



**Interim Condensed Consolidated Financial Statements**

**31 March 2022**



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**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 for the period ended 31 March 2022 of Qatar National Bank (Q.P.S.C.) (the 'Bank') and its subsidiaries (together the 'Group'), which comprise:

- the interim consolidated statement of financial position as at 31 March 2022;
- the interim consolidated statement of income for the three month period ended 31 March 2022;
- the interim consolidated statement of comprehensive income for the three month period ended 31 March 2022;
- the interim consolidated statement of changes in equity for the three month period ended 31 March 2022;
- the interim consolidated statement of cash flows for the three month period ended 31 March 2022; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 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 the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial statements 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 for the period ended 31 March 2022 are not prepared, in all material respects, in accordance with IAS 34.

11 April 2022  
Doha  
State of Qatar



Gopal Balasubramaniam  
KPMG  
Qatar Auditor's Registry Number 251  
Licensed by QFMA: External  
Auditor's License No. 120153

**Qatar National Bank (Q.P.S.C.)**  
**Interim Consolidated Statement of Financial Position**  
**As at 31 March 2022**

	Notes	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
<b>ASSETS</b>				
Cash and Balances with Central Banks		80,793,173	80,026,609	88,551,288
Due from Banks		94,225,611	84,707,826	69,055,144
Loans and Advances to Customers	3	763,216,278	720,649,256	763,652,041
Investment Securities	4	141,582,931	127,677,409	142,821,328
Investment in Associates		7,586,783	7,467,648	7,467,009
Property and Equipment		4,961,145	5,309,485	5,156,806
Intangible Assets		3,619,757	3,924,106	3,886,786
Other Assets		12,507,064	12,712,415	12,447,209
<b>Total Assets</b>		<b>1,108,492,742</b>	<b>1,042,474,754</b>	<b>1,093,037,611</b>
<b>LIABILITIES</b>				
Due to Banks		129,171,223	97,010,065	111,441,572
Customer Deposits		788,059,846	749,621,951	785,511,524
Debt Securities		40,541,446	45,848,746	40,088,927
Other Borrowings		24,832,767	27,512,206	26,138,239
Other Liabilities		27,984,885	28,955,489	29,800,702
<b>Total Liabilities</b>		<b>1,010,590,167</b>	<b>948,948,457</b>	<b>992,980,964</b>
<b>EQUITY</b>				
Issued Capital		9,236,429	9,236,429	9,236,429
Legal Reserve		25,326,037	25,326,037	25,326,037
Risk Reserve		10,000,000	9,000,000	10,000,000
Fair Value Reserve	5	908,775	(2,884,865)	(1,169,550)
Foreign Currency Translation Reserve		(26,071,798)	(19,944,166)	(23,613,712)
Other Reserves		(7,794)	220,671	46,141
Retained Earnings		57,467,238	51,475,546	59,117,808
<b>Total Equity Attributable to Equity Holders of the Bank</b>		<b>76,858,887</b>	<b>72,429,652</b>	<b>78,943,153</b>
Non - Controlling Interests		1,043,688	1,096,645	1,113,494
Instruments Eligible for Additional Tier 1 Capital		20,000,000	20,000,000	20,000,000
<b>Total Equity</b>		<b>97,902,575</b>	<b>93,526,297</b>	<b>100,056,647</b>
<b>Total Liabilities and Equity</b>		<b>1,108,492,742</b>	<b>1,042,474,754</b>	<b>1,093,037,611</b>

These interim condensed consolidated financial statements were approved by the Board of Directors on 11 April 2022 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 14 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 2022**

