



# Investor Presentation with Q1'2022 Financials

# Executive summary

## Turkey's long-term growth outlook remains strong

- Turkey's GDP grew by 11% in 2021, as the economic activity recovered rapidly after the slowdown induced by the COVID-19 pandemic in 2020. Industrial production index suggests that growth remained strong in Q1'22. We forecast GDP growth at 4% in 2022.
- Consumer inflation rose to 61.1% at Q1'22. Attributing the rise in inflation to transient factors, the CBRT cut the policy rate by 500 bps to 14.0% in September-December 2021 period, and remained on hold in January-April 2022.
- Aside from temporary fluctuations, the Turkish economy maintains its favorable position among emerging markets due to its long-term growth potential stemming from its large size along with its highly attractive demographic profile.

## One of the Top Performing Banks in the Market

- QNB Finansbank is one of the strongest players in this market ranked 5<sup>th</sup> across most categories amongst privately owned banks
- QNB Finansbank has a very strong distribution network balanced between a branch footprint covering 99% of banking business in the market and best in market digital offerings
- QNB Finansbank has shown strong financial performance beyond its scale even in the most volatile market conditions, driven by differentiation, adaptability and bringing the right people together

## Strong Shareholder Supports QNB Finansbank for Future Growth

- QNB stands out as having one of the highest ratings among all banks with a presence in Turkey
- QNB is the largest bank in the Middle East and Africa by all critical measures
- QNB's presence across a wide geography overlaps well with Turkey's key foreign trade partners, bringing opportunities in this area
- QNB Finansbank's launch of its new brand has been very successful, and is translating to successful expansion of its customer franchise in potential growth areas
- Following the QNB acquisition, QNB Finansbank has added a new growth chapter in its successful history, capturing Corporate and Commercial Banking market share, while sustaining its success in Retail and SME Banking

# Contents

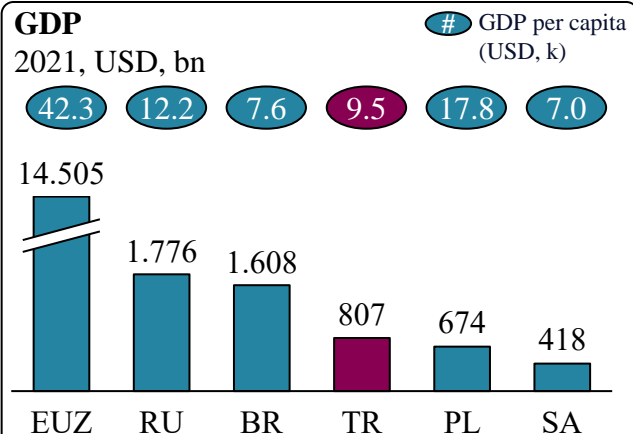
- |   |   |
|---|---|
| 1 | Macro-economic Overview                                   |
| 2 | QNB Finansbank and QNB Group at a Glance                  |
| 3 | Loan-based Balance Sheet Delivering High Quality Earnings |
| 4 | Solid Financial Performance                               |
| 5 | Appendix  |

# Macro-economic Overview

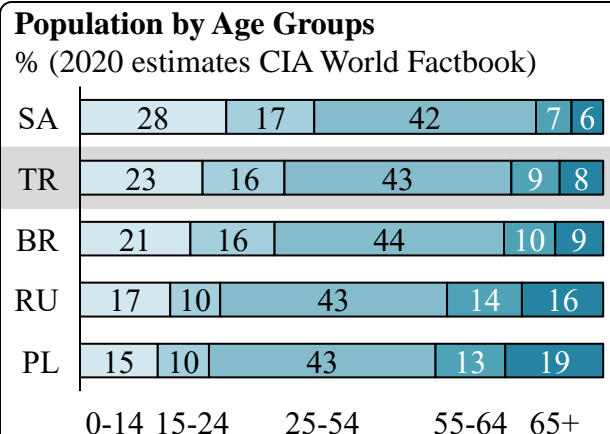
# Long-term growth potential retains intact

EUZ: Eurozone  
SA: South Africa  
BR: Brazil  
PL: Poland  
RU: Russia  
TR: Turkey

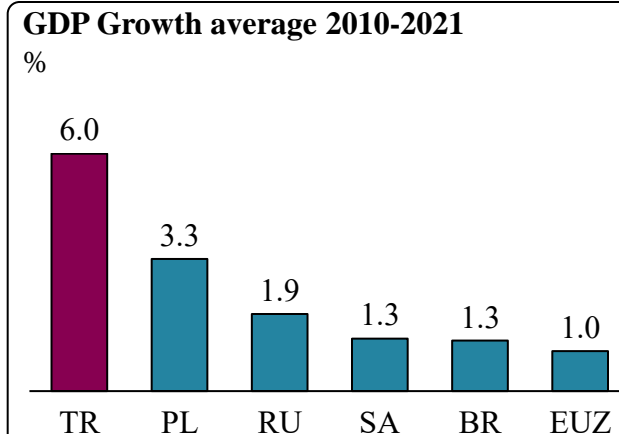
## Large economy with low GDP / capita...



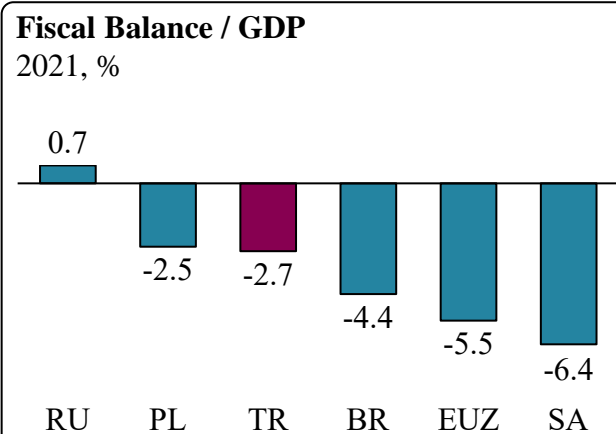
## ...and highly attractive demographic profile



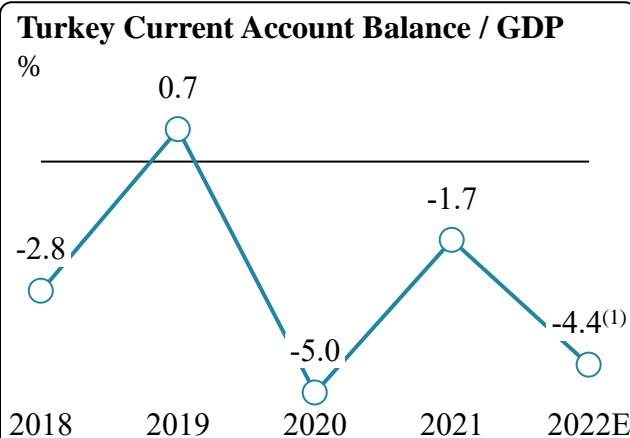
## ... generating high real GDP growth



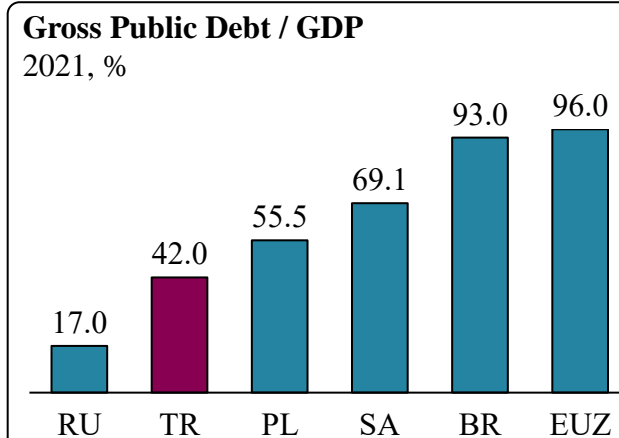
## Moderate fiscal deficit and



## ..temporarily rising current account deficit..



## ... with relatively low public debt

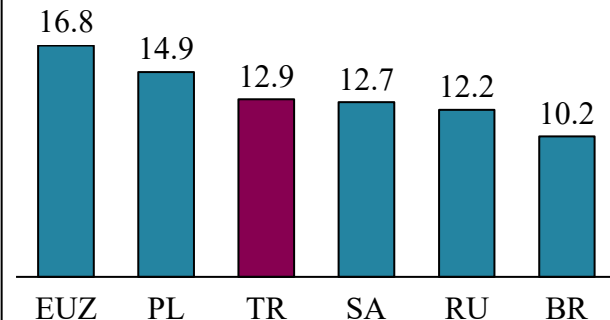


# Sound banking system with inherent growth potential

EUZ: Eurozone PL: Poland  
SA: South Africa RU: Russia  
BR: Brazil TR: Turkey

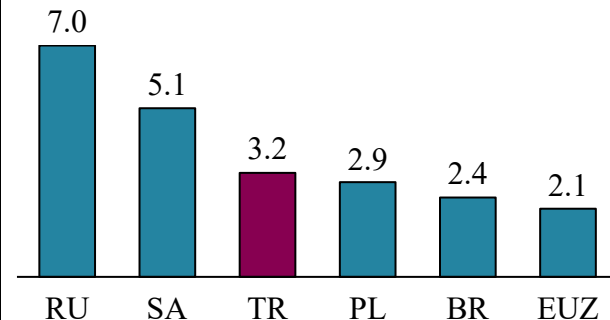
## Relatively low leverage ratio...

**Leverage ratio<sup>(1)</sup>**  
Q4'21



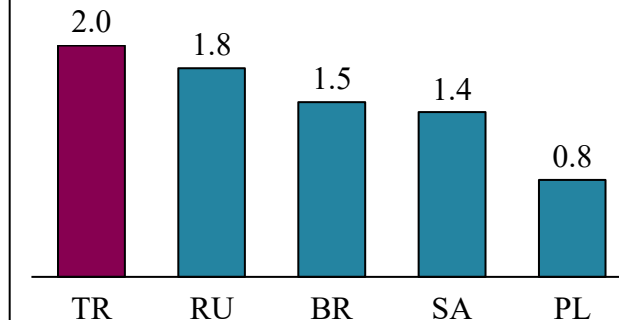
## ...and contained NPL levels...

