Stamp duties

- The Bank's books have been inspected, for all branches until July 31, 2006 and all tax was paid.
- Period from August 01, 2006 till December 31, 2021 have been inspected, and the due tax was paid.
- Years 2022 & 2023 the Bank paid the taxes on the due date and books have not been inspected yet.

##### (B) EX-MIBank Position:

###### B-1) Corporate Tax

- The Bank's accounts were tax- inspected, and settled since the beginning of activity till November 30, 2006.

###### B-2) Salaries Taxes

- The Bank's books have been inspected, and the due tax was paid till November 30, 2006.

###### B-3) Stamp duties

- The Bank's books have been inspected for all branches until July 31, 2006 and all due tax was paid.
- Period from August 01, 2006 till November 30, 2006 have been inspected, and the due tax was paid.

##### (C) QNB Leasing Position (subsidiary company):

###### C-1) Corporate Tax

- Years from start of activity till 2016 ,the Company was tax inspected and the tax assessment was carried out and the payment thereof was made.
- Years from 2017 to 2020, the company submitted its tax return on the due date and the books are under inspection.
- Years from 2021 till 2023 the company submitted its tax return on the due date and books have not been inspected yet.

###### C-2) Salary tax

- Years from start of activity till 2020 ,the Company was tax inspected and the tax assessment was carried out and the payment thereof was made.
- Year from 2021 till 2023, the company submitted its tax return on the due date and the books have not been inspected yet.

###### C-3) Stamp duties

- Years from start of activity till 2017 ,the Company was tax inspected and the tax assessment was carried out and the payment thereof was made.
- Years from 2018 to 2020, the company was examined for these years, and the form was objected and the dispute was referred to the internal committee of the Tax Authority,the dispute was settled and paid.
- Year from 2021 till 2023 , no tax inspection has been carried out up till date.

##### (D) QNB Factoring Company Position (subsidiary company):

###### D-1) Corporate Tax

- The Company is subject to income tax law No. 91 of 2005 and its executive statute and law No. 44 of 2014.
- Years from 2012 till 2023 the company submitted its tax return on the due date.
- Years 2017 till 2021 under inspection with tax authority.

###### D-2) Salary tax

- The Company is not abided by deducting and delivering salary taxes, as the company's employees are seconded by QNB (Major Shareholder),While the company with holds and transfers the tax for the employees appointed to the company .
- Years till 2021 under inspection with tax authority .

###### D-3) Stamp duties

- The Company is not subject to stamp duty tax law No. 111 of 1980 and amended by law 143 of period 2006.
- Years 2012 till 2021 under inspection with tax authority.

###### D-4) Withholding tax

- The Company is committed to withholding tax and delivering it to tax authority on due dates.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### (E) QNB Life Insurance Company Position (subsidiary company):

##### E-1) Corporate Tax

- Years from start of activity to 30 June 2012, the tax authority inspection and settlement took place and the final settlement have been made.
- years from July 01, 2012 to June 30, 2016 have been examined and the dispute settled by the internal committees and due payment under process.
- Years from 1 July 2016 to 30 June 2020, the company submitted its tax return on the due dates and Tax inspection had taken place.
- Years from 1 July 2020 to 30 June 2023, the company submitted its tax return on the due dates.

##### E-2) Salary tax

- The tax authority inspection and settlement took place for the period since inception till 2019.

##### E-3) Stamp duties

- The Company's accounts were tax-inspected and settled with respect to Tax since the beginning of activity till June 2020.
- Years from 01 July 2020 to 30 June 2021 inspection result objected in front of internal committee .

#### (F) QNB Asset Management Egypt Company Position (subsidiary company):

##### F-1) Corporate Tax

- Years from 2002 till 2004, the Company has been inspected, and the due tax was paid.
- Years from 2005 to 2006, the company submitted its tax return on the due date and the books have not been inspected yet.
- Years from 2007 till 2010, the Company has been inspected, and the due tax was paid.
- Year 2011, the company submitted its tax return on the due date and the books have not been inspected yet.
- Years 2012 till 2014, the company received the tax dues and objected at the official legal dates and awaiting for internal Committee.
- Years from 2015 to 2016, the company submitted its tax return on the due date and the books have not been inspected yet.
- Years from 2017 to 2018, the company received the tax dues and objected at the official legal dates and awaiting for internal Committee.
- Years 2019 till 2023, the tax return was submitted to the tax authority on legal dates, and it has not yet been requested for inspection.

##### F-2) Salaries Taxes

- periods from 2002 till 2014, the tax inspection was took place and tax claim was paid.
- periods from 2015 till 2018 , the company received the tax dues and objected at the official legal dates and awaiting for internal Committee.
- Year from 2019 till 2023 have not been inspected yet.

##### F-3) Stamp duty tax:

- Years from 2002 till 2016 have been inspected, and the due tax was paid.
- Years 2017 till 2023, the Company submitted its tax return in the due date and the books have not been inspected yet.

14 - Earnings per share	December 31, 2024	December 31, 2023
Net profit for the year**	25,806,175,189	15,769,684,137
Remuneration for the Board Members (from the year net profit)*	(19,500,000)	(13,420,000)
Staff profit share (from the year net profit)*	(2,600,965,649)	(1,595,306,685)
<b>Profit available to shareholders</b>	<b>23,185,709,540</b>	<b>14,160,957,452</b>
Weighted average number of the shares outstanding during the year	2,154,822,966	2,154,822,966
<b>Earning Per Share</b>	<b>10.76</b>	<b>6.57</b>

\* Based on Profits distribution proposal. The actual amounts will be subject to the ordinary AGM approval .

\*\* Based on separate financial statements.

Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

15 - Classification and measurement of financial assets and financial liabilities

The following table shows the gross financial assets and financial liabilities (excluding allowances for impairment) according to the business model classification:

December 31, 2024	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Financial instruments at fair value through profit or loss	Total Carrying amount
Cash and due from Central Bank of Egypt (CBE)	71,189,334,488	-	-	-	71,189,334,488
Due from banks	123,439,113,262	-	-	-	123,439,113,262
Treasury bills and Other Governmental notes	19,867,621,720	111,226,598,767	-	-	131,094,220,487
Trading investments	-	-	-	139,902,917	139,902,917
Loans and credit facilities to banks	2,527,766,818	-	-	-	2,527,766,818
Loans and credit facilities to customers	362,255,273,837	-	-	-	362,255,273,837
Financial derivatives	-	-	-	3,693,595	3,693,595
Fair value through other comprehensive income	-	31,248,488,910	2,814,200,163	-	34,062,689,073
Amortized cost	93,028,809,101	-	-	-	93,028,809,101
Fair value through profit or loss	-	-	-	119,851,297	119,851,297
Other financial assets	10,737,295,525	-	-	-	10,737,295,525
<b>Total financial assets</b>	<b>683,045,214,751</b>	<b>142,475,087,677</b>	<b>2,814,200,163</b>	<b>263,447,809</b>	<b>828,597,950,400</b>
Due to banks	16,122,650,231	-	-	-	16,122,650,231
Customer deposits	679,887,184,687	-	-	-	679,887,184,687
Financial derivatives	-	-	-	8,809,370	8,809,370
Other loans	4,478,121,616	-	-	-	4,478,121,616
Other financial liabilities	3,643,273,565	-	-	-	3,643,273,565
<b>Total financial liabilities</b>	<b>704,131,230,099</b>	<b>-</b>	<b>-</b>	<b>8,809,370</b>	<b>704,140,039,469</b>

December 31, 2023	Amortized cost	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Financial instruments at fair value through profit or loss	Total Carrying amount
Cash and due from Central Bank of Egypt (CBE)	61,558,659,045	-	-	-	61,558,659,045
Due from banks	44,298,498,370	-	-	-	44,298,498,370
Treasury bills and Other Governmental notes	13,747,561,691	140,066,594,145	-	-	153,814,155,836
Trading investments	-	-	-	146,204,108	146,204,108
Loans and credit facilities to banks	886,408,148	-	-	-	886,408,148
Loans and credit facilities to customers	265,634,834,682	-	-	-	265,634,834,682
Financial derivatives	-	-	-	-	-
Fair value through other comprehensive income	-	14,664,045,850	1,628,915,760	-	16,292,961,610
Amortized cost	84,115,173,001	-	-	-	84,115,173,001
Fair value through profit or loss	-	-	-	112,555,023	112,555,023
Other financial assets	7,470,572,767	-	-	-	7,470,572,767
<b>Total financial assets</b>	<b>477,711,707,704</b>	<b>154,730,639,995</b>	<b>1,628,915,760</b>	<b>258,759,131</b>	<b>634,330,022,590</b>
Due to banks	5,088,111,931	-	-	-	5,088,111,931
Customer deposits	529,559,754,569	-	-	-	529,559,754,569
Financial derivatives	-	-	-	6,264,722	6,264,722
Other loans	4,045,426,305	-	-	-	4,045,426,305
Other financial liabilities	2,636,969,988	-	-	-	2,636,969,988
<b>Total financial liabilities</b>	<b>541,330,262,793</b>	<b>-</b>	<b>-</b>	<b>6,264,722</b>	<b>541,336,527,515</b>





# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

16 - Cash and due from Central Bank of Egypt (CBE)	December 31, 2024	December 31, 2023
Cash	9,381,764,096	6,019,222,180
Balances with CBE (mandatory reserve)	61,807,570,392	55,539,436,865
<b>Total</b>	<b>71,189,334,488</b>	<b>61,558,659,045</b>
Interest free balances	71,189,334,488	61,558,659,045
<b>Total</b>	<b>71,189,334,488</b>	<b>61,558,659,045</b>

17 - Due from Banks	December 31, 2024	December 31, 2023
Current accounts	8,852,063,253	3,756,760,016
Deposits	114,587,050,009	40,541,738,354
	<b>123,439,113,262</b>	<b>44,298,498,370</b>
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>123,331,058,971</b>	<b>44,248,972,757</b>
Balances at CBE other than those under the mandatory reserve	36,459,710,447	11,344,464,186
Local banks	29,346,310,127	15,555,182,213
Foreign Banks	57,633,092,688	17,398,851,971
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>123,331,058,971</b>	<b>44,248,972,757</b>
Interest free balances	8,127,289,795	2,097,417,791
Balances at floating interest rates	724,773,458	1,659,342,225
Balances at fixed interest rates	114,587,050,009	40,541,738,354
Less : Allowance for impairment losses	(108,054,291)	(49,525,613)
<b>Total</b>	<b>123,331,058,971</b>	<b>44,248,972,757</b>
Current balances	121,297,506,971	43,569,324,557
Non-current balances	2,033,552,000	679,648,200
<b>Total</b>	<b>123,331,058,971</b>	<b>44,248,972,757</b>

18 - Treasury bills and Other governmental notes	December 31, 2024	December 31, 2023
91 days maturity	4,300,425,000	1,806,675,000
182 days maturity	9,318,800,000	45,174,900,000
More than 182 days maturity	41,365,735,160	120,868,832,420
Less : Unearned interest	(2,579,205,871)	(12,810,814,159)
	<b>52,405,754,289</b>	<b>155,039,593,261</b>
Less : Allowance for impairment losses	(168,807,016)	(105,988,188)
Fair Value Reserve	(311,533,802)	(1,225,437,425)
<b>Total Treasury bills</b>	<b>51,925,413,471</b>	<b>153,708,167,648</b>
Other governmental notes	79,000,000,000	-
<b>Total Treasury bills and Other governmental notes</b>	<b>130,925,413,471</b>	<b>153,708,167,648</b>
Treasury bills and Other governmental notes classified as amortized cost	19,698,814,704	13,641,573,503
Treasury bills and Other governmental notes classified as FVOCI	111,226,598,767	140,066,594,145
<b>Total</b>	<b>130,925,413,471</b>	<b>153,708,167,648</b>