	<b>Three Months to 31 March 2022 (Reviewed) QR000</b>	<b>Three Months to 31 March 2021 (Reviewed) QR000</b>
Interest Income	11,510,640	10,887,850
Interest Expense	(5,248,261)	(5,497,708)
<b>Net Interest Income</b>	<b>6,262,379</b>	<b>5,390,142</b>
Fees and Commission Income	1,156,226	1,076,313
Fees and Commission Expense	(348,583)	(284,934)
<b>Net Fees and Commission Income</b>	<b>807,643</b>	<b>791,379</b>
Net Foreign Exchange Gain	400,990	321,396
Income from Investment Securities	30,353	21,537
Other Operating Income	31,760	81,080
<b>Operating Income</b>	<b>7,533,125</b>	<b>6,605,534</b>
Staff Expenses	(877,703)	(848,747)
Depreciation	(129,652)	(166,211)
Other Expenses	(596,323)	(546,161)
Net ECL / Impairment Losses on Loans and Advances to Customers	(1,889,773)	(1,368,190)
Net ECL / Impairment Losses on Investment Securities	(8,458)	(13,170)
Net ECL / Impairment Losses on Other Financial Instruments	(92,584)	(40,715)
Amortisation of Intangible Assets	(20,192)	(19,157)
Other Provisions	(10,693)	(13,348)
	<b>(3,625,378)</b>	<b>(3,015,699)</b>
Share of Results of Associates	187,719	59,108
<b>Profit Before Income Taxes</b>	<b>4,095,466</b>	<b>3,648,943</b>
Income Tax Expense	(453,487)	(319,310)
<b>Profit for the Period</b>	<b>3,641,979</b>	<b>3,329,633</b>
<b>Attributable to:</b>		
Equity Holders of the Bank	3,616,015	3,312,205
Non - Controlling Interests	25,964	17,428
<b>Profit for the Period</b>	<b>3,641,979</b>	<b>3,329,633</b>
Earnings Per Share (QR) (Basic and Diluted) (note 12)	0.36	0.33

The attached notes 1 to 14 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 2022**

	<b>Three Months to 31 March 2022 (Reviewed) QR000</b>	<b>Three Months to 31 March 2021 (Reviewed) QR000</b>
<b>Profit for the Period</b>	<b>3,641,979</b>	<b>3,329,633</b>
<b>Other Comprehensive Income / (Loss) Items that are or may be Reclassified to Consolidated Income Statement in Subsequent Periods:</b>		
Foreign Currency Translation Differences for Foreign Operations	(2,535,599)	(1,339,235)
Share of Other Comprehensive Income of Associates	(54,187)	54,620
Effective Portion of Changes in Fair Value of Cash Flow Hedges	1,651,722	(1,144,128)
Effective Portion of Changes in Fair Value of Net Investment in Foreign Operations	148,508	408,060
Investments in Debt Instruments Measured at FVOCI		
Net Change in Fair Value	(65,912)	(354,733)
Net Amount Transferred to Income Statement	-	(2,206)
<b>Other Comprehensive Items that will not be Reclassified to Consolidated Income Statement:</b>		
Net Change in Fair Value of Investments in Equity Instruments Designated at FVOCI	342,394	18,981
<b>Total Other Comprehensive Loss for the Period, net of Income Taxes</b>	<b>(513,074)</b>	<b>(2,358,641)</b>
<b>Total Comprehensive Income for the Period</b>	<b>3,128,905</b>	<b>970,992</b>
<b>Attributable to:</b>		
Equity Holders of the Bank	3,182,319	966,141
Non - Controlling Interests	(53,414)	4,851
<b>Total Comprehensive Income for the Period</b>	<b>3,128,905</b>	<b>970,992</b>

The attached notes 1 to 14 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 2022**

