



# The Commercial Bank (P.S.Q.C.) Invitation to Shareholders to attend the Commercial Bank's Ordinary General Assembly Meeting

The Board of Directors (the “**Board**”) of The Commercial Bank (P.S.Q.C.) (the “**Company**”) is pleased to invite its shareholders to attend the Company’s Ordinary General Assembly Meeting to be held on **Monday, 1 April 2024 at 9:30 p.m.** at the **Commercial Bank Plaza, Al Markhiya Street, Al Dafna** and **virtually using the ZOOM application** to discuss the Agenda below. In case the quorum is not achieved for the first meeting on the above-mentioned date, a second meeting will be held on **Wednesday, 03 April 2024** at the same time and location.

## Agenda of the Ordinary General Meeting

- To discuss and approve the report of the Board concerning the Company’s activities and its financial position for the financial year ended 31 December 2023, and the future plans of the Company.
- To discuss and approve the external auditors’ report in accordance with Article 24 of the QFMA Governance Code for Companies and Legal Entities Listed on the Main Market issued pursuant to the QFMA’s Board Decision number 5 of 2016, and the Report on the Company’s financial statements presented by the Board for the financial year ended 31 December 2023.
- To discuss and approve the Company’s financial statements, balance sheet and the profit and loss accounts for the year ended 31 December 2023.
- To consider and approve the dividend distribution policy presented by the Board and the Board’s recommendation to distribute a cash dividend of 25% of the nominal value of the share to the Shareholders of QAR 0.25 for each share held.
- To consider absolving the Board from liability for the financial year ended 31 December 2023 and determine their remuneration for the year ended 31 December 2023 subject to QCB approval.
- To discuss and approve the remuneration policy.
- To appoint the external auditors for the year 2024 and determine their remuneration.
- To discuss and approve the Company’s annual corporate governance report for 2023.
- In the event that market conditions are favourable as determined by the Board, to approve the adoption of a new Global Medium Term Notes programme (the “**GMTN Programme**”) in compliance with Rule 144A of the US Securities Act of 1933 to allow for issuances in the US markets by the Company directly or through an SPV for up to USD2,000,000,000 or its equivalent in Qatari Riyals with a maximum maturity of 30 years provided that they are issued in the global markets or in the form of private placements subject always to obtaining all regulatory approvals and complying with any applicable restrictions under the Commercial Companies Law number 11 of 2015 (as amended) (the “**Companies Law**”) for any direct issuances by the Company itself and to authorise the Board to decide on the size and terms and conditions of such programme and any issuances thereunder (within the prescribed limit) and to negotiate and execute the GMTN Programme documents and any other agreement or arrangements relating to the GMTN Programme and any issuances thereunder on behalf of the Company in this regard and authorising the Board to delegate such authority to officers within the Company. This proposed GMTN programme was also approved in the general assembly meetings held each year from 2017 to 2023, respectively, but was not required for funding in these past years.
- Further to the USD5,000,000,000 Euro Medium Term Note Programme established in 2011 (the “**EMTN Programme**”) approved by the Shareholders in the general assembly meetings held on 21 February 2011, and again each year from 2016 to 2023, respectively, to affirm the approval for the issuance of debt notes under the EMTN Programme with a maximum maturity of 30 years. These notes may be issued in various currencies (including but not limited to US Dollars, Japanese Yen, Australian Dollars, Swiss Francs, Thai Baht, Chinese Renminbi, Canadian Dollars, Taiwanese Dollar and Qatari Riyals and / or other Gulf Cooperation Council currencies) and may be listed on global markets. These notes may be issued through global markets or in the form of private placements subject always to obtaining all regulatory approvals and complying with any applicable restrictions under the Companies Law for any direct issuance by the Company itself and to authorise the Board to decide on the size and terms and conditions of any such issuances (within the prescribed limit) and to negotiate and execute the EMTN Programme documents and any other agreement or arrangements relating to the EMTN Programme on behalf of the Company in this regard and authorising the Board to delegate such authority to officers within the Company. The Company intends to make drawdowns under the EMTN Programme throughout the year. Under the EMTN Programme, one public issuance was made in early 2023; a Qatari Riyal issuance of QAR 429,000,000 made pursuant to the approval of the general assembly meeting held on 16 March 2022. As at January 2024, no issuances were made under the EMTN Programme in 2023 pursuant to the approval of the general assembly meeting held on 15 March 2023.
- To authorise the Board to establish any other debt programmes or complete a standalone issuance in any currency which may be suitable depending on market conditions up to an aggregate limit of USD1,000,000,000 billion (with issuances being made either directly by the Company or through an existing SPV or a new SPV established for this purpose) subject always to obtaining all regulatory approvals and complying with any applicable restrictions under the Companies Law for any direct issuance by the Company itself and to authorise the Board to decide on the size and terms and conditions of such programmes and any issuances thereunder (within the prescribed limit) or such standalone issuances and to negotiate and execute the transaction documents and any other agreement or arrangements relating to the programme and any issuances thereunder or any standalone issuances on behalf of the Company in this regard and authorising the Board to delegate such authority to officers within the Company. Following the approval of the general assembly for the establishment of debt programmes in the general assembly meetings held each year from 2021 to 2023, respectively, no other debt programmes were established.
- Further to the AUD debt issuance programme (the “**AUD Programme**”) established in 2018 for USD1,000,000,000 following the approval of the Shareholders in the general assembly meetings held on each year from 2018 to 2023, respectively, to authorise the issuance of notes for up to USD1,000,000,000 under the AUD Programme with a maximum maturity of 30 years. These notes may be issued in various currencies (including, but not limited to US Dollars and Australian Dollars) and may be listed on global markets. These notes are to be issued through a regular issuance through global markets or in the form of private placements subject always to obtaining all regulatory approvals and complying with any applicable restrictions under the Companies Law for any direct issuance by the Company itself and to authorise the Board to decide on the size and terms and conditions of such issuances (within the prescribed limit) and to negotiate and execute the AUD Programme documents and any other agreement or arrangements relating to the AUD Programme and any issuances thereunder on behalf of the Company in this regard and authorising the Board to delegate such authority to officers within the Company. At the date hereof, no issuances have yet been made under the AUD Programme.
- To approve the further direct issuance by the Company of listed or unlisted instruments that shall be eligible as Additional Tier 1 Capital in accordance with Basel 3, up to a maximum amount of USD1,000,000,000 (QAR3.6 billion) and in compliance with the instructions of the Qatar Central Bank (the “**QCB**”) and the terms of the Companies Law, to be issued by the Company directly and to authorise the Board to either privately place or list any such local or global issuances and approve the final amount, the currency and the detailed terms of such Additional Tier 1 Capital issuance and obtain the required approvals from the QCB and other governmental authorities.

