



Interim Condensed Consolidated Financial Statements
31 March 2024

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QATAR NATIONAL BANK (Q.P.S.C.)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Qatar National Bank (Q.P.S.C.) (the "Bank") and its subsidiaries (together referred to as the "Group") as at 31 March 2024, comprising of the interim consolidated statement of financial position as at 31 March 2024 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months period then ended, and the related explanatory notes.

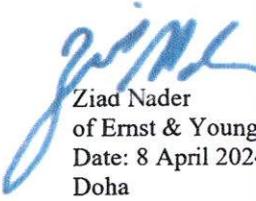
The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.


Ziad Nader
of Ernst & Young
Date: 8 April 2024
Doha

EY ERNST & YOUNG
P.O. BOX: 164, DOHA - QATAR

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ص.ب : ١٦٤ ، الدوحة - قطر

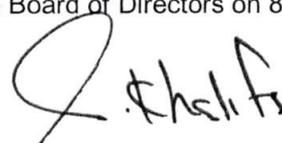
Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Financial Position
As at 31 March 2024

	Notes	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
ASSETS				
Cash and Balances with Central Banks		88,690,872	97,219,061	87,820,365
Due from Banks		87,010,761	82,416,384	86,476,920
Loans and Advances to Customers	3	867,371,446	809,774,705	852,987,250
Investment Securities	4	163,259,596	155,518,310	172,732,325
Investment in Associates		7,924,822	7,797,713	7,849,360
Property and Equipment		6,667,457	7,049,661	6,713,427
Intangible Assets		2,195,888	3,365,443	2,642,601
Other Assets		13,448,651	14,768,661	13,762,765
Total Assets		1,236,569,493	1,177,909,938	1,230,985,013
LIABILITIES				
Due to Banks		143,105,967	151,242,367	156,991,401
Customer Deposits		879,618,739	827,517,150	857,106,277
Debt Securities		37,883,339	33,669,773	36,288,867
Other Borrowings		29,076,429	25,748,637	29,400,073
Other Liabilities		41,395,246	37,085,400	40,991,301
Total Liabilities		1,131,079,720	1,075,263,327	1,120,777,919
EQUITY				
Issued Capital		9,236,429	9,236,429	9,236,429
Legal Reserve		25,326,037	25,326,037	25,326,037
Risk Reserve		12,000,000	11,000,000	12,000,000
Fair Value Reserve	5	(566,585)	342,724	(587,777)
Foreign Currency Translation Reserve		(31,826,484)	(27,585,734)	(29,157,890)
Other Reserves		(799,813)	(570,843)	(820,506)
Retained Earnings		71,100,703	63,949,364	73,102,343
Total Equity Attributable to Equity Holders of the Bank		84,470,287	81,697,977	89,098,636
Non - Controlling Interests		1,019,486	948,634	1,108,458
Instruments Eligible for Additional Tier 1 Capital		20,000,000	20,000,000	20,000,000
Total Equity		105,489,773	102,646,611	110,207,094
Total Liabilities and Equity		1,236,569,493	1,177,909,938	1,230,985,013

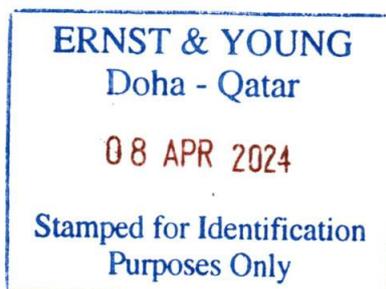
These interim condensed consolidated financial statements were approved by the Board of Directors on 8 April 2024 and were signed on its behalf by:



Ali Ahmed Al-Kuwari
Chairman of the Board of Directors



Abdulla Mubarak Al-Khalifa
Group Chief Executive Officer



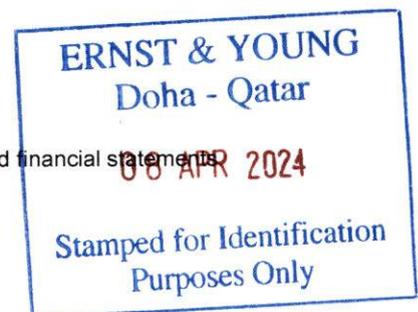
The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Income
For the Three Month Period Ended 31 March 2024

