

**QNB FINANCE LTD.**

**FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

**QNB FINANCE LTD.**  
**Financial Statements**  
**As at and for the year ended 31 December 2024**

**Contents**

---

Independent Auditor's Report

Statement of Financial Position

Statement of Profit or Loss and Other Comprehensive Income

Statement of Changes in Equity

Statement of Cash Flows

Notes to the Financial Statements

**ERNST & YOUNG (QATAR BRANCH)**

P.O. Box 164  
Building No. 36, T-03, 5<sup>th</sup> Floor  
Abdulla Bin Thani Street  
Doha Design District  
Msheireb Downtown  
Doha, State of Qatar

Tel: +974 4457 4111  
Fax: +974 4441 4649  
doha@qa.ey.com  
ey.com

Licensed by MOC: International Accounting Offices (License No. 4)  
Licensed by QFMA: External Auditors (License No. 120154)

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF QNB FINANCE LTD****Report on the audit of the financial statements****Opinion**

We have audited the financial statements of QNB Finance Ltd (the "Company") which comprise the statement of financial position as at 31 December 2024, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. We have assessed that there are no key audit matters to communicate in our report.

**Responsibilities of management and Board of Directors for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF QNB FINANCE LTD (CONTINUED)**

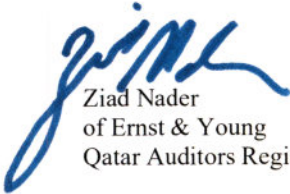
**Report on the audit of the financial statements (continued)**

**Auditor's responsibilities for the audit of the financial statements (continued)**

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ziad Nader  
of Ernst & Young  
Qatar Auditors Registry Number 258


Date: 27 January 2025  
Doha - State of Qatar

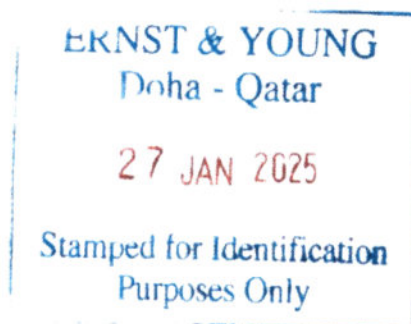


**QNB Finance Ltd.**  
**Statement of Financial Position**  
**As at 31 December 2024**

		2024	2023
	Notes	USD'000	USD'000
<b>ASSET</b>			
Amounts due from the Parent Company	8	20,193,739	19,770,944
<b>Total Asset</b>		<u><b>20,193,739</b></u>	<u><b>19,770,944</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Debt Securities	5	8,617,931	8,122,623
Other Borrowings	6	11,279,322	11,380,703
Other Liabilities		296,486	267,618
<b>Total Liabilities</b>		<u><b>20,193,739</b></u>	<u><b>19,770,944</b></u>
<b>EQUITY</b>			
Share Capital	7	-	-
Retained Earnings		-	-
<b>Total Equity</b>		<u><b>-</b></u>	<u><b>-</b></u>
<b>Total Liabilities and Equity</b>		<u><b>20,193,739</b></u>	<u><b>19,770,944</b></u>

These financial statements were approved by the Board of Directors on 13 January 2025 and were signed on its behalf by:

  
 .....  
**Noor Mohd Al-Naimi**  
 Director

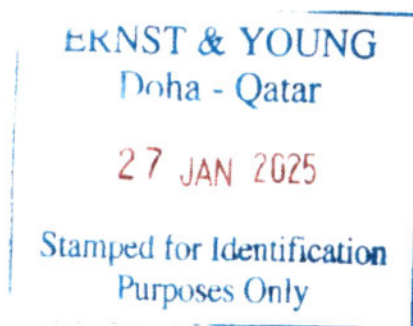


The attached notes 1 to 9 form an integral part of these financial statements.