## NOTES

- A Shareholder who cannot attend the meeting may appoint another Shareholder in writing to represent him. The Shareholder may not appoint a Board member as a proxy, and the number of shares held by a Shareholder as a proxy should not under any circumstances exceed 5% of the total shares of the Company (i.e. 202,362,688 shares), except in the case of a proxy given on behalf of a custodian bank or depository bank which is holding shares in respect of an offering of Global Depositary Receipts approved by the Extraordinary General Assembly of the Company.

Shareholders who wish to attend the virtual meeting must send the following information and documents to the email address: AGM2024@cbq.qa at least one day before the meeting date.

### For individuals:

- A valid copy of the identification document (Qatari ID or passport).
- Mobile phone number.
- The shareholder’s number issued by the Qatar Stock Exchange.
- In the case of a proxy, please attach a copy of the proxy form.

### For corporate shareholder representatives who wish to attend the meeting virtually:

- An authorization letter appointing them as representative of said companies for the Ordinary General meeting.

For corporate shareholder representatives who wish to attend the meeting in person, please present a copy of the authorization letter appointing them as a representative signed and stamped and the supporting documents.

- A Zoom application link will be sent electronically via email to the shareholders attending the meeting virtually and whose contact details have been received. Based on the link, the shareholders will be required to register for the meeting two hours before the meeting. Registrations will also be accepted in person at Commercial Bank Plaza, Ground floor, Al Markhiyah Street, Al Dafna. Upon the completion of the registration procedure, the shareholder will be sent another link, which will direct him to the virtual meeting room on the Zoom application.
- Zoom attendees can discuss agenda items and virtually direct their questions, if any, to the Board of Directors or the external auditor, through the second link that will be sent at the beginning of the meeting, by sending such questions through the Zoom chat window during the meeting. With regard to voting on the items of the meeting agenda, any shareholder who has an objection to an item should raise his hand by using the relevant button in the Zoom application to express his objection during the voting process. If a shareholder does not raise his hand, it shall be deemed as an approval of the agenda item.
- A statement will be made available to the Shareholders seven days before the Ordinary General Assembly Meeting, at the office of the Board Secretary on the 18th floor of the Commercial Bank Plaza, which includes information on the wages, fees, commissions, cash loans, credits or guarantees, as well as in-kind benefits and bonuses received by the Chairman of the Board and each member of the Board.
- This invitation constitutes a legal announcement to all Shareholders and there will be no requirement to send a special mail invitation in accordance with the Companies Law.
- Please visit Commercial Bank’s website at [www.cbq.qa](http://www.cbq.qa) to review the supporting documents including the financial statements, the external auditor’s report, the dividend distribution policy, the remuneration policy, and the annual corporate governance report for 2023.

