



# IR Call Transcript (Edited Version)

## QNB Group Q4 2025 Results

### CORPORATE PARTICIPANTS

**Ramzi Talat A. Mari** Qatar National Bank (Q.P.S.C.) - Group Chief Financial Officer

**Noor Mohammad Al-Naimi** Senior Executive Vice President, Group Treasury

**Mark Abrahams** Qatar National Bank (Q.P.S.C.) - Executive Vice President - Group Treasury)

**Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

### CONFERENCE CALL PARTICIPANTS

**Aybek Islamov** HSBC

**Chiro Ghosh** SICO

**Dan Mikhaylov** Verto Asset Management

**Elena Sanchez** EFG Hermes

**Jon Peace** UBS

**Murad Ansari** GTN Middle East

**Naresh Bilandani** Jefferies

**Olga Veselova** Bank of America

**Rahul Rajan** Bank of America

**Salome Skhirtladze** Bloomberg Intelligence

### PRESENTATION

**Elena Sanchez** EFG Hermes

Good afternoon, everyone. This is Elena Sanchez, and on behalf of EFG Hermes, I would like to welcome you all to QNB Group's Q4 2025 Results Call. We have with us from QNB Mr. Ramzi Mari, Group Chief Financial Officer; Ms. Noor Al-Naimi, Senior Executive Vice President, Group Treasury; and Mr. Mark Abrahams, Executive Vice President, Group Treasury Trading.

I would like to hand over the call to Mr. Mark Abrahams now. Please go ahead.

---

**Mark Abrahams** Qatar National Bank (Q.P.S.C.) - Executive Vice President - Group Treasury)

Thank you very much, Elena and EFG Hermes, for hosting our call today.

Before we begin our call, it is customary to remind that this call is for investors and analysts only and media should disconnect.

We will begin by giving a brief overview of the global and regional macro-economic backdrop. We will then present briefly the financial results. And finally, we will open the floor to Questions and Answers.

Despite significant volatility on the back of US policy uncertainties, the global economy proved to be more resilient than originally expected in 2025. Growth remained stable at around 3.3%. Central banks in advanced economies have frontloaded a significant amount of monetary easing. More easing is expected in the US if policy rates are taken to more neutral or accommodative levels over the coming quarters.

The GCC continues to benefit from trade and investment flows that have been promoted by favorable and credible policy reforms and frameworks. Non-oil GDP growth in the GCC remains robust, mainly based on population growth, a large pipeline of CAPEX projects, energy infrastructure expansion, and FDI inflows. Also for Qatar, the macroeconomic environment remains positive.

With total exports of USD 117 Bn and central government revenues of USD 57 Bn over the last four quarters, Qatar benefits from a strong fiscal and current account position. Domestic activity has gained further momentum, with an expansion of 3.9% in GDP and 5.3% of non-hydrocarbon GDP over the last four quarters. This was driven by sectors such as wholesale and retail trade, accommodation and food services, as well as financial services.

Importantly, Qatar continues to lay the foundations for an uplift in GDP growth over the medium- and long-term through new projects.

On the hydrocarbon front, tailwinds from investments in increasing gas production will drive economic growth, with eight new LNG trains planned under the North Field Expansion project, one of the largest capital expenditure projects in the region and industrial engineering projects in the world.

These investments, to be executed in three phases, are expected to increase Qatar's LNG production by 85% to 142 million tons per annum (MTPA) by 2030. The first production will come on-stream by mid-2026.

Qatar is also ramping up efforts to diversify its non-hydrocarbon economy and increase private sector engagement. The country aims to further consolidate its position as a regional and international hub for business, investments, commerce, tourism and culture. The execution of Qatar National Vision 2030 has been frontloaded in the preparation for mega-events and assisted in the ongoing transition of the country towards a knowledge-based economy.

The North Field Expansion project will also include an equivalent manufacturing related expansion of Qatar's refining, downstream and petrochemical capacity. Key highlights include a range of midstream and downstream projects, including pipelines, LNG storage tanks, LNG tankers, berths, plants for LPG, helium, ethane cracker, blue ammonia, and urea. Positive spill-overs from these projects will combine with diversification efforts and structural reforms to boost economic activity and spending in the broader manufacturing and services sectors.

