BASE PROSPECTUS

ABQ FINANCE LIMITED

(an exempted company incorporated in the Cayman Islands with limited liability)

U.S.$2,000,000,000
Euro Medium Term Note Programme
guaranteed by Ahli Bank Q.P.S.C.

Under the Euro Medium Term Note Programme described in this base prospectus (the "**Programme**"), ABQ Finance Limited (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the "**Notes**") denominated in any currency agreed between the Issuer, the Guarantor and the relevant Dealer(s) (as defined herein). The payment of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed (the "**Guarantee**") by Ahli Bank Q.P.S.C. (the "**Guarantor**" or "**ABQ**"). The aggregate principal amount of Notes outstanding will not at any time exceed U.S.$2,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

This base prospectus (the "**Base Prospectus**") has been approved by the Central Bank of Ireland ("**Central Bank of Ireland**"), which is the Irish competent authority under Regulation (EU) 2017/1129, as amended (the "**EU Prospectus Regulation**"), as a base prospectus issued in compliance with the EU Prospectus Regulation for the purpose of giving information with regard to the issue of Notes under the Programme during the period of twelve months after the date hereof. The Central Bank of Ireland has only approved this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the EU Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer or the Guarantor, nor an endorsement of the quality of the Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to Notes issued under the Programme within twelve months after the date hereof. Application will be made to the Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for Notes issued under the Programme during the period of 12 months after the date of this Base Prospectus to be admitted to the official list (the "**Official List**") and to trading on the regulated market of Euronext Dublin. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2014/65/EU, as amended ("**EU MiFID II**"). The regulated market of Euronext Dublin is a regulated market for the purposes of EU MiFID II.

References in this Base Prospectus to the Notes being "listed" (and all related references) shall mean that, unless otherwise specified in the Final Terms (as defined in "*Overview of the Programme—Method of Issue*"), the Notes have been admitted to the Official List and have been admitted to trading on the regulated market of Euronext Dublin or, as the case may be, another regulated market for the purposes of EU MiFID II.

Notice of the aggregate principal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and Conditions of the Notes*") of Notes will be set out in the a final terms (the "**Final Terms**") which, with respect to Notes to be listed on Euronext Dublin, will be filed with the Central Bank of Ireland.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s) (as defined below). The Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. This Base Prospectus is valid as a base prospectus under the EU Prospectus Regulation for a period of twelve months from the date of approval. The obligation to prepare a supplement to this Base Prospectus in the event of any significant new factor, material mistake or material inaccuracy will not apply after the end of its 12-month validity period.

The Notes may be issued on a continuing basis to one or more of the dealers specified under "*Overview of the Programme*" (the "**Permanent Dealers**") and any additional dealer appointed under the Programme from time to time by the Issuer (together with the Permanent Dealers, the "**Dealers**", and each, a "**Dealer**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Notes.

Each Series (as defined in "*Overview of the Programme—Method of Issue*") of Notes in bearer form will be represented on issue by a temporary global note in bearer form (each a "**temporary Global Note**") or a permanent global note in bearer form (each a "**permanent Global Note**"). Notes in registered form will be represented by registered certificates (each a "**Certificate**"), one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Global Notes and Certificates may be deposited on the issue date with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") (the "**Common Depositary**"). The provisions governing the exchange of interests in Global Notes for other Global Notes and definitive Notes are described in "*Summary of Provisions Relating to the Notes while in Global Form*".

The Guarantor has been assigned a long-term rating of A with a stable outlook and a short-term rating of F1 by Fitch Ratings Limited ("**Fitch**") and a long-term rating of A2 with a stable outlook and a short-term rating of P-1 by Moody's Investors Service Cyprus Limited ("**Moody's**"). The Programme has been assigned a senior unsecured provisional rating of (P)A2 long-term by Moody's. Moody's is established in the EEA and is registered under Regulation (EC) No. 1060/2009, as amended (the "**EU CRA Regulation**"). As such, Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation. The rating assigned to the Guarantor by Moody's is endorsed by Moody's Investors Service Limited, which is established in the United Kingdom (the "**UK**") and registered under Regulation (EU) No. 1060/2009 as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK CRA Regulation**"). Fitch is established in the UK and registered under the UK CRA Regulation. Fitch appears on the latest update of the list of registered credit rating agencies on the UK Financial Conduct Authority's Financial Services Register. Fitch appears on the latest update of the list of registered credit rating agencies on the UK Financial Conduct Authority's Financial Services Register. The rating assigned to the Guarantor by Fitch is endorsed by Fitch Ratings Ireland Limited, which is established in the EEA and registered under the EU CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by ESMA on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the EU CRA Regulation.

Whether or not a rating has been given in relation to any Tranche (as defined in "*Overview of the Programme—Method of Issue*") of Notes and, if so, whether or not such rating will be treated as having been issued by a credit rating agency established in the European Union or the UK and registered under the EU or UK CRA Regulations will be disclosed in the applicable Final Terms. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Programme or any Notes already issued.

A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. An investment in Notes issued under the Programme includes certain risks. Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Base Prospectus.

Arrangers

Barclays	**QNB Capital**

Dealers

Barclays	**Deutsche Bank**
J.P. Morgan	**Mizuho**
QNB Capital	**Standard Chartered Bank**

The date of this Base Prospectus is 10 March 2025

IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus for the purposes of Article 8 of the EU Prospectus Regulation and for the purpose of giving information with regard to the Issuer, the Guarantor, the Group (as defined herein) and the Notes which is material to an investor for making an informed assessment of the assets and liabilities, profits and losses, financial position, and prospects of the Issuer and the Guarantor, of the rights attaching to the Notes, and of the reasons for any issuance under the Programme and its impact on the Issuer.

Each of the Issuer and the Guarantor accepts responsibility for the information contained in this Base Prospectus and any Final Terms. To the best of the knowledge of the Issuer and the Guarantor the information contained in this Base Prospectus is in accordance with the facts and makes no omission likely to affect the import of such information.

Each Tranche of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" as completed by the applicable Final Terms. This Base Prospectus is to be read and construed in conjunction with any supplements hereto and with any information incorporated by reference herein (see "*Documents Incorporated by Reference*") and, in relation to any Tranche of Notes which is the subject of the applicable Final Terms, must be read and construed together with the applicable Final Terms.

No person has been authorised to give any information or to make any representation other than those contained in or consistent with this Base Prospectus in connection with the Programme or the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Guarantor or any of the Dealers or the Arrangers (as defined in "*Overview of the Programme*").

Neither the delivery of this Base Prospectus or any Final Terms nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change in the prospects or financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Base Prospectus and any Final Terms and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Base Prospectus or any applicable Final Terms comes are required by the Issuer, the Guarantor, the Dealers and the Arrangers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers and sales of Notes and on distribution of this Base Prospectus, see "*Subscription and Sale*". In particular, the Notes and the guarantee thereof have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and include Notes in bearer form that are subject to U.S. tax law requirements The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act.

Neither this Base Prospectus nor any applicable Final Terms constitutes an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or the Dealers to subscribe for, or purchase, any Notes.

To the fullest extent permitted by law, none of the Dealers or the Arrangers or any of their respective directors, officers, employees, advisors, agents or affiliates accept any responsibility for the contents of this Base Prospectus or for any other statement, made or purported to be made by an Arranger or a Dealer or any of their respective directors, officers, employees, advisors, agents or affiliates or on its behalf in connection with the Issuer, the Guarantor or the issue and offering of the Notes. Each Arranger and Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Base Prospectus or any such statement. No representation or warranty is made or implied by the Arrangers or the Dealers or any of their respective directors, officers, employees, advisors, agents or affiliates, and neither the Arrangers, the Dealers nor any of their respective directors, officers, employees, advisors, agents or affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus or any responsibility for any acts or omissions of the Issuer, the Guarantor or any other person (other than the relevant Arranger or Dealer) in connection with the issue and offering of the Notes. Neither this Base Prospectus nor any other such statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Guarantor, the Arrangers or the Dealers that any recipient of this Base Prospectus or any other such statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Base Prospectus and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arrangers undertakes to review the financial condition or affairs of the Issuer or the Guarantor during the life of the arrangements contemplated by this Base Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arrangers.

In making an investment decision, investors must rely on their own independent examination of the Issuer and the Guarantor and the terms of the Notes being offered, including the merits and risks involved. None of the Arrangers, the Dealers or any of its or their respective directors, officers, employees, advisors, agents or affiliates or the Issuer or the Guarantor makes any representation to any investor regarding the legality of its investment under any applicable laws. Any investor should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

The Notes may not be a suitable investment for all investors. Accordingly, each potential investor in any Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the relevant Notes, the merits and risks of investing in the relevant Notes and the information contained in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Notes and the impact such investment will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the relevant Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. In some jurisdictions, regulatory authorities have adopted or published laws, regulations and/or guidance with respect to the offer or sale of securities similar to the Notes. There are risks inherent in the holding of the Notes, including risks relating to their subordination and the circumstances in which holders of the Notes may suffer a loss as a result of the holding of the Notes. For a discussion of certain considerations to be taken into account in respect of the holding of Notes, see "*Risk Factors*". Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

The Notes to which this Programme relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Base Prospectus you should consult an authorised financial adviser.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent: (1) the Notes are legal investments for it; (2) the Notes can be used as collateral for various types of borrowing; and (3) other restrictions apply to its purchase or pledge of Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

STABILISATION

In connection with the issue of any Tranche, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche and 60 days after the date of the allotment of the relevant Tranche. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

EU MIFID PRODUCT GOVERNANCE/TARGET MARKET

A determination will be made in relation to each issue about whether, for the purpose of the EU MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**EU MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the EU MiFID Product Governance Rules.

The applicable Final Terms in respect of any Notes may include a legend entitled "EU MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

UK MIFIR PRODUCT GOVERNANCE/TARGET MARKET

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

The applicable Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

PROHIBITION ON SALES TO EEA RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION ON SALES TO UK RETAIL INVESTORS

If the applicable Final Terms in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of the domestic law of the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of the domestic law of the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of the domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

USE OF BENCHMARKS

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**EU Benchmarks Regulation**"). If any such reference rate does constitute such a benchmark, the applicable Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the EU Benchmarks Regulation.

Details of the administrators of such benchmarks, including details of whether or not, as at the date of this Base Prospectus, each such administrator's name appears on the ESMA Benchmarks Register, are set out below.

Benchmark	**Administrator**	**Administrator appears on ESMA Benchmarks Register?**
BBSW	ASX Limited	No
EIBOR	UAE Central Bank	No
€STR	European Central Bank	No
EURIBOR	European Money Markets Institute	Yes, the European Money Markets Institute is authorised under Article 34 of the Benchmarks Regulation.
HIBOR	The Hong Kong Treasury Markets Association	No
KIBOR	Central Bank of Kuwait	No
KLIBOR	Bank Negara Malaysia	No
SAIBOR	Refinitiv Benchmark Services (UK) Limited	No
SIBOR	Association of Banks in Singapore	No
SOFR	Federal Reserve Bank of New York	No
SONIA	Bank of England	No
TIBOR	JBA TIBOR Administration	No

The registration status of any administrator under the EU Benchmark Regulation is a matter of public record and, save where required by applicable law, neither the Issuer nor the Guarantor intends to update the applicable Final Terms to reflect any change in the registration status of the administrator.

For definitions of the benchmarks set out above, see Condition 5 (*Interest and other Calculations*).

NOTICE TO RESIDENTS OF QATAR

The Notes will not be offered, sold or delivered, at any time, directly or indirectly, in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering. This Base Prospectus has not been and will not be reviewed or approved by or registered with the Qatar Central Bank, the Qatar Stock Exchange, the Qatar Financial Centre Regulatory Authority or the Qatar Financial Markets Authority in accordance with their regulations or any other regulations in the State of Qatar (including the Qatar Financial Centre). The Notes are not and will not be traded on the Qatar Stock Exchange.

NOTICE TO RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Notes issued in connection with this Base Prospectus and related offering documents must only be offered in registered form to existing account holders and accredited investors (each as defined by the Central Bank of Bahrain (the "**CBB**")) in the Kingdom of Bahrain where such investors make a minimum investment of at least U.S.$100,000 or any equivalent amount in another currency or such other amount as the CBB may determine.

This Base Prospectus does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law No. 64 of 2006). This Base Prospectus and any related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no Notes may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Prospectus or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase Notes, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than to accredited investors (as such term is defined by the CBB) for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Prospectus or any related offering documents and it has not in any way considered the merits of the Notes to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Prospectus and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Prospectus. No offer of Notes will be made to the public in the Kingdom of Bahrain and this Base Prospectus must be read by the addressee only and must not be issued, passed to, or made available to the public generally.

NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This document may not be distributed in the Kingdom except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorised financial advisor.

NOTICE TO RESIDENTS OF JAPAN

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "Financial Instruments and Exchange Act"). The Notes will not be, directly or indirectly, offered or sold in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for reoffering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE AS MODIFIED OR AMENDED FROM TIME TO TIME

The Final Terms in respect of any Notes may include a legend entitled "*Singapore Securities and Futures Act Product Classification*" which will state the product classification of the Notes pursuant to Section 309B(1) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"). The Issuer will make a determination and provide the appropriate written notification to "relevant persons" in relation to each issue about the classification of the Notes being offered for the purposes of Section 309B(1)(a) and Section 309B(1)(c) of the SFA.

CAYMAN ISLANDS NOTICE

No invitation, whether directly or indirectly, may be made to any member of the public in the Cayman Islands to subscribe for any Notes and this Base Prospectus shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Notes.

NOTICE TO RESIDENTS OF MALAYSIA

The Notes may not be offered for subscription or purchase and no invitation to subscribe for or purchase the Notes in Malaysia may be made, directly or indirectly, and this Base Prospectus or any document or other materials in connection therewith may not be distributed in Malaysia other than to persons falling within the categories set out in Schedule 6 or Section 229(1)(b), Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3) of the Capital Market and Services Act 2007 of Malaysia.

The Securities Commission of Malaysia shall not be liable for any non-disclosure on the part of the Issuer and/or the Guarantor, as the case may be, and assumes no responsibility for the correctness of any statements made or opinions or reports expressed in this Base Prospectus.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

The consolidated financial statements of ABQ and its subsidiaries (together, the "**Group**") incorporated by reference in this Base Prospectus are as follows:

- the audited consolidated financial statements as at and for the financial year ended 31 December 2024 (the "**2024 Financial Statements**");
- the audited consolidated financial statements as at and for the financial year ended 31 December 2023 (the "**2023 Financial Statements**", together with the 2024 Financial Statements, the "**Financial Statements**").

The Financial Statements have been prepared in accordance with the IFRS Accounting Standards, as issued by the International Accounting Standards Board (the "**IASB**") and applicable Qatar Central Bank ("**QCB**") regulations. The Financial Statements were audited by Ernst & Young (Qatar Branch) and an unqualified opinion was expressed on them.

ABQ's financial year ends on 31 December and references in this Base Prospectus to "2022", "2023" and "2024" are to the 12-month period ending on 31 December in each such year.

ABQ presents its financial statements in Qatari riyals.

Unless otherwise indicated, the consolidated statement of financial position, the consolidated statement of income, the consolidated statement of comprehensive income and the consolidated statement of cash flows data incorporated by reference in this Base Prospectus relating to ABQ have been derived:

- in respect of the financial information as at and for the year ended 31 December 2022, from the 2023 Financial Statements; and
- in respect of the financial information as at and for the year ended 31 December 2023 and 31 December 2024, from the 2024 Financial Statements.

Certain Non-IFRS Financial Information

This Base Prospectus includes certain financial information which has not been prepared in accordance with IFRS Accounting Standards (see "—*Capital and other financial ratios*") and which was not subject to any audit or review by independent auditors.

Capital and other financial ratios

This Base Prospectus includes references to capital and other ratios, including ABQ's return on average assets, return on average equity, total capital adequacy ratio, cost/income ratio, net interest margin, non-performing loans ratio and provisioning ratio. Although these ratios are not IFRS measures, ABQ believes that they are important to understanding its capital position and other aspects of its business, particularly in light of regulatory requirements to maintain capital and liquidity ratios above prescribed minimum levels. ABQ's interpretation of any future planned ratios and the basis of its calculation of these ratios may be different from those of other financial institutions.

Summary of alternative performance measures

ABQ considers that the following metrics referenced in this Base Prospectus constitute Alternative Performance Measures as defined in the European Securities and Markets Authority Guidelines ("**ESMA Guidelines**") on Alternative Performance Measures:

Metric	Calculation	Rationale for inclusion
Return on average assets	Calculated as profit for the year divided by average total assets for the period. Average total assets are calculated on a daily basis.	Measures the earnings in proportion to the assets held by the firm. Widely used as a key performance indicator for banks to assess how

Metric	Calculation	Rationale for inclusion
		efficiently the bank is utilising assets to generate return.
Return on average equity	Calculated as profit for the year divided by average total equity for the year. Average total equity is calculated on a daily basis.	Measures the earnings in proportion to the equity of the bank. Widely used as a key performance indicator for banks to assess how efficiently the bank is utilising equity to generate return to shareholders.
Cost/income ratio	Calculated as the sum of staff costs, other expenses, and depreciation, divided by operating income. Operating income is calculated as the sum of net interest income, net fee and commission income and other income (foreign exchange gain - net, net gain/(loss) on investment securities and other operating income).	Also called efficiency ratio; it is used to assess the amount spent to earn income expressed in percentage. It compares cost with income.
Net interest margin	Calculated as yield minus cost of funds. Yield is calculated as interest income divided by daily average interest bearing financial assets. Cost of funds is calculated as interest expense divided by daily average of interest bearing financial liabilities.	Measures the spread a bank makes on its lending activities. This is a critical success factor for banks as this will have a significant impact on a bank's profitability.
Non-performing loans ratio	Calculated as non-performing loans and advances to customers divided by gross loans and advances to customers.	This measures bad loans as a percentage of total loans. This is a widely used measure to assess the asset quality of banks.
Provisioning charge/ non-performing loans ratio	Calculated as total allowance for impairment of loans and advances to customers divided by gross non-performing loans and advances to customers.	This measures the loan loss provisions as a percentage of total non-performing loans. This is used to measure the adequacy of provisions for a bank's non-performing loans.

Presentation of Other Information

In this Base Prospectus, unless otherwise specified or the context otherwise requires, all references to "**U.S. dollars**", "**U.S.$**", **"dollars"** and "**$**" refer to United States dollars being the legal currency for the time being of the United States of America; all references to "**pounds**", "**sterling**" or "**£**" refer to Pound Sterling being the legal currency for the time being of the UK; all references to "**euro**" or "**€**" refer to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended from time to time; and all references to "**riyal**" and "**QAR**" refer to Qatari riyal being the legal currency for the time being of Qatar. Translations of amounts from riyals to U.S. dollars in this Base Prospectus are solely for the convenience of the reader. Since the mid-1980s, the riyal has effectively been pegged to the U.S. dollar at a fixed exchange rate of 3.64 riyals per U.S. dollar and this rate was officially adopted in 2001. Accordingly, translations of amounts from QAR to U.S. dollars have been made at this exchange rate for all periods in this Base Prospectus.

Certain figures and percentages included in this Base Prospectus have been subject to rounding adjustments. Accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

References to a "**billion**" are to a thousand million.

Third Party and Market Share Data

This Base Prospectus contains information regarding ABQ's business and the industry in which it operates and competes, which ABQ has, in certain instances, obtained from third party sources. ABQ and other institutions operating in the financial services industry make available a wide range of financial and operational information to regulatory and market bodies, including the QCB and the Planning and Statistics Authority (the "**PSA**") (formerly known as The Ministry of Development Planning and Statistics). These bodies use certain of the data supplied to publish statistics, including those included in monthly monetary bulletins and bank monthly statements. However, no assurance can be made that the information reported to these bodies by different market participants is, in all cases, directly comparable.

In some cases, independently determined industry data is not available. In these cases, any market share data included in this Base Prospectus is referred to as having been estimated. All such estimates have been made by ABQ using its own information and other market information which is publicly available. ABQ believes that these estimates of market share are helpful as they give prospective investors a better understanding of the industry in which it operates as well as its position within that industry. Although all such estimations have been made in good faith based on the information available and ABQ's knowledge of the market within which it operates, ABQ cannot guarantee that a third party expert using different methods would reach the same conclusions.

Statistical information relating to Qatar included in this Base Prospectus has been derived from official public sources, including the PSA, the QCB, the International Monetary Fund (the "**IMF**"), the Ministry of Finance of Qatar, Reuters, the U.S. Energy Information Administration and the Qatar Financial Centre ("**QFC**"). All such statistical information may differ from that stated in other sources for a variety of reasons, including the use of different definitions and cut-off times. This data may subsequently be revised as new data becomes available and any such revised data will not be circulated by ABQ to investors who have purchased any Notes. Where information has not been independently sourced, it is ABQ's own information. Each of the Issuer and ABQ confirms that all third party information contained in this Base Prospectus has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by the relevant sources referred to, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this Base Prospectus, the source of such information has been identified.

FORWARD-LOOKING STATEMENTS

This Base Prospectus contains certain forward-looking statements. The words "anticipate", "believe", "expect", "plan", "intend", "targets", "aims", "estimate", "project", "will", "would", "may", "could", "continue" and similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact included in this Base Prospectus, including, without limitation, those regarding the financial position, business strategy, management plans and objectives for future operations of the Guarantor are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause actual results, performance or achievements, or industry results, to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future business strategies and the environment in which the Guarantor expects to operate in the future. Important factors that could cause actual results, performance or achievements to differ materially from those in the forward-looking statements include, among other factors described in this Base Prospectus:

- macro-economic and financial market conditions (and changes thereof) and, in particular, any global financial crisis;
- changes in political, social, legal or economic conditions in Qatar in particular, and in other markets that may affect ABQ and the value of its investments;
- credit risks, including the impact of a higher level of credit defaults arising from adverse economic conditions, the impact of provisions and impairments and concentration of ABQ's portfolio of financing and investing assets;

- the effects of, and changes in, laws, regulations or governmental policy affecting ABQ's business activities;
- ABQ's ability to manage growth successfully;
- changes in the competitive environment in which ABQ operates;
- removal or adjustment of the peg between the U.S. dollar and the Qatari riyal;
- liquidity risks, including the inability of ABQ to meet its contractual and contingent cash flow obligations or the inability to fund its operations; and
- changes in interest rates and other market conditions.

This list of important factors is not exhaustive. When relying on forward-looking statements, prospective investors should carefully consider the foregoing factors and other uncertainties and events, especially in light of the political, economic, social and legal environment in which the Guarantor operates. Such forward-looking statements speak only as of the date on which they are made and are not subject to any continuing obligations under the listing rules of Euronext Dublin. Accordingly, neither the Issuer nor the Guarantor undertakes any obligation to update or revise any of them, whether as a result of new information, future events or otherwise. Neither the Issuer nor the Guarantor makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or standard scenario.

SUPPLEMENTARY BASE PROSPECTUS

If at any time the Issuer shall be required to prepare a supplement to the Base Prospectus pursuant to Article 23 of the EU Prospectus Regulation, the Issuer and the Guarantor will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the regulated market of Euronext Dublin, shall constitute a Base Prospectus supplement as required by the EU Prospectus Regulation.

Each of the Issuer and the Guarantor has given an undertaking to the Dealers that, if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to information contained in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion or removal from this Base Prospectus is material to an investor for making an informed assessment of the assets and liabilities, profits and losses, financial position, and prospects of the Issuer and the Guarantor, of the rights attaching to the Notes, and of the reasons for any issuance under the Programme and its impact on the Issuer, the Issuer shall prepare an amendment or supplement to this Base Prospectus or publish a replacement Base Prospectus for use in connection with any subsequent offering of the Notes and shall supply to each Dealer such number of copies of such supplement hereto as such Dealer may reasonably request.

CONTENTS

OVERVIEW OF THE PROGRAMME

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche, the applicable Final Terms. The Issuer, the Guarantor and any relevant Dealer(s) may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions of the Notes, in which event, in the case of listed Notes only and, if appropriate, a supplementary prospectus will be published.

Issuer:	ABQ Finance Limited
Guarantor:	Ahli Bank Q.P.S.C.
Description:	Euro Medium Term Note Programme
Size:	Up to U.S.$2,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time. The Issuer and the Guarantor may increase the aggregate principal amount of the Programme in accordance with the terms of the Dealer Agreement.
Arrangers:	Barclays Bank PLC and QNB Capital LLC
Dealers:	Barclays Bank PLC, Deutsche Bank AG, London Branch, J.P. Morgan Securities plc, Mizuho International plc, QNB Capital LLC and Standard Chartered Bank The Issuer may from time to time terminate the appointment of any Dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme in accordance with the Dealer Agreement.
Fiscal Agent:	HSBC Bank plc
Registrar:	HSBC Bank plc
Method of Issue:	The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a "**Series**") having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a "**Tranche**") on the same or different issue dates. The specific terms of each Tranche (which will be completed, where necessary, with the relevant terms and conditions and, save in respect of the issue date, issue price, first payment of interest and principal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be completed in the applicable Final Terms.
Issue Price:	Notes may be issued at their principal amount or at a discount or premium to their principal amount. The price and amount of Notes to be issued will be determined by the Issuer, ABQ and the relevant Dealer(s).

Form of Notes:	The Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") only. Each Tranche of Bearer Notes will be represented on issue by a temporary Global Note if: (i) definitive Notes are to be made available to Noteholders following the expiry of 40 days after their issue date; or (ii) such Notes have an initial maturity of more than one year and are being issued in compliance with the D Rules (as defined in "—*Selling Restrictions*"), otherwise such Tranche will be represented by a permanent Global Note. Registered Notes will be represented by Certificates, one Certificate being issued in respect of each Noteholder's entire holding of Registered Notes of one Series. Certificates representing Registered Notes that are registered in the name of a nominee for one or more clearing systems are referred to as "**Global Certificates**".
Clearing Systems:	Clearstream, Luxembourg, Euroclear and, in relation to any Tranche, such other clearing system as may be agreed between the Issuer, ABQ, the Fiscal Agent and the relevant Dealer(s).
Initial Delivery of Notes:	On or before the issue date for each Tranche, the Global Note representing Bearer Notes or the Certificate representing Registered Notes may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Global Notes or Certificates may also be deposited with any other clearing system or may be delivered outside any clearing system, **provided that** the method of such delivery has been agreed in advance by the Issuer, ABQ, the Fiscal Agent and the relevant Dealer(s). Registered Notes that are to be credited to one or more clearing systems on issue will be registered in the name of nominees or a common nominee for such clearing systems.
Currencies:	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in any currency agreed between the Issuer, the Guarantor and the relevant Dealer(s).
Maturities:	Subject to compliance with all relevant laws, regulations and directives, any maturity as may be agreed between the Issuer, the Guarantor and the relevant Dealer(s).

Specified Denomination:

Notes will be in such denominations as may be specified in the applicable Final Terms, save that the minimum denomination of each Note will be such amount as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency (see "*Subscription and Sale*") and the regulations of the applicable securities system in which the Notes are issued, and save that (i) in the case of any Notes which are to be admitted to trading on a regulated market within the EEA or offered to the public either in an EEA Member State or in the UK in circumstances which require the publication of a prospectus under the EU Prospectus Regulation or the Regulation (EU) 2017/1129 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK Prospectus Regulation**"), the minimum specified denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the Notes); and (ii) unless otherwise permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of Section 19 of the UK Financial Services and Markets Act 2000, as amended ("**FSMA**") will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Fixed Rate Notes:

Fixed Rate Notes will bear fixed interest payable in arrear on the date or dates in each year as specified in the applicable Final Terms.

Floating Rate Notes:

Floating Rate Notes will bear interest determined separately for each Series as follows:

(i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as supplemented, amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series (as specified in the applicable Final Terms)) as published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"), or the latest version of the ISDA 2021 Interest Rate Derivatives Definitions, including each Matrix (as defined therein) (and any successor thereto), as specified in the applicable Final Terms, each as published by ISDA (or any successor) on its website (http://www.isda.org), on the date of issue of the first Tranche of the Notes of such Series; or

(ii) by reference to the relevant Reference Rate (as may be specified in the applicable Final Terms) as adjusted for any applicable margin.

Interest periods will be specified in the applicable Final Terms.

Zero Coupon Notes:

Zero Coupon Notes (as defined in "*Terms and Conditions of the Notes*") may be issued at their principal amount or at a discount to it and will not bear interest.

Interest Periods and Interest Rates:	The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the applicable Final Terms.
Redemption:	The applicable Final Terms will specify the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which have a maturity of less than one year and in respect of which the issue proceeds are to be accepted by the Issuer in the UK or whose issue otherwise constitutes a contravention of Section 19 of the FSMA must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption:	The Final Terms issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the holders and, if so, the terms applicable to such redemption.
Guarantee:	The Notes will be unconditionally and irrevocably guaranteed by the Guarantor.
Status of Notes and Guarantee:	The Notes and Guarantee will constitute direct, unconditional, unsubordinated and (subject to "*Terms and Conditions of the Notes—Negative Pledge*") unsecured obligations of the Issuer and the Guarantor and will rank *pari passu* among themselves and (save for such exceptions as may be provided by applicable legislation and subject to "*Terms and Conditions of the Notes—Negative Pledge*") at least equally with all other unsecured and unsubordinated obligations of the Issuer and the Guarantor, from time to time outstanding.
Negative Pledge:	The Notes will have the benefit of a negative pledge as described in "*Terms and Conditions of the Notes—Negative Pledge*".
Cross-Default:	The Notes will have the benefit of a cross-default provision as described in "*Terms and Conditions of the Notes—Events of Default*".

Immunity:	To the extent that the Issuer or the Guarantor, respectively, may in any jurisdiction claim for itself or its assets or revenues immunity from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or the Guarantor or their respective assets or revenues, the Issuer and the Guarantor will agree in the Notes not to claim and will irrevocably and unconditionally waive such immunity to the fullest extent permitted by the laws of such jurisdiction. Further, the Issuer and the Guarantor, respectively, will irrevocably and unconditionally consent to the giving of any relief or the issue of any proceedings, including, without limitation, jurisdiction, enforcement, prejudgment proceedings and injunctions in connection with any legal or arbitral proceedings and disputes.
Ratings:	The Programme has been assigned a senior unsecured provisional rating of (P)A2 long-term by Moody's. Tranches of Notes will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will be specified in the applicable Final Terms. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation unless: (i) the rating is provided by a credit rating agency not established in the EEA but which is endorsed by a credit rating agency established under the EU CRA Regulation; or (ii) the rating is provided by a credit rating agency not established in the EEA but which is certified under the EU CRA Regulation. Similarly, in general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation unless: (i) the rating is provided by a credit rating agency not established in the UK but which is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation; or (ii) the rating is provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation.
Early Redemption:	Except as provided in "—*Optional Redemption*" above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See "*Terms and Conditions of the Notes—Redemption, Purchase and Options*".

Withholding Tax:	All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of the Cayman Islands or Qatar, unless the withholding is required by law. In such event, the Issuer or the Guarantor shall, subject to the exceptions in Condition 8 (*Taxation*), pay such additional amounts as shall result in receipt by the Noteholder of such amounts as would have been received by it had no such withholding been required, all as described in "*Terms and Conditions of the Notes—Taxation*".
Governing Law:	English law.
Listing and Admission to Trading:	Application has been made to list Notes issued under the Programme on the Official List and to admit them to trading on the regulated market of Euronext Dublin and references to listing shall be construed accordingly. As specified in the applicable Final Terms, a Series of Notes may be unlisted. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuer, the Guarantor and the relevant Dealer(s) in relation to the Series and as will be specified in the applicable Final Terms.
Selling Restrictions:	The United States, the United Kingdom, the Cayman Islands, the United Arab Emirates (the "**UAE**") (excluding the Abu Dhabi Global Market (the "**ADGM**") and the Dubai International Financial Centre ("**DIFC**")), the ADGM, the DIFC, Saudi Arabia, Bahrain, Qatar, Malaysia, Japan, Singapore, Switzerland and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes. See "*Subscription and Sale*".
United States Selling Restrictions	Regulation S, Category 2. TEFRA C, TEFRA D or TEFRA not applicable, as specified in the applicable Final Terms.

RISK FACTORS

The Issuer and ABQ believe that the following factors may affect their ability to fulfil their obligations under the Notes issued under the Programme. All of these factors are contingencies which may or may not occur.

Factors which the Issuer and ABQ believe may be material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

Each of the Issuer and ABQ believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but neither the Issuer nor ABQ may be able to pay interest, principal or other amounts on or in connection with any Notes for other reasons and the Issuer and ABQ do not represent that the statements below regarding the risks of holding any Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Terms used but not defined herein shall have the meaning ascribed to them in the Terms and Conditions of the Notes.

Factors that may affect the Issuer's ability to fulfil its obligations under or in connection with Notes issued under the Programme

The Issuer is a special purpose company that is entirely dependent on ABQ to service its payment obligations under the Notes

The Issuer was incorporated in the Cayman Islands on 3 March 2016 and has a limited operating history. The Issuer's principal purpose is to provide funding, through the international capital markets, to ABQ. All proceeds from the issue of Notes under the Programme will be lent by the Issuer to ABQ. Payments of principal and interest under any such loan by ABQ to the Issuer will fund the Issuer's payment obligations under the Notes.

As the Issuer does not have any other business operations, the Issuer's ability to fulfil its obligations under the Notes is entirely dependent on ABQ's performance under each such loan. Accordingly, the Issuer is subject to all the risks to which ABQ is subject, to the extent that such risks could limit ABQ's ability to satisfy in full and on a timely basis its obligations under the Guarantee. See "*—Factors that may affect ABQ's ability to fulfil its obligations under the Deed of Guarantee*" for a further description of certain of these risks.

Factors that may affect ABQ's ability to fulfil its obligations under the Deed of Guarantee

ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ

ABQ, in common with other financial institutions, is susceptible to changes in the macro-economic environment and the performance of financial markets generally. Both the macro-economic environment and the financial markets have experienced significant volatility and uncertainty since early 2020, owning to, among other things, the COVID-19 pandemic and related lockdown restrictions and supply chain disruptions, the ongoing war between Russia and Ukraine, the slowdown of the Chinese economy, the recent conflicts between Israel and Hamas, Hezbollah and Iran and inflationary pressures globally which have triggered fiscal tightening measures by central banks around the world.

Almost all of ABQ's credit exposures are focused in Qatar, whose nominal gross domestic product ("**GDP**") was preliminarily estimated to be QAR 785,502 million in 2023 (QCB Quarterly Statistical Bulletin – December 2024). The economy of Qatar is largely dependent on oil and gas and related industries, as well as the prices and production quantities of these commodities. Oil and gas prices have, however, been volatile in recent years and are expected to remain volatile, which has impacted and may impact economic growth in Qatar. In January 2021, the Organisation of the Petroleum Exporting Countries ("**OPEC**") and Russia agreed to a slight easing of the oil production cuts by 500,000 barrels per day and in May 2021, the OPEC Reference Basket reached a monthly average of U.S.$66.91. However, the war between Russia and Ukraine that erupted in February 2022, and the ongoing conflicts between Israel and Hamas, Hezbollah and

Iran, which started in 2023, have caused the oil price to fluctuate significantly. The oil price surged above U.S.$100 per barrel, for the first time since 2013, to U.S.$128 per barrel in March 2022, before falling around June 2022 and ending the year in 2022 at U.S.$81.29 per barrel. The weekly OPEC Reference Basket price was U.S.$78.44 per barrel and U.S.$74.59 per barrel as at 29 December 2023 and 31 December 2024, respectively. The price of the OPEC reference basket as at 31 December 2024 was U.S.$74.59 per barrel.

The Qatari government (the "**Government**") is currently recording surpluses in its 2024 budget owing to relatively high prices for hydrocarbons, there can be no assurances that such prices or surpluses will persist. Oil and gas prices may fluctuate in response to changes in factors over which ABQ has no control and any future substantial decline in the oil and gas prices could have a material adverse effect on ABQ.

The Government has, in the past, relied upon loans to finance its economic development and infrastructure projects. If economic conditions or the Government's fiscal position deteriorate, this could cause delays in key projects as a result of the decrease in the availability of credit, and the Government may need to draw on its sovereign wealth fund in order to finance these projects. If such conditions were to persist, ABQ's business, financial condition, results of operations, liquidity and prospects could be adversely affected by conditions in the global economy and financial markets (see further "*—ABQ's investment securities and customer loan portfolios and deposit base are concentrated in Qatar and ABQ has significant individual customer concentrations*").

Any deterioration in economic conditions in Qatar or the GCC, whether or not due to the reasons set out above, could materially adversely affect many of ABQ's borrowers and contractual counterparties which, in turn, is likely to adversely affect ABQ's business, financial condition, results of operations and prospects.

ABQ is exposed to credit risk and recent high levels of growth in ABQ's loan portfolio have resulted in an increase in its credit exposure and risk profile

Risks arising from adverse changes in the credit quality and recoverability of loans, securities and amounts due from counterparties are inherent in a wide range of ABQ's businesses, principally in its lending and investment activities. In particular, ABQ is exposed to the risk that borrowers may not repay their loans according to their contractual terms and that the collateral securing the payment of these loans may be insufficient. ABQ reviews and analyses its loan portfolio and credit risks, and ABQ's provision for losses on loans is based on, among other things, its analysis of current and historical delinquency rates and loan management and the valuation of the underlying assets and provisions under IFRS 9 based on expected credit loss model and forward-looking factors, as well as numerous other management assumptions. However, these internal analyses and assumptions may give rise to inaccurate predictions of credit performance, particularly in a volatile economic climate (see further "*—ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*").

At 31 December 2024, the Group's net loans and advances to customers (its "**customer loan portfolio**") amounted to QAR 35,663.3 million, compared to QAR 34,753.9 million at 31 December 2023 and QAR 34,032.2 million at 31 December 2022. In the year ended 31 December 2024, the Group recorded QAR 541.7 million of impairment losses net of recoveries in respect of its customer loan portfolio, equal to 1.4 per cent. of its gross loans and advances to customers at 31 December 2024. In 2023, the Group recorded QAR 360.1 million of impairment losses net of recoveries in respect of its customer loan portfolio, equal to 1.0 per cent. of its gross loans and advances to customers at 31 December 2023. In 2022, the Group recorded QAR 386.8 million of impairment losses net of recoveries in respect of its customer loan portfolio, equal to 1.1 per cent. of its gross loans and advances to customers at 31 December 2022.

This high level of growth in the Group's customer loan portfolio has increased its credit exposure and, as ABQ continues to expand its customer loan portfolio, management will need to continually monitor the credit quality of the loan portfolio (see further "*Risk Management—Credit Risk*"). A material deterioration in the quality of the Group's loan portfolio or any significant increase in loan losses in the future could have a material adverse effect on ABQ's business, financial condition, results of operations and prospects.

Credit losses could also arise from a deterioration in the credit quality of specific borrowers, issuers and counterparties of ABQ, or from a general deterioration in local or global economic conditions, or from systemic risks within financial systems, any or all of which could affect the recoverability and value of

ABQ's assets and require an increase in ABQ's provisions for the impairment of loans, securities and other credit exposures.

Any failure by ABQ to maintain the quality of its assets through effective risk management policies could lead to higher loan loss provisioning and result in higher levels of defaults and write-offs, which, in turn, could have a material adverse effect on ABQ's business, financial condition, results of operations and prospects.

Many of ABQ's investment securities and customer loan portfolios and deposit base are concentrated in Qatar and ABQ has significant individual customer concentrations

Many of ABQ's investment securities and customer loan portfolios are geographically concentrated in Qatar. The Group's customer loan portfolio and investment securities portfolio together constituted 75.7 per cent. of its total assets, or QAR 45,108.3 million, at 31 December 2024. In terms of the Group's credit risk exposures relating to assets recorded on the Group's consolidated statement of financial position, 89.4 per cent. of this exposure was to counterparties located in Qatar at 31 December 2024. As a result of the foregoing, a material adverse change in the economic conditions in Qatar would be likely to have a material adverse effect on ABQ's business, financial condition, results of operations and prospects, which may impact its ability to fulfil its obligations under the Deed of Guarantee.

The Group's customer deposits constituted 62.9 per cent. of its total liabilities, or QAR 32,153.6 million, at 31 December 2024 and 98.1 per cent. of its customer deposits at 31 December 2024 had been accepted in Qatar. As a result, any deterioration in general economic conditions in Qatar or the GCC region generally or any failure by ABQ to manage effectively its geographic risk concentrations could lead to a deterioration in the credit quality of counterparties of ABQ as well as an increase in ABQ's cost of borrowing funds (to the extent that the deterioration results in deposit withdrawals) (see further "*—ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*").

Qatar's economy is materially affected by international oil and natural gas prices, which have fluctuated widely over the past two decades

Although over the past few years, Qatar has tried to diversify away from oil and gas, the oil and gas sector contributed 37.1 per cent. to Qatar's total nominal GDP for the nine months ended 30 September 2024. The oil and gas sector contributed 38.8 per cent. and 44.3 per cent. to Qatar's total nominal GDP for the years ended 31 December 2023 and 31 December 2022, respectively.

International prices for crude oil have fluctuated substantially as a result of many factors, including global demand for oil and natural gas, changes in production levels, geopolitical uncertainty (particularly in the MENA region), changes in governmental regulations, weather, general economic conditions and competition from other energy sources with prices steadily rising after the onset of the COVID-19 pandemic in 2020 and against the backdrop of rising global political tensions, such as those arising from the ongoing geopolitical conflicts between Russia and Ukraine and between Israel and Hamas, Hezbollah and Iran. In addition, as crude oil prices provide a benchmark for gas and petrochemical feedstock prices, changes in crude oil prices may also have an impact on gas and petrochemical prices. According to data produced by OPEC, the average annual OPEC reference basket prices in 2022, 2023 and 2024 were U.S.$82.95 per barrel, U.S.$100.08 per barrel and U.S.$ 79.89 per barrel, respectively. In 2022, oil and gas prices increased significantly, principally reflecting concerns related to the Russia-Ukraine war. Although upstream oil and gas exporters benefit from high prices, downstream industries (for example, the refining, petrochemicals and utilities sectors to which the Bank is exposed) typically continue operating under tightening margins due to rising raw material prices. Although oil prices generally declined in 2023, there can be no assurance that there will not be any future significant and sustained increases to oil prices, due to the ongoing Russia-Ukraine war, the ongoing conflict between Israel and Hamas, Hezbollah and Iran or for any other reason. The price of the OPEC reference basket as at 31 December 2024 was U.S.$74.59 per barrel (see further "*Risk Factors—Factors that may affect ABQ's ability to fulfil its obligations under the Deed of Guarantee—ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*"). There can be no guarantee that oil prices will not remain volatile or decrease in the future.

Such effects would be likely to materially adversely affect ABQ by:

- reducing the demand from its Qatari customers for financing and by adversely affecting the quality of its outstanding financing, thus potentially increasing its impairment losses and so reducing profitability; and/or

- causing certain large depositors of ABQ to withdraw their deposits (in whole or in part) to address their own liquidity needs, resulting in ABQ having to source alternative sources of funding (see further "—*ABQ is subject to the risk that liquidity may not always be readily available or may only be available at significant cost*").

In addition, any reduction in Qatar's revenues would reduce the likelihood and/or extent of the Government's financial support being available to Qatari banks, including ABQ, should such support be needed in the future.

The Group also has significant customer risk concentrations. For example, the Group's 20 largest loans and advances to customers outstanding at 31 December 2024 constituted approximately 42.5 per cent. of its total loan portfolio at that date. In terms of liabilities, the Group's 20 largest customer deposits at 31 December 2024 constituted approximately 53.5 per cent. of its total customer deposits at that date. As a result, a material weakening in the credit quality of, or a default by, any one or more of the Group's large loan customers could result in the Group making significant additional loan loss provisions and experiencing reduced interest income. Similarly, the withdrawal, or non-renewal, of deposits by any one or more of the Group's large depositors could require ABQ to obtain replacement funding from other sources which may not be readily available or may be significantly more expensive. Either of such eventualities would be likely to have a material adverse effect on ABQ's business, financial condition, results of operations and prospects.

ABQ is exposed to declining property values in Qatar on the collateral supporting residential and commercial real estate loans

The Group's gross loans and advances to customers as at 31 December 2024 was QAR 37,804.3 million, of which loans and advances to customers in the real estate industry amounted to 18.4 per cent. Although the property market in Qatar has stabilised after a period of sustained growth, negative economic and other factors could lead to future contraction in the residential mortgage and commercial lending market and to decreases in residential and commercial property prices which would adversely affect the value of the Group's collateral and could lead to increased impairment charges which would reduce the Group's profitability (see further "—*A recurrence of rising inflation, or deflation, may adversely affect ABQ's profitability*").

ABQ has significant credit-related contingent liabilities and commitments that may lead to potential losses

As part of its normal banking business, ABQ issues loan commitments, guarantees and letters of credit, all of which are accounted for off ABQ's balance sheet until such time as they are actually funded or cancelled. Although these commitments are contingent, they nonetheless subject ABQ to both credit and liquidity risks. Although ABQ anticipates that only a portion of its obligations in respect of these commitments will be triggered, ABQ may need to make payments in respect of a greater portion of such commitments, particularly in cases where there has been a general deterioration in market conditions. This would result in ABQ needing to obtain additional funding, potentially at relatively short notice, which could have an adverse effect on its financial condition and results of operations. As at 31 December 2024, the Group had QAR 17,578.7 million in such net contingent liabilities outstanding, equal to 23.1 per cent. of its total credit risk exposures as at 31 December 2024.

ABQ could be adversely affected by the weakness or the perceived weakness of other financial institutions and counterparties, which could result in significant systemic liquidity problems, losses or defaults

Against the backdrop of constraints on liquidity and the high cost of funds in the interbank lending market and given the high level of interdependence between financial institutions ABQ is subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial institutions. Within the financial services industry, the default of any one institution could lead to significant losses, and potentially defaults, by other institutions. Concerns about, or a default by, one institution could also lead to significant liquidity problems, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions is closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions about, a counterparty may lead to market-wide liquidity problems and losses or defaults by ABQ or other institutions. This risk, often referred to as "**systemic risk**", may also adversely affect other financial intermediaries, such as clearing agencies, clearing houses, securities firms and exchanges, with whom ABQ interacts on a daily basis. Such risks have been heightened in 2023 by the failures of Silicon Valley Bank, Signature Bank and First Republic Bank in the United States and the acquisition of Credit Suisse by UBS and the related write-down of its additional tier 1 instruments have caused liquidity concerns in the market. Systemic risk, should it materialise, could have a material adverse effect on ABQ's ability to raise new funding and on its business, financial condition, results of operations and prospects.

ABQ is subject to the risk that liquidity may not always be readily available or may only be available at significant cost

Liquidity risk is the risk that ABQ will be unable to meet its obligations, including funding commitments, as they become due. This risk is inherent in banking operations and can be heightened by a number of enterprise-specific factors, including over-reliance on a particular source of funding (including, for example, short-term and overnight funding), changes in credit ratings or market-wide phenomena such as market dislocation or major disasters. Credit markets worldwide experienced a severe reduction in liquidity and term-funding during the global financial crisis and, since then, the availability of liquidity has continued to fluctuate, including as a result of the COVID-19 pandemic and resulting lockdowns and supply chain disruptions, the Russia-Ukraine war, the Israel and Hamas, Hezbollah and Iranian conflicts, and, until recently, increasing interest rates.

The perception of counterparty risk between banks has also increased significantly in recent years, which has led to reductions in certain traditional sources of liquidity, such as the debt markets, asset sales and redemption of investments. ABQ's access to these traditional sources of liquidity may be restricted or available only at a higher cost and there can be no assurance that the Government will continue to provide the levels of support that it has provided in the past, either to the Qatari banking sector generally or to ABQ in particular.

In addition, uncertainty or volatility in the capital and credit markets may limit ABQ's ability to refinance maturing liabilities with long-term funding or increase the cost of such funding. ABQ's access to any additional financing it may need will depend on a variety of factors, including market conditions, the availability of credit generally and to borrowers in the financial services industry specifically, and ABQ's financial condition, credit ratings and credit capacity.

Due to regulatory reasons, ABQ relies primarily on deposits to meet most of its funding needs. The availability of deposits is subject to fluctuation due to factors outside ABQ's control, including possible loss of confidence and competitive pressures, and this could result in a significant outflow of deposits within a short period of time. At 31 December 2024, 40.4 per cent. of the Group's funding (which comprises amounts due to banks and central bank, customer deposits, debt securities, other borrowings and other liabilities) had remaining maturities of less than one month or were payable on demand and 83.1 per cent. had remaining maturities of one year or less or was payable on demand. In addition, ABQ is reliant on certain large deposits from a limited group of government-related and private sector corporate customers (see further "*—ABQ's investment securities and customer loan portfolios and deposit base are concentrated in Qatar and ABQ has significant individual customer concentrations*").

If a substantial portion of ABQ's depositors withdraw their demand deposits or do not roll over their time deposits at maturity, ABQ may need to seek other sources of funding or may have to sell assets to meet its funding requirements. There can be no assurance that ABQ will be able to obtain additional funding as and when required or at prices that will not affect ABQ's ability to compete effectively and, if ABQ is forced to sell assets to meet its funding requirements, it may suffer material losses as a result. In extreme cases, if ABQ is unable to refinance or replace such deposits with alternative sources of funding to meet its liquidity needs, through deposits, the interbank markets, the international capital markets or through asset sales, this would have a material adverse effect on ABQ's business, financial condition, results of operations and prospects and could, potentially, result in its insolvency.

Market fluctuations and volatility may adversely affect the value of ABQ's positions in certain securities and make it more difficult to assess the fair value of certain of its assets

ABQ has debt and other investment securities, principally comprising Government fixed income debt securities and other fixed income debt securities. As at 31 December 2024, the Group's investment securities portfolio amounted to QAR 9,444.9 million or 15.8 per cent. of the Group's total assets and fixed rate debt securities comprised 96.1 per cent. of the net investment securities portfolio. The Group earns interest income on the debt securities comprised in the portfolio. It also realises gains and losses on the sale of securities and records unrealised gains and losses resulting from the fair valuation of the securities at each balance sheet date in its consolidated statement of comprehensive income. The level of the Group's income from its investment securities depends on numerous factors beyond ABQ's control, such as overall market trading activity, interest rate levels, fluctuations in currency exchange rates and general market volatility.

In addition, the fair value of ABQ's fixed rate investment securities changes in response to perceived changes in the credit quality of the issuers of the securities as well as changes in interest and currency exchange rates (see further "*—ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*"). During periods of higher interest rates, the fair values of the Group's fixed rate investment securities are likely to decline which could expose the Group to fair valuation losses or losses on the sale of such securities. Similarly, a decline in the credit quality of any of the issuers of the debt securities held by the Group could result in the Group making impairments or write-offs in respect of those securities.

Valuations of the Group's investment securities in future periods, reflecting then-prevailing market conditions, may result in significant changes in their fair values and, should such changes to fair values be negative, this would be likely to have a material adverse effect on ABQ's business, financial condition, results of operations and prospects, which may impact its ability to fulfil its obligations under the Deed of Guarantee. In addition, the value ultimately realised by ABQ in respect of any investment securities may be materially different from their current or estimated fair value. Any of these factors could require ABQ to recognise fair valuation losses or realise impairment charges, which would adversely affect its results of operations.

ABQ is a regulated entity and changes to applicable laws or regulations or in the interpretation or enforcement of such laws or regulations or any failure by ABQ to comply with such laws or regulations could have a material adverse effect on ABQ

ABQ is subject to a number of prudential and regulatory controls designed to maintain the safety and soundness of banks, ensure their compliance with economic and other objectives and limit their exposure to risk. In Qatar, these controls include laws and regulations promulgated by the QCB, the Qatar Financial Markets Authority (the "**QFMA**") and the Qatar Stock Exchange (the "**QSE**") and these controls are further described under "*Banking Industry and Banking Regulation in Qatar*". Changes in applicable regulations may also increase ABQ's cost of doing business. It is not always possible for ABQ to anticipate when a new regulation will be introduced by the Qatari authorities. This creates a risk that the profitability of ABQ may be adversely affected as a result of it being unable to adequately prepare for regulatory changes introduced by the Qatari authorities. In addition, increased regulations or changes in laws and regulations and the manner in which they are interpreted or enforced may have a material adverse effect on ABQ's business, financial condition, results of operations or prospects. Furthermore, non-compliance by ABQ with any applicable laws and regulations could expose ABQ to potential liabilities and fines, which may be significant.