19 - Trading investments	December 31, 2024	December 31, 2023
Mutual Fund certificates	139,902,917	146,204,108
<b>Total</b>	<b>139,902,917</b>	<b>146,204,108</b>

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

20 - Loans and credit facilities to Banks	December 31, 2024	December 31, 2023
Other loans	3,157,277	886,408,148
Term Loans	2,524,609,541	-
<b>Total</b>	<b>2,527,766,818</b>	<b>886,408,148</b>
<b>Less : Allowance for impairment losses</b>	<b>(23,321,880)</b>	<b>(1,670,812)</b>
<b>Total</b>	<b>2,504,444,938</b>	<b>884,737,336</b>

21 - Loans and credit facilities to customers	December 31, 2024			December 31, 2023		
	Total	Allowance for impairment losses	Net	Total	Allowance for impairment losses	Net
<b>Individuals</b>						
Overdrafts	4,342,954,194	(81,482,194)	4,261,472,000	4,919,348,053	(60,172,193)	4,859,175,860
Credit cards	2,705,555,552	(455,377,694)	2,250,177,858	2,016,896,557	(122,029,564)	1,894,866,993
Personal loans	50,942,342,946	(985,933,706)	49,956,409,240	41,053,301,067	(975,527,353)	40,077,773,714
Real estate loans	8,399,827,954	(130,601,132)	8,269,226,822	5,970,437,465	(115,141,068)	5,855,296,397
<b>Total (1)</b>	<b>66,390,680,646</b>	<b>(1,653,394,726)</b>	<b>64,737,285,920</b>	<b>53,959,983,142</b>	<b>(1,272,870,178)</b>	<b>52,687,112,964</b>
<b>Corporate including small loans for businesses</b>						
Overdrafts	147,631,743,152	(5,477,143,364)	142,154,599,788	106,850,323,459	(4,565,608,612)	102,284,714,847
Direct loans	108,961,861,073	(12,356,729,951)	96,605,131,122	78,567,918,211	(9,235,378,631)	69,332,539,580
Syndicated loans and facilities	34,780,154,736	(1,344,823,897)	33,435,330,839	22,242,629,047	(538,844,136)	21,703,784,911
Other loans	4,490,834,230	(252,978,513)	4,237,855,717	4,013,980,823	(250,260,704)	3,763,720,119
<b>Total (2)</b>	<b>295,864,593,191</b>	<b>(19,431,675,725)</b>	<b>276,432,917,466</b>	<b>211,674,851,540</b>	<b>(14,590,092,083)</b>	<b>197,084,759,457</b>
<b>Total loans and credit facilities to customers (1+2)</b>	<b>362,255,273,837</b>	<b>(21,085,070,451)</b>	<b>341,170,203,386</b>	<b>265,634,834,682</b>	<b>(15,862,962,261)</b>	<b>249,771,872,421</b>
Less: Segregated interest			-			(205,723)
Less: Unearned discount and deferred income			(168,736,354)			(175,268,137)
<b>Net Loans and credit facilities to customers distributed as follows:</b>			<b>341,001,467,032</b>			<b>249,596,398,561</b>
Current balances			245,235,028,332			186,777,898,323
Non-current balances			95,766,438,700			62,818,500,238
<b>Net Loans and credit facilities to customers</b>			<b>341,001,467,032</b>			<b>249,596,398,561</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 21-A - Allowance for impairment losses

December 31, 2024					
Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at beginning of the year	60,172,193	122,029,564	975,527,353	115,141,068	1,272,870,178
Net impairment loss recognized during the year	27,931,518	361,891,431	109,349,268	20,552,672	519,724,889
Loans written-off during the year	(6,621,517)	(28,543,301)	(137,928,185)	(5,092,608)	(178,185,611)
Collection of loans previously written-off	-	-	38,985,270	-	38,985,270
Foreign exchange translation differences	-	-	-	-	-
Balance at end of the year	81,482,194	455,377,694	985,933,706	130,601,132	1,653,394,726

Corporate	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Balance at beginning of the year	4,565,608,612	9,235,378,631	538,844,136	250,260,704	14,590,092,083
Net impairment loss recognized during the year	(187,637,227)	4,274,351,356	683,397,426	11,861,809	4,781,973,364
Loans written-off during the year	-	(3,600,223,423)	-	(25,305,860)	(3,625,529,283)
Collection of loans previously written-off	-	345,758,401	-	4,000,000	349,758,401
Foreign exchange translation differences	1,099,171,979	2,101,464,986	122,582,335	12,161,860	3,335,381,160
Balance at end of the year	5,477,143,364	12,356,729,951	1,344,823,897	252,978,513	19,431,675,725
Total					21,085,070,451

December 31, 2023					
Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total
Balance at beginning of the year	64,693,995	65,722,988	949,400,304	138,069,156	1,217,886,443
Net impairment loss recognized during the year	43,963,696	89,856,570	107,717,578	(9,168,359)	232,369,485
Loans written-off during the year	(48,485,498)	(33,549,994)	(97,089,004)	(13,759,729)	(192,884,225)
Collection of loans previously written-off	-	-	15,493,219	-	15,493,219
Foreign exchange translation differences	-	-	5,256	-	5,256
Balance at end of the year	60,172,193	122,029,564	975,527,353	115,141,068	1,272,870,178

Corporate	Overdrafts	Direct loans	Syndicated loans and facilities	Other loans	Total
Balance at beginning of the year	2,304,769,070	9,972,428,275	203,466,088	186,546,940	12,667,210,373
Net impairment loss recognized during the year	2,061,356,654	2,855,407,588	319,559,023	105,711,133	5,342,034,398
Loans written-off during the year	-	(4,426,864,758)	-	(50,976,687)	(4,477,841,445)
Collection of loans previously written-off	-	58,715,474	-	6,000,000	64,715,474
Foreign exchange translation differences	199,482,888	775,692,052	15,819,025	2,979,318	993,973,283
Balance at end of the year	4,565,608,612	9,235,378,631	538,844,136	250,260,704	14,590,092,083
Total					15,862,962,261

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

22- Financial derivatives	December 31, 2024		
	Notional amount	Assets	Liabilities
<b>(A) Held for trading</b>			
Forward foreign exchange contracts	2,301,200,818	3,723,747	-
Swap foreign exchange contracts	276,869,620	(30,152)	-
<b>Total</b>	<b>2,578,070,438</b>	<b>3,693,595</b>	<b>-</b>
<b>(B) Fair value hedge</b>			
Interest rate swap contracts	3,812,910,000	-	8,809,370
<b>Total</b>	<b>3,812,910,000</b>	<b>-</b>	<b>8,809,370</b>
<b>Total</b>	<b>6,390,980,438</b>	<b>3,693,595</b>	<b>8,809,370</b>
<b>December 31, 2023</b>			
	Notional amount	Assets	Liabilities
<b>(A) Held for trading</b>			
Forward foreign exchange contracts	926,169,965	-	3,906,114
Swap foreign exchange contracts	151,424,388	-	16,899
<b>Total</b>	<b>1,077,594,353</b>	<b>-</b>	<b>3,923,013</b>
<b>(B) Fair value hedge</b>			
Interest rate swaps contracts	830,252,063	-	2,341,709
<b>Total</b>	<b>830,252,063</b>	<b>-</b>	<b>2,341,709</b>
<b>Total</b>	<b>1,907,846,416</b>	<b>-</b>	<b>6,264,722</b>

Forward exchange contracts represent commitments to purchase local and foreign currencies including the unexecuted part of regular-way transactions. Interest rate swap contracts represent commitments to swap fixed interest rate with variable interest rate where the physical exchange of funds is not required except in foreign exchange swaps. The Bank's credit risk represents the cost of potential replacement of the swaps in case other parties fail to meet their obligations. This risk is controlled on an ongoing basis in terms of fair value and percentage of contracted amounts. To control the outstanding credit risk, the Bank assesses counterparties to the contract in the same manner used in lending activities.

#### Fair value hedge

The Bank uses interest rate swap contracts to mitigate part of the risk of potential increase in fair value of its fixed rate customer deposits in foreign currencies to the extent caused by declining market interest rates.

Net fair value of hedging instruments (Interest rate swap) liability amounted to EGP 8,809,370 as of December 31, 2024 (Liability EGP 2,341,709 in the prior year). Loss resulting from hedging instruments amounted to EGP 6,467,661 (Gain of EGP 20,612,927 in the prior year) and Gain arose from the hedged items reached EGP 6,638,570 (Loss of EGP 21,920,861 in the prior year).



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 23- Financial investments

Fair value through other comprehensive income (FVTOCI)	December 31, 2024	December 31, 2023
<b>(A) Debt instruments at fair value:</b>		
Listed Instruments in Egyptian Stock Exchange Market	12,760,243,054	9,548,804,967
Listed instruments in foreign stock exchange market	18,488,245,856	5,115,240,883
<b>Total debt instruments measured at fair value through other comprehensive income</b>	<b>31,248,488,910</b>	<b>14,664,045,850</b>
<b>(B) Equity instruments at fair value:</b>		
Listed instruments in Egyptian stock exchange market	177,067,823	174,854,480
Unlisted instruments in stock exchange market	2,548,051,135	1,378,435,525
<b>Total equity instruments measured at fair value through other comprehensive income</b>	<b>2,725,118,958</b>	<b>1,553,290,005</b>
<b>(C) Money market funds and balanced funds:</b>		
*Unlisted instruments in stock exchange market	89,081,205	75,625,755
<b>Total financial investments measured at fair value through other comprehensive income (1)</b>	<b>34,062,689,073</b>	<b>16,292,961,610</b>
<b>Amortized cost</b>		
<b>(A) Debt instruments:</b>		
Listed instruments in stock exchange market	93,028,809,101	84,115,173,001
<b>Total Debt instruments measured at amortized cost (2)</b>	<b>93,028,809,101</b>	<b>84,115,173,001</b>
<b>Fair value through profit or loss (FVTPL)</b>		
<b>(A) Mutual funds:</b>		
Unlisted instruments in stock exchange market	119,851,297	112,555,023
<b>Total equity instruments measured at fair value through profit or loss (3)</b>	<b>119,851,297</b>	<b>112,555,023</b>
<b>Total Financial investments (1+2+3)</b>	<b>127,211,349,471</b>	<b>100,520,689,634</b>
<b>Current balances</b>	<b>26,163,079,760</b>	<b>30,703,458,043</b>
<b>Non-current balances</b>	<b>101,048,269,711</b>	<b>69,817,231,591</b>
<b>Total financial investment</b>	<b>127,211,349,471</b>	<b>100,520,689,634</b>
<b>Fixed interest debt instruments</b>	<b>122,058,891,408</b>	<b>96,272,059,470</b>
<b>Variable interest debt instruments</b>	<b>2,218,406,603</b>	<b>2,507,159,381</b>
<b>Total debt instruments</b>	<b>124,277,298,011</b>	<b>98,779,218,851</b>



Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

The following table analyzes the movements on financial investments during the year:

	Fair value through other comprehensive income	Amortized cost
Balance at the beginning of the current year	16,292,961,610	84,115,173,001
Additions	18,678,778,518	35,462,796,884
Amortization of premium / discount	76,090,486	356,790,216
Disposals (sale/redemption)	(8,587,914,953)	(26,905,951,000)
Translation differences resulting from monetary foreign currency denominated assets	6,120,000,464	-
Changes in fair value reserve	1,497,999,612	-
Transferred to Retained Earnings	(15,226,664)	-
Change in Allowance for impairment during the year	-	-
Balance at the end of the current year	34,062,689,073	93,028,809,101

The following table analyzes the movements on financial investments during the comparative year:

	Fair value through other comprehensive income	Amortized cost
Balance at the beginning of the comparative year	15,780,960,730	94,979,319,090
Additions	7,080,305,224	25,379,667,834
Amortization of premium / discount	(15,725,290)	1,555,332,095
Disposals (sale/redemption)	(7,508,426,070)	(38,082,000,950)
Translation differences resulting from monetary foreign currency denominated assets	819,438,446	280,417,460
Changes in fair value reserve	162,164,718	-
Transferred to Retained Earnings	(25,756,148)	-
Change in Allowance for impairment during the year	-	2,437,472
Balance at the end of the comparative year	16,292,961,610	84,115,173,001

Gain on financial investments	December 31, 2024	December 31, 2023
Gain on financial investments at fair value through profit or loss	22,378,068	12,938,158
Gain on Selling Financial Investments at fair value through other comprehensive income	246,104,709	75,162,639
Total	268,482,777	88,100,797

\*The Bank's equity instruments classified in the fair value through other comprehensive income category represent Bank subscribed stake at 5% from the total certificates' number of its QNB First Fund with cumulative daily return (THEMAR Money Market Fund) upon its initial offering, in addition to the Bank subscribed stake at 20% from the total certificates' number of its QNB Second Fund with yearly / cumulative return (Tawazon Balanced Fund), in addition to the 20% from the total certificates' number of its QNB Third Fund with yearly / cumulative return (Tadawol Equity Fund) upon its initial offering. All stakes required to be retained by the Bank until maturity of the funds in accordance with the provisions of the law, had a nominal value of EGP 5 million each.