Other large projects in the pipeline include a USD 22 Bn new five-year pipeline of infrastructure projects, particularly advanced sewage systems and sustainable water management solutions.

GDP growth is expected to accelerate in the coming years, projected at 5.2% in 2026 and 7.9% in 2027.

As a result, the economic expansion continues in Qatar while the banking sector is resilient and healthy. According to the latest available data from Qatar Central Bank, total assets of the local banking sector were up 5.8% in 2025. Banks remained well capitalised with a capital adequacy ratio of 19.6%, well above Basel III guidelines. Asset quality also remained strong. Overall sector profitability was solid, with ROE at 14.5%.

We will now move on to QNB's financial results for the twelve months ended 31st of December 2025.

Key financial results are as follows, net profit was 17 billion Qatari riyals or 4.7 billion US dollars, growth of 2% compared to last year. The growth in net profit was partially impacted due to global minimum taxes effective in 2025 for the first time. Excluding the impact of these taxes, on a like for like basis, net profit is up 10%.

Robust revenue growth resulted in an increase in operating income to 44.8 billion Qatari riyals or 12.3 billion US dollars, up 8%, demonstrating QNB Group's success in maintaining growth across the range of revenue sources.

QNB's cost to income ratio remained strong at 23.3%, which is one of the best ratios among large financial institutions in the Middle East and Africa region.

Total assets are at 1.39 trillion Qatari riyals or 382 billion US dollars, up by 7 percent from same period last year. Loans and advances reached 1.02 trillion Qatari riyals or 280 billion US dollars, up 12%.

QNB Group remained successful in attracting deposits, which resulted in an increase in customer funding by 8 percent from December 2024, to reach 955 billion Qatari riyals or 262 billion US dollars. The Group's regulatory loan to deposit ratio remained stable at 98.6 percent.

QNB Group's ratio of non-performing loans to gross loans is at 2.6 percent reflecting the high quality of the Group's loan book and the effective management of credit risk. In addition, the coverage ratio on stage 3 loans remains at 100%.

Total equity increased to QR125 billion, up by 10% from December 2024. The bank's Capital Adequacy Ratio (CAR), at 19.3%, is comfortably higher than both QCB and the latest Basel III Reform requirements.

In relation to QNB buyback program, QNB has completed buy back of 123.1 million shares at a cost of QR 2.1 billion till December 31, 2025. The buyback execution is in progress.

The Board of Directors of QNB Group have recommended to the General Assembly the distribution of a cash dividend of 37.5% of the nominal share value (QAR0.375 per share) for the second half of the year ended 31 December 2025.

The total dividend distribution for the year ended 31 December 2025 amounts to 72.5% of the nominal share value (QAR0.725 per share).

The annual financial results for 2025 along with the proposed profit distribution are subject to Qatar Central Bank (QCB) and the General Assembly approval.

We will now turn to Q&A. Thank you.

## QUESTIONS AND ANSWERS

**Host - Elena Sanchez** *EFG Hermes*

Thank you very much, Mark. We will now move to the Q&A. If you have a question, you can write it in the Q&A chat, or you can also click on the raise hand button, and I will unmute your microphone.

We will take the first question from Chiro Ghosh. Please go ahead.

**Q - Chiro Ghosh SICO**

Hi, this is Chiro Ghosh from SICO Bahrain. So, a couple of questions from my side. First is, I see that the Egyptian operation and Turkish operation growth appears to be quite strong. So if you can give some outlook or color from your side from - primarily from the margin side and asset quality side of it, these two, and any other guidance which you can give for the rest of the year that at the group level.

---

**A - Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

Yes. Hi, Chiro, this is Durraiz. So in terms of the performance of both Egyptian and Turkish operations, the performance has significantly been impacted by lower interest rates in both of these markets, more so in Turkey compared to Egypt because both of them are currently in the easing cycle which is helping in improving NIMs, which is resulting - the top line is flowing through the bottom line and this is the reason why they are appearing slightly better.

Looking at the guidance for the next year, from a profitability perspective, we are looking at for a group perspective growth of 6% to 8%. From a loans perspective and deposits perspective, we are looking at a growth of 7% to 9%. From a NIM perspective, we expect our NIM would be between 260 basis points to 265 basis points for the full year and our cost of risk would be between 80 basis points to 85 basis points for full year.

