

**Qatar National Bank S.A.E**  
**(Egyptian Joint Stock Company)**

**Separate Financial Statements**  
**Together With Auditors' Report**  
**For The Year Ended December 31, 2024**

KPMG Hazem Hassan  
Public Accountants & Consultants

Baker Tilly Mohamed Hilal – Wahid Abdel Ghaffar  
Public Accountants & Advisers

## **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, a summary of significant accounting policies and other explanatory notes.

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

These separate financial statements are the responsibility of the 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 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 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, 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 auditors' 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 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 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 statues 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**

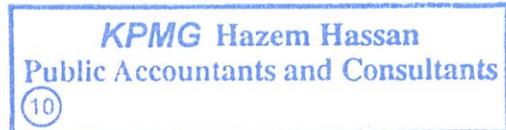


**Mohamed Hossam Hilal**

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; January 13, 2025

Qatar National Bank S.A.E  
Separate Statement 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)	71,189,180,717	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.  
(Auditors' 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	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	10,774,114,830	2,790,716,593	23,979,176,120	12,856,666	42,271,621	237,308,338	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	-	506,169,256	4,905,392,798	-	779,000	-	-	-	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	-	-	-	-	-	(861,400,679)	-	-	-	-	<b>(861,400,679)</b>
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	(19,961,016)	-	-	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>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>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	10,774,114,830	3,296,885,849	28,884,568,918	12,856,666	43,050,621	(644,053,357)	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	-	788,000,907	8,257,672,449	-	9,666,000	-	-	-	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	-	-	-	-	-	1,962,273,031	-	-	-	-	<b>1,962,273,031</b>
Reclassification of the net change in fair value of equity instruments upon derecognition	-	-	-	-	-	(11,800,665)	-	-	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>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>	<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 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		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		(93,386,746,663)	(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>
<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 year's 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 System's 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.

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)

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.

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. non0recourse 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).

#### 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.

### 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 based on life-time expected credit loss to be recognized 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.

#### 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 acquirer's interest in the fair value of the identifiable assets, liabilities and qualifying contingent liabilities of the acquiree 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.

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**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.

**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
Fixtures	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 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.

#### 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.

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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.

#### **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 Year'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:

- 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;
- 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 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.

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.

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**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.

**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.

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**(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
1- Good debts	86.39%	7.90%	86.20%	11.60%
2- Normal watch-list	6.71%	21.40%	6.99%	22.49%
3- Special watch-list	1.52%	6.87%	1.38%	5.22%
4- Non performing loan	5.38%	63.83%	5.43%	60.69%
	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**(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

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(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 12-Months	Stage 2 Life time	Stage 3 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 12-Months	Stage 2 Life time	Stage 3 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>

Treasury bills and Other Governmental notes	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

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

Loans and credit facilities to Banks	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
<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>2,527,766,818</b>	-	<b>2,527,766,818</b>
Allowance for impairment losses	-	(23,321,880)	-	(23,321,880)
<b>Carrying amount</b>	-	<b>2,504,444,938</b>	-	<b>2,504,444,938</b>

Loans and credit facilities to Banks	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
<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>886,408,148</b>	-	<b>886,408,148</b>
Allowance for impairment losses	-	(1,670,812)	-	(1,670,812)
<b>Carrying amount</b>	-	<b>884,737,336</b>	-	<b>884,737,336</b>

Retail loans	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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
	<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>

Retail loans	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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
	<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>

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Corporate loans	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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
	<b>251,996,846,681</b>	<b>28,396,204,651</b>	<b>18,509,363,824</b>	<b>298,902,415,156</b>
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>

Corporate loans	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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
	<b>178,184,897,452</b>	<b>22,847,119,676</b>	<b>13,584,814,288</b>	<b>214,616,831,416</b>
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>

Debt instruments at fair value through other comprehensive income	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

Debt instruments at fair value through other comprehensive income	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

Debt instruments at amortized cost	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

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Debt instruments at amortized cost	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

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>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>49,525,613</b>

Treasury bills and Other Governmental notes	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>168,807,016</b>

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Treasury bills and Other Governmental notes	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 Life time	
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>

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>

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>

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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>

Corporate 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	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>

Debt instruments at fair value through other comprehensive income	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

Debt instruments at fair value through other comprehensive income	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>

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Debt instruments at amortized cost	December 31, 2024			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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>	-	-	-	-

Debt instruments at amortized cost	December 31, 2023			Total
	Stage 1 12-Months	Stage 2 Life time	Stage 3 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.