	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	
<b>Balance at 1 January 2022</b>	9,236,429	25,326,037	10,000,000	(1,169,550)	(23,613,712)	46,141	59,117,808	78,943,153	1,113,494	20,000,000	100,056,647
<b>Total Comprehensive Income for the Period</b>											
Profit for the Period	-	-	-	-	-	-	3,616,015	3,616,015	25,964	-	3,641,979
Other Comprehensive Income / (Loss)	-	-	-	2,078,325	(2,458,086)	(53,935)	-	(433,696)	(79,378)	-	(513,074)
<b>Total Comprehensive Income / (Loss) for the Period</b>	-	-	-	<b>2,078,325</b>	<b>(2,458,086)</b>	<b>(53,935)</b>	<b>3,616,015</b>	<b>3,182,319</b>	<b>(53,414)</b>	-	<b>3,128,905</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>											
Dividend for the Year 2021 (note 6)	-	-	-	-	-	-	(5,080,036)	(5,080,036)	-	-	(5,080,036)
Other Movements	-	-	-	-	-	-	(186,549)	(186,549)	(16,392)	-	(202,941)
<b>Total Transactions Recognised Directly in Equity</b>	-	-	-	-	-	-	<b>(5,266,585)</b>	<b>(5,266,585)</b>	<b>(16,392)</b>	-	<b>(5,282,977)</b>
<b>Balance at 31 March 2022</b>	<b>9,236,429</b>	<b>25,326,037</b>	<b>10,000,000</b>	<b>908,775</b>	<b>(26,071,798)</b>	<b>(7,794)</b>	<b>57,467,238</b>	<b>76,858,887</b>	<b>1,043,688</b>	<b>20,000,000</b>	<b>97,902,575</b>
Balance at 1 January 2021	9,236,429	25,326,037	9,000,000	(1,811,051)	(18,617,295)	166,050	52,509,508	75,809,678	1,092,041	20,000,000	96,901,719
<b>Total Comprehensive Income for the Period</b>											
Profit for the Period	-	-	-	-	-	-	3,312,205	3,312,205	17,428	-	3,329,633
Other Comprehensive (Loss) / Income	-	-	-	(1,073,814)	(1,326,871)	54,621	-	(2,346,064)	(12,577)	-	(2,358,641)
<b>Total Comprehensive (Loss) / Income for the Period</b>	-	-	-	<b>(1,073,814)</b>	<b>(1,326,871)</b>	<b>54,621</b>	<b>3,312,205</b>	<b>966,141</b>	<b>4,851</b>	-	<b>970,992</b>
<b>Transactions with Equity Holders, Recognised Directly in Equity</b>											
Dividend for the Year 2020 (note 6)	-	-	-	-	-	-	(4,156,393)	(4,156,393)	-	-	(4,156,393)
Other Movements	-	-	-	-	-	-	(189,774)	(189,774)	(247)	-	(190,021)
<b>Total Transactions Recognised Directly in Equity</b>	-	-	-	-	-	-	<b>(4,346,167)</b>	<b>(4,346,167)</b>	<b>(247)</b>	-	<b>(4,346,414)</b>
<b>Balance at 31 March 2021</b>	<b>9,236,429</b>	<b>25,326,037</b>	<b>9,000,000</b>	<b>(2,884,865)</b>	<b>(19,944,166)</b>	<b>220,671</b>	<b>51,475,546</b>	<b>72,429,652</b>	<b>1,096,645</b>	<b>20,000,000</b>	<b>93,526,297</b>

The attached notes 1 to 14 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 2022**