24 - Intangible assets	December 31, 2024	December 31, 2023
Software		
Net book value at the beginning of the year	482,729,934	346,865,830
Additions	198,564,240	245,706,539
Amortization	(132,297,098)	(109,842,435)
Net book value at the end of the year	548,997,076	482,729,934

25 - Other assets	December 31, 2024	December 31, 2023
Accrued revenues	10,737,295,525	7,470,572,767
Pre-paid expenses	535,990,145	275,995,388
Advance payments for acquisition of property and equipment	1,565,105,733	1,077,624,844
Foreclosed assets reverted to the group in settlement of debts	262,767,542	39,767,893
Deposits held with others and custody	27,561,342	21,421,486
Advance payments to tax authority	128,219,511	98,536,930
Receivables arising from insurance contracts, net	7,048,542	15,608,944
Others	1,730,246,589	1,291,419,856
	14,994,234,929	10,290,948,108
Less : Allowance for impairment losses	(115,969,702)	(6,187,603)
Total	14,878,265,227	10,284,760,505



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

26- Property and Equipment	Lands and buildings	Renovations of leased assets	Machinery & equipment	Others	Total
<b>January 1, 2023</b>					
Cost	3,155,564,758	375,314,386	1,546,878,766	305,912,379	5,383,670,289
Accumulated depreciation	(1,107,037,883)	(198,288,130)	(1,042,900,795)	(192,043,998)	(2,540,270,806)
<b>Net book value</b>	<b>2,048,526,875</b>	<b>177,026,256</b>	<b>503,977,971</b>	<b>113,868,381</b>	<b>2,843,399,483</b>
<b>December 31, 2023</b>					
Net book value at the beginning of the year	2,048,526,875	177,026,256	503,977,971	113,868,381	2,843,399,483
Additions	43,907,434	41,146,157	120,656,044	24,425,849	230,135,484
Disposals from property and equipment	(1,697)	(1,671,745)	(41,601)	(5,734,153)	(7,449,196)
Disposals from accumulated depreciation	1,697	1,671,745	14,359	5,734,153	7,421,954
Depreciation for the year	(132,638,073)	(28,406,587)	(180,213,497)	(27,657,211)	(368,915,368)
<b>Net book value</b>	<b>1,959,796,236</b>	<b>189,765,826</b>	<b>444,393,276</b>	<b>110,637,019</b>	<b>2,704,592,357</b>
<b>January 1, 2024</b>					
Cost	3,199,470,495	414,788,798	1,667,493,209	324,604,075	5,606,356,577
Accumulated depreciation	(1,239,674,259)	(225,022,972)	(1,223,099,933)	(213,967,056)	(2,901,764,220)
<b>Net book value</b>	<b>1,959,796,236</b>	<b>189,765,826</b>	<b>444,393,276</b>	<b>110,637,019</b>	<b>2,704,592,357</b>
<b>December 31, 2024</b>					
Net book value at the beginning of the year	1,959,796,236	189,765,826	444,393,276	110,637,019	2,704,592,357
Additions	57,194,970	49,963,745	230,404,449	34,258,798	371,821,962
Disposals from property and equipment	(874,349)	(162,751)	(1,138,493)	(4,506,806)	(6,682,399)
Disposals from accumulated depreciation	852,468	162,751	1,134,226	4,506,806	6,656,251
Depreciation for the year	(132,915,222)	(33,512,059)	(187,424,463)	(28,986,634)	(382,838,378)
<b>Net book value</b>	<b>1,884,054,103</b>	<b>206,217,512</b>	<b>487,368,995</b>	<b>115,909,183</b>	<b>2,693,549,793</b>
<b>Balances at December 31, 2024</b>					
Cost	3,255,791,116	464,589,792	1,896,759,165	354,356,067	5,971,496,140
Accumulated depreciation	(1,371,737,013)	(258,372,280)	(1,409,390,170)	(238,446,884)	(3,277,946,347)
<b>Net book value</b>	<b>1,884,054,103</b>	<b>206,217,512</b>	<b>487,368,995</b>	<b>115,909,183</b>	<b>2,693,549,793</b>

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

27 - Due to banks	December 31, 2024	December 31, 2023
Current accounts	15,799,484,736	637,668,765
Deposits	-	3,928,770,066
Repos transactions	323,165,495	521,673,100
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Central banks	323,165,495	521,673,100
Local banks	1,158	908
Foreign banks	15,799,483,578	4,566,437,923
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Non-interest bearing balances	15,718,908,383	577,720,370
Variable interest rate balances	80,576,353	59,948,395
Fixed interest rate balances	323,165,495	4,450,443,166
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>
Current balances	16,122,650,231	5,088,111,931
<b>Total</b>	<b>16,122,650,231</b>	<b>5,088,111,931</b>

28 - Customer deposits	December 31, 2024	December 31, 2023
Demand deposits	221,263,401,580	156,808,690,947
Time deposits and call accounts	290,470,228,954	234,996,898,635
Term saving certificates	118,143,834,473	98,574,549,873
Saving deposits	41,043,076,877	30,603,731,183
Other deposits*	8,966,642,803	8,575,883,931
<b>Total</b>	<b>679,887,184,687</b>	<b>529,559,754,569</b>
Corporate deposits	445,601,170,117	356,181,643,304
Retail deposits	234,286,014,570	173,378,111,265
<b>Total</b>	<b>679,887,184,687</b>	<b>529,559,754,569</b>
Non-interest bearing balances	72,825,218,964	58,282,506,508
Variable interest rate balances	202,770,051,394	139,161,416,485
Fixed interest rate balances	404,291,914,329	332,115,831,576
<b>Total</b>	<b>679,887,184,687</b>	<b>529,559,754,569</b>
Current balances	589,777,211,271	457,648,369,231
Non-current balances	90,109,973,416	71,911,385,338
<b>Total</b>	<b>679,887,184,687</b>	<b>529,559,754,569</b>

\*Other deposits include deposits covering irrevocable letters of credit in the total of EGP 760,094,224 as of December 31, 2024 (December 31, 2023 EGP 1,243,440,368). The fair value of these deposits approximates its carrying amount.

29 - Other loans	December 31, 2024	December 31, 2023
National Bank of Egypt	282,807,228	32,639,187
Commercial International Bank	136,500,000	68,365,000
National Bank of Kuwait	167,320,776	34,445,846
European Bank for Reconstruction and Development	3,869,178,459	3,854,142,629
Al Ahli Bank of Kuwait	2,345,635	9,819,936
The Micro, Small and Medium Enterprises Development Agency	15,909,067	40,044,067
Société Arabe Internationale de Banque (SAIB)	4,060,451	5,969,640
<b>Total</b>	<b>4,478,121,616</b>	<b>4,045,426,305</b>
Current balances	2,477,845,976	1,636,153,360
Non-current balances	2,000,275,640	2,409,272,945
<b>Total</b>	<b>4,478,121,616</b>	<b>4,045,426,305</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

30 - Other liabilities	December 31, 2024	December 31, 2023
Accrued interest	3,643,273,565	2,636,969,988
Unearned revenues	334,254,773	214,535,081
Accrued expenses	2,803,132,813	2,007,172,576
Due to insurance and re-insurance companies	132,277,887	123,011,630
Sundry credit balances	4,236,064,399	4,585,405,647
<b>Total</b>	<b>11,149,003,437</b>	<b>9,567,094,922</b>

31 - Other provisions	December 31, 2024					
Description	Balance at the beginning of the year	Formed during the year	Released during the year	Foreign currencies translation differences + (-)	Used during the year	Balance at the end of the year
Provision for tax claims	63,285,599	5,094,452	-	-	(67,197)	68,312,854
Provision for legal claims	35,529,388	-	(13,295,138)	525,701	(2,542,181)	20,217,770
Provision for contingent liabilities	1,152,808,023	-	(886,425,904)	379,647,326	-	646,029,445
Provision for fidelity	61,171,780	869,718	-	34,028,935	(94,218,991)	1,851,442
Provision for operational risk	568,237	102,696	-	378,542	-	1,049,475
Other Claims Provision	11,408,656	3,035,692	-	370,508	(541,840)	14,273,016
<b>Total</b>	<b>1,324,771,683</b>	<b>9,102,558</b>	<b>(899,721,042)</b>	<b>414,951,012</b>	<b>(97,370,209)</b>	<b>751,734,002</b>

	December 31, 2023					
Description	Balance at the beginning of the year	Formed during the year	Released during the year	Foreign currencies translation differences + (-)	Used during the year	Balance at the end of the year
Provision for Tax claims	61,271,607	4,526,831	-	-	(2,512,839)	63,285,599
Provision for Legal claims	8,931,476	26,787,535	-	158,829	(348,452)	35,529,388
Provision for contingent liabilities	869,900,986	154,358,215	-	128,548,822	-	1,152,808,023
Provision for fidelity	49,162,904	-	-	12,008,876	-	61,171,780
Provision for operational risk	-	568,327	-	(90)	-	568,237
Other Claims Provision	11,408,656	-	-	-	-	11,408,656
<b>Total</b>	<b>1,000,675,629</b>	<b>186,240,908</b>	<b>-</b>	<b>140,716,437</b>	<b>(2,861,291)</b>	<b>1,324,771,683</b>

32 - Insurance policyholders' rights	December 31, 2024	December 31, 2023
Technical Reserves for Insurance activities	8,982,159,438	6,257,498,636
Provision for outstanding claims	112,682,099	104,114,651
<b>Total</b>	<b>9,094,841,537</b>	<b>6,361,613,287</b>

# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### 33- Deferred income tax

Deferred tax has been calculated on all temporary tax differences using the balance sheet method and using the expected tax rate at the time that the bank will recognize a benefit from assets / incurred liabilities at a tax rate of (22.5%) for the current Year. The Group does not offset deferred tax assets and deferred tax liabilities unless the Bank has a legally enforceable right to set off current tax assets against current tax liabilities; and if the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

#### Deferred tax assets and liabilities

Below are the balances and movements of deferred tax assets and liabilities:

Balances of deferred tax assets and liabilities:	Deferred tax assets		Deferred tax liabilities	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
<b>Tax impact on temporary differences arising from:</b>				
Property and equipment	-	-	(178,148,051)	(161,425,795)
Provisions (other than the provision for loan impairment)	359,774,424	433,882,588	-	-
Differences in fair value of financial investments at fair value through other comprehensive income	-	29,543,805	(423,287,317)	-
Losses carried forward	-	42,260,367	-	-
Others	19,111,406	11,719,315	-	-
<b>Deferred tax assets (liabilities)</b>	<b>378,885,830</b>	<b>517,406,075</b>	<b>(601,435,368)</b>	<b>(161,425,795)</b>
<b>Net balance of DTA (DTL)</b>		<b>355,980,280</b>	<b>222,549,538</b>	