(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 impaired

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

Loans and credit facilities to customers

Rating	December 31, 2024				
	Retail				
	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>

Rating	December 31, 2024				
	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.

Rating	December 31, 2023				
	Retail				
	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>

Rating	December 31, 2023				
	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.

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**Loans and credit facilities which have arrears but are not 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:

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

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

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

<b>Corporate</b>					
	<b>Overdrafts</b>	<b>Direct loans</b>	<b>Syndicated Loans and facilities</b>	<b>Other loans</b>	<b>Total</b>
Up to 30 days	653,773	48,298,011	-	-	<b>48,951,784</b>
More than 30 – 60 days	243,038	29,751,710	-	-	<b>29,994,748</b>
More than 60 – 90 days	-	57,601,004	-	-	<b>57,601,004</b>
More than 90 days	-	98,591,215	-	-	<b>98,591,215</b>
<b>Total</b>	<b>896,811</b>	<b>234,241,940</b>	-	-	<b>235,138,751</b>

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.

**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 credit 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</b>	<b>B</b>	131,094,220,487	152,211,434,928
<b>Fair value through other comprehensive income</b>			
Other debt instruments	<b>Unrated</b>	2,218,406,603	2,507,159,381
Other debt instruments	<b>A to A+</b>	5,057,464,202	-
Egyptian debt instruments	<b>B</b>	10,541,836,451	7,041,645,586
US Treasury Bonds	<b>AA+</b>	13,430,781,654	5,115,240,883
<b>Amortized cost</b>			
Egyptian Treasury Bonds	<b>B</b>	86,823,766,207	80,536,769,618
<b>Total</b>		<b>249,166,475,604</b>	<b>247,412,250,396</b>

**(A/8) Acquisition of collaterals**

The Bank acquire foreclosed asset as acquisition of guarantees as following:

Asset type	December 31, 2024	December 31, 2023
<b>Building &amp; Lands</b>	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.

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(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>							
<b>Retail loans</b>							
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	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
<b>Financial investments</b>							
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
<b>Total at the end of the current year</b>	<b>529,037,971,748</b>	<b>36,656,566,412</b>	<b>30,258,573,602</b>	<b>12,836,294,576</b>	<b>608,789,406,338</b>	<b>18,641,737,694</b>	<b>627,431,144,032</b>
<b>Total at the end of the comparative year</b>	<b>451,670,764,574</b>	<b>31,630,804,499</b>	<b>25,924,811,188</b>	<b>9,779,318,269</b>	<b>519,005,698,530</b>	<b>5,181,492,892</b>	<b>524,187,191,422</b>

(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>

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**(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 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)	-	-
<b>Maximum expected loss at December 31, 2024</b>				<b>26,885,308</b>
<b>Maximum expected loss at December 31, 2023</b>				<b>12,355,016</b>

**(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	<b>71,189,180,717</b>
Due from banks	13,311,081,540	89,884,704,068	15,104,119,162	2,317,791,340	665,518,607	<b>121,283,214,717</b>
Treasury bills and Other Governmental notes	111,226,598,766	19,698,814,705	-	-	-	<b>130,925,413,471</b>
Loans and credit facilities to Banks	-	2,504,444,938	-	-	-	<b>2,504,444,938</b>
Loans and credit facilities to customers	244,111,025,359	93,020,640,190	6,456,955,013	210,643,121	211,537,829	<b>344,010,801,512</b>
Financial derivatives	3,693,595	-	-	-	-	<b>3,693,595</b>
<b>Financial investments</b>						
Fair value through other comprehensive income	13,482,585,357	20,574,765,850	5,337,865	-	-	<b>34,062,689,073</b>
Amortized cost	86,823,766,207	-	-	-	-	<b>86,823,766,207</b>
Fair value through profit or loss	105,921,395	-	-	-	-	<b>105,921,395</b>
Other financial assets	9,455,004,663	795,618,781	68,770,910	4,740,166	7,991	<b>10,324,142,511</b>
<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	-	<b>16,122,650,231</b>
Customer deposits	446,870,472,222	209,599,173,777	22,190,691,514	2,474,200,534	729,099,312	<b>681,863,637,359</b>
Financial derivatives	-	8,809,370	-	-	-	<b>8,809,370</b>
Other loans	158,533,829	3,908,699,318	65,020,726	-	-	<b>4,132,253,873</b>
Other financial liabilities	2,990,107,265	625,489,956	16,622,151	11,965,147	157,772	<b>3,644,342,291</b>
<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.