For our QNB Turkey operations, and when just to make sure we are clear, when we say Turkey operations, it is combined operations of both QNB Bank in Turkey, and in Enpara Bank. We expect the loans to grow by 20% to 25% in local currency, deposits to grow by 30% to 35%, the assets to grow by 20% to 25% and the profitability to improve by 70% to 90% in local currency terms.

In terms of QNB Egypt, we expect, in local currency terms, extremely robust loan growth at about 25% to 27%, deposit growth of 6% to 8%, asset growth of 8% to 12% and profitability of 12% to 13%. So these are the outlook or guidance for the year 2026 for the full year.

---

**Q - Chiro Ghosh SICO**

Sorry, I had one question on the margin. My back-of-the-envelope calculation suggests the margin at Qatar level might have been a little weak. Can give some color on that, or am I right to start with?

**A - Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

See, as you have said that there were two rate declines which happened - which impacted us in the fourth quarter and the third quarter. And whenever though we say that we are not impacted by the margin significantly, but there are timing issues, which impact us.

Liabilities repriced, that assets repriced and further liabilities reprise based on repricing dates or maturity dates. So that is what will be drive why the margin would be slightly lower than what we have ended up with this year. This year, we ended at 267 basis points. For next year, we expect slight contraction, and we'll end up between 260 basis points to 265 basis points

**Q - Chiro Ghosh SICO**

Just for sensitivity, for every 25 basis points, what are you factoring in?

**A - Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

For about full 100 basis points decline, we expect QAR600 million to QAR800 million decline in net interest income.

---

**Q - Chiro Ghosh** *SICO*

Okay. That's all from my side. Thank you very much.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We'll take the next question from Jon Peace. Please go ahead

---

**Q - Jon Peace** *UBS*

Hi. Thank you for taking the question. So the first one, please, is just a follow-up on Turkey and Egypt. Thank you for that guidance. For Turkey, can I just confirm, did you say 70% to 90% rise in profit in local terms for '26? And then if we think of these businesses sort of two to three years out, after hopefully hyperinflation has dropped away in Turkey, what sort of return on equity do you think you'll be able to generate in these businesses? I'm just trying to think of where to land the longer-term numbers in my model.

And then second question, please, on the buyback. Do you think you'll finish it in the first quarter or in the first half of 2026? And I just wondered how you're thinking about the pace of the buyback. Why you didn't decide to execute it a little bit more quickly, given you've got plenty of capital, and is there any prospect for a second buyback when it's completed? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Yes, in relation to your first question on the return on equity for these businesses, QNB Egypt already has a very robust return on equity of above 25%, and we expect it to remain in the similar range above 25% depending on how macroeconomic environment in Egypt turns out to be. It is extremely good franchise and positive macro will ensure that ROE remains positive and it may increase.

In terms of return on equity of QNB Turkiye, as you have rightly pointed out, that hyperinflation is a significantly impacted the return on equity. It is less than 10% now, primarily because of significant hyperinflation loss that we take. As and when hyperinflation loss goes way, we expect significant improvement in return on equity of this business as well. We would like to be in the high teens around the 20% range.

In relation to your second question on buyback, the pace of buyback is basically we are very comfortable with the price, that is, and it has been supported by the market very strongly. So the pace of buyback has reduced. The program that we are currently recruiting expires in March. But we would be applying for an extension, which is allowed under the current rules, so that we can take more time to complete this current program under the extension. So we'll be applying for an extension sometime this quarter.

---

**Q - Jon Peace** *UBS*

Thank you. And then any thoughts of whether you would do a second buyback when it's completed?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

At this time, I would rather focus on finishing this program, and as and when we come close to finishing this program, we'll tackle that question at that time

---

**Q - Jon Peace** *UBS*

Great. Thank you.

---

Thank you. We will take the next question from Olga Veselova. Please go ahead.

---

**Q - Olga Veselova** *Bank of America*

Good day and thank you for taking my questions. I have three questions. One is on provisioning. So, fourth quarter results show us that additional profits in the group you channeled into additional provisions, which we saw historically sometimes were happening. But how do you think about this going forward? Now provision coverage is really high and NPLs are at the bottom since 2022. So, is there a level of NPLs or provision coverage where you think you should stop this pattern? So changing extra profit into extra provisions or maybe do it to a less extent. That's question number one.