	Note	Three Months to 31 March 2022 (Reviewed) QR000	Three Months to 31 March 2021 (Reviewed) QR000	Year to 31 December 2021 (Audited) QR000
<b>Cash Flows from Operating Activities</b>				
Profit Before Income Taxes		4,095,466	3,648,943	14,666,065
Adjustments for:				
Interest Income		(11,510,640)	(10,887,850)	(44,736,163)
Interest Expense		5,248,261	5,497,708	21,700,043
Depreciation		129,652	166,211	615,699
Net ECL / Impairment Losses on Loans and Advances to Customers		1,889,773	1,368,190	7,066,008
Net ECL / Impairment Losses on Investment Securities		8,458	13,170	55,851
Net ECL / Impairment Losses on Other Financial Instruments		92,584	40,715	102,639
Other Provisions		10,693	13,348	100,290
Dividend income		(15,750)	(14,342)	(47,198)
Net gain on sale of property and equipment		(8,456)	(57,301)	(49,406)
Net gain on sale of investment securities		(14,603)	(7,195)	(59,492)
Amortisation of Intangible Assets		20,192	19,157	79,113
Net amortisation of premium or discount on investments		256,473	326,984	(970,336)
Net share of results of associates		(187,719)	(59,108)	(256,673)
		<b>14,384</b>	<b>68,630</b>	<b>(1,733,560)</b>
<i>Changes in:</i>				
Due from banks		(14,457,412)	1,340,723	(5,063,696)
Loans and advances to customers		(13,825,011)	(6,989,935)	(81,430,647)
Other assets		248,749	3,856,073	(10,678,206)
Due to banks		19,779,290	11,292,910	32,175,130
Customer deposits		22,631,620	21,602,264	82,244,426
Other liabilities		(3,115,433)	(4,649,477)	(866,094)
<b>Cash from operations</b>		<b>11,276,187</b>	<b>26,521,188</b>	<b>14,647,353</b>
Interest received		10,945,651	9,002,439	43,974,692
Interest paid		(5,074,108)	(5,230,895)	(21,580,593)
Dividends received		15,750	14,342	47,198
Income tax paid		(257,238)	(680,126)	(1,245,157)
Other provisions paid		(2,468)	(6,788)	(56,863)
<b>Net Cash Flows from Operating Activities</b>		<b>16,903,774</b>	<b>29,620,160</b>	<b>35,786,630</b>
<b>Cash Flows from Investing Activities</b>				
Acquisitions of Investment Securities		(21,841,386)	(28,768,779)	(96,932,320)
Proceeds from Sale / Redemption of Investment Securities		19,059,693	23,075,798	74,114,534
Further Investment in Associate		-	(305,578)	(305,578)
Additions to Property and Equipment		(179,340)	(271,504)	(1,173,874)
Proceeds from Sale of Property and Equipment		9,668	61,459	64,505
<b>Net Cash Flows used in Investing Activities</b>		<b>(2,951,365)</b>	<b>(6,208,604)</b>	<b>(24,232,733)</b>
<b>Cash Flows from Financing Activities</b>				
Payment of Coupon on Instruments Eligible for Additional Capital		(1,000,000)	(1,000,000)	(1,000,000)
Proceeds from Issuance of Debt Securities		591,425	3,658,658	8,748,885
Repayment of Debt Securities		(140,105)	(389,683)	(10,754,896)
Proceeds from Issuance of Other Borrowings		225,066	313,276	11,259,064
Repayment of Other Borrowings		(1,298,021)	(76,374)	(10,419,936)
Payment of Rents for Lease Contracts		(61,411)	(64,874)	(239,951)
Dividends Paid		(5,051,308)	(4,132,810)	(4,162,715)
<b>Net Cash Flows used in Financing Activities</b>		<b>(6,734,354)</b>	<b>(1,691,807)</b>	<b>(6,569,549)</b>
Net Increase in Cash and Cash Equivalents		7,218,055	21,719,749	4,984,348
Effects of Exchange Rate Changes on Cash and Cash Equivalents		(1,030,631)	(302,649)	(807,228)
Cash and Cash Equivalents as at 1 January		106,660,460	102,483,340	102,483,340
<b>Cash and Cash Equivalents at 31 March / 31 December</b>	11	<b>112,847,884</b>	<b>123,900,440</b>	<b>106,660,460</b>

The attached notes 1 to 14 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 2022**

**1. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

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 2021 annual 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 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

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 2021.

The Group has consistently applied the accounting policies as applied in the annual consolidated financial statements for the year ended 31 December 2021.

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 2021.

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

<b>Description</b>	<b>Effective from</b>
COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Annual Improvements to IFRS Standards 2018 – 2020	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
<b>Standards / Amendments Issued but not yet Effective</b>	
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and amendments amendments to IFRS 17 Insurance Contracts	1 January 2023
Definition of Accounting Estimate (Amendments to IAS 8)	1 January 2023
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
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 new standard / amendments. The Group will adopt these on the effective date(s).

On the basis of data published up to the date of issuance of these condensed interim financial statements, Turkey is expected to be a hyper-inflationary economy for the accounting period ending on 30 June 2022. Consequently, this would require application of IAS 29 Financial Reporting in Hyperinflationary Economies, that requires purchasing power adjustment to the carrying values of the non-monetary assets and liabilities and to items in the consolidated statement of comprehensive income with respect to subsidiaries of the Group operating in Turkey.

The Group is currently evaluating the impact of the above application on its 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 2022**