	Three Months to 31 March 2024 (Reviewed) QR000	Three Months to 31 March 2023 (Reviewed) QR000
Interest Income	29,201,857	20,942,716
Interest Expense	(21,122,583)	(13,736,152)
Net Interest Income	8,079,274	7,206,564
Fees and Commission Income	1,892,299	1,355,174
Fees and Commission Expense	(779,547)	(533,847)
Net Fees and Commission Income	1,112,752	821,327
Net Foreign Exchange Gain	1,005,499	522,788
Income from Investment Securities	78,441	300,687
Other Operating Income	24,466	312,200
Operating Income	10,300,432	9,163,566
Staff Expenses	(1,232,634)	(1,028,565)
Depreciation	(186,799)	(167,567)
Other Expenses	(834,000)	(820,261)
Net ECL / Impairment Losses on Loans and Advances to Customers	(1,719,319)	(2,499,081)
Net ECL / Impairment Losses on Investment Securities	(3,191)	(5,118)
Net ECL / Impairment Losses on Other Financial Instruments	(96,365)	(71,989)
Amortisation of Intangible Assets	(40,190)	(38,382)
Other Provisions	(14,610)	(7,373)
	(4,127,108)	(4,638,336)
Share of Results of Associates	65,100	133,693
Profit Before Net Monetary Loss Arising from Hyperinflation and Income Taxes	6,238,424	4,658,923
Net Monetary Loss Arising from Hyperinflation	(1,227,914)	(764,071)
Profit for the Period Before Income Taxes	5,010,510	3,894,852
Income Tax (Charge) / Credit	(803,091)	21,466
Profit for the Period	4,207,419	3,916,318
Attributable to:		
Equity Holders of the Bank	4,143,260	3,881,745
Non - Controlling Interests	64,159	34,573
Profit for the Period	4,207,419	3,916,318
Earnings Per Share (QR) (Basic and Diluted) (note 12)	0.42	0.39

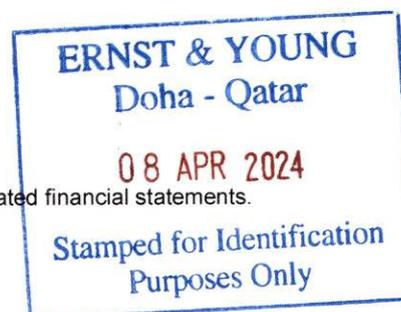
The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Comprehensive Income
For the Three Month Period Ended 31 March 2024

	Three Months to 31 March 2024 (Reviewed) QR000	Three Months to 31 March 2023 (Reviewed) QR000
Profit for the Period	4,207,419	3,916,318
Other Comprehensive (Loss) / Income Items that are or may be Reclassified to Consolidated Income Statement in Subsequent Periods:		
Foreign Currency Translation Differences for Foreign Operations	(3,886,830)	(1,964,261)
Share of Other Comprehensive Income of Associates	20,530	(190,228)
Effective Portion of Changes in Fair Value of Cash Flow Hedges	(109,622)	(36,767)
Effective Portion of Changes in Fair Value of Net Investment in Foreign Operations	74,461	(101,534)
Investments in Debt Instruments Measured at FVOCI		
Net Change in Fair Value	85,770	580,749
Net Amount Transferred to Income Statement	1,649	(222,338)
Other Comprehensive (Loss) / Income Items that will not be Reclassified to Consolidated Income Statement:		
Net Change in Fair Value of Investments in Equity Instruments Designated at FVOCI	(27,079)	(770,699)
Effects of Hyperinflation	1,074,079	1,184,202
Total Other Comprehensive Loss for the Period, net of Income Taxes	(2,767,042)	(1,520,876)
Total Comprehensive Income for the Period	1,440,377	2,395,442
Attributable to:		
Equity Holders of the Bank	1,516,513	2,392,319
Non - Controlling Interests	(76,136)	3,123
Total Comprehensive Income for the Period	1,440,377	2,395,442

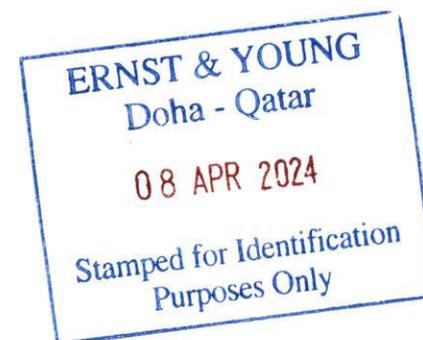
The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Changes in Equity
For the Three Month Period Ended 31 March 2024