## Chairman’s message

The global economy proved more resilient than expected in 2023, with performance beating expectations in the US and the Euro area. This was despite the effects of monetary policy tightening by major central banks throughout most of the year that was necessary to reduce inflation. While the likelihood of a hard economic landing has receded, the global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine remains slow and uneven, with economic activity still below pre-pandemic levels in emerging markets. The IMF projects that global growth will slow in 2024 versus 2023, and forecasts for global growth over the medium term are at their lowest in decades.

Despite the difficulties facing the global economy, the Qatari economy grew by 2.4% in 2023. The North Field Expansion Project has boosted the positive outlook for the local economy and a rise in energy prices above the conservative forecast price in the State’s budget has led to a surplus. The Government is prudently reducing levels of public debt and increasing the State’s financial reserves, which is proving effective in strengthening the local economy. Qatar’s substantial reserves and a low fiscal breakeven oil price are its fundamental economic strengths, and this is reflected in strong sovereign ratings of Aa3, AA and AA- from Moody’s, S&P and Fitch respectively.

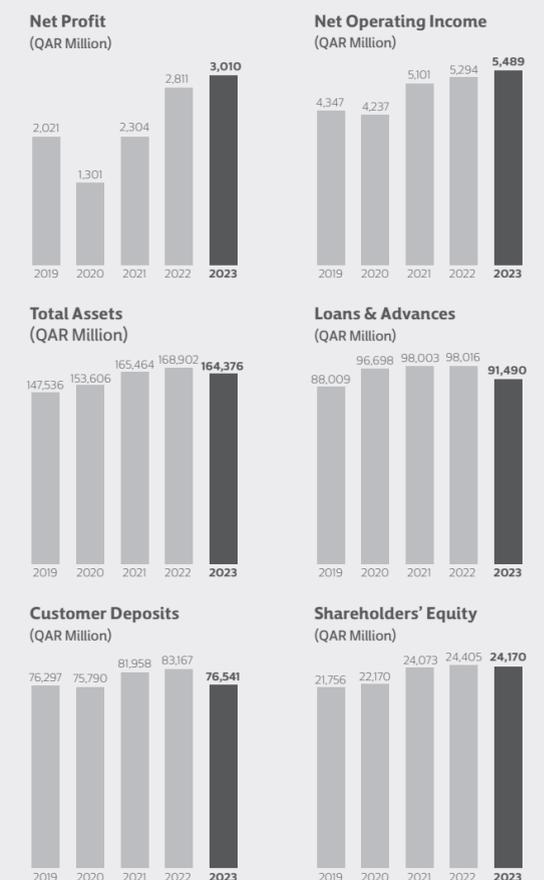
The Government continues to develop Qatar’s business environment through a wide range of policy measures. In 2023, the Qatar Central Bank launched the 3rd Financial Sector Strategy to support the economy and financial institutions, promote the financial sector through innovation and efficiency, provide appropriate solutions which safeguard stakeholders’ interests, and help promote growth. Commercial Bank will continue to provide our unwavering support in the development process of the financial sector and broader national development objectives in line with the Qatar National Vision 2030.

On behalf of the Board of Directors, I would like to express our thankfulness and gratitude for the visionary leadership of His Highness the Amir Sheikh Tamim Bin Hamad Al Thani. Under the leadership of His Highness, Qatar is well positioned to continue its successful development path and growth trajectory. I also want to convey our appreciation for the guidance and support we have received from His Excellency the Prime Minister and Minister of the Foreign Affairs and His Excellency the Governor of Qatar Central Bank.

Commercial Bank’s vision is to be the leading bank in Qatar with the world’s best client experience, innovation in products and digital capability. We have made good progress in achieving this vision as we come to the end of the second year of our new strategic plan (2022-2026), reporting record results for the year. Commercial Bank, its subsidiaries and associates announced its financial results for the full year ended on 31 December 2023, and the Board of Directors has recommended, for approval at the Annual General Assembly on 18 March 2024, a cash dividend payout of QAR 0.25 per share. I would like to thank the Board of Directors for its continued guidance, our employees for their hard work, our customers for their loyalty, and our shareholders for their support.