**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:

	<b>Qatar Operations</b>					<b>Total</b>
	<b>Corporate Banking</b>	<b>Consumer Banking</b>	<b>Asset and Wealth Management</b>	<b>International Banking</b>	<b>Unallocated and Intra-group Transactions</b>	
	<b>QR000</b>	<b>QR000</b>	<b>QR000</b>	<b>QR000</b>	<b>QR000</b>	
<b>As at and for the three month period ended 31 March 2022:</b>						
<b>Revenue:</b>						
Net Interest Income	3,759,935	153,950	170,207	2,160,637	17,650	6,262,379
Net Fees and Commission Income	170,145	80,178	78,939	476,259	2,122	807,643
Net Foreign Exchange Gain	85,921	49,760	30,864	239,423	(4,978)	400,990
Income from Investment Securities	12,321	-	(2,374)	20,406	-	30,353
Other Operating Income	3,500	24	-	28,272	(36)	31,760
Share of Results of Associates	179,369	-	-	8,350	-	187,719
<b>Total Segment Revenue</b>	<b>4,211,191</b>	<b>283,912</b>	<b>277,636</b>	<b>2,933,347</b>	<b>14,758</b>	<b>7,720,844</b>
<b>Reportable Segment Profit</b>	<b>2,438,509</b>	<b>130,221</b>	<b>215,761</b>	<b>904,419</b>	<b>(72,895)</b>	<b>3,616,015</b>
<b>Reportable Segment Investments</b>	<b>90,259,518</b>	<b>-</b>	<b>157</b>	<b>51,323,256</b>	<b>-</b>	<b>141,582,931</b>
<b>Reportable Segment Loans and Advances</b>	<b>563,937,557</b>	<b>9,537,841</b>	<b>22,297,044</b>	<b>167,443,836</b>	<b>-</b>	<b>763,216,278</b>
<b>Reportable Segment Customer Deposits</b>	<b>368,974,657</b>	<b>36,166,527</b>	<b>43,262,337</b>	<b>339,656,325</b>	<b>-</b>	<b>788,059,846</b>
<b>Reportable Segment Assets</b>	<b>802,807,579</b>	<b>37,791,483</b>	<b>44,274,451</b>	<b>544,770,247</b>	<b>(321,151,018)</b>	<b>1,108,492,742</b>
<b>As at and for the three month period ended 31 March 2021:</b>						
<b>Revenue:</b>						
Net Interest Income	3,122,727	159,522	202,190	1,895,240	10,463	5,390,142
Net Fees and Commission Income	185,998	64,704	74,327	445,860	20,490	791,379
Net Foreign Exchange Gain	140,212	44,392	30,743	106,850	(801)	321,396
Income from Investment Securities	9,192	-	(1,021)	13,366	-	21,537
Other Operating Income	37	1	-	81,028	14	81,080
Share of Results of Associates	44,515	-	-	14,593	-	59,108
<b>Total Segment Revenue</b>	<b>3,502,681</b>	<b>268,619</b>	<b>306,239</b>	<b>2,556,937</b>	<b>30,166</b>	<b>6,664,642</b>
<b>Reportable Segment Profit</b>	<b>2,346,520</b>	<b>120,317</b>	<b>231,226</b>	<b>664,504</b>	<b>(50,362)</b>	<b>3,312,205</b>
<b>Reportable Segment Investments</b>	<b>78,595,458</b>	<b>-</b>	<b>516</b>	<b>49,081,435</b>	<b>-</b>	<b>127,677,409</b>
<b>Reportable Segment Loans and Advances</b>	<b>517,310,818</b>	<b>9,325,335</b>	<b>20,075,629</b>	<b>173,937,474</b>	<b>-</b>	<b>720,649,256</b>
<b>Reportable Segment Customer Deposits</b>	<b>345,486,237</b>	<b>35,067,497</b>	<b>41,121,226</b>	<b>327,946,991</b>	<b>-</b>	<b>749,621,951</b>
<b>Reportable Segment Assets</b>	<b>744,883,301</b>	<b>36,016,003</b>	<b>42,210,172</b>	<b>547,019,653</b>	<b>(327,654,375)</b>	<b>1,042,474,754</b>

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**3. LOANS AND ADVANCES TO CUSTOMERS**

	<b>31 March 2022 (Reviewed) QR000</b>	<b>31 March 2021 (Reviewed) QR000</b>	<b>31 December 2021 (Audited) QR000</b>
Loans and Advances to Customers	783,481,134	736,802,876	782,195,713
Deferred Profit	(26,112)	(27,259)	(63,790)
Accrued Interest	7,308,806	6,561,702	7,750,961
Expected Credit Losses - Performing Loans and Advances to Customers - Stage 1 and 2	(4,979,134)	(4,587,612)	(4,812,606)
Impairment on Non-performing Loans and Advances to Customers - Stage 3	(22,568,416)	(18,100,451)	(21,418,237)
<b>Net Loans and Advances to Customers</b>	<b><u>763,216,278</u></b>	<b><u>720,649,256</u></b>	<b><u>763,652,041</u></b>

The aggregate amount of non performing loans and advances to customers amounted to QR18,371 million or 2.3% of total loans and advances to customers (31 December 2021: QR18,345 million or 2.3% of total loans and advances to customers).