In addition, in order to carry out and expand its businesses, it is necessary for ABQ to maintain or obtain a variety of licences, permits, approvals and consents from various regulatory, legal, administrative, tax and other governmental authorities and agencies. The processes for obtaining these licences, permits, approvals and consents are often lengthy, complex, unpredictable and costly. If ABQ is unable to maintain or obtain the relevant licences, permits, approvals and consents, its ability to achieve its strategic objectives could be impaired.

The regulations to which ABQ is subject may limit its ability to carry on certain parts of its business, increase its loan portfolio or raise capital or may impose significant additional costs on ABQ. For example, in February 2011 conventional banks in Qatar were required by the QCB to cease carrying on Islamic banking operations by 31 December 2011. In response to this requirement, ABQ closed its Islamic banking operations. In April 2011, the QCB imposed a cap on the amount of loans that could be made available to retail customers in Qatar and limited the interest payable on such loans and on credit cards held by such customers and these restrictions remain in force.

ABQ is also required to comply with applicable know your customer, anti-money laundering and counter-terrorism financing laws and regulations in Qatar including those related to countries subject to sanctions by the United States Office of Foreign Assets Control ("**OFAC**"), similar regulations of the European Union (the "**EU**") and other jurisdictions, and applicable anti-corruption laws in the jurisdictions in which it conducts business. To the extent that ABQ fails or is perceived to fail to comply with these and other applicable laws and regulations, its reputation could be materially damaged, with consequent adverse effects on its business, financial condition, results of operations and prospects.

A negative change in ABQ's credit rating could limit its ability to raise funding and may increase its borrowing costs

ABQ currently has long-term foreign currency issuer default ratings of A2 with stable outlook from Moody's and A with stable outlook from Fitch. These ratings, which are intended to measure ABQ's ability to meet its debt obligations as they mature, are an important factor in determining ABQ's cost of borrowing funds.

A downgrade of ABQ's credit rating, or a change in the outlook to negative, may limit its ability to raise funding and increase its cost of borrowing, which could adversely affect its business, financial condition, results of operations and prospects. A downgrade of ABQ's credit rating (or announcement of a negative ratings outlook) may also limit its ability to raise capital. Moreover, actual or anticipated changes in ABQ's credit rating may affect the market value of the Notes issued under the Programme.

Each rating agency expressly notes that the probability of Government support for ABQ in case of need is a key factor underpinning the rating. However, although the Government has in the past supported its domestic banks (for example, in the aftermath of the global financial crisis as discussed under "*Banking Industry and Banking Regulation in Qatar—Banking System*"), it is important to note that the Government is under no obligation (contractual or otherwise) to support any Qatari bank (including ABQ) and there is no certainty that the Government will do so again in the future. As a result, investors should not rely on there being any such future support from the Government when making their investment decision.

In addition, the credit rating assigned to ABQ may not reflect the potential impact of all risks related to an investment in the Notes, the market or any additional factors discussed in this document, and other factors may affect the value of the Notes. A securities rating is not a recommendation to buy, sell or hold securities. Ratings may be subject to revision or withdrawal at any time by the assigning rating organisation and each rating should be evaluated independently of any other rating.

The banking industry is competitive and, in particular, ABQ is exposed to significant competition in Qatar

ABQ faces high levels of competition for all of its products and services. In particular, in Qatar ABQ competes with other domestic banks and such competition may increase. Some of ABQ's competitors have significantly greater resources and ABQ is, therefore, potentially exposed to any aggressive competitive positions taken by those other banks. In addition, as a financial institution with a strategy to grow its business, ABQ may need to offer better pricing, products or service quality than its competitors in order to gain market share and there is no assurance that ABQ will be able to do this at all or at a cost that does not adversely affect its results of operations.

In addition, ABQ believes that the Qatari banking sector faces increased pressure for consolidation and that one or more of its current competitors in Qatar may in the future consider acquiring or merging with each other. On 28 August 2018, a merger between Barwa Bank and International Bank of Qatar was announced and their merger completed on 21 April 2019. A further merger between Masraf Al Rayan and Al Khalij Commercial Bank was completed in November 2021. Such mergers which do not involve ABQ could result in the creation of competitors that are significantly bigger than ABQ and which have significantly greater resources with which to compete effectively. In addition to domestic banks, international banks are increasing their presence in Qatar, either directly or through strategic investments, and these banks compete with ABQ for wholesale corporate and government business.

As at 31 December 2024, there were a total of 16 banks registered with the QCB in Qatar. In addition to these banks, more international banks are expected to commence business through the QFC, which would allow them to compete for large corporate and government business (see further "*Banking Industry and Banking Regulation in Qatar*"). The competitive nature of the Qatari banking market and any failure by ABQ to continue to compete successfully in its target markets in Qatar may adversely affect ABQ's business, financial condition, results of operations and prospects.

A recurrence of rising inflation, or deflation, may adversely affect ABQ's profitability

Year on year inflation in Qatar was projected at 2.4 per cent. for 2024 and 2.8 per cent. for 2023, as set out in the International Monetary Fund's Staff Report for 2023 Article IV Consultation with Qatar. This trend of rising inflation is projected by the IMF to continue in the future albeit at a lower rate. Historically, inflation has increased staff and living expenses and any recurrence of higher levels of inflation in the future is likely to increase such expenses further. High inflation could slow the rate of economic growth and consumer spending in Qatar, which could have a material adverse effect on ABQ's business growth and the profitability of ABQ. A deflationary environment in Qatar could also adversely affect ABQ's profitability by adversely affecting property values, which could have an adverse effect on ABQ's real estate loan portfolio. Thus, high rates of inflation or deflation could have a material adverse effect on ABQ's business. Although the Government and the QCB have announced their intention to continue to take measures to ensure that inflation is stabilised, there can be no assurance that the Government and the QCB will be able to achieve or maintain price stability, in the real estate market or otherwise and thus control inflation.

ABQ's financial condition and results of operations could be adversely affected by market risks

ABQ's financial condition and results of operations could be affected by market risks that are outside its control, including, without limitation, volatility in interest rates, prices of securities and currency exchange rates. Fluctuations in interest rates could adversely affect ABQ's financial condition and results of operations in a number of different ways. In particular, an increase in interest rates generally may decrease the value of ABQ's fixed-rate loans and the debt securities in its investment securities portfolio and may raise ABQ's funding costs. As a result, ABQ may experience a reduction in its net interest income. See Note 4(d)(ii) to the 2024 Financial Statements which illustrates the Group's interest rate sensitivity risk at 31 December 2024 and also "*Risk Management—Market Risk—Interest rate risk*". Interest rates are sensitive to many factors beyond ABQ's control including the policies of central banks, such as the QCB and the U.S. Federal Reserve, political factors and domestic and international economic conditions. Movements in global interest rates continue to be unpredictable. Between 16 March 2022 and 27 July 2023, and in response to high levels of inflation, the United States Federal Reserve Board (the "**U.S. Federal Reserve**") increased U.S. overnight interest rates by an aggregate of 525 basis points. The U.S. Federal Reserve had left U.S. overnight interest rates unchanged until 18 September 2024, when it lowered interest rates by 50 basis points. (see further *"—ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*"). Any further fluctuations in interest rates could negatively impact economic growth globally and in the GCC economies.

ABQ's financial condition and results of operations may also be affected by changes in the market value of its securities portfolio (see further "*—Market fluctuations and volatility may adversely affect the value of ABQ's positions in certain securities and make it more difficult to assess the fair value of certain of its assets*").

ABQ maintains its accounts, and reports its results, in Qatari riyals. The Qatari riyal has been officially pegged at a fixed exchange rate of QAR 3.64 to the U.S. dollar since 2001. ABQ is exposed to the potential impact of any alteration to, or abolition of, this foreign exchange peg. Also, as a financial intermediary, ABQ is exposed to foreign exchange rate risk. This risk includes the possibility that the value of a foreign currency asset or liability will change due to fluctuations in currency exchange rates as well as the possibility that ABQ may have to close out any long or short open position in a foreign currency at a loss, due to an adverse movement in exchange rates. ABQ generally employs cross-currency forwards, options and swaps to match the currencies of its assets and liabilities. Any open currency position is maintained within the limits set by the QCB. However, where ABQ is not so hedged, ABQ is exposed to fluctuations in foreign exchange rates and any such hedging activity may not in all cases protect ABQ against such risks.

Adverse movements in foreign exchange rates may also negatively impact the revenues and financial condition of ABQ's depositors and borrowers, which in turn may impact ABQ's deposit base and the quality of its exposures to certain borrowers.

Ultimately, there can be no assurance that ABQ will be able to protect itself from any adverse effects of a currency revaluation or future volatility in interest rates or currency exchange rates, which could have a material adverse effect on its business, financial condition, results of operations and prospects. See also "—*ABQ's business, financial condition, results of operations and prospects are and will continue to be affected by global and regional financial markets and economic conditions and any deterioration in economic conditions in Qatar and, to a lesser extent, the other GCC countries could materially adversely impact ABQ*".

ABQ is exposed to a range of operational risks. In particular, any failure of ABQ's information technology systems could have a material adverse effect on its business and reputation

Operational risk and losses can result from fraud, errors by employees, failure to document transactions properly or to obtain proper internal authorisation, failure to comply with regulatory requirements and conduct of business rules, systems and equipment failures, natural disasters or the failure of external systems (for example, those of ABQ's counterparties or vendors). ABQ has implemented risk management strategies, internal controls, internal compliance, audit and reporting systems and loss mitigation strategies, and substantial resources are devoted to developing efficient procedures and to staff training and the recruitment of qualified personnel, but it is not possible to eliminate entirely each of the potential operational risks ABQ faces. Losses from the failure of ABQ's risk management strategies, internal controls, internal compliance, audit and reporting systems and loss mitigation strategies could have a material adverse effect on its business, financial condition, results of operations and prospects and could materially adversely affect its reputation.

ABQ depends on its information technology systems to process a large number of transactions on an accurate and timely basis, and to store and process substantially all of ABQ's business and operating data. The proper functioning of ABQ's financial control, risk management, credit analysis and reporting, accounting, customer service and other information technology systems, as well as the communication networks between its branches and main data processing centres, are critical to ABQ's business and ability to compete effectively. ABQ's business activities would be materially disrupted if there were a partial or complete failure of any of these information technology systems or communications networks. Such failures can be caused by a variety of factors, many of which are wholly or partially outside of ABQ's control including natural disasters, extended power outages and computer viruses or other malicious intrusions. The proper functioning of ABQ's information technology systems also depends on accurate and reliable data and other system inputs, which are subject to human errors. Any failure or delay in recording or processing ABQ's transaction data could subject it to claims for losses and regulatory fines or penalties. ABQ has implemented and tested business continuity plans and processes as well as disaster recovery procedures, but there can be no assurance that these safeguards will be fully effective and any failure may have a material adverse effect on ABQ's business and reputation.

ABQ's major shareholders may be able to exert significant control over ABQ and their interests may, in certain circumstances, conflict with those of Noteholders

As at the date of this Base Prospectus, Qatar Investment Authority ("**QIA**") and wholly-owned QIA subsidiaries were ABQ's most significant shareholders, collectively holding approximately 47.71 per cent. of ABQ's outstanding voting shares.

A proposal at an extraordinary general assembly of shareholders of ABQ requires a vote of two-thirds of the shareholders present at the meeting to be passed, while an absolute majority vote is required to pass a proposal at an annual general assembly. As a result, Qatar Holding LLC and QIA may be able to block certain actions or resolutions proposed at ABQ's annual or extraordinary assembly of shareholders.

Consequently, investors should note that the interests of ABQ's shareholders may, in certain circumstances, be different from those of ABQ's creditors (including the holders of the Notes) and, in those circumstances, the holders of the Notes could be disadvantaged.

ABQ may need to raise further capital in the future for a variety of reasons and such capital may be difficult to raise when needed

As at 31 December 2024, the Group's tier 1 capital ratio including capital conservation buffer and total capital including capital conservation buffer and domestic systematic important bank buffer (each as determined in accordance with Basel III requirements as adopted by the QCB) were 20.06 per cent. and 21.24 per cent. respectively, compared to the QCB's requirements of a minimum tier 1 capital adequacy ratio of 10.50 per cent. and a minimum total capital ratio of 12.50 per cent. For the avoidance of doubt, this excludes the ICAAP related requirement of an additional 1.74 per cent.

A variety of factors affect the Group's capital adequacy levels, including, in particular, changes in its risk weighted assets and its profitability from period to period. A significant increase in lending in the future is likely to reduce the Group's capital adequacy ratios and any future losses experienced by it would have a similar effect. In addition, regulatory requirements in relation to the calculation of capital adequacy and required levels of capital adequacy change from time to time. The Group may also need to increase its capital as a result of market perceptions of adequate capitalisation levels and the perceptions of rating agencies.

As a result, ABQ may need to obtain additional capital in the future. Such capital, whether in the form of debt financing or additional equity, may not be available on commercially favourable terms, or at all. Moreover, should the Group's capital ratios fall close to regulatory minimum levels or ABQ's own internal minimum levels, ABQ may need to adjust its business practices, including reducing the risk and leverage of certain activities. If ABQ is unable to maintain satisfactory capital adequacy ratios, its credit ratings may be lowered and its cost of funding may therefore increase.

ABQ's accounting policies and methods are critical to how it reports its financial condition and results of operations and require management to make estimates about matters that are uncertain

Accounting policies and methods are fundamental to how ABQ records and reports its financial condition and results of operations. Management must exercise judgment in selecting and applying many of these accounting policies and methods so that they comply with IFRS Accounting Standards.

Management has identified certain accounting policies in the notes to its financial statements as being critical because they require management's judgment to ascertain the valuations of assets, liabilities, commitments and contingencies. See Note 3 and Note 5 to the Financial Statements. These judgments include, for example, the determination of impairment allowances and fair values of assets and liabilities.

A variety of factors could affect the ultimate value that is obtained either when earning income, recognising an expense, recovering an asset or reducing a liability. ABQ has established policies and control procedures that are intended to ensure that these critical accounting estimates and judgments are well controlled and applied consistently. In addition, the policies and procedures are intended to ensure that the process for changing methodologies occurs in an appropriate manner. Because of the uncertainty surrounding ABQ's judgments and the estimates pertaining to these matters, ABQ cannot guarantee that it will not be required to make changes in accounting estimates or restate prior period financial statements in the future.

Further, potential changes to accounting policies or reclassifications could have a material adverse effect on the financial condition or results of operation of the Group. For a summary of revised reporting standards which have been issued and have been effective as at 1 January 2024 and which, accordingly, the Group has applied, see Note 3(z) to the 2024 Financial Statements.

Factors relating to investments in Qatar and the GCC

Emerging markets such as Qatar and other GCC markets are subject to greater risks than more developed markets, and financial volatility in emerging markets could negatively impact ABQ's business

Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risks involved in, and are familiar with, investing in emerging markets. Investors should also note that emerging markets such as Qatar and the GCC are subject to rapid change and that the information set forth in this Base Prospectus may become outdated relatively quickly. Moreover, financial turmoil in any emerging market country tends to adversely affect confidence in other emerging market countries and cause investors to move their money to more developed markets. As has happened in the past, financial problems or an increase in the perceived risks associated with investing in emerging economies could dampen foreign investment in Qatar and the GCC and adversely affect those economies. In addition, during such times, companies that operate in emerging markets can face liquidity constraints as foreign funding sources are withdrawn and this could also adversely affect ABQ's business and result in a decrease in the price of the Notes issued under the Programme.

Specific risks in Qatar and the MENA region that could have a material adverse effect on ABQ's business, financial condition, results of operations and prospects include, without limitation, the following:

- regional political instability, including government or military regime change, riots or other forms of civil disturbance or violence, including through acts of terrorism;
- military strikes or the outbreak of war or other hostilities involving nations in the region;
- a material curtailment of the industrial and economic infrastructure development that is currently under way across the MENA region;
- government intervention, including expropriation or nationalisation of assets or increased levels of protectionism;
- an increase in inflation and the cost of living;
- cancellation of contractual rights, expropriation of assets and/or inability to repatriate profits and/or dividends;
- increased government regulations, or adverse governmental activities, with respect to price, import and export controls, the environment, customs and immigration, capital transfers, foreign exchange and currency controls, labour policies and land and water use and foreign ownership;
- arbitrary, inconsistent or unlawful government action;
- changing tax regimes, including the imposition or increase of taxes in tax favourable jurisdictions such as Qatar;
- difficulties and delays in obtaining governmental and other approvals for operations or renewing existing ones;
- inability to repatriate profits or dividends and restrictions on the right to convert or repatriate currency or export assets; and
- potential adverse changes in laws and regulatory practices, including legal structures and tax laws.

There can be no assurance that either the economic performance of, or political stability in, Qatar or other countries in which ABQ may in the future operate, can or will be sustained. Investors should note that a worsening of current financial market conditions, instability in certain sectors of the Qatari or regional economies or major political upheaval in Qatar or the MENA region could lead to decreased investor and consumer confidence, market volatility, economic disruption, and declines in real estate markets and, as a result, could have an adverse effect on the business, results of operations, financial condition and prospects of ABQ.

Qatar is located in a region that is subject to ongoing political and security concerns

A number of countries located in the MENA region are either experiencing, or have in the recent past experienced, political instability, domestic turmoil, violence and armed conflict. In particular, since early 2011 there has been political unrest in a range of countries in the MENA region, including Libya, Lebanon, the Republic of Yemen, the Republic of Iraq (Kurdistan), Syria, Palestine and Türkiye. This unrest has ranged from public demonstrations to, in extreme cases, terrorist acts and armed conflict (including the multinational conflict with Islamic State (also known as Daesh, ISIS or ISIL)) and the overthrow of existing leadership and has given rise to increased political uncertainty across the region. In addition, the ongoing Israel and Hamas, Hezbollah and Iranian conflicts have resulted in an increase in geopolitical tensions in the MENA region and may have far reaching effects on the global economy, currency exchange rates and regional economies. There have also been increased attacks by the Yemeni Houthis on international shipping cargoes traversing the Red Sea and the Gulf of Aden, which have impacted global shipping routes and supply chains. As of the date of this Base Prospectus, the aforementioned hostilities are ongoing. The scale, duration and impact of this conflict in the region and any global effects are currently unclear and cannot be predicted with any certainty. A wider regional conflict or any escalation of the current conflict could have effects on wider geopolitical stability and the global macroeconomic framework. Such events and ongoing developments, along with terrorist acts, acts of maritime piracy and other forms of instability in the region, that may or may not directly involve the State of Qatar, could have a material adverse effect on Qatar's economy.

These recent and ongoing developments, along with acts of maritime piracy and other forms of instability in the MENA region, such as tensions between the United States, Israel and Iran, that may or may not directly involve Qatar, could have an adverse effect on Qatar's economy and its ability to engage in international trade which, in turn, could have an adverse effect on ABQ's business, financial condition, results of operations and prospects.

The previous diplomatic crisis has increased tensions between Qatar and some GCC and non-GCC countries

On 5 June 2017, Saudi Arabia, the United Arab Emirates ("**UAE**"), Egypt and Bahrain announced the severing of diplomatic ties with Qatar. Several others also joined the Saudi-led coalition shortly thereafter and a number of other countries including Chad, Djibouti, Maldives and Niger announced that they had downgraded their diplomatic ties with Qatar (the "**Qatar Blockade**").

The severing of diplomatic ties included the withdrawal of ambassadors as well as the imposition of travel restrictions. Saudi Arabia, the UAE and Bahrain advised their citizens visiting or resident in Qatar to leave Qatar. Qatari visitors, residents and diplomats in Saudi Arabia, the UAE and Bahrain were also expelled at the same time, with a two-week grace period for visitors and residents and a 48-hour grace period for Qatari diplomats. Saudi Arabia, the UAE, Bahrain and Egypt also imposed restrictions on the use of their airspace by Qatari airline carriers, which resulted in disruption to flights operating to and from Qatar. Similarly, Qatari-flagged vessels were barred entry to each of their respective ports.

The restrictions were lifted in early 2021 and diplomatic ties have since been reinstated. However, there can be no assurance that restrictions will not be imposed on Qatar in the future. A prolonged trade and travel embargo could have a material adverse impact on the economy and political environment in Qatar, which may in turn have a material adverse effect on ABQ's business, operating results, cash flow prospects and financial condition.

The Qatar and GCC legal systems continue to develop and this may create an uncertain environment for investment and business activity

Qatar and many of the GCC countries are in various stages of developing their legal and regulatory institutions. As a result, procedural safeguards as well as formal regulations and laws may not be applied consistently. In some circumstances it may not be possible to obtain the legal remedies provided under the relevant laws and regulations in a timely manner. As the legal environment remains subject to continuous development, investors in Qatar and the GCC countries may face uncertainty as to the security of their investments. Any unexpected changes in the legal systems in Qatar and the GCC may have a material adverse effect on the rights of the holders of the Notes or the investments that ABQ has made or may make in the future, which may in turn have a material adverse effect on ABQ's business, operating results, cash flows, prospects and financial condition.

Qatar has a relatively new untested insolvency law and there is no certainty as to how Qatari courts will construe or enforce such law in the event of a bankruptcy affecting ABQ

Qatar has adopted a bankruptcy and insolvency provision (part of the Commercial Code No. 27 of 2006) (the "**Bankruptcy Law**"), which came into effect on 13 May 2007. The Bankruptcy Law provisions are similar to those included in the Egyptian and most other GCC laws and relate largely to the declaration of bankruptcy, its effects and its administration, and include conciliation to prevent bankruptcy. However, because the Bankruptcy Law is untested by the Qatari courts, there is no certainty as to how the Qatari courts would construe or enforce the Bankruptcy Law in the event of a bankruptcy affecting ABQ. There can also be no assurance that a Qatari court would compel a bankruptcy administrator to perform any of the Issuer's or ABQ's obligations under the Notes or the Deed of Guarantee, as applicable, during an administration period. The Bankruptcy Law also enables Qatari courts to defer adjudication of a company's bankruptcy if the court decides that it is possible to improve that company's financial position during a period (such period to be specified by the court) or if judged to be in the interest of the national economy. Similarly, given the lack of precedent, there is no certainty as to if and how the QCB might exercise its powers of temporary management and control under Banking Law No. 13 of 2012 (the "**Banking Law**") (including putting a financial institution into liquidation) in relation to financial institutions experiencing financial difficulties.

The future attitude of Qatari courts and the related interpretation or application of Qatari law regarding the payment of interest cannot be predicted

Although under the laws of Qatar, contractual provisions for the charging and payment of interest are not prohibited and have been routinely enforced by the Qatari courts, a court applying Qatari law may not enforce such a provision either to pay interest on or, to the extent that, on a given date, accrued but unpaid interest exceeded outstanding principal, such amounts. Thus, the future attitude of the Qatari courts and the related interpretation or application of Qatari law regarding the payment of interest cannot be predicted.

There is no principle of binding precedent in the Qatari courts

There is no doctrine of binding precedent in the Qatari courts and reports of the decisions of the Qatari courts are not always published. As a result, any experience with and knowledge of prior rulings of the Qatari courts may not be a reliable basis on which to predict decisions that Qatari courts may render in the future. Thus, the outcome of any legal dispute remains uncertain.

Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of certain such features:

Notes subject to optional redemption by the Issuer

An optional redemption feature is likely to limit the market value of Notes. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Notes may be redeemed prior to maturity in the event of taxation

Unless in the case of any particular Tranche of Notes the applicable Final Terms specifies otherwise, if the Issuer or ABQ would be obliged to pay additional amounts in respect of any Notes as provided in Condition 8 (*Taxation*) due to any change of law in, or amendment to, the laws or regulations of the Cayman Islands or Qatar or any political subdivision or authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, the Issuer may redeem all outstanding Notes in accordance with the *Terms and Conditions of the Notes* (the "**Conditions**"). See Condition 6(c) (*Redemption for Taxation Reasons*) for further details.

In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security with a similar rate of return, which may have an adverse effect on the position of such investor. During any period when the Issuer may elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the Early Redemption Amount. Potential investors should consider reinvestment risk in light of other investments available at that time.

Notes issued at a substantial discount or premium

The market values of securities issued at a substantial discount (such as Zero Coupon Notes) or premium to their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

Because the relevant Global Note or Global Certificate is held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer and/or ABQ

Notes issued under the Programme may be represented by one or more Global Notes or Global Certificates. Such Global Notes or Global Certificates will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note or Global Certificate, investors will not be entitled to receive definitive Notes or Certificates. Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in the Global Notes or Global Certificates. While the Notes are represented by one or more Global Notes or Global Certificates, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

While the Notes are represented by one or more Global Notes or Global Certificates the Issuer and ABQ will discharge their payment obligations under the Notes by making payments to the, where applicable, common depositary for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note or Global Certificate must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. Both the Issuer and ABQ have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or Global Certificates.

Holders of beneficial interests in a Global Note or Global Certificate will not have a direct right to vote in respect of the relevant Notes so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg and their respective participants to appoint appropriate proxies. Similarly, holders of beneficial interests in a Global Note or Global Certificate will not have a direct right under such Global Note or Global Certificate to take enforcement action against the Issuer or ABQ in the event of a default under the relevant Notes but will have to rely upon their rights under the Deed of Covenant.

Risks related to Notes generally

Set out below is a brief description of certain risks relating to the Notes generally:

Modification and waivers

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain Written Resolutions (as defined in the Agency Agreement (as defined herein)) on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes of the relevant Series who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Agency Agreement and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution.

In certain circumstances, where the Notes are held in global form in the clearing systems, the Issuer will be entitled to rely upon:

(i) where the terms of the proposed resolution have been notified through the relevant clearing system(s), approval of a resolution proposed by the Issuer or ABQ, as the case may be, given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes of the relevant Series for the time being outstanding (the "**Required Proportion**") ("**Electronic Consent**") by close of business on the Relevant Date; and

(ii) where electronic consent is not being sought: (a) consent or instructions given in writing directly to the Issuer and/or ABQ, as the case may be, by accountholders in the clearing systems with entitlements to such Global Note or Global Certificate; and/or (b) where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above.

A Written Resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Agency Agreement, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Fiscal Agent, the Guarantor and the Issuer may agree, without the consent of Noteholders, to any modification of any Notes, in the circumstances specified in Condition 11 (*Meeting of Noteholders and Modifications*). Accordingly, there is a risk that the Terms and Conditions of the Notes may be modified, waived or amended in circumstances where a Noteholder does not agree to such modification, waiver or amendment, which may adversely impact the rights of such Noteholder.

The Conditions also provide that the Issuer may, without the consent of the Noteholders, agree to the substitution of another company as principal debtor under any Notes in place of the Issuer, in the circumstances described in Condition 11 (*Meeting of Noteholders and Modifications*).

Subject to and in accordance with Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) and Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*) certain changes may be made to the interest calculation of Floating Rate Notes, without the consent of the Noteholders. Accordingly, there is a risk that the Conditions may be modified, waived or amended in circumstances where a Noteholder does not agree to such modification, waiver or amendment, which may adversely impact the rights of such Noteholder.

Change of law

The Conditions are based on English law in effect as at the date of issue of the relevant Notes. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the relevant Notes nor can any assurance be given as to whether any such change could adversely affect the ability of the Issuer to make payments under the relevant Notes affected by it.

Change of tax law

Statements in this Base Prospectus concerning the taxation of investors are of a general nature and are based upon current law and practice in the jurisdictions stated. Such law and practice is, in principle, subject to change, possibly with retrospective effect, and this could adversely affect investors.

In addition, any change in legislation or in practice in a relevant jurisdiction could adversely impact (i) the ability of the Issuer and/or ABQ to service the Notes and (ii) the market value of the Notes.

Bearer Notes where denominations involve integral multiples

In relation to any issue of Notes in bearer form which have denominations consisting of a minimum Specified Denomination (as defined herein) plus one or more higher integral multiples of another smaller amount, it is possible that the Notes may be traded in amounts that are not integral multiples of such minimum Specified Denominations (as defined in the Conditions). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time will not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The regulation and reform of benchmarks may adversely affect the trading market for, value of and return on Notes linked to or referencing such benchmarks

Interest rates and indices which are deemed to be "benchmarks" (including, without limitation, the euro interbank offered rate ("**EURIBOR**")) are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a benchmark.

The EU Benchmarks Regulation applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU. Regulation (EU) No. 2016/1011 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to or referencing EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation. Such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark.

More broadly, any of the international or national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain benchmarks, trigger changes in the rules or methodologies used in certain benchmarks or lead to the discontinuance or unavailability of quotes of certain benchmarks.

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk-free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the Eurozone. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("**€STR**") as the new risk-free rate for the Eurozone. The €STR was published for the first time on 2 October 2019. Although EURIBOR has been reformed in order to comply with the terms of the EU Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

In addition, on 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its working group on Sterling risk-free rates had been mandated with implementing a broad-based transition to the Sterling Overnight Index Average ("**SONIA**") across sterling bond, loan and derivative markets so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

The elimination of EURIBOR or any other benchmarks, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) and Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*)), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to benchmarks that are subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The Conditions provide for certain fallback arrangements in the event that a published benchmark (including any page on which such benchmark may be published (or any other successor service)) becomes unavailable or a Benchmark Event or a Benchmark Transition Event, as applicable, otherwise occurs. Such an event may be deemed to have occurred prior to the issue date for a Series of Notes. Such fallback arrangements include the possibility that the rate of interest could be set by reference to a successor rate or an alternative rate and that such successor rate or alternative reference rate may be adjusted (if required) in accordance with the recommendation of a relevant governmental body or in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark, although the application of such adjustments to the Notes may not achieve this objective. Any such changes may result in the Notes performing differently (which may include payment of a lower interest rate) than if the original benchmark continued to apply. In certain circumstances, the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used.

This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser and the potential for further regulatory developments, the relevant fallback provisions may not operate as intended at the relevant time.

Additionally, in order to facilitate the calculation of a Successor Rate or Alternative Reference Rate, and in each case, the applicable Adjustment Spread, the Conditions provide that ABQ may vary the Conditions and/or the Agency Agreement without any requirement for the consent or approval of the Noteholders. Furthermore, the Conditions provide that in connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any such consequences could have a material adverse effect on the value of and return on any such Notes.

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and UK Benchmarks Regulation reforms or possible cessation or reform of certain reference rates in making any investment decision with respect to any Notes linked to or referencing a benchmark and the material adverse effect these may have on the value or liquidity of, and return on, any Notes which reference any such benchmark.

The market continues to develop in relation to risk-free rates (including overnight rates) which are possible reference rates for Notes

The use of risk-free rates, including SONIA, the Secured Overnight Financing Rate ("**SOFR**") and €STR as reference rates for Eurobonds, continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuing and trading of debt securities referencing such rates, but also to how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference such risk-free rates issued under this Programme. The Issuer may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR, the SOFR Compounded Index or €STR that differ materially in terms of interest determination when compared with any previous referenced Notes issued by it under the Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility or could otherwise affect the market price of any Notes that reference a risk-free rate issued under the Programme from time to time. In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially when compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the debt security, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the Conditions, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates.

Notes referencing risk-free rates may also have no established trading market when issued, and an established trading market may never develop or may not be very liquid. Market terms for debt securities referencing such risk-free rates, such as the spread over the index reflected in interest rate provisions, may evolve over time, and trading prices of such Notes may be lower than those of later-issued indexed debt securities as a result. Further, if the relevant risk-free rates do not prove to be widely used in debt securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used. Investors in such Notes may not be able to sell such Notes at all or may not be able to sell such Notes at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and may consequently suffer from increased pricing volatility and market risk.

Certain administrators of risk-free rates have published hypothetical and actual historical performance data. Hypothetical data inherently includes assumptions, estimates and approximations and actual historical performance data may be limited in the case of certain risk-free rates. Investors should not rely on hypothetical or actual historical performance data as an indicator of the future performance of such risk-free rates.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR, €STR or any related indices.

Risk-free rates differ from interbank offered rates in a number of material respects and have a limited history

Risk-free rates may differ from interbank offered rates in a number of material respects, including (without limitation) by, in most cases, being backwards-looking, calculated on a compounded or weighted average basis and risk-free overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term and include a risk-element based on interbank lending. As such, investors should be aware that interbank offered rates and any risk-free rates may behave materially differently as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future.

Interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates to reliably estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes referencing interbank offered rates, if Notes referencing backwards-looking SONIA, SOFR or €STR become due and payable under Condition 10 (*Events of Default*) or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

Investors should consider these matters when making their investment decision with respect to any Notes.

The administrator of SONIA, SOFR or €STR any related index may make changes that could change the value of SONIA, SOFR or €STR or any related index or discontinue SONIA, SOFR or €STR or any related index

The Bank of England, The Federal Reserve Bank of New York or the European Central Bank (or their successors), as administrator of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index) and €STR respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate and/or index is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR or €STR, or timing related to the publication of SONIA, SOFR or €STR or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR or €STR or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate and/or index.

Enforcement of arbitration awards in Qatar

Under the Conditions of the Notes and the terms of the Guarantee, the parties have agreed that any dispute arising out of or in connection with the Notes and the Guarantee may be referred to and finally resolved by arbitration in accordance with the LCIA Rules with the seat of arbitration in London.

If for any reason, notwithstanding the arbitration agreement, proceedings are brought against ABQ in Qatar and ABQ does not object to such proceedings, the Qatari courts would, in accordance with their normal practice, enforce the contractual terms of the Guarantee and the Notes (including the contractual choice of governing law other than Qatari law to govern the Guarantee and the Notes, to the extent that the provisions are consistent with mandatory provisions of Qatari law or public order or morality). However, it is worth noting that the interpretation and application of foreign law by the Qatar courts (as is the case in other jurisdictions) can on occasion be imperfect and there may be a tendency to construe provisions of a foreign law by analogy to similar (albeit not identical) provisions of Qatar law which may not adhere fully to the nuances of the foreign law accurately. Qatari courts have consistently enforced commercial interest obligations computed in accordance with the terms of the relevant agreement. It is, however, uncertain whether the Qatari courts would enforce the payment of default or delay interest, compound interest or the payment of accrued interest which exceeds the amount of the principal sum. The Court of Cassation in Qatar recently refused to grant a claimant a right to receive default interest and instead awarded damages and such damages were lower than the contractual default interest.

In accordance with their normal practice, Qatari courts would uphold the choice of arbitration as a dispute resolution method. However, this would be subject to the same qualifications as are stated above with regard to choice of law and a Qatari court may not accept that its own jurisdiction had been excluded by any provision providing that the submission to any particular jurisdiction was exclusive.

Qatar is a party to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (the "**New York Convention**"), with effect from 30 March 2003. The United Kingdom is also a party to the New York Convention and therefore an arbitration award made in England should be enforceable in Qatar subject to and in accordance with the terms of the New York Convention.

The interpretation and application of the New York Convention provision by the Qatari courts and the enforcement of foreign arbitration awards by the Qatari courts in accordance with the New York Convention is developing. The parameters of enforcement are starting to be tested more regularly in the Qatari courts.

Furthermore, in February 2017, Qatar enacted Law No (2) of 2017 promulgating the Civil and Commercial Arbitration Law (the "**Arbitration Law**") which came into force in April 2017. The Arbitration Law addresses the enforcement of arbitration awards. Article 34 of the Arbitration Law states that an arbitration award is enforceable in Qatar regardless of the state in which such award was issued. The Arbitration Law sets out limited grounds for refusing to enforce an arbitration award issued in any state. The grounds are similar to those set out in the New York Convention.

While the Qatari courts tend to be pro-enforcement, the jurisprudence is still evolving, the Arbitration Law is still in its infancy, and there is a risk that a foreign arbitration award rendered in connection with the Notes may be refused enforcement by the Qatari courts.

Sovereign immunity

Under the Notes and the Deed of Guarantee, each of the Issuer and the Guarantor, respectively, has waived its rights in relation to sovereign immunity in respect of such documents. However, there can be no assurance as to whether such waivers of immunity from suit, execution, attachment or other legal proceedings by the Issuer or the Guarantor under the Notes or the Guarantee (as applicable) are valid and binding under Qatari law and enforceable in Qatar.

Risks related to the market generally

Set out below is a brief description of certain market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. In addition, the ability of the Dealers to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Although application has been made for Notes issued under the Programme to be admitted to listing on the Official List and to trading on the regulated market of Euronext Dublin, there is no assurance that such applications will be accepted, that any particular Tranche of Notes will be so admitted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for any particular Tranche of Notes.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Price volatility

The market price of the Notes may be volatile, which could cause the value of a purchaser's investment to decline. Securities markets worldwide experience significant price and volume fluctuations. This market volatility, and corresponding fluctuations in the prices of the Notes, may not be correlated in a predictable way to the performance or operating results of ABQ. Events and factors that may cause the prices of the Notes to fluctuate or decrease significantly from the issue price include: variations in interest rates; general business, political, social and economic developments, particularly in the Middle East; and variations in actual or anticipated operating results of ABQ.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of Fixed Rate Notes. A drop in the level of interest rates will have a positive impact on the price of the Fixed Rate Notes, as such Notes pay a fixed annual rate of interest. Conversely, an increase in the interest rate level will have an adverse impact on the price of the Fixed Rate Notes. For investors holding the Fixed Rate Notes until maturity, any changes in the interest rate level during the term will not affect the yield of the Fixed Rate Notes, as the Fixed Rate Notes will be redeemed at par.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to an issue of Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the EU CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the EU CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances). The list of registered and certified rating agencies published by ESMA on its website in accordance with the EU CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and publication of an updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK regulated investors are required to use, for UK regulatory purposes, ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (i) endorsed by a UK registered credit rating agency; or (ii) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to: (a) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended; and (b) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK, of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of the rating agency rating the Notes changes for the purposes of the EU CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the rating for regulatory purposes in the EEA or the UK, as applicable, and the Notes may have a different regulatory treatment, which may impact the value of the Notes and their liquidity in the secondary market. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

Investing in securities involving emerging markets generally involves a higher degree of risk, and the Notes may not be a suitable investment for all investors

Investing in securities involving emerging markets, such as Qatar, generally involves a higher degree of risk than investments in securities of issues from more developed countries. These higher risks include, but are not limited to, higher volatility, limited liquidity and changes in the legal, economic and political environment.

Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

A potential investor should not invest in the Notes unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as varied in accordance with the provisions of Part A of the applicable Final Terms, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Note(s) representing each Series. Either (i) the full text of these terms and conditions together with the relevant provisions of Part A of the Final Terms or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on such Bearer Notes or on the Certificates relating to such Registered Notes.

References in the Conditions to "**Notes**" are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued pursuant to an amended and restated agency agreement dated 10 March 2025 (as further amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") between the Issuer, the Guarantor, HSBC Bank plc as fiscal agent and the other agents named in it and with the benefit of a deed of covenant dated 10 March 2025 (as amended and/or supplemented and/or restated from time to time, the "**Deed of Covenant**") executed by the Issuer and the Guarantor in relation to the Notes and a deed of guarantee dated 10 March 2025 (as amended and/or supplemented and/or restated from time to time, the "**Deed of Guarantee**"), executed by the Guarantor in relation to the Notes. The fiscal agent, the paying agents, the registrar, the transfer agents and the calculation agent(s) for the time being (if any) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent), the "**Registrar**", the "**Transfer Agents**" and the "**Calculation Agent(s)**". The Fiscal Agent, Paying Agents, Registrar, Transfer Agent(s) and Calculation Agent(s) are together referred to as "**Agents**", and each is an "**Agent**".

The Noteholders (as defined below), the holders of the interest coupons (the "**Coupons**") relating to interest bearing Notes in bearer form and, where applicable in the case of such Notes, talons for further Coupons (the "**Talons**") (the "**Couponholders**") are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

As used in these terms and conditions (the "**Conditions**"), "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are: (i) expressed to be consolidated and form a single series; and (ii) identical in all respects (including as to listing) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement, the Deed of Covenant and the Deed of Guarantee are available for inspection during normal business hours at the specified offices of each of the Paying Agents, the Registrar and the Transfer Agents.

Words and expressions defined in the Agency Agreement (excluding schedule 2 part C thereto) or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

Any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

1. Form, Denomination and Title

The Notes are issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") in each case in the Specified Denomination(s) shown hereon **provided that** in the case of any Notes which are to be admitted to trading on a regulated market within the European Economic Area (the "**EEA**") or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Regulation (EU) 2017/1129, as amended (the "**EU Prospectus Regulation**"), the minimum Specified Denomination shall be €100,000 (or its equivalent in any other currency as at the date of issue of the relevant Notes).

This Note is a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing or any other kind of Note, depending upon the Interest and Redemption/Payment Basis shown hereon.

Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon) attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Registered Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(c) (*No Exchange of Notes and Transfers of Registered Notes – Exercise of Options or Partial Redemption in Respect of Registered Notes*), each Certificate shall represent the entire holding of Registered Notes by the same holder.

Title to the Bearer Notes, Coupons and Talons shall pass by delivery. Title to the Registered Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder (as defined below) of any Note, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on it (or on the Certificate representing it) or its theft or loss (or that of the related Certificate) and no person shall be liable for so treating the holder.

In these Conditions, "**Noteholder**" means the bearer of any Bearer Note or the person in whose name a Registered Note is registered (as the case may be), "**holder**" (in relation to a Note, Coupon or Talon) means the bearer of any Bearer Note, Coupon or Talon or the person in whose name a Registered Note is registered (as the case may be) and capitalised terms have the meanings given to them hereon, the absence of any such meaning indicating that such term is not applicable to the Notes.

2. No Exchange of Notes and Transfers of Registered Notes

(a) ***No Exchange of Notes***: Registered Notes may not be exchanged for Bearer Notes. Bearer Notes of one Specified Denomination may not be exchanged for Bearer Notes of another Specified Denomination. Bearer Notes may not be exchanged for Registered Notes.

(b) ***Transfer of Registered Notes***: One or more Registered Notes may be transferred upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate representing such Registered Notes to be transferred, together with the form of transfer endorsed on such Certificate, (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Registered Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer and/or the Guarantor, with the prior written approval of the Registrar and the Noteholders. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(c) ***Exercise of Options or Partial Redemption in Respect of Registered Notes***: In the case of an exercise of an Issuer's or Noteholders' option in respect of, or a partial redemption of, a holding of Registered Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the exercise of such option or in respect of the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Registered Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or any Transfer Agent. In the case of a transfer of Registered Notes to a person who is already a holder of Registered Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding.

(d) ***Delivery of New Certificates***: Each new Certificate to be issued pursuant to Conditions 2(b) (*Transfer of Registered Notes*) or 2(c) (*Exercise of Options or Partial Redemption in Respect of Registered Notes*) shall be available for delivery within three business days of receipt of the form of transfer or Exercise Notice (as defined in Condition 6(e) (*Redemption, Purchase and Options – Redemption at the Option of Noteholders*) and surrender of the Certificate for exchange. Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer, Exercise Notice or Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer, Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Agent (as defined in the Agency Agreement) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(d), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

(e) ***Transfer Free of Charge***: Transfers of Notes and Certificates on registration, transfer, partial redemption or exercise of an option shall be effected without charge by or on behalf of the Issuer, the Registrar or the Transfer Agents, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require).

(f) ***Closed Periods***: No Noteholder may require the transfer of a Registered Note to be registered: (i) during the period of 15 days before any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(d) (*Redemption, Purchase and Options – Redemption at the Option of the Issuer*); (ii) after any such Note has been called for redemption; or (iii) during the period of seven days ending on (and including) any Record Date.

3. **Guarantee and Status**

(a) ***Guarantee***: The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Notes and the Coupons. Its obligations in that respect (the "**Guarantee**") are contained in the Deed of Guarantee.

(b) ***Status of Notes and Guarantee***: The Notes and the Coupons relating to them constitute (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Notes and the Coupons relating to them and of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer and the Guarantor respectively, present and future.

4. **Negative Pledge**

So long as any Note or Coupon remains outstanding (as defined in the Agency Agreement) neither the Issuer nor the Guarantor will, and the Issuer and the Guarantor will procure that none of their respective Material Subsidiaries will, create or have outstanding any mortgage, charge, lien, pledge or other security interest (each, a "**Security Interest**"), other than a Permitted Security Interest, upon the whole or any part of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure (i) any Relevant Indebtedness or Relevant Sukuk Obligation or (ii) any guarantee or indemnity in respect of any Relevant Indebtedness or Relevant Sukuk Obligation without at the same time or prior thereto according to the Notes, the Coupons and the Deed of Guarantee the same security as is created or subsisting to secure any such Relevant

Indebtedness, Relevant Sukuk Obligation, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution (as defined in the Agency Agreement) of the Noteholders.

In this Condition:

"**Group**" means the Guarantor and its Subsidiaries taken as a whole;

"**Indebtedness**" means any present or future indebtedness of any Person for or in respect of moneys borrowed or raised including (without limitation) any indebtedness for or in respect of:

(a) amounts raised by acceptance under any acceptance credit facility;

(b) amounts raised under any note purchase facility;

(c) the amount of any liability arising under or in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;

(d) the amount of any liability arising under or in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 days; and

(e) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having the commercial effect of a borrowing;

"**Material Subsidiary**" means any Subsidiary:

(a) whose total assets (consolidated in the case of a Subsidiary which itself has Subsidiaries) or whose revenues (consolidated in the case of a Subsidiary which itself has Subsidiaries) represent not less than 10 per cent. of the consolidated total assets, or, as the case may be, the consolidated revenues of the Issuer or the Guarantor, as the case may be, and its Subsidiaries taken as a whole, all as calculated respectively by reference to the latest financial statements (consolidated or, as the case may be, unconsolidated) of the Subsidiary and the then latest audited consolidated financial statements of the Issuer or the Guarantor, as the case may be; **provided that** in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer or the Guarantor, as the case may be, relate for the purpose of applying each of the foregoing tests, the reference to the Issuer's or the Guarantor's, as the case may be, latest audited consolidated financial statements shall be deemed to be a reference to such financial statements as if such Subsidiary had been shown therein by reference to its then latest relevant financial statements, adjusted as deemed appropriate by the auditors of the Issuer or the Guarantor for the time being after consultation with the Issuer or the Guarantor, as the case may be; or

(b) to which is transferred all or substantially all of the business, undertaking and assets of another Subsidiary which immediately prior to such transfer is a Material Subsidiary, whereupon: (a) in the case of a transfer by a Material Subsidiary, the transferor Material Subsidiary shall immediately cease to be a Material Subsidiary; and (b) the transferee Subsidiary shall immediately become a Material Subsidiary, **provided that** on or after the date on which the relevant financial statements for the financial period current at the date of such transfer are published, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Material Subsidiary shall be determined pursuant to the provisions of sub-paragraph (a) above.

A report by the Chief Executive Officer and the Chief Financial Officer of the Guarantor or two directors of the Issuer, as applicable, that in their opinion a Subsidiary is, or is not, or was, or was not, at any particular time or during any particular period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on the Issuer, the Guarantor and the Noteholders;

"**Non-recourse Project Financing**" means any financing of all or part of the costs of the acquisition, construction or development of any project, **provided that**: (i) any Security Interest given by the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, is limited solely to assets of the project; (ii) the Person providing such financing expressly agrees to limit its recourse to the project financed and the revenues derived from such project as the principal source of repayment for the monies advanced; and (iii) there is no other recourse to the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, in respect of any default by any Person under the financing;

"**Permitted Security Interest**" means:

(a) any Security Interest securing any Relevant Indebtedness or Relevant Sukuk Obligation of a Person existing at the time that such Person is merged into, or consolidated with the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, **provided that** such Security Interest was not created in contemplation of such merger or consolidation and does not extend to any other assets or property of the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be;

(b) any Security Interest existing on any property or assets prior to the acquisition thereof by the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, **provided that** such Security Interest was not created in contemplation of such acquisition and does not extend to other assets or property of the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be (other than proceeds of such acquired assets or property), and **provided that** the maximum amount of Relevant Indebtedness or Relevant Sukuk Obligation thereafter secured by such Security Interest does not exceed the purchase price of such property or the Relevant Indebtedness incurred solely for the purpose of financing the acquisition of such property; or

(c) any renewal of or substitution for any Security Interest permitted by any of paragraphs (a) to (b) (inclusive) of this definition, **provided that** with respect to any such Security Interest the principal amount secured has not increased and the Security Interest has not been extended to any additional assets (other than the proceeds of such assets);

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Relevant Indebtedness**" means any Indebtedness (whether being principal, premium, interest or other amounts), other than Indebtedness incurred in connection with a Non-recourse Project Financing or a Securitisation, which is in the form of, or represented or evidenced by, bonds, notes, debentures, debenture stock, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market;

"**Relevant Sukuk Obligation**" means any undertaking or other obligation, other than any undertaking or obligation incurred in connection with a Non-recourse Project Financing or a Securitisation, to pay any money given in connection with the issue of certificates which are (or are intended to be) compliant with the principles of Shariah, whether issued directly or indirectly by the Issuer, the Guarantor or any member of the Group, whether or not in return for consideration of any kind, which for the time being are, or are intended to be, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market;

"**Securitisation**" means any securitisation of existing or future assets and/or revenues, **provided that**: (i) any Security Interest given by the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (ii) each person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability; and (iii) there is no other recourse to the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, in respect of any default by any person under the securitisation; and

"**Subsidiary**" means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer or the Guarantor, as applicable.

5. **Interest and other Calculations**

(a) ***Interest on Fixed Rate Notes***: Each Fixed Rate Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f) (*Interest and other Calculations - Calculations*).

(b) ***Interest on Floating Rate Notes***:

(i) *Interest Payment Dates*: Each Floating Rate Note bears interest on its outstanding principal amount from and including the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date. The amount of interest payable shall be determined in accordance with Condition 5(f) (*Interest and other Calculations - Calculations*). Such Interest Payment Date(s) is/are either shown hereon as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown hereon, "Interest Payment Date" shall mean each date which falls the number of months or other period shown hereon as the Interest Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

(ii) *Business Day Convention*: If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.

(iii) *Rate of Interest*: The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified hereon and the provisions below relating to either ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified hereon.

(A) *ISDA Determination*

Where ISDA Determination is specified hereon as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate. For the purposes of this sub-paragraph (A), "**ISDA Rate**" for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction if the Calculation Agent were acting as Calculation Agent for that Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(1) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions:

(x) the Floating Rate Option is as specified hereon;

(y) the Designated Maturity, if applicable, is a period specified hereon; and

(z) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified hereon;

(2) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions and the specified Floating Rate Option is an Overnight Floating Rate Option, Compounding is specified to be applicable in the applicable Final Terms and:

(x) if Compounding with Lookback is specified as the Compounding Method in the applicable Final Terms, then (a) Compounding with Lookback is the Overnight Rate Compounding Method and (b) Lookback is the number of Applicable Business Days specified in the applicable Final Terms;

(y) if Compounding with Observation Period Shift is specified as the Compounding Method in the applicable Final Terms then (a) Compounding with Observation Period Shift is the Overnight Rate Compounding Method, (b) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Final Terms; or

(z) if Compounding with Lockout is specified as the Compounding Method in the applicable Final Terms, then (a) Compounding with Lockout is the Overnight Rate Compounding Method, (b) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Final Terms;

(3) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions and the specified Floating Rate Option is an Overnight Floating Rate Option, Averaging is specified to be applicable in the applicable Final Terms and:

(x) if Averaging with Lookback is specified as the Averaging Method in the applicable Final Terms, then (a) Averaging with Lookback is the Overnight Rate Averaging Method and (b) Lookback is the number of Applicable Business Days specified in applicable Final Terms;

(y) if Averaging with Observation Period Shift is specified as the Averaging Method in the applicable Final Terms then (a) Averaging with Observation Period Shift is the Overnight Rate Averaging Method, (b) Observation Period Shift is the number of Observation Period Shift

Business Days specified in the applicable Final Terms and (c) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Final Terms; or

(z) if Averaging with Lockout is specified as the Averaging Method in the applicable Final Terms, then (a) Averaging with Lockout is the Overnight Rate Averaging Method, (b) Lockout is the number of Lockout Period Business Days specified in the applicable Final Terms and (c) Lockout Period Business Days, if applicable, are the days specified in the applicable Final Terms; and

(4) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions and the specified Floating Rate Option is an Index Floating Rate Option and Index Provisions are specified to be applicable in the applicable Final Terms, the Compounded Index Method with Observation Period Shift shall be applicable and (a) Observation Period Shift is the number of Observation Period Shift Business Days specified in the applicable Final Terms, and (b) Observation Period Shift Additional Business Days, if applicable, are the days specified in the applicable Final Terms;

(5) if the Final Terms specify either "2006 ISDA Definitions" or "2021 ISDA Definitions" as the applicable ISDA Definitions and the specified Floating Rate Option is EUR-EURIBOR or EUR-EURIBOR Reuters and an index cessation event occurs, the ISDA Fallback Rate will be determined as if the Fallback Observation Day in respect of a Reset Date and the relevant Interest Period was five Business Days preceding the related Interest Payment Date;

(6) references in the ISDA Definitions to:

(x) "**Calculation Period**" shall be references to the relevant Interest Period;

(y) "**Confirmation**" shall be references to the applicable Final Terms;

(z) "**Effective Date**" shall be references to the Interest Commencement Date;

(xx) "**Termination Date**" shall be references to the Maturity Date; and

(7) if the Final Terms specify "2021 ISDA Definitions" as being applicable:

(x) "**Administrator/Benchmark Event**" shall be disapplied; and

(y) if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative

Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate".