**Abdulla Bin Ali Bin Jabor Al Thani**  
Chairman

## Commercial Bank 2023 Results



# Independent Auditor's Report To the Shareholders of The Commercial Bank P.S.Q.C.

## Opinion

We have audited the consolidated financial statements of The Commercial Bank P.S.Q.C. (the 'Bank') and its subsidiaries (together the 'Group'), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the Bank's consolidated financial statements in the State of Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of loans and advances to customers	
See Notes 4(b) and 10 to the consolidated financial statements.	
The key audit matter	How the matter was addressed in our audit
<p>We focused on this area because:</p> <ul style="list-style-type: none"> <li>of the significance of loans and advances representing 55.7% of total assets.</li> <li>impairment of loans and advances involves: <ul style="list-style-type: none"> <li>complex estimates and judgement over both timing and recognition of impairment including susceptibility to management bias.</li> <li>use of statistical models and methodologies for determination of expected credit losses. The Group exercises significant judgments and makes a number of assumptions in developing its ECL models which is determined as a function of the assessment of the probability of default ("PD"), loss given default ("LGD"), and exposure at default ("EAD") associated with the underlying financial assets; and</li> <li>complex disclosure requirements regarding credit quality of the portfolio including explanation of key judgments and material inputs used in determination of expected credit losses.</li> </ul> </li> <li>the need to measure ECLs on an unbiased forward-looking basis incorporating a range of economic conditions. Significant management judgment is applied in determining the economic scenarios used and the probability weighting applied to them; and adjustments to the ECL model results are made by management to address known impairment model limitations or emerging trends or risks.</li> </ul>	<p>Our audit procedures, amongst others, to address significant risks associated with impairment of loans and advances included:</p> <ul style="list-style-type: none"> <li>Evaluating the appropriateness of the accounting policies adopted based on the requirements of IFRS 9, our business understanding, and industry practice.</li> <li>Confirming our understanding of management's processes, systems and controls implemented, including controls over expected credit loss ("ECL") model development.</li> </ul> <p><b>Controls testing</b></p> <p>We performed process walkthroughs to identify the key systems, applications and controls used in the ECL processes. We tested the relevant General IT controls over key systems associated with the ECL process. Key aspects of our control testing involved the following:</p> <ul style="list-style-type: none"> <li>Testing the controls over the inputs and assumptions used to derive the credit ratings for the borrowers, including performing and non-performing loans and its monitoring process;</li> <li>Testing the design and operating effectiveness of the key controls over the completeness and accuracy of the key inputs and assumption elements into the IFRS 9 ECL models;</li> <li>Testing controls over the modelling process, including governance over model monitoring, validation and approval;</li> <li>Testing key controls relating to selection and implementation of material economic variables; and</li> <li>Testing controls over the governance and assessment of model outputs and authorisation and review of post model adjustments and management overlays including selection of economic scenarios and the probability weights applied to them.</li> </ul> <p><b>Test of details</b></p> <p>Key aspects of our testing involved:</p> <ul style="list-style-type: none"> <li>Sample testing over key inputs and assumptions impacting ECL calculations including economic forecasts to confirm the accuracy of information used;</li> <li>Re-performing key aspects of the Group's significant increase in credit risk ("SICR") determinations and selecting samples of financial instruments to determine whether a SICR was appropriately identified;</li> <li>Re-performing key elements of the Group's model calculations and assessing performance results for accuracy; and</li> <li>Selecting a sample of post model adjustments and management overlays in order to assess the reasonableness of the adjustments by challenging key assumptions, testing the underlying calculation and testing any relevant inputs being used.</li> </ul> <p><b>Use of specialists</b></p> <p>For the relevant portfolios examined, we have involved KPMG specialists to assist us in assessing associated IT system controls and challenging key management assumptions used in determining expected credit losses. Key aspects include:</p> <ul style="list-style-type: none"> <li>Involving our information technology specialists to test controls over the associated IT systems.</li> <li>Involving our credit risk specialists in: <ul style="list-style-type: none"> <li>evaluating the appropriateness of the Groups' ECL methodologies (including the staging criteria used);</li> <li>re-performing the calculations of certain components of the ECL model (including the staging criteria);</li> <li>evaluating the appropriateness of the Group's methodology for determining the economic scenarios used and the probability weighting applied to them; and</li> <li>evaluating the overall reasonableness of the management economic forecast by comparing it to external market data and our understanding of the underlying sector and macroeconomic trends.</li> </ul> </li> </ul> <p><b>Disclosures</b></p> <ul style="list-style-type: none"> <li>Evaluating the adequacy of the Group's disclosure in relation to use of significant estimates and judgment and credit quality of loans and advances by reference to the requirements of relevant accounting standards.</li> </ul>