	Equity Attributable to Equity Holders of the Bank										Total
	Issued Capital	Legal Reserve	Risk Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	Other Reserves	Retained Earnings	Equity Attributable to Equity Holders of the Bank	Non Controlling Interests	Instruments Eligible for Additional Tier 1 Capital	
	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	QR000	
Balance at 1 January 2024	9,236,429	25,326,037	12,000,000	(587,777)	(29,157,890)	(820,506)	73,102,343	89,098,636	1,108,458	20,000,000	110,207,094
Total Comprehensive Income for the Period											
Profit for the Period	-	-	-	-	-	-	4,143,260	4,143,260	64,159	-	4,207,419
Other Comprehensive Income / (Loss)	-	-	-	21,154	(2,668,594)	20,693	-	(2,626,747)	(140,295)	-	(2,767,042)
Total Comprehensive Income / (Loss) for the Period	-	-	-	21,154	(2,668,594)	20,693	4,143,260	1,516,513	(76,136)	-	1,440,377
Reclassification of Net Change in Fair Value of Equity Instruments upon Derecognition	-	-	-	38	-	-	(38)	-	-	-	-
Transactions with Equity Holders, Recognised Directly in Equity											
Dividend for the Year 2023 (note 6)	-	-	-	-	-	-	(6,003,679)	(6,003,679)	-	-	(6,003,679)
Other Movements	-	-	-	-	-	-	(141,183)	(141,183)	(12,836)	-	(154,019)
Total Transactions Recognised Directly in Equity	-	-	-	-	-	-	(6,144,862)	(6,144,862)	(12,836)	-	(6,157,698)
Balance at 31 March 2024	9,236,429	25,326,037	12,000,000	(566,585)	(31,826,484)	(799,813)	71,100,703	84,470,287	1,019,486	20,000,000	105,489,773
Balance at 1 January 2023	9,236,429	25,326,037	11,000,000	890,129	(26,833,105)	(381,451)	65,848,784	85,086,823	969,962	20,000,000	106,056,785
Total Comprehensive Income for the Period											
Profit for the Period	-	-	-	-	-	-	3,881,745	3,881,745	34,573	-	3,916,318
Other Comprehensive Loss	-	-	-	(547,405)	(752,629)	(189,392)	-	(1,489,426)	(31,450)	-	(1,520,876)
Total Comprehensive (Loss) / Income for the Period	-	-	-	(547,405)	(752,629)	(189,392)	3,881,745	2,392,319	3,123	-	2,395,442
Transactions with Equity Holders, Recognised Directly in Equity											
Dividend for the Year 2022 (note 6)	-	-	-	-	-	-	(5,541,857)	(5,541,857)	-	-	(5,541,857)
Other Movements	-	-	-	-	-	-	(239,308)	(239,308)	(24,451)	-	(263,759)
Total Transactions Recognised Directly in Equity	-	-	-	-	-	-	(5,781,165)	(5,781,165)	(24,451)	-	(5,805,616)
Balance at 31 March 2023	9,236,429	25,326,037	11,000,000	342,724	(27,585,734)	(570,843)	63,949,364	81,697,977	948,634	20,000,000	102,646,611

The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Cash Flows
For the Three Month Period Ended 31 March 2024