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**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
<b>Financial assets</b>							
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
<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	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
<b>Total financial assets</b>	<b>428,731,183,426</b>	<b>81,359,607,126</b>	<b>65,508,187,148</b>	<b>122,256,822,385</b>	<b>10,827,332,130</b>	<b>92,550,135,921</b>	<b>801,233,268,136</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	407,959,592,661	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
<b>Total financial liabilities</b>	<b>412,284,734,792</b>	<b>67,006,129,057</b>	<b>46,016,544,610</b>	<b>88,038,041,244</b>	<b>146,519,014</b>	<b>92,279,724,407</b>	<b>705,771,693,124</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>12,633,538,634</b>	<b>14,353,478,069</b>	<b>19,491,642,538</b>	<b>38,031,691,141</b>	<b>10,680,813,116</b>	<b>270,411,514</b>	<b>95,461,575,012</b>
<b>At the end of the comparative year</b>							
<b>Total financial assets</b>	<b>261,688,691,545</b>	<b>67,033,178,290</b>	<b>116,199,174,793</b>	<b>85,159,974,533</b>	<b>11,091,983,777</b>	<b>72,690,795,333</b>	<b>613,863,798,271</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>285,020,765,690</b>	<b>68,780,613,817</b>	<b>54,870,681,075</b>	<b>71,414,261,468</b>	<b>202,309,367</b>	<b>61,557,201,373</b>	<b>541,845,832,790</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>(23,505,847,831)</b>	<b>(1,573,661,841)</b>	<b>61,328,493,718</b>	<b>13,745,713,065</b>	<b>10,889,674,410</b>	<b>11,133,593,960</b>	<b>72,017,965,481</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.

#### 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 result in failure in fulfilling obligations related to depositors and meeting lending commitments.

#### December 31, 2024

Contractual maturities	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	Total
<b>Financial liabilities</b>						
Due to banks	16,122,650,692	-	-	-	-	<b>16,122,650,692</b>
Customer deposits	481,908,835,102	71,915,042,690	60,544,787,965	110,058,124,158	183,758,312	<b>724,610,548,227</b>
Other loans	1,402,791,887	26,400,013	1,136,285,405	1,742,832,606	-	<b>4,308,309,911</b>
<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.

#### December 31, 2023

Contractual maturities	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	Total
<b>Financial liabilities</b>						
Due to banks	5,150,788,704	-	-	-	-	<b>5,150,788,704</b>
Customer deposits	337,722,832,542	72,769,903,585	66,474,084,010	85,715,057,205	259,289,488	<b>562,941,166,830</b>
Other loans	3,898,046,942	30,198,642	194,642,600	116,731,166	-	<b>4,239,619,350</b>
<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.

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**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.

December 31, 2024						
Maturities for statement of financial position items	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	Total
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	1,398,522,151	980,198,180	199,350,107	-	-	2,578,070,438
Cash inflows	1,399,870,944	981,831,629	199,587,371	-	-	2,581,289,944

December 31, 2023						
Maturities for statement of financial position items	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	Total
<b>Held for trading derivatives</b>						
Foreign exchange derivatives						
Cash outflows	642,556,029	351,704,971	83,333,353	-	-	1,077,594,353
Cash inflows	643,923,874	353,220,424	83,443,851	-	-	1,080,588,149

**Cash flow for Off-balance sheet items**

December 31, 2024				
Maturities for off-balance sheet items	Less than one year	More than one year and less than 5 years	More than 5 years	Total
Financial guarantees	255,000	-	-	255,000
Operating lease commitments	190,842,397	559,152,213	149,278,619	899,273,229
Capital commitments resulting from acquisition of property and equipment	1,437,705,910	-	-	1,437,705,910
<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>

	Less than one year	More than one year and less than 5 years	More than 5 years	Total
Commitments for credit facilities and others exposed to credit risk	45,578,551,520	5,908,054,745	279,872,778	51,766,479,043

December 31, 2023				
Maturities for off-balance sheet items	Less than one year	More than one year and less than 5 years	More than 5 years	Total
Financial guarantees	255,000	-	-	255,000
Operating lease commitments	145,830,597	360,617,435	108,548,902	614,996,934
Capital commitments resulting from acquisition of property and equipment	1,121,252,067	-	-	1,121,252,067
<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>

	Less than one year	More than one year and less than 5 years	More than 5 years	Total
Commitments for credit facilities and others exposed to credit risk	40,041,912,029	3,063,129,759	252,627,706	43,357,669,494

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**(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.