## Emphasis of Matter - comparative information

We draw attention to Note 40 to the consolidated financial statements which indicates that the comparative information presented as at and for the year ended 31 December 2022 has been restated. Our opinion is not modified in respect of this matter.

## Other Matter - comparative information

The consolidated financial statements of the Group as at and for the years ended 31 December 2022 and 31 December 2021 (from which the statement of financial position as at 1 January 2022 has been derived), excluding the adjustments described in Note 40 to the consolidated financial statements were audited by another auditor who expressed an unmodified opinion on those financial statements on 16 February 2023 and 22 February 2022.

As part of our audit of the consolidated financial statements as at and for the year ended 31 December 2023, we audited the adjustments described in Note 40 that were applied to restate the comparative information presented as at and for the year ended 31 December 2022 and the statement of financial position as at 1 January 2022. We were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the years ended 31 December 2022 or 31 December 2021 (not presented herein) or to the consolidated statement of financial position as at 1 January 2022, other than with respect to the adjustments described in Note 40 to the consolidated financial statements. Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 40 are appropriate and have been properly applied.

## Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Bank's Annual Report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## Responsibilities of Board of Directors for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

As required by the Qatar Commercial Companies Law No. 11 of 2015, whose certain provisions were subsequently amended by Law No. 8 of 2021 («amended QCCL»), we also report that:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- The Bank has maintained proper accounting records and its consolidated financial statements are in agreement therewith.
- The report of the Board of Directors is expected to be made available to us after the date of this auditor's report.
- We are not aware of any violations of the applicable provisions of the amended QCCL or the terms of the Bank's Articles of Association having occurred during the year which might have had a material effect on the Bank's consolidated financial position or performance as at and for the year ended 31 December 2023.

Gopal Balasubramaniam  
KPMG

Doha - State of Qatar  
Date: 07 March 2024

Qatar Auditor's Registry Number 251  
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# Consolidated Financial Statements

## 31 December 2023

Consolidated Statement of Financial Position			
Figures in thousand Qatari Riyals			
As at 31 December 2023	31 December 2023	31 December 2022 (Restated)	1 January 2022 (Restated)
<b>ASSETS</b>			
Cash and balances with central banks	8,631,193	8,030,334	17,915,385
Due from banks	20,525,334	20,843,798	10,942,011
Loans and advances to customers	91,490,410	98,016,182	98,003,163
Investment securities	30,762,358	29,835,260	26,722,691
Investment in associates and a joint arrangement	3,373,307	3,101,753	2,961,240
Property and equipment	3,062,799	3,050,360	2,753,339
Intangible assets	62,410	66,040	75,375
Other assets	6,468,460	5,958,682	5,673,777
<b>TOTAL ASSETS</b>	<b>164,376,271</b>	<b>168,902,409</b>	<b>165,046,981</b>
<b>LIABILITIES</b>			
Due to banks	18,805,257	24,054,014	17,776,904
Customer deposits	76,541,228	83,167,492	81,958,484
Debt securities	7,899,400	10,714,316	15,285,788
Other borrowings	26,266,888	17,071,747	16,666,973
Other liabilities	10,457,673	9,723,904	10,651,030
<b>TOTAL LIABILITIES</b>	<b>139,970,446</b>	<b>144,731,473</b>	<b>142,339,179</b>
<b>EQUITY</b>			
Share capital	4,047,254	4,047,254	4,047,254
Legal reserve	10,024,432	9,877,879	9,875,823
General reserve	26,500	26,500	26,500
Risk reserve	2,274,574	2,274,574	2,131,459
Fair value reserve	(399,282)	(263,956)	332,601
Cash flow hedge reserve	(155,061)	(103,079)	59,629
Foreign currency translation reserve	(2,718,529)	(2,690,920)	(2,845,211)
Other reserves	1,137,954	884,977	684,027
Revaluation reserve	1,140,161	1,082,336	1,018,411
Employee incentive phantom scheme shares	(1,139,524)	(1,114,872)	(934,016)
Retained earnings	4,347,343	4,330,240	2,491,315
Instruments eligible for additional Tier 1 capital	5,820,000	5,820,000	5,820,000
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>	<b>24,405,822</b>	<b>24,170,933</b>	<b>22,707,792</b>
Non-controlling interests	3	3	10
<b>TOTAL EQUITY</b>	<b>24,405,825</b>	<b>24,170,936</b>	<b>22,707,802</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>164,376,271</b>	<b>168,902,409</b>	<b>165,046,981</b>