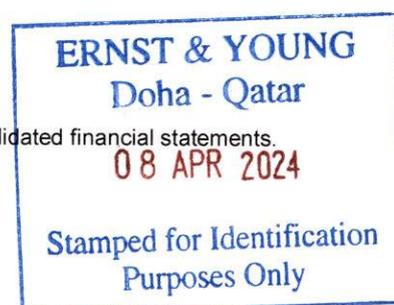
	Three Months to 31 March 2024 (Reviewed) QR000	Three Months to 31 March 2023 (Reviewed) QR000	Year to 31 December 2023 (Audited) QR000
Cash Flows from Operating Activities			
Profit Before Income Taxes	5,010,510	3,894,852	17,961,819
Adjustments for:			
Interest Income	(29,201,857)	(20,942,716)	(97,133,328)
Interest Expense	21,122,583	13,736,152	66,716,288
Depreciation	186,799	167,567	660,050
Net ECL / Impairment Losses on Loans and Advances to Customers	1,719,319	2,499,081	8,691,980
Net ECL / Impairment Losses on Investment Securities	3,191	5,118	23,521
Net ECL / Impairment Losses on Other Financial Instruments	96,365	71,989	937,611
Other Provisions	14,610	7,373	126,553
Dividend Income	(13,578)	(20,552)	(107,412)
Net Loss / (Gain) on Sale of Property and Equipment	5,266	(12,390)	(41,166)
Net Gain on Sale of Investment Securities	(64,863)	(280,135)	(280,756)
Amortisation of Intangible Assets	40,190	38,382	132,569
Net Amortisation of Premium or Discount on Investments	251,813	895,752	(6,202,390)
Net Share of Results of Associates	(65,100)	(133,693)	(473,347)
Net Monetary Loss Arising from Hyperinflation	1,227,914	764,071	3,503,094
	333,162	690,851	(5,484,914)
<i>Changes in:</i>			
Due from Banks	(18,836,131)	(2,396,466)	(135,741)
Loans and Advances to Customers	(30,537,471)	(12,822,419)	(82,454,092)
Other Assets	(13,676,378)	4,366,101	(3,536,405)
Due to Banks	(12,067,949)	8,677,002	17,038,038
Customer Deposits	54,636,282	(4,010,185)	44,976,013
Other Liabilities	2,860,127	(1,951,812)	2,701,078
Cash used in Operations	(17,288,358)	(7,446,928)	(26,896,023)
Interest Received	28,687,607	17,976,573	90,063,723
Interest Paid	(16,967,752)	(16,504,819)	(59,178,859)
Dividends Received	13,578	20,552	107,412
Income Tax Paid	(344,844)	(169,964)	(2,553,677)
Other Provisions Paid	(3,934)	(108,097)	(77,216)
Net Cash Flow (used in) / from Operating Activities	(5,903,703)	(6,232,683)	1,465,360
Cash Flows from Investing Activities			
Acquisitions of Investment Securities	(62,951,601)	(30,369,957)	(193,983,510)
Proceeds from Sale / Redemption of Investment Securities	64,347,770	38,014,035	177,496,441
Additions to Property and Equipment	(325,079)	(715,975)	(1,243,961)
Proceeds from Sale of Property and Equipment	5,110	6,295	79,450
Net Cash Flows from / (used in) Investing Activities	1,076,200	6,934,398	(17,651,580)

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Qatar National Bank (Q.P.S.C.)
Interim Consolidated Statement of Cash Flows (Continued)
For the Three Month Period Ended 31 March 2024

	Note	Three Months to 31 March 2024 (Reviewed) QR000	Three Months to 31 March 2023 (Reviewed) QR000	Year to 31 December 2023 (Audited) QR000
Cash Flows from Financing Activities				
Payment of Coupon on Instruments Eligible for Additional Capital		(1,150,000)	(1,082,917)	(1,082,917)
Proceeds from Issuance of Debt Securities		6,049,338	964,712	3,685,243
Repayment of Debt Securities		(4,456,924)	(2,420,067)	(2,261,848)
Proceeds from Issuance of Other Borrowings		237,190	3,441	7,987,291
Repayment of Other Borrowings		(73,041)	45,830	(3,472,552)
Payment of Rents for Lease Contracts		(94,870)	(39,136)	(203,591)
Dividends Paid		(6,004,091)	(5,508,419)	(5,540,393)
Net Cash Flows used in Financing Activities		(5,492,398)	(8,036,556)	(888,767)
Net Decrease in Cash and Cash Equivalents		(10,319,901)	(7,334,841)	(17,074,987)
Effects of Exchange Rate Changes on Cash and Cash Equivalents		(1,101,361)	(942,944)	(2,110,827)
Cash and Cash Equivalents as at 1 January		108,127,812	127,313,626	127,313,626
Cash and Cash Equivalents at 31 March				
/ 31 December	11	96,706,550	119,035,841	108,127,812

The attached notes 1 to 13 form an integral part of these interim condensed consolidated financial statements.



Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Month Period Ended 31 March 2024

1. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The accompanying interim condensed consolidated financial statements are prepared in accordance with IAS 34 *'Interim Financial Reporting'*. These interim condensed consolidated financial statements should be read in conjunction with the 2023 annual audited consolidated financial statements of the Group.

The interim condensed consolidated financial statements do not contain all information and disclosures required for full consolidated financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the three month period ended 31 March 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

The preparation of the interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

The Group has consistently applied the accounting policies as applied in the annual consolidated financial statements for the year ended 31 December 2023, except for the changes that became effective from 1 January 2024.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2023, except for addition of climate related matters mentioned below.