PS

**QNB Finance Ltd.**  
**Statement of Profit or Loss and Other Comprehensive Income**  
**For the Year Ended 31 December 2024**

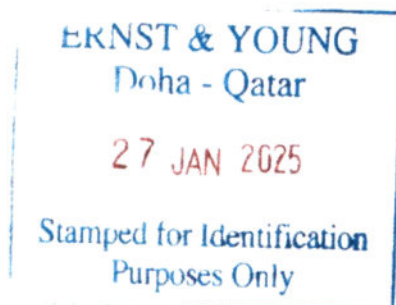
		2024	2023
		USD'000	USD'000
	<b>Note</b>		
<b>Income</b>			
Interest Income	8	816,058	789,777
<b>Expense</b>			
Interest Expense		(816,058)	(789,777)
<b>Profit for the Year</b>		<u>-</u>	<u>-</u>
<b>Total Comprehensive Income for the Year</b>		<u>-</u>	<u>-</u>



The attached notes 1 to 9 form an integral part of these financial statements.

**QNB FINANCE LTD.**  
**Statement of Changes in Equity**  
**For the Year Ended 31 December 2024**

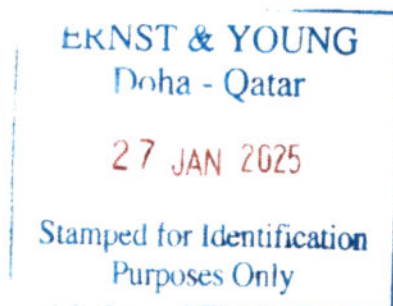
	Share Capital	Retained Earnings	Total
	USD'000	USD'000	USD'000
Balance at 1 January 2023	-	-	-
Profit for the Year	-	-	-
Total Comprehensive Income for the Year	-	-	-
Balance at 31 December 2023	-	-	-
Balance at 1 January 2024	-	-	-
Profit for the Year	-	-	-
Total Comprehensive Income for the Year	-	-	-
<b>Balance at 31 December 2024</b>	-	-	-



The attached notes 1 to 9 form an integral part of these financial statements.

**QNB FINANCE LTD.**  
**Statement of Cash Flows**  
**For the Year Ended 31 December 2024**

	2024	2023
	USD'000	USD'000
<b>Cash Flows from Operating Activities</b>		
Profit for the year	-	-
Adjustments for:		
Interest income	(816,058)	(789,777)
Interest expense	816,058	789,777
	<u>-</u>	<u>-</u>
Changes in operating assets and liabilities		
Changes in Due from Parent Company	(1,153,094)	944,427
<b>Net Cash flows from Operating Activities</b>	<b><u>(1,153,094)</u></b>	<b><u>944,427</u></b>
<b>Cash Flows from Investing Activity</b>		
Interest received	690,611	859,316
<b>Net Cash flow from Investing Activities</b>	<b><u>690,611</u></b>	<b><u>859,316</u></b>
<b>Cash Flows from Financing Activities</b>		
Proceeds from issuance of Debt Securities	2,983,530	-
Repayment of Debt Securities	(2,591,883)	(295,607)
Proceeds from issuance of Other Borrowings	3,563,330	1,976,078
Repayment of Other Borrowings	(2,801,883)	(2,624,898)
Interest paid	(690,611)	(859,316)
<b>Net Cash flows used Financing Activities</b>	<b><u>462,483</u></b>	<b><u>(1,803,743)</u></b>
Net increase in cash and cash equivalents	-	-
Cash and cash equivalents at 1 January	-	-
<b>Cash and cash equivalents as at 31 December</b>	<b><u>-</u></b>	<b><u>-</u></b>



The attached notes 1 to 9 form an integral part of these financial statements.



## **QNB FINANCE LTD.**

### **Notes to the Financial Statements**

**As at and for the year ended 31 December 2024**

#### **1. CORPORATE INFORMATION**

QNB Finance Ltd. (the "Company") was incorporated on 18 October 2010 and registered as an exempt company with limited liability in Cayman Islands. The principal purpose of the Company is to raise funding through the international capital markets for onward lending to Qatar National Bank (Q.P.S.C.) (the "Bank" or "Parent Company").

All Debt Securities and Other Borrowings issued by the Company are irrevocably and unconditionally guaranteed by the Bank. The registered office of the Company is situated at P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is a wholly owned subsidiary of Qatar National Bank (Q.P.S.C.)

During 2011, the Company established a USD 7.5 billion Medium Term Note ("MTN") programme under Reg S format. The size of the MTN programme was later increased in multiple phases leading to USD 22.5 billion. Notes to be issued under the programme may comprise senior Notes (the "Senior Notes") and subordinated Notes (the "Subordinated Notes"). The aggregate nominal amount of Notes outstanding will not at any time exceed USD 22.5 billion (or the equivalent in other currencies) under the MTN programme.

