

Ahli Bank Q.P.S.C.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

**FOR THE NINE MONTH PERIOD ENDED
30 SEPTEMBER 2022**

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Ahli Bank Q.P.S.C. (the "Bank") and its subsidiaries (together referred to as the "Group") as at 30 September 2022, comprising of the interim consolidated statement of financial position as at 30 September 2022 and the related interim consolidated statements of income and comprehensive income for the three month and nine month periods then ended and the related interim consolidated statements of changes in equity and cash flows for the nine month period then ended, and the related explanatory notes.

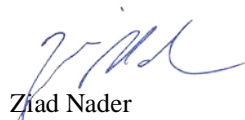
The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements 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
Auditor's Registration No. 258

Date: 17 October 2022
Doha - Qatar



Ahli Bank Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2022

		30 September 2022 QR'000 (Reviewed)	30 September 2021 QR'000 (Reviewed)	31 December 2021 QR'000 (Audited)
ASSETS				
Cash and balances with central bank		2,922,498	1,894,275	2,443,372
Due from banks		2,684,655	1,996,919	3,000,793
Loans and advances to customers	7	34,067,508	35,681,940	33,569,570
Investment securities	8	8,406,415	8,546,032	8,613,458
Property and equipment		233,734	238,525	235,178
Other assets		394,786	228,131	230,149
TOTAL ASSETS		48,709,596	48,585,822	48,092,520
LIABILITIES				
Due to banks and central bank		5,810,744	2,828,417	3,248,848
Customer deposits		27,484,790	28,578,410	27,924,919
Debt securities		5,447,242	7,265,022	7,315,373
Other borrowings		1,458,257	1,602,746	1,092,837
Other liabilities		722,325	776,877	825,929
TOTAL LIABILITIES		40,923,358	41,051,472	40,407,906
EQUITY				
Share capital	4	2,551,146	2,429,663	2,429,663
Legal reserve		1,863,200	1,791,853	1,863,200
Risk reserve		753,108	753,108	753,108
Fair value reserve	5	(48,561)	7,574	8,587
Retained earnings		1,575,345	1,460,152	1,538,056
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK		6,694,238	6,442,350	6,592,614
Instruments eligible for additional capital	6	1,092,000	1,092,000	1,092,000
TOTAL EQUITY		7,786,238	7,534,350	7,684,614
TOTAL LIABILITIES AND EQUITY		48,709,596	48,585,822	48,092,520

These interim condensed consolidated financial statements were approved by the Board of Directors on 17 October 2022 and were signed on its behalf by:



Sh. Faisal Bin Abdul-Aziz Bin Jassem Al Thani
Chairman



Hassan Ahmed Alefrangi
Chief Executive Officer

ERNST & YOUNG
Doha - Qatar

17 OCT 2022

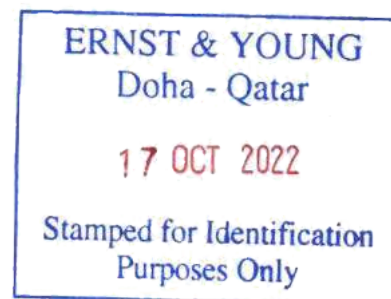
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Purposes Only

The attached notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the nine month period ended 30 September 2022

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Interest income	558,874	430,132	1,399,418	1,303,469
Interest expense	(198,251)	(157,590)	(507,069)	(476,838)
NET INTEREST INCOME	360,623	272,542	892,349	826,631
Fee and commission income	44,512	45,692	132,526	139,168
Fee and commission expense	(1,384)	(2,562)	(3,355)	(5,980)
NET FEE AND COMMISSION INCOME	43,128	43,130	129,171	133,188
Foreign exchange gain	14,002	12,306	45,729	36,234
Gain on investment securities	9,686	13,826	17,881	31,300
Other operating income	919	1,065	2,915	3,044
	24,607	27,197	66,525	70,578
TOTAL OPERATING INCOME	428,358	342,869	1,088,045	1,030,397
Staff costs	(45,957)	(42,232)	(133,758)	(139,731)
Depreciation	(7,519)	(7,392)	(23,091)	(22,576)
Net (impairment) / reversal on investment securities	(16)	387	472	(2,666)
Net impairment loss on loans and advances to customers	(105,448)	(43,383)	(264,764)	(246,073)
Net (impairment) / reversal on other financial assets	(45)	(1,002)	(3,053)	876
Other expenses	(33,232)	(33,136)	(96,950)	(95,689)
	(192,217)	(126,758)	(521,144)	(505,859)
PROFIT FOR THE PERIOD	236,141	216,111	566,901	524,538
Earnings per share (QR) (Note 9)	0.084	0.085	0.205	0.206