(8) For the purposes of this Condition 5(b)(iii)(A):

(x) "**2006 ISDA Definitions**" means in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

(y) "**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

(z) "**Applicable Business Days**", "**Averaging with Lockout**", "**Averaging with Lookback**", "**Averaging with Observation Period Shift**", "**Calculation Agent**", "**Compounded Index Method with Observation Period Shift**", "**Compounding with Lockout**", "**Compounding with Lookback**", "**Compounding with Observation Period Shift**", "**Designated Maturity**", "**Floating Rate**", "**Floating Rate Option**", "**Index Floating Rate Option**", "**Lockout Period Business Days**", "**Observation Period Shift**", "**Observation Period Shift Additional Business Days**", "**Observation Period Shift Business Days**", "**Overnight Rate Compounding Method**", "**Overnight Floating Rate Option**", "**Reset Date**" and "**Swap Transaction**" have the meanings given to those terms in the ISDA Definitions;

(xx) "**ISDA Definitions**" means 2006 ISDA Definitions or the 2021 ISDA Definitions, as specified in the applicable Final Terms.

The definition of "**Fallback Observation Day**" in the ISDA Definitions shall be deemed to be deleted in its entirety and replaced with the following: "*"**Fallback Observation Day**" means, in respect of a Reset Date and the Calculation Period (or any Compounding Period included in that Calculation Period) to which that Reset Date relates, unless otherwise agreed, the day that is five Business Days preceding the related Payment Date*."

(B) *Screen Rate Determination for Floating Rate Notes not referencing SONIA, SOFR or €STR*

(1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, and the Reference Rate is specified in the applicable Final Terms as being a Reference Rate other than SONIA, SOFR or €STR, the Rate of Interest for each Interest Period will, subject as provided below, be either:

(x) the offered quotation; or

(y) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate (as indicated in the applicable Final Terms) which appears or appear, as the case may be, on the Relevant Screen Page (as indicated in the applicable Final Terms) at the Relevant Time on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Calculation Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Calculation Agent for the purpose of determining the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of such offered quotations.

(2) If the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (although substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(C) *Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR or €STR*

(1) Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined and the Reference Rate is specified in the applicable Final Terms as being SONIA, SOFR or €STR and Index Determination is specified in the applicable Final Terms as being not applicable:

(x) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Final Terms as being "Compounded Daily", the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 5(e) (*Interest and other Calculations – Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding*), Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) and Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*), as applicable, and subject as provided below) be the Compounded Daily Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date and the resulting percentage will be rounded, if necessary, (I) to the fifth decimal place, with 0.000005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SOFR" or "€STR" or (II) to the fourth decimal place, with 0.00005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SONIA"; and

(y) where the Calculation Method in respect of the relevant Series of Notes is specified in the applicable Final Terms as being "Weighted Average", the Rate of Interest applicable to the Notes for each Interest Period will (subject to Condition 5(e) (*Interest and other Calculations – Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding*), Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) and Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*), as applicable, and subject as provided below) be the Weighted Average Reference Rate plus or minus (as indicated in the applicable Final Terms) the Margin, all as determined by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) on the Interest Determination Date and the resulting percentage will be rounded, if necessary, (I) to the fifth decimal place, with 0.000005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SOFR" or "€STR" or (II) to the fourth decimal place, with 0.00005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SONIA".

(2) Where "**SONIA**" is specified as the Reference Rate in the applicable Final Terms, subject to Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*), if, in respect of any Business Day, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the SONIA rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA rate shall be:

(x) the sum of: (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day; and (ii) the mean of the spread of the SONIA rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads); or

(y) if the Bank Rate is not published by the Bank of England at 5.00 p.m. (or, if earlier, close of business) on the relevant Business Day, (i) the SONIA rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the SONIA rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors); or (ii) if this is more recent, the latest determined rate under paragraph (a) above,

and, in each case, "SONIA" shall be interpreted accordingly.

(3) Where "SOFR" is specified as the Reference Rate in the applicable Final Terms, subject to Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*), if, in respect of any Business Day, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the SOFR rate does not appear on the Relevant Screen Page (and is not otherwise published by the relevant authorised distributors), such Reference Rate shall be the SOFR for the first preceding Business Day on which the SOFR was published on the SOFR Administrator's Website (and "SOFR" shall be interpreted accordingly).

(4) Where "€STR" is specified as the Reference Rate in the applicable Final Terms, subject to Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*), if, in respect of any Business Day, the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) determines that the €STR rate does not appear on the Relevant Screen Page (and is not otherwise published by the relevant authorised distributors), such Reference Rate shall be the €STR for the first preceding Business Day on which the €STR was published by the €STR Administrator on the €STR Administrator's Website, as determined by the Calculation Agent (and **"€STR**" shall be interpreted accordingly).

(5) If "**Payment Delay**" is specified as the Observation Method in the applicable Final Terms as being applicable, all references in these Conditions to interest on the Notes being payable on an Interest Payment Date shall be read as references to interest on the Notes being payable on an Effective Interest Payment Date instead.

(6) In the event that the Rate of Interest for the relevant Interest Period cannot be determined in accordance with the foregoing provisions, subject to Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) or Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*), as applicable, the Rate of Interest for such Interest Period shall be: (i) that determined as at the last preceding Interest Determination Date (although substituting, where a different Margin or Maximum Rate of Interest or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum Rate of Interest or Minimum Rate of Interest relating to that last preceding Interest Period); or (ii) if there is no such preceding Interest Determination Date, then the initial Rate of Interest that would have been applicable to the relevant Notes for the first Interest Period had such Notes been in issue for a period equal in duration to their first Interest Period but ending on (and excluding) the applicable Interest Commencement Date (and applying the Margin and, if

applicable, any Maximum Rate of Interest or Minimum Rate of Interest applicable to such first Interest Period).

(7) If the relevant Series of Notes become due and payable in accordance with Condition 6 (*Redemption, Purchase and Options*) or Condition 10 (*Events of Default*), the last Interest Determination Date shall, notwithstanding any Interest Determination Date specified in the applicable Final Terms, be deemed to be the date on which such Notes became due and payable and the Rate of Interest on such Notes shall, for so long as the Notes remain outstanding, be that determined on such date.

(8) For the purposes of this Condition 5(b)(iii)(C):

"**Applicable Period**" means:

(x) where "**Lag**", "**Lock-out**" or "**Payment Delay**" is specified as the Observation Method in the applicable Final Terms, the relevant Interest Period; and

(y) where "**Observation Shift**" is specified as the Observation Method in the applicable Final Terms, the Observation Period relating to such Interest Period;

"**Business Day**" or "**BD**", means,

(x) where "SONIA" is specified as the Reference Rate in the applicable Final Terms, any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

(y) where "SOFR" is specified as the Reference Rate in the applicable Final Terms, any day which is a U.S. Government Securities Business Day and is not a legal holiday in New York and is not a date on which banking institutions in New York are authorised or required by law or regulation to be closed; and

(z) where "€STR" is specified as the Reference Rate in the applicable Final Terms, a day on which T2 System is open for settlements of payments in euro;

"**Compounded Daily Reference Rate**" means, with respect to an Interest Period, the rate of return of a daily compound interest investment in the Specified Currency (with the applicable Reference Rate (as indicated in the applicable Final Terms and further provided for below) as the reference rate for the calculation of interest) and will be calculated by the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms) as at the relevant Interest Determination Date as follows, and the resulting percentage will be rounded, if necessary, (I) to the fifth decimal place, with 0.000005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SOFR" or "€STR" or (II) to the fourth decimal place, with 0.00005 being rounded upwards where the Reference Rate specified in the applicable Final Terms is "SONIA":

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{r_{i-pBD} \text{ x } n_i}{D}\right)-1\right] \text{x } \frac{D}{d}$$

"**D**" is the number specified in the applicable Final Terms;

"**d**" means, for the relevant Applicable Period, the number of calendar days in such Applicable Period;

"**d_o**" means, for the relevant Applicable Period, the number of Business Days in such Applicable Period;

"**Effective Interest Payment Date**" means any date or dates specified as such in the applicable Final Terms;

"**€STR**" means, in respect of any Business Day, a reference rate equal to the daily euro short-term rate for such Business Day as provided by the €STR Administrator on the €STR Administrator's Website in each case, on or before 9:00 a.m., (Central European Time) on the Business Day immediately following such Business Day;

"**€STR Administrator**" means the European Central Bank (or any successor administrator of €STR);

"**€STR Administrator's Website**" means as the website of the European Central Bank or any successor source;

"**i**" means, for the relevant Applicable Period, a series of whole numbers from one to d_o, each representing the relevant Business Day in chronological order from, and including, the first Business Day in such Applicable Period;

"**Lock-out Period**" means the period from, and including, the day following the Interest Determination Date to, but excluding, the corresponding Interest Payment Date;

"**n_i**", for any Business Day "i" in the Applicable Period, means the number of calendar days from, and including, such Business Day "i" up to but excluding the following Business Day;

"**New York Federal Reserve's Website**" means the website of the Federal Reserve Bank of New York currently at http://www.newyorkfed.org, or any successor website of the Federal Reserve Bank of New York;

"**Observation Period**" means, in respect of the relevant Interest Period, the period from, and including, the date falling "**p**" Business Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is "**p**" Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "**p**" Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" means, for any Interest Period:

(x) where "**Lag**" is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (which shall not be less than five Business Days without the consent of the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms));

(y) where "**Lock-out**" or "**Payment Delay**" is specified as the Observation Method in the applicable Final Terms, zero; and

(z) where "**Observation Shift**" is specified as the Observation Method in the applicable Final Terms, the number of Business Days included in the Observation Look-back Period specified in the applicable Final Terms (which shall not be less than five Business Days without the consent of the Calculation Agent (or such other party responsible for the calculation of the Rate of Interest, as specified in the applicable Final Terms));

"**r**" means:

(x) where in the applicable Final Terms "**SONIA**" is specified as the Reference Rate and either "**Lag**" or "**Observation Shift**" is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day;

(y) where in the applicable Final Terms "**SOFR**" is specified as the Reference Rate and either "**Lag**" or "**Observation Shift**" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day;

(z) where in the applicable Final Terms **"€STR"** is specified as the Reference Rate and either "**Lag**" or "**Observation Shift**" is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day;

(xx) where in the applicable Final Terms "**SONIA**" is specified as the Reference Rate and **"Lock-out"** is specified as the Observation Method:

a. in respect of any Business Day "**i**" that is a Reference Day, the SONIA rate in respect of the Business Day immediately preceding such Reference Day, and

b. in respect of any Business Day "**i**" that is not a Reference Day (being a Business Day in the Lock-out Period), the SONIA rate in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);

(yy) where in the applicable Final Terms "SOFR" is specified as the Reference Rate and "**Lock-out**" is specified as the Observation Method:

a. in respect of any Business Day "**i**" that is a Reference Day, the SOFR in respect of the

Business Day immediately preceding such Reference Day, and

b. in respect of any Business Day "**i**" that is not a Reference Day (being a Business Day in the Lock-out Period), the SOFR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);

(zz) where in the applicable Final Terms "**€STR**" is specified as the Reference Rate and "**Lock-out**" is specified as the Observation Method:

a. in respect of any Business Day "**i**" that is a Reference Day, the €STR in respect of the Business Day immediately preceding such Reference Day, and

b. in respect of any Business Day "**i**" that is not a Reference Day (being a Business Day in the Lock-out Period), the €STR in respect of the Business Day immediately preceding the last Reference Day of the relevant Interest Period (such last Reference Day coinciding with the Interest Determination Date);

(xxx) where in the applicable Final Terms "**SONIA**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Business Day, the SONIA rate in respect of such Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "**r**" shall be the SONIA rate in respect of the Rate Cut-off Date;

(yyy) where in the applicable Final Terms "**SOFR**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Business Day, the SOFR in respect of such Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "**r**" shall be the SOFR in respect of the Rate Cut-off Date; and

(zzz) where in the applicable Final Terms "**€STR**" is specified as the Reference Rate and "**Payment Delay**" is specified as the Observation Method, in respect of any Business Day, the €STR in respect of such Business Day, **provided however that**, in the case of the last Interest Period, in respect of each Business Day in the period from (and including) the Rate Cut-off Date to (but excluding) the Maturity Date or the date fixed for redemption, as applicable, "**r**" shall be the €STR in respect of the Rate Cut-off Date;

"**Rate Cut-off Date**" has the meaning given in the applicable Final Terms;

"**Reference Day**" means each Business Day in the relevant Interest Period, other than any Business Day in the Lock-out Period;

"$\mathbf{r_{i-pBD}}$" means the applicable Reference Rate as set out in the definition of "**r**" above for, (i) where, in the applicable Final Terms, "**Lag**" is specified as the Observation Method, the Business Day (being a Business Day falling in the relevant Observation Period) falling "**p**" Business Days prior to the relevant Business Day "**i**" or, (ii) otherwise, the relevant Business Day "**i**";

"**SOFR**" means, in respect of any Business Day, a reference rate equal to the daily Secured Overnight Financing Rate as provided by the SOFR Administrator on the SOFR Administrator's Website, in each case on or about 3.00 p.m. (New York City time) on the Business Day immediately following such Business Day (the "**SOFR Determination Time**");

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or any successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SONIA**" means, in respect of any Business Day, a reference rate equal to the daily Sterling Overnight Index Average rate for such Business Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors in each case on the Business Day immediately following such Business Day;

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association (or any successor thereto) recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities; and

"**Weighted Average Reference Rate**" means:

(x) where "**Lag**" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Observation Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Observation Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall be deemed to be the

Reference Rate in effect for the Business Day immediately preceding such calendar day; and

(y) where "**Lock-out**" is specified as the Observation Method in the applicable Final Terms, the arithmetic mean of the Reference Rate in effect for each calendar day during the relevant Interest Period, calculated by multiplying each relevant Reference Rate by the number of calendar days such rate is in effect, determining the sum of such products and dividing such sum by the number of calendar days in the relevant Interest Period, **provided however that** for any calendar day of such Interest Period falling in the Lock-out Period, the relevant Reference Rate for each day during that Lock-out Period will be deemed to be the Reference Rate in effect for the Reference Day immediately preceding the first day of such Lock-out Period. For these purposes the Reference Rate in effect for any calendar day which is not a Business Day shall, subject to the proviso above, be deemed to be the Reference Rate in effect for the Business Day immediately preceding such calendar day.

(D) *Index Determination*

If Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate(s) of Interest is/are to be determined and Index Determination is specified in the applicable Final Terms as being applicable, the Rate of Interest for each Interest Period will be the compounded daily reference rate for the relevant Interest Period, calculated in accordance with the following formula:

$$\left(\frac{Compounded\ Index\ End}{Compounded\ Index\ Start} - 1\right) X\ \frac{Numerator}{d}$$

and rounded to the Relevant Decimal Place, plus or minus the Margin (if any), all as determined and calculated by the Calculation Agent, where:

"**Compounded Index**" shall mean either (i) the SONIA Compounded Index where the "SONIA" is specified as the Reference Rate in the applicable Final Terms or (ii) the SOFR Compounded Index where the "SOFR" is specified as the Reference Rate in the applicable Final Terms;

"**Compounded Index End**" means the relevant Compounded Index value on the End date;

"**Compounded Index Start**" means the relevant Compounded Index value on the Start date;

"**d**" is the number of calendar days from (and including) the day on which the relevant Compounded Index Start is determined to (but excluding) the day on which the relevant Compounded Index End is determined;

"**End**" means the day falling the Relevant Number of Index Days prior to (i) the Interest Payment Date for such Interest Period, or (ii) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period);

"**Index Days**" means, in the case of the SONIA Compounded Index, London Banking Days, and, in the case of the SOFR Compounded Index, U.S. Government Securities Business Days;

"**Numerator**" means, in the case of the SONIA Compounded Index, 365 and, in the case of the SOFR Compounded Index, 360;

"**Relevant Decimal Place**" shall, unless otherwise specified in the applicable Final Terms, be the fifth decimal place in the case of each of the SONIA Compounded Index and the SOFR Compounded Index, in each case rounded up or down, if necessary (with 0.000005 being rounded upwards);

"**Relevant Number**" is as specified in the applicable Final Terms but, unless otherwise specified shall be five;

"**SOFR Compounded Index**" means the value of the index known as the SOFR Index as published at 3:00 pm (New York City time) by the Federal Reserve Bank of New York (or a successor administrator of SOFR) on the website of the Federal Reserve Bank of New York, or any successor source;

"**SONIA Compounded Index**" means the value of the index known as the SONIA Compounded Index as published at 10:00 am (London time) by the Bank of England (or a successor administrator of SONIA) on the Bank of England's Interactive Statistical Database, or any successor source; and

"**Start**" means the day falling the Relevant Number of Index Days prior to the first day of the relevant Interest Period,

provided that, a Benchmark Event has not occurred in respect of SONIA Compounded Index or a Benchmark Transition Event and its related Benchmark Replacement Date has not occurred in respect of the SOFR Compounded Index, if, with respect to any Interest Period, the relevant rate is not published for the relevant Compounded Index either on the relevant Start or End date, then the Calculation Agent shall calculate the rate of interest for that Interest Period in accordance with Condition 5(b)(iii)(C) (*Interest and other Calculations – Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR or €STR*) as if Index Determination was not specified in the applicable Final Terms. For these purposes, (i) the Reference Rate shall be deemed to be SONIA in the case of SONIA Compounded Index and SOFR in the case of Compounded SOFR Index, (ii) the Calculation Method shall be deemed to be Compounded Daily, (iii) the Observation Method shall be deemed to be Observation Shift, (iv) the Observation Look-back Period shall be deemed to be the Relevant Number and (v) "D" shall be deemed to be the Numerator. If a Benchmark Event has occurred in respect of the SONIA Compounded Index, the provisions of Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*) shall apply *mutatis mutandis* in respect of this Condition 5(b)(iii)(D) or if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of the SOFR Compounded Index, the provision of Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*) shall apply *mutatis mutandis* in respect of this Condition 5(b)(iii)(D), as applicable.

(c) ***Zero Coupon Notes***: Where a Note the Interest Basis of which is specified to be Zero Coupon is repayable prior to the Maturity Date and is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a

Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(b)(i)) (*Redemption, Purchase and Options – Early Redemption – Zero Coupon Notes*).

(d) ***Accrual of Interest***: Interest shall cease to accrue on each Note on the due date for redemption unless, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (both before and after judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8 (*Taxation*)).

(e) ***Margin, Maximum/Minimum Rates of Interest, Redemption Amounts and Rounding***:

(i) If any Margin is specified hereon (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with Condition 5(b) (*Interest and other Calculations – Interest on Floating Rate Notes*) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin subject always to the next paragraph.

(ii) If any Maximum or Minimum Rate of Interest or Redemption Amount is specified hereon, then any Rate of Interest or Redemption Amount shall be subject to such maximum or minimum, as the case may be.

(iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 of a percentage point being rounded up), (y) all figures shall be rounded to seven significant figures (**provided that** if the eighth significant figure is a five or greater, the seventh significant figure shall be rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with half a unit being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes "**unit**" means the lowest amount of such currency that is available as legal tender in the country of such currency.

(f) ***Calculations***: The amount of interest payable per Calculation Amount in respect of any Note for any Interest Accrual Period shall be equal to the product of the Rate of Interest, the Calculation Amount specified hereon, and the Day Count Fraction for such Interest Accrual Period, unless an Interest Amount (or a formula for its calculation) is applicable to such Interest Accrual Period, in which case the amount of interest payable per Calculation Amount in respect of such Note for such Interest Accrual Period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable per Calculation Amount in respect of such Interest Period shall be the sum of the Interest Amounts payable in respect of each of those Interest Accrual Periods. In respect of any other period for which interest is required to be calculated, the provisions above shall apply save that the Day Count Fraction shall be for the period for which interest is required to be calculated.

(g) ***Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Early Redemption Amounts and Optional Redemption Amounts***: The Calculation Agent shall, as soon as practicable on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, determine such rate and calculate the Interest Amounts for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, obtain such quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Accrual Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange or other relevant authority so require, such exchange or other relevant authority as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(b)(ii) (*Interest and other Calculations – Interest on Floating Rate Notes – Business Day Convention*), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 10 (*Events of Default*), the accrued interest and the Rate of Interest payable in respect of the Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 5(g) but no publication of the Rate of Interest or the Interest Amount so calculated need be made. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

(h) ***Benchmark Replacement – Independent Adviser***

Notwithstanding the provisions above in this Condition 5 and other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the applicable Final Terms as being "SOFR" (in which case Condition 5(i) (*Interest and other Calculations – Benchmark Replacement – SOFR*) shall apply instead of this Condition 5(h)), if the Guarantor (in consultation, to the extent practicable, with the Calculation Agent or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest and Interest Amounts) determines that a Benchmark Event has occurred in relation to a Reference Rate when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to such Reference Rate, then the following provisions shall apply:

(i) the Guarantor shall use reasonable endeavours to appoint an Independent Adviser as soon as reasonably practicable to determine a Successor Rate or, alternatively, if the Independent Adviser determines that there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread no later than three Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**Interest Period Determination Cut-off Date**") for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 5(h)(i));

(ii) if the Guarantor is unable to appoint an Independent Adviser, or the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the Interest Period Determination Cut-off Date in accordance with subparagraph (i) above, then the Guarantor (acting in good faith and in a commercially reasonable manner) may determine a Successor Rate or, if the Guarantor determines that there is no Successor Rate, an Alternative Reference Rate and, in either case, an Adjustment Spread for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Accrual Periods (subject to the subsequent operation of this Condition 5(h)(ii)); provided, however, that if this subparagraph (ii) applies and the Guarantor is unable or unwilling to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the Interest Determination Date relating to the next succeeding Interest Accrual Period in accordance with this subparagraph (ii), the Rate of Interest applicable to such Interest Accrual Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Accrual Period and if there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest (though substituting, where a different Margin is to be applied to the relevant Interest Accrual Period from that which applied to the last preceding Interest Accrual Period for which the Rate of Interest was determined, the Margin relating to the relevant Interest Accrual Period, in place of the Margin relating to that last preceding Interest Period). For the avoidance of doubt, if this subparagraph (ii) applies and the Guarantor is unable or unwilling to determine a Successor Rate or, failing which, an Alternative Reference Rate prior to the Interest Determination Date relating to the next succeeding Interest Accrual Period in accordance with this subparagraph (ii), this subparagraph (ii) shall apply to the relevant next succeeding Interest Accrual Period only and any subsequent Interest Accrual Periods are subject to the operation of this Condition 5(h);

(iii) if a Successor Rate or an Alternative Reference Rate is determined in accordance with the preceding provisions, such Successor Rate or Alternative Reference Rate (as applicable) and the applicable Adjustment Spread shall be the Reference Rate for all future Interest Accrual Periods (subject to the operation of this Condition 5(h));

(iv) the Adjustment Spread (or the formula for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Reference Rate (as the case may be);

(v) if the Independent Adviser or the Guarantor (as the case may be) determines a Successor Rate or an Alternative Reference Rate and, in each case, the applicable Adjustment Spread, in accordance with the above provisions, the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) may also specify changes to these Conditions, including to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Day, Interest Determination Date, Interest Payment Dates and/or the definition of Reference Rate or Adjustment Spread applicable to the Notes (and in each case, related provisions and definitions), and the method for determining the fallback rate in relation to the Notes, in order to ensure the proper operation of such Successor Rate or Alternative Reference Rate and/or (in either case) the applicable Adjustment Spread (as applicable) and the Guarantor shall, subject to giving notice thereof in accordance with this Condition 5(h), without any requirement for the consent or approval of the Noteholders, vary these Conditions and/or the Agency Agreement to give effect to such changes with effect from the date specified in such notice, which changes shall apply to the Notes for all future Interest Periods (subject to the operation of this Condition 5(h));

(vi) an Independent Adviser appointed pursuant to this Condition 5(h) shall act in good faith and (in the absence of fraud) shall have no liability whatsoever to the Guarantor, the Calculation Agent or Noteholders for any determination made by it or for any advice given to the Guarantor in connection with any determination made by the Guarantor pursuant to this Condition 5(h). No Noteholder consent shall be required in connection with effecting the Successor Rate or the Alternative Reference Rate (as applicable), any Adjustment Spread or such other changes pursuant to subparagraph (iv), including for the execution of any documents, amendments or other steps by the Guarantor or the Calculation Agent (if required); and

(vii) the Guarantor shall promptly, following the determination of any Successor Rate, Alternative Reference Rate or Adjustment Spread, give notice thereof and of any changes pursuant to subparagraph (iv) above to the Calculation Agent, Paying Agents and the Noteholders in accordance with Condition 14 (*Notices*).

(i) ***Benchmark Replacement – SOFR***

If the Guarantor determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by Guarantor pursuant to this Condition 5(i), including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Guarantor; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

Where:

"**Benchmark**" means, initially, SOFR, as such term is defined in Condition 5(b)(iii)(C) (*Interest and other Calculations – Interest on Floating Rate Notes – Rate of Interest - Screen Rate Determination for Floating Rate Notes referencing SONIA, SOFR or €STR*); **provided that** if the Guarantor determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer as at the Benchmark Replacement Date:

(i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;

(ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

(iii) the sum of: (A) the alternative rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer as at the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuer decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuer decides that adoption of any portion of such market practice is not administratively feasible or if the Issuer determines that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issuer determines is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) in the case of paragraph (i) or (ii) of the definition of "Benchmark Transition Event", the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of paragraph (iii) of the definition of "Benchmark Transition Event", the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) a public statement or publication of information by or on behalf of the administrator of the Benchmark (or such component) announcing that such administrator has ceased or will cease to provide the Benchmark (or such component), permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(ii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark (or such component), the central bank for the currency of the Benchmark (or such component), an insolvency official with jurisdiction over the administrator for the Benchmark (or such component), a resolution authority with jurisdiction over the administrator for the Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark (or such component) has ceased or will cease to provide the Benchmark (or such component) permanently or indefinitely, **provided that**, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark (or such component); or

(iii) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative;

"**ISDA Definitions**" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation event with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under this Condition 4(l) will be notified promptly by the Issuer to the Principal Paying Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 14 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Principal Paying Agent of the same, the Issuer shall deliver to the Principal Paying Agent a certificate signed by two Authorised Signatories of the Issuer:

(i) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 5(i); and

(ii) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

In connection with the foregoing, the Calculation Agent will be entitled to conclusively rely on any determinations made by the Issuer and will have no liability for such actions taken at the direction of the Issuer. Neither the Calculation Agent nor the Principal Paying Agent shall have any liability for any determination made by or on behalf of the Issuer in connection with a Benchmark Transition Event or a Benchmark Replacement.

If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 5(i), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (although substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(j) ***Linear Interpolation***: Where Linear Interpolation is specified hereon as applicable in respect of an Interest Accrual Period, the Rate of Interest for such Interest Accrual Period shall be calculated by the Calculation Agent by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified hereon as applicable) or the relevant Floating Rate Option (where ISDA Determination is specified hereon as applicable), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Accrual Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Accrual Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer (and such Independent Adviser to act in good faith and a commercially reasonable manner) determines appropriate.

"**Applicable Maturity**" means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

(k) ***Definitions***: In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero) or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

(i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the relevant Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) if no such recommendation has been made or in the case of an Alternative Reference Rate, the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines is customarily applied to the Successor Rate or Alternative Reference Rate in international debt capital markets transactions to produce an industry-accepted replacement rate for the relevant Reference Rate; or

(iii) (if no such determination has been made) the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the relevant Reference Rate where such rate has been replaced by the Successor Rate or Alternative Reference Rate (as applicable);

(iv) (if the Independent Adviser (in consultation with Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines that no such industry standard is recognised or acknowledged), the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) in its discretion (as applicable) determines to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as the case may be);

"**Alternative Reference Rate**" means the rate (and related alternative screen page or source, if available) that the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines is customarily applied in international debt capital markets transactions for the purposes of determining Rates of Interest (or the relevant component part thereof) in respect of Notes denominated in the Specified Currency and of a comparable duration to the relevant Interest Accrual Period or, if the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines that there is no such rate, such other rate as the Independent Adviser (in consultation with the Guarantor) or the Guarantor (acting in good faith and in a commercially reasonable manner) (as applicable) determines in its discretion is most comparable to the relevant Reference Rate;

"**Benchmark Event**" means:

(a) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered or ceasing to be published for at least five Business Days; or

(b) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased or that it will cease publishing such Reference Rate permanently or indefinitely; or

(c) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the relevant Reference Rate as a consequence of which the relevant Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(e) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is no longer representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or

(f) it has become unlawful for the Calculation Agent or ABQ to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable),

provided that in the case of sub-paragraphs (b), (c) and (d), the Benchmark Event shall occur on the date of the cessation of the publication of the relevant Reference Rate, the discontinuation of the relevant Reference Rate, or the prohibition of the use or restrictions or adverse consequences in relation to the relevant Reference Rate, as the case may be, and not the date of the relevant public statement.

"**Business Day**" means:

(i) in the case of a currency other than euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for such currency; and/or

(ii) in the case of euro, a day on which the T2 System is open for settlement in euro; and/or

(iii) in the case of a currency and/or one or more Business Centres, a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Business Centre(s) or, if no currency is indicated, generally in each of the Business Centres.

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period or an Interest Accrual Period, the "**Calculation Period**"):

(i) if "**Actual/Actual**" or "**Actual/Actual - ISDA**" is specified hereon, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) if "**Actual/365 (Fixed)**" is specified hereon, the actual number of days in the Calculation Period divided by 365;

(iii) if "**Actual/365 (Sterling)**" is specified hereon, the actual number of days in the Calculation Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(iv) if "**Actual/360**" is specified hereon, the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(vi) if "**30E/360**" or "**Eurobond Basis**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$\textit{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30;

(vii) if "**30E/360 (ISDA)**" is specified hereon, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

$$Day\ Count\ Fraction = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30;

(viii) if "**Actual/Actual-ICMA**" is specified hereon,

(A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and

(B) if the Calculation Period is longer than one Determination Period, the sum of:

(x) the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(y) the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year,

where:

"**Determination Period**" means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

"**Determination Date**" means the date(s) specified as such hereon or, if none is so specified, the Interest Payment Date(s);

"**Euro-zone**" means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended;

"**Independent Adviser**" means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Guarantor at its own expense under Condition 5(h) (*Interest and other Calculations – Benchmark Replacement – Independent Adviser*);

"**Interest Accrual Period**" means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Period Date and each successive period beginning on and including an Interest Period Date and ending on but excluding the next succeeding Interest Period Date;

"**Interest Amount**" means:

(i) in respect of an Interest Accrual Period, the amount of interest payable per Calculation Amount for that Interest Accrual Period and which, in the case of Fixed Rate Notes, and unless otherwise specified hereon, shall mean the Fixed Coupon Amount or Broken Amount specified hereon as being payable on the Interest Payment Date ending the Interest Period of which such Interest Accrual Period forms part; and

(ii) in respect of any other period, the amount of interest payable per Calculation Amount for that period;

"**Interest Commencement Date**" means the Issue Date or such other date as may be specified hereon;

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such hereon or, if none is so specified, (i) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (ii) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor euro or (iii) the day falling two days on which T2 System is open for settlements of payments in euro prior to the first day of such Interest Accrual Period if the Specified Currency is euro;

"**Interest Period**" means the period beginning on and including the Interest Commencement Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date unless otherwise specified hereon;

"**Interest Period Date**" means each Interest Payment Date unless otherwise specified hereon;

"**Rate of Interest**" means the rate of interest payable from time to time in respect of this Note and that is either specified or calculated in accordance with the provisions hereon;

"**Reference Rate**" means one of the following benchmark rates (as specified hereon) in respect of the currency and period specified hereon:

(i) Australia Bank Bill Swap ("**BBSW**");

(ii) Emirates interbank offered rate ("**EIBOR**");

(iii) Euro Short-Term Rate ("**€STR**");

(iv) Hong Kong interbank offered rate ("**HIBOR**");

(v) Kuwait interbank offered rate ("**KIBOR**")

(vi) Kuala Lumpur interbank offered rate ("**KLIBOR**");

(vii) Saudi Arabia interbank offered rate ("**SAIBOR**");

(viii) Singapore interbank offered rate ("**SIBOR**");

(ix) Sterling Overnight Index Average ("**SONIA**");

(x) Secured Overnight Financing Rate ("**SOFR**"); and

(xi) Tokyo interbank offered rate ("**TIBOR**");

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate:

(a) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate; or

(b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of:

   (i) the central bank, reserve bank, monetary authority or any similar institution for the currency to which the benchmark or screen rate relates;

   (ii) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate;

   (iii) a group of the aforementioned central banks or other supervisory authorities;

   (iv) the International Swaps and Derivatives Association, Inc. or any part thereof; or

   (v) the Financial Stability Board or any part thereof;

"**Relevant Screen Page**" means such page, section, caption, column or other part of a particular information service as may be specified as the Relevant Screen Page in the applicable Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" means the time specified as such in the applicable Final Terms;

"**Specified Currency**" means the currency specified as such hereon or, if none is specified, the currency in which the Notes are denominated;

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that is formally recommended by any Relevant Nominating Body as a successor to or replacement of the relevant Reference Rate; and

"**T2 System**" means the real time gross settlement system operated by the Eurosystem or any successor system.

(c) ***Calculation Agent***: The Issuer shall procure that there shall at all times be one or more Calculation Agents if provision is made for them hereon and for so long as any Note is outstanding (as defined in the Agency Agreement). Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under these Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Accrual Period or to calculate any Interest Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or financial institution engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal London office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid.

6. Redemption, Purchase and Options

(a) ***Final Redemption***: Unless previously redeemed, purchased and cancelled as provided below, each Note shall be finally redeemed on the Maturity Date specified hereon at its Final Redemption Amount (which, unless otherwise provided, is its principal amount).

(b) ***Early Redemption***:

(i) *Zero Coupon Notes*:

(A) The Early Redemption Amount payable in respect of any Zero Coupon Note upon redemption of such Note pursuant to Condition 6(c) (*Redemption, Purchase and Options - Redemption for Taxation Reasons*), Condition 6(d) (*Redemption, Purchase and Options - Redemption at the Option of the Issuer*) or Condition 6(e) (*Redemption, Purchase and Options - Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Events of Default*) shall be the Amortised Face Amount (calculated as provided below) of such Note unless otherwise specified hereon.

(B) Subject to the provisions of sub-paragraph (C) below, the "**Amortised Face Amount**" of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown hereon, shall be such rate as would produce an Amortised Face Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.

(C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(c) (*Redemption, Purchase and Options - Redemption for Taxation Reasons*), Condition 6(d) (*Redemption, Purchase and Options - Redemption at the Option of the Issuer*)) or Condition 6(e) (*Redemption, Purchase and Options - Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Events of Default*) is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Face Amount of such Note as defined in subparagraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Note becomes due and payable were the Relevant Date. The calculation of the Amortised Face Amount in accordance with this sub-paragraph shall continue to be made (both before and after judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(c) (*Interest and other Calculations* **-** *Zero Coupon Notes*).

(D) Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown hereon.

(ii) *Other Notes*: The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(c) (*Redemption, Purchase and Options - Redemption for Taxation Reasons*), Condition 6(d) (*Redemption, Purchase and Options - Redemption at the Option of the Issuer*) or Condition 6(e) (*Redemption, Purchase and Options - Redemption at the Option of Noteholders*) or upon it becoming due and payable as provided in Condition 10 (*Events of Default*), shall be the Final Redemption Amount unless otherwise specified hereon.

(c) ***Redemption for Taxation Reasons***: The Notes may be redeemed at the option of the Issuer in whole, but not in part, on any Interest Payment Date (if this Note is a Floating Rate Note) or, at any time (if this Note is not a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options - Early Redemption)* above) (together with interest accrued to the date fixed for redemption), if (i) the Issuer (or, if the Guarantee were called, the Guarantor) has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the State of Qatar ("**Qatar**") or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, **provided that** no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such additional amounts were a payment in respect of the Notes (or the Guarantee, as the case may be) then due. Prior to the publication of any notice of redemption pursuant to this Condition 6(c), the Issuer shall deliver to the Fiscal Agent a certificate signed by two Directors of the Issuer (or the Guarantor, as the case may be) stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such additional amounts as a result of such change or amendment.

(d) ***Redemption at the Option of the Issuer***: If Call Option is specified hereon, the Issuer may, on giving not less than 15 nor more than 30 days' irrevocable notice to the Noteholders (or such other notice period as may be specified hereon) redeem, all or, if so provided, some, of the Notes on any Optional Redemption Date. Any such redemption of Notes shall be at their Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options - Early Redemption)* above)), together with interest accrued to the date fixed for redemption. Any such redemption or exercise must relate to Notes of a principal amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

All Notes in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption the notice to Noteholders shall also contain the certificate numbers of the Bearer Notes, or in the case of Registered Notes shall specify the principal amount of Registered Notes drawn and the holder(s) of such Registered Notes, to be redeemed, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements.

(e) ***Redemption at the Option of Noteholders***: If Put Option is specified hereon, the Issuer shall, at the option of the holder of any such Note, upon the holder of such Note giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified hereon) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount specified hereon (which may be the Early Redemption Amount (as described in Condition 6(b) (*Redemption, Purchase and Options - Early Redemption)* above)), together with interest accrued to the date fixed for redemption.

To exercise such option the holder must deposit (in the case of Bearer Notes) such Note (together with all unmatured Coupons and unexchanged Talons) with any Paying Agent or (in the case of Registered Notes) the Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed option exercise notice ("**Exercise Notice**") in the form obtainable from any Paying Agent, the Registrar or the Transfer Agent (as applicable) within the notice period. No Note or Certificate so deposited and option exercised may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(f) ***Purchases***: Each of the Issuer, the Guarantor and their respective Subsidiaries (as defined in the Agency Agreement) may at any time purchase Notes (**provided that** all unmatured Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price and such Notes may be held, reissued, resold or, at the option of the Issuer or the Guarantor or their respective Subsidiaries, as the case may be, surrendered for cancellation as set out in Condition 6(g) (*Redemption, Purchase and Options - Cancellation)*.

(g) ***Cancellation***: All Notes purchased by or on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries may be surrendered for cancellation, in the case of Bearer Notes, by surrendering each such Note together with all unmatured Coupons and all unexchanged Talons to the Fiscal Agent and, in the case of Registered Notes, by surrendering the Certificate representing such Notes to the Registrar and, in each case, if so surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with all unmatured Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7. **Payments and Talons**

(a) ***Bearer Notes***: Payments of principal and interest in respect of Bearer Notes shall, subject as mentioned below, be made against presentation and surrender of the relevant Notes (in the case of all payments of principal and, in the case of interest, as specified in Condition 7(f)(v)) (*Payments and Talons - Unmatured Coupons and unexchanged Talons*) or Coupons (in the case of interest, save as specified in Condition 7(f)(v)) (*Payments and Talons - Unmatured Coupons and unexchanged Talons*), as the case may be at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the holder, by transfer to an account denominated in such currency with, a Bank. "**Bank**" means a bank in the principal financial centre for such currency or, in the case of euro, in a city in which banks have access to the T2 System.

(b) ***Registered Notes***:

(i) Payments of principal in respect of Registered Notes shall be made against presentation and surrender of the relevant Certificates at the specified office of any of the Transfer Agents or of the Registrar and in the manner provided in paragraph (ii) below.

(ii) Interest on Registered Notes shall be paid to the person shown on the Register at the close of business on the fifteenth day before the due date for payment thereof (the "**Record Date**"). Payments of interest on each Registered Note shall be made in the relevant currency by cheque drawn on a Bank and mailed to the holder (or to the first-named of joint holders) of such Note at its address appearing in the Register. Upon application by the holder to the specified office of the Registrar or any Transfer Agent before the Record Date, such payment of interest may be made by transfer to an account in the relevant currency maintained by the payee with a Bank:

(c) ***Payments in the United States***: Notwithstanding the foregoing, if any Bearer Notes are denominated in U.S. dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if: (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due; (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts; and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.

(d) ***Payments Subject to Laws***: All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*). No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) ***Appointment of Agents***: The Fiscal Agent, the Paying Agents, the Registrar, the Transfer Agents and the Calculation Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed in the Base Prospectus. The Fiscal Agent, the Paying Agents, the Registrar, Transfer Agents and the Calculation Agent(s) act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder or Couponholder. The Issuer and the Guarantor reserve the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Registrar, any Transfer Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents or Transfer Agents, **provided that** the Issuer shall at all times maintain: (i) a Fiscal Agent; (ii) a Registrar in relation to Registered Notes; (iii) a Transfer Agent in relation to Registered Notes; (iv) one or more Calculation Agent(s) where these Conditions so require; (v) Paying Agents having specified offices in at least two major European cities; and (vi) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent in New York City in respect of any Bearer Notes denominated in U.S. dollars in the circumstances described in paragraph (c) above.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

(f) ***Unmatured Coupons and unexchanged Talons***:

(i) Upon the due date for redemption of Bearer Notes which comprise Fixed Rate Notes, those Notes should be surrendered for payment together with all unmatured Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 9 (*Prescription*)).

(ii) Upon the due date for redemption of any Bearer Note comprising a Floating Rate Note, unmatured Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.

(iii) Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.

(iv) Where any Bearer Note that provides that the relative unmatured Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unmatured Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.

(v) If the due date for redemption of any Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, shall only be payable against presentation (and surrender if appropriate) of the relevant Bearer Note or Certificate representing it, as the case may be. Interest accrued on a Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Note or Certificate representing it, as the case may be.

(g) ***Talons***: On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 9 (*Prescription*)).

(h) ***Non-Business Days***: If any date for payment in respect of any Note or Coupon is not a business day, the holder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this Condition 7(h), "**business day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as "**Financial Centres**" hereon and:

(i) (in the case of a payment in a currency other than euro) where payment is to be made by transfer to an account maintained with a bank in the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency; or

(ii) (in the case of a payment in euro) a day on which T2 System is open for settlements of payments in euro.

8. Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes and the Coupons or under the Guarantee shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Cayman Islands or Qatar or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) ***Other connection***: to, or to a third party on behalf of, a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of his having some connection with the Cayman Islands or Qatar other than the mere holding of, or receipt of payments with respect to, the Note or Coupon; or

(b) ***Presentation more than 30 days after the Relevant Date***: to the extent such taxes, assessments or governmental charges were imposed, levied, collected, withheld or assessed because the Note or Coupon was presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.

As used in these Conditions, "**Relevant Date**" in respect of any Note or Coupon means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note (or relative Certificate) or Coupon being made in accordance with these Conditions, such payment will be made, **provided that** payment is in fact made upon such presentation. References in these Conditions to (i) "principal" shall be deemed to include any premium payable in respect of the Notes, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Face Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 (*Redemption, Purchase and Options*) or any amendment or supplement to it, (ii) "**interest**" shall be deemed to include all Interest Amounts and all other amounts payable pursuant to Condition 5 (*Interest and other Calculations*) or any amendment or supplement to it and (iii) "**principal**" and/or "**interest**" shall be deemed to include any additional amounts that may be payable under this Condition 8.

Notwithstanding anything to the contrary in these Conditions, none of the Issuer, the Guarantor, any paying agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction imposed on or with respect to any Note pursuant to Sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**"), any treaty, law, regulation or other official guidance implementing FATCA, or any agreement (or related guidance) between the Issuer, the Guarantor, a paying agent or any other person and the United States, any other jurisdiction, or any authority of any of the foregoing implementing FATCA.

9. Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

If any of the following events ("**Events of Default**") occurs, the holder of any Note may give written notice to the Fiscal Agent at its specified office that such Note is immediately repayable, whereupon the Early Redemption Amount of such Note together (if applicable) with accrued interest to the date of payment shall become immediately due and payable:

(a) ***Non-Payment***: default is made for more than 14 days (in the case of interest) or seven days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or

(b) ***Breach of Other Obligations***: the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in or under the Notes or the Guarantee which default is incapable of remedy (in which case no notice as is hereinafter mentioned will be required) or is not remedied within 30 days after notice of such default shall have been given to the Issuer or the Guarantor, as the case may be, by any Noteholder requiring the same to be remedied; or

(c) ***Cross-Default***: (A) any other Indebtedness or Sukuk Obligation (as defined below) of the Issuer or the Guarantor or any of their respective Subsidiaries becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any default (howsoever described), or (B) any such Indebtedness or Sukuk Obligation is not paid when due or, as the case may be, within any originally applicable grace period, or (C) the Issuer or the Guarantor fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness or Sukuk Obligation, **provided that** each such event shall not constitute an Event of Default unless the aggregate amount of all such Indebtedness or Sukuk Obligation, either alone or when aggregated with all other Indebtedness or Sukuk Obligations in respect of which such an event shall have occurred and be continuing, shall be more than U.S.$10,000,000 (or its equivalent in any other currency or currencies); or

(d) ***Enforcement Proceedings***: a distress, attachment, execution, sequestration or other process is levied, enforced or sued out on or against a substantial part of the undertaking, assets or revenues of the Issuer or the Guarantor or any of their respective Material Subsidiaries and in any case (other than the appointment of an administrator) is not discharged or stayed within 30 days and such proceedings are not being actively contested in good faith by the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be; or

(e) ***Unsatisfied Judgment***: one or more judgments, orders or decrees of any court or regulatory or administrative agency for the payment of any sum in excess of U.S.$10,000,000 (or its equivalent in any currency or currencies), either individually or in aggregate, is rendered against the Issuer, the Guarantor or any of their respective Subsidiaries and continues unsatisfied, unstayed and unappealed (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days) for a period of 30 days after the date thereof or, if later, the date therein specified for payment; or

(f) ***Insolvency***: any of the Issuer or the Guarantor or any of their respective Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, or stops or threatens to stop payment of all or a material part of (or of a particular type of) its debts, or, save in connection with a Permitted Reorganisation, makes a general conveyance or assignment or an arrangement or composition with or for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of them) or, save in connection with a Permitted Reorganisation, any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of them) or initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, including the obtaining of a moratorium in respect of or affecting all or a significant part of (or of a particular type of) the debts of the Issuer, the Guarantor or any of their respective Material Subsidiaries; or

(g) ***Winding-up***: court or other formal proceedings are initiated against the Issuer, the Guarantor or any of their respective Material Subsidiaries under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application or petition is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any of their respective Material Subsidiaries or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or the Issuer or the Guarantor or any of their respective Material Subsidiaries shall cease or through an official action of its board of directors threaten to cease to carry on the whole or a substantial part of its business or operations, in each case except for the purpose of and followed by a Permitted Reorganisation; or

(h) ***Government Intervention***: by or under authority of any government, (i) the management of the Issuer, the Guarantor or any of their respective Material Subsidiaries is wholly or substantially displaced or the authority of the Issuer, the Guarantor or any of their respective Material Subsidiaries in the conduct of its business is wholly or substantially curtailed or (ii) all or a majority of the issued share capital of the Issuer, the Guarantor or any of their respective Material Subsidiaries or the whole or substantial part of its undertaking or assets are seized, nationalised, expropriated or compulsorily acquired; or

(i) ***Unlawfulness***: it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its obligations under any of the Notes or the Guarantee or any of the obligations of the Issuer or the Guarantor thereunder are not or cease to be legal, valid, binding or enforceable; or

(j) ***Analogous Events***: any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in Conditions 10(f), (g) and (h) above; or

(k) ***Guarantee***: the Guarantee is not or ceases to be (or is claimed by the Guarantor not to be) in full force and effect.

As used in these Conditions:

"**Permitted Reorganisation**" means:

(i) any disposal by a Material Subsidiary of the whole or a substantial part of its business, undertaking or assets to the Issuer or the Guarantor or any other wholly- owned Subsidiary of the Issuer or the Guarantor;

(ii) any amalgamation, consolidation or merger of a Material Subsidiary with any other Material Subsidiary or any other wholly-owned Subsidiary of the Issuer or the Guarantor; or

(iii) any amalgamation, consolidation, restructuring, merger or reorganisation on terms previously approved by an Extraordinary Resolution (as defined in the Agency Agreement); and

"**Sukuk Obligation**" means any undertaking or other obligation to pay money given in connection with the issue of certificates whether or not in return for consideration of any kind.

11. **Meeting of Noteholders and Modifications**

(a) ***Meetings of Noteholders***: The Agency Agreement contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Noteholders holding not less than 10 per cent. in principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest or Interest Amounts on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate or rates of interest in respect of the Notes or to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes, (iv) if a Minimum and/or a Maximum Rate of Interest or Redemption Amount is shown hereon, to reduce any such Minimum and/or Maximum, (v) to vary any method of, or basis for, calculating the Final Redemption Amount, the Early

Redemption Amount or the Optional Redemption Amount, including the method of calculating the Amortised Face Amount, (vi) to vary the currency or currencies of payment or denomination of the Notes, (vii) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (viii) to modify or cancel the Guarantee, in which case the necessary quorum shall be one or more persons holding or representing not less than 75 per cent. or at any adjourned meeting not less than 25 per cent. in principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(b) ***Modification of Agency Agreement***: The Fiscal Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to: (a) any modification (except such modifications in respect of which an increased quorum is required as mentioned above) of the Notes, the Coupons, the Deed of Guarantee, the Deed of Covenant or the Agency Agreement which is not prejudicial to the interests of the Noteholders; or (b) any modification of the Notes, the Coupons, the Deed of Guarantee, the Deed of Covenant or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 (*Notices*) as soon as practicable thereafter.

(c) ***Substitution***: The Issuer, or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes, the Coupons and the Talons, any company (the "**Substitute**") that is the Guarantor, or a Subsidiary (as defined in the Agency Agreement) of the Guarantor, **provided that** no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement as Schedule 8, and may take place only if (i) the Substitute shall, by means of the Deed Poll, agree to indemnify each Noteholder and Couponholder against any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note, Coupon, Talon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, (ii) where the Substitute is not the Guarantor, the obligations of the Substitute under the Deed Poll, the Notes, Coupons, Talons and Deed of Covenant shall be unconditionally guaranteed by the Guarantor by means of the Deed Poll and the Deed of Guarantee, (iii) all action, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the Deed Poll, the Notes, Coupons, Talons and Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute, and in the case of the Deed Poll and the Deed of Guarantee of the Guarantor have been taken, fulfilled and done and are in full force and effect, (iv) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it, (v) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Fiscal Agent) from a lawyer or firm of lawyers with a leading securities practice in each jurisdiction referred to in (i) above and in England as to the fulfilment of the preceding conditions of this Condition 11(c) and the other matters specified in the Deed Poll and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, stating that copies, or pending execution of the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to

Noteholders, shall be available for inspection at the specified office of each of the Paying Agents. References in Condition 10 (*Events of Default*) to obligations under the Notes shall be deemed to include obligations under the Deed Poll, and, where the Deed Poll contains a guarantee, references in these Conditions to the Guarantee shall be deemed to include the guarantee granted in respect of the Substitute.

12. **Replacement of Notes, Certificates, Coupons and Talons**

If a Note, Certificate, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange or other relevant authority regulations, at the specified office of the Fiscal Agent (in the case of Bearer Notes, Coupons or Talons) and of the Registrar (in the case of Certificates) or such other Paying Agent or Transfer Agent, as the case may be, as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Note, Certificate, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Notes, Certificates, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Notes, Certificates, Coupons or Talons must be surrendered before replacements will be issued.

13. **Further Issues**

The Issuer may from time to time without the consent of the Noteholders or Couponholders create and issue further notes having the same terms and conditions as a particular series of Notes (so that, for the avoidance of doubt, references in these Conditions to "**Issue Date**" shall be to the first issue date of the relevant series of Notes) and so that the same shall be consolidated and form a single series with such Notes, and references in these Conditions to "**Notes**" shall be construed accordingly.