The following amendments to existing standards have been applied by the Group in preparation of these interim condensed consolidated financial statements. The adoption of these new standards do not have significant impact on the interim condensed consolidated financial statements.

Description	Effective from
Classification of Liabilities as Current or Non-current (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
Non-current Liabilities with Covenants – Amendments to IAS 1	1 January 2024
Amendments Issued but not yet Effective	
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely

The Group is currently evaluating the impact of these amendments. The Group will adopt it when the amendments become effective.

Climate-related matters

The Group considers climate-related matters in accounting judgements, estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Most climate-related risks are expected to impact over a term that is generally longer than the contractual maturity of most exposures, nonetheless climate-related matters increase the uncertainty in estimates and assumptions underpinning certain items in the financial statements. Currently, climate-related risks do not have a significant impact on measurement, though the Group is closely monitoring relevant changes and developments. The items and considerations that are most directly impacted by climate-related matters include useful life of property and equipment, impairment of non-financial assets, expected credit losses and fair value measurement, among others.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Month Period Ended 31 March 2024

1. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Classification of Turkey as a hyperinflationary economy

From 1 April 2022, the Turkish economy has been considered hyperinflationary based on the criteria established by International Accounting Standard 29, '*Financial Reporting in Hyperinflationary Economies*' ('IAS 29'). This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of a cumulative inflation rate of more than 100% over the previous three years.

IAS 29 requires that consolidated financial statements are stated in terms of the measuring unit current at the balance sheet date which requires restatement of non-monetary assets and liabilities to reflect the changes in the general purchasing power of the Turkish Lira.

The restatements were calculated by means of conversion factors derived from the consumer price indices. Such index as announced by Turkish Statistical Institute is as follows:

Date	Index
31 March 2024	2,139.47
31 December 2023	1,859.38
31 March 2023	1,269.75

The basic principles, in relation to the financial information of QNB Finansbank, applied in the accompanying interim condensed consolidated financial statements, are summarized in the following paragraphs.

Adjustment for prior periods

- Adjustment of the historical carrying values of non-monetary assets and liabilities and the various items of equity from their date of acquisition or inclusion in the consolidated statement of financial position to the end of the reporting period to reflect the changes in purchasing power of the currency caused by inflation, according to the indices published by the Turkish Statistical Institute. The cumulative impact for previous years had been reflected through other comprehensive income. Since QNB Group's comparative amount are presented in a stable currency, these comparative amounts are not restated.

Adjustment for current period

- Monetary assets and liabilities, which are carried at amounts current at the date of statement of financial position, are not restated because they are already expressed in terms of the monetary unit current at the date of statement of financial position.
- Non-monetary assets and liabilities, which are not carried at amounts current at the date of statement of financial position, and components of shareholders' equity are restated by applying the relevant conversion factors.
- All items in the statement of income are restated by applying the conversion factors from the date on which the transaction originated except for those amounts deriving from non-monetary items, which are calculated based on the restated values of the related items.
- The effect of application indices on the Group's net monetary position is included in the statement of income as monetary gain or loss.
- All items in the statement of cash flows are expressed in a measuring unit current at the date of statement of financial position; they are therefore restated by applying the relevant conversion factors from the date on which the transaction originated.

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Month Period Ended 31 March 2024

2. SEGMENT INFORMATION

The Group is organised into four main operating segments. The results of each of the operating segments which are being monitored regularly by the Chief Operating Decision Maker, are stated below:

	Qatar Operations				International Banking	Total
	Corporate Banking	Consumer Banking	Asset and Wealth Management	Unallocated & Intra-group Transactions		
	QR000	QR000	QR000	QR000	QR000	QR000
As at and for the three month period ended 31 March 2024:						
Revenue:						
Net Interest Income	3,870,985	219,171	222,806	96,551	3,669,761	8,079,274
Net Fees and Commission Income	313,424	63,449	75,829	976	659,074	1,112,752
Net Foreign Exchange Gain	150,883	42,957	27,962	1,190	782,507	1,005,499
Income from Investment Securities	13,132	-	-	-	65,309	78,441
Other Operating Income	-	33	121	1	24,311	24,466
Share of Results of Associates	65,294	-	-	-	(194)	65,100
Total Segment Revenue	4,413,718	325,610	326,718	98,718	5,200,768	10,365,532
Reportable Segment Profit	2,747,192	166,188	193,818	10,233	1,025,829	4,143,260
Reportable Segment Investments	104,586,158	-	7,637	-	58,665,801	163,259,596
Reportable Segment Loans and Advances	644,752,815	10,441,442	38,314,816	-	173,862,373	867,371,446
Reportable Segment Customer Deposits	426,499,898	40,742,152	46,927,627	-	365,449,062	879,618,739
Reportable Segment Assets	913,653,354	43,033,130	48,369,211	(333,002,467)	564,516,265	1,236,569,493