My question number two is on net interest margin outlook. So, looking at your full year 2026 margin guidance, I feel you expect that the recovery in Turkiye will be more than offset by erosion in Qatar. And I was thinking, why is that the case? You have such a low cost ratio, your sensitivity is not very high. So which other margin factors do you have in Qatar other than policy rate cuts?

And my third question is long term, which level of foreign assets and profit, foreign profit, do you want to see in QNB Group in the next, let's say, three, four years? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Olga, so we take one by one. The first question on provisioning, LLR provisioning, NPL and coverage.

So, from a coverage perspective, we have always said that we want to be as close to 100% as possible. And that is something that we have consistently delivered. NPLs are simply a factor of flow, and how do we manage it. And as we have said it multiple times, as long as pre-provisioning income is very, very strong and we are meeting our targets that we have set out for ourselves for the full year, we become quite conservative in provisioning to make sure that we are building reserves for future risks.

So the factor remains that, in 2026, because interest rates are cutting and we expect the pre-provision earnings will not be probably as strong as it is there in this year, we expect the cost of risk to come slightly down. We expect it to be between 80 basis points to 85 basis points. So that is what's driving our coverage and provisioning decisions.

In terms of the second outlook for NIM, as you rightly pointed out, Turkey, particularly, and Egypt will benefit. But there are a lot of uncertainties on the US policy front in terms of interest rates. Yes, there are interest rate declines, but maybe the interest rate decline will be much more aggressive than what the market is expecting. So we are giving us some cushion for that particular aspect.

So at this time, we're not talking about a very significant decline in margin. We are marginally from 267 basis points. I mean, on the range, which is basically reduced by the higher end of the range is reduced by only 2 basis points. It's not something that we are saying a lot is going to change. It's just giving us some rooms for any policy changes which might come down the line as the year moves along.

In terms of your third question, could you please repeat that?

---

**Q - Olga Veselova** *Bank of America*

Yes. Which level of foreign assets and foreign profit in total QNB Group assets and profit do you target or do you expect in want to see in QNB Group in the next, let's say, three, four years? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Our previous target was about, we expect that 40% to 50% would be our foreign assets, and we want to be in the range above 40%. International contribution to the businesses and profitability to be about 45%.

---

**Q - Olga Veselova** *Bank of America*

Thank you. And sorry, I will squeeze in one more. When you guide P&L growth for this year, is this after hyperinflation adjustment or before?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Everything. After taxes, hyperinflation, everything.

---

**Q - Olga Veselova** *Bank of America*

Thank you.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We will take the next question from Murad Ansari. Please go ahead.

**Q - Murad Ansari** *GTN Middle East*

Hi, good afternoon and thank you for the presentation. Just two quick questions on loan growth.

One was, I think if fourth quarter has come in stronger than what you had initially previously guided. So, loan growth numbers are quite strong. So just wanted to get a sense of, what was the area of surprise here in terms of loan growth for the fourth quarter.

And in terms of 2026, within Qatar, where do you see the key drivers of growth in terms of sectors? If you can give maybe a slight view on that? Thank you

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Murad, as a corporate bank, sometimes there are things in the pipeline always, and there are things which are executed as per the pipeline and things which are not executed as per the pipeline, sometimes everything falls into place and there are no elements of surprise in loan growth. It's just that your assertion whether they would finish by the time is something which is uncertain, and that has time everything fell into place, so the loan growth has been very strong.

For Qatar, for next year, what will be the driver for growth? Again, the derivative or the impact of LNG expansion. Not the direct expansion, but what are the follow-on impacts, the infrastructure spend that is related to LNG expansion, and other secondary spends relative expansion is what is driving our loan growth.

---

**Q - Murad Ansari** *GTN Middle East*

Thank you

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We will take the next question from Salome. Please go ahead.

**Q - Salome Skhirtladze** *Bloomberg Intelligence*

Thanks for taking the questions. I have three questions. The first one on the NIM again. If we have a case of sticky US rates or even tightening in 2027, I would like to hear from you what could that mean for not NIM but for overall net interest income? Do you think the loan growth could be somehow affected by it, or would you be able to see some upside?

The second question on the operating costs. Just wondering where do you stand in terms of the technology investments, and if you could give us a few numbers to quantify any potential gains from the tech or AI investments across the group.