<b>Financial Assets</b>	<b>December 31, 2024</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
US Treasury Bonds	13,430,781,654	-	-	<b>13,430,781,654</b>
Other debt instruments	5,057,464,202	2,218,406,603	-	<b>7,275,870,805</b>
Egyptian debt instruments	10,541,836,451	-	-	<b>10,541,836,451</b>
Funds at fair value through other comprehensive income	89,081,205	-	-	<b>89,081,205</b>
Funds at fair value through profit or loss	105,921,395	-	-	<b>105,921,395</b>
Equity Instruments	177,067,823	-	2,548,051,135	<b>2,725,118,958</b>
Financial derivatives	-	3,693,595	-	<b>3,693,595</b>

<b>Financial Assets</b>	<b>December 31, 2023</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
US Treasury Bonds	5,115,240,883	-	-	<b>5,115,240,883</b>
Other debt instruments	-	2,507,159,381	-	<b>2,507,159,381</b>
Egyptian debt instruments	7,041,645,586	-	-	<b>7,041,645,586</b>
Funds at fair value through other comprehensive income	75,625,755	-	-	<b>75,625,755</b>
Funds at fair value through profit or loss	101,198,551	-	-	<b>101,198,551</b>
Equity Instruments	174,854,480	-	1,378,435,525	<b>1,553,290,005</b>
Financial derivatives	-	-	-	<b>-</b>

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**(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.

**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 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.

**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 exposure 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>	<b>60,547,154,140</b>
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.

#### 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.

##### Individual :

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 the 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 the 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>

(5/B) Segmental analysis by geographic area

At the end of the 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)	945,418,046
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 the 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 the 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	619,739,534,566
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.

	December 31, 2024	December 31, 2023
<b>6- Net interest income</b>		
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>		
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>		
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>		
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>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>Total</b>	<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>
<b>11- Other operating revenues (expenses)</b>		
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>
<b>12- Impairment credit losses</b>		
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>

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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>

**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 .

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>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>6,264,722</b>	<b>541,845,832,790</b>

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		December 31, 2024	December 31, 2023
<b>16- Cash and due from Central Bank of Egypt (CBE)</b>			
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>
<b>17- Due from Banks</b>			
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>
<b>18- Treasury bills and Other governmental notes</b>			
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>
<b>19- Loans and credit facilities to Banks</b>			
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>
<b>20- Loans and credit facilities to customers</b>			
	<b>Total</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
		<b>Allowance for impairment losses</b>	<b>Allowance for impairment losses</b>
		<b>Net</b>	<b>Net</b>
<b>Individuals</b>			
Overdrafts	4,342,954,194	(81,482,194)	4,261,472,000
Credit cards	2,705,555,552	(455,377,694)	2,250,177,858
Personal loans	50,942,342,946	(985,933,706)	49,956,409,240
Real estate loans	8,399,827,954	(130,601,132)	8,269,226,822
<b>Total (1)</b>	<b>66,390,680,646</b>	<b>(1,653,394,726)</b>	<b>64,737,285,920</b>
<b>Corporate including small loans for businesses</b>			
Overdrafts	152,057,478,260	(5,744,624,916)	146,312,853,344
Direct loans	108,961,861,073	(12,356,729,951)	96,605,131,122
Syndicated loans and facilities	34,780,154,736	(1,344,823,897)	33,435,330,839
Other loans	3,102,921,087	(13,984,446)	3,088,936,641
<b>Total (2)</b>	<b>298,902,415,156</b>	<b>(19,460,163,210)</b>	<b>279,442,251,946</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>
Less: Segregated interest			-
Less: Unearned discount and deferred income			(168,736,354)
<b>Net Loans and credit facilities to customers distributed as follows:</b>			<b>344,010,801,512</b>
Current balances			245,597,741,533
Non-current balances			98,413,059,979
<b>Net Loans and credit facilities to customers</b>			<b>344,010,801,512</b>
			<b>252,467,782,728</b>

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>21,113,587,936</b>					
						December 31, 2023				
Individuals	Overdrafts	Credit cards	Personal loans	Real estate loans	Total					
<b>Balance at beginning of comparative year</b>	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					
<b>Balance at beginning of comparative year</b>	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>					

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, 2023		
(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).