**NPL ratio<sup>(2)</sup>**  
Q4'21, %



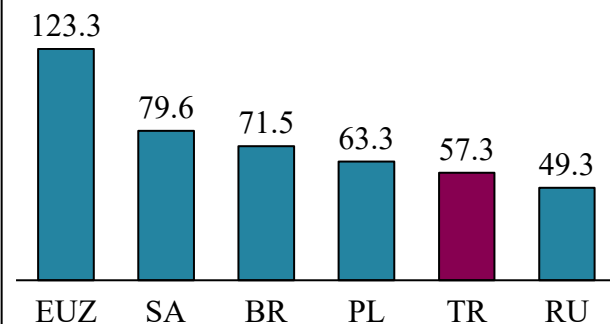
## ... with strong profitability characteristics

**Banking Sector RoA<sup>(3)</sup>**  
2010-2021 average, %



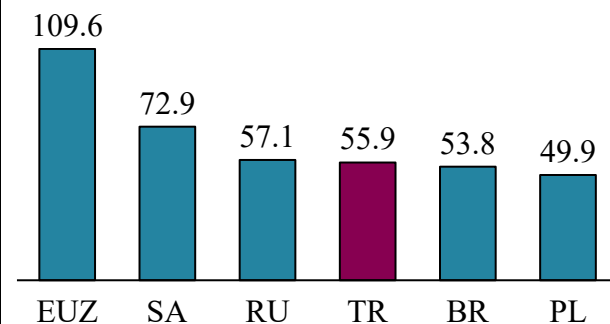
## Further growth potential in deposits...

**Deposits / GDP**  
Q4'21, %



## ... with potential to boost lending activity across the board,

**Loans / GDP**  
Q4'21, %



## ... but particularly in Retail, given its untapped potential.

**Household debt / GDP**  
Q4'21, %



<sup>(1)</sup> Latest data Q4'21 for EUZ, PL and TR; Q3'21 for RU and BR; and Q1'21 for SA

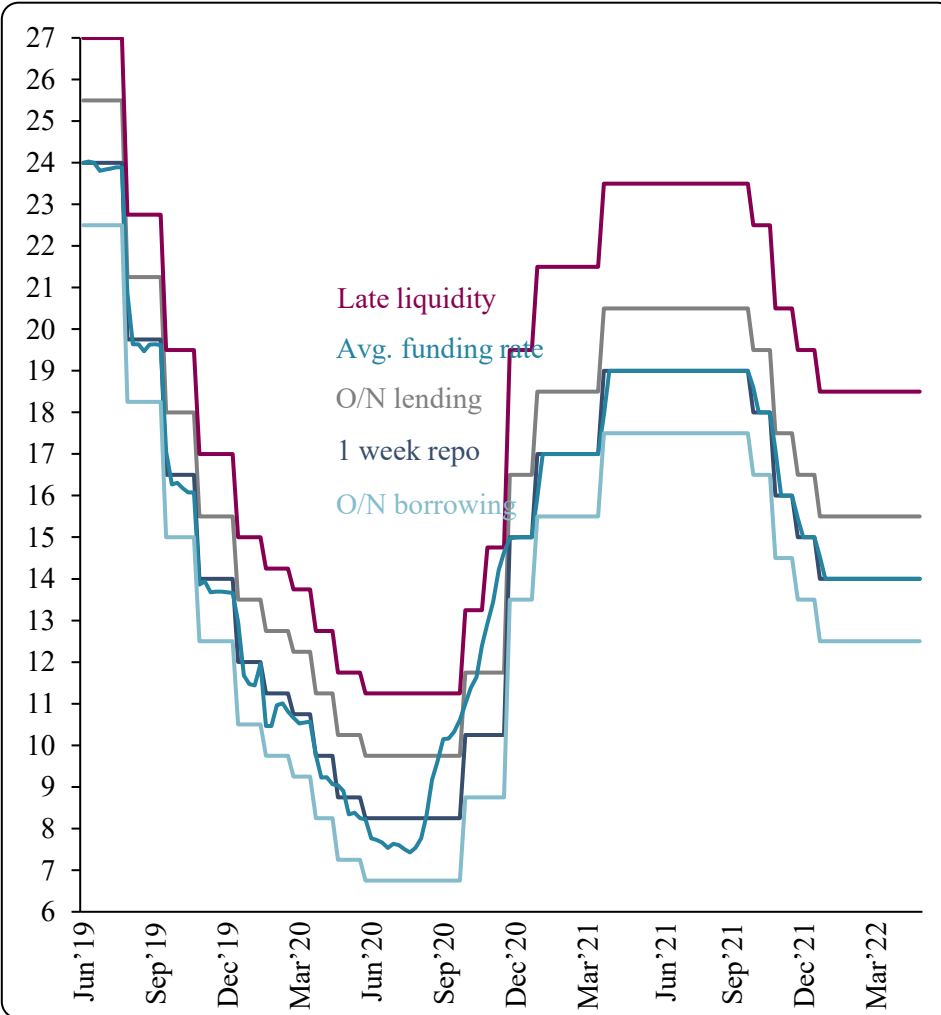
<sup>(2)</sup> Latest data Q4'21 for TR, PL and EUZ; Q3'21 for RU and BR; and Q1'21 for SA; EUZ figure represents significant institutions as designated by ECB

<sup>(3)</sup> Latest data Q4'21 for PL; Q3'21 for TR, RU and BR; and Q1'21 for SA

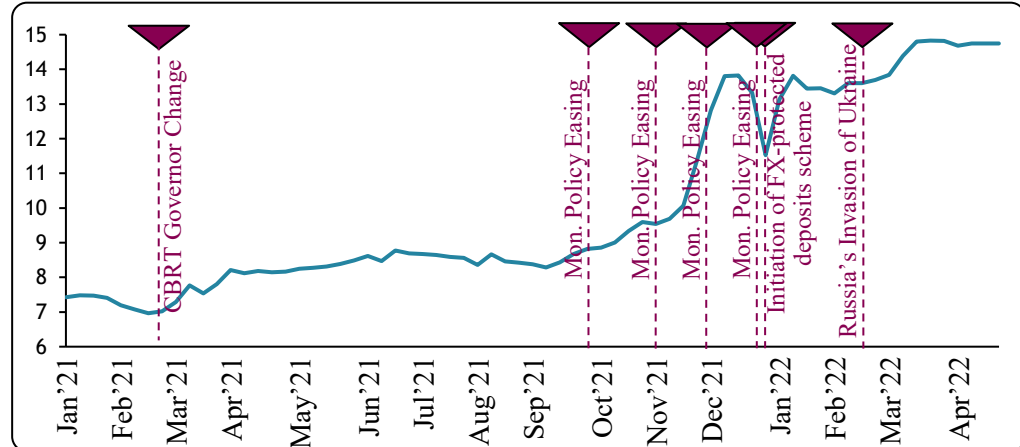
Source:Refinitiv- Data Stream, IMF, ECB, BRSA, Turkstat

# CBRT keeps monetary policy unchanged

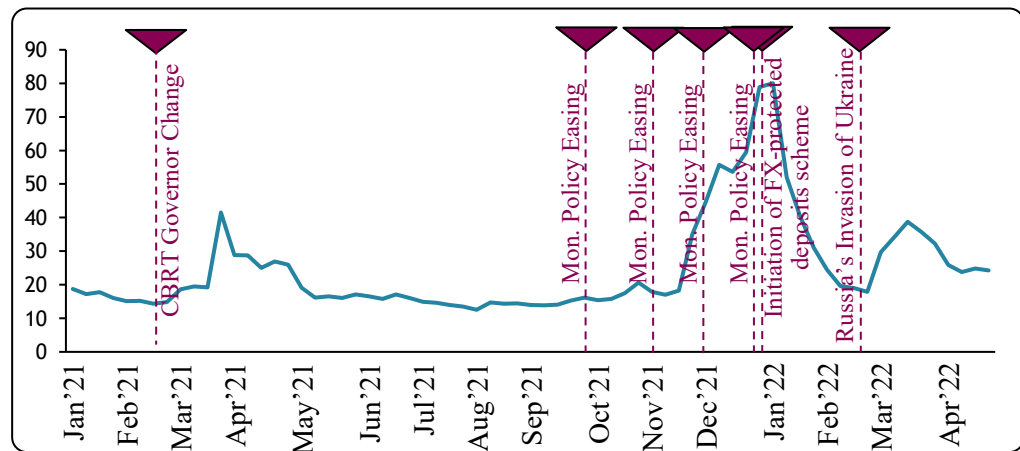
CBRT kept policy rate unchanged in January-May 2022



Depreciation pressure on TL has persisted



Options implied volatility has been elevated



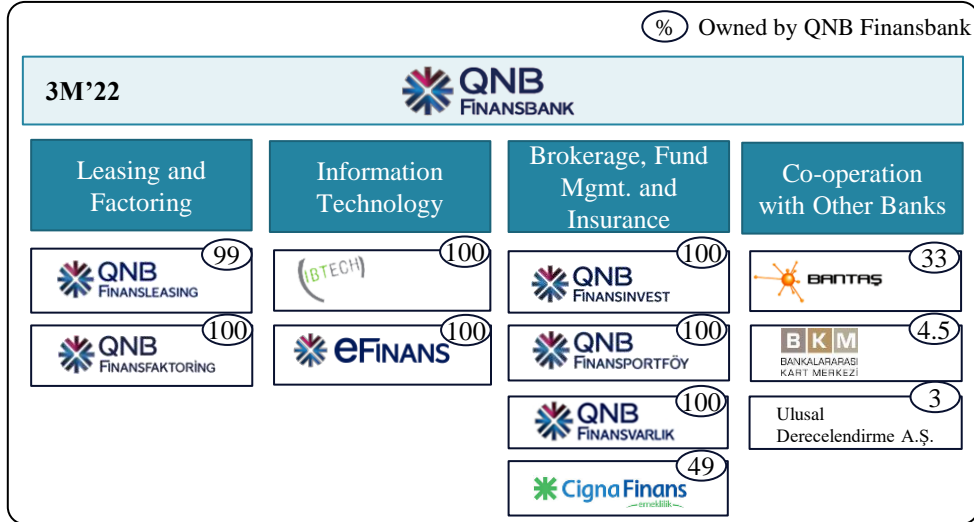
A decorative graphic on the right side of the slide, consisting of a dark red background with a light red diagonal band and a dark red curved band, creating a folded corner effect.