And the third one on the digital banking space. There is a quite tightening competition even in Turkey to at least two big tech names are targeting Turkish market. In Saudi, there is a quite tight competition. If you could give us a high-level overview, what is your strategy? What is the growth trend you are expecting from this market? Do you have any specific competitive advantage or business model that you would be able to utilize to capture the market growth in these markets? Thank you.

---

**A - Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

In terms of the name guidance, if we are talking about sticky rates hypothetically, which we believe is difficult, but of course, it will help the name in terms of volumes, not that much. As we said, we're a corporate bank, and the spend or the CapEx demand primarily is coming from primary sources, which would continue to be as long as rates remain at current level or similar to current levels.

In terms of operating spend on technology, we continue to invest in systems. We are upgrading our systems as we speak. Different systems are going at different paces. Is there a dollar number as to how much is the cost benefit we are going to get out of it? At this time, no. But it is something that - there are teams in the banks which look at everything, which look at what are the different systems that need to be updated, and that happens as we speak on a regular basis.

In terms of competition in digital banking space, our Turkish bank - it's an independent company, and we put out separate financials for it as well in our investor presentation slide, has an advantage of being the first starter, and obviously, we welcome competition but at the same time, we would continue to invest. We have invested it long before when nobody else was investing in this particular space. So we don't want to basically leave the market for others. We continue to invest in this space and make sure that our market share is somewhat protected, and we welcome competition.

I think for Saudi Arabia, it would be early to say as to what exactly we'll be doing. Our advantage comes from know-how and tech stack that we have built up in Turkey and know-how of the market, similar market that we operate in. But as and when we move closer to launching the Saudi digital bank, I think those questions would be answered at that time as to what strategy we'll follow.

---

**Q - Salome Skhirtladze** Bloomberg Intelligence

Thank you. Thank you very much.

---

**Host - Elena Sanchez** EFG Hermes

Thank you. We'll take the next question from Dan Mikhaylov. Please go ahead.

---

**Q - Dan Mikhaylov** Vergent Asset Management

Hello, this is Dan from Vergent. Congratulations on the results. I had two quick questions.

I just wanted to follow up on the cost of risk point raised earlier. It seems that yet in 2025 most of the build-up of provisions has happened at Stage 2. So I was wondering kind of what explains this and whether or not you see any pressure in Stage 2, any potential downgrades and what level of Stage 2 coverage you'll be comfortable at.

And the second question relates to Turkey. Do you anticipate a tightening of loans - of monthly loans growth caps in Turkey, given that the current Caps banks you would likely have real growth in loans in 2026? Thank you.

---

**A - Durraiz Khan** Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation

In terms of the first questions on Stage 2, see, we cannot increase coverage on Stage 3 above 100%. So that is when you are trying to improve, when you are trying to be conservative on the cost of risk side, the only avenue that you have available in Stage 2. So this is what you see and this is something, this is not for the first time. Historically whenever it wants to be conservative on the cost of risk side, it tries to be very, very prudent and be very conservative in ECL assumption for Stage 2.

In terms of the QNB Turkey - Turkish guidance, see, the loan growth that we're talking about in local currency is similar to the average inflation rates for the year. So it would be more or less in line with closer to effectively very small real growth. And that is what we what we are targeting for next year.

**Q - Dan Mikhaylov** *Vergent Asset Management*

Thank you.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. I think we'll move on to Rahul Rajan. Please go ahead.

---

**Q - Rahul Rajan** *Bank of America*

Hi, thank you for taking my questions. Three questions from my end.

Firstly is on the non-funded income side of things, how do you see that evolving around into 2026? Given strong GDP growth, do you see pickup in pace or how do you see that basically? That's number one.

Number two is on costs or cost to income ratio. Anything that you can guide on that front or do you expect cost growth to remain similar at 2025 levels?

And lastly, on dividends. Given that we are seeing capital generation being strong, buyback base potentially slowing down, what we are seeing in 4Q, and from what you're also saying, so do you see dividend payout ratios to increase into next year? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Rahul, in terms of a non-funded income, if we break it down, a lot of it is balance sheet driven. So we expect that growth also to be more aligned and in sync with the balance sheet growth. Our cost-to-income ratio, something we would need to keep in mind that we have very, very strong cost control. Nonetheless, we operate in geographies where we are still at very high or hyperinflation levels. So that is something that has impacted our cost-to-income ratio in the recent years. And this is something that it may continue to impact us in 2026 as well, marginally.