Certain Series of Notes under the MTN programme are listed on the London Stock Exchange or are dual-listed on the London Stock Exchange and the Taipei Exchange.

On 27 April 2016, the Company established an AUD 2 billion debt issuance under Kangaroo Programme for the issuance of Australian dollar-denominated medium-term notes, which may be issued in the Australian wholesale capital market. As at 31 December 2024, the Company has issued AUD 275 million (2023: AUD 275 million) under the Kangaroo Programme.

#### **2. BASIS OF PREPARATION**

##### **a) Statement of compliance**

The financial statements have been prepared in accordance with IFRS Accounting Standards.

##### **b) Basis of measurement**

The financial statements have been prepared on the historical cost basis. The statement of financial position has been presented based on liquidity.

##### **c) Functional and presentation currency**

These financial statements have been presented in US Dollars ("USD"), which is the Company's functional currency. All financial information presented in US Dollars has been rounded to the nearest thousands.

##### **d) Use of estimates and judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**2. BASIS OF PREPARATION (CONTINUED)**

**d) Use of estimates and judgements (continued)**

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described below.

**Expected Credit Losses (ECL)**

The Company has made an assessment whether credit risk on the financial asset has increased significantly since initial recognition and 'incorporation of forward- looking information in the measurement of ECL.

**Going concern**

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Parent Company will provide the required financial support and the Parent Company has resources to continue in the business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

**a) Foreign Currencies**

The financial statements are denominated in US Dollars. Transactions in other foreign currencies are translated into US Dollars at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the rates prevailing at the statement of financial position date. Foreign currency differences resulting from the settlement of foreign currency transactions and arising on translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss and other comprehensive income.

**b) Revenue Recognition**

Interest income is recognised in statement of profit or loss using the effective interest rate method.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability. When calculating the effective interest rate, the Company estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all relevant transaction costs and fees paid or received that are an integral part of the effective interest rate.

**c) Financial Instruments**

Financial instruments comprise financial assets and financial liabilities. Financial assets consists of amounts due from Parent Company and financial liabilities consist of debt securities, other borrowings and certain other liabilities.

### **3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **c) Financial Instruments (continued)**

##### **(i) Non-derivative financial assets**

Amounts due from Parent Company have been recognised initially at fair value. Subsequent to the initial recognition it is measured at amortised cost less any impairment losses, if any.

##### **Initial Recognition**

All financial assets are recognised on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

##### **Initial Measurement**

Financial asset is measured at amortised cost if it is held within a business model whose objective is to hold assets to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at Fair Value Through Other Comprehensive Income (FVOCI) or at Fair Value Through Profit or Loss (FVPL) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### **Derecognition**

Financial assets are derecognised when the contractual right to receive cash flows from the assets have expired, or when the Company has transferred the contractual right to receive cash flows of the financial assets.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to repurchase transactions as the Company retains all or substantially all the risks and rewards of ownership of such assets.

##### **(ii) Non-derivative financial liabilities**

##### **Initial Recognition**

All financial liabilities are recognised on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

##### **Initial and Subsequent Measurement**

Financial liabilities, including debt securities and other borrowings are recognised initially at fair value. Subsequent to initial recognition, all financial liabilities are measured at amortised cost.

##### **Derecognition**

Financial liabilities are derecognised when they are extinguished, that is when the contractual obligation is discharged, cancelled or expired.

##### **Offsetting**

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**d) Impairment of financial assets**

The Company recognises loss allowances for expected credit losses (ECL) on these assets at an amount equal to lifetime ECL, except for the assets that are determined to have low credit risk at the reporting date or on which credit risk has not increased significantly since their initial recognition, for which they are measured as 12-month ECL. 12-month ECL are the portion of ECL that result from default events on financial instruments that are possible within the 12 months after the reporting date.

ECL are a probability-weighted estimate of credit losses. For assets not credit-impaired, ECL is measured as the difference between the cash flows due from the entity in accordance with the contract and the cash flows that the Company expects to receive. For asset impaired, ECL is measured as the present value of estimated future cash flows.

At each reporting date, the Company assesses whether these assets are impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, which includes significant financial difficulty of the borrower or issuer, or a breach of contract.