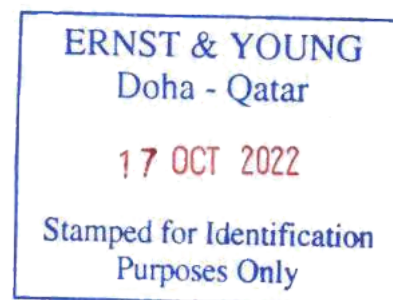


Ahli Bank Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the nine month period ended 30 September 2022

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period	<u>236,141</u>	<u>216,111</u>	<u>566,901</u>	<u>524,538</u>
Other comprehensive (loss) / income for the period				
Items that will be reclassified subsequently to income statement				
Net change in fair value of debt instruments classified as FVOCI	<u>(1,615)</u>	<u>(1,229)</u>	<u>(57,148)</u>	<u>7,194</u>
Other comprehensive (loss) / income for the period	<u>(1,615)</u>	<u>(1,229)</u>	<u>(57,148)</u>	<u>7,194</u>
Total comprehensive income for the period	<u>234,526</u>	<u>214,882</u>	<u>509,753</u>	<u>531,732</u>

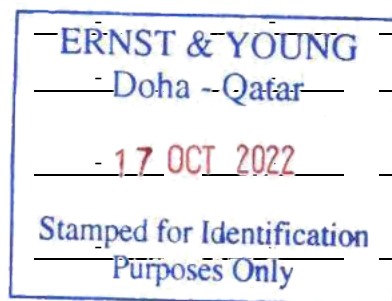


Ahli Bank Q.P.S.C.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the nine month period ended 30 September 2022

	Share capital QR'000	Legal reserve QR'000	Risk reserve QR'000	Fair value reserve QR'000	Retained earnings QR'000	Total equity attributable to equity holders of the Bank QR'000	Instruments eligible for additional capital QR'000	Total equity QR'000
Balance at 1 January 2021 (<i>Audited</i>)	2,429,663	1,791,853	753,108	380	1,300,063	6,275,067	-	6,275,067
Total comprehensive income for the period:								
Profit for the period	-	-	-	-	524,538	524,538	-	524,538
Other comprehensive income	-	-	-	7,194	-	7,194	-	7,194
Total comprehensive income for the period	-	-	-	7,194	524,538	531,732	-	531,732
<u>Contributions by and distributions to equity holders:</u>								
Dividends paid (Note 4b)	-	-	-	-	(364,449)	(364,449)	-	(364,449)
Total contributions and distributions to equity holders	-	-	-	-	(364,449)	(364,449)	-	(364,449)
Issuance of Tier 1 capital instruments (Note 6)	-	-	-	-	-	-	1,092,000	1,092,000
Balance at 30 September 2021 (<i>Reviewed</i>)	<u>2,429,663</u>	<u>1,791,853</u>	<u>753,108</u>	<u>7,574</u>	<u>1,460,152</u>	<u>6,442,350</u>	<u>1,092,000</u>	<u>7,534,350</u>
Balance at 1 January 2022 (<i>Audited</i>)	2,429,663	1,863,200	753,108	8,587	1,538,056	6,592,614	1,092,000	7,684,614
Total comprehensive income for the period:								
Profit for the period	-	-	-	-	566,901	566,901	-	566,901
Other comprehensive loss	-	-	-	(57,148)	-	(57,148)	-	(57,148)
Total comprehensive income for the period	-	-	-	(57,148)	566,901	509,753	-	509,753
<u>Contributions by and distributions to equity holders:</u>								
Bonus shares issues (Note 4a)	121,483	-	-	-	(121,483)	-	-	-
Dividends paid (Note 4b)	-	-	-	-	(364,449)	(364,449)	-	(364,449)
Total contributions and distributions to equity holders	121,483	-	-	-	(485,932)	(364,449)	-	(364,449)
Dividends paid on Tier 1 capital instruments	-	-	-	-	(43,680)	(43,680)	-	(43,680)
Balance at 30 September 2022 (<i>Reviewed</i>)	<u>2,551,146</u>	<u>1,863,200</u>	<u>753,108</u>	<u>(48,561)</u>	<u>1,575,345</u>	<u>6,694,238</u>	<u>1,092,000</u>	<u>7,786,238</u>