In terms of dividends, at this time, no. We stick to the payout policy of between 30% to 40% payout ratios that are there, and I have nothing to add at this time.

In terms of the QNB Turkey - Turkish guidance, see, the loan growth that we're talking about in local currency is similar to the average inflation rates for the year. So it would be more or less in line with closer to effectively very small real growth. And that is what we what we are targeting for next year.

---

**Q - Rahul Rajan** *Bank of America*

Sorry, if I can just have a follow-up to that, you mentioned on the fact that you want to be conservative and you're increasing the coverage levels.

When we're talking about a very strong GDP growth in '26 and '27, that should also translate into strong asset qualities, right? So at what levels - I'm sorry if this is a repetition of the question.

Maybe if your Stage 3 coverage is capped at 100%, what is the level of Stage 2 or the overall NPL coverage that you would be comfortable with? And that should - so the profit should actually translate into or pre-provisioning profit should actually translate into net profits itself and not channeled into cost of risk? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Rahul, if you unpack the GDP growth, a lot of it significantly is simply a timing effect of all these LNG trains coming online. We are not talking about significant expansion at this time of the non-oil GDP. Yes, headline numbers extremely strong, but it is simply a function of increasing the capacity of particular trains which will come online at different times in 2026 and 2027. So taking it and basically saying that it means that overall economy is going to be everyone is going to be marginally much better because of that. I think it's not a very fair assumption.

And as we continue to say as long as our profitability guidance that we have given is 6% to 8%, we are confident that we'll be meeting that guidance and we also giving you guidance of the cost of risk and we have been very transparent as to how do we run our P&L. So as long as those events line up, we will be meeting both the cost of risk as well as the profitability guidance.

---

**Q - Rahul Rajan** *Bank of America*

Thank you.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We'll take questions now from Aybek. Please go ahead.

---

**Q - Aybek Islamov** *HSBC*

Thank you for the conference call. I think some of my questions may repeat what people already asked, but I think on the margins. I share the view that the outlook is a bit conservative, so can you remind me, please, what are the rate assumptions you have in mind for the NIM, especially in Qatar in 2026, in terms of number of rate cuts and so on and so forth? That's my first question.

And secondly, the second question coming to repayments, right, how big could be the pressure from the loan repayments in 2026, right? And what about, let's just focus on 2026, but especially from the public sector, right? That's my second question.

And third, I think looking at the QNB share price, relatively kind of performed in line or slightly underperformed the global EM banks, right, when I compare QNB with Global Emerging Markets, GEM banks. Where do you think are the areas you can compensate your shareholders? Right? I was hoping to hear stronger kind of net income earnings growth outlook, which would hopefully translate into stronger book value growth. Looks like your net income guidance is quite conservative.

You mentioned the buybacks, right? That's another driver of the shareholder returns. Obviously, there are dividend decisions. You already announced the dividend for 2025. But yeah, can you elaborate on what's your plan as the stock is quite discounted, and relative underperformance versus GEM banks. What are your thoughts about this? Thank you.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

So, Aybek, let's take step-by-step. The rate cut assumptions, 25 basis points reduction coming in the first half of the year. That is what we have currently baked in. Second half of the year, we don't have any view at this time. In terms of repayments, repayments are already factored in when we are giving you the loan growth guidance. And as and when the year progresses and we'll be more confident as to how the cash flows that we are seeing in will be better able to get the guidance at that time.

In terms of the third question, see, it's just that for the first quarter, but first half of the year, particularly the first quarter, we have to see how the rate cuts flow through our P&L. We have certain assumptions, and we have to be very conservative when we are giving the guidance to the market probably at a very conservative end of the guidance. That's what we are giving it to you.

If the first quarter works out slightly better than expected than what what we have put in, obviously, we will update the guidance in line with the market.

Our payout ratio is, as we have communicated, despite flat profitability, our dividends have gone up. Our buyback continues in progress. So both of these things are already there. And we have said that we will also further ask for an extension for the buyback. So for our shareholders, both of these things are continuing.

But for the first quarter, we would want to see as to how the rate cuts which have actually already happened have flowed through our P&L, what is the impact on it and then we'll be able to take it forward in the second and the third quarters.