**e) Amendments to Existing Standards**

The following amendments to existing standards have been applied by the Company in preparation of these financial statements. The adoption of the below standard did not result in changes to previously reported net profit or equity of the Company:

<b>Description</b>	<b>Effective Date</b>
Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024
Disclosures: Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)	1 January 2024

The adoption of these new standards do not have significant impact on the financial statements.

**f) Standards issued but not yet effective**

The below mentioned standards and amendments to standards are not yet effective. The Company is currently evaluating the impact of new standard. The Company will adopt these new standards on the respective effective dates.

<b>Description</b>	<b>Effective Date</b>
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely

None of the above amendments had a material impact on these financial statements.

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**4. FINANCIAL RISK MANAGEMENT**

**a) Risk Management Framework**

Risk in the Company's activities is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls at the Parent Company level. This process of risk management is critical to the Company's continuing profitability. The main risks arising from the Company's financial instruments are credit risk, liquidity risk and market risk.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. They are monitored through the Parent Company's strategic planning process.

Furthermore, the Company follows the Parent Company's risk management framework and risk management approach.

**Risk management structure**

The Parent Company is ultimately responsible for identifying and controlling risks. However, there are separate independent bodies responsible for managing and monitoring risks.

**Risk Measurement and Reporting Systems**

Monitoring and controlling risks is primarily performed based on limits established by the Parent Company. These limits reflect the business strategy and market environment of the Company as well as the level of risk that the Parent Company is willing to accept.

**b) Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Gross maximum exposure to credit risk is shown below:

	<b>2024</b>	<b>2023</b>
	<b>USD'000</b>	<b>USD'000</b>
Amounts due from the Parent Company (rated Aa3)	20,193,739	19,770,944
<b>Total Credit Risk Exposure</b>	<b><u>20,193,739</u></b>	<b><u>19,770,944</u></b>

As at 31 December 2024 all the financial assets are considered to be low risk assets (2023: Low risk). It is the practice of the Company to not obtain collaterals for accounts receivables.

**c) Liquidity Risk**

Liquidity risk is the risk that an entity will be unable to meet its funding requirements. The contractual maturities of assets and liabilities have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. Management monitors the maturity profile to ensure that adequate liquidity is maintained. The table shows the maturity profile of the Company's financial liabilities at reporting date based on contractual undiscounted repayment obligations.

From time to time, the Company issues Notes under the MTN programme. In the case of each such issuance under the MTN programme, the notes are guaranteed by the Parent Company and the proceeds of each issuance made available to the Parent Company pursuant to one or more loan agreements (each, a "Notes Loan Agreement"), whereby the Parent Company is obligated to make payments to the Company that match the payment obligations of the Company under the Notes.

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**4. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**c) Liquidity Risk (continued)**

As the Company does not have any business operations, the Company is entirely dependent on Parent Company to service its payment obligations under the Notes, therefore, the Company's ability to fulfil its payment obligations under the Notes is entirely dependent on Parent Company's performance.

The Company is subject to all the risks to which Parent Company is subject, including to the extent that such risks could limit Parent Company's ability to satisfy in full and on a timely basis its obligations under the guarantee.

2024	Within 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Debt Securities	48,631	22,811	1,708,705	4,861,899	8,742,657	15,384,703
Other Borrowings	215,777	790,432	2,642,740	6,211,579	4,662,571	14,523,099
Other Liabilities	-	-	296,486	-	-	296,486
<b>Total Liabilities</b>	<b>264,408</b>	<b>813,243</b>	<b>4,647,931</b>	<b>11,073,478</b>	<b>13,405,228</b>	<b>30,204,288</b>
2023	Within 1 Month	1 - 3 Months	3 - 12 Months	1 - 5 Years	More than 5 Years	Total
	USD'000	USD'000	USD'000	USD'000	USD'000	USD'000
Debt Securities	9,440	1,040,023	662,078	4,235,459	8,742,657	14,689,657
Other Borrowings	176,565	1,343,791	1,543,831	6,802,962	4,877,704	14,744,853
Other Liabilities	-	-	267,618	-	-	267,618
<b>Total Liabilities</b>	<b>186,005</b>	<b>2,383,814</b>	<b>2,473,527</b>	<b>11,038,421</b>	<b>13,620,361</b>	<b>29,702,128</b>