The attached notes 1 to 15 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the nine month period ended 30 September 2022

	Notes	Nine months ended 30 September	
		2022 QR'000 (Reviewed)	2021 QR'000 (Reviewed)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period		566,901	524,538
<i>Adjustments for:</i>			
Net impairment loss on loans and advances to customers		264,764	246,073
Net (reversal) / impairment on investment securities		(472)	2,666
Net impairment / (reversal) on other financial assets		3,053	(876)
Depreciation		23,091	22,576
Net (gain) on investment securities		(8,777)	(26,219)
		<u>848,560</u>	<u>768,758</u>
<i>Profit before changes in operating assets and liabilities</i>			
Change in due from central bank		55,834	(37,181)
Change in loans and advances to customers		(762,702)	(2,415,323)
Change in other assets		(164,637)	107,228
Change in due to banks and central bank		2,561,896	(1,792,439)
Change in customer deposits		(440,129)	1,637,848
Change in other liabilities		(106,045)	(17,322)
Net cash flows from / (used in) operating activities		<u>1,992,777</u>	<u>(1,748,431)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investment securities		(1,289,843)	(1,684,577)
Proceeds from sale or maturity of investment securities		1,448,987	243,242
Net acquisition of property and equipment		(21,647)	(9,316)
Net cash flows from / (used in) investing activities		<u>137,497</u>	<u>(1,450,651)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of other borrowings and debt securities		(2,048,711)	(56,422)
Proceeds from other borrowings		546,000	-
Issuance of additional Tier 1 capital instruments	6	-	1,092,000
Dividends paid	4 (b)	(364,449)	(364,449)
Dividends paid on Tier 1 capital instruments		(43,680)	-
Net cash (used in) / from financing activities		<u>(1,910,840)</u>	<u>671,129</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		219,434	(2,527,953)
Cash and cash equivalents at 1 January		<u>4,185,176</u>	<u>5,168,150</u>
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER		<u>4,404,610</u>	<u>2,640,197</u>
<i>Cash and cash equivalents comprise:</i>			
Cash and balances with Central Bank (i)		1,719,955	643,278
Due from banks with original maturity less than three months		<u>2,684,655</u>	<u>1,996,919</u>
Total		<u>4,404,610</u>	<u>2,640,197</u>

(i) Excludes the mandatory cash reserve requirement by Qatar Central Bank.

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Ahli Bank Q.P.S.C. (“the Bank”) was incorporated in the State of Qatar in 1983 as a public shareholding company under the Emiri Decree No. 40 of 1983. The Bank is engaged in commercial and retail banking services and operates through its registered Head Office located at Suhaim Bin Hamad Street, Al Sadd Area in Doha (P.O. Box 2309, Doha, State of Qatar) and fourteen branches established in the State of Qatar.

The principal subsidiaries of the Bank are as follows:

Company’s Name	Country of incorporation	Company’s capital	Company’s activities	Percentage of ownership 30 September 2022	Percentage of ownership 31 December 2021
Ahli Brokerage Company L.L.C.	Qatar	QAR 50 million	Brokerage	100	100
ABQ Finance Limited	Cayman Islands	US \$ 1	Debt Issuance	100	100

The Bank and its subsidiaries are together referred to as “the Group”, throughout these interim condensed consolidated financial statements.

The interim condensed consolidated financial statements of Ahli Bank Q.P.S.C. for the nine month period ended 30 September 2022 were authorised for issue in accordance with a resolution of the Board of Directors on 17 October 2022.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation**

The interim condensed consolidated financial statements of the Group are prepared in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting* and have been presented in Qatari Riyals thousands (QR’000) unless otherwise mentioned, which is the Group’s functional and presentation currency.

The preparation of this 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 judgments made by the 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. All material intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated on consolidation.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2021. In addition, results for the nine month period ended 30 September 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

Significant accounting policies

The accounting policies used in the preparation of these interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2021, except for the adoption of new standards effective as of 1 January 2022.