---

**Q - Aybek Islamov** *HSBC*

Understood. Very clear. So you will review your position after first quarter results, right, first quarter 2026? And can I clarify on Egypt? One point you spoke about your guidance. Thank you very much for that. So did I hear it correctly, deposit growth expected to be at 6% to 8% and assets at 6% to 8%, whereas loans are growing at 25%-27%, nominal?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Yes, nominal local currency terms.

---

**Q - Aybek Islamov** *HSBC*

So that's deliberate kind of re-leveraging of the balance sheet through lending growth?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Yes, because the macro has improved and we have slightly increased our risk appetite in that market.

---

**Q - Aybek Islamov** *HSBC*

Thank you.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We'll take the next question from Naresh Bilandani. Please go ahead.

---

**Q - Naresh Bilandani** *Jefferies*

Yes, hi, thank you very much. It's Naresh Bilandani from Jefferies. Three questions, please.

One is, I'm taking a look at the unutilized credit facilities that you have reported within Note 34. There's been a 30% increase year-on-year in these facilities and the driver seems to be coming primarily from the Europe segment. Can you please offer some more insight into that? And also how much of these unutilized credit facilities eventually do translate to loan growth? If you can offer any broad percentage number, that would be super helpful. And also what's the driver behind these facilities going up in Europe? That's the first question.

Second is you offered a guidance of QAR600 million to QAR800 million NII impact from 100 bps decline in the rates. This kind of does not square with the rate sensitivity that is disclosed in the market risk disclosures where I think every 10 bps decline affects the Qatari Riyal net interest income by roughly about QAR122 million. So I think the reported impact seems to be a lot higher. So would very much help if you can explain the divergence between these two, the reported number and the guidance.

And third, I would much appreciate if you can please offer NII or the revenue outlook for Turkey and Egypt, that would be super helpful. Thank you so much.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

In terms of the unutilized commitment, increase is coming in from Europe, which is primarily our Turkish bank, QNB bank in Turkey, which is driving that increase historically. How much of it is if it comes down to converted to loans, less than half, close to 30% to 40%. In terms of the reported number in the market risk segment versus what we have said right now, the market risk segment of the reported number, it's simply a model-driven input and does not include any actions that we have already taken or will be taking to impact or to reduce the impact on our NII. And that's what's the delta that you're talking about.

How the NII of both Turkish and Egyptian operations will perform, for next year, it is going to be improving NII both for Turkey and Egypt, principally because the rates will be going into easing territory. I don't have exact percentage numbers from both of these operations at this time. I can get back to you on those.

**Q - Naresh Bilandani** *Jefferies*

Thank you very much. Very kind of you.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We'll take a follow-up question from Olga. Please go ahead.

---

**Q - Olga Veselova** *Bank of America*

Thank you so much for taking a follow-up call.

I just wanted to double check your full-year guidance. So you guide 6% to 8% P&L growth and if I look at the components, there is a higher growth of balance sheet expansion on the small decline in margin with upside risks, a drop in provisioning, cost of risk, drop in hyperinflation adjustment. To me, there is something missing as if P&L guidance should be a higher number. So what is missing? Is this cost of risk needs to be higher or anything else?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

It's simply giving us some room for any policy uncertainty, which may come, that's missing.

---

**Q - Olga Veselova** *Bank of America*

That's it. Okay, thank you so much.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. We have a few questions in the chat. I think you have answered most of them. But just in case you want to add anything, a question is asking if you can talk about sectors, including government, that will drive credit growth in Qatar in 2026.

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Credit growth will be broad based coming both for the public as well as the private sector.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. And also someone is asking if you could repeat the profit and asset growth guidance for 2026 for QNB Egypt?

---

**A - Durraiz Khan** *Qatar National Bank (Q.P.S.C.) - Senior Vice President, Group Financial Consolidation*

Profit growth is 12% to 13% and asset growth is 8% to 10%.

---

**Host - Elena Sanchez** *EFG Hermes*

Thank you. There are no additional questions at this time. I would like to hand over to you, Mark and Durraiz for any closing remarks.

---

**Mark Abrahams** *Qatar National Bank (Q.P.S.C.) - Executive Vice President - Group Treasury*

Thank you very much, everyone, for your attention today for our full year results for 2025, and wish you all a good day ahead, and we'll speak to you again in three months time. Thank you very much. Bye now.