14. **Notices**

Notices required to be given to the holders of Registered Notes pursuant to these Conditions shall be mailed to them (or to the first named of joint holders) at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. Notices required to be given to the holders of Bearer Notes pursuant to these Conditions shall be valid if published in a daily newspaper of general circulation in London (which is expected to be the *Financial Times*). If any such publication is not practicable, notice required to be given pursuant to these Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. The Issuer and the Guarantor shall also ensure that notices are duly published in a manner that complies with any relevant rules of any stock exchange or other relevant authority on which Notes are for the time being listed, or by which they have for the time being been, admitted to trading.

Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Bearer Notes in accordance with this Condition 14.

15. **Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Coupons or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes, the Issuer shall indemnify each Noteholder, on the written demand of such Noteholder addressed to the Issuer and delivered to the Issuer or to the specified office of the Fiscal Agent, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such Noteholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer and shall give rise to a separate and independent cause of action.

16. **Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

17. **Governing Law and Jurisdiction**

(a) ***Governing Law***: The Notes, the Coupons and the Talons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) ***Arbitration***: Any dispute, claim, difference or controversy arising out of, related to, or having any connection with the Notes, the Coupons and the Talons (including any dispute regarding their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity or a dispute relating to any non-contractual obligations arising out of or in connection with them) (a "**Dispute**") shall be referred to and finally resolved by arbitration in accordance with the Arbitration Rules of the London Court of International Arbitration (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Condition 17(b). For these purposes:

(i) the seat of arbitration shall be London;

(ii) there shall be three arbitrators each of whom shall be an attorney experienced in international securities transactions. The claimant(s), irrespective of number, shall nominate jointly one arbitrator; the respondent(s), irrespective of number, shall nominate jointly the second arbitrator, and a third arbitrator (who shall act as presiding arbitrator) shall be nominated by the arbitrators nominated by or on behalf of the claimant(s) and respondent(s) or, in the absence of agreement on the third arbitrator within 30 days of the date of nomination of the later of the two party-nominated arbitrators to be nominated, shall be chosen by the LCIA Court (as defined in the Rules); and

(iii) the language of the arbitration shall be English.

(c) ***Joinder***: The following shall apply to any Dispute arising out of or in connection with the Notes in respect of which a request for arbitration has been served. In relation to any such Disputes if, in the absolute discretion of the first arbitral tribunal to be appointed in any of the Disputes, they are so closely connected that it is expedient for them to be resolved in the same proceedings, that arbitral tribunal shall have the power to order that the proceedings to resolve that dispute shall be consolidated with those to resolve any of the other disputes, **provided that** no date for the final hearing of the first arbitration has been fixed. If that arbitral tribunal so orders, the parties to each Dispute which is a subject of its order shall be treated as having consented to that Dispute being finally decided:

(i) by the arbitral tribunal that ordered the consolidation unless the LCIA Court decides that arbitral tribunal would not be suitable or impartial; and

(ii) in accordance with the procedure, at the seat and in the language specified in the relevant agreement under which the arbitral tribunal that ordered the consolidation was appointed, save as otherwise agreed by all parties to the consolidated proceedings or, in the absence of any such agreement, ordered by the arbitral tribunal in the consolidated proceedings.

(d) ***Appointment of a Process Agent***: Each of the Issuer and the Guarantor irrevocably appoints Maples and Calder at its registered office at 6th Floor, DUO, 280 Bishopsgate, London EC2M 4RB, United Kingdom as its agent in England to receive, for it and on its behalf, service of process in any proceedings in England. Such service shall be deemed completed on delivery to such process agent (whether or not, it is forwarded to and received by the Issuer (or the Guarantor)). If for any reason such process agent ceases to be able to act as such or no longer has an address in London, each of the Issuer and the Guarantor shall forthwith appoint a substitute agent for service of process in England and shall notify Noteholders of such appointment in accordance with Condition 14 (*Notices*). Each of the Issuer and the Guarantor will procure that, so long as any of the Notes remain outstanding, a person with an office in London shall be appointed to accept service. Nothing herein shall affect the right to serve process in any manner permitted by law.

(e) ***Waiver of Immunity***: The Issuer and the Guarantor acknowledge that the transactions contemplated by the Notes are commercial transactions and, to the extent that any of the Issuer or the Guarantor may in any jurisdiction claim for itself or its assets or revenues immunity from suit, jurisdiction, enforcement, prejudgment proceedings, injunctions, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process or relief and to the extent that such immunity (whether or not claimed) may be attributed in any such jurisdiction to the Issuer or the Guarantor or any of their respective assets or revenues, each of the Issuer and the Guarantor agrees not to claim and irrevocably and unconditionally waives such immunity to the fullest extent permitted by the laws of such jurisdiction. In addition, each of the Issuer and the Guarantor, irrevocably and unconditionally consents to the giving of any relief or the issue of any proceedings, including, without limitation, the making, enforcement or execution against any of its assets whatsoever (irrespective of its intended use) of any order, prejudgment or judgment made or given in connection with any legal or arbitral proceedings or Disputes.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

1. Initial Issue of Notes

Global Notes and Global Certificates may be delivered on or prior to the original issue date of the Tranche to a Common Depositary.

Upon the initial deposit of a Global Note with the Common Depositary or registration of Registered Notes in the name of a nominee of the Common Depositary for Euroclear and Clearstream, Luxembourg and delivery of the relevant Global Certificate to the Common Depositary, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

Notes that are initially deposited with the Common Depositary may also be credited to the accounts of subscribers with (if indicated in the applicable Final Terms) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, Notes that are initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of a Note represented by a Global Note or a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, and in relation to all other rights arising under the Global Notes or Global Certificates, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Note or Global Certificate and such obligations of the Issuer will be discharged by payment to the bearer of such Global Note or the holder of the underlying Registered Notes, as the case may be, in respect of each amount so paid.

3. Exchange

3.1 *Temporary Global Notes*

Each temporary Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date:

(i) if the applicable Final Terms indicates that such Global Note is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see "*Overview of the Programme—Selling Restrictions*"), in whole, but not in part, for the Definitive Notes defined and described below; and

(ii) otherwise, in whole or in part upon certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement for interests in a permanent Global Note or, if so provided in the applicable Final Terms, for Definitive Notes.

3.2 *Permanent Global Notes*

Each permanent Global Note will be exchangeable, free of charge to the holder, on or after its Exchange Date in whole but not, except as provided under paragraph 3.4 below, in part for Definitive Notes:

(i) if the permanent Global Note is held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or in fact does so; or

(ii) if principal in respect of any Notes is not paid when due, by the holder giving notice to the Fiscal Agent of its election for such exchange.

In the event that a Global Note is exchanged for Definitive Notes, such Definitive Notes shall be issued in Specified Denomination(s) only. A Noteholder who holds a principal amount of less than the minimum Specified Denomination will not receive a definitive Note in respect of such holding and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

3.3 **Permanent Global Certificates**

If the Final Terms state that the Notes are to be represented by a permanent Global Certificate on issue, the following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by any Global Certificate pursuant to Condition 2(b) (*No Exchange of Notes and Transfers of Registered Notes - Transfer of Registered Notes)* may only be made in part:

(i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or

(ii) if principal in respect of any Notes is not paid when due; or

(iii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph 3.3(i) or 3.3(ii) above, the registered holder has given the Registrar not less than 30 days' notice at its specified office of the registered holder's intention to effect such transfer.

3.4 **Partial Exchange of Permanent Global Notes**

For so long as a permanent Global Note is held on behalf of a clearing system and the rules of that clearing system permit, such permanent Global Note will be exchangeable in part on one or more occasions for Definitive Notes if principal in respect of any Notes is not paid when due.

3.5 **Delivery of Notes**

On or after any due date for exchange the holder of a Global Note may surrender such Global Note or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. In exchange for any Global Note, or the part thereof to be exchanged, the Issuer will (i) in the case of a temporary Global Note exchangeable for a permanent Global Note, deliver, or procure the delivery of, a permanent Global Note in an aggregate principal amount equal to that of the whole or that part of a temporary Global Note that is being exchanged or, in the case of a subsequent exchange, endorse, or procure the endorsement of, a permanent Global Note to reflect such exchange or (ii) in the case of a Global Note exchangeable for Definitive Notes, deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Notes. In this Base Prospectus, "**Definitive Notes**" means, in relation to any Global Note, the definitive Bearer Notes for which such Global Note may be exchanged (if appropriate, having attached to them all Coupons in respect of interest that have not already been paid on the Global Note and a Talon). Definitive Notes will be security printed in accordance with any applicable legal and stock exchange requirements in or substantially in the form set out in the Schedules to the Agency Agreement. On exchange in full of each permanent Global Note, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with the relevant Definitive Notes.

3.6 **Exchange Date**

"**Exchange Date**" means, in relation to a temporary Global Note, the day falling after the expiry of 40 days after its issue date and, in relation to a permanent Global Note, a day falling not less than 60 days, or in the case of failure to pay principal in respect of any Notes when due 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and in the city in which the relevant clearing system is located.

3.7 **TEFRA D Legend**

The following legend will appear on all Permanent Bearer Global Notes and definitive Bearer Notes where TEFRA D is specified in the applicable Final Terms receipts and interest coupons and talons relating to such Bearer Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED."

3.8 **General**

Pursuant to the Agency Agreement (as defined under "*Terms and Conditions of the Notes*"), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point in time after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code and International Securities Identification Number ("**ISIN**") which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

4. **Amendment to Conditions**

The temporary Global Notes, permanent Global Notes and Global Certificates contain provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes set out in this Base Prospectus. The following is a summary of certain of those provisions:

4.1 ***Payments***

No payment falling due after the Exchange Date will be made on any Global Note unless exchange for an interest in a permanent Global Note or for Definitive Notes is improperly withheld or refused. Payments on any temporary Global Note issued in compliance with the D Rules will only be made against presentation of certification as to non-U.S. beneficial ownership in the form set out in the Agency Agreement. All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be *prima facie* evidence that such payment has been made in respect of the Notes. For the purpose of any payments made in respect of a Global Note, the relevant place of presentation shall be disregarded in the definition of "business day" set out in Condition 7(h) (*Payments and Talons – Non-Business Days)*.

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

4.2 ***Calculation of interest***

The calculation of any interest amount in respect of any Note which is represented by a Global Note or Global Certificate will be calculated on the aggregate outstanding principal amount of the Notes represented by such Global Note or Global Certificate, as the case may be, and not by reference to the Calculation Amount.

4.3 ***Prescription***

Claims against the Issuer in respect of Notes that are represented by a permanent Global Note will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 8 (*Taxation*)).

4.4 ***Meetings***

The holder of a permanent Global Note or of the Notes represented by a Global Certificate shall (unless such permanent Global Note or Global Certificate represents only one Note) be treated as being two persons for the purposes of any quorum requirements of a meeting of Noteholders and, at any such meeting, the holder of a permanent Global Note shall be treated as having one vote in respect of each integral currency unit of the Specified Currency of the Notes. All holders of Registered Notes are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Notes comprising such Noteholder's holding, whether or not represented by a Global Certificate.

4.5 ***Cancellation***

Cancellation of any Note represented by a permanent Global Note that is required by the Conditions to be cancelled (other than upon its redemption) will be effected by reduction in the principal amount of the relevant permanent Global Note.

4.6 ***Purchase***

Notes represented by a permanent Global Note may only be purchased by the Issuer, the Guarantor or any of their respective subsidiaries if they are purchased together with the rights to receive all future payments of interest thereon.

4.7 ***Issuer's Option***

Any option of the Issuer provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note shall be exercised by the Issuer giving notice to the Noteholders within the time limits set out in and containing the information required by the Conditions, except that the notice shall not be required to contain the serial numbers of Notes drawn in the case of a partial exercise of an option and accordingly no drawing of Notes shall be required. In the event that any option of the Issuer is exercised in respect of some but not all of the Notes of any Series, the rights of accountholders with a clearing system in respect of the Notes will be governed by the standard procedures of Euroclear, Clearstream, Luxembourg or any other clearing system (as the case may be).

4.8 ***Noteholders' Options***

Any option of the Noteholders provided for in the Conditions of any Notes while such Notes are represented by a permanent Global Note may be exercised by the holder of the permanent Global Note giving notice to the Fiscal Agent within the time limits relating to the deposit of Notes with a Paying Agent set out in the Conditions substantially in the form of the notice available from any Paying Agent, except that the notice shall not be required to contain the serial numbers of the Notes in respect of which the option has been exercised, and stating the principal amount of Notes in respect of which the option is exercised and at the same time presenting the permanent Global Note to the Fiscal Agent, or to a Paying Agent acting on behalf of the Fiscal Agent, for notation.

4.9 ***Events of Default***

Each Global Note provides that the holder may cause such Global Note, or a portion of it, to become due and repayable in the circumstances described in Condition 10 (*Events of Default*) by stating in the notice to the Fiscal Agent the principal amount of such Global Note that is becoming due and repayable. If principal in respect of any Note is not paid when due, the holder of a Global Note or Registered Notes represented by a Global Certificate may elect for direct enforcement rights against the Issuer and the Guarantor under the terms of a Deed of Covenant executed as a deed by the Issuer and the Guarantor on 27 August 2020 to come into effect in relation to the whole or a part of such Global Note or one or more Registered Notes in favour of the persons entitled to such part of such Global Note or such Registered Notes, as the case may be, as accountholders with a clearing system. Following any such acquisition of direct rights, the Global Note or, as the case may be, the Global Certificate and the corresponding entry in the register kept by the Registrar will become void as to the specified portion of Registered Notes, as the case may be. However, no such election may be made in respect of Notes represented by a Global Certificate unless the transfer of the whole or a part of the holding of Notes represented by that Global Certificate shall have been improperly withheld or refused.

4.10 ***Notices***

So long as any Notes are represented by a Global Note or a Global Certificate and such Global Note or Global Certificate is held on behalf of a clearing system, notices to the holders of Notes of that Series may be given by delivery of the relevant notice (which notice shall be deemed to have been given to the holders of the Global Note on the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg and/or such other clearing system) to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions or by delivery of the relevant notice to the holder of the Global Note or Global Certificate. The Issuer shall also ensure that notices are duly published in a manner that complies with any relevant rules of any stock exchange or other relevant authority on which the Notes are for the time being, or by which they have for the time being been, admitted to trading.

5. **Electronic Consent and Written Resolution**

While any Global Note is held on behalf of, or any Global Certificate is registered in the name of any nominee for, a clearing system, then:

(a) approval of a resolution proposed by the Issuer or the Guarantor, as the case may be, given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding (an Electronic Consent shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders and holders of Coupons and Talons whether or not they participated in such Electronic Consent); and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer and the Guarantor shall be entitled to rely on (a) consent or instructions given in writing directly to the Issuer and/or the Guarantor, as the case may be, by accountholders in the clearing system with entitlements to such Global Note or Global Certificate and/or, (b) where the accountholders hold any such entitlement on behalf of another person, written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any other relevant alternative clearing system (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders and

Couponholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Easyway or Clearstream, Luxembourg's CreationOnline system or Xact Web Portal) in accordance with its usual procedures and in which the accountholder of a particular principal or principal amount of the Notes is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

DOCUMENTS INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

1. the audited consolidated financial statements of ABQ as at and for the year ended 31 December 2024, including the audit report thereon and the notes thereto, available at: https://www.ahlibank.com.qa/Library/Assets/Ahli-Bank-QPSC-Consolidated-FS_31-December-2024-(English)-121813.pdf;

2. the audited consolidated financial statements of ABQ as at and for the year ended 31 December 2023, including the audit report thereon and the notes thereto, available at: https://www.ahlibank.com.qa/Library/Assets/Ahli_Bank_QPSC_Consolidated_FS_31_December_2023_English_compressed-125926.pdf;

3. any future audited consolidated annual financial statements of ABQ, including the audit report thereon and the notes thereto, which have previously been published and made available at: https://www.ahlibank.com.qa/en/about-us/investor-relations/financial-reports;

4. any future unaudited interim condensed consolidated quarterly financial statements of ABQ, including the auditor's review report thereon and the notes thereto, which have previously been published and made available at: https://www.ahlibank.com.qa/en/about-us/investor-relations/financial-reports;

5. the Terms and Conditions of the Notes contained on pages 28-55 (inclusive) in the Base Prospectus dated 27 August 2020 prepared by ABQ in connection with the Programme (https://www.ahlibank.com.qa/Library/Assets/(Final)-ABQ-EMTN-Programme-Update-2020-Base-Prospectus-094601.pdf);

6. the Terms and Conditions of the Notes contained on pages 27-54 (inclusive) in the Base Prospectus dated 16 July 2019 prepared by ABQ in connection with the Programme (https://www.ahlibank.com.qa/Library/Assets/2019-Base-Prospectus-122621.pdf);

7. the Terms and Conditions of the Notes contained on pages 27-51 (inclusive) in the Base Prospectus dated 28 February 2018 prepared by ABQ in connection with the Programme (https://www.ahlibank.com.qa/Library/Assets/ABQ%20EMTN%20Programme%20Update%202018%20-%20Base%20Prospectus%20FINAL%20FINAL-AhliBank-114043.PDF);

8. the Terms and Conditions of the Notes contained on pages 25-54 (inclusive) in the Base Prospectus dated 6 February 2017 prepared by ABQ in connection with the Programme (https://www.ahlibank.com.qa/Library/Assets/Base%20Prospectus-120528.pdf); and

9. the Terms and Conditions of the Notes contained on pages 28-53 (inclusive) in the Base Prospectus dated 24 March 2016 prepared by ABQ in connection with the Programme:

   (https://ise-prodnr-eu-west-1-data-integration.s3-eu-west-1.amazonaws.com/legacy/Base%20Prospectus_f372e661-88c6-4a68-b575-983d60c9a458.PDF).

Copies of the *Documents Incorporated by Reference* in this Base Prospectus can be obtained from Euronext Dublin's website at https://live.euronext.com/ and, upon request, free of charge, from the registered office of the Issuer and at the specified office of the Fiscal Agent.

Any information incorporated by reference in any of the documents listed in paragraphs 1-5 (inclusive) above which is not incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus and is deemed to either be not relevant for an investor or is covered elsewhere in this Base Prospectus.

FORM OF FINAL TERMS

The form of Final Terms that will be issued in respect of each Tranche, subject only to the deletion of non-applicable provisions, is set out below.

[**EU MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**EU MiFID II**")][EU MiFID II]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. [Consider any negative target market] Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the United Kingdom (the "**UK**") Financial Conduct Authority ("**FCA**") Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**UK distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of [Directive 2014/65/EU (as amended, "**EU MiFID II**")]/[EU MiFID II]; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

[PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the [UK]/[United Kingdom (the "**UK**")]. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law of the UK by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law of the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[**SINGAPORE SECURITIES AND FUTURES ACT PRODUCT CLASSIFICATION** - Solely for the purposes of its obligations pursuant to Sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Notes are ["prescribed capital markets products"]/[capital markets products other than "prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018).]

Final Terms dated [•]

ABQ Finance Limited
(LEI: 549300EKNBMBS9DNYE37)

Issue of [Aggregate Principal Amount of Tranche] [Title of Notes]
under the U.S.$2,000,000,000
Euro Medium Term Note Programme

Guaranteed by
Ahli Bank Q.P.S.C.
(LEI: 213800KXAR1MXC1DZ106)

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions (the "**Conditions**") set forth in the base prospectus dated 10 March 2025 [and the supplement[s] to it dated [•]] (the "**Base Prospectus**") which [together] constitute[s] a base prospectus [for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**")][1]. This document constitutes the applicable Final Terms of the Notes described herein for the purposes of the EU Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.

[Terms used herein shall be deemed to be defined as such for the purposes of, and shall be read in conjunction with, the terms and conditions (the "**Conditions**") set forth in the base prospectus dated [24 March 2016/6 February 2017/16 July 2019/27 August 2020] which are incorporated by reference into the base prospectus dated [●] 2025 [and the supplement[s] to it dated [•]] (the "**Base Prospectus**") [which [together] constitute[s] a base prospectus [for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**")][2]. This document constitutes the applicable Final Terms of the Notes described herein [for the purposes of Regulation (EU) 2017/1129 (the "**EU Prospectus Regulation**")][3] and must be read in conjunction with the Base Prospectus, save in respect of the Conditions, in order to obtain all the relevant information].]

Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of Euronext Dublin at https://live.euronext.com/en/markets/dublin/bonds/list, the website of Nasdaq Dubai at http://www.nasdaqdubai.com and during normal business hours at the registered office of the Fiscal Agent.

1.	Issuer:		ABQ Finance Limited
	Guarantor:		Ahli Bank Q.P.S.C.
2.	[(i)]	Series Number:	[•]
	[(ii)	Tranche Number:	[•]

1 *Note: Delete where the Notes are neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the EU Prospectus Regulation.*

2 *Note: Delete where the Notes are neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the EU Prospectus Regulation.*

3 *Note: Delete where the Notes are neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the EU Prospectus Regulation.*

	[(iii)	Date on which the Notes become fungible:	[Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [*insert description of the Series*] on [[•]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [21] below [which is expected to occur on or about [•]]].]
3.	Specified Currency or Currencies:		[•]
4.	Aggregate Principal Amount:		[•]
	[(i)]	Series:	[•]
	[(ii)	Tranche:	[•]]
5.	Issue Price:		[•] per cent. of the Aggregate Principal Amount [plus accrued interest from [•] (*if applicable*)]
6.	(i)	Specified Denominations:	[•]
	(ii)	Calculation Amount:	[•]
7.	(i)	Issue Date:	[•]
	(ii)	Interest Commencement Date	[*Specify*/Issue Date/Not Applicable]
8.	Maturity Date:		[*Specify date or (for Floating Rate Notes)* Interest Payment Date falling in or nearest to [*specify month and year*]]
9.	Interest Basis:		[[•] per cent. Fixed Rate] [[•] month [BBSW / EIBOR / €STR/ EURIBOR / HIBOR/ KIBOR / KLIBOR / SAIBOR / SIBOR / SOFR / SONIA / TIBOR]+/– [•] per cent. Floating Rate] [Zero Coupon] (See paragraph [14/15/16] below)
10.	Redemption/Payment Basis:		Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at 100 per cent. of their principal amount.
11.	Change of Interest Basis:		[Specify the date when any fixed to floating rate change occurs or refer to paragraphs 14 and 15 below and identify there/Not Applicable]
12.	Put/Call Options:		[Put Option] [Call Option] (See paragraph [17/18] below)]
13.	[(i)]	Status of the Notes:	Senior
	[(ii)]	Status of the Guarantee:	Senior

[(ii)]	[Date [Board] approval for issuance of Notes obtained:	[[•] and [•], respectively]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14.	Fixed Rate Note Provisions:		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate[(s)] of Interest:	[•] per cent. per annum payable in arrear on each Interest Payment Date
	(ii)	Interest Payment Date(s):	[•] in each year up to and including the Maturity Date
	(iii)	Fixed Coupon Amount[(s)]:	[•] per Calculation Amount
	(iv)	Broken Amount(s):	[[•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]] / [Not Applicable]
	(v)	Day Count Fraction:	[Actual/Actual / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 (Sterling) / Actual/360 / 30/360 / 360/360 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA) / Actual/Actual – ICMA]
	(vi)	[Determination Dates:	[•] in each year]
15.	Floating Rate Note Provisions		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Interest Period(s):	[[•] [, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]]
	(ii)	Specified Interest Payment Dates:	[[•] in each year[, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]
	(iii)	Interest Period Date:	[Not Applicable]/ [[•] in each year [, subject to adjustment in accordance with the Business Day Convention set out in (v) below/, not subject to any adjustment[, as the Business Day Convention in (v) below is specified to be Not Applicable]]
	(iv)	First Interest Payment Date:	[•]

(v)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/ Modified Following Business Day Convention/Preceding Business Day Convention] [Not Applicable]
(vi)	Business Centre(s):	[•]
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination /ISDA Determination]
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent):	[•]
(ix)	Screen Rate Determination:	[Applicable/Not Applicable] (*If not applicable, delete the remaining items of this subparagraph*)
	– Reference Rate:	[[•]month [BBSW/EIBOR/€STR/EURIBOR/HIBOR/KIBOR/ KLIBOR/SAIBOR/SIBOR/SOFR/SONIA/TIBOR/ [•]]]
	– Index Determination:	[Applicable/Not Applicable] (*Applicable for SONIA Compounded Index or SOFR Compounded Index*)
	– Interest Determination Date(s):	[•][4]
	*(Insert the following sub-items only if Index Determination is **not** applicable)*	
	– Relevant Screen Page:	[•]
	– Relevant Time:	[•]/[Not Applicable][5]
	*(Insert the following sub-items only if any of SOFR, SONIA or €STR is the Reference Rate and Index Determination is **not** applicable)*	
	– Calculation Method:	[Compounded Daily]/[Weighted Average]/[Not Applicable]
	– Observation Method:	[Lag]/[Lock-out]/[Observation Shift]/[Payment Delay]/[Not Applicable]
	– Observation Look-back Period:	[•]/[Not Applicable][6]

4 *To be Second day on which the T2 System is open prior to the start of each Interest Period if EURIBOR and at least five Business Days before the relevant Interest Payment Date where the Reference Rate is SONIA, SOFR or €STR.*

5 *Select "Not Applicable" for SOFR, SONIA or €STR.*

6 *The length of the Observation Look-back Period should be at least as many Business Days as the period between the Interest Payment Date and the Interest Determination Date. "Observation Look-back Period" is only applicable where "Lag" or "Observation Shift" is selected as the Observation Method; otherwise, select "Not Applicable".*

–	D:	[365]/[360]/[•]/[Not Applicable]
–	Rate Cut-off Date:	[The date falling [•] Business Days prior to the Maturity Date or the date fixed for redemption, as applicable – *used for Payment Delay only*][7] /[Not Applicable]
(*Insert only if Index Determination is applicable*)		
–	Relevant Decimal Place:	[•] [5] *(unless otherwise specified in the Final Terms, be the fifth decimal place in the case of each of the SONIA Compounded Index and the SOFR Compounded Index*)
–	Relevant Number:	[•] [5] (*unless otherwise specified in the Final Terms, the Relevant Number shall be 5*)

(x)	ISDA Determination:	[Applicable/Not Applicable] (*If not applicable, delete the remaining items of this subparagraph*)
–	ISDA Definitions:	[2006 ISDA Definitions/2021 ISDA Definitions]
–	Floating Rate Option:	[•]
–	Designated Maturity:	[•]/[Not Applicable] (*A Designated Maturity period is not relevant where the relevant Floating Rate Option is a risk-free rate*)
–	Reset Date:	[•]/[as specified in the ISDA Definitions]/[the first day of the relevant Interest Period, subject to adjustment in accordance with the Business Day Convention set out in paragraph [(d)] above and as specified in the ISDA Definitions]
–	Compounding:	[Applicable/Not Applicable] (*If not applicable delete the remaining subparagraphs of this paragraph*)
–	Compounding Method:	[Compounding with Lookback Lookback: [[•] Applicable Business Days]] [Compounding with Observation Period Shift Observation Period Shift: [[•] Observation Period Shift Business Days] Observation Period Shift Additional Business Days: [•]/[Not Applicable]] [Compounding with Lockout Lockout: [[•] Lockout Period Business Days] Lockout Period Business Days: [•]/[Applicable Business Days]]

[7] *The Rate Cut-off Date should be at least five Business Days before the Maturity Date or the date fixed for redemption, unless otherwise agreed with the Principal Paying Agent.*

–	Averaging:	[Applicable/Not Applicable] (*If not applicable delete the remaining subparagraphs of this paragraph*)
–	Averaging Method:	[Averaging with Lookback Lookback: [•] Applicable Business Days] [Averaging with Observation Period Shift Observation Period Shift: [•] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [•]/[Not Applicable]] [Averaging with Lockout Lookout: [•] Lockout Period Business Days Lockout Period Business Days: [•]/[Applicable Business Days]]]
–	Index Provisions:	[Applicable/Not Applicable] (*If not applicable delete the remaining subparagraphs of this paragraph*)
–	Compounding:	Compounded Index Method with Observation Period Shift Observation Period Shift: [•] Observation Period Shift Business Days Observation Period Shift Additional Business Days: [•]/[Not Applicable]
(xi)	Linear Interpolation:	[Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation (*specify for each short or long interest period*)]
(xii)	Margin(s):	[+/-][•]per cent. per annum
(xiii)	Minimum Rate of Interest:	[•] per cent. per annum
(xiv)	Maximum Rate of Interest:	[•] per cent. per annum
(xv)	Day Count Fraction:	[Actual/ Actual / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 (Sterling) / Actual/360 / 30/360 / 360/260 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA) / Actual/Actual – ICMA]

16.	Zero Coupon Note Provisions	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Amortisation Yield:	[•] per cent. per annum
(ii)	[Day Count Fraction in relation to Early Redemption Amounts:	[Actual/Actual / Actual/Actual – ISDA / Actual/365 (Fixed) / Actual/360 (Sterling) / Actual/360 / 30/360 / 360/260 / Bond Basis / 30E/360 / Eurobond Basis / 30E/360 (ISDA) / Actual/Actual – ICMA]

PROVISIONS RELATING TO REDEMPTION

17.	Call Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount(s) of each Note:	[•] per Calculation Amount
(iii)	Redemption in part:	[Applicable/Not Applicable]
	If redeemable in part:	
(a)	Minimum Redemption Amount:	[•] per Calculation Amount
(b)	Maximum Redemption Amount:	[•] per Calculation Amount
(iv)	Notice period:	[•] days
18.	Put Option	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Optional Redemption Date(s):	[•]
(ii)	Optional Redemption Amount(s) of each Note:	[•] per Calculation Amount
(iii)	Notice period:	[•] days
19.	Final Redemption Amount of each Note	[not applicable/[•] per Calculation Amount]
20.	Early Redemption Amount	

	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	[•] per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

21.	Form of Notes:	**Bearer Notes**: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] [Temporary Global Note exchangeable for Definitive Notes on [•] days' notice] [Permanent Global Note exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note] **Registered Notes**: [Global Certificate registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg]]
22.	Additional Financial Centre(s):	[Not Applicable/[•]]
23.	Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature):	[Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]

SIGNED on behalf of **ABQ Finance Limited**:

By: ....
Duly authorised

SIGNED on behalf of **Ahli Bank Q.P.S.C.**:

By: ....
Duly authorised

PART B – OTHER INFORMATION

1. **LISTING AND ADMISSION TO TRADING**

(i)	Admission to trading:	[Application [has been]/[is expected to be] made by the Issuer (or on its behalf) for the Notes to be admitted to listing on [*specify relevant regulated market (for example, the regulated market of Euronext Dublin) and, if relevant, listing on an official list (for example the Official List of Euronext Dublin)*] and trading on its regulated market with effect from [•].] [Not Applicable] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.)*
(ii)	Estimate of total expenses related to admission to trading:	[•] [Not Applicable]

2. **RATINGS**

Ratings:	[[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]]: [Moody's: [•]] [Fitch: [•]] [[Other]: [•]] [[•]/[Moody's] is established in the European Union ("**EU**") and is registered under the EU CRA Regulation. As such, Moody's is included in the list of credit rating agencies published by the ESMA on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the EU CRA Regulation. The rating issued by [•]/[Moody's] is endorsed by Moody's Investors Service Ltd., which is established in the [United Kingdom ("**UK**")]/[UK] and registered under the UK CRA Regulation.] [Fitch is established in the UK and registered under the UK CRA Regulation. Fitch appears on the latest update of the list of registered credit rating agencies on the UK [Financial Conduct Authority]/[FCA]'s Financial Services Register. The rating issued by Fitch is endorsed by Fitch Ratings Ireland Limited, which is established in the [European Union]/[EU] and registered under the EU CRA Regulation. As such, Fitch Ratings Ireland Limited is included in the list of credit rating agencies published by ESMA on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the EU CRA Regulation.]

["**EU CRA Regulation**" means Regulation (EC) No. 1060/2009 as amended; and

"**UK CRA Regulation**" means Regulation (EC) No. 1060/2009 as it forms part of domestic law of the UK by virtue of the [European (Withdrawal) Act 2018 (the "EUWA")]/[EUWA].]

[*Add a brief explanation of the meaning of the ratings if previously published by the ratings provider*]

3. **BENCHMARKS**

Details of benchmarks administrators and registration under the EU Benchmarks Regulation

[[specify benchmark] is provided by [administrator legal name]. As at the date hereof, [administrator legal name] [appears]/[does not appear] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. [As far as the Issuer is aware, the transitional provisions in Article 51 of the EU Benchmarks Regulation apply, such that [administrator legal name] is not currently required to obtain recognition, endorsement or equivalence.]/[Not Applicable]

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

["Save as discussed in ["*Subscription and Sale/General Information*"], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantor and their affiliates in the ordinary course of business."]

5. **YIELD (FIXED RATES NOTES ONLY)**

Indication of yield:	[•]per cent. per annum or a [quarterly]/[semi-annual] basis/[Not Applicable] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6. **OPERATIONAL INFORMATION**

ISIN:	[•]
Other Codes:	Common Code: [•] [FISN: [[See/[[ ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]] [CFI: [[See/[[ ], as updated, as set out on] the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN/Not Applicable/Not Available]]
Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/*give name(s) and number(s)*]
Delivery:	Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any):	[•]

7. **DISTRIBUTION**

(i)	Method of distribution:	[Syndicated/Non-syndicated]
(ii)	If syndicated:	
	(A) Names of Managers:	[Not Applicable/*give names*]
	(B) Stabilisation Manager(s) (if any):	[Not Applicable/*give names*]
(iii)	If non-syndicated, name of relevant Dealer:	[Not Applicable/*give name*]
(iv)	Date of [Subscription] Agreement:	[•]
(v)	US Selling Restrictions:	[Reg. S Compliance Category 2; TEFRA C/TEFRA D/TEFRA not applicable]
(vi)	[Prohibition of Sales to EEA Retail Investors:	[Applicable]/[Not Applicable]] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.*)
(vii)	[Prohibition of Sales to UK Retail Investors:	[Applicable]/[Not Applicable]] (*If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.*)

8. **THIRD PARTY INFORMATION**

[[*relevant third party information*] has been extracted from [*specify source*]. The Issuer and the Guarantor each confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.]/[Not Applicable]

9. **REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT OF PROCEEDS**

Reasons for the offer:	[•] [See ["Use of Proceeds"] in Base Prospectus/Give details] [*If reasons differ from what is disclosed in the Base Prospectus, give details here.*]
Estimated net proceeds:	[•]

USE OF PROCEEDS

The net proceeds from each issue of Notes will be lent by the Issuer to the Guarantor and will be used by the Guarantor for its general corporate purposes, which include making a profit, or as otherwise specified in the Final Terms.

DESCRIPTION OF THE ISSUER

General

The Issuer was incorporated in the Cayman Islands on 3 March 2016 as an exempted limited liability company under the Companies Act (As Revised) of the Cayman Islands under the name ABQ Finance Limited and with registered number 309204. The Issuer's registered office address is ABQ Finance Limited, c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, its telephone number is +1 345 945 7099 and its fax number is +1 345 945 7100.

Business of the Issuer

The primary purpose of the Issuer is to issue the Notes from time to time under the Programme and enter into the transactions contemplated by the Conditions, the Agency Agreement and the Deed of Covenant.

Share Capital of the Issuer

The Issuer has no subsidiaries. The Issuer has an authorised share capital of U.S.$50,000 consisting of 50,000 ordinary shares of U.S.$1 par value each, of which one share has been issued and fully paid up as at the date of this Base Prospectus.

The Issuer's entire share capital is held by ABQ.

The rights of ABQ as a shareholder in the Issuer are contained in the articles of association of the Issuer and the Issuer will be managed in accordance with those articles and with the provisions of Cayman Islands law.

Directors of the Issuer

The directors of the Issuer and their other principal activities as at the date hereof are as follows:

Name	Other principal activities
Hassan Ahmed AlEfrangi...............................	Chief Executive Officer of ABQ
Mahalingam Shankar......................................	Chief Executive – Finance and Strategy of ABQ
Derek Kwok	Chief Treasury and International Banking Officer of ABQ
Johny Al Khoury	General Counsel and Board Secretary of ABQ
Trevor Bailey	Strategic Advisor of ABQ

The business address of the directors is Suhaim Bin Hamad Street, Al Sadd, P.O. Box 2309, Doha, State of Qatar .

There are no potential conflicts of interest between the private interests or other duties of the Directors listed above and their duties to the Issuer.

Directors' Interests

No director listed above has any interest in the promotion of, or any property acquired or proposed to be acquired by, the Issuer and no director has any conflict of interest and/or any potential conflict of interest between any of its duties to the Issuer and its private interests and/or other duties, save for the fact that each director is an officer of Ahli Bank Q.P.S.C.

As a matter of Cayman Islands law, each director is under a duty to act honestly and in good faith with a view to the best interests of the Issuer, regardless of any other directorships or offices he may hold.

Financial Statements

Since the date of its incorporation, no financial statements of the Issuer have been prepared. The Issuer is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

The Issuer's financial year ends on 31 December.

Cayman Islands Data Protection

The Issuer has certain duties under the Data Protection Act (as Revised) of the Cayman Islands (the "**DPA**") based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Notes and the associated interactions with the Issuer and its affiliates and/or delegates, or by virtue of providing the Issuer with personal information on individuals connected with the investor (for example, directors, officers, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals may be providing the Issuer and its affiliates and/or delegates with certain personal information which constitutes personal data within the meaning of the DPA. The Issuer shall act as a data controller in respect of this personal data and its affiliates and/or delegates may act as data processors (or data controllers in their own right in some circumstances).

By investing in the Notes, the Noteholders shall be deemed to acknowledge that they have read in detail and understood the privacy notice (a copy of which may be requested from the Issuer by email at Johny.K@ahlibank.com.qa) and that such privacy notice provides an outline of their data protection rights and obligations as they relate to the investment in the Notes.

Oversight of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Issuer could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

SELECTED FINANCIAL INFORMATION

The following information has been extracted from, and should be read in conjunction with, and is qualified in its entirety by reference to, the Financial Statements, which are included in this Base Prospectus.

Consolidated Statement of Financial Position Data

The table below shows consolidated statement of financial position information of the Group as at and for the years ended 31 December 2022, 2023 and 2024.

	As at 31 December		
	2022	**2023**	**2024**
		(QAR '000s)	
Assets			
Cash and balances with central bank	1,806,925	1,855,428	2,179,749
Due from banks	3,768,484	14,760,032	11,730,677
Loans and advances to customers	34,032,233	34,753,943	35,663,319
Investment securities	8,339,404	8,381,744	9,444,936
Property and equipment	230,186	222,997	333,483
Other assets	398,169	490,025	238,858
Total assets	**48,575,401**	**60,464,169**	**59,591,022**
Liabilities			
Due to banks and central bank	3,988,316	15,001,235	12,829,154
Customer deposits	28,953,683	29,644,983	32,153,643
Debt securities	5,481,161	5,489,434	3,661,583
Other borrowings	1,459,508	1,461,745	1,460,814
Other liabilities	717,875	621,992	1,032,568
Total liabilities	**40,600,543**	**52,219,389**	**51,137,762**
Equity			
Share capital	2,551,146	2,551,146	2,551,146
Legal reserve	1,940,379	2,024,030	2,113,192
Risk reserve	753,108	753,108	757,471
Fair value reserves	(45,533)	(37,294)	(16,680)
Retained earnings	1,683,758	1,861,790	1,956,131
Total equity attributable to equity holders of the bank	**6,882,858**	**7,152,780**	**7,361,260**
Instruments eligible for additional capital	1,092,000	1,092,000	1,092,000
Total equity	**7,974,858**	**8,244,780**	**8,453,260**
Total liabilities and equity	**48,575,401**	**60,464,169**	**59,591,022**

Consolidated Statement of Income Data

The table below shows consolidated statement of income information of the Group as at and for the years ended 31 December 2022, 2023 and 2024.

	Year ended 31 December		
	2022	**2023**	**2024**
		(QAR '000s)	
Interest income	2,060,324	3,210,394	3,536,797
Interest expense	(783,817)	(1,809,463)	(1,892,715)
Net interest income	**1,276,507**	**1,400,931**	**1,644,082**
Net fee and commission income	**166,517**	**147,331**	**135,136**
Foreign exchange gain - net	59,509	33,542	48,136
Net (loss)/gain on investment securities	(8,381)	4,047	9,833
Other operating income	3,880	3,139	2,856
Total operating income	**1,498,032**	**1,588,990**	**1,840,043**
Staff costs	(177,619)	(185,764)	(189,809)
Depreciation	(30,104)	(26,892)	(26,360)
Net reversal of impairment/(impairment) on investment securities	611	(1,453)	(9,805)
Net impairment on loans and advances to customers	(386,803)	(360,076)	(541,713)
Net impairment on other financial assets	(3,817)	(4,302)	(1,179)
Impairment on repossessed collateral	-	(25,000)	(9,000)
Other expenses	(128,512)	(148,998)	(170,553)
	(726,244)	**(752,485)**	**(948,419)**
Profit for the year	**771,788**	**836,505**	**891,624**

Consolidated Statement of Comprehensive Income Data

The table below shows consolidated statement of comprehensive income information of the Group as at and for the years ended 31 December 2022, 2023 and 2024.

	Year ended 31 December		
	2022	2023	2024
		(QAR '000s)	
Profit for the year	**771,788**	**836,505**	**891,624**
Other comprehensive (loss)/income for the year			
Items that will be reclassified subsequently to income statement:			
Net change in fair value of debt instruments classified as FVOCI	(54,120)	8,239	20,614
Other comprehensive (loss)/income for the year	**(54,120)**	**8,239**	**20,614**
Total comprehensive income for the year	**717,668**	**844,744**	**912,238**

Consolidated Statement of Cash Flow Data

The table below shows selected consolidated statement of cash flow information of the Group as at and for the years ended 31 December 2022, 2023 and 2024.

	Year ended 31 December		
	2022	2023	2024
		(QAR '000s)	
Net cash from/(used in) operating activities	1,498,739	5,480,956	(2,729,951)
Net cash from/(used in) investing activities	177,947	(57,643)	(1,092,335)
Net cash used in financing activities	(1,875,671)	(543,398)	(2,510,249)
Cash and cash equivalents as at 1 January	4,185,176	3,986,191	8,866,106
Cash and cash equivalents as at 31 December	3,986,191	8,866,106	2,533,571

Selected Ratios

The table below shows selected consolidated ratios of the Group as at and for the years ended 31 December 2022, 2023 and 2024. The ratios are unaudited and have been prepared based on management information and information in the Financial Statements.

	Year ended 31 December		
	2022	2023	2024
		(per cent.)	
Selected ratios:			
Return on average assets(1)	1.6	1.6	1.5
Return on average equity(2)	11.7	12.2	12.6
Cost income ratio(3)	22.4	22.8	21.0
Net interest margin(4)	2.6	2.3	2.5
Non-performing loans ratio(5)	2.6	2.5	2.9
Provisioning charge/non-performing loans ratio(6)	199.0	233.6	237.9
Total capital including capital conservation buffer and domestic systematic important bank buffer(7)	20.5	21.0	21.2

(1) Calculated as profit for the year divided by average total assets for the period. Average total assets are calculated on a daily basis.
(2) Calculated as profit for the year divided by average total equity for the year. Average total equity is calculated on a daily basis.
(3) Calculated as the sum of staff costs, other expenses, and depreciation, divided by operating income. Operating income is calculated as the sum of net interest income, net fee and commission income and other income (foreign exchange gain – net, net (loss)/gain on investment securities and other operating income).
(4) Calculated as yield minus cost of funds. Yield is calculated as interest income divided by daily average interest bearing financial assets. Cost of funds is calculated as interest expense divided by daily average of interest bearing financial liabilities.
(5) Calculated as non-performing loans and advances to customers divided by gross loans and advances to customers.
(6) Calculated as allowance for impairment of loans and advances to customers divided by gross non-performing loans and advances to customers.
(7) The total capital adequacy ratios are calculated according to Basel III methodology.

BUSINESS DESCRIPTION OF ABQ

Overview

ABQ was incorporated in 1983 as a Qatar public shareholding company under Emiri Decree No. 40 dated 16 June 1983. ABQ's commercial registration number is 8989 and its place of registration is Doha. ABQ is licenced to practise banking activities by the QCB under licence no. RM/13/1984. The registered office of ABQ is at Suhaim Bin Hamad Street, Al Sadd, P.O. Box 2309, Doha, State of Qatar and its telephone number is +974 4423 2222. The website of ABQ is https://www.ahlibank.com.qa/en/personal. The information on https://www.ahlibank.com.qa/en/personal does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

As at 31 December 2024, the issued share capital of ABQ was QAR 2,551,146,170 divided into 2,551,146,170 ordinary shares with a nominal value of QAR 1 each. ABQ is listed on the QSE and had a market capitalisation of approximately QAR 8.8 billion as at 31 December 2024. Approximately 47.71 per cent. of the share capital of ABQ is held by QIA (which is a wholly-owned Qatari government entity) and its wholly-owned subsidiaries, and the remaining 52.29 per cent. of ABQ's shares is mainly held by Qatari firms and individuals (see further "—*Shares and shareholders*").

ABQ has a network of 12 branches and 96 ATMs throughout Qatar and offers a wide range of wholesale and retail banking products and services including loans, deposits, investment solutions and other typical banking products and services to its corporate, retail and private customers. The five principal areas of business of ABQ are corporate banking, international banking, treasury and investment (including brokerage services), retail banking and private banking.

ABQ was formerly known as Al-Ahli Bank of Qatar until 2004 when its name was changed to Ahli Bank (now Ahli Bank Q.P.S.C) (see further "—*History*"). ABQ was established with a focus on corporate, retail and private banking and with a view to expanding its customer base primarily in Qatar.

ABQ has three wholly-owned subsidiaries: (i) Ahli Brokerage Company LLC ("**ABC**"), which was established as a single person company in 2010 to offer ABQ's brokerage services; (ii) ABQ Finance Limited; and (iii) ABQ Innovative LLC established in 2024 for consulting services. ABC is licenced by the QFMA and is a member of the QSE. ABC began operations on 24 July 2011 and, as at 31 December 2024, ABC had issued share capital of QAR 50,000,000. ABQ Finance Limited, which was established in the Cayman Islands on 3 March 2016, is also wholly-owned by ABQ and was established for the purposes of the issuance of notes under ABQ's Euro Medium Term Note Programme (the "**EMTN Programme**").

As at 31 December 2024, the Group had a low non-performing loan ("**NPL**") ratio of 2.91 per cent., which it believes is reflective of its strong risk culture. ABQ's conservative credit and provisioning policy, together with its focus on corporate governance and effective risk management has enabled ABQ to establish and maintain a high-quality portfolio of assets. ABQ currently has long-term foreign currency issuer default ratings of A from Fitch and A2 from Moody's, each with a stable outlook.

As at 31 December 2024, the Group had total assets of QAR 59,591.0 million. The Group's profit for the year ended 31 December 2024 was QAR 891.6 million, compared to QAR 836.5 million for 2023 and QAR 771.8 million for 2022. The Group had a tier 1 capital ratio including capital conservation buffer of 20.06 per cent. and a total capital, including capital conservation buffer and domestic systematic important bank buffer, of 21.24 per cent. as at 31 December 2024, above the minimum requirements of the QCB and the capital adequacy and liquidity requirements of the Basel Committee on Banking Supervision ("**Basel III**"), which are 10.50 per cent. and 12.50 per cent., respectively.

Shares and shareholders

As at 31 December 2024, the issued share capital of ABQ was QAR 2,551,146,170 divided into 2,551,146,170 ordinary shares with a nominal value of QAR 1 each.

ABQ has over 1,000 shareholders as at 31 December 2024. Approximately 47.71 per cent. of the share capital of ABQ is held by QIA and its wholly-owned subsidiaries, and the remaining approximately 52.29 per cent. of ABQ's shares are held by Qatari firms and individuals.

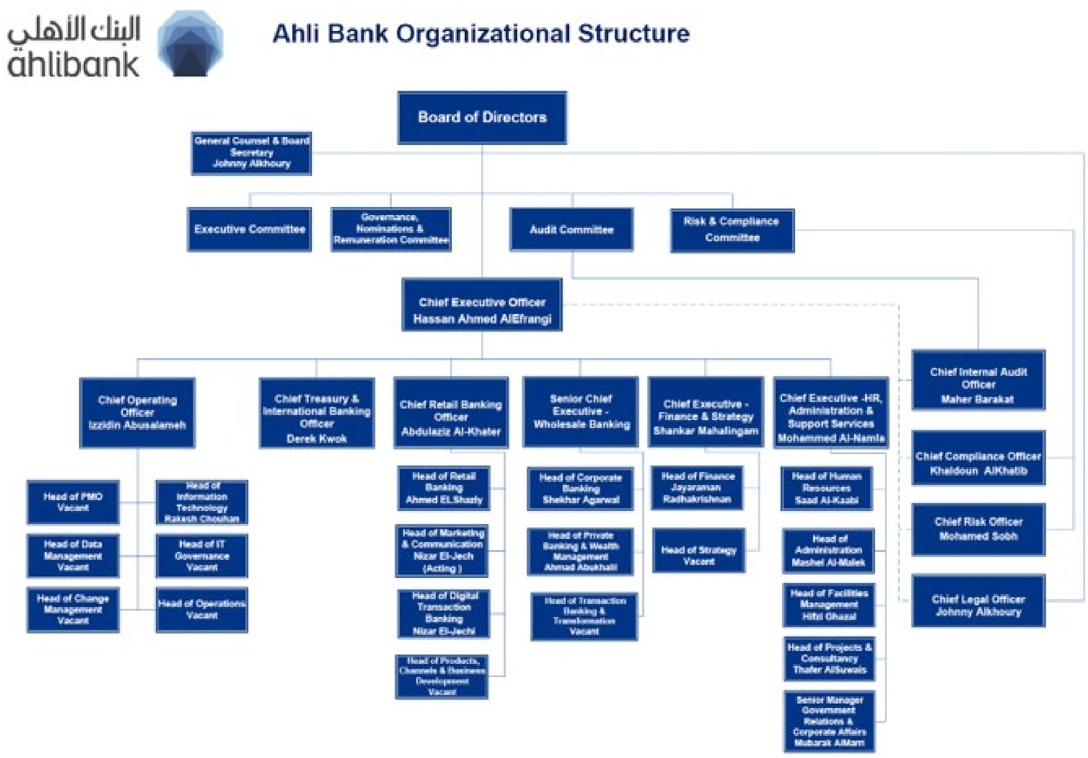
The table below shows ABQ's shareholding structure as at 31 December 2024:

Shareholder	Category	Domicile	Shareholding
			per cent.
QIA and wholly-owned subsidiaries	Government-related	Qatar	47.71
Qatari corporations, individuals and others[(1)]	Other	Qatar	52.29
Total			100.00

[(1)] No shareholder other than QIA and its wholly-owned subsidiaries owns more than 5 per cent. of ABQ's share capital.

Organisation Chart

The following chart sets out the organisation structure of ABQ as at the date of this Base Prospectus.



Awards and Accolades

Since 2021, ABQ has received the following awards and accolades:

- In 2021, ABQ was awarded the winner of "The Next 100 Global Awards – 2020 Treasury" award by the Global Banking and Finance Review;
- In 2021, ABQ was awarded "Best Bank for Treasury Services Qatar" by the Global Banking and Finance Review;
- In 2022, ABQ was awarded "Best Performing Company" at Alam Al-Iktisaad Awards 2022;
- In 2023, ABQ was awarded "Best Bank for Treasury Services – Qatar 2023" by the Global Banking and Finance Review; and
- In 2023, 2024 and 2025, ABQ was awarded "Best Bank for Treasury Services – Qatar 2023, 2024 and 2025" by the Global Banking and Finance Review.

Strategy

ABQ employs a measured approach to its growth strategy and its main goal is to achieve growth while maintaining sound asset quality and strong capitalisation and liquidity. The main theme of ABQ's strategic goal is to focus on sustainability of returns instead of on their size. In addition, ABQ has a long-term goal of increasing the non-interest income contribution to ABQ's total income.

ABQ has a strategic vision in respect of each of its retail and corporate banking divisions, in each case focusing on the main strategic initiatives discussed below.

Retail Banking

The Retail Banking division's strategic vision is to become one of the best retail financial service providers in Qatar offering the most personalised banking experience. As part of the division's focus to also grow fee income, sales of savings and Bancassurance plans were stepped up. The growth in the Retail Banking division is focused on:

- ***Product innovation:*** to meet the changing needs of ABQ's targeted customer demographics and to position itself to adapt to future developments in the banking sector, ABQ remains committed to improving customer experience and launched its first, innovative contactless Visa Debit and Credit Cards, and contactless ATMs. The bank offered contactless ATMs to its customers in October 2018. Enhancing the customer offering is at the forefront of ABQ's vision of providing a world-class digital experience in Qatar. Immediate priorities include overhauling the online banking and mobile banking application to enhance customers' experience. Another priority will be the provision of e-wallets and remittance services that enhance the suite of product offerings. These initiatives also enable ABQ to develop the concept of "paperless" banking in the future, and offer it successfully to its customers. Other planned future products and initiatives include providing VIP credit cards, more bancassurance products and a pre-paid, multi-currency and virtual card programme. The initiatives also focus on providing a seamless experience in line with international best practices.

