

Press Release



**Financial Results
For The Nine Months Ended
30 September 2024**

QNB Group's nine months Net Profit increases by 7% to reach QAR12.7 billion

Key Highlights

- **Net Profit reached QAR12.7 billion, up by 7% from September 2023.**
- **Total Assets reached QAR1,279 billion, up by 8% from September 2023.**
- **Loans and Advances reached QAR905 billion, up by 11% from September 2023.**
- **Customer Deposits reached QAR909 billion, up by 11% from September 2023.**
- **Earnings per share reached QAR1.28, up by 8% from September 2023.**
- **Total Equity reached QAR113 billion, up by 4% from September 2023.**
- **Moody's and Fitch upgraded QNB's credit ratings to Aa2 and A+, respectively.**
- **QNB Group received regulatory approvals to proceed with its share buyback of up to QAR2.9 billion subject to applicable QFMA regulations.**
- **QNB Group successfully paid an interim dividend of QAR0.33 per share for the six months ended 30 June 2024.**

Doha, 8 October 2024:

QNB Group, the largest financial institution in the Middle East and Africa, celebrates its 60th anniversary this year, marking its establishment in 1964 as the first and oldest financial and banking institution in Qatar. This milestone crowns a continuous journey of success during which the group transformed from a local bank into one of the largest and most profitable financial institutions in the region.

QNB announced its results for the nine months period ended 30 September 2024.

Key indicators of the financial results were as follows:

Financial Highlights

(QAR billion)	September 2024	September 2023	Increase
Net Profit	12.7	11.9	7%
Operating Income	30.5	29.0	5%
Total Assets	1,279	1,186	8%
Loans and Advances	905	815	11%
Customer Deposits	909	822	11%
Total Equity	113	109	4%

Key Performance Indicators	September 2024	September 2023	December 2023
Earnings Per Share (QAR)	1.28	1.19	1.55
Cost to Income Ratio	22.4%	20.0%	20.0%
Loans to Deposits Ratio	99.5%	99.2%	99.5%
NPL Ratio	3.0%	3.0%	3.0%
Coverage Ratio	100%	100%	100%
Capital Adequacy Ratio (CAR)	19.5%	19.0%	19.8%
Liquidity Coverage Ratio (LCR)	154%	166%	206%
Net Stable Funding Ratio (NSFR)	104%	102%	105%

Creating long-term shareholder value through sustainable and profitable growth

Income statement results: Net profit for the nine months ended 30 September 2024 reached QAR12.7 billion, an increase of 7% compared to same period last year, demonstrating stable nature of QNB Group's financial results. Operating Income increased by 5% to reach QAR30.5 billion which reflects the Group's ability to maintain successful growth across a range of revenue sources.

QNB Group's efficiency (cost to income) ratio stood at 22.4%, which is considered one of the best ratios among large financial institutions in the MEA region.

Balance sheet drivers: Total Assets as at 30 September 2024 reached QAR1,279 billion, an increase of 8% from 30 September 2023, mainly driven by growth in loans and advances by 11% to reach QAR905 billion. Customer deposits increased by 11% to reach QAR909 billion from 30 September 2023, due to successful deposit mobilization. QNB's loans to deposits ratio stood at 99.5% as at 30 September 2024.

Credit quality: The ratio of non-performing loans to gross loans stood at 3% as at 30 September 2024, one of the lowest amongst financial institutions in the MEA region, reflecting the high quality of the Group's loan book and the effective management of credit risk. Also during the period, loan loss charge decreased to QAR5.2 billion, representing a decrease of 14% compared to September 2023. In addition, loan loss coverage ratio stood at 100%, which reflects the prudent approach adopted by the Group towards non-performing loans.

Regulatory ratios: QNB Group's Capital Adequacy Ratio (CAR) as at 30 September 2024 amounted to 19.5%. Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) as at 30 September 2024 amounted to 154% and 104% respectively. These ratios are higher than the regulatory minimum requirements of the Qatar Central Bank and Basel III requirements.

QNB Share Buyback

On 29 September 2024, QNB Group announced that it has obtained all applicable regulatory approvals from Qatar Central Bank (QCB) and Qatar Financial Market Authority (QFMA) to proceed with its share repurchase.