Movement of deferred tax assets and liabilities:	Deferred tax assets		Deferred tax liabilities	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Beginning balance	517,406,075	380,729,814	(161,425,795)	(322,572,750)
DT recognized / utilized during the year	(138,520,245)	136,676,261	(440,009,573)	161,146,955
<b>Closing balance</b>	<b>378,885,830</b>	<b>517,406,075</b>	<b>(601,435,368)</b>	<b>(161,425,795)</b>

Balances of deferred tax assets (liabilities) recognized directly in equity	December 31, 2024	December 31, 2023
Differences in fair value of financial investments at fair value through other comprehensive income	(423,287,317)	29,543,805





# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

34 - Defined benefits obligation	December 31, 2024	December 31, 2023
<b>Amounts recognized in the statement of financial position:</b>		
Liability for post-retirement medical benefits	626,522,132	595,997,416
<b>Amounts recognized in the income statement:</b>		
Post-retirement medical benefits	100,961,963	80,101,574
<b>Post-retirement medical benefits obligation constitutes of:</b>		
Balances shown in the statement of financial position are represented as follows:		
Present value of unfunded liabilities	563,288,192	503,299,378
Unrecognized actuarial gain	63,233,940	92,698,038
	<b>626,522,132</b>	<b>595,997,416</b>
<b>Liability movements during the year are represented as follows:</b>		
Balance at the beginning of the financial year	595,997,416	565,184,100
Current service cost	6,098,995	5,120,749
Interest cost	98,675,737	78,082,532
Actuarial gain/losses	(3,812,769)	(3,101,707)
Benefits paid	(70,437,247)	(49,288,258)
	<b>626,522,132</b>	<b>595,997,416</b>
<b>Amounts recognized in the income statement are shown below:</b>		
Current service cost	6,098,995	5,120,749
Interest cost	98,675,737	78,082,532
Actuarial gain/losses recognized during the year	(3,812,769)	(3,101,707)
	<b>100,961,963</b>	<b>80,101,574</b>
<b>The main actuarial assumptions used by the Bank are outlined below:</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
<b>Discount rate (two plans):</b>		
A-QNB current employees plan	24.29%	21.50%
B-Ex-MIBank retirees plan	24.29%	21.50%
QNB long term increase in the cost of medical care (on top of inflation)	17.00%	15.00%
Ex-MIBank long term increase in the cost of medical care (on top of inflation)	17.00%	15.00%
<b>Sensitivities to +1% in discount rate (duration of the plan):</b>	<b>Service cost</b>	<b>DBO</b>
Post-retirement medical benefits	2.74%	4.80%

### 35- Issued and paid-up capital

#### (A) Authorized Capital

- The authorized capital amounts to EGP 15 billion.

#### (B) Issued and Paid up Capital

- The issued and paid up capital amounted to EGP 9,794,649,850 on December 31, 2018 representing 979,464,985 shares with a nominal value of EGP 10 each, of which 854,141,985 shares were paid in Egyptian pound and 125,323,000 shares were paid in foreign currency according to the exchange rates prevailing on the payment date.
- The Extraordinary General Assembly held on February 28, 2019 decided to increase the capital from EGP 9,794,649,850 to EGP 10,774,114,830, an increase of EGP 979,464,980 by transferring from the general reserve, and decided to split the face value of each share of the Bank's capital from EGP 10 to be EGP 5.
- The issued and paid up capital amounted to EGP 10,774,114,830 on December 31, 2024 representing 2,154,822,966 shares with a nominal value of EGP 5 each, of which 1,904,176,966 shares were paid in Egyptian pound and 250,646,000 shares were paid in foreign currency according to the exchange rates prevailing on the payment date.

Qatar National Bank S.A.E

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

36 - Reserves and retained earnings

Reserves	December 31, 2024	December 31, 2023
General reserve (a)	37,142,241,367	28,884,568,918
General banking risk reserve (b)	1,045,269	1,045,269
Legal reserve (c)	4,084,886,756	3,296,885,849
Fair value reserve (d)	1,306,419,014	(644,053,353)
Special reserve (e)	39,494,455	39,494,455
Capital reserve	52,716,621	43,050,621
General risk reserve	21,453,923	21,453,923
Reserve for transactions under common control	4,000,483	4,000,483
<b>Total reserves at the end of the year</b>	<b>42,652,257,888</b>	<b>31,646,446,165</b>

Reserve movements are as follows:

(a) General reserve	December 31, 2024	December 31, 2023
Balance at the beginning of the financial year	28,884,568,918	23,979,176,120
Transferred from retained earnings	8,257,672,449	4,905,392,798
<b>Balance at the end of the year</b>	<b>37,142,241,367</b>	<b>28,884,568,918</b>
(b) General banking risk reserve		
Balance at the beginning of the year	1,045,269	1,669,064
Transferred to retained earnings	-	(623,795)
<b>Balance at the end of the year</b>	<b>1,045,269</b>	<b>1,045,269</b>

General bank risk reserve represent the difference between the allowance required for impairment losses as per CBE credit worthiness rules and the allowance as required by the expected credit loss which recognized in financial statements .

In accordance with the instructions of the Central Bank of Egypt, the general banking risk reserve is supported annually by 10% of the value of the assets owned by the Bank in return for debt if these assets are not disposed of within the period specified in the law.

	December 31, 2024	December 31, 2023
(c) Legal Reserve		
Balance at the beginning of the year	3,296,885,849	2,790,716,593
Transferred from the net profit of the prior year	788,000,907	506,169,256
<b>Balance at the end of the year</b>	<b>4,084,886,756</b>	<b>3,296,885,849</b>

According to the provisions of local laws, 5% of net profit of the year shall be transferred to a non-distributable statutory reserve until it reaches 100% of the bank's capital.

(d) Fair Value Reserve	December 31, 2024	December 31, 2023
Balance at the beginning of the year	(644,053,353)	237,308,343
Net change in fair value (Notes 18 and 23)	2,411,903,235	(1,063,272,707)
Impairment losses on debt instruments at fair value through other comprehensive income	6,626,918	375,571
Transferred to retained earnings	(15,226,664)	(25,756,149)
Deferred tax recognized during the year (Note 33)	(452,831,122)	207,291,589
<b>Balance at the end of the year</b>	<b>1,306,419,014</b>	<b>(644,053,353)</b>

(e) Special Reserve

The application of the CBE new basis rules of preparation and presentation of financial statements as well as the modified principles of recognition and measurement requires to restate the comparative figures of the first financial year that have been impacted by this change, including comparative figures in the balance sheet and the income statements for the previous year. as the impact of adjustment is positive, such impact was carried directly to retained earnings then transferred to the special reserve in equity and shall not be used except by approval from CBE. The following is a breakdown of the items that generated the special reserve amount:

	December 31, 2024	December 31, 2023
Amortized cost method using EIR for held to maturity investments	253,607	253,607
Amortized cost method using EIR for Available-for-sale investments	393,930	393,930
Applying the equity method on investments in associates	26,637,789	26,637,789
Deferred tax (Tax impact on adjustments)	(4,249,739)	(4,249,739)
Available-for-sale investments (Equity instruments)	16,458,868	16,458,868
<b>Total</b>	<b>39,494,455</b>	<b>39,494,455</b>



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

(2) Profit for the year and retained earnings	December 31, 2024	December 31, 2023
<b>Movements on retained earnings:</b>		
Balance at the beginning of year	24,217,151,885	16,207,644,135
Net profit for the year	26,398,164,272	16,228,329,997
Previous year's profit distribution	(2,154,822,966)	(1,616,117,225)
Employees' profit share	(1,645,996,244)	(1,096,725,635)
Board of directors' remuneration	(13,956,667)	(11,475,700)
Banking System Support and Development Fund	(157,806,029)	(102,747,444)
Transferred to capital reserve	(9,666,000)	(779,000)
Transferred to general reserve	(8,257,672,449)	(4,905,392,798)
Transferred to the legal reserve	(788,000,907)	(506,169,256)
Transferred from fair value reserve, net of tax	11,800,665	19,961,016
Transferred from general banking risk reserve	-	623,795
<b>Balance at the end of the year</b>	<b>37,599,195,560</b>	<b>24,217,151,885</b>

### 37 - Cash and cash equivalents

For the purpose of presenting the cash flow statement, cash and cash equivalents include the following balances maturing within less than 3 months from placement or acquisition date.

	December 31, 2024	December 31, 2023
Cash and balances with central banks	9,381,764,096	6,019,222,180
Due from banks in less than 3 months	108,885,515,407	42,661,164,069
Treasury bills and other governmental notes (91 days)	83,123,021,220	1,750,668,486
<b>Total</b>	<b>201,390,300,723</b>	<b>50,431,054,735</b>

### 38 - Contingent liabilities and other commitments

#### (a) Legal claims (litigation)

Several lawsuits were brought against the Bank and are still outstanding as of December 31, 2024. No provision has been formed since it is not probable that the Bank will incur losses in regard of these lawsuits.

#### (b) Capital commitments:

The Bank is a party to contracts for capital commitments amounting to 1,437,705,910 EGP as of December 31, 2024 (EGP 1,121,252,067 on December 31, 2023). These represent commitments by the Bank for the purchases of buildings and equipment. Management is sufficiently confident that net profit shall be realized and finance shall be made available to cover these commitments.

#### (c) Commitments for guarantees

The Bank's commitments for loans, guarantees and facilities are set out below:

	December 31, 2024	December 31, 2023
Financial guarantees	255,000	255,000
Accepted papers	3,082,753,242	1,370,130,079
L/Gs	85,742,233,015	65,307,349,039
Import L/Cs	4,292,822,055	3,400,219,206
Export L/Cs	349,352,371	845,705,638
<b>Total</b>	<b>93,467,415,683</b>	<b>70,923,658,962</b>

#### (d) Commitments for credit facilities and other exposed credit risk

	December 31, 2024	December 31, 2023
Commitments for credit facilities and others	53,331,004,298	43,167,324,290

#### (e) Commitments under operating lease contracts

Total minimum rental payments for the irrevocable operating lease contracts are as follows:

	December 31, 2024	December 31, 2023
Not more than one year	190,842,397	145,830,597
More than one year and less than 5 years	559,152,213	360,617,435
More than 5 years	149,278,619	108,548,902
<b>Total</b>	<b>899,273,229</b>	<b>614,996,934</b>

Qatar National Bank S.A.E
Notes to the Consolidated Financial Statements
For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

39- Related-party transactions

Qatar National Bank (Q.P.S.C.) is the ultimate parent and controlling party as at the end of the reporting year which owns 94.97% of the bank’s ordinary shares whereas the remaining 5.03% are held by other shareholders. A number of transactions have been conducted during the reporting year with related parties within the Bank’s normal course of business. These include loans, deposits, and foreign currency transactions.

Related party transactions with the parent company other than the payment of dividends on ordinary shares:

QNB Group	December 31, 2024	December 31, 2023
Due from banks	10,103,837,297	1,820,941,837
Due to banks	321,832,979	4,184,019,659
Loans and credit facilities to banks	2,524,609,541	-
LGs for banks	21,411,983,025	15,871,167,405
Foreign exchange derivative	-	151,424,388
Interest rate swap contracts	3,812,910,000	830,252,063
Administrative expenses	240,079,224	204,386,585

A - Loans and credit facilities to related parties

	Directors and other key management personnel (and close family members)		Associates	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Outstanding loans at the beginning of the financial year	111	111	-	-
Loans issued during the financial year	25,165	-	-	-
Loans repayment during the financial year	(111)	-	-	-
Loans outstanding at the end of the financial year	25,165	111	-	-
Interest income on loans	4,661	-	-	-

\* No provisions have been recognized in respect of loan provided to related parties.

