

**FIRST BASE PROSPECTUS SUPPLEMENT DATED 27 APRIL 2018  
TO THE BASE PROSPECTUS DATED 2 NOVEMBER 2017**



**QNB Finance Ltd**

*(an exempt company incorporated in the Cayman Islands with limited liability)*

**U.S.\$17,500,000,000  
Medium Term Note Programme**

**guaranteed by**

**Qatar National Bank (Q.P.S.C.)**

*(incorporated as a Qatari Public Shareholding Company)*

This first base prospectus supplement (this “**First Base Prospectus Supplement**”), which constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the “**FSMA**”), is supplemental to, and should be read in conjunction with, the base prospectus dated 2 November 2017 (the “**Base Prospectus**”) and is prepared in connection with the U.S.\$17,500,000,000 Medium Term Note Programme (the “**Programme**”) established by QNB Finance Ltd (the “**Issuer**”) and guaranteed by Qatar National Bank (Q.P.S.C.) (“**QNB**” or the “**Guarantor**”). Terms defined in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this First Base Prospectus Supplement. To the extent that there is any inconsistency between any statement in this First Base Prospectus Supplement and any statement in the Base Prospectus, the statements in this First Base Prospectus Supplement will prevail.

Investors should be aware of their rights under Section 87Q(4)-(6) of the FSMA. In accordance with Section 87Q(4)-(6) of the FSMA, investors who have agreed to purchase or subscribe for Notes before this First Base Prospectus Supplement is published have the right, exercisable before the end of the period of two working days beginning with the working day after the date on which this First Base Prospectus Supplement was published, to withdraw their acceptances, which right shall therefore expire at the close of business on 1 May 2018. Investors wishing to withdraw their acceptances should contact their brokers for details of how to exercise this right.

This First Base Prospectus Supplement has been approved by the United Kingdom Financial Conduct Authority (the “**FCA**”) under Part VI of the FSMA.

The purpose of this First Base Prospectus Supplement is to:

- (a) incorporate by reference into the Base Prospectus:
  - (i) the Issuer’s audited financial statements as at and for the year ended 31 December 2017 (the “**Issuer 2017 Financial Statements**”);
  - (ii) the Guarantor’s audited consolidated financial statements as at, and for the year ended, 31 December 2017 (the “**Guarantor 2017 Financial Statements**”); and
  - (iii) the Guarantor’s interim condensed consolidated financial statements as at, and for the three months ended, 31 March 2018 (the “**Guarantor Q1 2018 Financial Statements**”); and

- (b) supplement the Base Prospectus with information relating to:
  - (i) certain amendments to QNB's articles of association;
  - (ii) the appointment of KPMG as auditors of QNB Group; and
  - (iii) QNB's entry into a new U.S.\$3.5 billion syndicated facility and repayment of its existing U.S.\$3.0 billion syndicated facility.

## **IMPORTANT NOTICES**

The Issuer and the Guarantor each accept responsibility for the information contained in this First Base Prospectus Supplement. To the best of the knowledge and belief of the Issuer and the Guarantor (each having taken all reasonable care to ensure that such is the case) the information contained in this First Base Prospectus Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

To the extent that there is any inconsistency between any statement in or incorporated by reference into the Base Prospectus by this First Base Prospectus Supplement and any other statement in or incorporated by reference in the Base Prospectus, the statements in or incorporated by reference into the Base Prospectus by this First Base Prospectus Supplement will prevail.

Save as disclosed in this First Base Prospectus Supplement or in any document incorporated by reference in this First Base Prospectus Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

The web links included in this First Base Prospectus Supplement are included for information purposes only and the websites and their content are not incorporated into, and do not form part of, this First Base Prospectus Supplement or the Base Prospectus.