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

	<b>31 March 2022 (Reviewed) QR000</b>	<b>31 March 2021 (Reviewed) QR000</b>	<b>31 December 2021 (Audited) QR000</b>
Stage 1	719,675,484	681,808,801	719,643,851
Stage 2	52,717,283	45,153,623	51,894,418
Stage 3	18,371,061	16,374,895	18,344,615
<b>Total Gross Exposures</b>	<b><u>790,763,828</u></b>	<b><u>743,337,319</u></b>	<b><u>789,882,884</u></b>

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

	<b>31 March 2022</b>			
	<b>Stage 1 (Reviewed) QR000</b>	<b>Stage 2 (Reviewed) QR000</b>	<b>Stage 3 (Reviewed) QR000</b>	<b>Total (Reviewed) QR000</b>
Opening Balance of Provisions as at 1 January 2022	1,430,091	3,382,515	21,418,237	26,230,843
ECL / Impairment Charge for the Period (Net)	147,782	315,386	1,694,765	2,157,933
Foreign Currency Translation for the Period	(100,307)	(196,333)	(394,623)	(691,263)
Transfers from Stage 1 to 2	(42,524)	42,524	-	-
Write-offs during the Period	-	-	(149,963)	(149,963)
<b>Closing Balance as at 31 March 2022</b>	<b><u>1,435,042</u></b>	<b><u>3,544,092</u></b>	<b><u>22,568,416</u></b>	<b><u>27,547,550</u></b>

	<b>31 March 2021</b>			
	<b>Stage 1 (Reviewed) QR000</b>	<b>Stage 2 (Reviewed) QR000</b>	<b>Stage 3 (Reviewed) QR000</b>	<b>Total (Reviewed) QR000</b>
Opening Balance of Provisions as at 1 January 2021	1,427,951	3,186,651	16,945,037	21,559,639
ECL / Impairment Charge for the Period (Net)	81,463	204,392	1,380,069	1,665,924
Foreign Currency Translation for the Period	(71,643)	(98,932)	(269,971)	(440,546)
Transfers from Stage 1 to 2	(2,499)	2,499	-	-
Transfers from Stage 2 to 3	-	(142,270)	142,270	-
Write-offs during the Period	-	-	(96,954)	(96,954)
<b>Closing Balance as at 31 March 2021</b>	<b><u>1,435,272</u></b>	<b><u>3,152,340</u></b>	<b><u>18,100,451</u></b>	<b><u>22,688,063</u></b>

ECL / impairment charge for the period includes interest in suspense and recoveries of balances previously written off, net of for QR268.2 million (31 March 2021: QR297.7 million).

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**4. INVESTMENT SECURITIES**

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
Investment Securities at Fair Value Through Profit or Loss (FVPL)	352,385	200,531	284,709
Investment Securities at Fair Value Through Other Comprehensive Income (FVOCI)	29,109,754	36,570,465	29,860,133
Investment Securities at Amortised Cost (AC), net	109,499,479	89,202,151	110,439,259
Accrued Interest	2,621,313	1,704,262	2,237,227
<b>Total</b>	<b>141,582,931</b>	<b>127,677,409</b>	<b>142,821,328</b>

The above includes impairment allowance in respect of debt securities amounting to QR219.2 million (31 December 2021: QR214.1 million).

**5. FAIR VALUE RESERVE**

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
Cash Flow Hedges	684,081	(2,334,300)	(967,432)
Fair Value Through Other Comprehensive Income	248,174	(72,877)	(30,130)
Hedges of a Net Investment in Foreign Operations	(23,480)	(477,688)	(171,988)
<b>Total</b>	<b>908,775</b>	<b>(2,884,865)</b>	<b>(1,169,550)</b>

The Fair Value Reserve for Investments at Fair Value Through Other Comprehensive Income include the loss allowance amounting to QR18.8 million (31 December 2021: QR18.7 million).

**6. DIVIDEND**

The cash dividend in respect of the year ended 31 December 2021 of QR0.55 per share, amounting to a total of QR5,080 million, was approved by the shareholders at the Annual General Assembly meeting on 13 February 2022.