The consolidated financial statements were approved by the Board of Directors on 24 January 2024 and were signed on its behalf by:

**Sheikh Abdulla Bin Ali Bin Jabor Al Thani** Chairman  
**Mr. Hussain Ibrahim Alfordan** Vice Chairman  
**Mr. Joseph Abraham** Group Chief Executive Officer

Consolidated Statement of Income		
Figures in thousand Qatari Riyals		
For the year ended 31 December 2023	2023	2022
Interest income	9,537,759	7,330,002
Interest expense	(5,670,418)	(3,366,948)
<b>Net interest income</b>	<b>3,867,341</b>	<b>3,963,054</b>
Fee and commission income	1,637,736	1,334,989
Fee and commission expense	(832,291)	(551,386)
<b>Net fee and commission income</b>	<b>805,445</b>	<b>783,603</b>
Net foreign exchange gain	528,366	415,341
Net income from investment securities	248,669	1,620
Other operating income	39,672	130,381
<b>Net operating income</b>	<b>5,489,493</b>	<b>5,293,999</b>
Staff costs	(771,381)	(595,181)
Depreciation	(237,134)	(232,897)
Amortization of intangible assets	(66,555)	(69,285)
Other expenses	(365,754)	(240,718)
<b>Operating expenses</b>	<b>(1,440,824)</b>	<b>(1,138,081)</b>
<b>Operating profit</b>	<b>4,048,669</b>	<b>4,155,918</b>
Net impairment reversals / (losses) on investment securities	5,798	(11,422)
Net impairment losses on loans and advances to customers	(990,711)	(987,609)
Net impairment reversals / (losses) on other financial assets	109,201	(148,654)
Other provisions	(41,679)	(115,696)
<b>Net monetary losses due to hyperinflation</b>	<b>(334,983)</b>	<b>(189,380)</b>
<b>Profit before share of results of associates and a joint arrangement</b>	<b>2,796,295</b>	<b>2,703,157</b>
Share of results of associates and a joint arrangement	294,170	222,296
<b>Profit before tax</b>	<b>3,090,465</b>	<b>2,925,453</b>
Income tax expense	(80,238)	(114,345)
<b>Profit for the year</b>	<b>3,010,227</b>	<b>2,811,108</b>
<b>Attributable to:</b>		
Equity holders of the bank	3,010,227	2,811,108
Non-controlling interests	-	-
<b>Profit for the year</b>	<b>3,010,227</b>	<b>2,811,108</b>
<b>Earnings per share</b>		
Basic/Diluted earnings per share (QAR)	0.71	0.66

Consolidated Statement of Comprehensive Income		
Figures in thousand Qatari Riyals		
For the year ended 31 December 2023	2023	2022
<b>Profit for the year</b>	<b>3,010,227</b>	<b>2,811,108</b>
<b>Other comprehensive income for the year:</b>		
<b>Items that are, or will be subsequently reclassified to profit or loss:</b>		
Foreign currency translation differences from foreign operation	(571,127)	(2,135,828)
Hyperinflation impact	543,518	2,290,119
Share of other comprehensive income / (loss) of investment in associates and a joint arrangement	13,654	(64,370)
Net movement in cash flow hedge reserve:		
Net movement in cash flow hedges - effective portion of changes in fair value	(257,768)	(162,708)
Net amount transferred to consolidated statement of income	205,786	-
Net change in fair value of investments in debt securities designated at FVOCI:		
Net change in fair value	(27,466)	(782,712)
Net amount transferred to consolidated statement of income	(1,381)	(39)
<b>Items that will not be subsequently reclassified to profit or loss:</b>		
Net change in fair value of equity investments designated at FVOCI	(153,524)	424,246
Share of other comprehensive income of investment in associates and a joint arrangement	4,922	3,933
Gain on revaluation on land and buildings	57,825	63,925
<b>Other comprehensive loss for the year</b>	<b>(185,561)</b>	<b>(363,434)</b>
<b>Total comprehensive income for the year</b>	<b>2,824,666</b>	<b>2,447,674</b>
<b>Attributable to:</b>		
Equity holders of the bank	2,824,666	2,447,674
Non-controlling interests	-	-
<b>Total comprehensive income for the year</b>	<b>2,824,666</b>	<b>2,447,674</b>