Loans and credit facilities to related parties can be analyzed below	Directors and other key management personnel (and close family members)		Associates	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Overdrafts	-	111	-	-
Revolving term loan	-	-	-	-
Credit card	25,165	-	-	-
Direct loans	-	-	-	-
Total	25,165	111	-	-

B - Deposits from related parties

	Directors and other key management personnel (and close family members)		Associates	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Deposits outstanding at the beginning of the financial year	19,391,336	11,768,595	-	-
Deposits placed during the year	68,620,420	9,079,677	-	-
Deposits repaid during the year	(2,923,129)	(1,456,936)	-	-
Deposits outstanding at the end of the financial year	85,088,627	19,391,336	-	-
Interest expense on deposits	11,178,127	987,043	-	-

Deposits from related parties can be analyzed below	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Demand deposits	4,623,338	5,474,343	-	-
Saving accounts	916,149	336,569	-	-
Certificates of deposits	79,326,326	13,447,775	-	-
Time deposits	222,814	132,649	-	-
Total	85,088,627	19,391,336	-	-



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### C - Other transactions with related parties

	Directors and other key management personnel (and close family members)		Associates	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Fee and commission income	44,717	78,661	-	-
Guarantees issued by the bank	-	-	-	-
<b>The above guarantees comprise:</b>				
LGs	-	-	-	-
<b>Total</b>	-	-	-	-

The pricing for related parties' transactions are the same for other parties.

In accordance with the instructions of the Central Bank of Egypt (CBE) rules in 23 August 2011. The monthly average of net salaries and benefits for top 20 employees with the largest salaries and benefits reached EGP 13,313,433 during the current year.

#### 40- Money Market and balanced Funds

##### A- QNB First Fund with cumulative daily return (THEMAR Money Market Fund)

The Bank has set up an investment fund under the name of "THEMAR" with daily accumulated interest as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

THEMAR initial offering was for one million certificates at nominal value of EGP 100 million, of which 50,000 certificates worth of EGP 5 million were subscribed by the bank at that time. EFG HERMES is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 10,051,791 a total value of EGP 7,049,310,977 The Group currently holds 376,282 certificates worth of EGP 263,886,190 of which EGP 35,064,950 are classified as fair value through other comprehensive income and represent 5% from the total number of certificates that were initially issued, whereas the remaining value of EGP 119,851,297 are classified as fair value through profit or loss and EGP 108,969,943 are classified as trading investments.

According to the management agreement and the fund's prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 33,996,898 have been reported in the "fees and commission income" line item in the consolidated income statement.

##### B- QNB Second Fund with periodically / cumulative return (Tawazon Balanced Fund)

The Bank has set up an investment fund under the name of Tawazon Fund with periodic income as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

Tawazon initial offering was for two hundred and fifty thousand certificates amounting to EGP 25 million, of which 50,000 certificates worth of EGP 5 million were subscribed by the bank at that time. Beltone Asset Management is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 87,780 at a total value of EGP 43,444,771 The Bank currently holds 50,000 certificates worth of EGP 24,746,395 that are classified as fair value through other comprehensive income and represent 20% of the total number of certificates that were initially issued.

According to the management agreement and the fund's prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 289,243 have been reported in the "fees and commission income" line item in the consolidated income statement.



# Qatar National Bank S.A.E

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2024

(All amounts are shown in Egyptian Pounds)

#### C- QNB Third Fund with periodically / cumulative return (Tadawol Equity Fund)

The Bank has set up an investment fund under the name of Tadawol Fund with periodic accumulated income as one of the banking activities authorized in accordance with the provisions of the Capital Market Law 95 of 1992.

Tadawol certificates were offered in a public offering amounting to EGP 25 million distributed over two hundred and fifty thousand certificates with a nominal value of EGP 100 each, subscriptions have only covered a number of one hundred and twenty five thousand certificates amounting to EGP 12.5 million, of which 50,000 certificates worth of EGP 5 million were subscribed at by the bank at that time. HC Fund Manager Asset Management is managing this fund.

Total number of the outstanding certificates at December 31, 2024 reached 95,141 at a total value of EGP 55,695,275 The Bank currently holds 50,000 certificates worth of EGP 29,269,860 that are classified as fair value through other comprehensive income and represent 40% from the total number of certificates that were initially issued.

According to the management agreement and the fund's prospectus, the Bank shall receive fees and commissions for supervising the fund and other administrative services. Total commissions for the current year amounting to EGP 632,784 have been reported in the "fees and commission income" line item in the income statement.

#### 41- Important Events

The Extraordinary General Assembly held on February 15, 2024 decided to amend Article 2 of the bank's statute to change the name of the bank from QNB ALAHLI Bank to Qatar National Bank.



# Branches Network









# Branches Network

## Head Office 1:

Dar Champollion - 5 Champollion  
St.- Down Town - 1111 - Cairo  
Tel: (202) 27707008  
Fax: (202) 27707199

## Head Office 2:

54 El Batal Ahmed Abdel Aziz St.- El-  
Mohandseen - 12411 - Giza  
Tel: (202) 33324100  
Fax: (202) 33324199

## Cairo Region

### Almaza City Center:

Commercial Center "City Center  
Almaza" Unit (E1-11) - Al Multaqa Al Arabi  
District-11341- Cairo  
Tel: (202) 22681301  
Fax: (202) 22681407

### Almaza:

103 El Thawra St.- Almaza - 11341 -Cairo  
Tel: (202) 24193687  
Fax: (202) 24193681

### Beirut:

22 Beirut St.- Heliopolis - 11341 - Cairo  
Tel: (202) 24563800  
Fax: (202) 24563899

### Osman Ibn Affan:

25 Osman Ibn Affan - 11341-Heliopolis  
Tel: (202) 24159724  
Fax: (202) 24159679

### Al Baron:

Awayd number (5) Hassan Sadek Basha  
St.- Heliopolis - 11341 - Cairo  
Tel: (202)24632000  
Fax: (202)24632099

### Merghany:

95 D Borg El Shams Buildings, Al Sayed  
Merghany St.- Heliopolis - 11341- Cairo  
Tel: (202)24164800  
Fax:(202)24164899

### Ard El Golf:

5 Samir Mokhtar St.- Ard El- Golf -  
Heliopolis - 11341 - Cairo  
Tel: (202)24139300  
Fax: (202)24139399

### Al Sebak:

32 Al Andalus St.- Heliopolis -11351 -  
Cairo  
Tel: (202) 24562200  
Fax: (202) 24562299

### Thawra:

18 El-Thawra St.- Heliopolis - 11341 -  
Cairo  
Tel: (202) 24136300  
Fax: (202) 24136349

### Kasr El Nil:

39 Kasr El Nil St.- Mostafa Kamel  
Square - Down Town - 11121 - Cairo  
Tel: (202)23994200  
Fax: (202)23994299

## El Manial:

8 Mathaf El Manial St.- Manial - 11451 -  
Cairo  
Tel: (202)25312263  
Fax: (202)25312259

## Opera:

42 El-Gomhouria St.- Opera Square  
- Down Town - 11121 - Cairo  
Tel: (202)23999500  
Fax: (202)23999599

## Ahmed Heshmat:

33 Ahmed Heshmat St.- Zamalek - 11211-  
Cairo  
Tel: (202)27281700  
Fax: (202)27281799

## Bab El Louq:

6 Falaky Square - Bab El Louq - Down  
Town - 11121- Cairo  
Tel: (202)27919500  
Fax: (202)27919599

## Bab El Sheria:

472 Port Said St.- Bab El Sheria - 11271  
- Cairo  
Tel: (202) 25891873  
Fax: (202) 25891876

## EL-Kamel Mohamed:

2 El-Kamel Mohamed St.- Zamalek -  
11211- Cairo  
Tel: (202) 27281600  
Fax: (202) 27281699

## El-Sayeda Zeinab:

202 Portsaid St. El Sayeda Zeinab  
-11461- Cairo  
Tel: (202) 23993400  
Fax: (202) 23993499

## Kasr El-Aini:

5 Elkasr Elaainy St.- Down Town - 11121 -  
Cairo  
Tel: (202) 25352100  
Fax: (202) 25352199

## Nile City:

2005A Korniche El Nile - Nile City  
Towers - North Tower - Ground Floor  
- 11221- Cairo  
Tel: (202) 24619241  
Fax: (202) 24619244

## Ramsis - Ghamra:

219 Ramsis-Ghamra -11271 - Cairo  
Tel: (202) 25971100  
Fax: (202) 25971199

## El Mahkama Square:

36 El-Hegaz St.- Heliopolis - 11351-  
Cairo  
Tel: (202) 26311700  
Fax: (202) 26311799

## El Nozha:

7 El Hegaz Square - Heliopolis - 11361-  
Cairo  
Tel: (202)27771431  
Fax: (202)27770676

## El Shams:

48 Farid Semeka St.-Heliopolis - 11351-  
Cairo  
Tel: (202) 21805692  
Fax: (202) 21804093

## Hegaz:

143 & 145 Al Hegaz St.- Heliopolis -  
11361- Cairo  
Tel: (202) 26311600  
Fax: (202) 26311699

## Ibn Maged Street:

235 Hegaz St.- Heliopolis - 11351- Cairo  
Tel: (202) 26250100  
Fax: (202) 26250199

## Safir:

60 Abo Bakr El-Seddik St.- Safir Square  
- Heliopolis - 11361- Cairo  
Tel: (202) 26310700  
Fax: (202) 26310799

## Galaa club:

El Galaa Complex main walls - next to  
Sun Mall Super Market - Abou Bakr El  
Sedik st. -Heliopolis - 11361 - Cairo  
Tel: (202)33323300  
Fax: (202)33323399

## Omar Ibn El Khattab:

83 Omar Ibn El Khattab St. - Al Sabaa  
Omarat Heliopolis - 11769 - Cairo  
Tel: (202)26904246

## Farid Semeka:

111 Farid Semeka St.- El Nozha - 11361 -  
Cairo  
Tel: (202)27746152  
Fax: (202)27746156

## Triumph:

102 Othman Ibn Affan - Heliopolis -  
11361- Cairo  
Tel: (202)26311400  
Fax: (202)26311499

## Ain Shams:

115 Selim El Awel St.- Ain shams - 11321  
- Cairo  
Tel: (202)26311900  
Fax: (202)26311999

## Gisir El-Suez:

149 Gisr El Suez St.- El Nozha -  
Heliopolis - 11351- Cairo  
Tel: (202)26371850  
Fax: (202)26371859

## Hadayek El-Kobba:

58 Organization 56 Current and former  
revenues Egypt and Sudan - Al-Waili  
Al-Sughra District - Hadayek Al-Qobba  
- Cairo  
Tel: (22)4349006  
Fax: (22)4349014



#### Heliopolis:

7 El Merghany St.- Heliopolis - 11341- Cairo  
Tel: (202)24163700  
Fax: (202)24163799

#### Helmyet El-Zaitoun:

Ibn El-Hakam Square - Beet El Ezz Towers - 11321 - Cairo  
Tel: (202)26312000  
Fax: (202)26312099

#### Kasr El-Tahra:

62 Toman Bey St.- Helmyet El Zaiton - 11321 - Cairo  
Tel: (202)24560100  
Fax: (202)24560199

#### Makrizi:

7 El Awhady St.- With Makrizi St.- Heliopolis - 11341 - Cairo  
Tel: (202) 22570668  
Fax: (202) 22570676

#### Khalifa Al Mamoun:

46 khalifa Al Mamoun street - 11341-Heliopolis - Cairo  
Tel: (202)24539192  
Fax: (202)24539235