The cash dividend in respect of the year ended 31 December 2020 of QR0.45 per share, amounting to a total of QR4,156 million, was approved by the shareholders at the Annual General Assembly meeting on 31 January 2021.

**7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS**

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
<b>Contingent Liabilities</b>			
Unused Facilities	93,863,834	113,836,423	95,460,312
Guarantees	58,892,645	60,699,893	59,477,207
Letters of Credit	50,586,806	43,273,486	47,558,895
<b>Others</b>	10,865,764	14,737,776	11,527,422
<b>Total</b>	<b>214,209,049</b>	<b>232,547,578</b>	<b>214,023,836</b>

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

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
Stage 1	197,027,322	211,733,488	195,637,915
Stage 2	6,014,226	5,715,901	6,539,449
Stage 3	301,737	360,413	319,050
<b>Total Gross Exposures</b>	<b>203,343,285</b>	<b>217,809,802</b>	<b>202,496,414</b>

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

	31 March 2022			
	Stage 1 (Reviewed) QR000	Stage 2 (Reviewed) QR000	Stage 3 (Reviewed) QR000	Total (Reviewed) QR000
Opening Balance of Provisions as at 1 January 2022	295,578	118,851	128,658	543,087
ECL / Impairment Charge for the Period (Net)	6,035	39,025	9,459	54,519
Foreign Currency Translation for the Period	(11,831)	(6,129)	(22,521)	(40,481)
Transfers during the Period	(6)	6	-	-
<b>Closing Balance as at 31 March 2022</b>	<b>289,776</b>	<b>151,753</b>	<b>115,596</b>	<b>557,125</b>

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**7. CONTINGENT LIABILITIES AND OTHER COMMITMENTS (CONTINUED)**

	31 March 2021			
	Stage 1	Stage 2	Stage 3	Total
	(Reviewed) QR000	(Reviewed) QR000	(Reviewed) QR000	(Reviewed) QR000
Opening Balance of Provisions as at 1 January 2021	276,015	137,470	133,306	546,791
ECL / Impairment Charge for the Period (Net)	21,792	(7,157)	(2,647)	11,988
Foreign Currency Translation for the Period	(7,894)	(537)	1	(8,430)
<b>Closing Balance as at 31 March 2021</b>	<b>289,913</b>	<b>129,776</b>	<b>130,660</b>	<b>550,349</b>

**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 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
<b>Statement of Financial Position Items</b>			
Loans and Advances to Customers	3,175,067	2,950,317	3,174,664
Customer Deposits	1,563,757	1,489,485	1,406,375
Contingent Liabilities and Other Commitments	41,136	73,243	48,938
<b>Statement of Income Items</b>			
Interest and Commission Income	31,883	31,432	127,325
Interest and Commission Expense	5,583	4,020	15,795
<b>Associates</b>			
Due from banks	1,358,067	1,332,088	1,363,707
Interest and Commission Income	11,213	11,519	45,243
Due to banks	136,684	1,255	58,238
Interest and Commission Expense	15	14	41
<b>Compensation of key management personnel is as follows:</b>			
Salaries and Other Benefits	34,481	30,262	43,399
End of Service Indemnity Benefits	321	291	1,017

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 QR84,052 million included in loans and advances (31 December 2021: QR88,108 million) and QR12,563 million included in customer deposits (31 December 2021: QR21,244 million).

**9. CAPITAL ADEQUACY**

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
Common Equity Tier 1 (CET 1) Capital	68,001,571	67,088,543	70,825,047
Eligible Additional Tier 1 (AT 1) Capital Instruments	20,000,000	20,000,000	20,000,000
Additional Tier 1 Capital	72,687	88,057	78,664
Additional Tier 2 Capital	5,593,950	5,281,913	5,560,003
<b>Total Eligible Capital</b>	<b>93,668,208</b>	<b>92,458,513</b>	<b>96,463,714</b>
<b>Risk Weighted Assets</b>	<b>496,456,106</b>	<b>486,022,959</b>	<b>499,381,153</b>
Total Capital Ratio	18.9%	19.0%	19.3%

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%
- Minimum limit including Capital Conservation buffer, ICAAP buffer and the applicable Domestically Systemically Important Bank ("DSIB") buffer is 16%.

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**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 2021.