# **QNB Finansbank and QNB Group at a Glance**



# QNB Finansbank: 5<sup>th</sup> Largest Privately Owned Universal Bank<sup>(1)</sup>







## QNB Finansbank group structure



## Financial highlights

QNB Finansbank BRSA bank only financials	3M'22
TL, bn	Eop
Total assets	425.7
Net loans	240.8
Customer deposits	248.3
Shareholder's equity	26.3
Branches (#)	445
Active customers (mn)	7.3
Bank only employees (#)	10,887

## QNB Finansbank market positioning

Bank only, 12M'21 eop					Commercial	
	Numbers of Branches	Total Assets	Net Loans	Customer Deposits	Retail Loans <sup>(2)</sup>	Installment Loans <sup>(2)</sup>
1 <sup>st</sup>	İşbank	İşbank	İşbank	İşbank	Garanti	İşbank
2 <sup>nd</sup>	Garanti	Garanti	Garanti	Garanti	İşbank	Yapı Kredi
3 <sup>rd</sup>	Yapı Kredi	Yapı Kredi	Yapı Kredi	Akbank	Yapı Kredi	Denizbank
4 <sup>th</sup>	Akbank	Akbank	Akbank	Yapı Kredi	Akbank	Garanti
5 <sup>th</sup>	Denizbank					
6 <sup>th</sup>	TEB	Denizbank	Denizbank	Denizbank	Denizbank	Akbank
7 <sup>th</sup>		TEB	TEB	TEB	TEB	TEB
8 <sup>th</sup>	ING	ING	ING	ING	ING	ING

Note: All information in the presentation is based on BRSA bank only data unless stated otherwise


<sup>(1)</sup> In terms of total assets, net loans, retail loans and customer deposits

<sup>(2)</sup> Including overdraft and credit cards

Source: BRSA bank only data; BAT

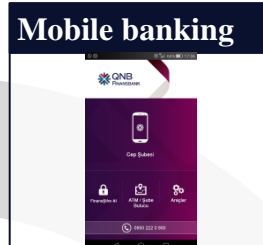
# QNB Finansbank covers Turkey through a diverse distribution network and the market's only “pure digital bank”

**Internet banking**



269K active internet banking customers

**Mobile banking**



4.0 mn active mobile banking customers

**Direct sales**




665 in-house personnel

**445 branches**




Covering 68 out of 81 cities of Turkey

**Call center**



871 inbound agents

**Telesales**



47 outbound agents

**ATMs**



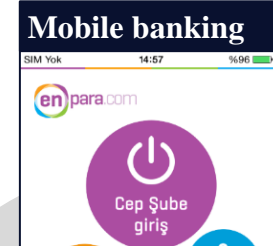
2,957 ATMs around Turkey and reaches 7,661 ATM's through new ATM sharing program

**POS**




228K POS terminals

**Mobile banking**



2.2 mn active mobile banking customers

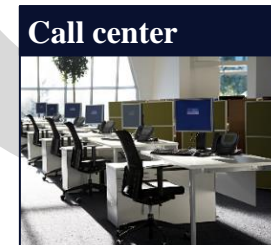
**Internet banking**



158K active internet banking customers




**Call center**



370 inbound agents

**Field service**



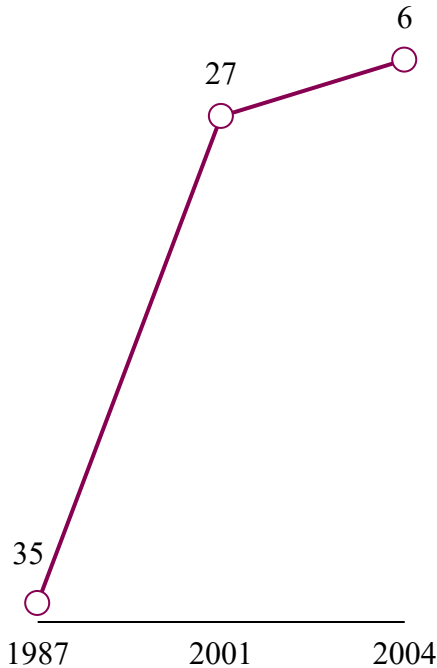
235 field service personnel

# One of Turkey's top performers on the back of its flexible business model

**1987-2004:** Fast growth behind leadership in Corporate & Commercial Banking

## Total Assets

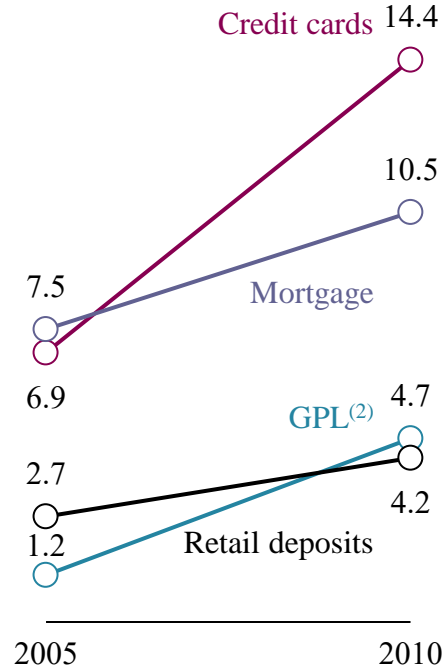
Ranking in Private Banks<sup>(1)</sup>



**2005-2011:** Retail banking boom with market leading growth and success

## Market share

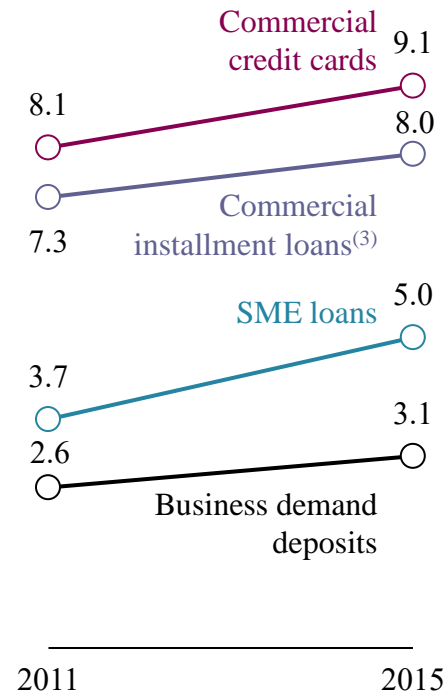
%



**2012-2016:** Business banking growth with productivity and risk focus

## Market share

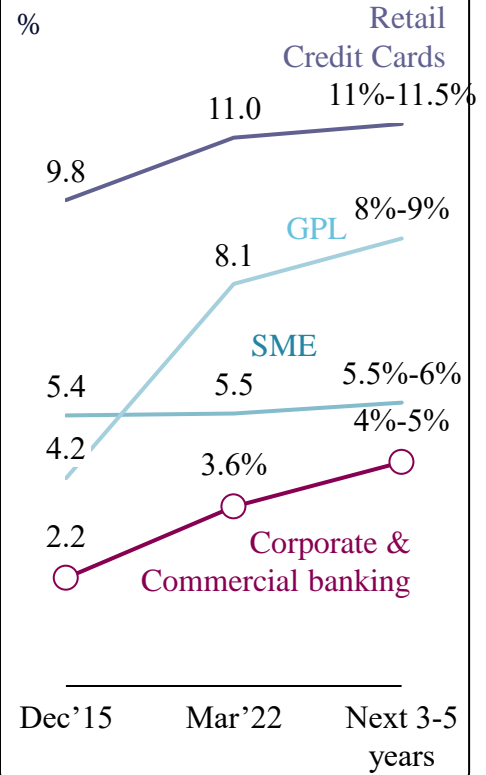
%



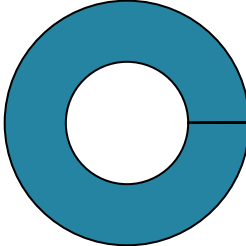
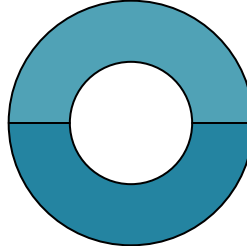
**2016 beyond:** Sustained success in Retail and SME, while beating the market in Corporate & Commercial Banking

## Market share

%

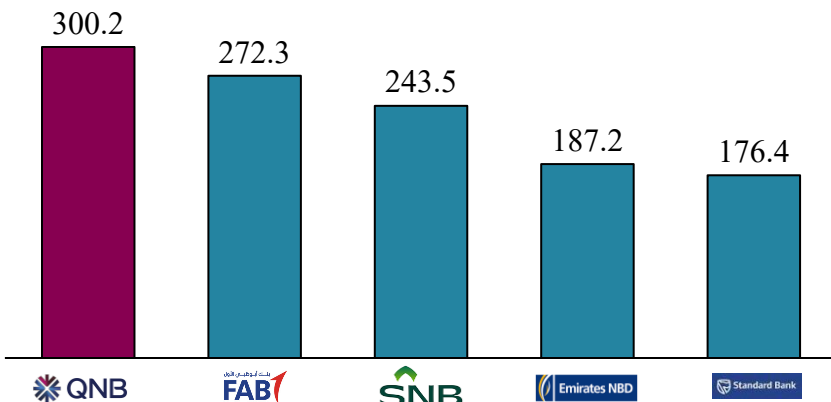


# QNB ownership has provided a strong support to one of market's leading performers

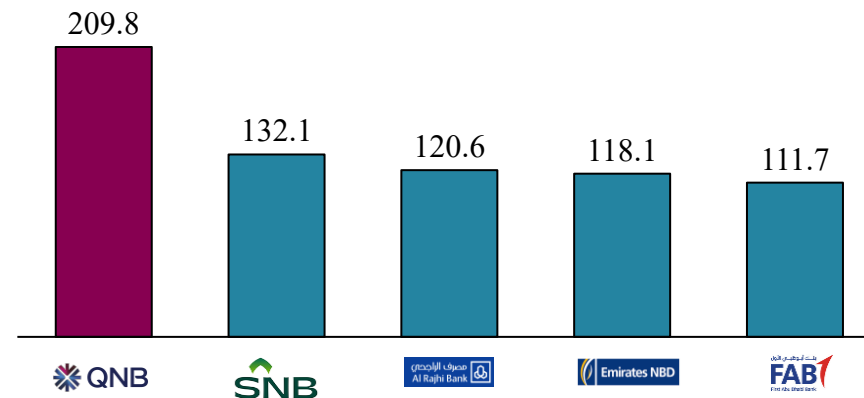
	QNB Finansbank	QNB (Q.P.S.C.)																					
Shareholder Structure	<div><div>%</div><div><div><div>Qatar National Bank (Q.P.S.C.)</div><div>99.88</div><div>Other</div><div>0.12</div></div></div></div>	<div><div>%</div><div><div><div>Qatar Investment Authority</div><div>50.0</div><div>Private Sector</div><div>50.0</div></div></div></div>																					
Ratings	<table><tr><td></td><td>Moody's</td><td>Fitch</td></tr><tr><td>Foreign Currency Long-term Debt</td><td>B2</td><td>B</td></tr><tr><td>Foreign Currency Short-term Debt</td><td>NP</td><td>B</td></tr></table>		Moody's	Fitch	Foreign Currency Long-term Debt	B2	B	Foreign Currency Short-term Debt	NP	B	<table><tr><td></td><td>Moody's</td><td>Fitch</td><td>S&amp;P</td></tr><tr><td>Foreign Currency Long-term</td><td>Aa3</td><td>A+</td><td>A</td></tr><tr><td>Foreign Currency Short-term</td><td>P-1</td><td>F1</td><td>A-1</td></tr></table>		Moody's	Fitch	S&P	Foreign Currency Long-term	Aa3	A+	A	Foreign Currency Short-term	P-1	F1	A-1
	Moody's	Fitch																					
Foreign Currency Long-term Debt	B2	B																					
Foreign Currency Short-term Debt	NP	B																					
	Moody's	Fitch	S&P																				
Foreign Currency Long-term	Aa3	A+	A																				
Foreign Currency Short-term	P-1	F1	A-1																				
Corporate Information	<ul style="list-style-type: none"><li>Focused on traditional banking activities, complemented by ancillary services (investment banking, brokerage, leasing, factoring, asset management)</li><li>Important partnerships in insurance with leading international institutions (Sompo Japan for basic insurance and Cigna for life insurance and private pensions)</li></ul>	<ul style="list-style-type: none"><li>Largest bank in Qatar by market cap, assets, loans, deposits and profit</li><li>Largest bank in MEA by total assets, loans, deposits and profit</li><li>Operating in more than 31 countries around the world across 3 continents</li><li>Serving with 27K staff, at approximately 1.0K locations and 4.6K ATMs</li></ul>																					