#### Roxy:

25 Kobbba St.- Roxy Sq - Heliopolis -11341- Cairo  
Tel: (202)24563600  
Fax: (202)24563699

#### Heliolido Club - Roxy:

Heliolido club - Al Maahad Al Eshtrakey street - Roxy square - 11341-Heliopolis  
Tel: (202)24504304  
Fax: (202)24504320

#### East Cairo Region:

##### 10<sup>th</sup> of Ramadan:

Banks Area -10<sup>th</sup> of Ramadan - Sharkia  
Tel: (2055)4390300  
Fax: (2055)4390399

##### 1<sup>st</sup> Industrial Zone - 10<sup>th</sup> of Ramadan:

14A Service Area - 10<sup>th</sup> of Ramadan - 44411 - Al Sharkia  
Tel: (2055)4392100  
Fax: (2055)4392199

#### Badr University:

Entertainment District - West City - Badr City - 11829 - Al Sharkia  
Tel: 01270088701

#### Badr City:

Block#29, El Mogawra 2 - District No.1- in front of Russian University - Badr City - 11829 - Al Sharkia  
Tel: (202)28609128  
Fax: (202)28609162

#### El Sherouk City Plaza:

Plot# 35,45 - Sherouk Entrance #1- City Plaza Mall - Cairo Suez Desert Road - 11837 - Cairo

#### Obour City Club:

Shop 34 & 35 - Obour City Club- Obour City- 18111- Cairo  
Tel: (202)46140300  
Fax: (202)46140399

#### Obour City Industrial Zone:

Lot 1- Banks Area , Industrial Zone A - Obour City - 18111 - Cairo  
Tel: (202)46140200  
Fax: (202)46140299

#### El Mahatta Square:

1 El-Mahatta Square- Sarayat El- Maadi - Helwan - 11431 - Cairo  
Tel: (202)27680000  
Fax: (202)27680099

#### Helwan:

13 Mohamed Mostafa El Maraghy St. - Helwan - 11421 - Cairo  
Tel: (202)25485600  
Fax: (202)25485699

#### Korniche El Maadi:

380 Jawharet El Maadi Building - Korniche El Nil - Maadi - 11431- Cairo  
Tel: (202)25296400  
Fax: (202)25296499

#### Maadi Entrance:

Plot #405 -Maadi Entrance - Cournish El Maadi -11431- Cairo  
Tel: (202)23242700  
Fax: (202)23242799

#### Maadi Degla:

Cross Roads of 218 & 231 St.- Maadi Degla - 11435 - Cairo  
Tel: (202)25220600  
Fax: (202)25220699

#### Mokatam:

Corner of Road 9 & 10 El Hadaba El Olya - Mokattam - 11439 - Cairo  
Tel: (202)25031800  
Fax: (202)25031899

#### Zahraa EL-Maadi:

Block no. 10071 - Tenth District - El-Hadaba El Sofla - Al-Merage - El-Basateen - 11439 - Cairo  
Tel: (202)24471334  
Fax: (202)24471337

#### New Maadi:

48 Al Nasr Avenue - New Maadi - Helwan - 11435 - Cairo  
Tel: (202)27557300  
Fax: (202)27557399

#### Nasr Street:

Block 1- Cross Road, Nasr and El-Lasilky - New Maadi - 11435 - Cairo  
Tel: (202)27067200  
Fax: (202)27067299

#### Street 9:

Corner of Roads 9 & 79 -Maadi - 11431 - Cairo  
Tel: (202)27683800  
Fax: (202)27683899

#### Wadi Degla:

Wadi Degla Club - Zahraa El Maadi -Helwan - 11435 - Cairo  
Tel: (202)25195136  
Fax: (202)25195168

#### Abbas El Akkad:

20 Abo El Ataheya St.- Abbas El Akkad Ext.- Nasr City - 11471 - Cairo  
Tel: (202)22769500  
Fax: (202)22769599

#### Ahmed Fakhry:

40 Ahmed Fakhry St.-Block 126- 6<sup>th</sup> District - Nasr City - 11391 - Cairo  
Tel: (202)23546312  
Fax: (202)23546316

#### Arab Academy:

1 Mousheer Ahmed Ismail St.- Masaken Sheraton - Arab Maritime Academy - 11361 - Cairo  
Tel: (202)22686751

#### Hassan El Maamoun:

108 El Mona Building Hassan El Maamoun St.- District No. 6 - Nasr City -11391- Cairo  
Tel: (202)22769000  
Fax: (202)22769099

#### Makram Ebeid:

86 Makram Ebeid St.- Nasr City - 11371- Cairo  
Tel: (202)22767000  
Fax: (202)22767099

#### Mustafa El Nahas:

112 Mustafa El Nahas St.- 6<sup>th</sup> District - Entrance No.2 - Nasr City - 11391 -Cairo  
Tel: (202)26703493  
Fax: (202)26703495

#### Zaker Hussien:

2 Ahmed El Zomor Street - Nasr City - 11471 - Cairo  
Tel: (202)22871147  
Fax: (202)22871152

#### Abasia:

111 Abasia St.- 11381- Cairo  
Tel: (202)24884000  
Fax: (202)24884099

#### City Stars:

Unit # 1255 , Gate 7 - Citystars Mall - Omar Ebn El Khattab St.- Nasr City - 11391 - Cairo  
Tel: (202)24802480  
Fax: (202)24802483

#### Asmaa Fahmy:

2 Nozha St.- Next to Rekaba Edaria - Nasr City - 11371 - Cairo  
Tel: (202)24159725  
Fax: (202)24159475

#### House of Financial Affairs:

El Massah - Abdel Aziz Shenawy St. Parade Area - Nasr City - 11371 -Cairo  
Tel: (202)24010496





# Branches Network (continued)

## Nasr City:

2 Abbas El Akkad St.- Nasr City - 11371- Cairo

Tel: (202)24074600

Fax: (202)24074699

## El Obour Building:

Shop # 6 & 7, building # 7 El Obour Building, Salah Salem St.- Heliopolis - Nasr City - 11371 - Cairo

Tel: (202)24054024

Fax: (202)24054021

## Abdalla El Araby:

Land No. 17 - Block 63 Taksem Seventh District - Tayaran Street Extension - Nasr City - 11471 -Cairo

Tel: (202)23879396

Fax: (202)23879397

## Tayaran:

32 Tayaran St.- Nasr City - 11371 - Cairo

Tel: (202)24078100

Fax: (202)24078199

## El-Rehab:

Banks Area - B District - Rehab City - Tagamoa - 11841 - Cairo

Tel: (202)26940200

Fax: (202)26940299

## Chillout - El Rehab:

Building C - Chill Out El Rehab - Mohamed Naguib Axis - Infront of Rehab City - 1st Settlement - New Cairo

## Kattameya Road:

Building No. 2 Abrag Badr - Kattameya Road - 19111- Cairo

Tel: (202)23104167

Fax: (202)23104170

## Master El Sokhna Road:

Shop # (2 B) Services Complex "Master El-Sokhna" Cairo/ Sokhna road, next to landing area - sign 8 km - Ein Sokhna direction before toll station -19111- Cairo

Tel: 01205556935

## Chill out El Nakheel:

Services Complex "Chillout - El Nakheil" south end of Shaheed axis road before the ring road tunnel-Cairo

Tel: (202)33783202

Fax: (202)33783204

## Madinetny:

First Floor Banks Building - Administrative Area - First Phase - No. 103 - 19511 - Cairo

Tel: (202)21109970

Fax: (202)21109973

## Open Air Mall Madinetny:

Unit (3) Ground floor - Build (j) - commercial centers District in front of Arabesk Mall - first phase - Madinetny Project - 19511-New Cairo

Tel: (202)21109800

Fax: (202)21109803

## Cloud 9:

Unit # (6) "Cloud Nine Mall"- Northern Investors area- "Mohamed Naguib Axis" - 1<sup>st</sup> Settlement - 11865-New Cairo.

Tel: (202)25391021

Fax: +(202)25391024

## Porto Cairo:

Unit No. ( 50 - 5 ) Porto Cairo Mall - First settlement - New Cairo - 11865 - Cairo

Tel: 01065596125

## Green Tower:

Green Tower - 305 Road 90 "southern" 2nd District - New Cairo -11853 - Cairo

Tel: (202)28109558

Fax: (202)28109559

## Air Force Hospital:

Air Force Hospital - 90<sup>th</sup> St.- Fifth Settlement - 11835 - New Cairo

Tel: (202)26182205

Fax: (202)26182204

## Redcon:

Build No. 140 - First Sector - City Center - Fifth Settlement -11835 - New Cairo

Tel: (202)28114026

Fax: (202)28114028

## The spot:

Plot(49B) - Southern Investors District - Fifth Settlement - New Cairo - 11835 - Cairo

Tel: (202)25734101 - 012 76241356

Fax: (202)25734104

## Mirage Residence:

Unit (3) - Build ( A ) Mirage Residence - Entertainment District - 1<sup>st</sup> Settlement - 11865 - New Cairo

Tel: (202)24499407

## Emerald Empire:

Unit # 23 Ground and First Floor - Emerald Center - El Nakhil City - 1<sup>st</sup> Settlement - 11865 - New Cairo

Tel: (202)25982300

Fax: (202)25982399

## Cairo Festival City:

Unit (2-086) 2nd floor - El fatim land , Taha Hesin St. - Cairo festival city mall - Fifth Settlement -11835- New Cairo

Tel: (202)26168176

Fax: (202)26168179

## New Cairo:

Down Town Project - 90 St.- 5<sup>th</sup> Settlement - New Cairo - 11835 - Cairo

Tel: (202)25982200

Fax: (202)25982299

## Saint Regis - New Capital:

Unit#GB04 - Capital Plaza Mall - New Administrative Capital

11865 - New Cairo

Tel: (202)33338100

Fax: (202)33338199

## Al Rebat - New Cairo:

Unit #G06 - Al Rebat Mall - Northern 90<sup>th</sup> St. - 5<sup>th</sup> Settlement - 11835 - New Cairo

Tel: (202)28215651

Fax: (202)28215654

## Egypt Air:

Egypt Air Building - South Building- Block 6 - Airport Road - 11776 - Cairo

## Sun City:

Store No. A28F floor F - Sun City - Masaken Sheraton - Autostorad road - Heliopolis - 11361 - Cairo

Tel: (202)22650500

Fax: (202)22650599

## Masaken Sheraton:

5 Khaled Ibn El Waleed St.- Heliopolis - 11361 - Cairo

Tel: (202)26961460

Fax: (202)26961489

## New Nozha:

3A Dr. Mohamed Hussein Kamal St.- New Nozha - 11769 - Cairo

Tel: (202)26253600

Fax: (202)26253699

## The District:

Unit No. ( 3-10 ) - Wadi Degla Club Wall Beside the District - Heliopolis -11361 - Cairo

Tel: (202)22696903

Fax: (202)22696928

## Air Mall:

Store No. 1/2 Ground Floor - Air Mall Building Passengers Building No (1) - Cairo Airport - 11776 - Cairo

Tel: (202)22691691

Fax: (202)22691694

## Sakr Koreish:

90 Sakr Koraish Building - Sheraton Buildings - 11361 - Cairo

Tel: (202)26969500

Fax: (202)26969599

## Sindbad:

81 Joseph Tito St.- New Nozha - Cairo

Tel: (202)26253700

Fax: (202)26253799

## Aghakhan:

2 Horria St.- Takseem Aghakhan - 11241 - Cairo

Tel: (202)22253000

Fax: (202)22253099

## Alfy:

14 Mohamed Bek Alfy St.- Down Town - 11111 - Cairo

Tel: (202)25970800

Fax: (202)25970899

## Banha:

26 Saad Zaghloul St.- 13111 - Banha

Tel: (2013)3806200

Fax: (2013)3806299

#### Faggalla:

39 Kamel Sedky St.- Faggala - El Zaher - 11271 - Cairo  
Tel: (202) 25880655  
Fax: (202) 25880673

#### Chill Out - El Mattaria: “Newly added”

Chill out Gas station - Al Assar Corridor - Next to Mattaria Hospital & Mattaria square - El Mattaria- 4539901-Cairo  
Postal code: 4539901