The following amendments to the existing standards have been applied by the Group in preparation of these interim condensed consolidated financial statements. The adoption of the below amendments to existing standards did not result in changes to previously reported net profit or equity of the Group, but they may result in additional disclosures at year end.

2 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Significant accounting policies (continued)**

<i>Description</i>	<i>Effective from</i>
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

These amendments had no impact on the interim condensed consolidated financial statements of the Group.

Standards, amendments and interpretations issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these standard, if applicable, when they become effective.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
IFRS 17 Insurance Contracts and 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

The Group is currently evaluating the impact of these new standards. The Group has not early adopted any other standards, interpretations or amendments that have been issued but are not yet effective.

3 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2021.

	<i>30 September 2022</i>				<i>30</i>
	<i>Stage 1</i>	<i>Stage 2</i>	<i>Stage 3</i>	<i>Total</i>	<i>September</i>
	<i>QR' 000</i>	<i>QR' 000</i>	<i>QR' 000</i>	<i>QR' 000</i>	<i>2021</i>
					<i>QR' 000</i>
Exposure subject to ECL					
- Loans and advances to customers	29,243,641	5,607,653	902,262	35,753,556	37,013,173
- Investment securities (Debt)	8,151,573	-	-	8,151,573	8,311,597
- Loan commitments and financial guarantees	2,862,375	146,671	-	3,009,046	3,353,808
- Due from banks	2,551,524	134,028	-	2,685,552	1,997,535
Opening balance - at 1 January					
- Loans and advances to customers	211,834	393,592	782,473	1,387,899	1,107,719
- Impairment losses on investment securities (Debt)	12,039	-	-	12,039	13,529
- Loan commitments and financial guarantees	8,003	849	-	8,852	13,796
- Impairment losses on due from banks	182	307	-	489	1,101
	232,058	394,748	782,473	1,409,279	1,136,145
Charge for the period (net)					
- Loans and advances to customers	75,301	246,433	(23,585)	298,149	223,514
- Investment securities (Debt)	(472)	-	-	(472)	2,666
- Loan commitments and financial guarantees	1,881	764	-	2,645	(391)
- Due from banks	158	250	-	408	(485)
	76,868	247,447	(23,585)	300,730	225,304
Closing balance - at 30 September					
- Loans and advances to customers	287,135	640,025	758,888	1,686,048	1,331,233
- Impairment losses on investment securities (Debt)	11,567	-	-	11,567	16,195
- Loan commitments and financial guarantees	9,884	1,613	-	11,497	13,405
- Impairment losses on due from banks	340	557	-	897	616
	308,926	642,195	758,888	1,710,009	1,361,449

Credit quality assessments

<i>Rating grade</i>	<i>30 September 2022</i>			
	<i>Loans and advances to customers</i>	<i>Investment securities (Debt)</i>	<i>Loan commitments and financial guarantees</i>	<i>Due from banks</i>
	<i>QR' 000</i>	<i>QR' 000</i>	<i>QR' 000</i>	<i>QR' 000</i>
AAA to AA-	847,686	6,528,244	319,178	203,107
A+ to A-	1,336,030	705,432	121,815	2,165,419
BBB to BBB-	26,839,498	510,528	2,246,139	183,764
BB+ to B-	5,643,119	407,369	321,914	133,262
CCC to C	184,961	-	-	-
Total	34,851,294	8,151,573	3,009,046	2,685,552

3 FINANCIAL RISK MANAGEMENT (CONTINUED)**Credit quality assessments (continued)**

Rating grade	30 September 2021			
	Loans and advances to customers QR' 000	Investment securities (Debt) QR' 000	Loan commitments and financial guarantees QR' 000	Due from banks QR' 000
AAA to AA-	3,549,214	8,108,146	363,067	27,276
A+ to A-	2,495,212	185,231	167,644	1,699,319
BBB to BBB-	24,933,499	18,220	2,408,846	113,293
BB+ to B-	5,149,421	-	414,251	157,647
CCC to C	86,027	-	-	-
Total	36,213,373	8,311,597	3,353,808	1,997,535

4 SHARE CAPITAL AND DIVIDENDS PAID**4 a) Share capital**

	30 September 2022 QR'000 (Reviewed)	30 September 2021 QR'000 (Reviewed)	31 December 2021 QR'000 (Audited)
Authorised			
Ordinary shares of QR 1 each	2,551,146	2,429,663	2,429,663

Qatar Investment Authority holds 47.71% of the ordinary shares of the Bank with the remaining shares held by members of the public and institutions (52.29%).