- ***Increase overall profitability:*** ABQ intends to generate higher revenue from the Retail Banking segment. It aims to achieve this by ensuring the stability of current customer relationships, particularly its relationships with families in Qatar, and harnessing these relationships through the customer lifecycle management methodology, including customer profitability analysis, as well as expanding its customer base with a particular focus on anticipated growth areas such as the youth segment. ABQ believes that the youth customer segment will respond positively to the new modern image and automated capabilities of ABQ including, in particular ABQ's new mobile banking applications for iOS and Android smart phone operating systems and its social media advancements including its LinkedIn page and YouTube channel.

- ***Distribution network and digitalisation:*** In line with the ongoing migration of transactions to digital channels and with a significant volume of transactions now taking place outside the branch, ABQ continues to optimise its branch and ATM network. Additionally, the bank's ATMs are being installed at prominent locations to improve the presence as well as brand exposure. The overall strategy regarding the distribution network is to focus on the integration of modern technologies to enhance customer experience while at the same time maximising efficiency and revenue and reducing ABQ's cost base as far as possible. This will also involve a complete enhancement of ABQ's ATM network to provide the latest services to its customers and migrate routine tasks from the branches to the remote channels. i.e. ATMs/cash and cheque deposit machines, e-statements and online banking. Plans are afoot to transform select ATMs into kiosks providing a wider set of banking services, 24x7, otherwise available only through branches.

Corporate Banking

The Corporate Banking division's strategic vision is to position itself as the first choice for corporate banking clients and to be among the top three Qatari banks in terms of portfolio quality, client service and brand image. Key strategic priorities of the Corporate Banking division are:

- ***Strong franchise***: expanding its strong corporate banking franchise and, in particular, capitalising on its deep knowledge of Qatar and the Qatari banking market where it conducts most of its business with corporate, institutional and government and government related banking customers. In this way, Corporate Banking seeks to enhance growth in a sustainable manner and in line with ABQ's overall strategic goals. The Corporate Banking division will use its strong market knowledge and existing relationships to continue to target Qatari-government sponsored projects and the companies involved in those projects.

- ***Relationship-oriented business model***: a relationship driven banking approach with the aim of maximising the cross-sell of its product and service offerings and leveraging its corporate relationships to diversify income streams.

- ***Growth with high quality assets***: as a first line of defence, manage growth with a disciplined approach to risk, underpinned by well-defined know-your-customer ("**KYC**") procedures. ABQ seeks to grow its corporate banking business while at the same time maintaining prudence in lending activities along with better-than-industry-average levels of NPL.

- ***Risk diversification***: expanding the client base across industries and sectors in order to reduce concentration risk, manage liquidity and provide more stable funding.

- ***Digitisation***: Corporate Banking is actively pursuing a digitisation strategy by investing in automation tools and adopting the latest technologies.

In addition to the above, ABQ's general strategic goals are:

- reducing concentration risk on its balance sheet (on the asset side as well as on the liabilities side);

- improving the maturity profile of its balance sheet by focusing on medium/long-term funding;

- improving its funding profile by diversification of its sources of funding; and

- periodic re-pricing of its loans and deposits in order to maintain its net interest margin at healthy levels.

Business Strengths

ABQ benefits from a number of business strengths. In particular:

- ***Qatari government related ownership and support***: The Qatari government (through QIA and its wholly-owned subsidiaries) indirectly owned approximately 47.71 per cent. of ABQ's shares as at 31 December 2024. Further, and in common with other Qatari banks, ABQ benefitted from government support measures during the previous global financial crisis and Qatar Blockade. The Qatari government and related agencies are also significant depositors, accounting for 38.1 per cent. of the Group's customer deposits (excluding interest payable) as at 31 December 2024.

- ***Strong franchise and relationship-oriented business model***: ABQ benefits from its long and deep-rooted knowledge of the Qatari market and believes that it is entrenched in the mind of the local community, with strong customer relationships across all business units. ABQ's business model emphasises relationship banking instead of transaction banking, building on both sides of the balance sheet and cross-selling across ABQ's departments.

- ***Strong capitalisation, high levels of liquidity and sound asset quality***: ABQ has healthy capital ratios. As at 31 December 2024, the Group's tier 1 capital ratio including capital conservation buffer was 20.06 per cent. and its total capital including capital conservation buffer and domestic systematic important bank buffer was 21.24 per cent. (calculated according to Basel III methodology, as applied by the QCB). ABQ also believes that it benefits from sound asset quality with an NPL ratio of 2.91 per cent. as at 31 December 2024 and conservative provisioning (the Group's provisioning charge/non-performing loans ratio (being total allowance for impairment of loans and advances to customers divided by gross non-performing loans and advances to customers) was 237.9 per cent. as at 31 December 2024). ABQ believes that its capitalisation, liquidity and asset quality afford it flexibility in the future development of its business.

- ***Specific geographic focus***: ABQ benefits from its focus on Qatar. Qatar had benefitted from high oil prices in recent years, with real GDP growth rates of 4.2 per cent. in 2022 and 1.6 per cent. in 2023, according to the IMF. According to the QCB, Qatar's GDP per capita stood at QAR293.3 thousand (U.S.$80.5 thousand) in 2022. Although there has been heightened political unrest in the region, which has brought about some challenges (with many regional and international economic indicators reflecting subdued performance), Qatar achieved growth of 1.8 per cent. in the third quarter of 2024 (source: *QCB Quarterly Statistical Bulletin December 2024*) and has, in recent years, been committed to diversifying its economy in an effort to reduce its historical dependence on oil and gas revenues. For instance, nominal GDP for the non-oil and gas sector reached QAR479.2 billion (U.S.$131.6 billion), or 55.8 per cent. of Qatar's total nominal GDP, in 2022. In addition, Qatar has a proven track record of support for its banking sector, including equity injections and real estate loan portfolio purchases in the period following the 2008 global financial crisis. The banking sector is expected to continue to play a critical role in the Qatar National Vision 2030.

- ***Strong risk culture***: ABQ's management believes that it has implemented a strong risk culture that permeates the whole bank and its employees. ABQ's risk governance framework and risk management procedures and controls are described in detail under "*Risk Management*" and management believes that its integrated risk management approach and the strength of risk management systems is illustrated in the quality of its assets.

- ***Strong management team with proven track record***: ABQ has a strong Board and management team in place with significant banking and financial services experience. ABQ's senior management comprises 12 individuals with an average experience of more than 25 years. ABQ's senior management team has a diverse range of nationalities and qualifications reflecting ABQ's aim of increasing its intellectual capital at senior levels. In addition, in 2024, ABQ recognised 57 long-serving employees for their commitment and service to ABQ. The knowledge and experience of these employees supports ABQ in developing its strategy of meeting the changing needs of the banking community in Qatar. See further, "*Management and Employees*".

Business Segments

Overview

The Group is organised into two major operating segments:

- *Retail & private banking and wealth management (herein referred to as "retail banking segment")*: this segment principally handles individual customers' deposit and current accounts and provides consumer loans, residential mortgages, overdrafts, credit cards and fund transfer facilities. The Group's high net worth customers are serviced through the premium and private banking and wealth management businesses, which offer a range of investment products, credit facilities and alternative investments.

- *Corporate banking, treasury, investments and brokerage subsidiary (herein referred to as "remaining business divisions")*: this segment principally handles loans and other credit facilities, and deposit and current accounts of the Group's corporate and institutional customers. This segment also provides money market, trading and treasury services, as well as manages the Group's funding. The brokerage services are offered through ABC.

The Group's retail banking segment accounted for -1.5 per cent. of the Group's profit for 2024 and generated 9.3 per cent. of the Group's profit for 2023. The remaining business divisions generated 101.5 per cent. of the Group's profit for 2024 and 90.7 per cent. of the Group's profit for 2023.

The tables below show certain financial information in relation to each reporting segment for each of the three years ended 31 December 2022, 2023 and 2024 (see Note 6(i) to the 2023 Financial Statements and Note 6(i) to the 2024 Financial Statements).

	As at/for the year ended 31 December 2022		
	Retail & private banking and wealth management	**Corporate banking, treasury, investments and brokerage subsidiary**	**Total**
		(QAR '000s)	
Total segment operating income	311,794	1,186,238	1,498,032
Reportable segment profit	169,598	602,190	771,788
Reportable segment assets	7,995,286	40,580,115	48,575,401
Reportable segment liabilities	16,005,506	24,595,037	40,600,543

	As at/for the year ended 31 December 2023		
	Retail & private banking and wealth management	**Corporate banking, treasury, investments and brokerage subsidiary**	**Total**
		(QAR '000s)	
Total segment operating income	310,916	1,278,074	1,588,990
Reportable segment profit	77,688	758,817	836,505
Reportable segment assets	7,521,250	52,942,919	60,464,169
Reportable segment liabilities	16,805,142	35,414,247	52,219,389

	As at/for the year ended 31 December 2024		
	Retail & private banking and wealth management	**Corporate banking, treasury, investments and brokerage subsidiary**	**Total**
		(QAR '000s)	
Total segment operating income	247,632	1,592,411	1,840,043
Reportable segment (loss) / profit	(13,165)	904,789	891,624
Reportable segment assets	7,929,414	51,661,608	59,591,022
Reportable segment liabilities	17,071,482	34,066,280	51,137,762

Retail Banking Segment

Retail Banking Division

As at 31 December 2024, the retail banking division accounted for 10.0 per cent. of the Group's assets and 24.4 per cent. of its liabilities, compared to 9.6 per cent. and 24.1 per cent., respectively, as at 31 December 2023. For 2024, Retail Banking generated 11.9 per cent. of the Group's operating income, compared to 16.1 per cent. for 2023. Retail Banking generated 16.1 per cent. of the Group's operating income for 2023, compared to 17.3 per cent. for 2022.

The Retail Banking division is led by the Chief of Retail Banking Officer, supported by a dedicated team of 130 professionals. This division primarily manages ABQ's individual customers' accounts, including deposits and current accounts, and offers a wide range of consumer lending options such as personal loans, residential mortgages, auto loans, overdrafts, and various types of credit, debit and payroll cards. The division mainly focuses on serving Qatari and Expats customers, as well as affluent and premium individuals.

ABQ's products and services are accessible through multiple channels, including a network of 12 branches and alternative distribution channels. These include a network of 96 ATMs, a 24/7 Contact Centre and ABQ's Online and Mobile banking channels, available for both Android and Apple devices.

ABQ's Online and Mobile banking provide customers with convenient, secure access to a full suite of banking services anytime, anywhere. Customers can easily manage their accounts, check balances, view transaction history, and make payments or transfers both locally and internationally. With features such as bill payments, credit card management, ABQ's digital platforms are designed to simplify everyday banking. Additionally, ABQ's website has all the information to provide customers with the wide range of products and services offered. It also features a product selector and a loan calculator to help customers find the most suitable banking solutions for their needs. ABQ's lending management system has reduced credit approval times from four days to under 30 minutes.

The Retail Banking division offers a variety of customer-centric products, including the Al-Rabeh Savings account which consists of yearly draws for valuable cash prizes, the Junior Savings account with a dedicated Debit Card for children under 18 years old, and competitively priced personal, auto, and mortgage loans.

ABQ also provides a comprehensive selection of Credit Cards, such as the Visa Infinite, Signature and Platinum Credit Card, offering valuable benefits to customers, including travel insurance, international airport lounge access, discount at selected partners, and a loyalty rewards program in partnership with Qatar's flagship airline, leading mobile service providers, and prominent retail brands in Qatar. Customers can redeem their points earned on their spending using their Credit Cards, to enjoy benefits and services from participating partners.

Moreover, ABQ offers the "Payroll Card", introduced in line with Qatar's Wage Protection System, a government initiative to ensure timely salary payments, monitored by the Ministry of Labor and the Qatar Central Bank. The Payroll Card, Qatar's first open Debit Card of its kind, enables customers to access their funds through ATMs and POS terminals both domestically and internationally.

Private Banking and Wealth Management Division

As at 31 December 2024, the private banking and wealth management division accounted for 3.3 per cent. of the Group's assets and 9.0 per cent. of its liabilities, compared to 2.8 per cent. and 8.1 per cent. respectively, as at 31 December 2023. For 2024, the private banking and wealth management division generated 1.6 per cent. of the Group's operating income, compared to 3.5 per cent. for 2023. The private banking and wealth management division generated 3.5 per cent. of the Group's operating income for 2023, compared to 3.5 per cent. for the year ended 31 December 2022.

The private banking and wealth management division comprises the Head of Private Banking supported by a team of dedicated relationship managers who aim to provide a professional and proactive wealth management service offering bespoke asset and liability management solutions.

The private banking and wealth management division provides banking and investment solutions to ABQ's high net worth clients in Qatar, including individuals, families, trusts, and private businesses. Private banking solutions include private current and call accounts, savings and deposit accounts and flexible mortgage (both domestic and cross-border) and lending solutions tailored to the client's specific borrowing needs. The division's investment solutions include local and international fixed-income bonds from AAA to non-investment grade and structured notes. Through ABQ's subsidiary, ABC, private banking clients can also access the QSE to invest and trade in the local equity market.

The private banking and wealth management division will continue to seek to increase its high-net-worth customer-base as well as deepen existing relationships. The division seeks to meet its objectives through the provision of professional and knowledgeable support, the introduction of new products and by improving awareness of the investment solutions available to the Qatar community. ABQ also intends to invest in accredited certifications of the division's private banking relationship managers.

Remaining Business Divisions

Corporate Banking Division

As at 31 December 2024, the corporate banking division accounted for 49.8 per cent. of the Group's assets and 26.9 per cent. of its liabilities. Corporate Banking generated 41.5 per cent. of the Group's operating income for 2024. The corresponding figures for the years ended 31 December 2023 and 2022 were 48.0 per cent. and 57.3 per cent. of the Group's assets, 21.5 per cent. and 27.9 per cent. of its liabilities and 48.6 per cent. and 51.8 per cent. of the Group's operating income, respectively.

The corporate banking division comprises the Head of Corporate Banking supported by a team of 26 professionals. The Corporate Banking division benefits from a diversified asset portfolio and offers a range of products and services to ABQ's corporate customers, including working capital finance, overdraft facilities, project and contractor finance, medium and long-term loans (including syndicated lending), equipment and fleet finance, structured finance, collections and other payment solutions and trade finance solutions such as documentary credits or collections and guarantees.

The corporate banking division is focused on Qatar with its primary target customers being large corporates and quasi-government entities operating in various economic sectors including oil and gas, petrochemicals, manufacturing, trading, real estate, contracting, telecommunications, shipping and aviation. The Corporate Banking division's contract financing offering focuses on local contractors with a proven track record with a preference for government and quasi-government projects. Corporate Banking also has a strong portfolio of customers in the trading sector including food, fast moving consumer goods, consumer durables, auto and luxury products. Corporate Banking also provides financing for residential, commercial and mixed-use projects with a focus on promoters with a proven track-record and projects with strong cash flows and high security coverage.

The advancement of technology-enabled banking solutions has enhanced the corporate banking division's product and services offering. Examples include comprehensive online banking channel, which is being further enhanced to better serve the client's business requirements and improve overall banking experience; digitisation of internal processes and work-flow for faster turnaround time, better monitoring and superior client servicing.

Corporate banking has strong relationships with existing customers and is committed to maintaining these relationships as well as seeking out opportunities to develop new relationships and become a strategic partner of choice for Qatari corporations. ABQ's focus continues to be involved in the financing of some of the major infrastructure, transportation and hospitality projects that are currently under way or planned as part of the Qatar National Vision 2030.

Treasury Division

As at 31 December 2024, the treasury division accounted for 20.1 per cent. of the Group's assets and 10.2 per cent. of its liabilities, compared to 23.0 per cent. and 12.7 per cent., respectively, as at 31 December 2023. For 2024, the treasury division generated 8.4 per cent. of the Group's operating income, compared to 9.0 per cent. for 2023 and 13.7 per cent. for 2022.

In 2023, the treasury division is led by the Chief Treasury and International Banking Officer and supported by a team of eight professionals. This division is responsible for managing the Group's balance sheet, including overseeing ABQ's day-to-day funding requirements by monitoring cash flow, liquidity, and regulatory ratios in a controlled manner. It also manages all cross-border activities, including coordinating discussions with international rating agencies and strengthening relationships with key global financial institutions.

The treasury division plays a crucial role in diversifying and expanding ABQ's funding sources, particularly through coordinating the medium to long-term funding program with banks and financial institutions. It also reviews ABQ's funding options across both traditional banking and debt capital markets.

Key ratios monitored daily by the division include the Leverage Ratio, Liquid Assets to Total Assets Ratio, Loan to Deposit Ratio, Liquidity Coverage Ratio (Basel III), and the Net Stable Funding Ratio (Basel III).

The treasury division works closely with other business units to offer treasury solutions to ABQ's customers, including local corporates, quasi-government entities, and high-net-worth individuals. Its dedicated sales team structures and sells treasury and investment instruments, offering products tailored to meet the evolving financial needs of ABQ's clients. The product offering includes foreign exchange hedging instruments (forwards, swaps, and options), deposits, bonds, Sukuk, interest rate derivatives, fixed-income products, and structured deposits. The division's derivatives desk also structures and executes interest rate, foreign exchange, commodities, and credit derivatives for both ABQ's own hedging purposes and customer transactions.

To increase ABQ's profitability, the treasury division promotes appropriate investments to the Investment Committee, making recommendations that align with the Board-approved Risk Appetite Statement, Framework, and ABQ's investment policies. Its activities focus on managing the Group’s liquidity, interest rate, and foreign exchange risks (see "*Risk Management-Liquidity Risk*"). As part of its risk management strategy, ABQ does not engage in proprietary trading in derivatives, with proprietary positions limited to foreign exchange and local equities within approved limits.

The proprietary investment portfolio primarily consists of Qatari sovereign and corporate bonds, utilising ABQ's available funding sources to optimise Net Interest Margin performance and ensure compliance with regulatory requirements.

To meet its objectives, ABQ remains committed to developing strategic banking partnerships with key international financial institutions and to expanding the range of treasury and investment solutions available to its clients.

Investment and Brokerage Subsidiary: Ahli Brokerage Company LLC

ABQ's brokerage services are offered through its wholly-owned subsidiary, ABC, which is a QFMA regulated and approved brokerage house at the QSE. The brokerage services which ABC is currently licenced to offer include executing orders for the buying and/or selling of securities for the account of others and trading securities for customers' own accounts. ABC has a global trading platform which enables ABQ's clients to access a range of investment products and to carry out trading activities in various jurisdictions around the world, including markets in the MENA region, Europe, Asia and the Americas.

Lending and Funding

Lending

ABQ's customer loan portfolio amounted to QAR 35,663.3 million, or 59.8 per cent., of its total assets at 31 December 2024 compared to QAR 34,753.9 million, or 57.5 per cent., of its total assets at 31 December 2023 and QAR 34,032.2 million, or 70.1 per cent., of total assets at 31 December 2022.

ABQ's management believes that the Group's conservative credit policy and effective utilisation of risk management tools has enabled it to maintain a high-quality loan portfolio. The table below shows the Group's customer loan portfolio by type as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		2023		2024	
	(QAR '000s)	*(per cent.)*	*(QAR '000s)*	*(per cent.)*	*(QAR '000s)*	*(per cent.)*
Loans	33,442,143	94.0	34,678,719	95.2	36,114,820	95.5
Overdrafts	1,781,380	5.0	1,462,175	4.0	1,349,191	3.6
Bills discounted	145,240	0.4	112,399	0.3	65,665	0.2
Acceptances	117,820	0.3	96,159	0.3	202,609	0.5
Other loans	74,970	0.2	79,652	0.2	72,024	0.2
Total gross loans and advances	**35,561,553**	**100.0**	**36,429,104**	**100.0**	**37,804,309**	**100.0**
Interest receivables	292,876	N/A	459,696	N/A	475,453	N/A
Allowance for impairment of loans and advances to customers - performing (Stage 1 and 2)	(1,029,035)	N/A	(1,347,827)	N/A	(1,761,748)	N/A
Allowance for impairment of loans and advances to customers - non performing (Stage 3)	(793,161)	N/A	(787,030)	N/A	(854,695)	N/A
Net loans and advances to customers	**34,032,233**	**N/A**	**34,753,943**	**N/A**	**35,663,319**	**N/A**

The table below shows ABQ's customer loan portfolio by industry segment as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		2023		2024	
	(QAR '000s)	*(per cent.)*	*(QAR '000s)*	*(per cent.)*	*(QAR '000s)*	*(per cent.)*
Loans and advances to customers						
Government and related agencies	287,359	0.8	2,797,081	7.7	2,768,266	7.3
Industry	1,329,700	3.7	1,106,989	3.0	857,877	2.3
Commercial	9,783,440	27.5	9,351,018	25.7	9,188,135	24.3
Services	10,312,895	29.0	9,757,911	26.8	10,328,763	27.3
Contracting	5,584,340	15.7	4,987,322	13.7	5,037,816	13.3
Real Estate	5,518,993	15.5	5,683,624	15.6	6,957,614	18.4
Personal	2,744,826	7.7	2,745,159	7.5	2,665,838	7.1
Total	**35,561,553**	**100.0**	**36,429,104**	**100.0**	**37,804,309**	**100.0**
Less: Interest receivables	292,876	N/A	459,696	N/A	475,453	N/A

	As at 31 December					
	2022		2023		2024	
	(QAR '000s)	*(per cent.)*	*(QAR '000s)*	*(per cent.)*	*(QAR '000s)*	*(per cent.)*
Allowance for impairment of loans and advances to customers	(1,822,196)	N/A	(2,134,857)	N/A	(2,616,443)	N/A
Total	**34,032,233**	**N/A**	**34,753,943**	**N/A**	**35,663,319**	**N/A**

The table below shows a breakdown of ABQ's real estate exposure as at 31 December 2022, 2023 and 2024.

	As at 31 December		
	2022	2023	2024
	(QAR millions)	*(QAR millions)*	*(QAR millions)*
Loans and advances to customers			
Real Estate Limit	11,679	12,054	12,353
Real Estate Exposure (On and off-balance sheet)	6,884	7,091	8,117
Un-utilized real estate limit based on QCB	4,795	4,963	4,236
Real Estate Ratio (per cent.)	88.4	88.2	98.6

The year-on-year increases in the value of commercial loans reflects ABQ's involvement in various financings for the country's current infrastructure projects as part of the Qatar National Vision 2030.

See "*Risk Management—Credit Risk*" for a discussion of the Group's loan origination and monitoring procedures, its loan classification system and an analysis of its NPLs and provisioning and write-off policies.

Funding

For a description of the Group's funding, see "*Financial Review—Liquidity and Funding—Funding*".

Investment Securities Portfolio

The Group maintains a significant portfolio of investment securities which principally comprises debt securities bearing fixed rates of interest. This portfolio provides the Group with a significant source of interest income and is also used as a funding tool. For 2024, interest income from the Group's investment securities comprised 8.2 per cent. of its total interest income, compared to 9.2 per cent. and 14.9 per cent for 2023 and 2022, respectively. In accordance with the Group's liquidity policy, at least 40 per cent. of the investment securities should be "repoable" at any given time.

As at 31 December 2024, 91.1 per cent. of the Group's gross investment securities portfolio represented investments measured at amortised cost, with 5.8 per cent. being Fair Value through Other Comprehensive Income ("**FVOCI**"). As at 31 December 2024, 96.8 per cent. of the Group's gross investment securities were interest bearing, with the balance being mutual funds and equity securities. As at 31 December 2024, all of the Group's interest-bearing securities carried interest at a fixed rate.

The table below shows a breakdown of the Group's net investment securities by type as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		2023		2024	
Investments measured at fair value through profit or loss (FVTPL)	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**
Mutual funds and equities	164,192	58,984	169,935	48,368	247,670	42,404
Total investments measured at fair value through profit or loss	**164,192**	**58,984**	**169,935**	**48,368**	**247,670**	**42,404**
Investments measured at fair value through other comprehensive income (FVOCI)	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**
State of Qatar debt securities	272,774	-	200,000	-	-	-
Other debt securities	585,724	-	564,761	-	530,336	-
Equities	-	11,402	-	11,402	-	11,402
Total investments measured at fair value through other comprehensive income	**858,498**	**11,402**	**764,761**	**11,402**	**530,336**	**11,402**

	As at 31 December					
	2022		2023		2024	
Investments measured at amortised cost (AC)	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**	**Quoted**	**Unquoted**
State of Qatar debt securities	6,067,965	-	6,216,957	-	6,647,738	-
Other debt securities	1,113,440	-	1,105,503	-	1,899,317	-
Total investments measured at amortised cost	**7,181,405**	**-**	**7,322,460**	**-**	**8,547,055**	**-**
Total investment securities	**8,204,095**	**70,386**	**8,257,156**	**59,770**	**9,325,061**	**53,806**

The Group's investment securities portfolio focuses on Government fixed income securities and treasury bills and other fixed income debt securities, with a high investment grade rating. This is in line with the Group's investment strategy to invest in securities with the desired credit quality and liquidity in order to contribute positively to ABQ's net income.

Competition

The Qatari banking sector is highly competitive, particularly with respect to retail banking activities, and currently comprises of 16 banks (nine of which are Qatari domestic banks), including four conventional banks, four Islamic banks, one specialised development bank owned by the State of Qatar and seven local branches of foreign banks.

The focus of foreign banks in Qatar is primarily related to trade finance, foreign currency operations and Qatari government-related business, although several of these foreign banks also provide personal accounts and related services to individuals resident in Qatar. Foreign banks in Qatar compete for the same business as ABQ and other domestic banks, but operate under certain restrictions imposed by the QCB. The lending limits of foreign banks are based on their local capital base; however, foreign banks have historically been permitted to obtain guarantees from their head offices when credits exceed their legal lending limits.

ABQ's principal domestic competitors in Qatar include Qatar National Bank, The Commercial Bank of Qatar, Doha Bank and Al Rayyan Bank.

Qatar has also established the QFC to attract new banks. The QFC has a low-tax environment, with a 10.0 per cent. tax on profits and allowing a 100 per cent. foreign ownership and profit repatriation. The QFC is targeting global institutions relevant to the energy and other key sectors of the Qatari economy and which have expertise in banking, insurance, asset management, financial advisory services, and securities and derivatives dealing, as well as Islamic finance. Institutions registered with the QFC fall into two categories:

- providers of "regulated activities" (essentially financial services); and
- providers of "non-regulated" activities (essentially activities in support of financial services).

QFC registered banks are currently subject to explicit restrictions on their local banking activities and, as a result, they cannot transact with retail customers in Qatar. However, these banks are often more experienced and able to offer more sophisticated products and services to corporate and institutional customers in Qatar, which adds another dimension to the competitive environment.

Information Technology

The digital transformation of the Group's business presents significant opportunities for growth and efficiency improvement, and for environmentally sustainable operations. The Group has adopted a "Digital First" approach to new products and services, which aims to lay a strong foundation for a paperless work environment, improve customer experience and enhance its suite of services. To promote the success of its digital transformation projects, the Group involves staff from multiple divisions. This collaboration enhances staff initiative and ownership in respect to the digital transformation projects.

The Group's belief is that digital transformation presents an opportunity for long-term value creation. This improves customer experience, security and compliance, and promotes an environmentally sustainable business. ABQ has embarked upon an ambitious "Digital Transformation Program" across bank-wide operations and processes (both customer-facing and internal) to elevate customer experience and boost operational efficiency. ABQ is also maximising customer engagement through digital channels and is automating bank branch processes. ABQ plans to deploy innovative solutions based on artificial intelligence, machine learning and other cutting-edge technologies.

ABQ's digital strategy is aligned to the Qatar National Vision 2030 and Qatar Central Bank's FinTech strategy. As part of Qatar Central Bank's recent digital initiatives, ABQ successfully rolled out instant payments (Fawran) and Himyan local debit cards to our customers. To further accelerate adoption of Himyan Cards in the country and to increase revenue for the bank, ABQ enabled FinTech partner Vodafone iPay to issue Himyan Debit Cards. To bolster customer experience of digital payments, ABQ has implemented Apple Pay, Google Pay, Samsung Pay and Fit-Bit payment services.

ABQ has deployed anti-money laundering and transactions monitoring systems based on artificial intelligence and advanced machine learning algorithms. In its commitment to provide safe and secure banking services, ABQ plans to deploy best-in-class Enterprise Fraud Management software. ABQ plans to implement this software in a phased manner to cover wider banking operations and customer services.

ABQ has also deployed cash deposit ATMs at branches, which enable corporate customers to deposit cash in bulk at all hours. ABQ has also enabled the straight-forward processing of cheques on its ATMs, further enriching customer service and increasing the efficiency of ABQ's branches.

In pursuit of its "Digital First" approach, ABQ plans to revamp and launch new products and services. ABQ has recently upgraded its Retail Online and Mobile Banking application to automate many services that priorly required manual customer performance. ABQ has plans for additional digital initiatives to drive customer engagement and business growth. For example, to enable faster and uniform omni channel customer experience, ABQ is planning to deploy an integrated and comprehensive Customer Relationship Management software.

The digital transformation of ABQ's business has resulted in the digitisation of both customer-oriented and internal processes. ABQ's customer focus is enhanced through innovation in digital banking products and solutions, as well as in its customer engagement related to our distribution and marketing.

Litigation

ABQ has formal controls and policies in place for managing any legal claims that may arise in the ordinary course of its banking operations. Once professional advice has been obtained and the amount of loss reasonably estimated, ABQ makes provision to account for any adverse effects which the claims may have on its financial standing. However, ABQ is not involved in any litigation, arbitration or administrative proceedings relating to claims which could have a material adverse effect on its financial condition or results of operations and is not aware of any such material litigation, arbitration or administrative proceeding that is pending or threatened. Therefore no material provision has been made as at 31 December 2024.

Insurance

ABQ maintains various insurance policies and coverage. These include comprehensive bankers blanket bond insurance (including for fraud), insurance for ABQ's financial and non-financial lines (including insurance for property all risk, sabotage and terrorism, workmen's compensation and third party liability), medical insurance for employees and their eligible dependents and life insurance for employees. In addition, ABQ also maintains credit life insurance for consumer loan and credit card customers.

Compliance

Overview

Compliance is an independent function that identifies, assesses, advises on, monitors and reports on bank compliance risk from which ABQ may suffer as a result of its failure to comply with applicable laws, regulations, codes of conduct and standards of good practice. Compliance is under the supervision of the Board Risk and Compliance Committee (BRCC). In turn, a compliance department ("**ABQ's Compliance Department**") reports directly to the BRCC to ensure its independency and the bank compliance function is reviewed regularly by the QCB and ABQ's internal and external auditors.

ABQ's business units adhere to the internal policies such as "anti-money laundering and counter the financing of terrorism (AML & CFT) Policy", "Compliance Policy" and "Code of Ethics and Business

Conduct" to ensure compliance with relevant legal and regulatory requirements. Moreover, ABQ's business units are adhering to the instructions issued by government regulators such as QCB, QFMA and QSE.

ABQ's Compliance Department has three main pillars, namely to advise, monitor and report, which are built on a foundation of a sound understanding of the appropriate regulatory requirements. Advising includes regulatory changes, compliance risk associated with new products and services, internal procedures and training. Monitoring includes identifying and evaluating violations related to ABQ's activities and new products, as well as identifying and evaluating the weaknesses in its internal procedures relevant to QCB regulations. Reporting includes sending quarterly reports to the BRCC and executive management on the highlighted violations, non-compliance and partially comply instances.

Know Your Customer ("KYC") and Anti-Money Laundering and Counter-Financing Terrorism ("AML & CFT") Aspects

ABQ has well-defined and comprehensive KYC policies and processes that include customer profiling, risk assessment and due diligence aspects. Every business relationship with ABQ is reviewed and rated against defined risk parameters that comply with applicable regulatory requirements. These relationships are subject to one of reduced, standard or enhanced due diligence procedures, depending on the level of assessed risk.

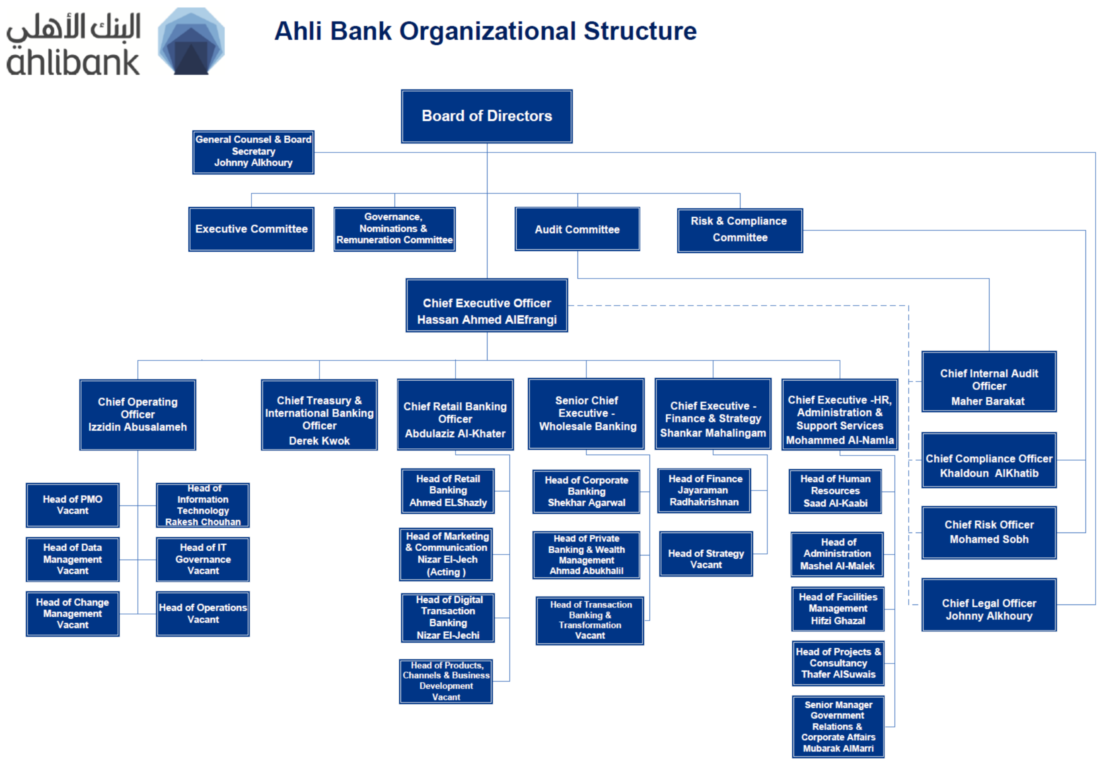
ABQ has adopted an internal "AML and CFT Policy and Procedures Manual" and "AML & CFT Customer Due Diligence Manual" and "Enterprise-Wide Risk Assessment (EWRA) Methodology" which are approved by the Board and which are designed to comply with applicable regulatory requirements. Accordingly, ABQ's Compliance Department and business units work together to ensure that bank customers and transactions are screened to ensure that they are not related to individuals/entities on the sanctions list of the United Nations, OFAC or other international sanctions lists or local sanction list of the "National Counter Terrorism Committee (NCTC)". Moreover, annual AML and CFT training is provided to all bank staff and staff of vendors to increase their awareness in this regard.

RISK MANAGEMENT

Overview

ABQ is exposed to different types of risks in its normal course of business, including credit risk, liquidity risk, market risk, operational risk, reputational risk, regulatory risk and information security risk. The core of ABQ's risk management philosophy is to measure these risks, manage the risk positions and determine capital allocations. ABQ regularly reviews its risk management policies and systems to align them with changes in markets, products and industry best practice. The objective of risk management is to protect ABQ's asset values and income streams in order to protect the interests of its shareholders and external fund providers, increase shareholder value and achieve a return on equity that is commensurate with the risks assumed.

ABQ has a risk management department (the "**RMD**") and an established risk management framework which is integral to the operations and risk culture of ABQ. As part of this framework, ABQ has developed several policies and procedures (the "**Risk Policies and Procedures**") which are designed to ensure that appropriate governance is exercised at all levels of ABQ, including the Board, the Board committees, the senior management team and through various management committees (see "—*Committees*"). The Board and senior management participate in reviewing and approving the Risk Policies and Procedures on an annual basis to ensure that the overall risk appetite of ABQ is reflected. The Risk Policies and Procedures are designed to identify and analyse risks, prescribe appropriate risk limitations and controls, identify different approval levels and monitor the level and incidence of such risks on an ongoing basis and prescribe appropriate remedial action. At the same time ABQ maintains its compliance with Basel III capital adequacy requirements and the regulations and guidelines of the QCB.



ABQ's risk governance framework is based on the principles of "Three Lines of Defence". Risks are proactively managed within this defined risk framework and in accordance with ABQ's Risk Policies and Procedures:

- *The first line of defence*: at this level, various departments define the risks and submit reports thereon; it includes departmental policies and procedures, employee roles, responsibilities and training, and management oversight of activities in line with agreed policies and procedures and ABQ's Corporate Governance framework.

- *The second line of defence*: at this level ABQ's internal control function, primarily the RMD, the Compliance Department and the Legal Affairs Department act to mitigate the risks falling within their powers and according to their authorities and duties. These departments ensure that the activities of ABQ are conducted within the operational risk management framework and within appropriate risk limits, as well as ensuring compliance with applicable legal and regulatory requirements. Regular monitoring and reporting are an integral part of these functions; and

- *The third line of defence*: at this level the Internal Audit Department carries out periodic reviews and evaluations to ensure the effectiveness and efficiency of internal controls and compliance with ABQ's Risk Policies and Procedures and regulatory requirements. The Internal Audit Department submits periodic reports of its activities to the Audit Committee of the Board.

ABQ believes that the risk management framework and procedures implemented by it have allowed it to maintain a low non-performing loans ("**NPL**") ratio of 2.91 per cent. as at 31 December 2024, 2.51 per cent as at 31 December 2023, 2.57 per cent. as at 31 December 2022. ABQ's provisioning charge/non-performing loans ratio (the ratio of total allowances for impairment of loans and advances to customers divided by gross non-performing loans and advances to customers) was 237.9 per cent. as at 31 December 2024, 233.6 per cent. as at 31 December 2023 and 199.0 per cent. as at 31 December 2022, reflective of ABQ's commitment to prudent risk management.

Committees

Governance provides the basic corporate framework around which ABQ's businesses and risks are managed and includes the establishment of Board and management committees with independent authorities and duties and due segregation of roles, business and risk strategy, risk appetite and policies. The Board is ultimately responsible for establishing ABQ's strategy, identifying and controlling risks, and for establishing and disseminating ABQ's overall risk appetite limits. To accomplish this objective, the Board had established several management committees which report into five Board committees which manage and monitor the risks faced by ABQ. In 2022, the QCB issued Circular no. (25/2022) on corporate governance (the "**Governance Instructions**"). ABQ actively seeks to implement the Governance Instructions and has structured certain of its Board and management committees in accordance with the Governance Instructions by separating the Audit, Risk and Compliance Committee into two separate committees, the Risk and Compliance Committee and the Audit Committee.

Board Committees

The four Board committees comprise:

*Board Risk and Compliance Committee ("**BRCC**")*

The BRCC is chaired by Sheikh Jassem Bin Mohammed Al-Thani and comprises two other members; Sheikh Salman Bin Hassan Al-Thani and Mr. Mohammed Fahad Al-Khulaifi. The BRCC held four meetings in 2024. The BRCC is responsible for developing and periodically updating the overall risk strategy of ABQ including the type and level of acceptable risks across the various business lines, such strategy to be approved by the Board. The BRCC is responsible for overseeing the overall compliance function of ABQ. It approves ABQ's compliance policies (including its anti-money laundering policy) and procedures to ensure ABQ's compliance with applicable laws and regulations and the effectiveness of internal control systems and risk management. It also adopts policies to monitor compliance including the function of an independent risk management department. The BRCC receives regular reports from the Compliance Department and raises any concerns and its recommendations to the Board. The BRCC also reviews reports submitted by the RMD and discusses steps that have been taken by management to evaluate, monitor and control credit risk, operational risk and market risk. In addition, the BRCC is responsible for ensuring that appropriate mechanisms are in place for the timely reporting of any policy breaches.

*Board Executive Committee ("**BEC**")*

The BEC is chaired by Mr Victor Nazim Rida Agha and comprises two members; Sheikh Salman Bin Hassan Al-Thani and Mr Jassem Al-Kaabi. The BEC did not hold any meetings during 2024 and passed all its resolutions by circulation in accordance with its terms of reference. The BEC is responsible for the overall management and operation of ABQ's affairs in accordance with ABQ's annual budget, business objectives and strategy and instructions related to the financial, administrative, operational, and credit policies as approved by the Board from time to time. The BEC also has responsibility for evaluating and approving certain credit facilities and for approving ABQ's investment activities within authorised limits set by the QCB guidelines and the internal credit policy of ABQ, in particular where the related values exceed the powers delegated to the executive management.

*Board Audit Committee ("**BAC**")*

The BAC is chaired by Sheikh Fahad Bin Falah Bin Jassem Al-Thani and comprises two other members: Mr. Nasser Abdullatif Al-Abdulla and Mr. Jassem Al-Ansari. The BAC held six meetings in 2024 and passed resolutions by circulation in accordance with its terms of reference. The BAC provides recommendations to the Board regarding the appointing of external auditors and the determination of audit fees. The BAC also reviews the plan and scope of internal audit, ensures co-ordination between the internal and external auditors and ensures that the internal audit process has adequate and effective resources to carry out its responsibilities on an annual basis. The BAC also reviews the financial statements of ABQ prior to submission to the Board and discusses any observations or reservations emanating from the audit or the final audit report. The BAC also reviews the content of any regulatory reports issued and responds accordingly.

*Board Governance, Nomination and Remuneration Committee ("**BGNRC**")*

The BGNRC is chaired by Sheikh Salman Bin Hassan Al-Thani and comprises two other member; Sheikh Jassem Bin Mohammed Al-Thani and Mr Nawaf Al-Mana. The BGNRC held four meetings in 2024. The BGNRC prepares and develops strategies and objectives, policies, systems, plans and budgets based on the directives of the Board. In addition, the BGNRC is responsible for ABQ's rewards, incentives and remunerations structure in accordance with ABQ's by-laws, QCB guidelines and applicable corporate governance regulations. It makes its recommendation on bonuses and remuneration to the Board based on approved annual performance evaluation systems. The BGNRC is also responsible for overseeing the process of nominations for Board membership.

Management Committees

Day-to-day management is overseen by seven management committees which report directly to the CEO.

The seven management committees comprise:

*Asset Liability Committee ("**ALCO**")*

The ALCO is chaired by the Chief Treasury and International Banking Officer and comprises five other members (including the CRO) and a secretary. Meetings of the ALCO are required to be held at least monthly or more frequently as required. The ALCO is responsible for monitoring and managing the financial position of ABQ including, but not limited to, balance sheet asset and liability structure, funding, pricing, hedging and capital management. The ALCO is also responsible for setting exposure limits and monitoring compliance. It also approves proposed funding strategies and monitors the maturity profile of ABQ on an overall basis with ongoing liquidity monitoring by the Treasury and Investments department. In addition, all trading activity of ABQ is also monitored at ALCO level.

The ALCO is a key component of risk management within ABQ. Assets and liabilities are managed with the objective of maximising shareholder value, enhancing profitability, and protecting ABQ from facing adverse consequences arising from extreme changes in market conditions or failure to comply with regulatory guidelines.

*Investment Committee ("**IC**")*

The IC is chaired by the Chief Treasury and International Banking Officer and comprises three other members (including the CRO). Meetings of the IC are required to be held at least nine times a year or as frequently as required. The IC is responsible for the approval and supervision of ABQ's proprietary investments within the limits set by the Board relating to the amount and type of investments that may be accepted. The IC's management of ABQ's investments is at all times with a view to optimising returns, maximising shareholder value, and enhancing profitability on an agreed risk return basis within the constraints imposed by regulatory guidelines promulgated by the QCB. The IC is also responsible for ensuring that ABQ's investment book provides a liquidity buffer and mitigates market risk attached to ABQ's investments.

*Credit Committee ("**CC**")*

The CC is chaired by the CRO and comprises four other members and a secretary. Meetings of the CC are required to be held at least quarterly or more frequently as required. The CC is responsible for supervising risk management activity at executive level. It is responsible for reviewing applications for credit facilities and approving such applications within its approval authority, or before presenting for higher approval authority in line with ABQ's overall business strategy and risk appetite statement. In addition, the CC is responsible for:

- reviewing and approving various policies and procedures;
- approving the establishment and renewal of country and bank limits;
- approving credit procedures and strategies and the risk approval criteria for ABQ's retail products;
- granting approval for corporate credit as well as any modification, as per the approved matrix;
- providing recommendations to the BEC regarding risk policies and credit approvals outside of its authority;
- determining credit pricing and security guidelines;
- monitoring the portfolio risk profile of ABQ, and recommending measures to address any negative trends identified; and
- ensuring the adequacy of impaired assets provisions.

*Operations Risk Committee ("**ORC**")*

The ORC is chaired by the CRO and comprises eleven other members and a secretary. Meetings of the ORC are required to be held on a quarterly basis or more frequently as required. The ORC is responsible for the active management of operational risks faced by ABQ on a day-to-day basis. The ORC supervises ABQ's management of operational risk primarily through the Board approved Operational Risk Framework (the "**ORF**") and the Operational Risk Policy (the "**ORP**"). Operational incidents, risk issues and key risk indicators are monitored by the ORC through the Operational Risk Management Dashboard which is prepared monthly. The ORC is also responsible for reviewing ABQ's Business Continuity Plan (the "**BCP**") and Disaster Recovery Plan (the "**DR**") which outline the procedures to be followed in a disaster scenario. It also reviews the Operational Risk Self-Assessments ("**ORSA**") which seek to access operational risks at departmental/process level.

*IT Steering Committee ("**ITSC**")*

The ITSC is chaired by the Chief Operations and Information Technology Officer and comprises five other members including a secretary. Meetings of the ITSC are held as frequently as required. The ITSC is responsible for the development and implementation of ABQ's IT strategies.

*Special Assets Committee ("**SAS**")*

The SAS is chaired by the CRO and comprises four other members and a secretary. Meetings of the SAS are required to be held at the committee chairperson's request, whilst proposals are approved by circulation unless a meeting is otherwise required for passing any resolutions, taking any decisions or issuing recommendations. The SAS is responsible for managing ABQ's loan loss provisioning and NPLs. The SAS supervises the day-to-day management of ABQ's special assets (which are categorised as assets which require extensive monitoring and control in order to minimise risk, prevent losses, maximise recoveries and restore profits through rehabilitation, restructuring, workout, collection or legal actions). SAS is responsible for ensuring that recovery action on all special assets is pursued rigorously and effectively and that the applicable regulatory requirements for provisions are implemented.

*Management Committee ("**MC**")*

The MC is chaired by the CEO and comprises fourteen other members, being the heads of all departments of ABQ and a secretary. Meetings of the MC are to be held at the committee chairperson's request. The MC acts as a consultative group for the CEO. It assists the CEO on a range of risk issues, particularly those surrounding strategic risk and legal risk.

Other Committees

ABQ has a number of other committees including the Purchasing Committee, Leasing Committee, Records Retention Committee, Tender Opening Committee, Whistle Blowing Committee, Special Assets Committee, Products Steering Committee, Emergency Response Committee and Information Security Steering Committee. These committees play a role in maintaining the daily operations of ABQ.

Credit Risk

Credit risk is the risk that a counterparty will fail to discharge its financial obligations to ABQ and will cause ABQ to incur a financial loss. Credit risk arises principally from ABQ's corporate, retail and private banking lending, trade finance, treasury and investment activities. ABQ monitors and evaluates credit exposures on an ongoing basis including potential concentrations of credit risk by country, product, industry or specific counterparty. The BRCC sets appropriate credit exposure limits in consultation with the CC and reviews and modifies credit risk parameters when required. ABQ seeks to manage its exposures through diversification of its lending activities to avoid undue concentrations of risk with particular individuals or groups of customers in specific geographic locations or industries. It also obtains adequate collateral wherever possible, including mortgages over real estate, trade receivables, cash or securities, in addition to corporate guarantees with the possibility of personal guarantees. The market values of collaterals are closely monitored by ABQ and ABQ will seek to obtain additional collateral in the event of a decrease in the value of the collateral.

Credit risk is actively managed from loan initiation to approval and disbursement, with all day-to-day management activities supervised by the CC and conducted in accordance with ABQ's Credit Policy and Procedures Manual and in compliance with the regulations of the QCB. The portfolio is actively monitored through a series of focused risk reports which monitor compliance with borrower credit and collateral conditions with the aim of detecting any early-warning signals in order to take timely corrective action. In its management of ABQ's credit risk, the RMD uses a series of risk tools and techniques such as rating models, and uses probability of default ("**PD**") and Loss Given Default ("**LGD**") calculators. ABQ also conducts regular stress-testing in compliance with QCB guidelines.

Loan originations – approval and authority

ABQ, acting through the CC, has implemented well-defined corporate and retail credit approval processes governing all lending activity of ABQ. Management believes that ABQ's success in maintaining low levels of non-performing loans has been due to ABQ's strict adherence to this approval process.

Before any credit exposure can be incurred by ABQ, the relationship manager for the respective customer must provide a credit application along with the necessary information and analysis to support the relationship manager's recommendation and this must also be signed off by the Head of the relevant business unit. Each credit application is then subject to review and analysis in accordance with ABQ's approval and authority levels, which differ depending on the category of the proposed customer and the amount of the credit being sought. The assessment of each credit application is based on an evaluation of both internally and externally compiled data on the applicant and an analysis of relevant risks, covering financial, business, structural and management risks to ascertain the proposed borrower's repayment capability and cash flow. The application is also analysed in terms of the intended transaction amount, tenor, security and any relevant delinquency records.

All new credit applications must receive dual approval, firstly by the Head of the relevant business unit and secondly at the risk management level by one of the following levels of credit approval authority:

Approving body	Authority Limit
Head of Credit Risk and one of the Head of Corporate Banking, Chief Private Banking Officer, or the Head of Retail Banking.	Up to QAR 25 million for credit facilities against 105 per cent. cash cover

Approving body	Authority Limit
CRO and one of the Chief Executive Corporate Officer, Chief Retail Banking Officer, Chief Private Banking Officer, or the Chief Treasury & IB Officer	Up to QAR 25 million against collateralised assets with a minimum market value coverage of 125 per cent. and up to a tenor of 10 years and up to QAR 100 million against 105 per cent cash cover.
CC	All amounts above QAR 25 million and up to QAR 500 million, excluding cash covered facilities up to QAR 100 million
EC	Above QAR 500 million

The table below shows ABQ's maximum exposure to credit risk for certain on balance sheet and certain off-balance sheet items as at 31 December 2022, 2023 and 2024. The maximum exposure set forth below is the gross amount, before taking into account the effect of mitigation through collateral held or other credit enhancements (see Note 4(b)(i) to the Financial Statements).