# QNB is the leading financial institution by all balance sheet categories in the MEA...

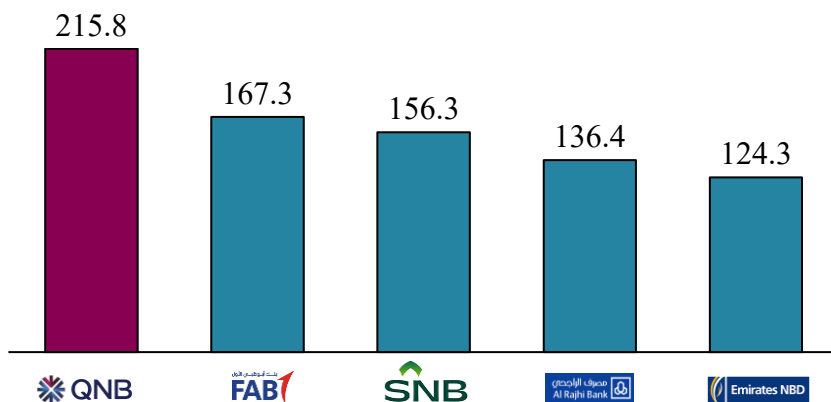
**Total Assets**  
USD bn, Dec'21



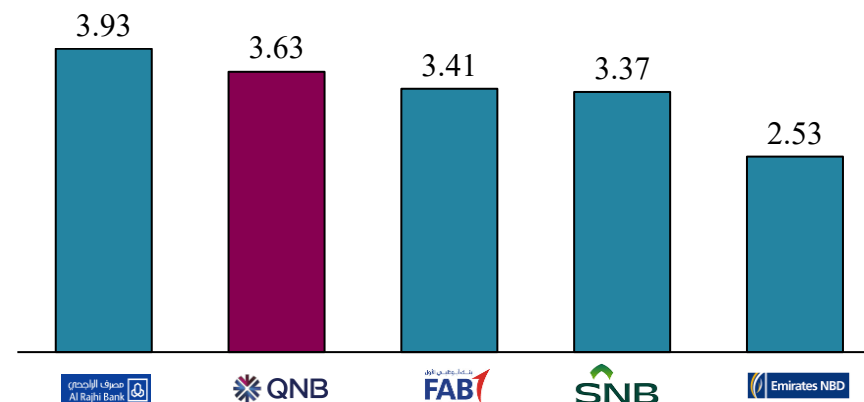
**Loans**  
USD bn, Dec'21



**Deposits**  
USD bn, Dec'21



**Net Profit**  
USD bn, Dec'21

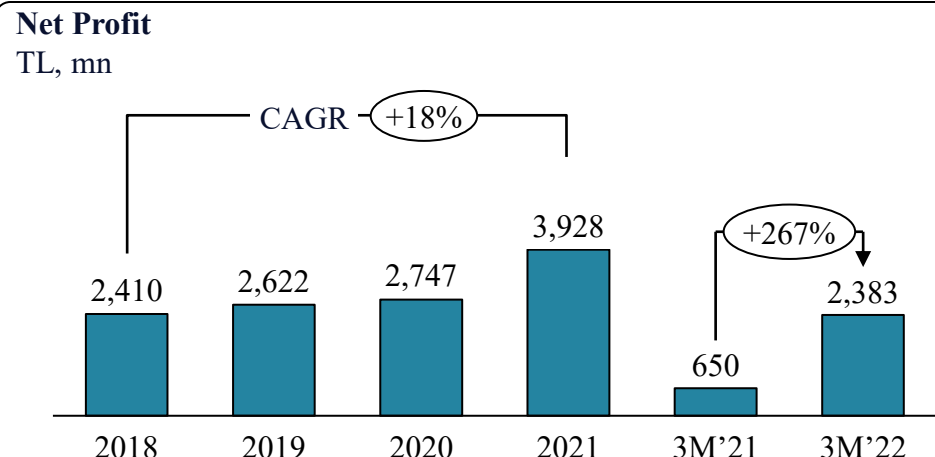


# Financial Performance

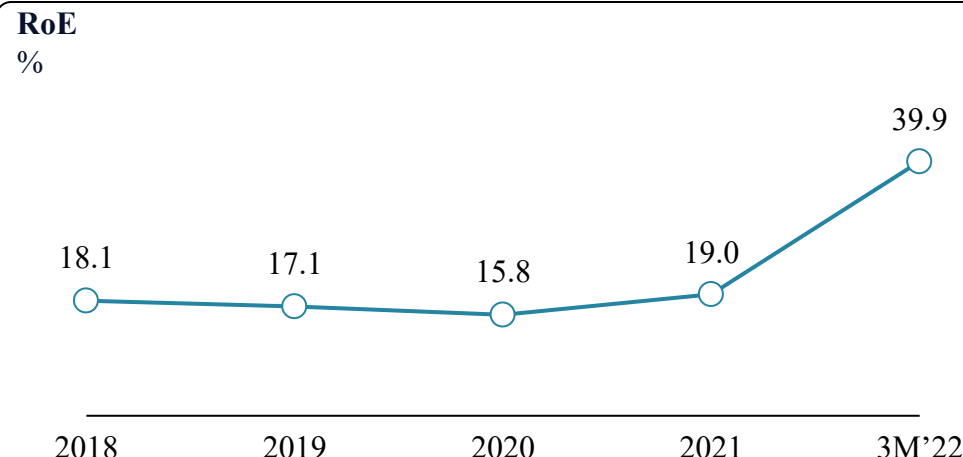
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# Outstanding profitability supported by robust core revenue uplift, as resilient asset quality metrics and capital buffers maintained

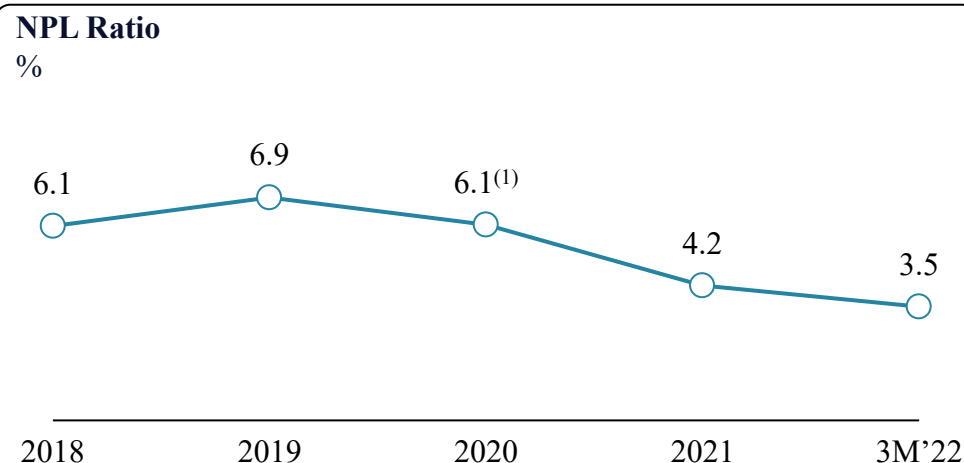
3M'22 net profit was up by 79% QoQ and 267% YoY thanks to vigorous core income growth



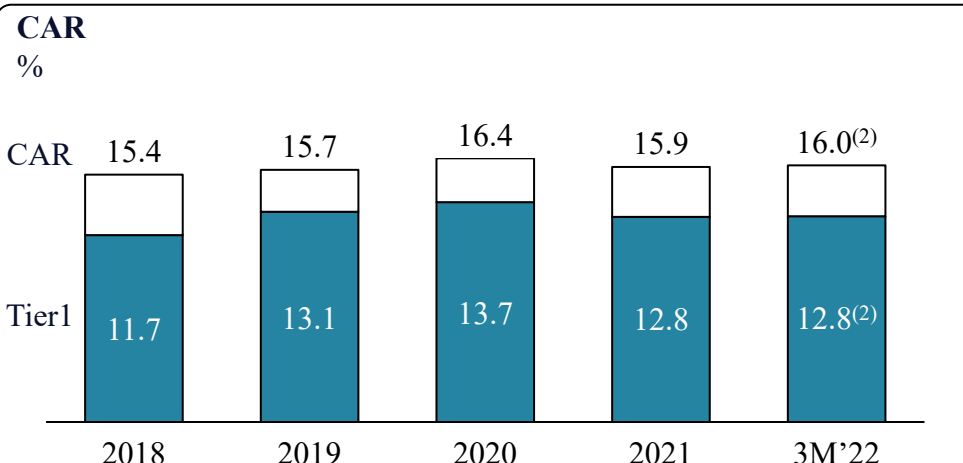
... leading to outstanding ROE of 40% even with the continued prudent provisioning stance



NPL ratio improved on the back of strong collection, low new NPL generation and solid loan growth