Consolidated Statement of Cash Flows		
Figures in thousand Qatari Riyals		
For the year ended 31 December 2023	2023	2022
<b>Cash flows from operating activities</b>		
<b>Profit before tax</b>	<b>3,090,465</b>	<b>2,925,453</b>
<i>Adjustments for:</i>		
Net impairment losses on loans and advances to customers	990,711	987,609
Net impairment (reversals) / losses on investment securities	(5,798)	11,422
Net impairment (reversals) / losses on other financial assets	(109,201)	148,654
Depreciation	237,134	232,897
Amortization of intangible assets and transaction costs	175,235	102,624
Net losses from investment securities	(13,522)	179,164
Other provisions	41,679	115,696
Loss on disposal of property and equipment	2,605	-
Net monetary losses due to hyperinflation	334,983	189,380
Share of results of associates and a joint arrangement	(294,170)	(222,296)
<b>Operating profit before working capital changes</b>	<b>4,450,121</b>	<b>4,670,603</b>
<i>Working capital changes</i>		
Change in due from banks	772,503	(5,447,296)
Change in loans and advances to customers	2,671,992	(3,313,565)
Change in other assets	(428,091)	(462,288)
Change in due to banks	(4,886,157)	6,329,390
Change in customer deposits	(5,000,509)	3,335,135
Change in other liabilities	225,590	(455,911)
Contribution to social and sports fund	(70,278)	(57,606)
<b>Cash (used in) / from Operations</b>	<b>(2,264,829)</b>	<b>4,598,462</b>
Income tax paid	(73,499)	(7,784)
<b>Net cash flows (used in) / from operating activities</b>	<b>(2,338,328)</b>	<b>4,590,678</b>
<b>Cash flows from investing activities</b>		
Acquisition of investment securities	(7,683,992)	(10,232,133)
Dividend received from associates and a joint arrangement	41,193	21,346
Proceeds from sale/maturity of investment securities	6,269,049	5,274,969
Acquisition of property and equipment and intangible assets	(213,079)	(308,348)
Proceeds from the sale of property and equipment and other assets	13,419	21,743
<b>Net cash flows (used in) investing activities</b>	<b>(1,573,410)</b>	<b>(5,222,423)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of debt securities	662,601	1,050,165
Repayment of debt securities	(3,569,450)	(5,342,627)
Repayment of other borrowings	(5,391,521)	(7,374,297)
Proceeds from other borrowings	15,324,265	8,333,786
Payment of lease liability	(131,883)	(117,727)
Payment on coupon of instrument eligible for additional Tier 1 Capital	(283,720)	(283,720)
Dividends paid	(1,011,814)	(647,561)
<b>Net cash flows from / (used in) financing activities</b>	<b>5,598,478</b>	<b>(4,381,981)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1,686,740</b>	<b>(5,013,726)</b>
Effect of exchange rate fluctuation	(360,582)	353,006
Cash and cash equivalents as at 1 January	14,300,364	18,961,084
<b>Cash and cash equivalents at the end of the year</b>	<b>15,626,522</b>	<b>14,300,364</b>
<b>Net cash flows from interest and dividend from operating activities:</b>		
Interest paid	5,298,394	2,894,563
Interest received	9,557,055	7,698,391
Dividend received	235,147	37,829