	Maximum exposure as at 31 December		
	2022	2023	2024
		(QAR '000)	
Balances with central bank	1,355,911	1,373,076	1,723,173
Due from banks	3,768,484	14,760,032	11,730,677
Loans and advances to customers	34,032,233	34,753,943	35,663,319
Investment securities – debt	8,104,826	8,152,039	9,143,460
Other assets	232,282	349,768	153,794
	47,493,736	**59,388,858**	**58,414,423**
Guarantees and letter of credit	8,298,432	7,062,677	6,262,015
Unutilised facilities	12,707,415	11,381,045	11,316,666
	21,005,847	**18,443,722**	**17,578,681**
Total credit risk exposure	**68,499,583**	**77,832,580**	**75,993,104**

Internal risk ratings and related credit exposure

It is ABQ's policy to maintain accurate and consistent risk ratings across its credit portfolio. This focuses management on the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics, combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories and are derived in accordance with ABQ's rating policy. The attributable risk ratings are assessed and updated regularly and the system consists of a ten-scale credit rating system (compared to QCB's five-scale credit rating system), of which seven (with positive and negative modifiers) relate to "performing", and three to "non-performing", as follows:

ABQ's risk rating definition	ABQ's rating	QCB rating	Equivalent Fitch rating	Equivalent Moody's rating	Equivalent S&P rating	Grade
Undoubted − credit supported by exceptional financial strength, stability and liquidity. Obligations are judged to be of the highest quality and carry the lowest level of credit risk	R01	A	AAA	Aaa	AAA (+/-)	Investment Grade

A very strong credit – supported by superior financial strength, stability, and liquidity. Obligations are judged to be of high quality and very low credit risk	R02	A	AA (+/-)	Aa (1-3)	AA (+/-)	Investment Grade
A strong credit – supported by strong overall financial strength and stability. Obligations are judged to be upper-medium grade and carry a low credit risk	R03	A	A (+/-)	A (1-3)	A (+/-)	Investment Grade
A good credit – supported by good overall financial strength and stability. Obligations are judged to be medium-grade and carry a moderate credit risk	R04	B	BBB (+/-)	Baa (1-3)	BBB (+/-)	Investment Grade
A satisfactory credit – supported by adequate overall financial strength and stability. Obligations are judged to carry considerable credit risk	R05	B	BB (+/-)	Ba (1-3)	BB (+/-)	Sub-Investment Grade
A satisfactory credit – supported by satisfactory overall financial strength and stability. Obligations are judged to be speculative and carry high credit risk	R06	B	B (+/-)	B (1-3)	B (+/-)	Sub-Investment Grade
Watchlist – obligations are judged to be highly speculative, poor standing, and carry a very high credit risk	R07	B	CCC/DDD	Caa/Ca (1-3)	CCC/CC (+/-)	Watch List

Distressed asset – substandard. Obligations are in default, with little prospect of recovery	R08	C	DD	C	C	Criticised
Distressed asset – doubtful. Obligations are typically in default, with doubtful prospect of recovery	R09	D	D	D	D	Criticised
Criticised asset – bad. Obligations are in default, with no prospect of recovery	R10	E	E	E	E	Criticised

Risk concentrations

ABQ's credit policies are also structured to ensure that ABQ is not over-exposed to a given client, industry sector or geographic area. ABQ sets country risk limits in accordance with the QCB's guidelines and the limits are subject to approval by the CC. The CC monitors ABQ's adherence to the determined country limits on a monthly basis and periodically reviews these limits to determine whether upward or downward risk classification is required to ensure that country exposure limits are appropriate and in line with ABQ's long-term strategy. The table below shows ABQ's country risk categories and exposure limits.

ABQ's risk category	Country credit rating	Credit Limit % of LECB*
I	AAA to AA-	150
II	A+ to BBB-	75
III	BB+ and below	50

* Large exposure capital base as computed for QCB purposes on a quarterly basis.

As at 31 December 2024, 91.6 per cent. of ABQ's maximum credit exposure was based in Qatar, with additional minimal exposures of 1.8 per cent. to other countries in the GCC, 4.2 per cent. to Europe and 2.4 per cent. to other geographical regions. For a breakdown of ABQ's credit exposures in terms of geographical region see Note 4(b)(i) to the Financial Statements.

ABQ sets industry credit exposure limits in accordance with ABQ's Risk Policies and Procedures. These limits seek to prevent over-exposure to particular industry sectors and are subject to approval by the CC. The limits are regularly monitored and reviewed to ensure compliance with the current limits and to react to any potential economic developments which might require the industry limits to be revised, thereby ensuring the soundness of the asset quality is maintained. The following table shows ABQ's credit exposure (before taking into account collateral held or other credit enhancements and after deducting impairment provisions) by industry sector as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		2023		2024	
	(QAR '000)	*(per cent.)*	*(QAR '000)*	*(per cent.)*	*(QAR '000)*	*(per cent.)*
Government	8,521,762	17.9	11,128,107	18.7	11,429,265	19.6
Government agencies	160,984	0.3	75,086	0.1	329,794	0.6
Industry	1,319,102	2.8	1,097,020	1.9	852,237	1.5
Commercial	9,724,535	20.5	9,549,437	16.1	9,716,566	16.6
Services	14,783,544	31.1	24,885,866	41.9	22,302,919	38.2
Contracting	4,837,696	10.2	4,101,204	6.9	4,123,916	7.1
Real estate	5,384,181	11.3	5,509,930	9.3	6,396,097	11.0
Personal	2,384,949	5.0	2,368,486	4.0	2,517,569	4.3
Interest receivables	376,983	0.8	673,723	1.1	746,060	1.3

	As at 31 December					
	2022		2023		2024	
	(QAR '000)	(per cent.)	(QAR '000)	(per cent.)	(QAR '000)	(per cent.)
Total	47,493,736	100.00	59,388,859	100.00	58,414,423	100.00

Collateral policy

ABQ holds collateral and other credit enhancements against certain of its credit exposures. The determination of eligible collateral and the value of collateral are based on QCB regulations and are assessed by reference to market price or indices of similar assets. The amount and type of collateral obtained depends on an assessment of the credit quality of the credit counterparty. The main types of collateral obtained are as follows:

- Securities lending and reverse repurchase transactions – cash and securities;
- Commercial lending – mortgages over real estate properties, personal guarantees, trade receivables, cash and securities and assignment of project proceeds (Hawalet Haq);
- Retail lending – mortgages over residential properties, cash or securities; and
- Group financing arrangements – ABQ also obtains corporate guarantees from parent companies for loans, advances and financing activities to their subsidiaries.

The market values of collaterals are closely monitored by ABQ. Real estate security is professionally and independently valued once each year and securities are valued on a monthly basis. ABQ will seek to obtain additional collateral in the event that loans or advances become impaired or, under collateralised in case of minimum coverage requirements.

Loan loss provisioning

The QCB provides guidelines for classifying credit exposure in the following categories.

Type	Number of days past due	Provision
Stage 1[1]	—	As per ECL calculation.
Stage 2	—	As per ECL calculation.
Stage 3	90 days up to 180 days	The higher of the ECL calculation or 30 per cent.
	181 days up to 270 days	The higher of the ECL calculation or 50 per cent.
	271 days and above	The higher of the ECL calculation or 100 per cent.

(1) IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. The new impairment model also applies to certain loan commitments and financial guarantee contracts but not to equity investments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The Group recognises loss allowances for expected credit losses ("**ECL**") on the following instruments that are not measured at FVTPL:

- Financial assets that are debt instruments; and
- Loan commitments and financial guarantee contracts.

No impairment loss is recognised on equity investments of the Group.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as twelve-month ECL:

- Debt investment securities that are determined to have low credit risk at the reporting date; and
- Other financial instruments on which credit risk has not increased significantly since their initial recognition.

Twelve-month ECL are the portion of ECL that result from default events on financial instruments that are possible within the twelve months after the reporting date.

ABQ has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Bank groups its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1: When loans are first recognised, ABQ recognises an allowance based on 12-month ECL. Stage 1 loans also include facilities where the credit risk has improved, and the loan has been reclassified from Stage 2.

- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Bank records an allowance for the lifetime ECL. Stage 2 loans also include facilities, where the credit risk has improved, and the loan has been reclassified from Stage 3.

- Stage 3: Loans which are considered credit impaired. ABQ records an allowance for the lifetime ECL.

The QCB requires all Qatari banks to discuss their individually significant provisions with the QCB before a final determination is made on the classification of the loan and the appropriate provisions made. The early detection of accounts which demonstrate the potential to become a non-performing loan (defined as a loan in respect of which payments of principal or interest are overdue by more than 90 days) is central to ABQ's remedial management process. The RMD decides whether to include an account in the watch list based upon predefined early warning sign criteria. Factors considered would include, for example, circumstances in which an account is overdrawn and has been inactive for three months, or where a loan is three or more instalments in arrears or any other qualitative factors.

ABQ aims to ensure that any sign of deterioration in asset quality is promptly recognised and rehabilitation of the account is initiated. For corporate and institutional accounts, the relationship manager has direct responsibility for knowing the condition of each of the customers within his portfolio and it is therefore the relevant relationship manager's responsibility to identify any sign of deterioration and initiate remedial action. The relationship manager is the primary person tasked with the identification of problem accounts. In addition, various reports covering daily excess positions, dormancy and loan instalment delinquency are circulated by the RMD throughout ABQ to the different business divisions and these are examined as appropriate on a daily, weekly or monthly basis by ABQ's relationship managers.

Loan write-off policy

After all possible means of recovery are exhausted and in accordance with ABQ's Risk Policies and Procedures, the delinquent accounts are transferred to the legal department so that legal proceedings may be instituted in order to recover outstanding and overdue debt through litigation. In the case of personal accounts, collection efforts are based on clearly defined and strict collection criteria and processes until the account is passed over to the legal department for action.

ABQ writes off a loan or an investment debt security balance, and any related allowances for impairment losses, once the CC has determined that the loan or security is uncollectable and after QCB approval. This determination is made after considering information such as the occurrence of significant changes in the debtor's financial position such that the debtor can no longer pay the obligation, or that proceeds from collateral will not be sufficient to repay the entire exposure. For smaller balance standardised loans, write-off decisions are generally based on a product specific past due status. QAR 230 thousand was written off in the year ended 31 December 2024, QAR 121,672 thousand was written off in the year ended 31 December 2023, no amount was written off in the year ended 31 December 2022.

Liquidity Risk

Liquidity is the ongoing ability to accommodate liability maturities, fund asset growth and meet other contractual obligations in a timely and cost-effective fashion. Liquidity risk is therefore the risk that ABQ will not be able to meet its funding commitments without having to raise funds at high cost or sell assets on a forced basis. ABQ's liquidity management involves maintaining sufficient and diverse funding capacity and maintaining a healthy balance of cash, cash equivalents and readily marketable securities to meet its obligations to mitigate against fluctuations in asset and liability levels arising from unanticipated events or market turbulence. In addition, ABQ maintains 4.5 per cent. of average customer deposits as a mandatory provision with the QCB. ABQ measures liquidity risk by estimating its funding requirements under different stress-testing scenarios developed internally and in line with QCB guidelines.

The ALCO is responsible for monitoring ABQ's maturity profile and liquidity position on an overall basis in accordance with the Board approved liquidity policy. Ongoing day-to-day monitoring of ABQ's liquidity position is carried out by the Treasury and Investments department within the limits set by the ALCO. The ALCO meets on a monthly basis and prepares regular liquidity reports which are submitted to the CEO and the QCB.

The liquidity ratios used by the Treasury and Investments department to monitor ABQ's liquidity position include the following:

- *Liquid assets to total assets* – for this purpose liquid assets are considered as including cash and cash equivalents plus investments;

- *Liquidity Coverage Ratio* ("**LCR**") – during 2014 ABQ started to monitor its performance against the proposed Basel III LCR (as applied by the QCB), pursuant to which ABQ aims to maintain its LCR at a minimum ratio of 100 per cent.;

- *Net Stable Funding Ratio* ("**NSFR**") – from 2015, ABQ started to monitor its performance against the proposed Basel III NSFR (as applied by the QCB), pursuant to which ABQ aims to maintain its NSFR at a minimum ratio of 100 per cent. The LCR and the NSFR ratios are designed to measure ABQ's ability to meet obligations in short-term liquidity stress situations and the availability to ABQ of long-term stable funds; and

- *Loans to deposit ratio* – this ratio is set at a maximum of 100 per cent. by the QCB and includes all of ABQ's loans and deposits as well as qualifying deposit items such as certificates of deposit and medium term funding. ABQ has added significantly to the medium term funding element in its balance sheet in order to diversify its sources of funding and to spread the maturity profile of the deposit base.

The RMD performs stress testing on ABQ's liquidity ratios and reports its findings to the ALCO in accordance with ABQ's liquidity policy.

A maturity analysis of ABQ's financial assets and liabilities is contained in Note 4(c)(ii) to the Financial Statements.

The Basel III guidelines and the prudential norms of the QCB require Qatari banks to maintain a certain level of long-term funding and to reduce any maturity mismatches. ABQ is approaching this situation from the perspective of both complying with regulatory requirements and funding its own growth aspirations.

As well as diversifying the sources of funding, the issuance of bonds under the EMTN Programme is regarded as a form of stable funding given their longer-term nature. Any securities with a maturity of more than one year qualified fully for the NSFR under the Basel III guidelines.

Market Risk

Market risk is the risk that ABQ's earnings or capital, or its ability to meet strategic business objectives will be adversely affected by changes in the level of volatility in market rates or prices including interest rates, commodities prices, foreign exchange rates and equity prices.

Market risk management aims to ensure that risk exposures from the major market risks do not exceed ABQ's risk appetite. ABQ manages its market risks within the regulatory limits defined by the QCB and its internal risk management framework and Risk Policies and Procedures which articulate market risk limits, define permissible conduct and also specify the types of financial instruments which ABQ can acquire as part of its trading and investment activities.

ABQ is exposed to interest rate risk created as a result of assets and liabilities mismatch or off-balance sheet instruments that mature or re-price over a given period. Both interest rate gaps and foreign exchange rate fluctuations are managed within the prescribed Board limits. The Market Risk Department, which is part of the RMD, is responsible for monitoring compliance with limits using quantitative risk management techniques and all risk exposures are reported on a daily basis to senior management and any breaches are escalated to ALCO. Stress testing and sensitivity analysis for interest rate risk and foreign exchange risk are conducted on a regular basis and the results are presented to the ALCO for review. In addition, all trading activity is continuously being monitored at ALCO level and the ALCO is responsible for ensuring overall compliance with ABQ's market risk framework.

Value at Risk

ABQ applies a 'value at risk' methodology (the "**VaR**") to its trading portfolios to estimate the market risk of positions held and the maximum losses expected, based upon a number of assumptions for various changes in market conditions. VaR is a statistically based estimate of the potential loss on the current portfolio from adverse market movements. It expresses the 'maximum' amount ABQ might lose, but only to a certain level of confidence (for example, 99 per cent.). There is therefore a specified statistical probability (1 per cent.) that actual loss could be greater than the VaR estimate. The VaR model assumes a certain 'holding period' until positions can be closed (for example, 10 days). It also assumes that market moves occurring over this holding period will follow a similar pattern to those that have occurred over 10 day periods in the past.

ABQ calculates VaR on a daily basis for both trading purposes and regulatory purposes. For trading purposes, ABQ utilises a one-day VaR model at a confidence level of 95 per cent. to estimate potential losses that may arise from adverse market movements. For regulatory purposes, in compliance with QCB requirements, ABQ utilises a VaR which is generated daily based on a 10 day holding period at a confidence level of 99 per cent. The limitations of the VaR methodology are recognised by supplementing VaR limits with other position and sensitivity limit structures, including limits to address potential concentration risks within each trading portfolio. In addition, ABQ uses a wide range of stress tests, both on individual trading portfolios and ABQ's overall position, to test the financial impact of a variety of exceptional market scenarios, such as periods of prolonged market illiquidity.

Interest rate risk

The primary risk to which ABQ's non-trading portfolios (or banking book) are exposed, is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. ABQ's goal is to manage interest rate sensitivity so that movements in interest rates do not adversely affect its net interest income. Interest rate risk is managed by ABQ principally by monitoring interest rate gaps and by having pre-approved limits for re-pricing bands. The ALCO is the monitoring body for these exposures and for ensuring compliance with limits and is assisted by the Treasury and Investments department in its day-to-day management activities, which include using investment securities, advances to banks, deposits from banks and derivative instruments to manage the overall position arising from ABQ's non-trading activities.

A summary of ABQ's interest rate gap position on non-trading portfolios is set out in Note 4(d)(ii) to the Financial Statements. In addition, each of those notes contains an interest rate sensitivity analysis which shows the effect of a 25 basis point change in interest rates applied to the currencies in which ABQ's financial assets and liabilities are denominated, with all other variables remaining unchanged, on ABQ's net interest income and equity. In 2024, the effect of a 25 basis point increase in interest rates would have been an increase of QAR 50.8 million in net interest income. The effect of a 25 basis point decrease in interest rates is expected to have an equal and opposite effect.

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. ABQ is exposed to the effects of fluctuations in prevailing foreign currency exchange rates on its financial position and cash flows. Note 4(d)(iii) to the Financial Statements quantifies ABQ's net exposures in its principal currencies as at 31 December 2022, 2023 and 2024 and includes a foreign exchange rate movement sensitivity analysis in relation to its pound sterling, euro, U.S. dollar and aggregate other currency exposure.

The Board has set limits on the level of currency exposure, which are monitored daily. Intra-day and overnight limits are laid down for each currency individually and in total. The Qatari riyal has a long-standing history of being pegged to the U.S. dollar at a fixed exchange rate. Although ABQ is not exposed to any currency risk due to this peg, limits are nonetheless set for U.S. dollar exposures. ABQ's other currency exposures are limited and, as a result, ABQ is not significantly exposed to these other currencies.

In March 2017, the QCB required banks in Qatar to report all outstandings in foreign currency and to adhere to a new limit called "The Net Open Currency Limit". This limit seeks to restrict banks from holding excess levels of foreign currency.

Equity price risk

Equity price risk arises from fluctuations in equity indices and prices, resulting in a change in fair values of investments. ABQ manages equity price risk according to its internal investment policy, which has been approved by the Board and sets limits on the amount and type of investments that may be accepted. Compliance with ABQ's investment policy and limits is monitored on an ongoing basis by the IC and the CC. ABQ employs several techniques to measure and control activities, including sensitivity analysis.

ABQ's non-trading equity price risk exposure arises from equity securities classified as fair value through profit and loss in ABQ's investment portfolio. Note 4(d)(iv) to the 2024 Financial Statements contains an equity price movement sensitivity analysis which shows the effect of a 10.0 per cent. change in equity prices (based on the market index of the QSE) applied to ABQ's Fair value through profit and loss equity investments, with all other variables remaining unchanged, on ABQ's equity. In 2023, the effect of a 10.0 per cent. change in the equity prices would have been a change of QAR 16.9 million in the fair value of ABQ's equity investments held at fair value through profit and loss. In 2024, the effect of a 10.0 per cent. change in the equity prices would have been a change of QAR 24.7 million in the fair value of ABQ's equity investments held at fair value through profit and loss.

Derivatives

In the ordinary course of ABQ's business, ABQ enters into a range of transactions that involve derivative financial instruments. The positions accumulated from customer activity are always passed on to other entities in the market and ABQ does not carry open positions. ABQ also uses derivatives for hedging purposes in order to reduce its exposure to currency and interest rate movement as part of its asset and liabilities management activities. This hedging may be in respect of specific financial instruments, forecasted transactions or strategic hedging against overall balance sheet exposures ABQ uses forward foreign exchange contracts to hedge against specifically identified currency risks. In addition, ABQ uses interest rate swaps to hedge against the interest rate risk arising from specifically identified fixed rate exposures. ABQ also uses interest rate swaps to hedge against cash flow risks arising on certain floating rate liabilities. In all such cases the hedging relationship and objective, including details of the hedged item and hedging instrument, are formally documented and accounted for as fair value or cash flow hedges. Hedging of interest rate risk is also carried out by monitoring the duration of assets and liabilities and entering into interest rate swaps to hedge net interest rate exposures. Since hedging of net positions does not qualify for special hedge accounting, related derivatives are accounted for the same way as trading instruments.

Note 31 to the Financial Statements shows the fair values and notional amounts of ABQ's derivative instruments as at 31 December 2022, 2023 and 2024.

Operational Risk

Operational risk is the risk of ABQ incurring loss as a result of inadequate or failed internal processes, people or systems or the materialisation of adverse external events. The ORC is responsible for managing operational risks faced by ABQ on a day-to-day basis including measuring, monitoring and mitigating identified operational risks. Monitoring of operational risk is carried out via the operational risk management dashboard which is prepared monthly and reported to the ORC. The ORC supervises ABQ's management of operational risk primarily through the Board approved Operational Risk Framework (the "**ORF**") and the Operational Risk Policy (the "**ORP**").

ABQ annually performs Operational Risk Self-Assessments ("**ORSA**") for all main business processes to assess, document and report the operational risks encountered in the course of normal business activity and to find mitigants for possible new risks. In addition, for important business processes, ABQ has defined certain Key Risk Indicators ("**KRI**") which are intended to monitor performance in line with set objectives. The ORC approves the ORSAs annually, monitors KRIs and reviews operational risks faced by various business functions in ABQ on a regular basis throughout the year to identify root causes, to track the status of any open risks and pursue appropriate controls when necessary. The Compliance Department and Internal Audit also perform independent periodic reviews to assess the adequacy of checks and controls at any given point in time.

In addition, ABQ has a robust Business Continuity Plan ("**BCP**") and Disaster Recovery Plan ("**DRP**"). These plans document the procedures to be followed in a disaster scenario and include extensive plans that are designed to minimise business interruption arising from internal and external disruptions such as natural disasters or power failures. The BCP aims to establish the level of impact upon ABQ's business activity of having to operate from a different site in the event of an emergency or natural disaster. The DRP prescribes the recovery process and the restoration and access to critical computer systems, connectivity to local area network, database servers, internet, intranet and e-mails in the event of disruption. This is a well-established process and is tested periodically throughout the year, in line with QCB requirements. All test completions must be signed off by the respective department Heads to validate that tests were successfully carried out. BCP test reports are also circulated to the members of the ORC for their review. Both the BCP and the DRP processes have been independently audited by independent accounting firms in accordance with QCB requirements and were found to be in compliance.

Compliance

Overview

Compliance is an independent function that identifies, assesses, advises on, monitors and reports on bank compliance risk from which ABQ may suffer as a result of its failure to comply with applicable laws, regulations, codes of conduct and standards of good practice. Compliance is under the supervision of the BRCC. In turn, a compliance department ("**ABQ's Compliance Department**") reports directly to the BRCC to ensure its independency and the bank compliance function is reviewed regularly by the QCB and ABQ's internal and external auditors.

ABQ's business units adhere to the internal policies such as "Compliance Policy" and "Code of Ethics and Business Conduct" to ensure compliance with relevant legal and regulatory requirements. Moreover, ABQ's business units are adhering to the instructions issued by government regulators such as QCB, QFMA and QSE.

ABQ's Compliance Department has three main pillars, namely to advise, monitor and report, which are built on a foundation of a sound understanding of the appropriate regulatory requirements. Advising includes regulatory changes, compliance risk associated with new products and services, internal procedures and training. Monitoring includes identifying and evaluating violations related to ABQ's activities and new products, as well as identifying and evaluating the weaknesses in its internal procedures. Reporting includes sending quarterly reports to the BRCC and executive management on the highlighted violations and weaknesses.

Know Your Customer ("KYC") and Anti-Money Laundering and Counter-Financing Terrorism ("AML & CFT") Aspects

ABQ has well-defined and comprehensive KYC policies and processes that include customer profiling, risk assessment and due diligence aspects. Every business relationship with ABQ is reviewed and rated against defined risk parameters that comply with applicable regulatory requirements. These relationships are subject to one of reduced, standard or enhanced due diligence procedures, depending on the level of assessed risk.

ABQ has adopted an internal "AML and CFT Policy and Procedures Manual" and "AML & CFT Customer Due Diligence Manual" which are approved by the Board and which are designed to comply with applicable regulatory requirements. Accordingly, ABQ's Compliance Department and business units work together to ensure that bank customers and transactions are screened to ensure that they are not related to individuals/entities on the sanctions list of the United Nations, OFAC or other international black lists. Annual AML and CFT training is provided to all bank staff to increase their awareness in this regard.

Internal Audit

ABQ has its own Internal Audit department which reports functionally to the Board, through the BAC, and administratively to the CEO, to ensure its independence. The Internal Audit department's primary purpose is to provide assurance and advisory services whilst overseeing the effectiveness of ABQ's governance, risk management and internal controls. Its mandate and authority are derived from ABQ's "Internal Audit Charter", which has been approved by the BAC and ratified by the Board. The Chief of Internal Audit Officer is nominated by the BAC and submits periodic reports directly to the BAC and other senior management.

The Internal Audit department applies the risk-based audit approach to ensure that high importance risks to which ABQ and ABC are exposed are covered and there is an immediate action plan which can be implemented to mitigate such risks. It conducted its tasks based on QCB and QFMA guidelines, in addition to the International Professional Practices Framework ("**IPPF**"), developed and maintained by the Institute of Internal Auditors ("**IIA**").

The compliance and risk management processes throughout ABQ are audited periodically by Internal Audit, including an examination of the adequacy, effectiveness and efficiency of the control structure across all parts of ABQ and ABC's adherence to those controls, including compliance with regulatory requirements. Internal Audit discusses the results of all assessments with management, and reports its findings and recommendations to the BAC, in particular where it identifies weaknesses which are not properly resolved by the relevant business units. The BAC also reviews the plan and scope of internal audit, ensures co-ordination between the internal and external auditors and ensures that the internal audit process has adequate and effective resources to carry out its responsibilities on an annual basis.

The Internal Audit department is also tasked with: (i) performing a scheduled audit of branches, departments, divisions, products, processes, systems, procedures and controls in conformity with the annual audit plan agreed with and approved by the BAC; and (ii) providing advisory services to ABQ's executive management and businesses such as special reviews of new projects, systems, applications, outsourced facilities, and policies and procedures. The Internal Audit department also assists with fraud investigations and other assignments at the request of either the BAC or ABQ's senior management.

During the year 2024, ABQ's Internal Audit Department received a "Generally Conforms" rating by the IIA (Institute of Internal Auditors). The IIA is the internal audit profession's global voice and a recognized authority providing standards, guidance, and certifications. These conclusions reflect the fact that the overall Internal Audit activity at ABQ "Generally Conforms" with the IIA IPPF mandatory guidance. "Generally Conforms" is the highest rating available and is assigned when the structure, policies and procedures conform to the requirements of the standards, sections and categories in all material respects.

Risk Reserve

In addition to undertaking specific credit risk and impairment provisioning, ABQ maintains a risk reserve in accordance with QCB requirements. In accordance with QCB circular 102/2011, 2.5 per cent. of the net loans and advances to customers is required to be maintained, except for facilities granted to government and facilities against cash collateral. In 2024, the total amount of the transfer made to the risk reserve was QAR 4.4 million. No transfer was made to risk reserve for the year ended 31 December 2023, and for the year ended 31 December 2022.

Excessive Risk Concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of ABQ's performance to developments affecting a particular industry or geographical location.

In order to avoid excessive concentrations of risk, ABQ's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio, with limits set on geographic and industry sector exposures. Identified concentrations of credit risks are controlled and managed accordingly.

Capital Management/Adequacy

As at 31 December 2024, ABQ's Tier 1 capital ratio including capital conservation buffer was 20.06 per cent. and its combined total capital ratio including capital conservation buffer and DSIB buffer was 21.24

per cent. with total Tier 1 Capital at QAR 1,092.0 million (in each case, calculated in accordance with the Basel III guidelines issued by the QCB).

The shareholders of ABQ have consistently maintained a strong level of capitalisation to support the business activities and development of ABQ. The following table shows the risk weighted values and capital charge for capital ratio purposes of ABQ as at 31 December 2022, 31 December 2023 and 31 December 2024:

	As at 31 December		
	2022	**2023**	**2024**
Common Equity Tier 1 (CET 1) capital	6,350,788	6,493,153	6,723,474
Tier 1 capital	1,092,000	1,092,000	1,092,000
Tier 2 capital	456,091	453,455	457,673
Total regulatory capital	**7,898,879**	**8,038,608**	**8,273,147**
Total risk weighted assets	**38,491,554**	**38,201,972**	**38,954,823**
Tier 1 capital ratio including capital conservation buffer (per cent.)	**19.34%**	**19.86%**	**20.06%**
Total capital including capital conservation buffer and DSIB buffer and ICAAP pillar II capital charge (per cent.)	**20.52%**	**21.04%**	**21.24%**

Basel Capital Accords

Basel III

As at the date of this Base Prospectus, ABQ is compliant with the revised Basel III (also referred to as Basel 3.1). To calculate the Risk Weighted Assets ("**RWAs**"), ABQ has adopted the standardised approach for credit risk, standardised approach with scalar effect for market risk and standardised approach for operational risk which is based on the Business Indicator Component (BIC) in accordance with Basel III guidelines adopted by the QCB. For the computation of its capital, ABQ has taken into consideration all the required regulatory deductions for investments in financial institutions, banks and takaful entities. As at 31 December 2024, the required Capital Adequacy Ratio ("**CAR**") is 14.24 per cent., including ICAAP and DSIB charge under the Basel Committee Basel III requirements.

ABQ's total CAR was 21.24 per cent. as at 31 December 2024, 21.04 per cent. as at 31 December 2023 and 20.52 per cent. as at 31 December 2022, which was above the QCB's requirement to maintain a minimum total CAR of 12.5 per cent. ABQ's CET 1 Capital was QAR 6,723.5 million as at 31 December 2024, QAR 6,493.2 million as at 31 December 2023 and QAR 6,350.8 million as at 31 December 2022. ABQ's CET 1 ratio, including capital conservation buffer, was 17.26 per cent. as at 31 December 2024, 17.00 per cent. as at 31 December 2023 and 16.50 per cent. as at 31 December 2022.

MANAGEMENT AND EMPLOYEES

Board of Directors

The board of directors (the "**Board**" and each member of the Board, a "**Director**") is responsible for the overall direction, supervision and control of ABQ. The Board has delegated responsibility for overall executive management to ABQ's senior management team under the leadership of ABQ's Chief Executive Officer (the "**CEO**"). ABQ carries out its duties and responsibilities according to its charter. The principal role of the Board is to oversee the implementation of ABQ's strategic initiatives and its functioning within the agreed framework in accordance with relevant statutory and regulatory structures and, in all circumstances, to act in the best interests of ABQ's shareholders.

The Board currently consists of ten members, seven of whom are elected by the general assembly of shareholders and three of whom are to be appointed to the Board by QIA. ABQ's board members are elected or appointed for three-year renewable terms. Following the death of a board member, namely late Ahmad Fakhroo, the Bank filed an application with the QCB for exemption from electing the eleventh member until the end of the current term of the board (from 2023 to 2025) in accordance with article (101) of the commercial companies law; this application was approved by the QCB.

The Board meets regularly and is required to meet at least six times a year. The Board can be convened upon the request of any two Board members and all Board meetings are held upon a notice issued by the Chairman or the Deputy Chairman (in the case of the absence of the Chairman). A majority of the Board are required to attend in order for a Board meeting to be quorate. A Director may appoint another Director to represent and vote for him in his absence. Decisions of the Board are, with limited exceptions, made by majority votes of those present (in person or by proxy) at the meeting. In the event of a split decision, the Chairman holds the casting vote.

As at the date of this Base Prospectus, the Board is comprised of the following ten members:

Name	Position(s)	Date of appointment to current position	Date of expiration of appointment
Sheikh Faisal Bin Abdulaziz Bin Jassem Al-Thani(1)	Chairman	2005	2026
Sheikh Jassim Bin Mohammed Bin Hamad Al-Thani(2)	Deputy Chairman	2014	2026
Sheikh Salman Bin Hassan Al-Thani	Member	2017	Notification(3)
Sheikh Fahad Bin Falah Bin Jassem Al-Thani	Member	2015	2026
Mr. Victor Nazeem Agha	Member	2005	2026
Mr. Nasser Al-Abdulla	Member	2020	Notification(3)
Mr Nawaf Al-Mana	Member	2023	2026
Mr Mohamed Fahad Al-Khulaifi	Member	2023	Notification(3)
Mr Jassim Mohammed Al-Kaabi	Member	2024	2026
Mr Jassim Mohammed Al-Ansari	Member	2024	2026

(1) Appointed as member of the Board in 2005 and appointed as Chairman in 2011.

(2) Appointed as member of the Board in 2014 and as Deputy Chairman in 2020.

(3) Upon written notification from QIA.

The business address of each of the Directors is Suhaim Bin Hamad Street, Al Sadd, P.O. Box 2309, Doha, State of Qatar. There are no potential conflicts of interest between the private interests or other duties of the Directors of ABQ listed above and their duties to ABQ.

Biographies

Sheikh Faisal Bin Abdulaziz Bin Jassem Al-Thani, Chairman

Sheikh Faisal Bin Abdulaziz Bin Jassem Al-Thani has been serving on the Board of ABQ since 2005. He has been the Chairman of the Board since 2011 and was the Managing Director from 2013 to 2022. He was formerly the Chairman of the Risk and Compliance Committee, the Governance, Nomination and Remuneration Committee and the Tender Committee. He is also currently the chairman for Gulf American Company for Trading and Contracting and FBA Company (each based in Qatar). He holds a bachelor's degree in Finance from Suffolk University in Boston, United States.

Sheikh Jassim Bin Mohammed Bin Hamad Al-Thani, Member

Sheikh Jassim Bin Mohammed Bin Hamad Al-Thani has been serving on the Board of ABQ since 2014. He has been Deputy Chairman of the Board since August 2020 and is s currently the Chairman of the Risk and Compliance Committee and a member of the Executive Committee. Sheikh Jassim is also the Chairman of the Board of Directors of the Mohammed Bin Hamad Holding Company (Qatar). He holds a bachelor's degree in Business Administration from Plymouth University, United Kingdom.

Sheikh Salman Bin Hassan Al Thani, Member

Sheikh Salman Bin Hassan Al Thani was appointed as a board member of ABQ in 2017 and is the Chairman of the Governance Committee, Nomination and Remuneration Committee and is a member of the Risk and Compliance and Executive Committees. He is currently the Chief Financial Officer (CFO) at the Qatar Foundation (QF) and oversees the Finance, Strategy and Risk functions. His key responsibilities include QF Strategic Planning, business planning, budget development, performance management and risk management activities in order to ensure alignment with the QF Strategic Plan under the Vice Chairperson and CEO leadership.

Sheikh Salman previously held the roles of the Chief Strategy and Business Development Officer as well as the Chief Financial Officer and Director of Tax at the Qatar Financial Center Authority (QFC Authority). Between 2010 and 2014, Sheikh Salman was with the QCB in various roles culminating in his role as the Risk Management Director. He also served on the board of the Qatar Securities Depository and the Chair of the Financial Markets Development Sub-Committee as well as on the Financial Stability and Risk Control Committee.

He completed his undergraduate degree in banking and financial studies from Qatar University where he received H.H. the Heir Apparent's Golden Award in Education Excellence and an academic excellence medal from Qatar University.

Sheikh Fahad Bin Falah Bin Jassim Al-Thani, Member

Sheikh Fahad Bin Falah Bin Jassim Al-Thani has been a distinguished board member of ABQ since 2015 and Al Meera Group since 2022, which is publicly listed on the Qatar Stock Exchange. He is currently the Chairman of the Audit Committee. He also holds the position of International Researcher in the General Secretariat of the Council of Ministers and serves as a board member of Instimach Global, a leading Swiss fintech company. Additionally, Sheikh Fahad holds board positions at Doha Group, InvestraTech LLC, Galaxy Cleaning and Maintenance Co., Al Majal International Trading and Contracting Co. Qatar, and Al Mirqab Tourist Co. which manages prestigious properties like Andaz Doha and Grand Hyatt Qatar.

Victor Nazeem Agha, Member

Victor Nazeem Agha has been serving on the Board of ABQ since 2005 and is currently the Chairman of Executive Committee. He is currently the General Director of Al-Sadd Travel Agency (Qatar) and Al-Sadd Exchange Company (Qatar). He is also a board member of Doha Insurance Company (Qatar) and Al-Majda Real Estate Investment Company (Qatar) and was formerly a board member of Al Sadd Sports Club (Doha, Qatar).

Nasser Al-Abdulla, Member

Nasser Al Abdulla was appointed as a board member of ABQ in 2020, and currently is a member of the Audit Committee. Mr. Nasser is an experienced member of the Liquid Securities division at the QIA and has accumulated a wealth of experience across a multitude of complex Capital Market transactions. He was part of the execution team that led the financing for the acquisition of Canary Wharf owner Songbird, as well as completing a number of structured transactions including equity derivatives, debt capital markets and real estate financing. Mr. Nasser Al-Abdulla has also worked on a number of private credit transactions, including direct lending and mezzanine. Mr. Nasser Al-Abdulla holds a bachelor degree of Science (Finance) from University of Kansas in 2011.

Nawaf Al-Mana, Member

Nawaf Al-Mana has been serving on the Board of ABQ since 2023, and is currently a member of the Governance, Nomination and Remuneration Committee. He is the Director at Qatar General Insurance &

Reinsurance Co. and currently holds the position of Assistant of the Chairman of Qatar General Organization for Standards and Metrology. He holds a master's degree in management and engineering from Sheffield Hallam University in the United Kingdom in 2003. He obtained his bachelor's degree in chemical engineering from Qatar University in 1994.

Mohamed Fahad Al-Khulaifi, Member

Mohamed Fahad Al-Khulaifi was appointed as a board member of ABQ in 2023 and is currently a member of Risk and Compliance Committee. He holds the position of Associate Director, Governance - Senior Legal Counsel at the QIA and Chief Executive Officer at Qatar Holding Germany. He holds a master's degree in Laws in Banking and Financial Law from Boston University and a bachelor of Law from Qatar University.

Jassim Mohammed Al-Kaabi, Member

Jassim Mohammed Al-Kaabi has been serving on the Board of ABQ since 2024. He is currently managing the affairs of the Private Office and acts as a board member in QLM Life & Medical Insurance Company. Mr. Al-Kaabi comes from a military family and worked as a pilot in the Qatar Armed Forces.

Jassim Mohammed Al-Ansari, Member

Jassim Mohammed Al-Ansari has been a member of the Board since February 2024 and is currently a member of the Audit Committee. He currently holds the position of Director of the Office of His Excellency the Minister of Commerce and Industry. He holds a bachelor's degree in Science in Business Administration, with a triple major in Finance, Management and Marketing.

Board Committees

The Board has delegated certain of its duties to the following five committees: the Risk and Compliance Committee, the Executive Committee, the Audit Committee and the Governance, Nomination and Remuneration Committee (see further "*Risk Management—Committees—Board Committees*").

Senior Management

In addition to the executive Board members, the day-to-day management of ABQ's business is conducted by the following senior managers (the "**Senior Managers**") who are considered relevant to establishing that ABQ has the appropriate expertise and experience for the management of its business.

ABQ has a succession planning policy and process for all senior management and key staff positions, together with a remuneration policy that is part of ABQ's corporate governance policies.

Name	Position(s)
Hassan Ahmed AlEfrangi	Chief Executive Officer ("CEO")
Othman Hijazi	Senior Chief Executive – Wholesale Banking
Mohammed Al Namla	Chief Executive – Human Resources, Administration and Support Services
Mahalingam Shankar	Chief Executive – Finance and Strategy
Abdulaziz Al-Khater	Chief Retail Banking Officer
Saad Al-Kaabi	Head of Human Resources
Johny AlKhoury	General Counsel and Board Secretary
Derek Kwok	Chief Treasury and International Banking Officer
Mohamed Aly Sobh	Chief Risk Officer
Maher Barakat	Chief Internal Audit Officer
Khaldoun Al-Khateeb	Chief Compliance Officer
Izzidin Rushdi Abusalameh	Chief Operations & Information Technology Officer
Ahmed AbuKhalil	Chief Private Banking and Wealth Management Officer

The business address for each of the Senior Managers is Suhaim Bin Hamad Street, Al Sadd, P.O. Box 2309, Doha, State of Qatar. There are no potential conflicts of interest between the private interests or other duties of the Senior Managers listed above and their duties to ABQ.

Biographies

Hassan Ahmed AlEfrangi, CEO

Hassan Ahmad AlEfrangi was appointed as CEO of ABQ by the Board on 1 July 2020. Mr. AlEfrangi started his career with ABQ and worked in various departments where he played a prominent role in its growth. Mr. AlEfrangi is an expert in business development and has a strong and strategic mindset that is key to achieving the vision of ABQ, in addition to his rich experience in retail banking and risk management. Mr. AlEfrangi held many senior positions during his years at the ABQ, the last being ABQ's Deputy CEO – Retail & Private Banking. Prior to joining ABQ, Mr. AlEfrangi was the Group CEO of Qatar General Insurance Co. He holds a Bachelor's degree in finance and banking from Applied Science University, Amman, and has more than 20 years of experience in the banking field.

Othman Hijazi - Senior Chief Executive, Wholesale Banking

Othman Hijazi is the Senior Chief Executive of Wholesale Banking, leveraging extensive expertise in corporate and wholesale banking. He joined ABQ in January 2025, following his role as Deputy Group CEO – Corporate Banking at Ahli United Bank, Bahrain. Othman holds a master's degree in Applied Finance from the University of Western Sydney, Australia. His leadership portfolio includes board memberships with prominent financial and real estate entities across the Middle East and the United Kingdom, including Ahli Bank Kuwait, Commercial Islamic Bank of Iraq, Al Ahli Real Estate Company, MEFIC Capital, and Al Hilal Life. Throughout his career, he has held senior leadership positions at Standard Chartered Bank, UAE, Abu Dhabi Commercial Bank, UAE, Commercial Bank International, UAE, and Arab Jordan Investment Bank, Jordan.

Mohammed Al Namla, Chief Executive - Human Resources, Administration and Support Services

Mohammed Al Namla joined ABQ in September 2016, and he is responsible for ABQ's Projects, Property, Administration and Services. Mr. Al Namla has more than 21 years of experience in the banking sector. He has previously acted as Assistant General Manager in Qatar National Bank QSC and has held the position of Group Financial and Regulatory Reporting in Group Financial Control Division. He holds a bachelor's degree in accounting from Qatar University.

Mahalingam Shankar, Chief Executive - Finance and Strategy

Mahalingam Shankar has worked for ABQ since July 2006. He is responsible for support functions such as finance and strategy and has around 30 years of experience in the financial services industry. He has previously held the positions of Manager of Operations with GE Capital, Head of Financial Control and Accounting in Dresdner Bank and Senior Analyst with Gulf Bank (Kuwait). He holds a bachelor's degree in commerce from Delhi University in New Delhi, India. He also holds a postgraduate degree in finance from the Institute of Cost Accountants of India (ICMAI), India; an executive education from Harvard Business School, United States and Wharton School of Pennsylvania, United States; and certification on Fintech from MIT (Massachusetts institute of technology), United States.

Abdulaziz Khalid Al-Khater, Chief Retail Banking Officer

Abdulaziz Khalid Al-Khater is an experienced and accomplished Manager in the fields of banking operations, strategy, project management, banking operations and technology. He is distinguished by his skills in developing projects and startup institutions in all stages of establishment, growth, operation and management. He has an extensive knowledge and experience in digital systems and an administrative vision that leads institutions to achievement and success. Abdulaziz has deep and practical experience in the banking and financial sectors extending over 20 years, during which he held administrative positions in various fields including management and development of strategic programs and operations, technology, development and organizational performance in many prestigious financial institutions such as HSBC, International Bank of Qatar & Al Khalij Commercial Bank.

Saad Al-Kaabi, Head of Human Resources

Saad Al-Kaabi has worked for ABQ since January 1995 and currently holds the position of the Head of Human Resources ("**HR**") at ABQ. He is responsible for overseeing the development and implementation of HR strategies (to ensure effective delivery of HR programmes and services across ABQ) and has over

25 years of experience in the banking industry. He was previously in ABQ's Retail Banking division and has also served in ABQ in various other capacities. Mr. Al-Kaabi holds a master's degree in banking.

Johny AlKhoury, General Counsel and Board Secretary

Johny AlKhoury has worked for ABQ since December 2014 as General Counsel and Board Secretary. He is responsible for all Board and Board committees related matters as well as for the governance of ABQ, general counselling on the strategic initiatives of ABQ and the handling of legal affairs for ABQ. He has over 20 years of experience as a lawyer, a board secretary and in matters related to corporate governance. He previously worked as a lawyer in Lebanon at various prestigious law firms, as a senior lawyer with Doha Bank and as the Head of Legal for the Gulf Region at Metlife Alico. In 2011, he joined Qatar First Bank as the lead lawyer to support the principal investment teams and assumed the responsibility of Board Secretary. He holds a bachelor's degree in law from the Lebanese University in Beirut, Lebanon. Mr. AlKhoury is a qualified lawyer registered with the Beirut Bar Association in Lebanon.

Derek Kwok, Chief Treasury and International Banking Officer

Derek Kwok joined ABQ in December 2017 as the Head of Treasury and Investments. He is responsible for Cashflow Management, Treasury Services and Proprietary Investments. Mr. Kwok has over 30 years of international banking experience within Treasury, Financial Markets & Corporate Advisory. Prior to joining ABQ, he spent five years in Abu Dhabi with First Gulf Bank, before which he held roles with BNP Paribas (Sydney, Bahrain & Singapore), Barclays Bank (Singapore & Tokyo) and Credit Agricole (Singapore & Tokyo).

Mohamed Aly Sobh, Chief Risk Officer

Mohamed Aly Sobh joined ABQ as the Chief Risk Officer in 2022 and is responsible for overseeing the comprehensive risk management functions, including credit risk, market risk, operational risk, fraud risk, information security, and special assets (recoveries). He previously served on the Board from 2005 to 2010 and held the position as Head of Risk Management.

Before re-joining ABQ, Mr. Sobh held several key leadership positions, such as Deputy General Manager of Risk Management at Ahli United Bank (AUB) Kuwait, and General Manager of Business Banking at AUB Egypt. His career includes a range of senior roles within prominent banks in Kuwait, Egypt, Qatar, and Bahrain.

Mr. Sobh holds a bachelor's degree in Economics and Political Science and brings over 30 years of distinguished experience in enhancing banking operations. His expertise lies in delivering robust risk and governance frameworks that strengthen businesses across multiple locations, improving internal controls, ensuring statutory compliance, mitigating risks, and optimising financial performance.

Maher Barakat, Chief Internal Audit Officer

Maher Barakat has worked for ABQ since January 2015 as the Head of Internal Audit. He is responsible for managing the internal audit department and has around 20 years of experience in auditing multinational financial institutions. He has previously held the positions of Director and Manager with Grant Thornton and Deloitte & Touche (Middle East and United States of America). He is a Certified Public Accountant and holds a master's degree in business administration and accounting from Canisius College in Buffalo, New York (United States).

Khaldoun Al-Khateeb, Chief Compliance Officer

Khaldoun Al-Khateeb has worked for ABQ since 1998 and was appointed Acting Head of Compliance in July 2017 after the passing away of his predecessor. He is responsible for ABQ's compliance with laws, regulations and standards. He has around 25 years of experience in compliance and Internal Audit at ABQ. He has previously held the position of Deputy Head of Internal Audit at ABQ. He holds a bachelor's degree in Faculty of Economic & Administration Sciences from the Applied Science University, Amman- Jordan.

Izzidin Rushdi Abusalameh, Chief Operations & Information Technology Officer

Izzdine Rushdi Abusalameh holds a bachelor of Science from Al Yarmouk University and has nearly 30 years of experience in the banking sector, during which he has held a number of leadership positions in prestigious financial institutions in the Middle East Region, the last of which was the Capital Bank of Jordan Group as Group Chief Operating Officer. He has had outstanding achievements in leading and implementing plans and strategies for digital transformation, developing infrastructure, enhancing the operational efficiency of banking operations and business engineering.

Mr. Abusalameh also served as CEO of Tiresias FZ CO., Chief Operating Officer at United Bank, Chief Executive Officer at Arab Company for Shared Services and Arab Gulf Tech, Global Head of Operations at Cairo Amman Bank, and country Head of Operations at ANZ Grindlays Bank.

Ahmed Abu Khalil, Chief Private Banking & Wealth Management

Ahmed Abu Khalil, brings experience from previous roles at Arab Bank, Abraaj Capital and HSBC. Ahmed Abu Khalil holds a Masters degree in Banking and Finance from the University of Wales, Bangor.

Management Committees

Day-to-day risk management is overseen by the following management committees: the Asset Liability Committee, the Investment Committee, the Credit Committee, the Operations Risk Committee, the IT Steering Committee, the Special Assets Committee and the Management Committee (see further "*Risk Management—Committees—Board Committees*").

Employees

As at 31 December 2024, ABQ's employee headcount was 384 compared to 372 as at 31 December 2023 and 374 as at 31 December 2022.

ABQ is committed to the training and development of its employees and has designed and implemented a number of training and development programmes. ABQ offers in-house training programmes as well as local and overseas programmes, focused on banking, anti-money laundering, KYC, information security, retail products and sales, relationship building, customer service, corporate social responsibility and product knowledge.

Moreover, ABQ has continued with its successful online training platform, which currently supports the online anti-money laundering training programme, including training on Financial Crime, and Information Security and Cyber Risk Awareness.

Each of the aforementioned training programmes was focused on developing ABQ's employees, with a specific focus on developing Qatari talent in line with the Qatar National Vision of 2030. In this regard, ABQ is guided in its human resources decisions by the Qatari government's recommended policy that 20.0 per cent. of its total personnel should consist of Qatari nationals. In addition, certain management positions in Qatari companies are also required to be occupied by Qatari nationals under the governmental obligations and the national vision.

ABQ's current "Qatarization" level is over 26.0 per cent. and ABQ works to recruit, retain and develop Qatari staff and scholarship students to ensure that the governmental obligations are met. HR has undergone a successful audit by the QCB that reviewed all aspects of ABQ's human resource functions to ensure that ABQ is meeting its governmental requirements under the Labour Law and QCB regulations, and to ensure the quality, compliance and effectiveness of ABQ's human capital.

ABQ is committed to a strong corporate social responsibility and has demonstrated its support for the local community through donations and charitable contributions such as donations to Qatar Society for Rehabilitation of Special Needs, Qatar Red Crescent Society, Qatar Charity for earthquake victims in Türkiye and Syria, and many more. ABQ also allocated 2.5 per cent. of its total net profit for the financial year ended 31 December 2024, which amounted to QAR 22.3 million to support sports activities.

In 2024, ABQ appointed an external consultant which developed ABQ’s ESG strategy and roadmap which is under implementation, and an ESG expert has been appointed for the purpose of driving this initiative in line with the regulatory and market requirements.

In 2024, ABQ honored 57 employees for their years of service at the Bank, honouring their long service to the Bank and recognising their commitment and personal contribution to the Bank’s success.

FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the information set out in "Presentation of Financial and Other Information", "Selected Financial Information" and the Financial Statements.

The discussion of the Group's financial condition and results of operations is based upon the Financial Statements which have been prepared in accordance with IFRS Accounting Standards and applicable provisions of the QCB regulations and Qatar Commercial Companies Law. This discussion contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Base Prospectus, particularly under the headings "Forward-looking Statements" and "Risk Factors".

See "Presentation of Financial and Other Information" for a discussion of the source of the numbers presented in this section and certain other relevant information.

Overview

ABQ commenced business in August 1984. It currently provides a range of corporate, retail and private banking services to customers in Qatar, and conducts treasury operations from Qatar. ABQ's principal activities comprise the provision of loans and advances and other financing facilities, which generate interest income and fee and commission income, and investment activities, which principally relate to its portfolio of fixed income securities and which generate interest income and revaluation and trading gains or losses. The Group also offers its customer's brokerage services through its wholly-owned subsidiary, Ahli Brokerage Company LLC (for financial reporting purposes, ABQ, ABQ Finance Limited, ABQ Innovative LLC and Ahli Brokerage Company LLC together comprise the Group). ABQ's principal source of funding is its customer deposits.

ABQ's principal focus is on strengthening existing relationships with its corporate, government and government related, and premium and private high net worth clients as well as achieving sustainable growth in its core corporate, retail and private banking businesses by the introduction of new products and services to meet the evolving needs of customers. ABQ will maintain its principal focus on the domestic market of Qatar. In this regard, ABQ continues to position itself appropriately to benefit from the significant infrastructure development programme which continues in Qatar as part of the Qatar National Vision 2030.

As at 31 December 2024, the Group had total loans and advances to customers of QAR 35.7 billion, total investment securities of QAR 9.4 billion and total customer deposits of QAR 32.2 billion, compared to total loans and advances to customers of QAR 34.8 billion, total investment securities of QAR 8.4 billion and total customer deposits of QAR 29.6 billion as at 31 December 2023. For 2024, the Group recorded total operating income of QAR 1,840.0 million and profit of QAR 891.6 million, compared to QAR 1,589.0 million and QAR 836.5 million, respectively, for 2023.

Principal factors affecting results of operations

The following is a discussion of the principal factors that have affected, or are expected to affect, the Group's results of operations.

Economic conditions

The Group's revenue and results of operations are affected by economic and market conditions in Qatar and, to a lesser extent, the broader GCC region and around the world. Based on IMF data extracted from the Qatar: Staff Report for the 2023 Article IV Consultation, released in February 2024, (the "**IMF Report**"), Qatar's real GDP (based on 2018 prices) grew by 1.6 per cent. in 2021 and by 4.2 per cent. in 2022, its real GDP is estimated to have increased by 1.6 per cent. in 2023.