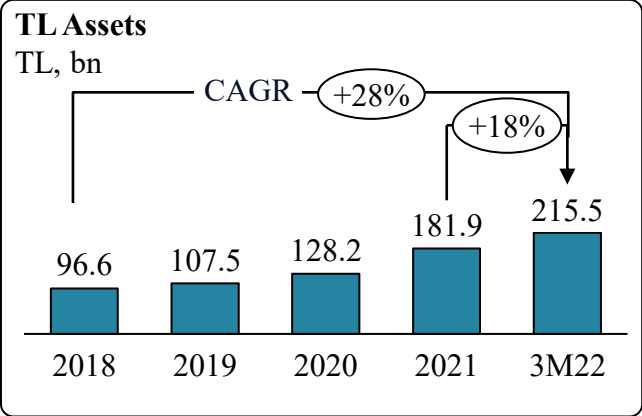
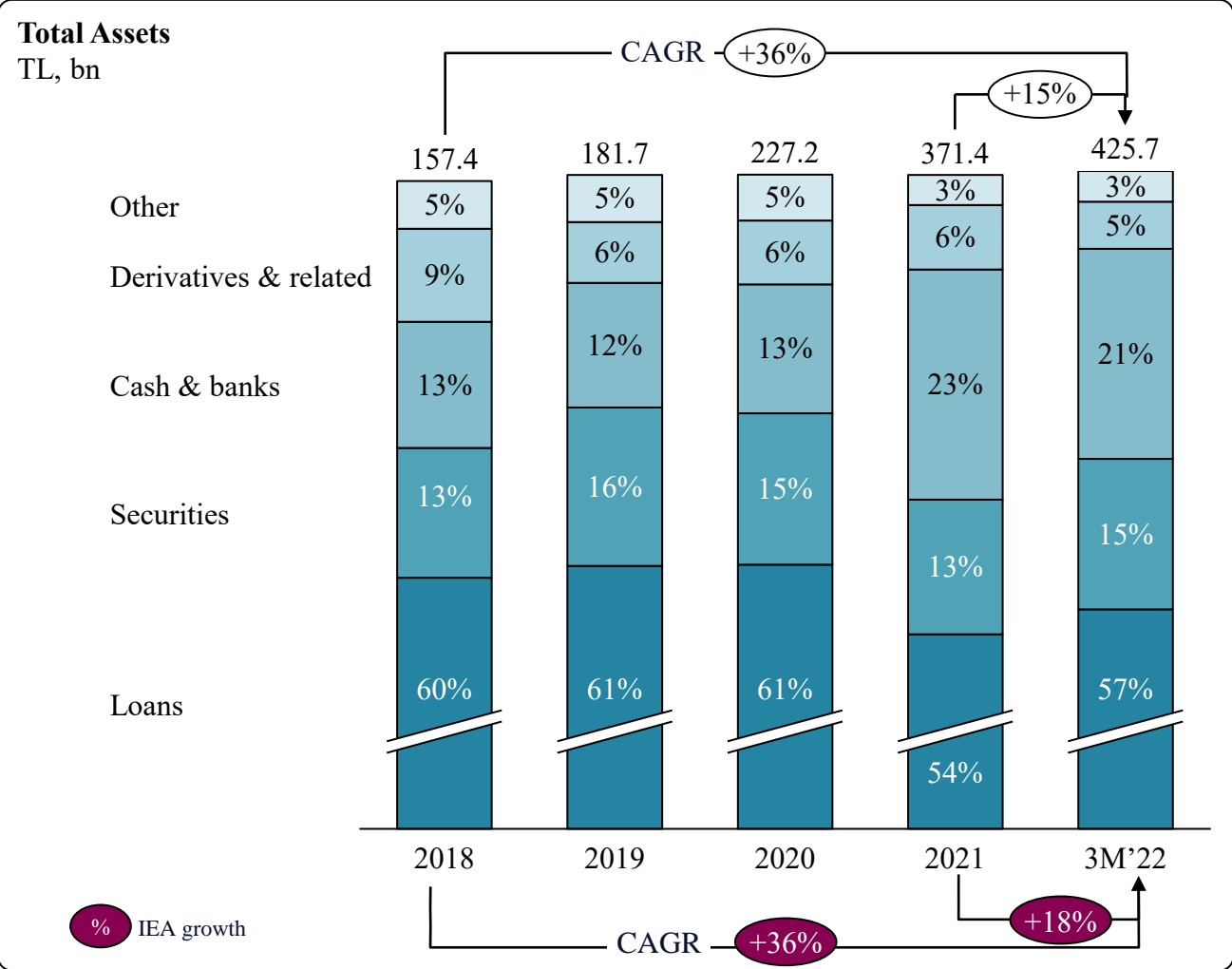
Capital adequacy upheld with a small upturn by strong internal capital generation



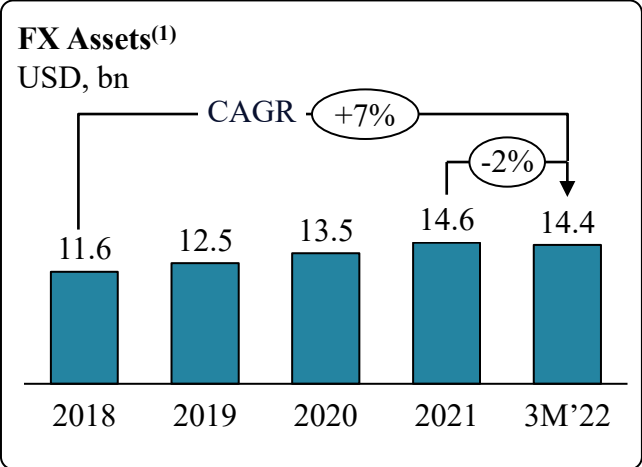
# Well-balanced asset base reached TL 426 bn with a healthy 15% YtD growth

Loans & securities with 72% share in total assets have remained as the primary income generation source

Balance sheet growth has been mainly driven by TL assets, ...



...as the demand on FC side has remained subdued.



<sup>(1)</sup> FX-indexed TL loans are shown in FX assets

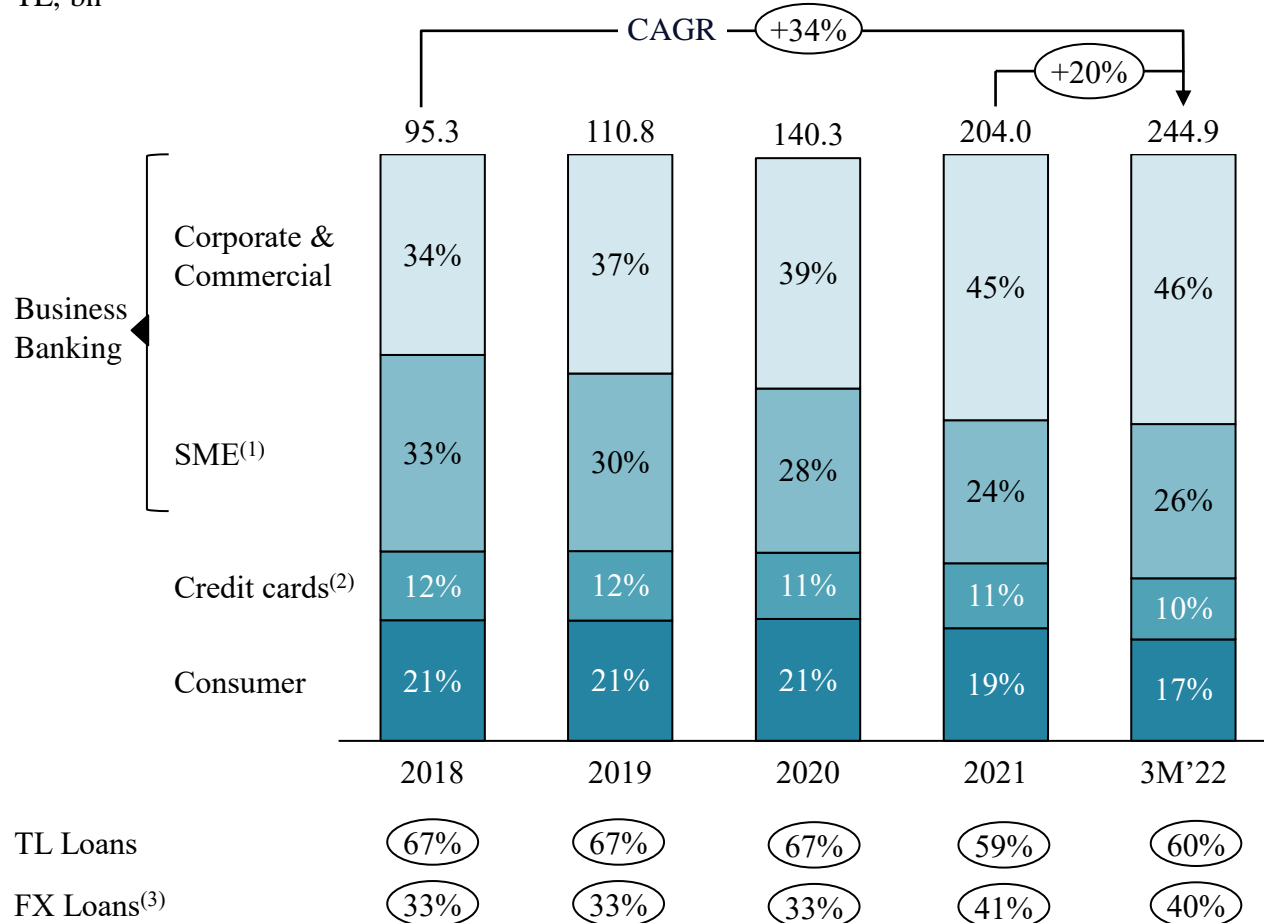


# Loan growth outpaced both sector and private peers, supported by all businesses

Well-diversified performing loans portfolio recorded 20% YtD growth

## Performing Loans by Segment and Currency

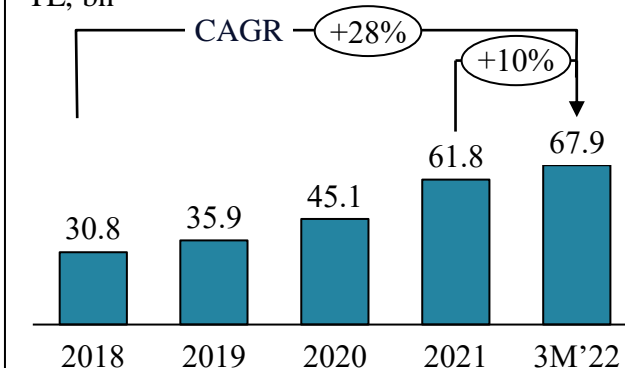
TL, bn



As retail loans were up by 10% YtD on already strong base,

## Retail Loans

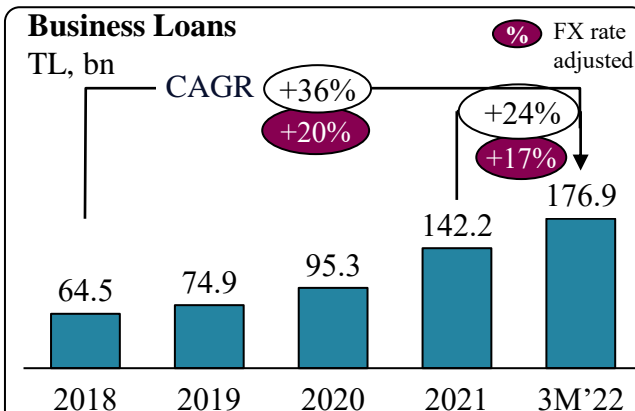
TL, bn



... business portfolio growth has also been supported by currency impact on FC loans

## Business Loans

TL, bn

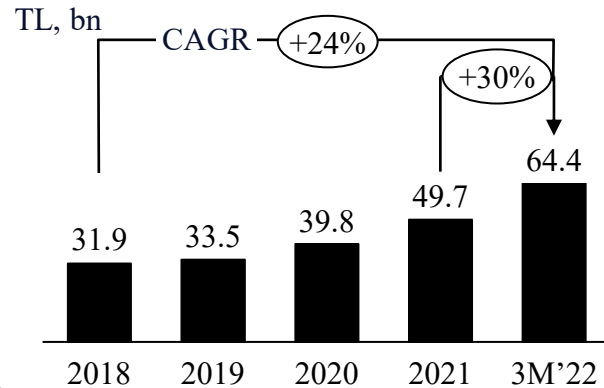


# Corporate & Commercial led Business Banking growth, while General Purpose Loans and Credit Cards remained focus areas at Retail Lending