Bonus issues

On 27 February 2022, the Bank issued bonus shares (121,483,151 ordinary shares) at the rate of one share for every twenty shares held by the ordinary shareholders upon obtaining approval from the shareholders in the Annual General Meeting held on 27 February 2022. No bonus shares were issued in 2021.

4 b) Dividends paid

During the period, the Bank paid a cash dividend of QR 0.15 per share totaling to QR 364,449 thousand (2021: QR 0.15 per share totaling to QR 364,449 thousand).

5 FAIR VALUE RESERVE

	30 September 2022 QR'000 (Reviewed)	30 September 2021 QR'000 (Reviewed)	31 December 2021 QR'000 (Audited)
At the beginning of the period / year	8,587	380	380
Realised during the period / year	-	-	(125)
Fair value (loss) / gain during the period / year	(57,148)	7,194	8,332
At the end of the period / year	(48,561)	7,574	8,587

6 INSTRUMENTS ELIGIBLE FOR ADDITIONAL CAPITAL

	<i>30 September 2022 QR'000 (Reviewed)</i>	<i>30 September 2021 QR'000 (Reviewed)</i>	<i>31 December 2021 QR'000 (Audited)</i>
Issued on 17 February 2021	<u>1,092,000</u>	<u>1,092,000</u>	<u>1,092,000</u>

The Group had issued regulatory Tier I capital notes totalling to QAR 1.092 billion during 2021. These notes are perpetual, subordinated, unsecured and have been priced at a fixed rate for the first five years and shall be re-priced thereafter. The notes carry no maturity date and have been classified as additional Tier 1 capital. The dividend is discretionary and is non-cumulative.

7 LOANS AND ADVANCES TO CUSTOMERS

Loans and advances to customers comprise:

	<i>30 September 2022 QR'000 (Reviewed)</i>	<i>30 September 2021 QR'000 (Reviewed)</i>	<i>31 December 2021 QR'000 (Audited)</i>
Gross loans and advances to customers	35,546,267	36,849,555	34,729,681
Impairment of loans and advances to customers	<u>(1,686,048)</u>	<u>(1,331,233)</u>	<u>(1,387,899)</u>
Interest receivable	<u>33,860,219</u> 207,289	<u>35,518,322</u> 163,618	<u>33,341,782</u> 227,788
Net loans and advances to customers	<u>34,067,508</u>	<u>35,681,940</u>	<u>33,569,570</u>

The total non-performing loans and advances to customers at 30 September 2022 amounted to QR 902 million, representing 2.54% of the total loans and advances (31 December 2021: QR 1,298.26 million representing 3.74% of the total loans and advances to customers).

Interest in suspense of QR 180.7 million as of 30 September 2022 (31 December 2021: QR 172.23 million) is, for the purpose of the Qatar Central Bank regulatory requirements, included in the above impairment allowance amount.

8 INVESTMENT SECURITIES

	<i>30 September 2022 QR'000 (Reviewed)</i>	<i>30 September 2021 QR'000 (Reviewed)</i>	<i>31 December 2021 QR'000 (Audited)</i>
Investment securities measured at FVOCI	867,069	1,115,749	1,161,073
Investment securities measured at FVTPL	255,007	239,228	246,336
Investment securities measured at amortised cost	<u>7,231,326</u>	<u>7,137,991</u>	<u>7,136,575</u>
Gross investments securities	8,353,402	8,492,968	8,543,984
Less: impairment losses on investment securities	<u>(11,567)</u>	<u>(16,195)</u>	<u>(12,039)</u>
Interest receivable on investment securities (debt instruments)	<u>8,341,835</u> 64,580	<u>8,476,773</u> 69,259	<u>8,531,945</u> 81,513
	<u>8,406,415</u>	<u>8,546,032</u>	<u>8,613,458</u>

9 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period by the weighted average number of shares in issue during the period.