As permitted under Article 10 of QNB's Articles of Association and based on QNB Board of Directors' decision dated 11 September 2024, QNB will conduct its share buyback up to an amount of QAR2.9 billion in accordance with QFMA decision numbers 3 and 4 of 2024. QNB Group intends to fund its share buyback from its existing cash resources available with QNB. The Share Buyback will be conducted

using an Open-Market Repurchase (OMR) mechanism as per applicable QFMA rules and regulations.

The decision to initiate a repurchase of QNB's own shares arose after careful consideration of several factors including current and future shareholders expectations, strength of QNB Group's financial position, growth strategy, strong return on equity, high quality and superior earnings, financial ratios associated with equity and liquidity, and continued confidence of the investor community.

QNB Group will continue to hold robust capital buffers, well above regulatory minimums of QCB and Basel III requirements, and does not anticipate any material impact on its capital and other ratios because of its intended share buyback.

First interim dividend

During July 2024, QNB successfully paid an interim dividend of QAR0.33 per share. This interim dividend payment was a first ever in QNB's 60-year history and primarily aimed to reward QNB's long-term shareholders.

International Footprint

During the period, QNB Group successfully received its license as a Qualified Foreign Institutional Investor (QFII) from China Securities Regulatory Commission (CSRC).

Top-tier credit ratings

During 2024, Moody's and Fitch upgraded QNB's credit ratings to Aa2 and A+ respectively, which reaffirmed QNB's rating as the highest-

rated bank in Qatar and one of the highest-rated banks in the world with ratings of Aa2 from Moody's, A+ from S&P and A+ from Fitch. These ratings are a testament to QNB Group's capital strength, governance, prudent risk management, business and operating model. This provides QNB Group with a competitive advantage when accessing global capital markets for wholesale funding and enables QNB to continue its growth and expansion plans.

QNB Group's financial strength reflects its top tier credit ratings, which demonstrates the confidence that institutional, corporate and individual customers have in QNB Group's performance and long-term strategy, providing assurances to investors and market participants.

Diversified funding sources

Up to the 3rd quarter of 2024, QNB Group has successfully completed public debt issuances under its EMTN programme, namely, a USD1.0 billion five-year public bond issuance in London Stock Exchange (LSE) in January 2024 and Formosa bond for USD1.0 billion in April 2024 with a dual listing in Taipei Exchange and LSE.

These deals attracted strong interest around the world from key global investors, reflecting investors' confidence in QNB Group's financial strength and its position as the largest financial institution in the Middle East and Africa region and demonstrates our standing as a high quality issuer.

Creating and delivering value

Based on QNB Group's continuous strong performance, driven by its strength and international footprint, the QNB brand remains the most valuable banking brand in the MEA region by Brand Finance, with a

brand value of USD8.4 billion, placing the Group in the 39th position globally among the Top 50 most valuable banking brands in the world. This reflects QNB Group's successful efforts to serve its diverse customer base. QNB's Brand Strength Index (BSI) increased to 86, up from 85 in 2023.

QNB Group also received a number of prestigious awards during this period:

- Best Trade Finance Bank in Qatar by GTR
- Best Retail Bank for Digital Customer Experience in both Qatar and the Middle East by The Digital Banker
- Best Bank for Cash Management in Qatar by Global Finance

Sustainability

QNB Group continues to engage the market, clients and partners to raise awareness and drive collective action on sustainability. Enabled by the market leading QNB Group Sustainable Finance and Product Framework, we maintain our position as a pioneer in sustainable financing. As well as the first domestic green bond, interbank green deposit, inaugural green guarantee, and exclusive green vehicle loans, QNB supported the State of Qatar as Global Coordinator for its inaugural USD2.5 billion green bond issuance.

During this quarter, QNB became the first bank in Qatar to join the Partnership for Carbon Accounting Financials (PCAF). This membership reflects QNB Group's commitment to combating climate change as part of its strategic focus on sustainability. PCAF facilitates the Bank's measurement of greenhouse gas (GHG) emissions arising from its financing activities, supporting transparency and

accountability. This further enables QNB's support of the State of Qatar's ratification of the Paris Agreement and national climate target.

QNB Group's latest annual Sustainability Report includes independent assurance on key ESG KPIs, including GHG emissions, female employment rate, and female Board of Directors in subsidiaries. QNB Group remains the only bank amongst its regional peers to receive an independent assurance on its preparation in accordance with the Global Reporting Initiative (GRI) Universal Standards.

Group statistics

QNB Group's presence spans more than 28 countries across three continents operating from approximately 900 locations, 5,000 ATMs supported by 31,000 staff.