■ Business banking  
■ Retail banking

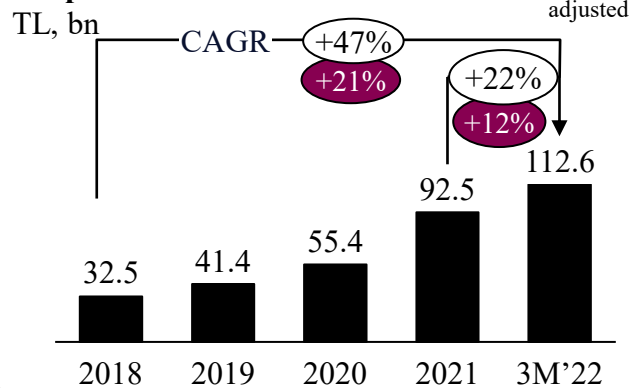
**Growth in SME and Business loans mainly driven by working capital loans,**

## SME Loans<sup>(1)</sup>



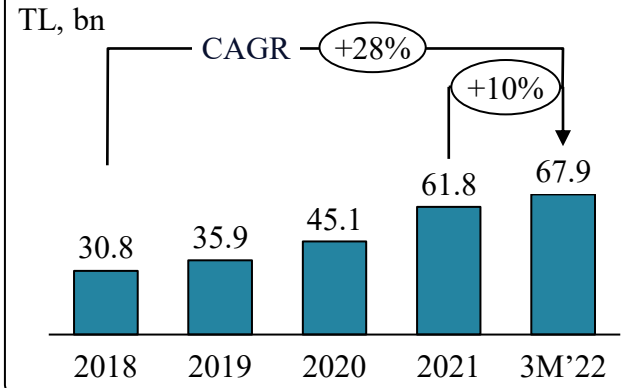
**...as growth in Corporate & Commercial partly benefited from currency impact on FX loans**

## Corporate & Commercial Loans



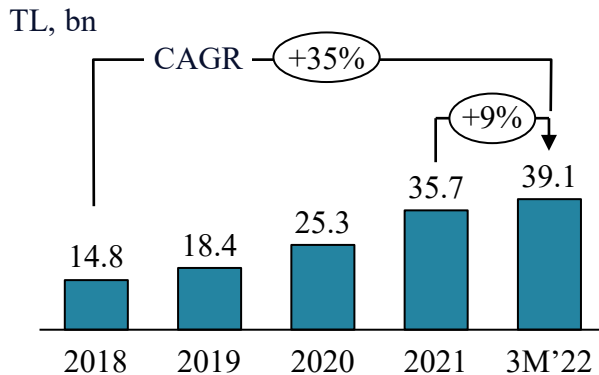
**Retail lending focussed on**

## Retail Loans



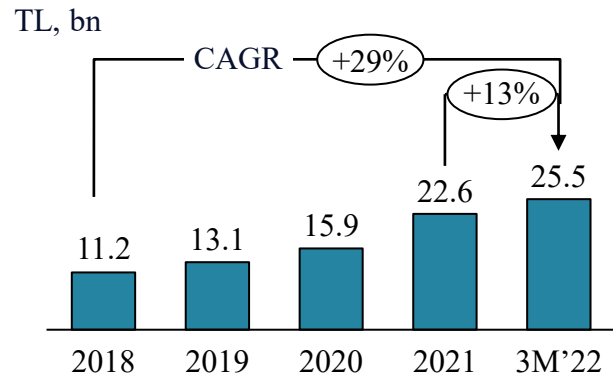
**...General Purpose Loans...**

## General Purpose Loans<sup>(2)</sup>



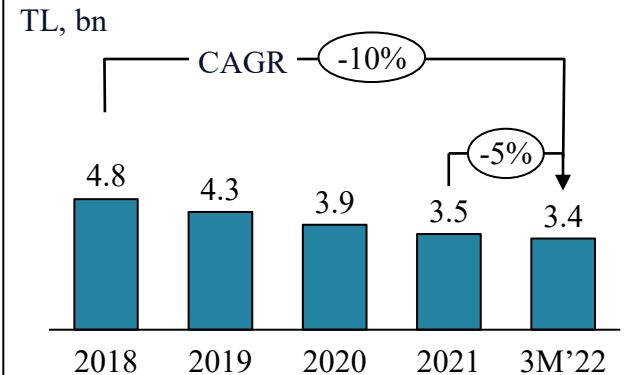
**... and Credit Cards ...**

## Credit Card Loans<sup>(3)</sup>



**... while redemptions in mortgage portfolio continued.**

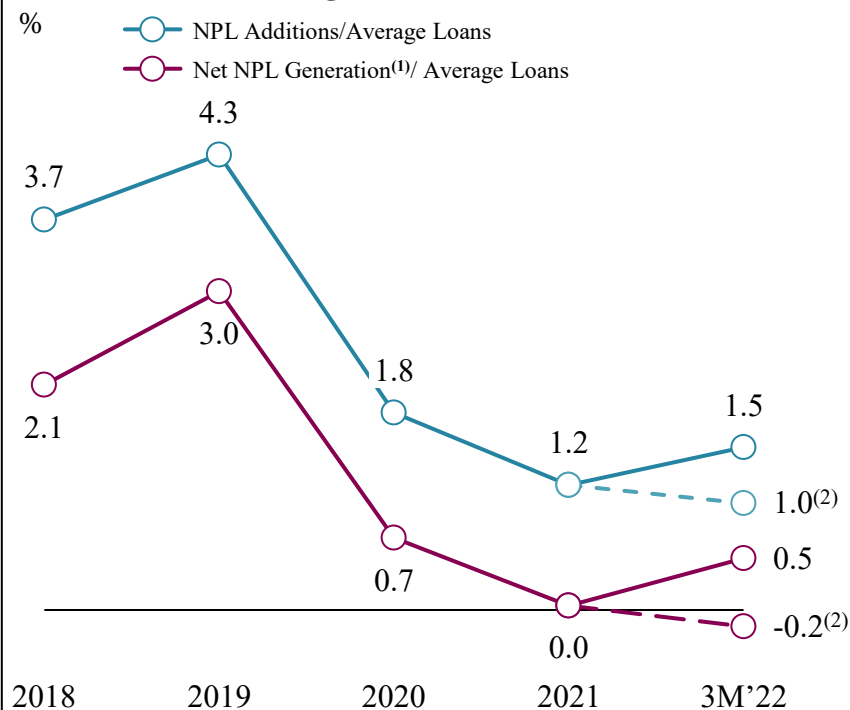
## Mortgage Loans



# Net negative new NPL generation sustained on the back of strong collection performance and very low NPL inflow

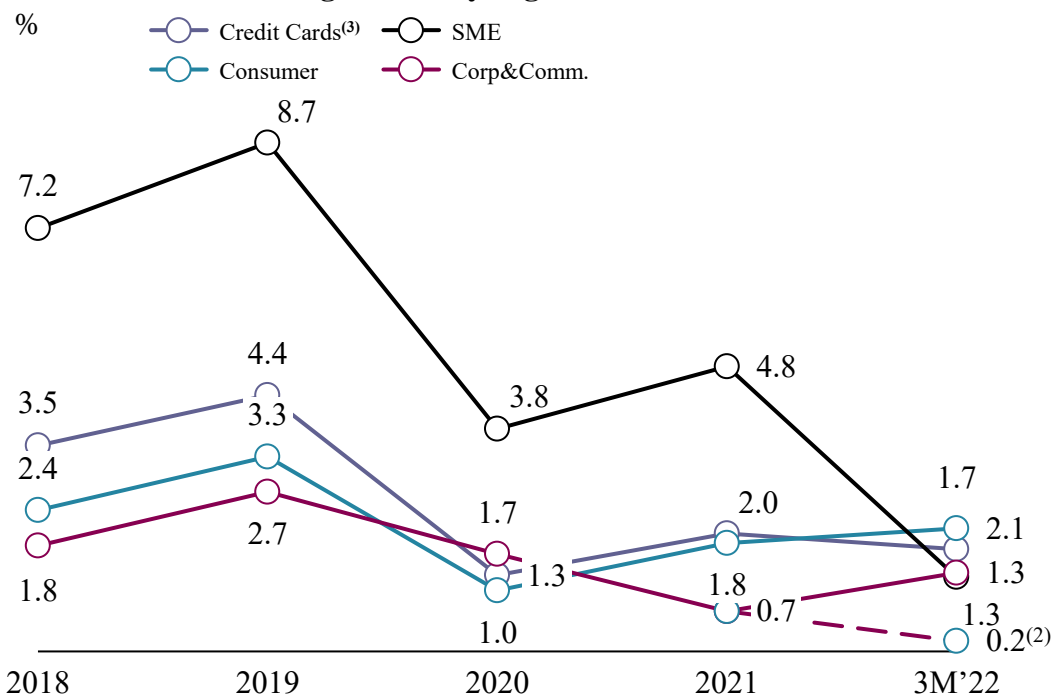
NPL additions continued to remain muted in the absence of staging forbearance, ...