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
For the Three Month Period Ended 31 March 2024

2. SEGMENT INFORMATION (CONTINUED)

	Qatar Operations					Total
	Corporate	Consumer	Asset	Unallocated	International	
	Banking	Banking	and Wealth	& Intra-group	Banking	
	QR000	QR000	Management	Transactions	QR000	QR000
	QR000	QR000	QR000	QR000	QR000	QR000
As at and for the three month period ended 31 March 2023:						
Revenue:						
Net Interest Income	3,802,912	187,832	203,647	27,009	2,985,164	7,206,564
Net Fees and Commission Income	256,217	73,514	94,740	(916)	397,772	821,327
Net Foreign Exchange Gain	66,012	46,086	76,514	1,257	332,919	522,788
Income from Investment Securities	14,157	-	-	-	286,530	300,687
Other Operating Income	-	25	-	56	312,119	312,200
Share of Results of Associates	136,117	-	-	-	(2,424)	133,693
Total Segment Revenue	4,275,415	307,457	374,901	27,406	4,312,080	9,297,259
Reportable Segment Profit	2,307,567	178,875	313,567	(59,177)	1,140,913	3,881,745
Reportable Segment Investments	100,045,008	-	1,636	-	55,471,666	155,518,310
Reportable Segment Loans and Advances	598,064,134	10,064,801	30,567,184	-	171,078,586	809,774,705
Reportable Segment Customer Deposits	403,039,104	38,440,204	44,043,467	-	341,994,375	827,517,150
Reportable Segment Assets	868,233,032	39,637,723	45,539,746	(313,840,791)	538,340,228	1,177,909,938

Qatar National Bank (Q.P.S.C.)
Notes to the Interim Condensed Consolidated Financial Statements
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3. LOANS AND ADVANCES TO CUSTOMERS

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Loans and Advances to Customers	884,000,434	828,046,491	870,256,058
Deferred Profit	(47,102)	(15,940)	(86,847)
Accrued Interest	14,920,271	14,016,504	17,039,054
Expected Credit Losses - Performing Loans and Advances to Customers - Stage 1 and 2	(6,925,645)	(7,614,172)	(7,840,156)
Impairment on Non-performing Loans and Advances to Customers - Stage 3	(24,576,512)	(24,658,178)	(26,380,859)
Net Loans and Advances to Customers	<u>867,371,446</u>	<u>809,774,705</u>	<u>852,987,250</u>

The gross exposure of loans and advances to customers by stage is as follows:

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Stage 1	827,975,209	767,809,762	811,875,883
Stage 2	45,701,190	50,582,739	48,977,878
Stage 3	25,197,204	23,654,554	26,354,504
Total Gross Exposures	<u>898,873,603</u>	<u>842,047,055</u>	<u>887,208,265</u>

The expected credit losses and impairment for the period for loans and advances to customers is as follows:

	31 March 2024			
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January 2024	2,851,725	4,988,431	26,380,859	34,221,015
ECL / Impairment Charge for the Period (Net)	73,877	153,798	2,003,587	2,231,262
Foreign Currency Translation for the Period	(232,720)	(129,850)	(530,345)	(892,915)
Transfers from Stage 1 to 2	(415)	415	-	-
Transfers from Stage 2 to 3	-	(779,616)	779,616	-
Write-offs during the Period	-	-	(4,057,205)	(4,057,205)
Closing Balance as at 31 March 2024	<u>2,692,467</u>	<u>4,233,178</u>	<u>24,576,512</u>	<u>31,502,157</u>

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3. LOANS AND ADVANCES TO CUSTOMERS (CONTINUED)