## UPDATES TO THE BASE PROSPECTUS

With effect from the date of this First Base Prospectus Supplement:

- (a) each of: (i) the Issuer 2017 Financial Statements; (ii) the Guarantor 2017 Financial Statements; and (iii) the Guarantor Q1 2018 Financial Statements, which were published via the Regulatory News Service of the London Stock Exchange plc on 25 January 2018, 24 January 2018 and 16 April 2018, respectively and, in each case, which have been (1) previously published and (2) filed with the FCA, shall be incorporated in, and form part of, the Base Prospectus;
- (b) copies of: (i) the Issuer 2017 Financial Statements; (ii) the Guarantor 2017 Financial Statements; and (iii) the Guarantor Q1 2018 Financial Statements can be viewed the website of the London Stock Exchange plc at the following web links, respectively:  
  
[http://www.rns-pdf.londonstockexchange.com/rns/9456C\\_-2018-1-25.pdf](http://www.rns-pdf.londonstockexchange.com/rns/9456C_-2018-1-25.pdf)  
  
[http://www.rns-pdf.londonstockexchange.com/rns/8073C\\_-2018-1-24.pdf](http://www.rns-pdf.londonstockexchange.com/rns/8073C_-2018-1-24.pdf)  
  
[http://www.rns-pdf.londonstockexchange.com/rns/9994K\\_-2018-4-16.pdf](http://www.rns-pdf.londonstockexchange.com/rns/9994K_-2018-4-16.pdf)
- (c) for the avoidance of doubt, any documents incorporated by reference in the Issuer 2017 Financial Statements, the Guarantor 2017 Financial Statements or the Guarantor Q1 2018 Financial Statements shall not form part of this First Base Prospectus Supplement or the Base Prospectus;
- (d) paragraph (4) under the section “*General Information*” of the Base Prospectus shall be updated with the following wording:  
  
“There has been no significant change in the financial or trading position of the Issuer since 31 December 2017 and there has been no significant change in the financial or trading position of the Guarantor or of the QNB Group since 31 March 2018. There has been no material adverse change in the prospects of the Issuer since 31 December 2017 and there has been no material adverse change in the prospects of the Guarantor or of the QNB Group since 31 December 2017.”;
- (e) the information appearing in, or incorporated by reference into, the Base Prospectus shall be supplemented by the information set out under the heading “*Recent Developments*” below; and
- (f) each reference in this First Base Prospectus Supplement and the Base Prospectus to the “Base Prospectus” shall be read and construed as a reference to the Base Prospectus as supplemented by this First Base Prospectus Supplement.

## RECENT DEVELOPMENTS

*The information included in this section supplements the information contained in the Base Prospectus regarding the QNB Group. To the extent the information in this section is inconsistent with the information contained in the Base Prospectus, the information in this section supersedes and shall take precedence over such information. Capitalised terms not defined in this section have the meanings ascribed to them in the Base Prospectus.*

### ***Amendments to QNB's articles of association***

In March 2018, QNB's Board of Directors approved certain amendments to QNB's articles of association, which were subsequently approved by QNB's shareholders at an extraordinary general meeting held on 17 April 2018. The amendments included, among others, the following:

- the limit on ownership of each shareholder of QNB (other than the QIA and the General Retirement and Social Insurance Authority) has been increased to 5 per cent. of QNB's shares, from the previous limit of 2 per cent. of QNB's shares for each shareholder; and
- the aggregate limit on foreign ownership of QNB has been increased to 49 per cent. of QNB's shares, from the previous aggregate limit on foreign ownership of 25 per cent. of QNB's shares (in accordance with Qatari Law number 9 for the year 2014 regulating Investment of Non-Qatari Capital in the Economic Activity).

### ***Appointment of KPMG as auditors of QNB Group***

In accordance with QNB's obligations under Article (141) of the Commercial Companies Law, which requires that a Qatari Public Shareholding Company change its auditors at least once every five years, QNB terminated the appointment of Ernst & Young as its auditors and appointed KPMG as its new auditors for the financial year commencing 1 January 2018. QNB's shareholders approved the appointment of KPMG at its annual general meeting held on 11 February 2018. KPMG, whose principal place of business is at 25 C Ring Road, P.O. Box 4473, Doha, Qatar, is registered with the Ministry of Economy and Commerce as a member firm of the KPMG network of independent member firms.

### ***Entry into new U.S.\$3.5 billion syndicated facility and repayment of existing U.S.\$3.0 billion syndicated facility***

On 7 February 2018, QNB entered into a U.S.\$3.5 billion senior unsecured term loan facility with a syndicate of international banks. The facility has a three-year term. QNB Group intends to utilise the proceeds of the facility for general corporate purposes. Prior to entering into the new facility, QNB repaid its existing U.S.\$3.0 billion senior unsecured term loan facility in full.