NPL Additions / Average Loans



... as performance fared better than projected across the board in all segments

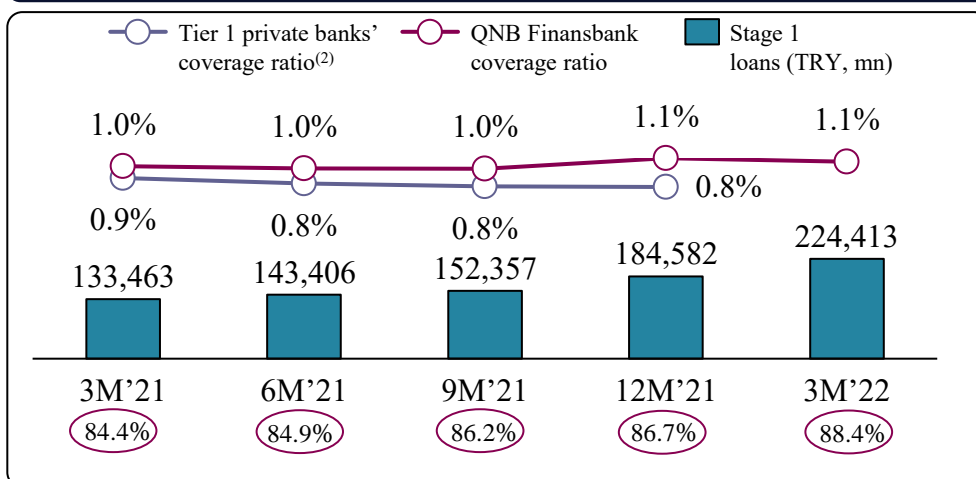
NPL Additions / Average Loans by Segment



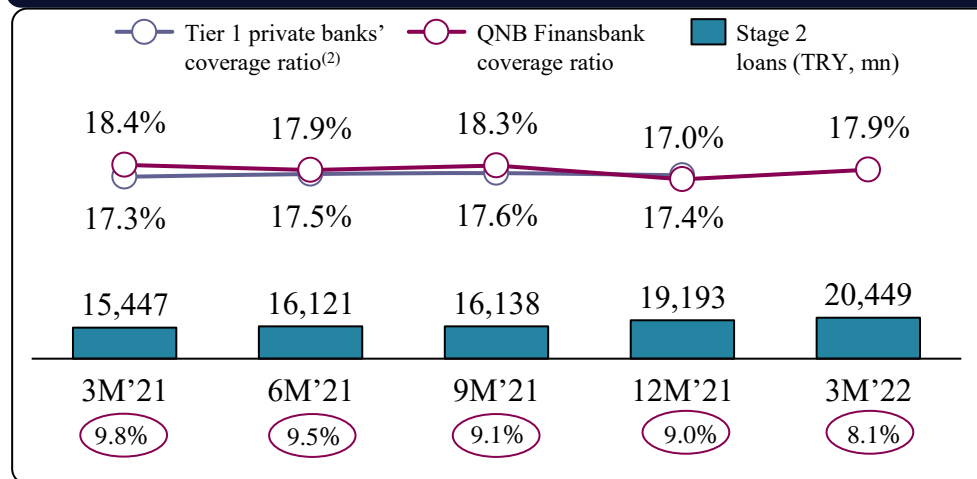
# Sound provision buffers and above peers' average coverages are adequate to compensate for prospective risks to asset quality

○ as a % of gross loans<sup>(1)</sup>  
for the relevant period

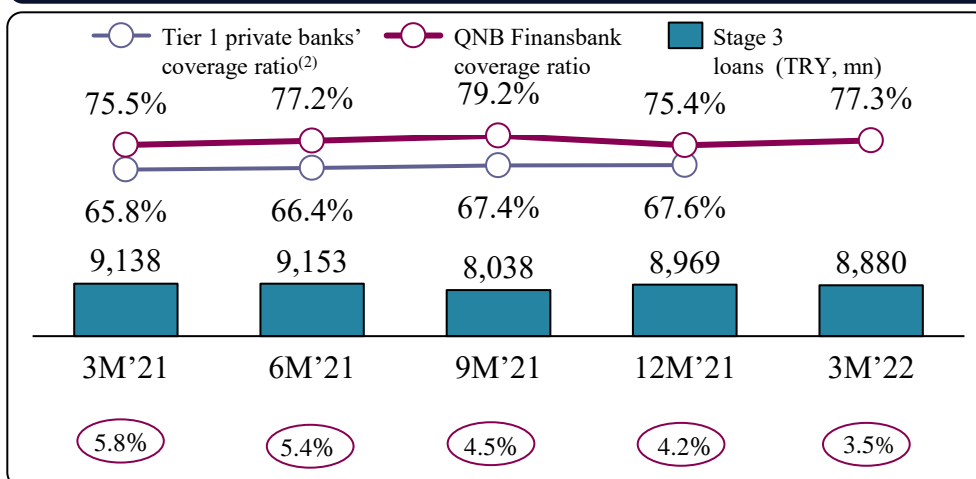
**Prudent provisioning approach from the first moment has yielded specific Stage I coverage standing well above peers' average**



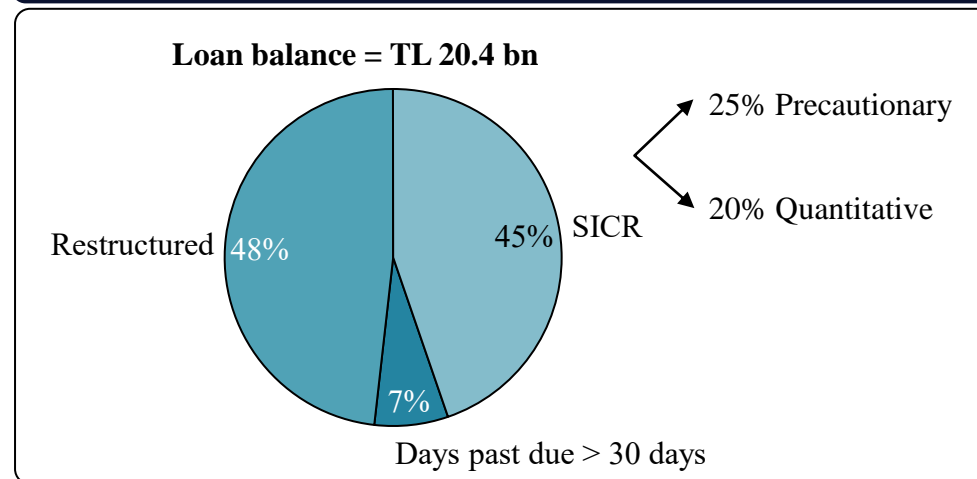
**Sound specific Stage II coverage further reinforced with prudent staging**



**Specific Stage III coverage maintained well above peers' average, fortifying provision buffers built across the board**



**93% of Stage II loans composed of SICRs and restructured, of which majority are non-delinquent**

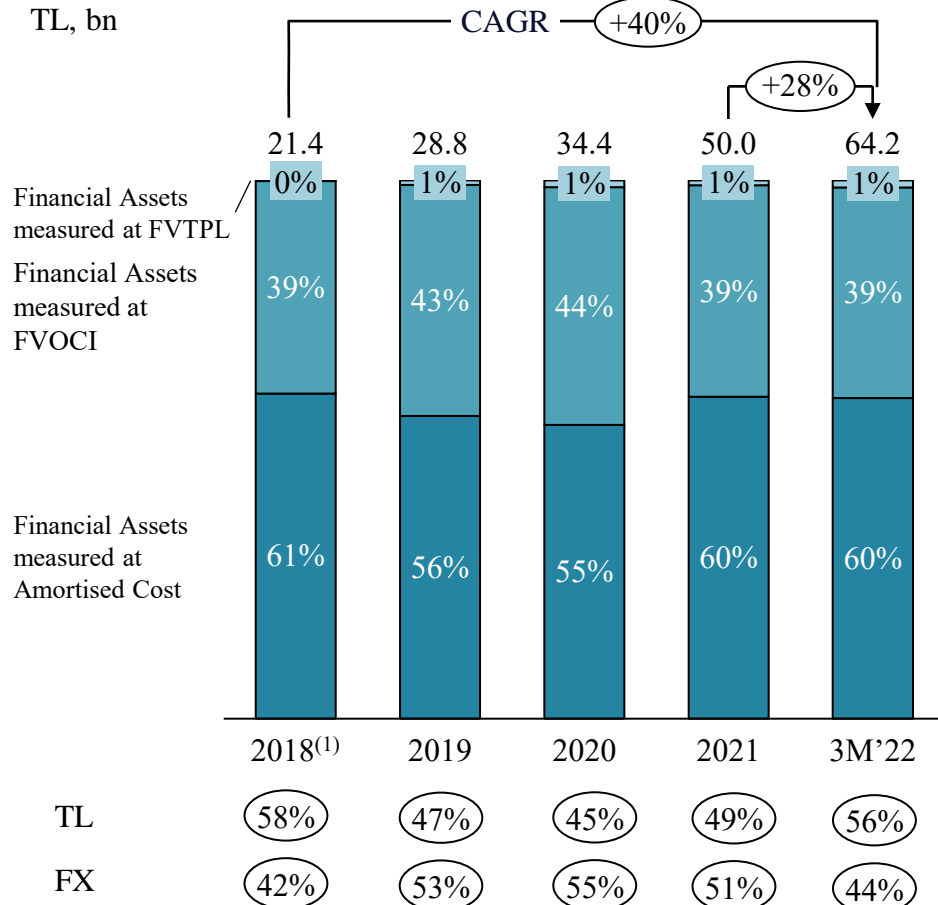


# Securities portfolio reached TL64 bn, accounting for 15% of assets base

Securities portfolio's growth was attributable to TL securities growth

## Total Securities

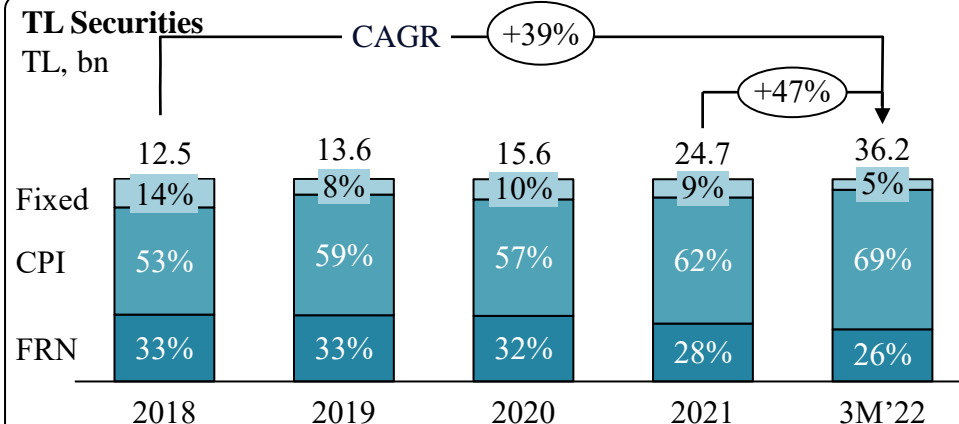
TL, bn



95% of TL securities are variable in nature, as CPI linkers represent 69% of TL Portfolio,