	Level 1 QR000	Level 2 QR000	Level 3 QR000	Total QR000
<b>At 31 March 2022: (Reviewed)</b>				
Derivative Assets Held for Risk Management	-	6,105,286	-	6,105,286
Investment Securities	28,979,208	1,322,704	-	30,301,912
	<b>28,979,208</b>	<b>7,427,990</b>	-	<b>36,407,198</b>
Derivative Liabilities Held for Risk Management	-	2,469,325	-	2,469,325
	-	<b>2,469,325</b>	-	<b>2,469,325</b>
<b>At 31 December 2021: (Audited)</b>				
Derivative Assets Held for Risk Management	-	7,308,699	-	7,308,699
Investment Securities	29,375,351	1,292,818	-	30,668,169
	<b>29,375,351</b>	<b>8,601,517</b>	-	<b>37,976,868</b>
Derivative Liabilities Held for Risk Management	602	5,630,316	-	5,630,918
	<b>602</b>	<b>5,630,316</b>	-	<b>5,630,918</b>

**11. CASH AND CASH EQUIVALENTS**

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

	31 March 2022 (Reviewed) QR000	31 March 2021 (Reviewed) QR000	31 December 2021 (Audited) QR000
Cash and Balances with Central Banks	34,479,566	41,847,430	44,822,662
Due from Banks Maturing in Three months	78,368,318	82,053,010	61,837,798
<b>Total</b>	<b>112,847,884</b>	<b>123,900,440</b>	<b>106,660,460</b>

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

**12. BASIC AND DILUTED EARNINGS PER SHARE**

	Three Months to 31 March 2022 (Reviewed) QR000	Three Months to 31 March 2021 (Reviewed) QR000
Profit for the Period Attributable to Equity Holders of the Bank	3,616,015	3,312,205
Less: Dividend Appropriation for Instruments Eligible for Additional Tier 1 Capital	(250,000)	(250,000)
Net Profit for the Period Attributable to Equity Holders of the Bank	3,366,015	3,062,205
Weighted Average Number of Shares	9,236,428,570	9,236,428,570
Earnings Per Share (QR) - Basic and Diluted	<b>0.36</b>	<b>0.33</b>

**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.

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**14 . IMPACT OF COVID-19**

During the current period, due to continued uncertainties caused by COVID-19, the Group has updated the inputs and assumptions used for the determination of expected credit losses ("ECLs"). ECLs are estimated based on a range of forecast economic conditions as at the reporting date and the Group has considered the impact of volatility in the forward-looking macro-economic factors, when determining the severity and likelihood of economic scenarios for ECL determination.

This volatility has been reflected through adjustment in the methods of scenario construction and the underlying weightages assigned to these scenarios. The forward-looking factors used are determined from statistical distribution of credit cycle index (CCI) factors, which can be derived from a number of historical observed factors such as risk yields, credit growth, credit spreads or defaults. Interdependency exists between the CCI and these factors as applicable in the relevant economies, which for Qatar scenarios include:

	<b>31 March 2022 (Reviewed)</b>	<b>31 March 2021 (Reviewed)</b>	<b>31 December 2021 (Audited)</b>
Average oil price range (USD / Barrel)	54 to 68	28 to 46	40 to 64
GDP Growth Rate	0.7% to 2.6%	-0.7% to 2.95%	-1.25% to 1.8%
Inflation	0.3% to 1.5%	-1% to 2.3%	-0.9% to 1.0%

The following weightings were assigned to each macro-economic scenario at QNB parent company level which are based on the CCI:

	<b>31 March 2022 (Reviewed)</b>	<b>31 March 2021 (Reviewed)</b>	<b>31 December 2021 (Audited)</b>
Upside Case	5%	0%	5%
Base Case	80%	55%	80%
Downside Case	15%	45%	15%

QNB Group also updated the relevant forward-looking information of QNB Group's international operations with respect to the weightings of the relevant macroeconomic scenarios relative to the economic climate of the respective market in which it operates.

The Group has considered the potential impacts of the current economic volatility in determination of the reported amounts of the financial and non-financial assets and these are considered to represent management's best assessment based on observable information. Markets however remain volatile and the recorded amounts remain sensitive to market fluctuations.

QNB Group is closely monitoring the situation and has activated its business continuity planning and other risk management practices to manage the potential business disruption COVID-19 outbreak may have on its operations and financial performance.