	31 March 2023			
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January 2023	2,511,635	4,030,285	23,327,375	29,869,295
ECL / Impairment Charge for the Period (Net)	704,773	472,438	1,662,702	2,839,913
Foreign Currency Translation for the Period	(76,950)	(38,115)	(252,046)	(367,111)
Transfers from Stage 1 to 2	(9)	9	-	-
Transfers from Stage 3 to 2	-	10,106	(10,106)	-
Transfer to ECL for contingent liabilities	-	-	(15,198)	(15,198)
Write-offs during the Period	-	-	(54,549)	(54,549)
Closing Balance as at 31 March 2023	<u>3,139,449</u>	<u>4,474,723</u>	<u>24,658,178</u>	<u>32,272,350</u>

ECL / impairment charge for the period includes interest in suspense and recoveries of balances previously written off, net for QR514 million (31 March 2023: QR341 million).

4. INVESTMENT SECURITIES

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Investment Securities at Fair Value Through Profit or Loss (FVPL)	700,870	504,003	747,245
Investment Securities at Fair Value Through Other Comprehensive Income (FVOCI)	44,802,558	36,454,527	54,952,070
Investment Securities at Amortised Cost (AC), net	114,333,049	115,101,407	113,056,867
Accrued Interest	3,423,119	3,458,373	3,976,143
Total	<u>163,259,596</u>	<u>155,518,310</u>	<u>172,732,325</u>

The above includes impairment allowance in respect of debt securities amounting to QR288.6 million (31 December 2023: QR288.5 million).

5. FAIR VALUE RESERVE

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Cash Flow Hedges	(480,328)	163,896	(370,523)
Fair Value Through Other Comprehensive Income (FVOCI)	(342,166)	(66,514)	(398,702)
Hedges of a Net Investment in Foreign Operations	255,909	245,342	181,448
Total	<u>(566,585)</u>	<u>342,724</u>	<u>(587,777)</u>

The Fair Value Reserve for Investments at Fair Value Through Other Comprehensive Income include the loss allowance amounting to QR27.4 million (31 December 2023: QR26.6 million).

6. DIVIDEND

The cash dividend in respect of the year ended 31 December 2023 of QR0.65 per share, amounting to a total of QR6,004 million, was approved by the shareholders at the Annual General Assembly meeting on 11 February 2024.

The cash dividend in respect of the year ended 31 December 2022 of QR0.60 per share, amounting to a total of QR5,542 million, was approved by the shareholders at the Annual General Assembly meeting on 13 February 2023.

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7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Contingent Liabilities			
Unused Facilities	135,762,437	118,063,746	129,278,050
Guarantees	70,099,753	61,046,138	66,720,876
Letters of Credit	52,426,257	40,799,131	52,315,037
Others	10,021,795	14,431,272	14,765,344
Total	268,310,242	234,340,287	263,079,307

The gross exposure of contingent liabilities by stage is as follows:

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Stage 1	253,104,376	213,103,820	242,504,900
Stage 2	4,574,439	6,141,841	5,156,950
Stage 3	609,632	663,354	652,113
Total Gross Exposures	258,288,447	219,909,015	248,313,963

The expected credit losses and impairment for the period for contingent liabilities is as follows:

	31 March 2024			
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January 2024	579,907	230,473	336,174	1,146,554
ECL / Impairment Charge for the Period (Net)	(37,332)	2,820	(5,593)	(40,105)
Foreign Currency Translation for the Period	(28,518)	(6,570)	(6,972)	(42,060)
Transfers during the Period	(11)	11	-	-
Closing Balance as at 31 March 2024	514,046	226,734	323,609	1,064,389

	31 March 2023			
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January 2023	405,529	161,498	114,548	681,575
ECL / Impairment Charge for the Period (Net)	72,907	10,097	(15,976)	67,028
Foreign Currency Translation for the Period	(3,660)	(2,249)	5,314	(595)
Transfer from ECL for loans and advances	-	15,198	-	15,198
Closing Balance as at 31 March 2023	474,776	184,544	103,886	763,206

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8. RELATED PARTY DISCLOSURES

The Group has transactions in the ordinary course of business with directors and officers of the Group and entities over which they have significant influence and control. As at the end of the reporting period, such significant items included:

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Statement of Financial Position Items			
Loans and Advances to Customers	3,315,483	3,435,739	3,561,825
Customer Deposits	1,791,580	1,759,986	1,576,395
Contingent Liabilities and Other Commitments	32,896	40,519	35,276
Statement of Income Items			
Interest and Commission Income	51,915	47,185	204,012
Interest and Commission Expense	22,032	19,683	81,389
Associates			
Due from banks	1,098,667	1,095,446	1,256,738
Interest and Commission Income	14,575	11,259	69,778
Due to banks	2,699	30,528	1,648
Interest and Commission Expense	147	315	19,196