#### Menyet El Serg:

173 Shoubra St.- Sahel - Shoubra - Cairo  
Tel: (202)22052454  
Fax: (202)22050575

#### Rod El-Farag:

74 Rod El Farag St.- El Sahel - Shoubra - 11241 - Cairo  
Tel: (202)24291000  
Fax: (202)24291099

#### Shoubra:

53 Shobra St.- Shoubra - 11231 - Cairo  
Tel: (202)25945900  
Fax: (202)25945999

#### Shoubra El-Khima:

135, 15 May street-El Teraa El Boulakya- Mansheit El Hourrya - shoubra el khyma  
Tel: 01223990070

#### Teraa El-Bolakia:

156 El Terra El Bolakia St.- Shoubra - 11231 - Cairo  
Tel: (202)22009738  
Fax: (202)22009742

#### El Marwa (Boulak El Dakroor):

57 El Sudan St.- Dokki - 12311 - Giza  
Tel: (202)37618708  
Fax: (202)37618747

#### Saint Regis:

Ground floor - Saint Regis Hotel - Kornish El Nile - Bolak Abu Al Ela - 11221-Cairo  
Tel: (202)25771990  
Fax: (202)25771996

#### Giza Region

##### Mossadek - Dokki:

12 Tanzeem - 6 Mossadek St.- Dokki - 12311 - Giza  
Tel: (202)33338900  
Fax: (202)33338999

#### El Nil:

5 Wessa Wassef - Borg El Riad - 12311 - Giza  
Tel: (202)35732095  
Fax: (202)35732080

#### El-Bahr El-Azam:

304 Elbahr Elaazam St.- Borg El Kawsar - 12211 - Giza  
Tel: (202)35670700  
Fax: (202)35670799

#### El-Galaa:

106 El Nil St.- Agouza - 12311 - Giza  
Tel: (202)33323300  
Fax: (202)33323399

#### Giza:

62 Mohamed Bahy El Din Barakat St.- 12211 - Giza  
Tel: (202)33311100  
Fax: (202)33311199

#### Messaha:

5 Al-Messaha Square - Dokki - 12311 - Giza  
Tel: (202)33338100  
Fax: (202)33338199

#### Mohy El-Din Abou El-Ezz:

38 Mohy El Din St.- Dokki - 12311 - Giza  
Tel: (202)37492134  
Fax: (202)37492138

#### Mourad:

28 Taha Hussien St.- 12211 - Giza  
Tel: (202)35684871  
Fax: (202)35684869

#### First Mall:

Unit # (106), 35 Giza street “First Mall” - Four Seasons First Residence Hotel-12311- Giza  
Tel: (202) 35725643  
Fax: (202) 35725649

#### Arab Academy - Smart Village:

Arab Academy building - Smart Village -12577- Giza  
Tel: (202)35370071  
Fax: (202)35370073

#### Dandy Mall:

Dandy Mall - Cairo-Alex. Desert Road. (kilo 28) - 12577- Giza  
Tel: (202)35367200  
Fax: (202)35367299

#### Faisal:

179 King Faisal St.- Haram - 12151 - Giza  
Tel: (202)33891600  
Fax: (202)33891699

#### Haram:

360 Al- Haram St.- Haram - 12111 - Giza  
Tel: (202)35992400  
Fax: (202)35992499

#### King Faisal:

457 Faisal St. - 12111 - Giza  
Tel: (202)37891300  
Fax: (202)37891399

#### Mariottia:

44 Al Haram Street - Crystal Palace Mall - 12111 - Giza  
Tel: (202)33866002  
Fax: (202)33866088

#### Nasr El Din:

426 Al Haram St.- El Gazera El Arabia Tower - Haram - 12111 - Giza  
Tel: (202)35674200  
Fax: (202)35674299

#### Hadayek Al Ahram:

Reviera Mall - Hadayek Al Ahram - 12572-Giza  
Tel: 01205556927

#### Agouza:

1 Aswan Square - Al Agouza - 12311 - Giza  
Tel: (202)33000500  
Fax: (202)33000599

#### Gameat El-Dowel El-Arabia:

9 Gameat El-Dewel El-Arabia - Al Mohandseen - 12411- Giza  
Tel: (202)33003700  
Fax: (202)33003799

#### Kitkat:

5A Mohamed Roushdy St.- 8A El Nabawy El Mohandes Sq.- Agouza- 12411 - Giza  
Tel: (202)33080200  
Fax: (202)33080299

#### Lebanon:

30 Lebanon St.-El Mohandseen - 12411 - Giza  
Tel: (202)33000900  
Fax: (202)33000999

#### Moustafa Mahmoud:

2 El Fawakeh St.- Mohandseen - Giza  
Tel: (202)33315000  
Fax: (202)33315099

#### Shehab:

7 Shehab St.- Mohandseen - 12411 - Giza  
Tel: (202)37618783  
Fax: (202)37617965

#### Sphinx:

3 Ahmed Orabi St.- Sphinx Square - 12411 - Giza  
Tel: (202)33002500  
Fax: (202)33002599

#### Sudan:

149-151 Sudan St.- Mohandseen - Giza  
Tel: (202)33346800  
Fax: (202)33346899

#### Wadi El Nil:

22 Wadi El Nil st. - Mohandseen -12411- Giza.  
Tel: (202)33001900  
Fax: (202)33001999

#### October - industrial zone:

October City - Banks Area - Industrial Zone 4 - 12451 - Giza  
Tel: (202) 21274300  
Fax: (202) 21274399

#### Chillout Park:

Store No. ( 3A ) - Restaurant Compound - Alex - Cairo Desert Road - 12451 - Giza  
Tel: (202)33783201  
Fax: (202)33783204

#### Park Avenue:

Unite # G/213 - Park Avenue Project - Cairo/ Alex Desert Road - 12461-Giza  
Tel: 01208888368



# Branches Network (continued)

## 6<sup>th</sup> of October Distinguished

### District:

University Mall - Behind Misr University  
- 6<sup>th</sup> of October - 12451 - Giza  
Tel: (202)38247514  
Fax: (202)38247513

### Mall of Arabia:

Unit No. 071 H - Mall of Arabia - 6<sup>th</sup> of  
October - 12451 - Giza  
Tel: (202)38260230  
Fax: (202)38260231

### Banks Complex Mall -West Somid :

Service Center Neighborhood 9 , 10 -  
West Somid - 6<sup>th</sup> of October - 12566 -  
Giza  
Tel: (202)38249047  
Fax: (202)38249048

### IDG:

IDG - Main Service area - Food court - 6  
October -12451- Giza  
Tel: (202) 38642395  
Fax: (202) 38642398

### Strip Mall:

Commercial Store No. 1L - Plot # 9 &10  
of Auto Ville Project - Strip Mall -  
Dahshour  
Road - EL Sheikh Zayed - 12857 - Giza  
Tel: (202) 38579194

### El Sheikh Zayed:

Al Mogawra 1 - Building 105 front of  
Zayed Hospital - 6<sup>th</sup> of October -12461  
- Giza  
Tel: (202)37944107  
Fax: (202)37944109

### Prima Vista:

Unit No. G9/3,F7/1 Mall Prima Vista -  
Block 1/9 - El-Mehwar El- Markazi - 6<sup>th</sup>  
Of October -12451 - Giza  
Tel: (202)25983800  
Fax: (202)25983899

### Mall 360:

Plot # 3, 3rd neighborhood - The  
eastern tourist extension area - 6 of  
October - 12451-Giza  
Tel: (202)36104591  
Fax: (202)36104594

### ElMajarra:

El Majarra Complex - Plot No. (12)  
Mehwar Crazy Water - Sheikh Zayed -  
6<sup>th</sup> of October - 12461 - Giza  
Tel: (202)38272600  
Fax: (202)38272699

### Sila Mall:

Sila Mall , Plot #2/28/B, - Mehwar  
El-Markazi - 6<sup>th</sup> of October city-12451-  
Giza  
Tel: (202)38274000  
Fax: (202)38274099

## Smart Village:

Egyptian Exchange Building - Smart  
Village - 6<sup>th</sup> of October -  
12577 - Giza  
Tel: (202)35371050  
Fax: (202)35371053

### Mazar:

Mazar Mall - 16<sup>th</sup> Neighborhood - Sheikh  
zaied , 6<sup>th</sup> Of October city-  
12461-Giza

### Karma 4:

Karma Mall 4 - 17<sup>th</sup> Neighborhood  
-Sheikh zaied , 6<sup>th</sup> Of October city-  
12461-Giza  
Tel: (202)37862718  
Fax: (202)37862724

### Arkan :

Plot (29-30-32) - Crazy Water corridor  
- Sheikh Zayed - 6<sup>th</sup> of October - 12461-  
Giza  
Tel: (202)21293100  
Fax: (202)21293199

## Alexandria Region

### Damanhour:

19 El Gomhoria St.- Karta - 22111 -  
Damanhour  
Tel: (2045)3370900  
Fax: (2045)3370999

### Khaled Ibn El-Waleed:

631 Al Guish Avenue - Off Khaled Ibn El  
Waleed - Miami - 21421 - Alex  
Tel: (203)5381100  
Fax: (203)5381199

### Miami:

265 Gamal Abdel Nasser Avenue -  
Miami - 21421 - Alex  
Tel: (203)5381000  
Fax: (203)5381099

### Roshdy:

240 El Geish Road (Kourniche) - 21311 -  
Alex  
Tel: (204)52249000  
Fax: (203)5419599

### Mamoura:

Royal Mall - Mamoura Road - 21421 -  
Alexandria.  
Tel: (203)3253943  
Fax: (203)3253954

### Montazah:

737 El Geish Road - Mandara - 21421 -  
Alex  
Tel: (203)5487619

### Sporting:

293 El Horreya Road - 21311- Alex  
Tel: (203)4291624  
Fax: (203)4291598

### Fawzy Moaaz Street:

74 A Fawzy Moaz St.- Semouha - 21431-  
Alex  
Tel: (203)4196700  
Fax: (203)4196799

## Glym:

10 Abdel-Salam Aref St.- Glym - 21311 -  
Alex  
Tel: (203)5815500  
Fax: (203)5815599

### Kafr El Dawar:

Building no 1 in Adghan - 50 kanal str. -  
entrance of new bridge - kafer el dawar  
city -22221- el Behera governorate  
Tel: (2045)2249000  
Fax: (2045)2249099

### Kafr Abdou:

26 Ismailia St.- Across Ismailia with  
Saint Geni - Kafr Abdou - 21311 -Alex  
Tel: (203)5419560  
Fax: (203)5419596

### Loran:

723 Tareq El Horreya - Loran - Alex  
Tel: (203)5702634

### Moustafa Kamel:

16 Ibrahim Sherif St.- Mostafa Kamel -  
21311 - Alex  
Tel: (203)5419600  
Fax: (203)5419699

### Semouha:

35 Vector Emanuel Square - Semouha  
- 21431 - Alex  
Tel: (203)4199000  
Fax: (203)4199099

### Wabour El-Mayah:

243 Ahmed Ismail St.- Behind Olympic  
Club Wabour El Maya - 21131 - Alex  
Tel: (203)4294189  
Fax: (203)4295684

### Zizenya:

601 El-Horaya St.- Zizenya - 21411 - Alex  
Tel: (203)5819300  
Fax: (203)5819399

### Agami:

Gate No. 8 Agami Star Mall - Bitash -  
21221 - Alex  
Tel: (203)4318708  
Fax: (203)4318709