The table below shows the maturity profile of carrying amounts of assets and liabilities based on contractual maturity:

2024	Current Portion	Non-current Portion	Total
	USD'000	USD'000	USD'000
<b>Assets</b>			
Amounts due from the Parent Company	5,423,629	14,770,110	20,193,739
<b>Total Assets</b>	<b>5,423,629</b>	<b>14,770,110</b>	<b>20,193,739</b>
<b>Liabilities</b>			
Debt Securities	1,599,317	7,018,614	8,617,931
Other Borrowings	3,527,826	7,751,496	11,279,322
Other Liabilities	296,486	-	296,486
<b>Total Liabilities</b>	<b>5,423,629</b>	<b>14,770,110</b>	<b>20,193,739</b>

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**4. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**c) Liquidity Risk (continued)**

2023	<b>Current Portion</b>	<b>Non-current Portion</b>	<b>Total</b>
	USD'000	USD'000	USD'000
<b>Assets</b>			
Amounts due from the Parent Company	4,756,794	15,014,150	19,770,944
<b>Total Assets</b>	<b>4,756,794</b>	<b>15,014,150</b>	<b>19,770,944</b>
<b>Liabilities</b>			
Debt Securities	1,599,290	6,523,333	8,122,623
Other Borrowings	2,889,886	8,490,817	11,380,703
Other Liabilities	267,618	-	267,618
<b>Total Liabilities</b>	<b>4,756,794</b>	<b>15,014,150</b>	<b>19,770,944</b>

Non-current portion of amounts due from Parent Company are identical to the non-current portion of amounts due under Debt Securities and Other Borrowings, since these represent contractual obligations to respective note holders of the Company. In case of any early repayment to note holders, the Parent Company provides the required funding to the Company, to comply with payment obligations.

**d) Market Risk**

**Currency Risk**

The Company is not exposed to any currency risk as the risk arising from the respective financial liabilities have a corresponding financial asset in the same currency due from the Parent Company. All resulting currency risks are borne by the Parent Company.

**Interest Rate Risk**

The Company is not exposed to any interest risk as the risk arising from the respective financial liabilities have a corresponding financial asset due from the Parent Company. Also resulting interest rate risks are borne by the Parent Company.

**e) Fair values**

The table shows the fair values of the financial assets and financial liabilities of the Company as at the reporting date.

	<b>2024</b>	<b>2023</b>
	USD'000	USD'000
<b>Assets</b>		
Due from the Parent Company	20,193,739	19,770,944
<b>Total Assets</b>	<b>20,193,739</b>	<b>19,770,944</b>

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**4. FINANCIAL RISK MANAGEMENT (CONTINUED)**

**e) Fair values (continued)**

	<b>2024</b>	2023
	<b>USD'000</b>	USD'000
<b>Liabilities</b>		
Debt Securities	8,054,960	7,959,835
Other Borrowings	10,650,156	10,761,751
Other Liabilities	296,486	267,618
<b>Total Liabilities</b>	<b><u>19,001,602</u></b>	<b><u>18,989,204</u></b>

Fair value measurements for debt securities were based on Level 1 measurement techniques and for other borrowings were based on Level 2 measurement techniques.

There have been no transfers between Level 1 and Level 2. (2023: Nil)

**5. DEBT SECURITIES**

	<b>2024</b>	2023
	<b>USD'000</b>	USD'000
Face value of bonds	8,618,117	8,122,948
Less: Unamortised discount	(186)	(325)
	<b><u>8,617,931</u></b>	<b><u>8,122,623</u></b>

The maturity details of debt security are as follows:

2024	-	1,599,290
2025	1,599,317	1,598,128
2026	1,298,470	1,297,094
2027	999,351	999,217
2028	170,205	186,156
2029	886,473	-
2047	973,169	844,260
2048	699,219	925,505
2060	1,991,727	672,973
	<b><u>8,617,931</u></b>	<b><u>8,122,623</u></b>

The above debt securities are denominated in USD and AUD, and comprise of fixed and floating interest rates.