Consolidated Statement of Changes in Equity															
Figures in thousand Qatari Riyals															
For the year ended 31 December 2023	Share Capital	Legal Reserve	General reserve	Risk Reserve	Fair value Reserve	Cash Flow Hedge Reserve	Foreign Currency Translation Reserve	Other Reserves	Revaluation Reserve	Employees Incentive Phantom Scheme Shares	Retained earnings	Instruments Eligible for Additional Tier 1 Capital	Total equity attributable to equity holders of the Bank	Non-controlling interests	Total equity
Balance as at 1 January 2023	4,047,254	9,877,879	26,500	2,274,574	(263,956)	(103,079)	(2,690,920)	884,977	1,082,336	(1,114,872)	4,330,240	5,820,000	24,170,933	3	24,170,936
Restatement	-	-	-	-	-	-	-	-	-	-	(1,318,000)	-	(1,318,000)	-	(1,318,000)
<b>Balance as at 1 January 2023 - restated</b>	<b>4,047,254</b>	<b>9,877,879</b>	<b>26,500</b>	<b>2,274,574</b>	<b>(263,956)</b>	<b>(103,079)</b>	<b>(2,690,920)</b>	<b>884,977</b>	<b>1,082,336</b>	<b>(1,114,872)</b>	<b>3,012,240</b>	<b>5,820,000</b>	<b>22,852,933</b>	<b>3</b>	<b>22,852,936</b>
Profit for the year	-	-	-	-	-	-	-	-	-	-	3,010,227	-	3,010,227	-	3,010,227
Other comprehensive loss	-	-	-	-	(163,795)	(51,982)	(27,609)	-	57,825	-	-	-	(185,561)	-	(185,561)
<b>Total comprehensive income for the year</b>											3,010,227		2,824,666		2,824,666
Transfer to legal reserve	-	146,553	-	-	-	-	-	-	-	-	(146,553)	-	-	-	-
Transfer to retained earnings upon disposal of FVOCI equity investments	-	-	-	-	28,469	-	-	-	-	-	(28,469)	-	-	-	-
Dividend for instruments eligible for additional capital	-	-	-	-	-	-	-	-	-	-	(283,720)	-	(283,720)	-	(283,720)
Net movement in other reserves	-	-	-	-	-	-	-	252,977	-	-	(252,977)	-	-	-	-
Net movement in the Employee incentive phantom scheme shares	-	-	-	-	-	-	-	-	-	(24,652)	123,665	-	99,013	-	99,013
Provision for Sports and Social Activities Support Fund	-	-	-	-	-	-	-	-	-	-	(75,256)	-	(75,256)	-	(75,256)
Dividends for the year 2022	-	-	-	-	-	-	-	-	-	-	(1,011,814)	-	(1,011,814)	-	(1,011,814)
Net movement in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	(7)	(7)
<b>Balance as at 31 December 2023</b>	<b>4,047,254</b>	<b>10,024,432</b>	<b>26,500</b>	<b>2,274,574</b>	<b>(399,282)</b>	<b>(155,061)</b>	<b>(2,718,529)</b>	<b>1,137,954</b>	<b>1,140,161</b>	<b>(1,139,524)</b>	<b>4,347,343</b>	<b>5,820,000</b>	<b>24,405,822</b>	<b>3</b>	<b>24,405,825</b>
Balance as at 1 January 2022	4,047,254	9,875,823	26,500	2,131,459	332,601	59,629	(2,845,211)	684,027	1,018,411	-	2,922,719	5,820,000	24,073,212	10	24,073,222
Restatement	-	-	-	-	-	-	-	-	-	(934,016)	(431,404)	-	(1,365,420)	-	(1,365,420)
<b>Balance as at 1 January 2022 - restated</b>	<b>4,047,254</b>	<b>9,875,823</b>	<b>26,500</b>	<b>2,131,459</b>	<b>332,601</b>	<b>59,629</b>	<b>(2,845,211)</b>	<b>684,027</b>	<b>1,018,411</b>	<b>(934,016)</b>	<b>2,491,315</b>	<b>5,820,000</b>	<b>22,707,792</b>	<b>10</b>	<b>22,707,802</b>
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,811,108	-	2,811,108	-	2,811,108
Other comprehensive loss	-	-	-	-	(418,942)	(162,708)	154,291	-	63,925	-	-	-	(363,434)	-	(363,434)
<b>Total comprehensive income for the year</b>											2,811,108		2,447,674		2,447,674
Transfer to legal reserve	-	2,056	-	-	-	-	-	-	-	-	(2,056)	-	-	-	-
Transfer to risk reserve	-	-	-	143,115	-	-	-	-	-	-	(143,115)	-	-	-	-
Transfer to retained earnings upon disposal of FVOCI equity investments	-	-	-	-	(177,615)	-	-	-	-	-	177,615	-	-	-	-
Dividend for instruments eligible for additional capital	-	-	-	-	-	-	-	-	-	-	(283,720)	-	(283,720)	-	(283,720)
Net movement in other reserves	-	-	-	-	-	-	-	200,950	-	-	(200,950)	-	-	-	-
Net movement in the Employee incentive phantom scheme shares	-	-	-	-	-	-	-	-	-	(180,856)	197,882	-	17,026	-	17,026
Provision for Sports and Social Activities Support Fund	-	-	-	-											