Historically, Qatar has benefitted from high oil and natural gas prices. While growth in the non-hydrocarbon sector has been robust and is centred on the construction, transport and communications, trade and hotels, and services sectors, the non-hydrocarbon sector suffered a 4.5 per cent. decrease in real GDP in 2020, owing primarily to the impact of the COVID-19 pandemic and the related restrictions put in place internationally and in Qatar to curb its spread, compared to a decrease of 2.0 per cent. for the hydrocarbon sector. In 2021 and 2022, the non-hydrocarbon sector grew by 2.8 per cent. and 5.0 per cent., respectively. The IMF estimates that it grew by 1.0 per cent. in 2023.

According to the IMF Report, average consumer price inflation in Qatar was 2.3 per cent. in 2021 and 5.0 per cent. in 2022. The IMF estimates that average consumer price inflation was 2.8 per cent. in 2023 and projects it will be 2.4 per cent. in 2024.

According to the IMF, real GDP growth in Qatar is expected to increase due to a recovery in hydrocarbon output and robust growth of the non-hydrocarbon sector. The IMF expects that lower than projected hydrocarbon prices constitute the main risk to the macro-financial framework and, were such risks to materialise, this would translate into a deterioration in the external and fiscal positions and would result in a higher public debt. For the year ended 31 December 2023, there was an overall surplus of QAR 43.1 billion (U.S.$11.3 billion). Although the 2024 budget expected a deficit when announced, it is expected that there will be an overall surplus for 2024. The Government's 2025 budget forecasts a deficit of QAR 13.2 billion (U.S.$ 3.6 billion).

The IMF estimates real GDP growth of 1.0 per cent. in 2023, and projects growth of 2.0 per cent. in 2024. Over the longer term, Government spending is expected to continue to be expansionary particularly in certain sectors, such as health, education, infrastructure and transport, with particular focus on railways, ports, roads and other infrastructure projects tied to the Qatar National Vision 2030. In the 2025 budget announced by the Government, 20 per cent. of the overall expenditure is expected to be in the education and health sectors. Allocation are also expected to strategic sectors including trade and industry, research and innovation, tourism, digital transformation and information technology which aims to advance Qatar's diversification efforts. Indeed, a core part of the Group's strategy is to build a strong corporate banking franchise including targeting strategic Qatari-government sponsored infrastructure projects and the companies and contractors involved in them.

Factors affecting net interest income

The Group's net interest income is a major contributor to its total operating income amounting to QAR 1,644.1 million in 2024, QAR 1,400.9 million in 2023 and QAR 1,276.5 million in 2022, comprising 89.4 per cent. of total operating income for 2024, 88.2 per cent. of total operating income for 2023 and 85.2 per cent. of total operating income for 2022.

Within net interest income:

- interest earned on loans and advances to customers and interest earned on debt securities are the major contributors to total interest income, together comprising 82.1 per cent. of total interest income in 2024, 89.0 per cent. of total interest income in 2023 and 97.9 per cent. of total interest income in 2022; and

- interest paid on customer deposits is the major contributor to total interest expense, comprising 84.0 per cent. in 2024, 74.9 per cent. of total interest expense in 2023 and 71.2 per cent. of total interest expense in 2022.

The Group's net interest income is affected by several factors. It is primarily determined by the volume of interest-earning assets relative to interest-bearing liabilities, as well as the differential between rates earned on interest-earning assets and interest-bearing liabilities. The Group's interest-earning assets principally consist of its customer loan portfolio and the fixed income securities held by it. The Group's interest-bearing liabilities principally comprise its interest-bearing customer deposits and, to a lesser extent, interbank borrowings.

The changes in the Group's net interest income in the periods under review have principally been driven by changes in the mix between loans and advances to customers and investments made by the Group in Government debt securities such as bonds and treasury bills, as well as in the rate of returns on loans and advances which have been affected by competition. Increasing competition has also affected the Group's net interest margin as well as increasing interest expenses arising from the Group's borrowings. ABQ's net interest margin was 2.50 per cent. in 2024, 2.32 per cent. in 2023 and 2.62 per cent. in 2022.

Any gains or losses arising in the fair value of ABQ's hedging instruments designated as fair value hedges are taken directly to the consolidated income statement for the period and included in "net interest income".

Similarly, any gains or losses arising in the fair value of ABQ's hedging instruments designated as cash flow hedges are taken to the statement of changes in equity and included as "other comprehensive income".

Changes in factors affecting the fair valuation of the Group's investment securities

The Group has a significant portfolio of investment securities, principally fixed rate securities, which, at 31 December 2024 amounted to QAR 9,444.9 million, compared to QAR 8,381.7 million and QAR 8,339.4 million as at 31 December 2023 and 2022.

Investment securities (other than any amortised cost) generate gains or losses when they are sold and fair value gains and losses when they are re-valued at each balance sheet date and dividend income. In 2024, net gain on investment securities was QAR 9.8 million. For 2023, net gain on investment securities was QAR 4.0 million, compared to a net loss of QAR 8.4 million for 2022. Net gains or losses realised on sales of investment securities may vary significantly from period to period and will depend on the volumes of securities sold as well as the prices realised relative to the amortised cost of the securities at the time they are sold.

Unrealised gains and losses arise when the investment securities are fair valued at each balance sheet date. Reflecting the composition of the Group's investment securities portfolio and save to the extent that hedge accounting is applied and is effective in any period, a significant proportion of these unrealised gains and losses are recorded in other comprehensive income.

For 2024, net change in fair value of debt instruments classified as FVOCI recorded in other comprehensive income were QAR 20.6 million. For 2023, the net change in fair value of debt instruments classified as FVOCI recorded in other comprehensive income were QAR 8.2 million, compared to losses of QAR 54.1 million for 2022. Net unrealised gains or losses on investment securities may also vary significantly from period to period and, reflecting the predominance of fixed rate debt securities in the portfolio, will depend in particular on changes in interest rates, with falling interest rates tending to increase the fair value of the portfolio and increasing interest rates tending to reduce the fair value of the portfolio.

Basis of preparation and material accounting policies

The Financial Statements have been prepared in accordance with IFRS Accounting Standards and applicable provisions of the QCB regulations and Qatar Commercial Companies Law. For a discussion of the accounting policies applied by the Group generally, see Notes 2 and 3 to the 2024 Financial Statements and 2023 Financial Statements.

Critical accounting judgments and key sources of estimation uncertainty

In preparing the Group's financial statements, management is required to make certain estimates, judgments and assumptions. These affect the reported amounts of the Group's assets and liabilities, including disclosure of contingent assets and liabilities, at the date of the financial statements as well as the reported amounts of its revenues and expenses during the periods presented. Management bases its estimates and assumptions on historical experience and other factors that it believes to be reasonable at the time the estimates and assumptions are made and evaluates the estimates and assumptions on an ongoing basis. However, future events and their effects cannot be predicted with certainty and the determination of appropriate estimates and assumptions requires the use of judgment. Actual outcomes may differ from any estimates or assumptions made and such differences may be material to the financial statements. The Group's key sources of estimation uncertainty relate to its going concern assessment, its impairment losses on loans, advances and financing activities to customers, its impairment of investments and its fair value determinations. The Group's critical accounting judgments relate to its valuation of financial instruments, its classification of financial assets and liabilities, its qualifying hedge relationships, its impairment of investments and its determinations of the useful lives of property and equipment. See Note 5 to the 2024 Financial Statements for a more detailed discussion of these accounting estimates and judgments.

Results of operations

Comparison of the years ended 31 December 2022, 2023 and 2024

Net interest income

Interest income is the Group's principal source of income. The Group earns interest income on the loans and advances to customers made by it, on its portfolio of fixed income investment securities and on its deposits with central banks and other banks. The Group incurs interest expense on its customer deposits, its inter-bank funding and deposits held with the QCB. Interest income and expense is recognised in the income statement using the effective interest method, as explained in Note 3(o) to the Financial Statements.

The table below shows a breakdown of the Group's net interest income in each of 2022, 2023 and 2024.

	For the year ended 31 December					
	2022		2023		2024	
	(QAR '000)	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*
Interest Income						
Balances with QCB	2,660	0.1	14,086	0.4	6,260	0.2
Due from Banks	40,836	2.0	338,110	10.5	625,756	17.7
Debt securities	307,607	14.9	295,023	9.2	291,274	8.2
Loans and advances to customers	1,709,221	83.0	2,563,175	79.8	2,613,507	73.9
Total	**2,060,324**	**100.0**	**3,210,394**	**100.0**	**3,536,797**	**100.0**
Interest Expense						
Due to banks	80,351	10.3	317,685	17.6	89,890	4.7
Customer deposits	558,430	71.2	1,356,105	74.9	1,590,341	84.0
Other	145,036	18.5	135,673	7.5	212,484	11.2
Total	**783,817**	**100.0**	**1,809,463**	**100.0**	**1,892,715**	**100.0**
Net interest income	**1,276,507**		**1,400,931**		**1,644,082**	

Interest income

The Group's total interest income for 2024 amounted to QAR 3,536.8 million, compared to QAR 3,210.4 million for 2023 and QAR 2,060.3 million for 2022.

The increase of QAR 326.4 million, or 10.2 per cent., in 2024 compared to 2023 principally reflects:

- a QAR 50.3 million, or 2.0 per cent., increase in interest income from loans and advances to customers as a result of higher average loan balance during 2024 over 2023; and

- a QAR 287.6 million, or 85.1 per cent., increase in interest income from placements with other banks due to higher interbank placements.

The increase of QAR 1,150.1 million, or 55.8 per cent., in 2023 compared to 2022 principally reflects:

- a QAR 854.0 million, or 50.0 per cent., increase in interest income from loans and advances to customers as a result of higher average loan balance and asset repricing during 2023 over 2022; and

- a QAR 297.3 million, or 728.0 per cent., increase in interest income from placements with other banks due to higher interbank placements and increase in the yield of interbank placements.

Interest expense

The Group's total interest expense for 2024 amounted to QAR 1,892.7 million, compared to QAR 1,809.5 million for 2023 and QAR 783.8 million for 2022.

The increase of QAR 83.3 million, or 4.6 per cent., in 2024 compared to 2023 principally reflects:

- a QAR 234.2 million, or 17.3 per cent., increase in interest expense on customer deposits primarily as a result of higher funding costs and increased average volumes of deposits resulting in a higher customer deposit base for the period on an average basis; and

- a QAR 76.8 million, or 56.6 per cent., increase in other interest expenses primarily as a result of higher funding costs on other borrowings.

The increase of QAR 1,025.6 million, or 130.9 per cent., in 2023 compared to 2022 principally reflects:

- a QAR 797.7 million, or 142.8 per cent., increase in interest expense on customer deposits primarily as a result of higher funding costs and increased average volumes of deposits resulting in a higher customer deposit base for the period on an average basis; and

- a QAR 237.3 million, or 295.4 per cent., increase in interest expense on deposits due to banks, primarily as a result of higher interbank liabilities and higher costs of funds on interbank borrowings.

The Group's net interest income in 2024 amounted to QAR 1,644.1 million, an increase of QAR 243.2 million, or 17.4 per cent., from the QAR 1,400.9 million net interest income recorded in 2023. The Group's net interest income in 2023 amounted to QAR 1,400.9 million, an increase of QAR 124.4 million, or 9.7 per cent., from the QAR 1,276.5 million net interest income recorded in 2022.

The Group's net interest margin was 2.50 per cent. in 2024, compared to 2.32 per cent. in 2023 and 2.62 per cent. in 2022, reflecting the increased cost of funding for the years under review.

Fee and commission income

The Group earns fees and commissions on the customer loans advanced by it, on other credit facilities (such as commitments to lend made by it and letters of credit and guarantees issued by it) and on other bank services provided by it, including account, transaction and service fees, sales commission, syndication fees and brokerage fees.

The table below shows a breakdown of the Group's fee and commission income in each of 2022, 2023 and 2024.

	For the year ended 31 December					
	2022		2023		2024	
	(QAR '000)	*(% of total)*	*(QAR '000)*	*(% of total)*	*(QAR '000)*	*(% of total)*
Fee and commission income						
Credit related fees	91,411	53.4	86,975	57.0	77,794	55.4
Brokerage fees	6,526	3.8	2,862	1.9	2,192	1.6
Banking services	15,702	9.2	12,612	8.3	15,405	11.0
Commission on unfunded facilities	52,757	30.8	46,461	30.5	39,642	28.2
Other	4,893	2.9	3,645	2.4	5,455	3.9
Total fee and commission income	**171,289**	**100.0**	**152,555**	**100.0**	**140,488**	**100.0**

The Group's total fee and commission income for 2024 amounted to QAR 140.5 million, compared to QAR 152.6 million in 2023 and QAR 171.3 million for 2022, representing year on year decreases in total fee and commission income of 7.9 per cent. and 10.9 per cent., respectively.

The decrease of QAR 12.1 million, or 7.9 per cent., in 2024 compared to 2023 principally reflects:

- a QAR 6.8 million, or 14.7 per cent. decrease in commission on unfunded facilities resulting from fewer letters of credit and letters of guarantee in 2024.

The decrease of QAR 18.7 million, or 10.9 per cent., in 2023 compared to 2022 principally reflects:

- a QAR 6.3 million, or 11.9 per cent. decrease in commission on unfunded facilities resulting from fewer letters of credit and letters of guarantee in 2023.

Net gain/loss on investment securities

The Group maintains a significant portfolio of investment securities, principally comprising fixed income securities. Interest income derived from these securities is recorded in the income statement under "interest income". However, the Group also realises gains or losses on the sale of these securities which are recognised under this heading in the income statement at the time of sale. Where the securities are held at fair value through profit or loss the changes in fair value are recorded as income or loss in the income statement. Where the debt securities are held as FVOCI, the changes in fair value are recorded in other comprehensive income until the securities are sold, at which point the cumulative fair value gain or loss is transferred to the income statement. The Group also records, as income from investment securities, dividend income on its small portfolio of equity securities.

The table below shows a breakdown of the Group's income from investment securities in each of 2022, 2023 and 2024.

	For the year ended 31 December		
	2022	**2023**	**2024**
		(QAR '000)	
Net loss on investments including fair value loss on FVTPL	(17,485)	(3,243)	(427)
Dividend income	9,104	7,290	10,260
Total income from investment securities	**(8,381)**	**4,047**	**9,833**

The Group's total income from investment securities for 2024 amounted to QAR 9.8 million, compared to QAR 4.0 million for 2023 and a net loss of QAR 8.4 million for 2022.

The increase of QAR 5.8 million, or 143.0 per cent., in 2024 compared to 2023 principally reflects a QAR 3.0 million, or 40.7 per cent., increase in dividend income.

The change of QAR 12.4 million in 2023 compared to 2022 principally reflects a QAR 14.2 million change in net loss on investments including fair value loss on fair value through profit or loss ("**FVPTL**").

Foreign exchange gain

The Group's foreign exchange gains or losses are dependent on the foreign exchange transactions entered into by the Group with customers, including trading volumes from underlying customer activity. The Group recorded a net gain on foreign exchange transactions of QAR 48.1 million, QAR 33.5 million and QAR 59.5 million for 2024, 2023 and,2022, respectively.

Net operating income

Reflecting the above factors, the Group's net operating income for 2024 was QAR 1,840.0 million, compared to QAR 1,589.0 million for 2023 and QAR 1,498.0 million for 2022, representing a year-on-year increase in net operating income of 15.8 per cent. in 2024 and 6.1 per cent. in 2023.

Staff costs

The Group's staff costs amounted to QAR 189.8 million in 2024, compared to QAR 185.8 million in 2023 and QAR 177.6 million in 2022, representing increases of QAR 4.0 million, or 2.2 per cent. in 2024 and of QAR 8.1 million, or 4.6 per cent., in 2023.

Depreciation

The Group incurs depreciation costs principally on land and buildings, leasehold improvements and furniture and equipment (including computer equipment and software) owned by the Group. Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of property and equipment. Buildings are depreciated on a straight-line basis over 20 years, leasehold improvements are depreciated on a straight-line basis over five years and furniture and equipment is depreciated on a straight-line basis over its estimated useful life, which ranges between three and five years depending on the asset.

The Group's depreciation costs amounted to QAR 26.4 million in 2024, compared to QAR 26.9 million in 2023,and QAR 30.1 million in 2022. The Group's depreciation costs decreased by QAR 0.5 million, or 2.0 per cent., in 2024 compared to 2023 and QAR 3.2 million, or 10.7 per cent., in 2023 compared to 2022.

Impairment charges

The Group recognises loss allowances for expected credit losses ("**ECL**") on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments; and
- loan commitments and financial guarantee contracts.

No impairment loss is recognised on equity investments.

The Group measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured at 12-month ECL:

- debt investment securities that are determined to have a low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on financial instruments that are possible within the 12 months after the reporting date.

For further information, see Note 3(c)(vii) to the Financial Statements.

The table below shows details of the Group's impairment losses in each of 2022, 2023 and 2024.

	For the year ended 31 December		
	2022	2023	2024
		(QAR '000)	
Net impairment on loans and advances to customers	(386,803)	(360,076)	(541,713)
Net impairment on other financial assets	(3,817)	(4,302)	(1,179)
Impairment on repossessed collateral	-	(25,000)	(9,000)
Net (impairment) / reversal of impairment on investment securities	611	(1,453)	(9,805)
Total net impairment loss	**(390,009)**	**(390,831)**	**(561,697)**

The Group's total net impairment loss on financial assets amounted to QAR 552.7 million in 2024, compared to QAR 365.8 million in 2023 and QAR 390.0 million in 2022.

The increase of QAR 186.9 million, or 51.1 per cent., during 2024 reflects higher provisions for corporate customers.

The decrease of QAR 24.2 million, or 6.2 per cent., during 2023 reflects lower provisions for corporate customers.

Other expenses

The Group's other expenses include marketing and advertising, professional fees, communication and insurance, remuneration of the Board, occupancy and maintenance, computer and IT, printing and stationery and other costs involved in the Group's business activities.

The Group's total other expenses were QAR 170.6 million in 2024, compared to QAR 149.0 million in 2023 and QAR 128.5 million in 2022. The increase of QAR 21.6 million or 14.5 per cent., during 2024 was principally due to higher marketing and IT expenses. The increase of QAR 20.5 million or 15.9 per cent., during 2023 was principally due to higher marketing and IT expenses.

Profit for the year

Reflecting the above factors, the Group's profit for the year was QAR 891.6 million in 2024, compared to QAR 836.5 million in 2023 and QAR 771.8 million in 2022, increases of QAR 55.1 million, or 6.6 per cent., in 2024 compared to 2023 and QAR 64.7 million, or 8.4 per cent., in 2023 compared to 2022.

Other comprehensive income for the year

The Group's other comprehensive income comprises the net effect of realised and unrealised changes in the fair value of the Group's financial assets (FVOCI debt). Fair value changes in a financial asset (FVOCI debt) are recorded in other comprehensive income until the security is sold or impaired, where the cumulative gains and losses recognised in respect of the derecognised investment are reclassified to the income statement.

In 2024, the Group recorded other comprehensive income of QAR 20.6 million, compared to QAR 8.2 million in 2023 and an other comprehensive loss of QAR 54.1 million in 2022. The increase in 2024 compared to 2023 was mainly due to the net change in fair value of debt instruments classified as FVOCI. The change in 2023 compared to 2022 was mainly due to the net charge in fair value of debt instruments classified as FVOCI.

Total comprehensive income for the year

Reflecting the above factors and the Group's profit for the year, the Group's total comprehensive income was QAR 912.2 million, compared to QAR 844.7 million in 2023 and QAR 717.7 million in 2022, representing increases QAR 67.5 million or 8.0 per cent., in 2024 compared to 2023 and of QAR 127.1 million, or 17.7 per cent., in 2023 compared to 2022.

Segmental analysis

The Group's income generating reporting segments comprise:

- ***Retail & private banking and wealth management (herein referred to as "retail banking")*** – which includes the Group's individual customer deposits and current accounts, consumer loans, residential mortgages, overdrafts, credit cards and fund transfer facilities. The Group's high net worth customers are serviced through the Group's premium, private banking and wealth management businesses which offer a range of investment products, credit facilities and alternative investments.

- ***Corporate banking, treasury, investments and brokerage subsidiary (herein referred to as the "remaining business divisions")*** – which includes the loans and other credit facilities and deposit and current accounts of the Group's corporate and institutional customers and the provision of money market, trading and treasury services as well as management of the Group's funding and investments. The Group's brokerage services are offered through ABQ's wholly-owned subsidiary, Ahli Brokerage Company LLC.

The table below shows the contribution of each of the Group's reporting segments to consolidated net operating income as well as its contribution to consolidated net profit, which is the measure used by management to measure the performance of each reporting segment, in each of 2022, 2023 and 2024.

	For the year ended 31 December 2024		
	Retail & private banking and wealth management	**Corporate banking, treasury, investments and brokerage subsidiary**	**Total**
		(QAR '000)	
Net interest income	168,846	1,475,236	1,644,082
Net fee, commission and other income	78,786	117,175	195,961
Total segment operating income	**247,632**	**1,592,411**	**1,840,043**
Reportable segment (loss)/profit	**(13,165)**	**904,789**	**891,624**

	For the year ended 31 December 2023		
	Retail & private banking and wealth management	Corporate banking, treasury, investments and brokerage subsidiary	Total
		(QAR '000)	
Net interest income	223,444	1,177,487	1,400,931
Net fee, commission and other income	87,472	100,587	188,059
Total segment operating income	**310,916**	**1,278,074**	**1,588,990**
Reportable segment profit	**77,688**	**758,817**	**836,505**

	For the year ended 31 December 2022		
	Retail & private banking and wealth management	Corporate banking, treasury, investments and brokerage subsidiary	Total
		(QAR '000)	
Net interest income	228,584	1,047,923	1,276,507
Net fee, commission and other income	83,210	138,315	221,525
Total segment operating income	**311,794**	**1,186,238**	**1,498,032**
Reportable segment profit	**169,598**	**602,190**	**771,788**

Retail & private banking and wealth management

Retail & private banking and wealth management recorded net operating income of QAR 247.6 million for 2024, compared to QAR 310.9 million for 2023 and QAR 311.8 million for 2022. The QAR 63.3 million, or 20.4 per cent., decrease in 2024 compared to 2023 was primarily a result of lower net interest income and fee income.

The QAR 0.9 million, or 0.3 per cent., decrease in 2023 compared to 2022 was primarily a result of lower net interest income by QAR 5.1 million partly offset by increase in net fee, commission income by QAR 4.3 million.

The amount of net loss generated by the retail & private banking and wealth management segment was QAR 13.2 million in 2024, compared to net profit of QAR 77.7 million in 2023 and QAR 169.6 million in 2022, representing a negative change of QAR 90.9 million in 2024 compared to 2023 and a decrease of QAR 91.9 million, or 54.2 per cent., in 2023 compared to 2022. These negative changes were primarily due to higher loan loss provisions in 2024 and 2023.

*Corporate banking, treasury, investments and brokerage (the "**remaining business divisions**")*

The remaining business divisions recorded net operating income of QAR 1,592.4 million for 2024, compared to QAR 1,278.1 million for 2023 and QAR 1,186.2 million for the year ended 31 December 2022.

The QAR 314.3 million, or 24.6 per cent., increase in 2024 compared to 2023 was due to higher net interest income.

The QAR 91.8 million, or 7.7 per cent., increase in 2023 compared to 2022 was driven by higher net interest income.

The amount of net profit generated by the remaining business divisions was QAR 904.8 million in 2024, compared to QAR 758.8 million in 2023 and QAR 602.2 million in 2022, representing increases of QAR 146.0 million, or 19.2 per cent., in 2024 compared to 2023 and QAR 156.6 million, or 26.0 per cent. in 2023 compared to 2022.

Liquidity and Funding

Overview

The Group's liquidity needs arise primarily from making loans and advances to customers, payment of expenses and dividends and investments in securities. To date, the Group's liquidity needs have been funded largely through deposits, repos, unsecured term funding from banks and operating cash flow, including interest received on the Group's loans and advances and its portfolio of fixed income securities. See further "*—Funding*".

Liquidity

The tables below show the Group's cash flow from/(used in) operating activities, investing activities and financing activities for 2022, 2023 and 2024.

	Year ended 31 December		
	2022	**2023**	**2024**
		(QAR '000)	
Net cash from/(used in) operating activities	1,498,739	5,480,956	(2,729,951)
Net cash from/(used in) investing activities	177,947	(57,643)	(1,092,335)
Net cash used in financing activities	(1,875,671)	(543,398)	(2,510,249)
Cash and cash equivalents as at 1 January	4,185,176	3,986,191	8,866,106
Cash and cash equivalents as at 31 December	3,986,191	8,866,106	2,533,571

Net cash from/(used in) operating activities

Net cash used in operating activities was QAR 2,730.0 million in 2024, compared to net cash from operating activities of QAR 5,481.0 million in 2023, and net cash from operating activities of QAR 1,498.7 million in 2022. Net cash from operating activities is driven by the Group's net profit for the year with the principal adjustments relating to changes in loans and advances to customers, certificates of deposit, interbank lending and borrowings and customer deposit balances. Net cash used in operating activities in 2024 was primarily attributable to lower inflow of interbank receivables in 2024 compared to 2023.

Net cash from operating activities was higher in 2023 when compared to 2022 primarily due to higher interbank liabilities.

Net cash from/(used in) investing activities

Net cash used in investing activities for the year ended 31 December 2024 was QAR 1,092.3 million, compared to net cash used in investing activities of QAR 57.6 million in 2023 and net cash from investing activities of QAR 177.9 million in 2022. In each period, the principal investment activities were acquisitions and sales of investment securities as well as the acquisition of property and equipment. Net cash used in investing activities was higher in 2024 when compared to 2023 primarily as a result of the purchase of investment securities.

Net cash used in financing activities

Net cash used in financing activities for the year ended 31 December 2024 was QAR 2,510.2 million, compared to net cash used in financing activities of QAR 543.4 million in 2023 and QAR 1,875.7 million in 2022. In each period, the principal cash flows from financing activities were proceeds from the issuance of debt securities and proceeds from other borrowings.

Funding

The Group's principal source of funding is its customer deposits, which were QAR 32,153.6 million at 31 December 2024. The Group also obtains interbank funding, term loan facilities, certificates of deposit and has access to a pool of unencumbered and liquid securities that it can access to meet liquidity needs, in addition to its cash balances and placements with central banks.

The Group's customer deposits were QAR 32,153.6 million, or 62.9 per cent., of the Group's total liabilities as at 31 December 2024, QAR 29,645.0 million, or 56.8 per cent. of the Group's total liabilities, as at 31 December 2023 and QAR 28,953.7 million, or 71.3 per cent. of its total liabilities as at 31 December 2022. As at 31 December 2024, 38.1 per cent. of the Group customer deposits (excluding interest payables) were from governments and related agencies, principally in Qatar. The equivalent proportions as at 31 December 2023 and 2022 were 36.2 per cent. and 39.3 per cent., respectively. See further "*Risk Factors—ABQ's investment securities and customer loan portfolios and deposit base are concentrated in Qatar and ABQ has significant individual customer concentrations*".

The Group's due to banks and central bank amounted to QAR 12,829.2 million, or 25.1 per cent., of its total liabilities as at 31 December 2024, QAR 15,001.2 million, or 28.7 per cent. of its total liabilities as at 31 December 2023 and QAR 3,988.3 million, or 9.8 per cent., of its total liabilities as at 31 December 2022.

The Group's other borrowings consist of term loan facilities obtained by the Group and, as at 31 December 2024, these facilities amounted to QAR 1,460.8 million, compared to QAR 1,461.7 million at 31 December 2023 and,QAR 1,459.5 million in 2022.

The Group's total debt securities amounted to QAR 3,661.6 million, or 7.2 per cent., of its total liabilities at 31 December 2024.

The table below shows the Group's funding in the form of customer deposits, due to banks and central bank, debt securities, other borrowings and other liabilities as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		**2023**		**2024**	
	(QAR '000)	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*
Customer deposits[1]	28,953,683	71.3	29,644,983	56.8	32,153,643	62.9
Due to banks and central bank	3,988,316	9.8	15,001,235	28.7	12,829,154	25.1
Other borrowings	1,459,508	3.6	1,461,745	2.8	1,460,814	2.9
Debt securities	5,481,161	13.5	5,489,434	10.5	3,661,583	7.2
Other liabilities	717,875	1.8	621,992	1.2	1,032,568	1.9
Total	**40,600,543**	100.0	**52,219,389**	100.0	**51,137,762**	100.0

(1) Including interest payable.

The table below shows a breakdown of the Group's customer deposits by type as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		**2023**		**2024**	
	(QAR '000)	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total*
Current and call deposits[1]	3,392,186	11.8	2,937,017	10.1	3,212,442	10.2
Saving deposits[1]	1,028,757	3.6	1,037,874	3.6	1,096,640	3.5
Time deposits[1]	24,355,465	84.6	25,223,417	86.4	27,170,346	86.3
Total[1]	**28,776,408**	**100.0**	**29,198,308**	**100.0**	**31,479,428**	**100.0**

(1) Excluding interest payable.

The table below shows a breakdown of the Group's customer deposits by sector as at 31 December 2022, 2023 and 2024.

	As at 31 December					
	2022		**2023**		**2024**	
	(QAR '000)	*(per cent. of total)*	*(QAR '000)*	*(per cent. of total)*	*(QAR '000)*	*(per cent.) of total)*
Government[1]	6,034,539	21.0	9,630,343	33.0	11,594,432	36.8
Government and semi government agencies[1]	5,288,224	18.4	933,695	3.2	401,987	1.3
Retail[1]	8,952,272	31.1	8,686,576	29.8	7,632,730	24.2
Corporate[1]	8,501,373	29.5	9,947,694	34.1	11,850,279	37.6
Total[1]	**28,776,408**	**100.0**	**29,198,308**	**100.0**	**31,479,428**	**100.0**

(1) Excluding interest payable.

Maturity profile

The table below shows the maturity profile of the Group's customer deposits and other liabilities as at 31 December 2022, 2023 and 2024.

	<1 month	1 – 3 months	3 – 12 months	1 – 5 years	> 5 years	Total
As at 31 December 2024						
Customer deposits	8,479,808	8,080,143	10,307,998	5,285,694	-	32,153,643
Due to banks and central bank	11,914,954	869,200	45,000	-	-	12,829,154
Other borrowings	-	4,814	-	1,456,000	-	1,460,814
Debt securities	-	28,305	1,818,804	1,814,474	-	3,661,583
Other liabilities	275,339	502,050	176,350	78,829	-	1,032,568
As at 31 December 2023						
Customer deposits	8,012,957	4,378,933	8,132,263	9,120,830	-	29,644,983
Due to banks and central bank	14,751,235	-	250,000	-	-	15,001,235
Other borrowings	-	5,745	-	1,456,000	-	1,461,745
Debt securities	17,694	26,036	1,817,009	3,628,695	-	5,489,434
Other liabilities	114,130	261,118	170,958	75,786	-	621,992
As at 31 December 2022						
Customer deposits	10,785,715	7,663,286	5,428,456	5,076,226	-	28,953,683
Due to banks and central bank	3,930,334	57,982	-	-	-	3,988,316
Other borrowings	-	-	-	1,459,508	-	1,459,508
Debt securities	-	-	-	5,481,161	-	5,481,161
Other Liabilities	201,210	78,256	369,655	68,754	-	717,875

In line with many local and regional banks, a significant proportion of the Group's principal sources of funding at 31 December 2024 is short-term in nature, with 40.4 per cent. of such funding being repayable within one month and a further 18.5 per cent. being repayable within three months and 24.1 per cent. being repayable within one year. See further "*Risk Factors—ABQ is subject to the risk that liquidity may not always be readily available or may only be available at significant cost*". The Group continues to diversify its sources of customer deposits, has increased its unsecured term borrowing from the inter-bank markets and is focused on extending the maturity profile of its liabilities.

Capital Adequacy

The adequacy of the Group's capital is monitored using, among other measures, the rules and ratios established by the Basel Committee and adopted by the QCB in supervising the Group.

The primary objectives of the Group's capital management are to ensure that the Group complies with externally imposed capital requirements and that the Group maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholders' value. The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its activities.

ABQ's capital adequacy ratio has been calculated in accordance with Basel III guidelines with effect from 1 January 2014, as required by the QCB. The minimum capital adequacy requirement is 12.5 per cent. (which incorporates a 2.5 per cent. capital conservation buffer).

The table below shows the composition of the Group's eligible capital, a breakdown of its risk weighted assets and its capital ratios as at 31 December 2022, 2023 and 2024. The capital adequacy information is based on Basel III requirements.

	As at 31 December		
	2022 (Basel III)	2023 (Basel III)	2024 (Basel III)
	(QAR '000s, except percentages)		
Common Equity Tier 1 (CET 1) capital	6,350,788	6,493,153	6,723,474
Tier 1 capital	1,092,000	1,092,000	1,092,000
Tier 2 capital	456,091	453,455	457,673
Total capital	**7,898,879**	**8,038,608**	**8,273,147**
Total risk weighted assets for credit risk	35,889,752	35,351,696	35,268,419
Risk weighted assets for market risk	27,822	35,395	46,476
Risk weighted assets for operational risk	2,573,980	2,814,881	3,639,928
Total risk weighted assets	**38,491,554**	**38,201,972**	**38,954,823**
Tier 1 capital ratio including capital conservation buffer	**19.34%**	**19.86%**	**20.06%**

	As at 31 December		
	2022 (Basel III)	2023 (Basel III)	2024 (Basel III)
	(QAR '000s, except percentages)		
Total capital including capital conservation buffer and domestic systematic important bank buffer	**20.52%**	**21.04%**	**21.24%**

* After IFRS 9 adjustments

Contingent liabilities

The Group has contingent liabilities in respect of undrawn commitments (funded and unfunded) it has made as well as in relation to guarantees and letters of credit issued by it. The table below shows these contingent liabilities as at 31 December 2022, 2023 and 2024.

	As at 31 December		
	2022	2023	2024
		(QAR '000)	
Unutilised facilities – cancellable and non-cancellable	12,714,869	11,390,830	11,330,210
Guarantees..	7,706,667	6,649,651	5,939,319
Letters of credit	596,458	416,667	325,360
Total	**21,017,994**	**18,457,148**	**17,594,889**

As commitments may expire without being drawn, and as guarantees and letters of credit are contingent upon specific events occurring, the amounts stated above do not necessarily represent future cash requirements.

Other commitments

The Group currently has commitments in respect of forward foreign exchange contracts entered into to hedge the Group's commitments. See Note 31 to the Financial Statements for further information in relation to these derivative contracts. As at 31 December 2024, the Group's commitments in respect of forward foreign exchange contracts amounted to QAR 6,771.7 million (compared to QAR 7,985.1 million as at 31 December 2023 and QAR 1,433.1 million as at 31 December 2022). The Group had no foreign exchange options as at 31 December 2024, 31 December 2023 or as at 31 December 2022.

Related party transactions

Parties are related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include entities over which the Group exercises significant influence, major shareholders, directors and key management personnel of the Group.

The Group's principal related party transactions are with major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled, or significantly influenced by such parties. These transactions include lending and deposit taking, as well as salaries and other benefits paid to senior management and fees paid to Directors. All such transactions have been entered into on arm's-length terms.

Under QCB guidelines, loans and advances extended to a member of the Board (including his "credit group" and all his family members) may not exceed seven per cent. of ABQ's capital and reserves and the aggregate loans and advances extended to members of the Board (and their credit groups and family members) as a whole may not exceed 35 per cent. of ABQ's capital reserves. Any loan and advance extended to a member of the Board (or his credit group or family members) is required to be fully secured. Permitted security includes a cash guarantee covering the entire outstanding balance of the credit facility, an irrevocable, unconditional bank guarantee from an internationally rated bank and security over shares (other than shares in a company of which the Board member is a director), real estate or land (excluding the private residence of the Board member or his relatives). Loans and advances extended to relatives of Board members (that is, father, mother, brother and sister) may not exceed in aggregate 20 per cent. of ABQ's capital and reserves. The related Board member is not permitted to participate in the decision of whether to extend the loan or advance to his relative.

The QCB prohibits any preferential treatment in the conditions of granting loans or in the applicable interest rate payable by a Board member. Board approval is required when granting or renewing any loan facility extended to a member of the Board or his credit group.

As at 31 December 2024, the Group had provided QAR 40.9 million as loans and advances to certain members of its board of directors. These loans and advances were provided to such members of ABQ's board of directors in their capacity as customers of ABQ and on an arm's-length basis. Further information on the Group's related party transactions in 2024, 2023 and 2022 is set out in Note 34 to the Financial Statements.

Disclosures about risk

The Group is exposed to a number of financial risks and takes steps to mitigate certain of these risks as described further in the "*Financial Risk Management*" section and in Note 4 to the Financial Statements.

OVERVIEW OF QATAR

Unless indicated otherwise, information in this section has been derived from Government publications.

Country Profile

Qatar is an independent state in the Southern Arabian Gulf. Qatar shares a land border and maritime boundaries with Saudi Arabia and maritime boundaries with Bahrain, the UAE and Iran. Qatar covers an area of approximately 11,493 square kilometres. Doha is the capital city of Qatar, the seat of government and Qatar's cultural, commercial and financial centre. It includes the country's main seaport and international airport and has an advanced road system linking it with the international road network.

According to the most recent figures released by the Government, Qatar's population was 3.1 million as of 31 May 2024 indicating a 28.1 per cent. growth in population since the census prior to that was carried out in 2015. The Planning and Statistics Authority (the "**PSA**") stated that a large portion of Qatar's population comprises of non-Qatari nationals.

Qatar, which gained independence from the United Kingdom on 3 September 1971, was ruled by H.H. Sheikh Hamad Bin Khalifa Al-Thani from 27 June 1995 until 25 June 2013, on which date he handed power over to his fourth son, and the current Emir of Qatar, H.H. Sheikh Tamim Bin Hamad Bin Khalifa Al-Thani. During his reign, H.H. Sheikh Hamad implemented various initiatives designed to exploit Qatar's oil and gas resources in a responsible manner, thereby making rapid economic development and the construction of modern infrastructure possible in Qatar. During a period of rapid economic and social progress, Qatar has maintained its cultural and traditional values as an Arab and Islamic nation.

In terms of foreign relations and membership of international organisations, Qatar, together with Bahrain, Kuwait, Oman, Saudi Arabia and the UAE form the GCC. Qatar withdrew from the Organization of the Petroleum Exporting Countries ("**OPEC**") on 1 January 2019 but remains a member of the Gas Exporting Countries Forum (the "**GECF**") (which was established in 2008 and has its headquarters in Doha) and the United Nations. It is also a member of numerous international and multilateral organisations, including the IMF, the International Bank for Reconstruction and Development, the World Trade Organisation, the Arab League, the Organisation of the Islamic Conference, the Multilateral Investment Guarantee Agency and UNESCO.

On 23 December 2008, representatives of 11 gas producing nations, including Qatar, Russia and Iran, signed an intergovernmental memorandum and charter formally establishing GECF, which chose Doha as the future headquarters for its permanent secretariat. The GECF Secretary General commenced his duties in Doha in February 2010 and the GECF Liaison Office, which facilitates the affairs of the GECF, is also based in Doha. Apart from the regular ministerial meetings, the first GECF gas summit was held in Doha in December 2011. The GECF's objectives include exchanging information on a broad range of issues such as new technologies, investment programmes, relations with natural gas consuming countries and environmental protection.

Qatar is an advocate for regional integration and is a member of the GCC. In 2003, the GCC established a customs union under which Qatar applies a common customs tariff of 5.0 per cent. to most products, with a limited number of exceptions. In 2005, as part of the GCC, Qatar joined the Istanbul Cooperation Initiative, which is a North Atlantic Treaty Organisation (NATO) initiative to enhance regional security in the broader Middle East.

Legal System

Over the last decade, Qatar's legal system has been significantly reformed by the enactment of various pieces of legislation intended to bring Qatari laws in line with international laws, standards and practices. Qatar's civil code (Law No. 22/2004) addresses a wide range of matters including conflict of laws, contracts, rights and obligations, security, guarantees, property and torts. Qatar's commercial code (Law No. 27/2006) addresses among other things, commercial affairs and entities, commercial obligations, commercial mortgages and contracts and commercial paper. The commercial code also addresses bankruptcy matters, permitting creditors to file claims against any corporate entity, except for certain professional companies and other companies that are at least majority owned by the Government, and operates a public utility. The Commercial Companies Law (Law No. 11/2015, as amended) addresses the incorporation of companies, the ownership of shares, the liability of companies, shareholders and directors, capital contributions, payment of dividends, shareholder rights and obligations and rules of corporate governance.

The Government has passed other significant legislation in recent years, including the Foreign Investment Law, the Bankruptcy Law, the Central Bank Law (the "**QCB Law**"), the Money Laundering Law, the Law relating to the QSE and the Qatar Financial Centre Law (the "**QFC Law**"), as well as competition, intellectual property, labour, property, tax and environmental laws.

Following the establishment of the QFC in 2005, the QFC Law established a legal and regulatory regime to govern the QFC that is generally parallel to and separate from Qatari laws and the Qatari legal system, except for Qatari criminal law. The QFC has established its own rules and regulations applicable to, amongst other things, financial services companies, and which cover topics such as employment, companies, anti-money laundering, contracts and insolvency. See further "*Banking Industry and Banking Regulation in Qatar—Qatar Financial Centre*".

Qatar is also strengthening the private sector by undertaking regulatory reforms aimed at improving Qatar's business climate and creating an environment that will support enterprise creation, private competition and foreign direct investment, including through taking steps such as liberalising the telecommunications sector and creating special economic zones. In addition, Qatar has sought to increase the country's attractiveness to foreign direct investment by implementing laws that allow more foreign participation in the domestic economy. For example, the Government has established the QFC, which enables global financial firms to operate in Qatar, although there are restrictions on such financial institutions dealing with retail customers.

In addition, in December 2018, Law No. (24 of 2018) on Income Tax (the " **Income Tax Law**") came into effect which replaced Law No. (21 of 2009) on Income Tax. Under the Income Tax Law (which is applicable outside the QFC), taxable income in any taxable year is now taxed at a flat tax rate of 10.0 per cent. for companies, except for certain oil and gas companies that will continue to be taxed at the previous rate of 35.0 per cent. This is part of a broad plan to diversify the Qatari economy to reduce reliance on the oil and gas sector. However, Qatari companies 100 per cent. owned by Qataris do not pay income tax.

In November 2016, GCC states signed a framework agreement for value added tax ("**VAT**"). The tax was expected to apply a single rate (expected to be 5 per cent.) to a broad basket of goods and services. Although a number of GCC countries introduced this with effect from 1 January 2018, Qatar has not introduced VAT as of the date of this Base Prospectus. Although Qatar was expected to introduce VAT in 2019, this has not yet been introduced and there is no expected timeline at this stage.

In December 2018, Qatar introduced its Excise Law No. (25) of 2018 which came into effect on 1 January 2019. As at the date of this Base Prospectus, the excise applies to tobacco, energy drinks and goods of a special nature (which would include alcohol) at the rate of 100 per cent. and to carbonated drinks at the rate of 50 per cent.

In February 2019, the new Foreign Investment Law No. (1) of 2019 (the "**Foreign Investment Law**") came into effect which in principle removed the restriction on foreign investment to allow investments by non-Qataris in large sectors of the Qatari economy. The Minister of Commerce and Industry has the discretion to approve an investment by a non-Qatari exceeding 49 per cent. of the share capital of a company. The executive regulations relating to the Foreign Investment Law provide for the conditions and procedures for foreign investors to apply to exceed the 49 per cent. shareholding. However, the approval of such application is discretionary.

Furthermore, in June 2020, Law No. (12) of 2020 on regulating the partnership between the public and private sectors was issued which is aimed at enhancing the contribution of the private sector in major projects and in economic activity generally.

Economic Overview

Qatar is one of the most prosperous countries in the world. In 2023, Qatar had a nominal GDP per capita of QAR 256.4 thousand compared to QAR 292.6 thousand in 2022 (QCB Quarterly Statistical Bulletin – December 2024). As at 1 January 2023, Qatar's proven reserves of oil amount to approximately 25.2 billion barrels (including condensate) and, as of December 2022, Qatar's proven reserves of natural gas were approximately 843 trillion standard cubic feet (U.S. Energy Information Administration, March 2023). Qatar had the third largest natural gas deposits after Iran and Russia (U.S. Energy Information

Administration, March 2023). Virtually all of Qatar's proven reserves of natural gas and condensate are located in the North Field, which the U.S. Energy Information Administration estimates to be the largest non-associated gas field in the world, representing approximately 13 per cent. of the world's natural gas reserves in 2019.

To diversify and modernise the economy, Qatar commercialised its substantial natural gas reserve based on a strategy it developed in the early 1990s. Qatar has made major investments across the LNG industry, including liquefaction trains, tankers, and storage and regasification facilities abroad. Qatar is a leading LNG exporter as it was the second largest exporter in 2021, according to U.S. Energy Information Administration. Through its flagship North Field, Qatargas and RasGas LNG projects, Qatar has developed its LNG business through strategic partnerships with a number of the world's leading oil and gas companies, including ExxonMobil, Shell, TotalEnergies and ConocoPhillips. By investing across the entire LNG value chain, Qatar now enjoys meaningful cost advantages in the gas sector due to significant economies of scale and a low-cost structure. Qatar also has a good central geographic location for global shipping to all major gas consuming regions of the world and, based on contractual commitments, Qatari LNG is expected to be sold globally to customers in various regions, including Central and South America (Mexico and Argentina), Northwest Europe (the UK and Belgium), Western Europe (Italy, France and Spain), South Asia (India), East Asia (China, Malaysia, Thailand, South Korea, Japan and Taiwan) and the Middle East (UAE). Most of the LNG produced by Qatar's upstream ventures is sold under long-term take-or-pay agreements that provide certainty of volume offtake.

Qatar is currently in the process of constructing an expansion to the North Field, consisting of eight new LNG trains. As a result of the expansion, it is expected that the LNG production will increase by 85 per cent. From 77 million tonnes per annum (“**mtpa**”) to 142 mtpa.

In recent years, Qatar has focused on developing and exploiting its natural gas resources beyond the LNG industry by implementing a downstream strategy driven by opportunities to generate additional revenue from its existing oil and gas production. QatarEnergy has developed pipeline gas projects both for regional export markets and for domestic petrochemicals and industrial consumption. In addition, QatarEnergy is the majority shareholder in a number of industrial companies located primarily at Ras Laffan City and Mesaieed Industrial City, which use natural gas as feedstock and/or fuel to produce various value added products, such as petrochemicals, fertiliser, steel, iron and metal coating, both for domestic consumption and for export. Qatar has also invested in exploiting various gas-to-liquid ("**GTL**") technologies and has two joint venture projects currently in operation to generate GTL products like distillates.

Qatar has never defaulted on any payments of principal, premium or interest on any of its internal or external indebtedness. On 30 September 2023, Qatar's total outstanding indebtedness was QAR 338.5 billion (U.S.$93.0 billion), with internal indebtedness of QAR 160.9 billion (U.S.$44.2 billion) or 47.5 per cent. of total indebtedness, and external indebtedness of QAR 177.6 billion (U.S.$48.8 billion), or 52.5 per cent. of total indebtedness. According to the Ministry of Finance, in the third quarter of 2023, total indebtedness constituted 39.3 per cent. of Qatar's total nominal GDP. In recent years, Qatar has seen an improvement with their ratings. In January 2024, Moody's changed the outlook on the Government to stable from positive and its long-term issuer and foreign currency senior unsecured debt ratings to "Aa2" from "Aa3". In April 2024, Fitch affirmed Qatar's long term default rating and short-term default rating at "AA" and "F1+" respectively, citing its large sovereign net foreign assets, one of the world's highest ratios of GDP per capita, a flexible public finance structure and a favourable outlook for debt reduction. On Nov. 1, 2024, S&P Global Ratings affirmed its 'AA/A-1+' long- and short-term foreign and local currency sovereign credit ratings on Qatar. The outlook is stable.

The significant budget revenues generated by the oil and gas sector (which accounted for 83.1 per cent. of the total revenues in 2023) have provided sustained liquidity while ensuring sizeable surpluses in the fiscal and external accounts. Qatar had budget surpluses since the fiscal year ended 31 March 2001 until 2015. Following a budget surplus in 2019, Qatar experienced lower revenue and a budget deficit in 2020 but returned to a surplus in 2021, 2022 and 2023. Government revenues stood at QAR 297.8 billion (U.S.$80.6 billion) at the end of 2022 and fell to QAR 254.4 billion (U.S.$68.9 billion) at the end of 2023. For the year ended 31 December 2023, there was an overall surplus of QAR 43.1 billion (U.S.$ 11.3 billion). Qatar's trade activity is strong, with total goods exported in 2023 valued at U.S. 97.5 billion and total imports in 2023 valued at U.S.$29.3 billion, according to the QCB Quarterly Statistical Bulletin – December 2024. Qatar had a positive trade balance of U.S.$ 68.1 billion in 2023.

In its February 2024 Article IV Consultation: Staff Report and Press Release on Qatar (the "**2023 Article IV Report**"), the IMF noted the following:

- Qatar's economy saw a boost from successfully hosting the 2022 FIFA World Cup.
- High hydrocarbon prices will likely strengthen fiscal and external positions.
- Qatar's banking sector remains strong, however non-performing loans continued to edge up.
- The medium-term outlook is bolstered by the major LNG production expansion and accelerated reforms.

In recent years, Qatar has used its budget surpluses to diversify the economy through increased spending on infrastructure, social programmes, healthcare and education, which have modernised Qatar's economy. Qatar's economic growth has also enabled it to diversify its economy through domestic and international investment into different classes of assets. This diversification will be important to Qatar's future Government revenues as the growth rate of the state's revenue from the oil and gas sector is expected to stabilise given the completion of several of Qatar's long-term hydrocarbon investment programmes. In 2005, the QIA was established to propose and implement investments for Qatar's growing financial reserves, both domestically and abroad. Through the QIA, Qatar has invested in private equity, the banking sector, real estate, publicly traded securities and alternative assets. With its growing portfolio of international and domestic long-term strategic investments, the QIA has continued to develop Qatar's economic diversification strategy while contributing to the nation's significant economic expansion. Qatar incurred budget deficits in 2015, 2016, 2017 and 2020 and turned to deficit financing, including the issuance of bonds, as a way of continuing its investments in its economy. Such deficits reflected Qatar's continued commitment to capital expenditure with respect to ongoing infrastructure projects combined with conservative oil prices. Qatar's budget has been in surplus in 2021, 2022 and 2023.

The QIA has provided financial support to Qatar's financial sector as a response to the global economic downturn and as a preventative measure to preserve the general stability in Qatar's banking sector. See further "*Banking Industry and Banking Regulation in Qatar—Banking System—Commercial Banks*". A portion of the budget surplus has also been placed into stabilisation funds administered by the QIA. Education and health services are expected to be funded in future years by the interest derived from revenues of designated LNG trains currently being placed into dedicated stabilisation funds. The Government does not publish figures relating to the size, scope or performance of the portfolio of investments administered by the QIA.

In December 2010, Qatar was awarded the right to host the Federation Internationale de Football Association (FIFA) 2022 World Cup (the "**2022 World Cup**"). The 2022 World Cup provided opportunities for Qatar to invest in further developing its infrastructure and diversifying its economy.

Annual Indicators

The following table shows certain economic data for Qatar for the periods indicated:

	For the Year Ended			2023*	2024*		
	2021	2022	2023*	Q4**	Q1*	Q2*	Q3*
Nominal GDP (QAR millions)...............	654,225	857,983	785,502	194,048	192,462	196,128	204,075
Growth rate (%)	24.5	31.1	-8.4	-10.7	-2.8	1.7	1.8
Mining and quarrying activities share (%)	36.8	44.3	38.8	37.8	39.2	37.1	37.1
Growth rate (%)	58.0	57.9	-19.9	-19.7	-7.6	-1.0	-0.5
Non-mining and quarrying activities share (%)..	63.2	55.7	61.2	62.2	60.8	62.9	62.9
Growth rate (%)	10.8	15.5	0.7	-4.3	0.5	3.4	3.1
GDP per capita (QAR thousand)............	238.1	292.6	256.4	-	-	-	-
CPI-Inflation (%)	2.7	0.4	0.3	1.8	2.2	1.6	0.7

Source: QCB Annual Reports and QCB Quarterly Statistical Review December 2024.
*Preliminary estimates **Revised estimates

Inflation

Consumer Price Index inflation (the "**CPI**") in Qatar increased by 2.3 per cent. in 2021, 5.0 per cent. in 2022 and 3.1 per cent. in 2023. Housing, water, electricity and gas fell by 5.1 per cent. in 2021 and increased by 6.4 per cent. in 2022 and 3.6 per cent. in 2023.