**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**6. OTHER BORROWINGS**

The table shows the maturity profile of the other borrowings outstanding as at the end of the reporting period:

All amounts in USD'000										
	USD	EUR	CHF	CNY	JPY	HKD	IDR	AUD	OTHERS	Total
2024										
2025	1,641,327	-	110,571	1,253,325	22,334	280,072	86,985	18,639	114,573	3,527,826
2026	723,000	72,926	77,399	844,422	19,144	41,206	-	29,201	239,269	2,046,567
2027	531,932	-	-	339,995	153,149	110,097	-	-	-	1,135,173
2028	1,360,185	-	-	35,620	-	39,790	-	-	-	1,435,595
2029	665,809	-	-	260,297	-	-	-	-	-	926,106
2030	263,652	-	-	116,447	-	-	1,359	124,260	-	505,718
2031	50,000	-	-	-	-	20,603	-	-	15,179	85,782
2032	-	-	-	-	-	-	-	18,639	-	18,639
2033	84,592	-	-	-	-	-	-	-	-	84,592
2034	24,920	-	-	-	-	-	-	18,639	-	43,559
2035	-	-	-	-	-	-	-	114,941	-	114,941
2039	-	-	-	-	-	-	-	155,325	-	155,325
2047	171,121	-	-	-	-	-	-	-	-	171,121
2060	1,028,378	-	-	-	-	-	-	-	-	1,028,378
	<b>6,544,916</b>	<b>72,926</b>	<b>187,970</b>	<b>2,850,106</b>	<b>194,627</b>	<b>491,768</b>	<b>88,344</b>	<b>479,644</b>	<b>369,021</b>	<b>11,279,322</b>

All amounts in USD'000										
	USD	EUR	CHF	CNY	JPY	HKD	IDR	AUD	Others	Total
2023										
2024	1,382,150	22,130	122,973	528,072	33,170	368,269	46,009	-	387,113	2,889,886
2025	1,255,264	-	-	1,286,670	-	192,029	91,123	20,409	78,167	2,923,662
2026	261,000	-	59,694	715,957	21,172	20,483	-	31,974	-	1,110,280
2027	281,905	-	-	327,936	56,459	58,249	-	-	-	724,549
2028	1,310,729	-	-	36,567	-	39,558	-	-	-	1,386,854
2029	105,224	-	-	-	-	-	-	-	-	105,224
2030	268,072	-	-	119,547	-	-	1,420	136,060	-	525,099
2031	50,000	-	-	-	-	20,483	-	-	17,056	87,539
2032	-	-	-	-	-	-	-	20,409	-	20,409
2033	84,555	-	-	-	-	-	-	-	-	84,555
2034	24,913	-	-	-	-	-	-	20,409	-	45,322
2035	-	-	-	-	-	-	-	125,856	-	125,856
2039	-	-	-	-	-	-	-	170,075	-	170,075
2047	183,367	-	-	-	-	-	-	-	-	183,367
2060	998,026	-	-	-	-	-	-	-	-	998,026
	<b>6,205,205</b>	<b>22,130</b>	<b>182,667</b>	<b>3,014,749</b>	<b>110,801</b>	<b>699,071</b>	<b>138,552</b>	<b>525,192</b>	<b>482,336</b>	<b>11,380,703</b>

The above comprise of fixed and floating interest rates. Other currencies include SGD, GBP, INR, NZD, ZAR and TRY.

**QNB FINANCE LTD.**  
**Notes to the Financial Statements**  
**As at and for the year ended 31 December 2024**

**7. SHARE CAPITAL**

The issued and paid up share capital of the Company as at 31 December 2024 is USD 100 (31 December 2023: USD 100). The issued share capital of the Company comprises of 100 ordinary shares of par value of USD1 each. All shares carry equal voting rights.

**8. RELATED PARTIES**

The Company has transactions in the ordinary course of business with the Parent Company. Such significant balances and transactions include the below:

	<b>2024</b>	2023
	<b>USD'000</b>	USD'000
<b>Statement of Financial Position</b>		
Due from the Parent Company	20,193,739	19,770,944
<b>Income Statement</b>		
Interest Income	816,058	789,777

**9. COMPARATIVE INFORMATION**

Certain comparative information has been reclassified where necessary to preserve consistency with the presentation in the current period. However, such reclassifications did not have any effect on the statement of financial position, statement of profit or loss and other comprehensive income or changes in equity of the Company for the comparative period.