### Al Manshya:

6 Ahmed Orabi Square - Ksm Manshia  
- 21111 - Alex  
Tel: (203)4885200  
Fax: (203)4885299

### Alexandria Entrance:

unit no 1,El Tarek Trade company  
building - Al Manshia - Moharam Bek  
- Alex Entrance- 21121-Alex  
Tel: (203)3872000  
Fax: (203)3872099

### Alex Port:

Unit No. 6, 7 - Ground floor - Investment  
Building - Alexandria Port - 21111 - Alex  
Tel: (203)4833343  
Fax: (203)4877797

### **Borg El- Arab:**

New Borg El Arab City - 23121- Alex  
Tel: (203)4630100  
Fax: (203)4630199

### **Fouad Street:**

39 El Horeya St.- El Attareen - Alex  
Tel: (203)4966890

### **Ibrahimia:**

118 Port Said st. near Hehya street - El Ibrahimia - 21321 - Alex  
Tel: (203)5980400  
Fax: (203)5980499

### **Saad Zaghloul:**

7 Adib street "10 Tanzim" corner side with Saad Zaghloul street, El Aatareen, El Mansheya  
Tel: (203)4881200  
Fax: (203)4881299

### **Safia Zaghloul:**

33 Safia Zaghloul St.- 21131-Alex  
Tel: (203)4883000  
Fax: (203)4883099

### **Sultan Hussein:**

47 Al Sultan Hussien St.- 21131 - Alex  
Tel: (203)4883100  
Fax: (203)4883199

### **Al Soyouf:**

Building 15, Moustaf Kamel Street, Al seyouf - Alex  
Tel: (203)5419700  
Fax: (203)5419799

### **MASA Al Alamain:**

Commercial Mall "O" Masa Al-Alamain - New Alamain City - 51718-Matrouh Governorate  
Tel: 01201339077

### **Delta & Suez Canal Region**

#### **Delta City Mall:**

42 El Geish St.- Borg Delta City Mall - 31111 - Tanta  
Tel: (2040)3385200  
Fax: (2040)3385299

### **El Mansoura:**

213 El Gommuhuria St. - Mansoura  
Tel: (2050)2280300  
Fax: (2050)2280399

### **Dekernes:**

Cornaish street, Dekerness - Al Dakahleya Governate  
Tel: (2050)3480446  
Fax: (2050)3480448

### **"Metawaa Mall" Belqass - Dakahlia:**

Green Plaza Mall - Thawra street - Belqass city -35631- Dakahlia  
Tel: (2050)2780071  
Fax: (2050)2780076

### **El Mehalla:**

22 El Tegara School St.-31911 - Mehalla  
Tel: (2040)2281000  
Fax: (2040)2281099

### **El Mohafza Square:**

240 El- Geish St.- El Mohafza Sq.- 35111- Mansoura  
Tel: (2050)2280000  
Fax: (2050)2280099

### **Fakous:**

Plot # 198 of 189 original -Al Baghdadi (1) - Awlad El Adawy - Faqous - 47111-Sharkia Governorate  
Tel: (2055)3941956  
Fax: (2055)3941912

### **Kafr El Sheikh:**

19 Ramezeyya - Takseem El Moharbeen El Kodmaa - Salah Salem Street - East City District - 33111- Kafr El Sheikh  
Tel: (2047)3550000  
Fax: (2047)3550099

### **Desouk:**

68 El Geish street, Desouk City -33211- Kafr El Sheikh Governorate  
Tel: (2047)2555902  
Fax: (2047)2555617

### **Lewaa Abdel Aziz St. :**

Saad Zaghloul St.- Abu Aisha Building - 44111 - Zagazig  
Tel: (2055)2390600  
Fax: (2055)2390699

### **Meet Ghamr:**

42 Port Said St.- Meet Ghamr - Abou Aisha Tower - 35311 - Dakhleia  
Tel: (2050)4930000  
Fax: (2050)4930099

### **Sadat City:**

Block 1 - Mehwar Khadamat - seventh District - Land No.1 - Center Services - Ahmed Ismael St.- Front of Area No.11- Sadat City - 32897- Menofya  
Tel: (2048)2625300  
Fax: (2048)2625399

### **Shebeen El-Kom:**

21 Gamal Abd El Nasser St.- Saharf square - kawthar building - Shebyn el kom - 32111- Menofya  
Tel: (2048)2229416  
Fax: (2048)2229369

### **City Mall - Shebeen El-Kom:**

Gamal Abdel Nasser Street - in front of the Faculty of Engineering - Shebin El-Kom city - 32111-Monofeya  
Tel: (2048)2225215  
Fax: (2048)2226052

### **Tanta:**

El- Safwa Plaza Center- El-Kady St.- 31111- Tanta  
Tel: (2040)3385600  
Fax: (2040)3385699

### **Tanta Stadium:**

Al Farouk Tower - Al Geish street - Tanta stadium area - 1<sup>st</sup> district -31121- Tanta  
Tel: (2040)3352737  
Fax: (2040)3352747

### **Zagazig:**

Corner of Saad Zaghloul & Abdel Aziz Abaza St.- 44111- Zagazig  
Tel: (2055)2390000  
Fax: (2055)2390099

### **Menouf:**

2 El tooomey St. off El Gheish St., - 32911 - Menoufeya Governorate  
Tel: (2048)3669303  
Fax: (2048)3669306

### **Damietta:**

67 Saad Zaghloul St. Korniche El Nil - 34111- Damietta  
Tel: (2057)393500  
Fax: (2057)393599

### **Damietta Port:**

Investment Building - Damietta Port First Floor - 34516 - Damietta  
Tel: (2057)2292406

### **New Damietta:**

Plot #9 - Entertainment area - 2<sup>nd</sup> neighborhood -34517-New Damietta  
Tel: (2057)2405762  
Fax: (2057)2405768

### **El-Ain El-Sokhna:**

(El Suez - El Sokhna - Hurghada) Kilo 46 Desert Road - Stella Di Mare Resort Fence - 43552- Suez  
Tel: (2062)3393600  
Fax: (2062)3393699

### **El-Gomhoreya:**

58 El-Goumhoria St.- 42111- Port Said  
Tel: (2066)3390300  
Fax: (2066)3390399

### **El Canal - Ismailia:**

141A Tahrir St.- 41111 - Ismailia  
Tel: (2064)3923560  
Fax: (2064)3923552

### **Ismailia:**

Panorama Bldg., plot 1 - El mowa'f El Gadid st.- corner el 20 St. with Shebeen El Kom St.- infront of Mogamaa El Mahakem - 41111 - Ismalia  
Tel: (2064)3269000  
Fax: (2064)3269099

### **Port Said:**

Miami Building - 23 july St.- 42111 - Port Said  
Tel: (2066)3390100  
Fax: (2066)3390199

### **Shark El-Tafria Port:**

Shark El-Tafria Port - 42532 - Port Said  
Tel: (2066)3390380  
Fax: (2066)3390389





# Branches Network (continued)

## **Teda:**

Ain Sokhna - Industrial Economical Zone  
- Service Building - First Step - 43552-  
Suez  
Tel: (062)3597020  
Fax: (062)3597021

## **EL-Shohadaa St - Suez:**

City Mall - 45,45 A EL-Shohadaa St.-  
43111 - Suez  
Tel: (2062) 3471807  
Fax: (2062) 3471806

## **Suez:**

5 El Galaa St.- 43111- Suez  
Tel: (2062)3393300  
Fax: (2062)3393399

## **Red Sea and Upper Egypt Region**

### **Assuit:**

2 Al Gomhoreya St.- El Watania  
Buildings - Building No. A- 71111- Assuit  
Tel: (2088)2422500  
Fax: (2088)2422599

### **Silicon Waha - New Assuit City:**

Unit (G3-G4 Commercial Building -  
Technology Zone - 71684 - New Assuit  
City  
Tel: (2088) 2035059  
Fax: (2088) 2035063

### **Aswan Plaza:**

Aswan Plaza Mall - Korniche El Nil St.-  
Bandar Aswan- 81111 - Aswan City  
Tel: (2097)2391000  
Fax: (2097)2391099

### **Beni Suef:**

16 Port Said St.- Takseem El Houreya  
- 62111- Beni Suef  
Tel: (2082)4494000  
Fax: (2082)4494099

### **Fayoum:**

10 El Hourrya St.- Baher Youssef - 63111-  
El Fayuom  
Tel: (2084)2390700  
Fax: (2084)2390799

### **Luxor:**

109 Ma'abad El Karnak St.- beside  
Mubarak Library - 85111- Luxor  
Tel: (2095)2399100  
Fax: (2095)2399199

### **Menia:**

76 Takseem Shalaby - 61111 - Menia  
Tel: (2086)2386300  
Fax: (2086)2386399

## **Qena:**

Building No. 9 - District No. 65 - 23 July  
St.- 83111 - Qena  
Tel: (2096)3390600  
Fax: (2096)3390699

## **Sohag:**

46 Korniche El Nil St. Borg El Nil Kebly -  
82111- Sohag  
Tel: (2093)2380600  
Fax: (2093)2380699

## **Hurghada-El-Dahar:**

1 Hurghada Stadium Shops - El Nasr  
Avenue - El Dahar - 84111 - Hurghada  
Tel: (2065)3562000  
Fax: (2065)3562099

## **Hurghada-El-Kawthar:**

Banks Area - Block 8 - El-Kawthar zone  
- 84111- Hurghada  
Tel: (2065)3418700  
Fax: (2065)3418799

## **Hurghada-Grand Beach:**

Grand Beach Resort - 84111 - Hurghada  
Tel: (2065)3416100  
Fax: (2065)3416199

## **Hadabet Um El Sid:**

Store No. 4 - Project of Madinat Elalaab  
Elmaeya- Hadabet Um Elsid - 46619 -  
Sharm El Sheikh  
Tel: (2069)3622090  
Fax: (2069)3622095

## **Hurghada Sheraton Road:**

36 North Mountain Road - 84111-  
Hurghada  
Tel: (2065)3416500  
Fax: (2065)3416599

## **Hurghada City Center:**

Unit #G031 ground level - Hurghada  
City Center Mall - Cournich Road - El  
Dahar - 84111 - Hurghada  
Tel: (2065)3548391  
Fax: (2065)3548384

## **Nabq Bay:**

Commercial part (RI) front of Oriental  
Hotel Resort - Khalyg Nabq - 84111-  
Hurghada  
Tel: (2069)3622051  
Fax: (2069)3622055

## **Sharm El-Sheikh:**

El Salam Road - Khalyg Neama - 46619  
- Sharm El Sheikh  
Tel: (2069)3622000  
Fax: (2069)3622099

## **Specialized Corporate**

### **El Batal Ahmed Abdel Aziz:**

54 Al Batal A. A. Aziz St.- Mohndeseen  
- 12311 - Giza  
Tel: (202)33324196 - (202)33324108  
Fax: (202)33324299

### **Talaat Harb:**

10 Talaat Harb - Ever Green Building -  
Down Town - 11121- Cairo  
Tel: (202)27708002  
Fax: (202)27708095

### **Katameya Head Office**

35 Ashgar Darna St. - Ring Road -  
Beside Badr El-Din Towers - Beside  
Carrefour El-Maadi - Katameya

### **Cash Center:**

Tel: (203)8283700  
Fax: (203)8283799

### **Mallawi:**

47 Al-Arfani Mosque Street - Mallawi  
Port - Minya Governorate  
Tel: (086)2561733  
Fax: (086)2561736

### **Our Branches coming soon**

New administration capital branch  
Antoniades branch - Alexandria





QNB Egypt provides its services through a wide network of approximately 235 branches across Egypt