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
Profit for the period – QR'000	236,141	216,111	566,901	524,538
Less: Dividend paid for Tier 1 capital instruments	(21,840)	-	(43,680)	-
	214,301	216,111	523,221	524,538
Weighted average number of shares	<u>2,551,146,170</u>	<u>2,551,146,170</u>	<u>2,551,146,170</u>	<u>2,551,146,170</u>
Earnings per share (QR)	<u>0.084</u>	<u>0.085</u>	<u>0.205</u>	<u>0.206</u>

The weighted average number of shares (2021 adjusted) have been calculated as follows:

	<i>Three months ended</i>		<i>Nine months ended</i>	
	<i>30 September</i>		<i>30 September</i>	
	<i>2022</i>	<i>2021</i>	<i>2022</i>	<i>2021</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
		<i>Restated</i>		<i>Restated</i>
Qualifying shares at the beginning of the period	2,429,663,019	2,429,663,019	2,429,663,019	2,429,663,019
Bonus shares issued during the period	121,483,151	121,483,151	121,483,151	121,483,151
Qualifying weighted average shares at the end of the period	<u>2,551,146,170</u>	<u>2,551,146,170</u>	<u>2,551,146,170</u>	<u>2,551,146,170</u>

There were no potentially dilutive shares outstanding at any time during the period, therefore, the diluted earnings per share is equal to the basic earnings per share.

10 FINANCIAL INSTRUMENTS - CARRYING AMOUNT, FAIR VALUES AND FAIR VALUE HIERARCHY

The Group measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and

Level 3: Techniques which use inputs which have a significant effect on the recorded fair value that are based on unobservable market data.

10 FINANCIAL INSTRUMENTS - CARRYING AMOUNT, FAIR VALUES AND FAIR VALUE HIERARCHY (CONTINUED)**10 a) Financial instruments measured at fair value – Fair value hierarchy**

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:

	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
<i>30 September 2022 (Reviewed)</i>				
Derivative assets held for risk management	-	18,329	-	18,329
Investment securities	1,046,608	75,468	-	1,122,076
	<u>1,046,608</u>	<u>93,797</u>	<u>-</u>	<u>1,140,405</u>
Derivative liabilities held for risk management	-	11,847	-	11,847
	<u>-</u>	<u>11,847</u>	<u>-</u>	<u>11,847</u>
	<i>Level 1</i> <i>QR'000</i>	<i>Level 2</i> <i>QR'000</i>	<i>Level 3</i> <i>QR'000</i>	<i>Total</i> <i>QR'000</i>
<i>30 September 2021 (Reviewed)</i>				
Derivative assets held for risk management	-	1,609	-	1,609
Investment securities	1,273,657	81,320	-	1,354,977
	<u>1,273,657</u>	<u>82,929</u>	<u>-</u>	<u>1,356,586</u>
Derivative liabilities held for risk management	-	66,697	-	66,697
	<u>-</u>	<u>66,697</u>	<u>-</u>	<u>66,697</u>
<i>31 December 2021 (Audited)</i>				
Derivative assets held for risk management	-	1,610	-	1,610
Investment securities	1,326,089	81,320	-	1,407,409
	<u>1,326,089</u>	<u>82,930</u>	<u>-</u>	<u>1,409,019</u>
Derivative liabilities held for risk management	-	48,902	-	48,902
	<u>-</u>	<u>48,902</u>	<u>-</u>	<u>48,902</u>

During the periods ended 30 September 2022 and 30 September 2021 and year ended 31 December 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

Financial instruments not measured at fair value

Fair value of investment securities measured at amortised cost amounting to QR 7,086,913 thousand as at 30 September 2022 (31 December 2021: QR 7,257,694 thousand), which is derived using level 1 fair value hierarchy.

11 CONTINGENT LIABILITIES, GUARANTEES AND OTHER COMMITMENTS

	<i>30 September</i> <i>2022</i> <i>QR'000</i> <i>(Reviewed)</i>	<i>30 September</i> <i>2021</i> <i>QR'000</i> <i>(Reviewed)</i>	<i>31 December</i> <i>2021</i> <i>QR'000</i> <i>(Audited)</i>
<i>Contingent liabilities:</i>			
Unused credit facilities (cancellable and non-cancellable)	13,045,539	10,225,055	12,237,779
Guarantees	7,638,803	9,178,410	8,903,731
Letters of credit	658,612	713,806	689,597
	<u>21,342,954</u>	<u>20,117,271</u>	<u>21,831,107</u>
<i>Other commitments:</i>			
Forward foreign exchange contracts	1,026,913	1,864,090	1,878,506
	<u>1,026,913</u>	<u>1,864,090</u>	<u>1,878,506</u>

11 CONTINGENT LIABILITIES, GUARANTEES AND OTHER COMMITMENTS (CONTINUED)**Unused credit facilities**

Commitments to extend credit represent contractual commitments to fund loans and revolving credits. Commitments generally have fixed expiry dates or other termination clauses. Since commitments may expire without being drawn upon, the total contract amounts do not necessarily represent future cash requirements.