## 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>
Current balances	24,134,521,127	29,208,492,988
Non-current balances	96,857,855,548	67,722,436,791
<b>Total financial investment</b>	<b>120,992,376,675</b>	<b>96,930,929,779</b>
Fixed interest debt instruments	115,853,848,514	92,693,656,087
Variable interest debt instruments	2,218,406,603	2,507,159,381
<b>Total debt instruments</b>	<b>118,072,255,117</b>	<b>95,200,815,468</b>

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>

	December 31, 2024	December 31, 2023
<b>Gain on financial investments</b>		
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.

### 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)	(119,969,702)	(6,187,603)
<b>Total</b>	<b>14,351,073,830</b>	<b>9,998,521,260</b>

### 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	<b>5,295,876,894</b>
Accumulated depreciation	(1,102,987,884)	(193,439,341)	(1,034,102,532)	(187,171,084)	<b>(2,517,700,841)</b>
<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	<b>2,778,176,053</b>
Additions	43,907,434	41,146,157	117,343,867	24,274,155	<b>226,671,613</b>
Disposals from property and equipment	(1,696)	(1,671,745)	(27,699)	(5,579,153)	<b>(7,280,293)</b>
Disposals from accumulated depreciation	1,696	1,671,745	10,885	5,579,153	<b>7,263,479</b>
Depreciation for the year	(131,558,073)	(25,941,224)	(178,235,674)	(26,611,978)	<b>(362,346,949)</b>
<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	<b>5,515,268,214</b>
Accumulated depreciation	(1,234,544,261)	(217,708,820)	(1,212,327,321)	(208,203,909)	<b>(2,872,784,311)</b>
<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	<b>2,642,483,903</b>
Additions	57,194,969	49,963,745	227,413,195	31,736,193	<b>366,308,102</b>
Disposals from property and equipment	(874,349)	(162,752)	(1,138,493)	(4,506,806)	<b>(6,682,400)</b>
Disposals from accumulated depreciation	852,468	162,752	1,134,226	4,506,806	<b>6,656,252</b>
Depreciation for the year	(131,835,223)	(31,046,696)	(185,493,686)	(27,992,365)	<b>(376,367,970)</b>
<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	<b>5,874,893,916</b>
Accumulated depreciation	(1,365,527,016)	(248,592,764)	(1,396,686,781)	(231,689,468)	<b>(3,242,496,029)</b>
<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>

### 31- Other provisions

Description	December 31, 2024					
	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	36,478,878	-	-	-	-	<b>36,478,878</b>
Provision for legal claims	35,309,506	-	(13,135,654)	525,701	(2,531,781)	<b>20,167,772</b>
Provision for contingent liabilities	1,165,748,204	-	(893,149,375)	379,647,325	-	<b>652,246,154</b>
Provision for fidelity	61,171,778	869,718	-	34,028,935	(94,218,991)	<b>1,851,440</b>
Provision for operational risk	568,237	102,696	-	378,542	-	<b>1,049,475</b>
<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	December 31, 2023					
	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	37,391,004	-	-	-	(912,126)	<b>36,478,878</b>
Provision for legal claims	8,843,548	26,655,581	-	158,829	(348,452)	<b>35,309,506</b>
Provision for contingent liabilities	875,390,079	161,809,303	-	128,548,822	-	<b>1,165,748,204</b>
Provision for fidelity	49,162,902	-	-	12,008,876	-	<b>61,171,778</b>
Provision for operational risk	-	568,327	-	(90)	-	<b>568,237</b>
<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

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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>

The main actuarial assumptions used by the Bank are outlined below:

	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%

**Sensitivities to +1% in discount rate (duration of the plan):**

	Service cost	DBO
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.

### 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) General banking risk reserve	December 31, 2024	December 31, 2023
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>

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(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>

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**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:**

<b>QNB Group</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
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**

	<b>Directors and other key management personnel (and close family members)</b>		<b>Subsidiaries</b>	
	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
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**

	<b>Directors and other key management personnel (and close family members)</b>		<b>Subsidiaries</b>	
	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>
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>

**(C) Other transactions with related parties**

	Directors and other key management personal (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
<b>The above guarantees comprise:</b>				
LGs	-	-	3	3
LCs	-	-	50,891,862	110,701,201
<b>Total</b>	<b>-</b>	<b>-</b>	<b>50,891,865</b>	<b>110,701,204</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.

### **39- 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 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 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 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.