Compensation of key management personnel is as follows:

Salaries and Other Benefits	38,404	34,738	46,708
End of Service Indemnity Benefits	1,076	424	2,071

The Group also has significant commercial transactions with the State of Qatar, which owns 50% of the Bank's outstanding shares through Qatar Investment Authority, amounting to QR97,871 million included in loans and advances (31 December 2023: QR89,091 million) and QR28,323 million included in customer deposits (31 December 2023: QR26,864 million).

9. CAPITAL ADEQUACY

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Common Equity Tier 1 (CET 1) Capital	79,172,818	73,061,775	76,825,790
Eligible Additional Tier 1 (AT 1) Capital Instruments	20,000,000	20,000,000	20,000,000
Additional Tier 1 Capital	81,449	66,975	80,842
Additional Tier 2 Capital	6,164,734	5,699,999	5,935,517
Total Eligible Capital	105,419,001	98,828,749	102,842,149
Risk Weighted Assets	551,831,791	511,605,880	519,038,605
Total Capital Ratio	19.1%	19.3%	19.8%

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9. CAPITAL ADEQUACY (CONTINUED)

The Group follows Basel III Capital Adequacy Ratio (CAR) calculation in accordance with Qatar Central Bank (QCB) regulations. The minimum accepted total Capital Adequacy Ratio requirements under Basel III as per QCB Requirements is as follows:

- Minimum limit without Capital Conservation buffer is 10% (31 December 2023: 10%) .
- Minimum limit including Capital Conservation buffer, ICAAP buffer and the applicable Domestically Systemically Important Bank ("DSIB") buffer is 17% (31 December 2023: 16%).

10. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised. There is no change in fair value hierarchy compared to 31 December 2023.

	Level 1 QR000	Level 2 QR000	Level 3 QR000	Total QR000
At 31 March 2024: (Reviewed)				
Derivative Assets	-	8,126,994	-	8,126,994
Investment Securities	30,719,673	15,594,942	-	46,314,615
	<u>30,719,673</u>	<u>23,721,936</u>	<u>-</u>	<u>54,441,609</u>
Derivative Liabilities	798	7,826,308	-	7,827,106
	<u>798</u>	<u>7,826,308</u>	<u>-</u>	<u>7,827,106</u>
At 31 December 2023: (Audited)				
Derivative Assets	-	7,128,139	-	7,128,139
Investment Securities	31,754,032	24,756,630	-	56,510,662
	<u>31,754,032</u>	<u>31,884,769</u>	<u>-</u>	<u>63,638,801</u>
Derivative Liabilities	40	5,492,025	-	5,492,065
	<u>40</u>	<u>5,492,025</u>	<u>-</u>	<u>5,492,065</u>

11. CASH AND CASH EQUIVALENTS

For the purposes of the interim consolidated statement of cash flows, cash and cash equivalents comprise the following balances:

	31 March 2024 (Reviewed) QR000	31 March 2023 (Reviewed) QR000	31 December 2023 (Audited) QR000
Cash and Balances with Central Banks	29,471,407	43,376,735	27,988,326
Due from Banks with Original Maturity of Three Months or Less	67,235,143	75,659,106	80,139,486
Total	<u>96,706,550</u>	<u>119,035,841</u>	<u>108,127,812</u>

Cash and Balances with Central Banks do not include mandatory reserve deposits.

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12. BASIC AND DILUTED EARNINGS PER SHARE

	Three Months to 31 March 2024 (Reviewed) QR000	Three Months to 31 March 2023 (Reviewed) QR000
Profit for the Period Attributable to Equity Holders of the Bank	4,143,260	3,881,745
Less: Dividend Appropriation for Instruments Eligible for Additional Tier 1 Capital	(287,500)	(287,500)
Net Profit for the Period Attributable to Equity Holders of the Bank	<u>3,855,760</u>	<u>3,594,245</u>
Weighted Average Number of Shares	9,236,428,570	9,236,428,570
Earnings Per Share (QR) - Basic and Diluted	<u><u>0.42</u></u>	<u><u>0.39</u></u>

13. 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 interim consolidated statement of income or the consolidated equity of the Group for the comparative period / year.