Guarantees and letters of credit

Letters of credit and guarantees commit the Group to make payments on behalf of customers contingent upon their failure to perform under the terms of contracts with third parties. Guarantees and standby letters of credit carry the same risk as loans. Credit guarantees can be in the form of irrevocable letters of credits, advance payment guarantees and endorsements liabilities from bills rediscounted.

12 SEGMENT INFORMATION

For management reporting purposes, the Group is organised into two major operating segments:

Retail banking, private banking and wealth management	Principally handling individual customers' deposit and current accounts, providing consumer loans, residential mortgages, overdrafts, credit cards and fund transfer facilities. Private banking and wealth management represents servicing high net worth individuals through a range of investment products, funds, credit facilities, trusts and alternative investments.
Corporate banking, treasury, investments and brokerage subsidiary	Principally handling loans and other credit facilities, and deposit and current accounts for corporate and institutional customers and providing money market, trading and treasury services, as well as management of the Group's funding. This includes the brokerage activities of the wholly owned subsidiary, Ahli Brokerage Company L.L.C.

Management monitors the operating results of the operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

Segment information for the period is as follows:

<i>30 September 2022 (Reviewed)</i>	<i>Retail & private banking and wealth management QR'000</i>	<i>Corporate banking, treasury, investments and brokerage subsidiary QR'000</i>	<i>Total QR'000</i>
Net interest income	159,856	732,493	892,349
Net fee and commission income	44,990	84,181	129,171
Foreign exchange gain	18,054	27,675	45,729
Gain from investment securities	-	17,881	17,881
Other operating income	-	2,915	2,915
Total segment operating income	<u>222,900</u>	<u>865,145</u>	<u>1,088,045</u>
Other material non-cash items:			
Net provisions	<u>8,127</u>	<u>(275,472)</u>	<u>(267,345)</u>
Reportable segment profit	<u>117,861</u>	<u>449,040</u>	<u>566,901</u>
Reportable segment assets	<u>8,109,776</u>	<u>40,599,820</u>	<u>48,709,596</u>
Reportable segment liabilities	<u>16,772,173</u>	<u>24,151,185</u>	<u>40,923,358</u>

12 SEGMENT INFORMATION (CONTINUED)

<i>30 September 2021 (Reviewed)</i>	<i>Retail & private banking and wealth management QR'000</i>	<i>Corporate banking, treasury, investments and brokerage subsidiary QR'000</i>	<i>Total QR'000</i>
Net interest income	168,976	657,655	826,631
Net fee and commission income	42,522	90,666	133,188
Foreign exchange gain	14,371	21,863	36,234
Gain from investment securities	-	31,300	31,300
Other operating income	-	3,044	3,044
Total segment operating income	225,869	804,528	1,030,397
Other material non-cash items:			
Net provisions	11,767	(259,630)	(247,863)
Reportable segment profit	131,806	392,732	524,538
Reportable segment assets	7,752,317	40,833,505	48,585,822
Reportable segment liabilities	16,367,814	24,683,658	41,051,472

13 RELATED PARTIES

The Group carries out various transactions with subsidiaries and members of the Board of Directors and the executive management or companies in which they have significant interest or any other parties of important influence in the Group's financial or operations decisions. The balances at the reporting date with these accounts were as follows:

	<i>30 September 2022 (Reviewed)</i>		<i>31 December 2021 (Audited)</i>	
	<i>Board of Directors QR' 000</i>	<i>Shareholders QR' 000</i>	<i>Board of Directors QR' 000</i>	<i>Shareholders QR' 000</i>
Assets:				
Loans and advances to customers	155,601	-	871,108	-
Liabilities:				
Customer deposits	2,425,625	1,529,760	2,255,617	1,522,083
Unfunded items:				
Letters of guarantee, letters of credit, commitments and indirect credit facilities	28,650	-	27,745	-
	<i>For the nine month period ended 30 September 2022 (Reviewed)</i>		<i>For the nine month period ended 30 September 2021 (Reviewed)</i>	
	<i>Board of Directors QR' 000</i>	<i>Shareholders QR' 000</i>	<i>Board of Directors QR' 000</i>	<i>Shareholders QR' 000</i>
Income statement items:				
Interest and fee and commission income	18,506	-	27,843	-
Interest and fee and commission expense	38,897	21,410	27,785	14,972
Board of Directors' remuneration	9,375	-	9,189	-

13 RELATED PARTIES (CONTINUED)**Transactions with key management personnel**

Key management personnel (other than Board of Directors) and their immediate relatives have transacted with the Group during the period / year as follows:

	<i>30 September 2022 QR' 000 (Reviewed)</i>	<i>31 December 2021 QR' 000 (Audited)</i>
Other loans	<u>3,525</u>	<u>5,446</u>

Key management personnel compensation comprised:

	<i>For the nine month period ended</i>	
	<i>30 September 2022 QR' 000 (Reviewed)</i>	<i>30 September 2021 QR' 000 (Reviewed)</i>
Salaries and short-term employee benefits	24,260	22,832
Post employment benefits	<u>5,775</u>	<u>5,141</u>
	<u>30,035</u>	<u>27,973</u>

14 CAPITAL ADEQUACY RATIO

As per Qatar Central Bank regulations, the Group has calculated the below ratios in accordance with Basel III guidelines. The Group's minimum QCB regulatory limit, including the Capital Conservation Buffer (2.5%) and the applicable Domestic Systemically Important Bank ("DSIB") Buffer, is 12.5% for 2022.

The table below summarises the composition of prevailing regulatory capital and the ratios of the Group. The Group and the individual entities within it complied with the externally imposed capital requirements to which they are subject to:

	<i>30 September 2022 QR'000 (Reviewed)</i>	<i>30 September 2021 QR'000 (Reviewed)</i>	<i>31 December 2021 QR'000 (Audited)</i>
Common Equity Tier 1 (CET) Capital	6,127,337	5,917,812	6,206,325
Additional Tier 1 Capital	1,092,000	1,092,000	1,092,000
Additional Tier 2 Capital	<u>449,299</u>	<u>431,286</u>	<u>442,166</u>
Total Eligible Capital	7,668,636	7,441,098	7,740,491
Risk Weighted Assets	<u>37,794,607</u>	<u>36,461,999</u>	<u>37,546,060</u>
	<u>20.29%</u>	<u>20.41%</u>	<u>20.62%</u>

15 IMPACT OF COVID-19 AND REVISION TO FORWARD LOOKING INFORMATION WITH RESPECT TO EXPECTED CREDIT LOSSES

The coronavirus (“COVID-19”) pandemic has spread across various geographies globally, causing disruption to business and economic activities. COVID-19 has brought about uncertainties in the global economic environment. The Central Banks and Sovereign Governments have announced monetary and fiscal measures to mitigate the possible adverse implications.

The Group is closely monitoring the situation and has activated its business continuity planning to manage the potential business disruption due to the outbreak of COVID-19. The impact of outbreak may have on its operations and financial performance is being continually assessed.

The Group uses econometric models for estimating forward looking ECL. The econometric models have been developed based on its financial assets relationship with various relevant economic variables. Accordingly, real GDP on an average was assumed to increase 4% during 2022 (31 December 2021: increase of 4%). The estimates of other relevant variables were also considered in line with the latest projections provided by leading economic agencies. Furthermore, the weightings assigned to each macro-economic scenario at the Group level as at 30 September 2022, were 60% to the Base Case 30% to Downside and 10% to the Upside Case. (30 September 2021: 60% to the Base Case 30% to Downside and 10% to the Upside Case) (31 December 2021: 60% to the Base Case, 30% to Downside and 10% to the Upside Case). In managements best assessment Risks are sufficiently covered at this point of time. The management will continuously monitor the ongoing situation and continue to provide conservatively for any downside risks.

The Group has considered the potential impacts of the current economic volatility in determining the reported amounts of the Group’s financial and non-financial assets as at 30 September 2022. However, market remains volatile and the recorded amounts remain sensitive to market fluctuations.