In 2020, Qatar experienced an overall annual inflation rate of -2.7 per cent. Since then, the overall annual inflation rate has been 2.3 per cent. in 2021 , 4.5 per cent. in 2022 and 2.8 per cent. in 2023.

National Vision

In October 2008, Qatar's General Secretariat for Development Planning developed and published the Qatar National Vision 2030 (the "**National Vision**"). The National Vision defines broad future trends and long-term objectives for Qatar, providing the framework within which national strategies and implementation plans can be developed. Besides establishing the foundation for developing Qatar's future strategies and policies, the National Vision has also helped to strengthen co-ordination between governmental agencies and to integrate planning efforts for the Government, the private sector and civic organisations. The four cornerstones of the National Vision are human, social, economic and environmental development, in the context of which the State aims to balance: (i) modernisation and the preservation of traditions; (ii) the needs of the current generation and the needs of future generations; (iii) managed growth and uncontrolled expansion; (iv) the size and quality of the expatriate labour force; and (v) economic growth, social development, and environmental management. The Qatar National Vision is to be achieved through a series of medium term plans. The first such six-year plan, referred to as the National Development Strategy (NDS 2011-16), was released in March 2011. The Second Qatar National Development Strategy 2018-2022 was released in March 2018. The final phase of the National Vision 2030 was issued in January 2024, referred to as the Third National Development Strategy (NDS 2024-2030) plan. The plan's focus is on competitiveness, enhancing innovation, and supporting institutional excellence while achieving a balance between sustainable growth and social cohesion.

BANKING INDUSTRY AND BANKING REGULATION IN QATAR

Unless otherwise indicated, information in this section has been derived from publications of the Government, the QCB and the QFC annual report and website.

Qatar Central Bank

The QCB was established in 1993, pursuant to Emiri Decree No. 15 of 1993, and operates in coordination with the Ministry of Finance. The QCB is managed by a board of directors and chaired by its Governor. The Board of Directors includes the Deputy Governor of the QCB and at least five other members, including representatives holding the rank of undersecretary or higher from the Ministry of Finance, the Ministry of Commerce and Industry and the Economic Adviser, from the Emiri Diwan.

In its supervisory capacity, the QCB oversees the activities of Qatar's commercial banks (both conventional and Islamic) and non-bank financial institutions and insurance companies (outside the QFC) with a view to minimising banking and financial risk in Qatar's financial sector. The QCB conducts regular inspections of commercial banks and reviews reports and other mandatory data submitted by commercial banks, including monthly capital adequacy compliance reports.

The QCB has initiated single factor stress testing of the portfolios of commercial banks in Qatar. The testing covers the four broad areas of liquidity risk, credit risk, interest rate risk and equity market risk. The results of these stress tests illustrate the possible impact of adverse financial conditions on a commercial bank's capital adequacy ratio or return on assets. Stress testing of commercial banks, conducted on an aggregate basis by the QCB, suggested that neither the capital adequacy ratio nor the returns on assets of Qatar's domestic banks would be significantly impaired. The IMF concluded in their 2023 Article IV Report for Qatar published in January 2024 that "*Banks are well-capitalised, liquid and profitable*". The report also highlighted that "*banks' non-resident deposits fell by more than one-third from the recent peak, partially replaced by high public sector domestic deposits, reducing vulnerabilities amid tight global financial conditions*."

The QCB has implemented regulations regarding non-performing loans, large exposures, country risk, money market and foreign exchange accounts, credit ratios, fixed assets for banks' use, reserve requirements and banks investments. The QCB has the authority to impose penalties in the event that banks fail to comply with these regulations. The QCB has also established the Qatar Credit Bureau which provides analytical data and supports banks in their implementation of advanced risk management techniques outlined by Basel II.

The QCB has implemented Basel III standards earlier than the required timeline for completion of different aspects of the Basel III framework.

Commercial banks are required to have their annual accounts audited by the QCB's approved independent auditors and to obtain prior approval from the QCB to appoint senior management.

In January 2014, the QCB issued a circular to all commercial banks in Qatar (No. AR/2/2014) with instructions regarding the implementation of Basel III requirements. This was updated by a circular (No. 34/2022) dated 13 October 2022 which came into effect on 1 January 2024. The QCB minimum recommended capital adequacy requirements under Basel III are currently 12.5 per cent. (including a capital conservation buffer of 2.5 per cent.). Since 2018, commercial banks in Qatar are required to maintain a minimum liquidity coverage ratio of 100 per cent. The QCB has undertaken extensive groundwork in order to implement its Basel III requirements, including the initiation of a test phase.

The QCB also issues domestic currency and conducts bank clearing operations and settlements. The investment department of the QCB manages the investments of the QCB's financial reserves. These investments are primarily in the form of securities issued or guaranteed by other sovereigns with maturities of up to 10 years and are maintained at a level at least equal to 100 per cent. of the riyals issued by the QCB at any time.

The QCB, in order to ensure better regulation and risk management in the domestic Islamic and conventional banking sector, issued instructions in 2011 to conventional banks to wind up their Islamic banking operations by the end of 2011. The QCB also imposes certain exposure limits and credit controls on commercial banks. Credit facilities in excess of 20 per cent. of any bank's capital and reserves cannot be extended to a single customer's borrower group and credit and investment facilities in excess of 25 per cent. of any commercial bank's capital and reserves cannot be extended to a single customer's borrower group. Credit facilities extended to a single major shareholder's borrower group in any bank cannot exceed 10 per cent. of that bank's capital and reserves.

The QCB sets a maximum limit on loans and Islamic finance against transfer of salaries of QAR 2 million for Qatari citizens and QAR 400,000 for non-Qatari residents, with an overall cap on non-Qatari residents of QAR 1 million. The QCB provides that the maximum terms on loans and Islamic finance are six years for Qatari citizens and four years for non-Qatari residents. Maximum rates of interest are set at the QCB lending rate (the "**QCB Rate**") on top of which 1.5 per cent. per annum is added for Qatari citizens and non-Qatari residents. The QCB also sets caps in relation to the amount of total monthly obligations that an individual can have against salary which is set at 75 per cent. of the sum of basic salary and social allowance for Qatari citizens and 50 per cent. of total salary for non-Qatari residents.

The QCB regulations dictate that the maximum credit card withdrawal limit of an individual in Qatar is double his or her net total salary for both Qatari citizens and the non-Qatari residents. The QCB provides that maximum rates of interest for credit cards are set at 1 per cent. monthly for Qatari citizens and non-Qatari residents. The QCB also provides that the maximum rate of interest arising from credit cards is set at 0.25 per cent. monthly for Qatari citizens and for non-Qatari residents.

The QCB has specific regulations applicable to real estate financing. In cases where an individual's salary is the main source of repayment and relates to the purchase of a residential property for own use, the QCB provides that the real estate finance available to Qataris is 80 per cent. of the value of the mortgaged property where the value of the property is up to QAR 6 million and 75 per cent. of the value of mortgaged property where the value of the property exceeds QAR 6 million and the maximum period permitted for repayment is 30 years. In relation to non-Qatari residents, the limit is 75 per cent. of the value of the mortgaged property where the value of the property is up to QAR 6 million and 70 per cent. of the value of mortgaged property where the value of the property exceeds QAR 6 million and the maximum period permitted for repayment is 25 years. The QCB regulations dictate that the maximum salary deductions, including instalments and other liabilities, are capped at 75 per cent. of the basic salary and social allowance for Qatari citizens, and capped at 50 per cent. of total salary for non-Qatari residents, provided that the salary and post-retirement service dues are transferred to the Bank offering the finance.

The QCB regulations also require that where real estate finance is granted to an individual whose salary is not the main source of repayment and the repayment relies on the rental income, the finance available to a Qatari individual is 75 per cent. of the value of the mortgaged property where the value of such property is up to QAR 10 million and 70 per cent. of the value of the mortgaged property where the value of such property is more than QAR 10 million and the maximum repayment term permitted is 25 years. In relation to non-Qatari individuals, the finance available to a Qatari individual is 60 per cent. of the value of the mortgaged property and where the value of such property is up to QAR 10 million, the repayment term is 20 years and 15 years where the value of such property is more than QAR 10 million. These are the maximum limits set by the QCB.

The main exposure restrictions imposed by QCB are set out below:

Capital adequacy

- the Basel III minimum ratio is 12.5 per cent. (including a capital conservation buffer of 2.5 per cent.);
- for credit and market risk the standardised approach is to be followed;
- for operational risk, the basic indicator approach is to be followed;
- banks are subject to a capital adequacy ratio ("**CAR**") imposed by, and calculated in accordance with, regulations of the QCB;
- liquidity coverage ratio of at least 100 per cent. as at 2018;
- net stable funds ratio of at least 100 per cent. since 2018;

- since 1 January 2016, additional capital requirements for DSIBs of 0.5 per cent. and 3.5 per cent. of risk weighted assets as deemed necessary by the QCB; and
- discretionary additional "countercyclical buffer" during periods of excessive credit growth that would increase capital adequacy ratio requirements by up to 2.5 per cent.

Credit and concentration

- maximum limit for a single customer may not exceed 20.0 per cent. of a bank's capital and reserves. Maximum limit for any shareholder who owns 5.0 per cent. or more of a bank's share capital either directly or through his minor children, spouse or through the companies in which they own 50.0 per cent. or more of the shares may not exceed 10.0 per cent. of the Bank's capital and reserves. Maximum limit of total of investment and credit concentration to a single customer is 25.0 per cent. of a bank's capital and reserves;
- total real estate financing may not exceed 150.0 per cent. of a bank's tier 1 capital; and
- no single customer may borrow more than QAR 8.0 billion (U.S.$2,197.8 billion) in aggregate from Qatar's commercial banks.

Foreign investment and ownership restrictions

Foreign investment in Qatari banks is not permitted, save with a specific permission from the Council of Ministers. This restriction does not apply to Qatari banks listed on the Qatar Stock Exchange (the "**QSE**") although foreign investors are restricted to holding, currently in aggregate, not more than 49.0 per cent. of the shares of any bank so listed unless an exemption is obtained from the Council of Ministers (upon the Minister of Commerce and Industry's recommendation that such exemption be granted). Following a recommendation for such listed banks to be able to increase their foreign ownership limits to 100 per cent., since 14 April 2021 and, as of date of this Base Prospectus, six such banks were approved for foreign ownership of up to 100 per cent., including Qatar National Bank QPSC, Qatar Islamic Bank QPSC, The Commercial Bank PQSC, Doha Bank QPSC, Qatar International Islamic Bank QPSC and Al Rayan Bank QPSC (previously known as Masraf Al Rayan). Any such change to the Bank is, as at the date of this Base Prospectus, subject to regulatory and shareholder approval.

Required reserve

The QCB requires each commercial bank to maintain a reserve minimum with the QCB of 4.50 per cent. of its total deposits. Additionally, when there is a maturity mismatch between foreign currency assets and liabilities and the resulting gap is negative, the QCB requires banks to hold a reserve minimum of 5.00 per cent. on the amount of the negative gap for liabilities maturing in less than one year, and a reserve minimum of 3.00 per cent. on the amount of the negative gap for liabilities maturing in one to two years. The percentage is calculated on the basis of the average daily total deposits balances during the period from the 16th of each month to the 12th of the following month. The amount of reserves approved applies at the start of the 15th day of each month. The reserves are non-interest bearing and are in QAR.

Risk reserve

The QCB requires local banks to charge a risk reserve of a minimum of 2.5 per cent. on total credit facilities. The risk reserve is not charged as an income statement expense but as an appropriation account and included under equity holders' equity as a separate line item.

Interest rates

Prior to 2000, the QCB imposed certain ceilings on the credit and deposit interest rates offered by commercial banks. The QCB removed these restrictions in order to further liberalise the financial sector. However, in April 2011, the QCB introduced a cap on interest rates that can be charged on personal loans of 1.5 per cent. per annum over its benchmark lending rate and 1.0 per cent. per month for credit cards.

The QCB utilises three different interest rates: a lending rate, a deposit rate and a repo rate. The lending rate applies to the lending facility through which commercial banks can obtain liquidity from the QCB. The deposit rate applies to the deposit facility through which commercial banks can place deposits with the QCB. Both of these facilities may be rolled over to the next day, when transactions are executed electronically. The repo rate is a pre-determined interest rate set by the QCB for repo transactions entered into between the QCB and commercial banks.

Prior to July 2007, the QCB tracked the interest rates of the U.S. Federal Reserve as the Qatari riyal is pegged to the U.S. dollar. However, and especially since the global financial crisis, the QCB has not deemed it necessary to change interest rates in tandem with the U.S. Federal Reserve on all occasions in view of domestic macroeconomic conditions, in particular trends in inflation. Although the QCB's money market rates are largely influenced by the movements in the interest rates of the U.S. Federal Reserve due to the peg on the exchange rate, the QCB acted independently in 2010 and 2011 by changing its policy rate even as the U.S. Federal Reserve continued to keep interest rates unchanged at near-zero levels. The QCB deposit rate which had been kept at 2 per cent. from May 2008 till July 2010 was thereafter reduced by 125 basis points in total in three phases to 0.75 per cent. by August 2011. Since April 2011, the QCB lending rate has been reduced in two phases by 100 basis points in total to 4.5 per cent. and the QCB repo rate has been reduced in two phases by 105 basis points in total to 4.5 per cent. The surplus liquidity conditions in 2010 and 2011 were reflected in the general softening of interbank interest rates across the maturity spectrum. As at the date of this Base Prospectus, the QCB overnight deposit rate is 4.60 per cent., its overnight lending rate is 5.10 per cent. and its repo rate is 4.85 per cent.

On 6 May 2012, the QCB and Bloomberg launched the first ever Qatar Interbank Offer Rate ("**QIBOR**") fixings, in a move aimed at encouraging a more active interbank market in Qatar.

QIBOR, which uses the contributed offer rates quoted by 9 panel banks, is calculated by Bloomberg and published on the QCB website and Bloomberg Professional service. QIBOR fixings for eight different tenures ranging from overnight to one year are publicly available each business day making market activity transparent to other banks around the world.

Liquidity and money supply

The table below shows the trend in certain money supply indicators for the Qatari banking system for the periods indicated.

	2024	2023	2022
Money supply (M1) (QAR million)	139,831	139,251	160,752
Growth rate (%)	0.4	-13.4	8.4
Money supply (M2) (QAR million)	718,208	722,656	714,482
Growth rate (%)	0.6	1.1	17.4
Money supply (M3) (QAR million)	841,001	820,660	822,669
Growth rate (%)	2.5	-0.2	15.7

Source: QCB December 2024 Quarterly Statistical Bulletin

The QCB, on behalf of the Government, issues bonds to absorb domestic liquidity and develop a yield curve for riyal-denominated domestic bonds. The funds so generated are transferred by the QCB to the State of Qatar's account and the State of Qatar uses these funds for various Governmental uses and for investment. The QCB also prescribes reserve requirements for commercial banks to be maintained with the QCB in order to control domestic liquidity.

Qatar launched quarterly bond sales in March 2013 to help banks manage liquidity. The QCB has been flexible in its timing and characteristics of the issues depending on market conditions and its policy stance. In addition to the bond auctions, the QCB introduced quarterly auctions of treasury bonds in March 2013 and has conducted monthly auctions of three, six and nine month treasury bills since 2011.

Banking System

Commercial banks

As at 31 December 2024, the Qatari commercial banking sector was comprised of 16 banks licenced by the QCB as follows:

- four locally owned conventional commercial banks;
- four Islamic institutions that operate according to Islamic *Shari'a* principles (including the prohibition on the charging of interest on loans);

- one state-owned development bank; and
- branches or subsidiaries of seven foreign banks focussing mainly on trade finance, foreign currency operations and state-related business.

Commercial banks are the primary financial institutions in Qatar, providing deposit taking, credit and investment services, as well as foreign exchange and clearance services. The deposits made in Qatar's commercial banks are not insured as there is no deposit insurance scheme in Qatar.

The commercial banks in Qatar have built retail banking and investment banking capabilities to generate future returns. After Government, semi-Government and corporate clients, the consumer market remains the key lending focus. Consumer loans are customarily tied to salary transfers from bank-approved institutions and repayments are ensured by direct deduction, under standing orders, from monthly salary credits. The Qatar retail banking market is becoming increasingly competitive and challenging, with all banks expanding their retail banking operations.

Qatar's foreign banks compete for the same business as local banks but operate under certain restrictions. The lending limits of foreign banks are based on their local capital base. However, foreign banks have traditionally obtained guarantees from their head offices when credits exceed their legal lending limits. Some of the foreign multinational banks have started to increase their presence in the Qatar market and some have established offices in the QFC. Other international banks often take part in transactions in Qatar on a cross border basis.

The average banking sector capital adequacy ratio ("**CAR**") was 19.2 per cent. in 2023 compared with 19.3 per cent. in 2022 and 19.2 per cent. in 2021. At the end of 2023, the average banking sector regulatory tier 1 capital-to- risk-weighted assets for all banks was 18.2 per cent. compared to 18.1 per cent. for 2022 and 18.0 per cent. for 2021. Currently, Qatar's commercial banks are compliant with Basel III as implemented by the QCB.

The Qatar Government has provided financial support to Qatar's financial sector as a response to the global economic downturn and as a preventative measure to preserve the general stability in Qatar's banking sector. In early 2009, the Qatar Government began making direct capital injections in Qatar's commercial banking sector through a plan to purchase equity ownership interests of up to 20 per cent. in the domestic banks listed on the QSE. In line with the plan, from 2009 through to 2011, the QIA acquired equity positions ranging from 5 per cent. to 20 per cent. in various domestic banks, including Qatar Islamic Bank, the Commercial Bank, the Qatar International Islamic Bank, ABQ and Doha Bank.

In addition to the equity purchases, the Qatar Government also assisted the banking sector by purchasing certain portions of their investment and real estate portfolios. On 22 March 2009, the Qatar Government purchased the investment portfolios of seven of the nine domestic banks listed on the QSE at a total purchase price of approximately QAR 6,500 million (U.S.$1,786 million) paid through a combination of cash and domestic Government bonds. This purchase price was equal to the value of such investment portfolios as registered in the records of each bank as of 28 February 2009. In an effort to further boost liquidity and encourage lending, in early June 2009, the Qatar Government made a second round of investments and bought the real estate portfolios and investments of nine domestic commercial banks at a sale price equivalent to the net book value of such portfolios and investments with a total ceiling amount of QAR 15,000 million (U.S.$4,121 million). The total support to the banking sector, which includes purchases of real estate and investment portfolio in domestic banks as well as the equity injections has been QAR 32,700 million (U.S.$8,984 million).

The amount of credit extended by commercial banks to the private sector grew by a compound annual growth rate of 12.5 per cent. between 2017 and 2021, increasing to QAR 767.0 billion (U.S.$211.0 billion) from QAR 479.0 billion (U.S.$132.0 billion) in 2017.

According to the data available from the QCB, the level of "non-performing" commercial bank loans as a percentage of total loans in Qatar has increased in recent years. The level of non-performing loans was 6.1 per cent. in 2023, as compared to 5.9 per cent. in 2022, 2.6 per cent. in 2021 and 2.3 per cent. in 2020. Under QCB regulations, non-performing loans are determined by reference to a range of indicators, and include loans that meet one of the following conditions for at least three months: (i) the borrower is not able to meet its loan repayments and the loan is past due; (ii) other credit facilities of that borrower are past due; (iii) the existing credit limits granted to that borrower for its other credit facilities are not renewed; or

(iv) a borrower exceeds its agreed credit limit by 10 per cent. or more without prior authorisation. Commercial banks in Qatar categorise non-performing loans into three groups: substandard, doubtful and bad. Substandard loans are those that have not performed for three or more months, doubtful loans are those that have not performed for six or more months, and bad loans are those that have not performed for nine or more months. The QCB also obliges national banks to form a "risk reserve" from their net profits, which should not be less than 4.5 per cent. of the total direct credit facilities granted by the Bank and its branches and subsidiaries inside and outside Qatar. This figure is calculated according to each bank's consolidated balance sheet, after deduction of the specific provisions, suspended interests and deferred profits for Islamic banks, with the exception of credit facilities extended to the Ministry of Finance, credit facilities guaranteed by the Ministry of Finance and credit facilities secured by cash collateral (with a lien on cash deposits).

The following table sets out the consolidated balance sheet of the Qatari commercial banking sector by economic activity as at 31 December 2024, 31 December 2023 and 31 December 2022.

	As at 31 December		
	2024	**2023**	**2022**
		(QAR million)	
Assets			
Reserves			
Cash	6,926.7	6,946.6	12,679.0
Balances with the QCB	69,739.4	74,727.9	72,473.1
Foreign assets:			
Cash	4,818.0	5,956.9	7,747.5
Claims on foreign banks	132,553.2	128,259.6	139,735.3
Foreign credit	63,554.2	55,985.1	58,257.3
Foreign investments	80,019.7	72,781.1	61,514.2
Other assets	9,676.1	9,498.4	4,703.2
Domestic assets:			
Due from Banks in Qatar	60,005.0	70,277.6	45,223.5
Domestic credit	1,283,197.8	1,231,949.5	1,197,766.3
Domestic investments	287,043.3	264,040.6	255,686.1
Fixed assets	9,233.8	8,376.6	8,225.2
Other assets	39,957.1	40,548.1	40,956.9
Total assets	**2,046,724.3**	**1,969,348.0**	**1,904,967.6**
Liabilities			
Foreign liabilities:			
Non-resident deposits	200,039.5	179,051.9	192,595.2
Due to foreign banks	439,122.7	413,928.9	403,396.6
Debt securities	70,696.3	65,476.2	69,443.5
Other liabilities	8,755.5	-855.6	3,107.9
Domestic liabilities:			
Resident deposits	826,700.4	806,931.8	806,547.6
Due to domestic banks	81,654.1	81,975.5	47,385.8
Due to QCB	1,651.1	17,742.9	14,937.4
Debt securities	1,301.0	1,735.8	1,305.0
Margins	3,000.9	3,202.0	2,958.5
Capital accounts	196,603.7	190,673.8	183,245.1
Provisions	52,344.1	51,739.2	44,081.8
Unclassified liabilities	164,855.0	157,745.6	135,963.2
Total liabilities	**2,046,724.3**	**1,969,348.0**	**1,904,967.6**

Source: QCB December 2024 Quarterly Statistical Bulletin

The following table summarises the capital adequacy ratio and the ratio of non-performing loans to total capital for the Qatari banking system as at 31 December 2023, 31 December 2022 and 31 December 2021.

	As at 31 December		
	2023	**2022**	**2021**
Capital adequacy ratio (per cent.)	19.2	19.3	19.2
Non-performing loans net of provisions to capital (per cent.)	6.1	5.9	2.6

Source: QCB Banks' Performance Indicators

The following table sets out the distribution of Qatari commercial bank credit facilities as at 31 December 2024, 31 December 2023 and 31 December 2022.

	As at 31 December		
	2024	2023	2022
		(QAR million)	
Public sector:			
Government	110,002.0	106,159.3	116,013.2
Government institutions	257,857.7	239,330.7	239,889.3
Semi government institutions	18,575.2	22,661.8	18,295.5
Total public sector loans	386,434.9	368,151.8	374,198.1
Private sector:			
General trade	194,427.1	183,394.3	168,928.7
Industry	14,557.2	16,033.9	17,868.8
Contractors and Real Estate	220,481.8	210,714.9	227,049.9
Consumption	177,418.7	178,292.6	163,185.6
Services	287,272.1	272,136.2	242,311.3
Other	2,606.0	3,225.8	4,223.9.
Total private sector loans	896,762.8	863,797.7	823,568.2
Total domestic loans	1,283,197.8	1,231,949.5	1,197,766.3
Loans outside Qatar	63,554.2	55,985.1	58,257.3
Total loans	**1,346,752.0**	**1,287,934.6**	**1,256,023.6**

Source: QCB December 2024 Quarterly Statistical Bulletin

The following table sets out the breakdown of Qatari commercial bank deposits as at 31 December 2024, 31 December 2023 and 31 December 2022.

	As at 31 December		
	2024	2023	2022
		(QAR million)	
Public sector:			
By term and currency:			
In Qatari riyal			
Demand deposits	26,297.5	29,217.5	32,455.9
Time and savings deposits	163,642.4	151,025.9	153,402.1
In foreign currencies			
Demand deposits	26,882.9	22,094.6	30,617.1
Time and savings deposits	140,178.9	140,295.7	131,863.6
By sector:			
Government	121,779.6	97,003.3	105,329.4
Government institutions	189,817.7	192,611.3	194,705.3
Semi government Institutions	45,404.4	53,019.1	48,304.0
Total public sector deposits	357,001.7	342,633.7	348,338.6
Private sector:			
By term and currency:			
In Qatari riyal			
Demand deposits	105,125.6	102,550.3	120,413.4
Time and savings deposits	238,273.0	218,363.7	207,932.3
In foreign currencies			
Demand deposits	29,466.6	32,528.7	26,641.8
Time and savings deposits	96,833.5	110,855.4	103,221.4
By sector:			
Personal	264,136.5	246,382.9	228,818.2
Companies and institutions	205,562.2	217,915.1	229,390.6
Total private sector deposits	469,698.7	464,298.0	458,208.9
Non-resident deposits	200,039.5	179,051.9	192,595.2
Total deposits	1,026,739.9	985,983.7	999,142.8

Source: QCB December 2024 Quarterly Statistical Bulletin

Qatar Development Bank

Qatar Development Bank ("**QDB**") was established by the Government in 1997, with contributions from national banks, under the name of Qatar Industrial Development Bank. In 2006, QDB became a Government-owned bank and the following year changed its name to Qatar Development Bank. QDB's main objective is to contribute to the development and diversification of economic and industrial investments in Qatar. QDB finances small and medium sized industrial projects and provides technical assistance and advice to industrialists for the implementation of their projects. QDB also provides consultancy services and financing for projects in the education, agriculture, fisheries, healthcare, animal resources and tourism sectors.

Qatar Financial Centre

The QFC is a financial and business centre established by the Government in 2005 with a view to attracting international financial services institutions and multinational corporations to Doha in order to grow and develop the market for financial services in the region. Unlike other financial centres in the region, the QFC is an onshore financial and business environment. QFC provides a low-tax environment, with a 10 per cent. charge on local source business profits and 100 per cent. foreign ownership and profit repatriation are both permitted. QFC companies in which Qataris own at least 90 per cent. of the share capital may elect to be charged at the concessionary rate of 0 per cent. subject to the payment of a concessionary rate charge determined by the value of the share capital.

The QFC comprises the following statutory independent bodies reporting to the Council of Ministers:

- the QFC Authority (the "**QFCA**"), which determines the commercial strategy of the QFC and is responsible for legislation and compliance matters relating to the QFC legal environment;
- the Qatar Financial Centre Regulatory Authority (the "**QFCRA**"), which regulates, authorises, supervises and, when necessary, disciplines banking, securities, insurance and other financial businesses carried on in or from the QFC. The QFCRA's regulatory approach is modelled closely on that of the UK's Financial Conduct Authority. The QFCRA also registers and supervises the directors and other designated officers of the businesses authorised by it;
- the QFC Civil and Commercial Court (also known as the Qatar International Court), which has jurisdiction over civil and commercial disputes arising between: (i) entities established within the QFC; (ii) employees or contractors employed by entities established in the QFC and the employing entity; (iii) QFC entities and residents of State of Qatar; and (iv) QFC institutions and entities established in the QFC; and
- the QFC Regulatory Tribunal, which hears appeals against decisions of the QFCRA, QFCA and other QFC institutions.

In addition, the Qatar International Court and Dispute Resolution Centre offers international arbitration and mediation services. The QFCA, QFCRA, the QFC Civil and Commercial Court and the Regulatory Tribunal are all statutory independent bodies reporting to the Council of Ministers.

Firms operating under the QFC umbrella fall into two categories: those providing financial services (such as banking institutions; insurance, reinsurance and insurance mediation firms; and asset management and investment firms), which are regulated activities, and those engaged in non-regulated activities in support of financial services (such as legal, audit, tax, advisory and consultancy service providers). All QFC firms must apply to the QFCA for a business license to conduct a permitted activity in or from the QFC. Firms planning to conduct regulated activities also need to apply to the QFCRA for authorisation. The operations of the Company Registration Office are handled by the QFCA. The QFCA imposed a tax rate of 10 per cent. on local source business profits effective 1 January 2010.

Principal regulator and collaborative regulatory approach

Law No. 13 of 2012, which came into force in 2013, gave the Governor of the QCB ultimate responsibility for governance of the QFC. While the QFCRA continues to regulate QFC entities that offer financial services, the QCB and the QFCRA collaborate on strategic matters.

Banking Regulation in Qatar

The QCB was established in 1993. Under Banking Law (Law No (13) of 2012), the QCB's aims are to preserve the value of the Qatari riyal and assure monetary stability, act as a regulatory, control and supervisory higher authority for all the financial services, businesses, markets and activities inside or through Qatar in accordance with the best international standards and practices, establish governance mechanisms towards a stable, transparent and competitive sector to carry out financial services, businesses, markets and activities based on market rules, reinforce public confidence in Qatar as a hub for financial services, business, markets and activities and ensure the consistent development of financial services, business, markets and activities sectors in line with the objectives of economic and comprehensive development in Qatar.

The QCB acts as the primary supervisory authority and regulator for Qatar's commercial banks, and issues licences and consents to banking and financial services companies operating in Qatar. The QCB's jurisdiction also includes foreign exchange houses, investment companies, finance houses and insurance companies.

The QFCRA is an independent statutory body of the QFC that licenses and supervises banking, financial and insurance related businesses that provide financial and advisory services in, or from, the QFC. The QFMA is the independent regulatory authority for Qatar's domestic capital markets with responsibility for regulating and supervising the QSE along with the securities industry and associated activities.

Basel III

Qatari banks are required to comply with the QCB's guidelines on Basel III which include requirements to maintain:

- a minimum CAR of 12.5 per cent. (which includes a 2.5 per cent. capital conservation buffer);
- a minimum LCR and net stable funding ratio ("**NSFR**") target of 100 per cent.; and
- a minimum leverage ratio of 3 per cent.

Qatari banks are required to prepare CAR, LCR, NSFR and leverage ratios on both a standalone and a consolidated basis. Additionally, in relation to the LCR, where Qatari banks have concentrations in currencies other than QAR and USD, there is also a requirement to prepare the LCR for such currencies. All ratios that are prepared must be reviewed and certified by the relevant banks' external auditors on a quarterly basis, with LCR and NSFR to be reported to the QCB on a monthly basis and CAR to be reported to the QCB on a quarterly basis.

As at the date of this Base Prospectus, the Bank is in compliance with each of the above QCB Basel III minimum ratios and the periodic reporting requirements of the QCB in relation to such ratios.

Exposure restrictions

The main exposure restrictions imposed by the QCB are set out below:

Credit and concentration

The QCB sets credit and customer concentration limits as a percentage of the bank's capital and reserves. Such maximum limits are: 20 per cent. for a single customer, 10 per cent. for any shareholder owning 5 per cent. or more of a bank's share capital (directly or indirectly), 25 per cent. for total investments in, and credit concentration to, a single customer and 150 per cent. for total real estate credit risk.

Country risk limits

The QCB sets country risk limits as a percentage of a bank's capital and reserves. Such maximum limits are: 150 per cent. in respect of countries carrying risk weight 'zero' (QCB category 1), 75 per cent. in respect of countries carrying risk weight 20 per cent. to 50 per cent. (QCB category 2), 50 per cent. in respect of countries carrying risk weight above 100 per cent. (QCB category 3), and 20 per cent. in respect of countries subject to transfer risk (QCB category 4).

Financing for trading securities

Financing the subscription in initial public offerings, capital increase and offerings for companies to be listed on the QSE may not exceed two-thirds of the disclosed value of the purchased securities.

Financing to members of the board of a bank

The QCB sets limits on financing to board members (including their credit groups) as a percentage of a bank's capital and reserves. This limit on financing to board members is 7 per cent. on an individual basis and 35 per cent. in aggregate of all board members.

Investment Limits

The QCB sets limits on a bank's investments as a percentage of its capital and reserves. Such maximum limits are: 25 per cent. in respect of the total securities portfolio for the equity instruments and debt instruments, 15 per cent. for securities outside Qatar, 10 per cent. for unlisted securities inside Qatar, 5 per cent. for unlisted securities outside Qatar and 5 per cent. for investments in a single company without exceeding the total risk exposure (investment and credit) specified by the QCB per customer or financial institution.

Debt instruments issued or guaranteed by the Government or those issued by the QCB and those debt instruments issued by national banks licensed by the QCB are exempt from the above limits.

Dealings in Foreign Exchange and Money Market Instruments for Banks

Banks are required to set a comprehensive policy in respect of dealing in foreign exchange, derivatives and money market instruments including administrative, executive and supervisory principles, controls and procedures. This policy must include limits on such dealings as a percentage of the bank's equity capital or total assets which must be notified to the QCB.

Additional ratios and indicators set by the QCB

The QCB has set ratios for commercial banks in Qatar, summarised as follows:

- *Credit ratio:* A bank's total credit ratio may not exceed 90 per cent. of a bank's funding.
- *Overdraft to credit facilities:* Overdraft facilities may not exceed 30 per cent. of a bank's total credit facilities.
- *Foreign currency assets and liability ratio:* A bank must maintain a minimum ratio of foreign currency assets to foreign currency liabilities of 100 per cent.
- *Fixed assets to assets:* A bank's fixed assets may not exceed 20 per cent. of its capital and reserves.

Required reserve

The QCB requires each commercial bank to maintain a minimum reserve with the QCB equal to 4.5 per cent. of the bank's total deposits. Additionally, when there is a maturity mismatch between foreign currency assets and liabilities and the resulting gap is negative, the QCB requires banks to hold a reserve minimum of 5.00 per cent. on the amount of the negative gap for liabilities maturing in less than one year, and a reserve minimum of 3.00 per cent. on the amount of the negative gap for liabilities maturing in one to two years. The QCB also requires commercial banks to maintain a risk reserve from its net profit of not less than 2.5 per cent. of the total amount of its direct credit facilities (excluding credit facilities extended to the Ministry of Finance of Qatar, guaranteed by the Ministry of Finance of Qatar and credit facilities secured by cash collateral (with a lien on cash deposits)).

Limits on remuneration to Directors

Under Qatar's commercial companies law, remuneration to board members of shareholding companies is limited to a maximum of 5 per cent. of the net profit after deducting the legal reserve and distributing dividends of not less than 5 per cent. of the paid-up share capital of the company. If the company does not generate profit, director remuneration must be stipulated in the company's articles of association, approved by its shareholders and be within any limits set by the Ministry of Commerce and Industry.

The QCB has also limited bonuses payable annually to board members of domestic banks in Qatar to QAR 2.5 million in respect of the Chairman of the board and QAR 2 million in respect of other board members.

In the event that a board member sits on any of the committees of the board, payments for such committee role should not exceed QAR 0.3 million.

The Government involvement in the Qatar Commercial Banking Sector

The Government has in the past taken steps to increase liquidity in its domestic commercial banking sector. For example, in October 2008, the QIA announced its plan to acquire equity ownership interests of between 10 per cent. and 20 per cent. in all domestic banks listed on the QSE. In addition, in March 2009, the Government assisted the banking sector by purchasing the domestic equity portfolios of seven of the nine domestic banks listed on the QSE and in June 2009, the Government announced that it would purchase the portfolios of real estate financings and other assets of commercial banks listed on the QSE. The Government offered to purchase the portfolios at their net book values.

In response to the COVID-19 pandemic, the Government temporarily established a number of stimulus packages including a national guarantee programme pursuant to which Qatari banks benefited from a 100 per cent. guarantee for financing provided to the private sector to enable affected companies to pay salaries and rent. The QCB also introduced a number of temporary initiatives including loan postponements and liquidity assistance.

Other pertinent regulations in Qatar

The Government, through the Ministry of Labor, has established Qatarisation requirements that vary by industry, company size, and workforce composition. In line with this mandate, ABQ was assigned a specific Qatarisation target for 2024. As of 31 December 2024, Qatari nationals comprised 26.04 per cent. of the Bank's total workforce.

TAXATION

The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Base Prospectus and is subject to any change in law that may take effect after such date.

The Cayman Islands

Under existing Cayman Islands laws, payments on the Notes will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Notes, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. There are no income, corporation, capital gains or other taxes in effect in the Cayman Islands on the basis of present legislation.

The Issuer has obtained an undertaking from the Governor-in- Cabinet of the Cayman Islands, pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands, that for a period of 20 years from 15 March 2016 no law which is enacted in the Cayman Islands imposing any tax to be levied on profit, income, gains or appreciation shall apply to the Issuer or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which would include the Notes) of the Issuer or by way of the withholding in whole or in part of any relevant payment (as defined in the Tax Concessions Act (As Revised) of the Cayman Islands).

No capital, or stamp duties are levied in the Cayman Islands on the issue or redemption of Notes. Notes issued in bearer form are themselves stampable if executed in or brought into the Cayman Islands. An instrument of transfer in respect of a Note may be stampable if executed in or brought to the Cayman Islands. An annual registration fee is payable by the Issuer to the Cayman Islands Registrar of Companies which is calculated by reference to the principal amount of its authorised capital. At current rates, this annual registration fee is approximately U.S.$1,128.05. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

Qatar

*The following is a summary of the principal Qatari tax consequences of ownership of the Notes by beneficial owners who or which are not incorporated in or residents of Qatar for Qatari tax purposes and do not conduct business activities in Qatar ("**Non-Qatari Holders**"). This summary of taxation in Qatar is based upon: (i) Law No. 24 of 2018 (the " **Income Tax Law**"); (ii) the Executive Regulations of the Income Tax Law issued in December 2019 (the "**Executive Regulations**"); (iii) Circular No. 14 of 2019 issued by the General Tax Authority; and (iv) the published practices that have been adopted and applied by the Director of Public Revenues and Taxes Department at the Ministry of Finance in Qatar and the General Tax Authority recently established under the supervision of the Ministry of Finance, each as in effect on the date of this Base Prospectus. This general description is subject to any subsequent change in Qatar tax law, regulations and practice that may come into force after such date.*

Under the Income Tax Law, taxes are levied on a taxpayer's income arising from activities in Qatar. However, payments made by the Issuer or the Guarantor to Non-Qatari Holders will not be subject to Qatari income taxes because such income tax does not apply to payments under the Notes and the Agency Agreement made to Non-Qatari Holders.

The Income Tax Law and the Executive Regulations provide that any payment of interest and fees made in relation to bonds issued by a Qatari corporate entity will be subject to withholding tax, which will include the Issuer as an entity managed from Qatar and therefore considered as tax resident in Qatar. However, the Executive Regulations provide for certain exemptions to such application of withholding tax. Paragraph 2 of Article 21.4 of the Executive Regulations provides that: "interest on bonds and securities issued by the State and public authorities, establishments and corporations owned wholly or partly by the State" shall not be subject to withholding tax. As the Issuer and the Guarantor are presently partly owned by the State, they will be exempt from the requirement to withhold tax. If the Issuer and/or the Guarantor cease to be partly owned by the State the exemption at Paragraph 2 of Article 21.4 of the Executive Regulations will cease to apply. The Guarantor would benefit from an exemption under Paragraph 3 of Article 21.4 of the Executive Regulations which provides that interest on transactions, facilities and loans with banks and financial institutions shall not be subject to withholding tax. Similarly, the Issuer would benefit from this exemption provided the interest is being paid to a bank or financial institution. However, the Issuer has agreed, and to the extent that the Guarantor may be called upon to perform its obligations under the Deed of Guarantee, the Guarantor has agreed, that all payments of principal and interest in respect of the Notes and/or the Deed of Guarantee will be made free and clear of withholding taxes payable in Qatar and the Issuer or the Guarantor, as the case may be, will be required to pay additional amounts in respect of any such withholding or deduction imposed by or on behalf of Qatar in certain circumstances. See "*Terms and Conditions of the Notes—Taxation*".

Non-Qatari Holders will not be subject to tax in Qatar on any capital gains derived from a sale of Notes. Under current Qatari law, no Qatari stamp duty will be imposed on Non-Qatari Holders either upon the issuance of the Notes or upon a subsequent transfer of Notes.

The Proposed Financial Transactions Tax (the "FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Qatar) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in an amended and restated dealer agreement dated 10 March 2025 (the "**Dealer Agreement**") between the Issuer, ABQ, the Permanent Dealers and the Arrangers, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer(s). The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer may pay each relevant Dealer(s) a commission as agreed between them in respect of Notes subscribed by it. The Issuer may agree to reimburse the Arrangers for their respective expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer, including in the event that certain conditions precedent are not delivered or met to their satisfaction on the issue date. In this situation, the issuance of the Notes may not be completed. Investors will have no rights against the Issuer or the Dealers in respect of any expense incurred or loss suffered in these circumstances.

Selling Restrictions

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act. Notes in bearer form having a maturity of more than one year are subject to U.S. federal tax law requirements. Subject to certain exceptions, the Notes may not be offered, sold or delivered within the United States or its possessions or to or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Bearer Notes, other than Bearer Notes issued under circumstances in which the Notes will not constitute "registration-required obligations" under TEFRA, will be issued in accordance with the C Rules, or in accordance with the D Rules as specified in the Final Terms. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the C Rules and the D Rules.

Each of the Dealers has represented and agreed that, except as permitted by the Dealer Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Notes of any identifiable Tranche (i) as part of their distribution at any time or (ii) otherwise until 40 days after completion of the distribution of such Tranche, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Prohibition of Sales to EEA Retail Investors

Unless the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus) in relation thereto to any retail investor in the EEA. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of EU MiFID II; or

(ii) a customer within the meaning Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II.

If the Final Terms in respect of any Notes specifies the "Prohibition of Sales to EEA Retail Investors" as "Not Applicable", in relation to each Member State of the EE, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the EU Prospectus Regulation;

(b) *Fewer than 150 offerees:* at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the EU Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer(s) or Dealers nominated by the Issuer for any such offer; or

(c) *Other exempt offers:* at any time in any other circumstances falling within Article 1(4) of the EU Prospectus Regulation.

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the EU Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the EU Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes and the expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

United Kingdom

Prohibition of sales to UK Retail Investors

Unless the applicable Final Terms in respect of any Notes specifies "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the UK. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

(i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law of the UK by virtue of the EUWA; or

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

If the applicable Final Terms in respect of any Notes specifies the "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to the public in the UK except that it may make an offer of such Notes to the public in the UK:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) *Fewer than 150 offerees*: at any time to fewer than 150 persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer(s) or Dealers nominated by the Issuer for any such offer; or

(c) *Other exempt offers*: at any time in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression **an offer of Notes to the public** in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes and the expression "**UK Prospectus Regulation**" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the EUWA.

Other UK regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- in relation to any Notes which have a maturity of less than one year: (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the UK.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make any offer or invitation, whether directly or indirectly, to the public in the Cayman Islands to subscribe for any Notes.

United Arab Emirates (excluding the ADGM and the DIFC)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates (excluding the ADGM and the DIFC) other than in compliance with any laws applicable in the United Arab Emirates (excluding the ADGM and the DIFC) governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to any person in the DIFC unless such offer is:

(i) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority Rulebook (the "**DFSA Rulebook**"); and

(ii) made only to persons who meet the "Professional Client" criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA Rulebook.

Abu Dhabi Global Market

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Notes to any person in the DIFC unless such offer is:

(i) an "Exempt Offer" in accordance with the Markets Rules of the Financial Services Regulatory Authority Rulebook (the "**FRSA Rulebook**"); and

(ii) made only to persons who meet the "Professional Client" criteria set out in the Conduct of Business Module of the FRSA Rulebook.

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of any Notes. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Notes pursuant to an offering should note that the offer of Notes is a private placement under Article 8 of the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the Capital Market Authority resolution number 3-123-2017 dated 27 December 2017, as amended by the Capital Market Authority resolution number 3-114-2024 dated 7 October 2024 (the "**KSA Regulations**"), made through a capital market institution licensed to carry out arranging activities by the Capital Market Authority and following a notification to the Capital Market Authority under Article 10 of the KSA Regulations.

The Notes may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "institutional and qualified clients" under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9 of, or as otherwise required or permitted by, the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Notes made by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the KSA Regulations.

Each offer of Notes shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations, but is subject to the restrictions on secondary market activity under Article 14 of the KSA Regulations.

Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Notes in Bahrain, except on a private placement basis, to persons in Bahrain who are "accredited investors".

For this purpose, an "**accredited investor**" means:

(a) an individual who has a minimum net worth (either singly or jointly with their spouse) of U.S.$1,000,000 or more excluding that person's principal place of residence;

(b) a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.$1,000,000;

(c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or

(d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

Qatar (including the QFC)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, delivered or sold, and will not offer, deliver or sell at any time, directly or indirectly, any Notes in Qatar (including the QFC), except: (a) in compliance with all applicable laws and regulations of Qatar (including the QFC); and (b) through persons or corporate entities authorised and licenced to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in Qatar. This Base Prospectus has not been filed with, reviewed or approved by the Qatar Central Bank, the Qatar Stock Exchange, the Qatar Financial Centre Regulatory Authority or the Qatar Financial Markets Authority or any other relevant Qatar governmental body or securities exchange.

Malaysia

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) this Base Prospectus has not been registered as a prospectus with the Securities Commission of Malaysia (the "**SC**") under the Capital Markets and Services Act 2007 of Malaysia ("**CMSA**"); and

(b) accordingly, the Notes have not been and will not be offered or sold, and no invitation to subscribe for or purchase the Notes has been or will be made, directly or indirectly, nor may any document or other material in connection therewith be distributed in Malaysia, other than to persons falling within any one of the categories of persons specified under Part I of Schedule 6 or Section 229(1)(b), Part I of Schedule 7 or Section 230(1)(b) and Schedule 8 or Section 257(3), read together with Schedule 9 or Section 257(3) of the CMSA, subject to any law, order, regulation or official directive of the Central Bank of Malaysia, the Securities Commission of Malaysia and/or any other regulatory authority from time to time.

Residents of Malaysia may be required to obtain relevant regulatory approvals including approval from the Controller of Foreign Exchange to purchase the Notes. The onus is on the Malaysian residents concerned to obtain such regulatory approvals and none of the Dealers is responsible for any invitation, offer, sale or purchase of the Notes as aforesaid without the necessary approvals being in place.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any

Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than: (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time, the ("**SFA**") pursuant to Section 274 of the SFA; or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Switzerland

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither the Base Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither the Base Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

General

These selling restrictions may be modified by the agreement of the Issuer, ABQ and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

No representation is made that any action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of this Base Prospectus or any other offering material or any Final Terms, in any country or jurisdiction where action for that purpose is required.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Base Prospectus, any other offering material or any Final Terms therefore in all cases at its own expense.

GENERAL INFORMATION

Authorisation

The establishment of the Programme was authorised by a resolution of the board of directors of the Issuer and passed on 22 March 2016. The update of the Programme was authorised by a resolution of the board of directors of the Issuer and passed on 10 March 2025.

The establishment of the Programme and the giving of the Guarantee by ABQ was authorised by a resolution of the board of directors of ABQ and passed on 14 January 2016 and a resolution of the shareholders of ABQ and passed on 16 February 2016. The update of the Programme and the giving of the Guarantee by ABQ was authorised by a resolution of the board of directors of ABQ and passed on 19 January 2025.

Listing and Admission to Trading

Application has been made to Euronext Dublin for Notes issued under the Programme to be listed on the Euronext Dublin Official List and admitted to trading on the regulated market of Euronext Dublin.

Significant or Material Change

There has been no significant change in the financial position or financial performance of the Issuer, and there has been no material adverse change in the prospects of the Issuer, since the date of its incorporation.

There has been no significant change in the financial position or financial performance of the Group since 31 December 2024, the date of the most recently published consolidated financial statements of the Group and there has been no material adverse change in the prospects of the Group since 31 December 2024, the date of the most recently published audited consolidated annual financial statements of the Group.

Litigation

None of the Issuer, ABQ or any member of the Group has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or ABQ is aware) during the 12 months preceding the date of this Base Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer, ABQ or the Group.

Clearing Systems

Notes may be accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The Common Code, the International Securities Identification Number (ISIN), and (where applicable) the identification number for any other relevant clearing system for each Series of Notes will be set out in the applicable Final Terms.

Conditions for Determining Price

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

Documents Available

For so long as Notes may be issued pursuant to this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered office of the Issuer, the specified offices of the Fiscal Agent for the time being in London and, where specified below, at ABQ's website:

(i) the Memorandum and Articles of Association of ABQ (with an English translation thereof if applicable);

(ii) the Memorandum and Articles of Association of the Issuer;

(iii) the audited consolidated financial statements of ABQ in respect of the financial years ended 31 December 2024 and 31 December 2023, in each case together with the audit reports prepared in connection therewith (see the webpages provided under the heading "*Documents Incorporated by Reference*");

(iv) the Deed of Guarantee and the Agency Agreement;

(v) a copy of this Base Prospectus and any other documents incorporated herein; and

(vi) any future base prospectuses, information memoranda, applicable Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market within the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the EU Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the Issuer, ABQ and the Fiscal Agent as to its holding of Notes and identity) and supplements to this Base Prospectus and any other documents incorporated herein or therein by reference.

To the extent the Fiscal Agent is unable to make the documents listed above available for inspection at its specified offices in London by any event beyond its reasonable control, the Fiscal Agent may provide such documents for inspection to any Noteholder electronically, subject to such Noteholder being able to provide evidence satisfactory to the Issuer and the relevant Paying Agent as to its holding and identity.

In addition, copies of this Base Prospectus, each Final Terms relating to Notes which are admitted to trading on the regulated market of Euronext Dublin and each document incorporated by reference are available on Euronext Dublin's website at https://live.euronext.com/en/markets/dublin/bonds/list. The documents set out in paragraphs (i) to (v) above will also be available on the website of ABQ (documents set out in paragraphs (i), (ii), (iv) and (v) at: https://www.ahlibank.com.qa/en/about-us/investor-relations/emtn; and documents set out in paragraphs (iii) at the webpages provided under the heading "*Documents Incorporated by Reference*").

Independent Auditors

Ernst & Young (Qatar Branch) ("**EY**") have audited, in accordance with International Standards on Auditing, ABQ's consolidated financial statements as of and for the years ended 31 December 2024 and 31 December 2023 as stated in their reports incorporated by reference herein.

The address of EY is Building no. 36, T-03, Abdullah Bin Thani Street, Doha Design District, P.O. Box 164, Msheireb Downtown, Doha, State of Qatar. EY is registered under Ministry of Commerce and Industry licence number 11495 appearing in the public register of approved auditing firms held by the Accounts Auditors section at the Ministry of Commerce and Industry.

Dealers Transacting with ABQ

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in the ordinary course of their business activities, in lending, advisory, corporate finance services, investment banking and/or commercial banking transactions with, and may perform the services for, the Guarantor and its affiliates in the ordinary course of business and/or for companies involved directly or indirectly in the sector in which the Guarantor and/or its affiliates operate, and for which such Dealers have received or may receive customary fees, commissions, reimbursement of expenses and indemnification. Certain of the Dealers may also have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Guarantor and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. They have received, or may in the future receive, customary fees and commissions for these transactions.

In the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Guarantor and/or Issuer or the Guarantor's affiliates. The Dealers and/or their affiliates may receive allocations of the Notes (subject to customary closing conditions), which could affect future trading of the Notes. Certain of the Dealers or their affiliates that have a lending relationship with the Guarantor routinely hedge their credit exposure to the Guarantor consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is 549300EKNBMBS9DNYE37 and the Legal Entity Identifier (LEI) code of the Guarantor is 213800KXAR1MXC1DZ106.

Irish Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the regulated market of Euronext Dublin for the purposes of the EU Prospectus Regulation.

ABQ's Website

The website of ABQ is https://www.ahlibank.com.qa/en/personal. The information on https://www.ahlibank.com.qa/en/personal does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

ISSUER

ABQ Finance Limited
c/o Maples Corporate Services Limited
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FISCAL AGENT, PAYING AGENT, TRANSFER AGENT, CALCULATION AGENT AND REGISTRAR

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LISTING AGENT

Arthur Cox Listing Services Limited
Ten Earlsfort Terrace
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Ireland

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TO THE ISSUER

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TO THE GUARANTOR

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