## TL Securities

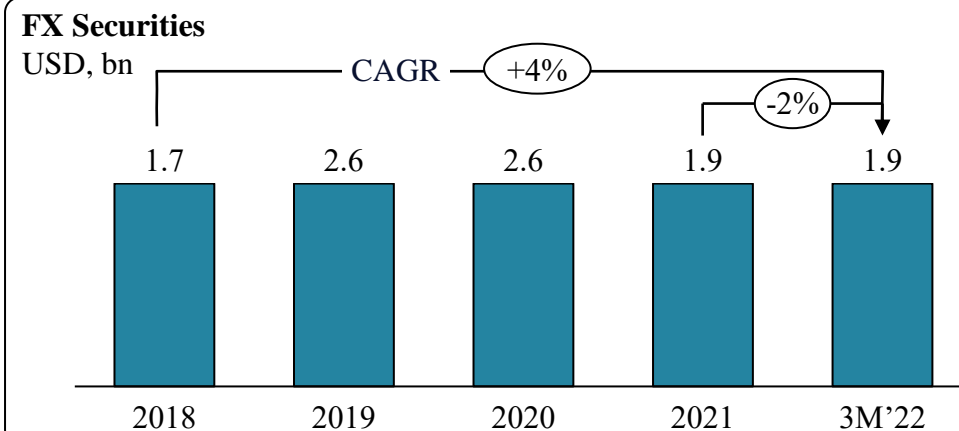
TL, bn



FX securities of US 1.9 bn accounted for 44% of total portfolio

## FX Securities

USD, bn

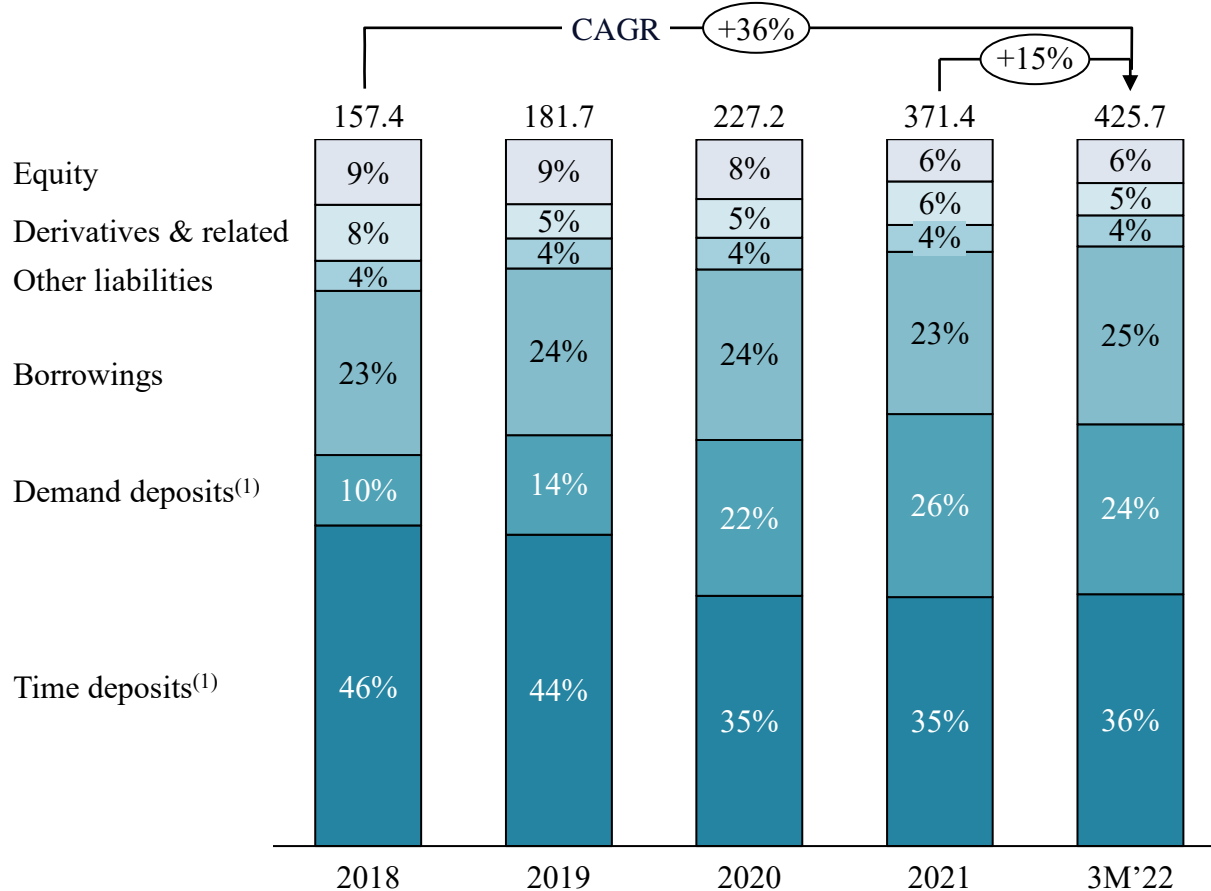


# Well-diversified & disciplined funding mix maintained with a tilt towards TL funding, as FX-protected deposits scheme positively contributed to the trend

Deposits maintained as the major source of funding, accounting for 60% of asset base

## Total Liabilities

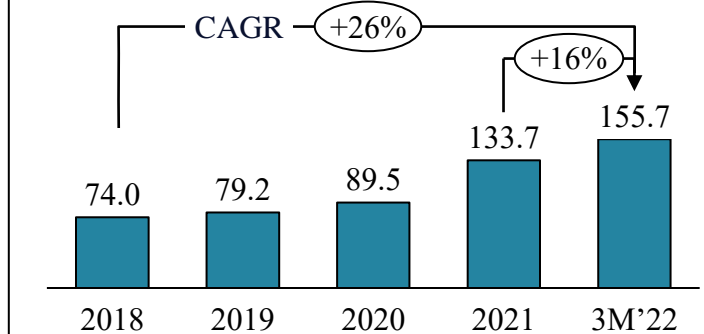
TL, bn



Balance sheet growth funded mainly by TL with a deliberate financial deepening strategy,

## TL Liabilities

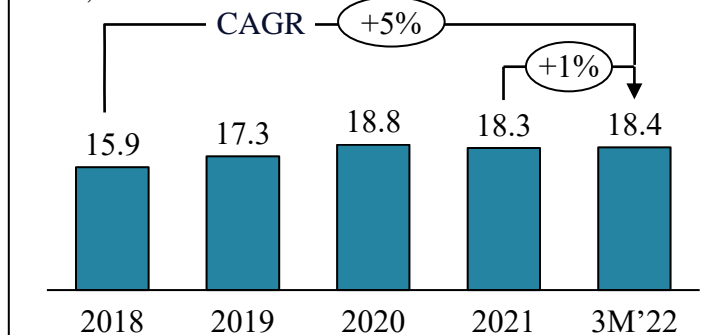
TL, bn



As elevated swap costs and exchange rate volatility inhibited the appetite for FX funding

## FX Liabilities

USD, bn

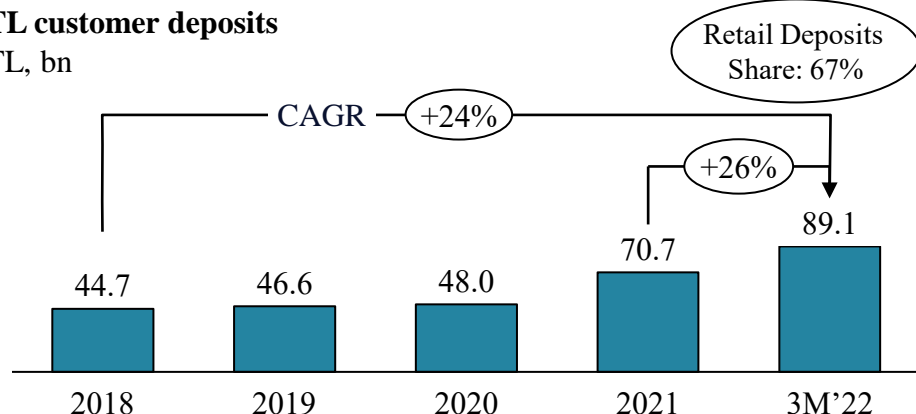


# TL driven deposit gatherings have outpaced both private peers and the sector by a wide margin, without forgoing the robust demand deposits' contribution

TL customer deposits grew by 26% YtD as sticky, low-cost Retail Deposits accounted for 67% of the base, ...

## TL customer deposits

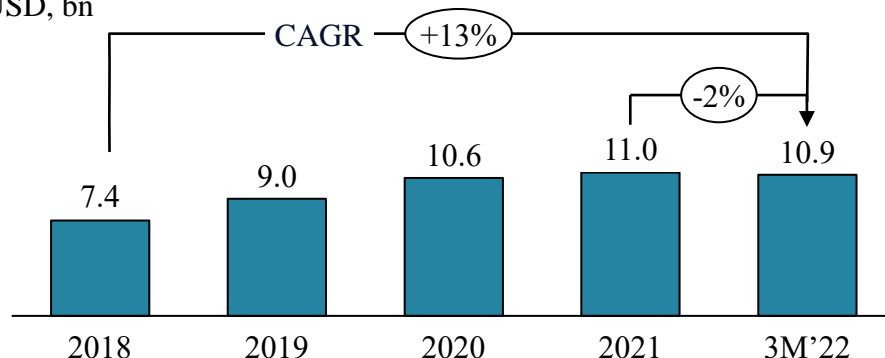
TL, bn



Conversion from FX deposits reduced reliance on swaps

## FX customer deposits<sup>(1)</sup>

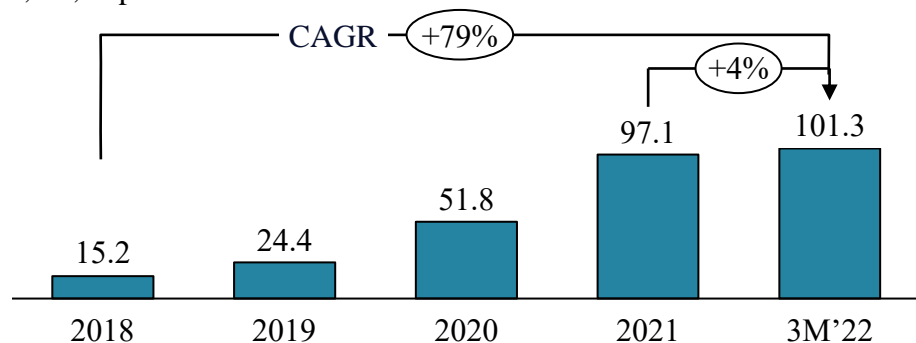
USD, bn



Sound and healthy demand deposit contribution sustained in a period when conversion to TL took place

## Customer demand deposits

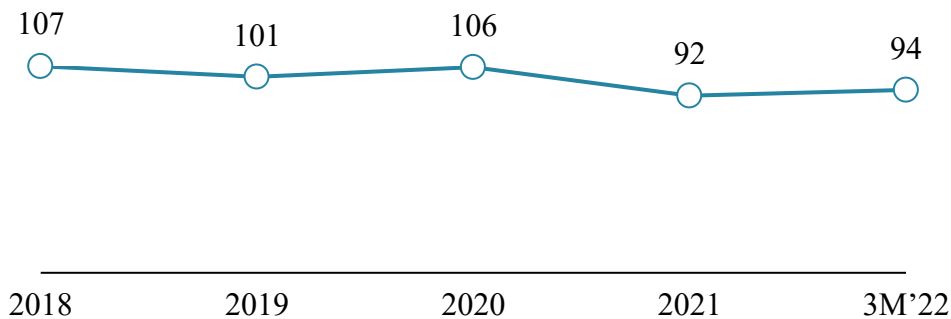
TL, bn, aop



LDR improvement sustained thanks to robust deposits' performance

## Loan-to-deposit ratio<sup>(2)</sup>

%

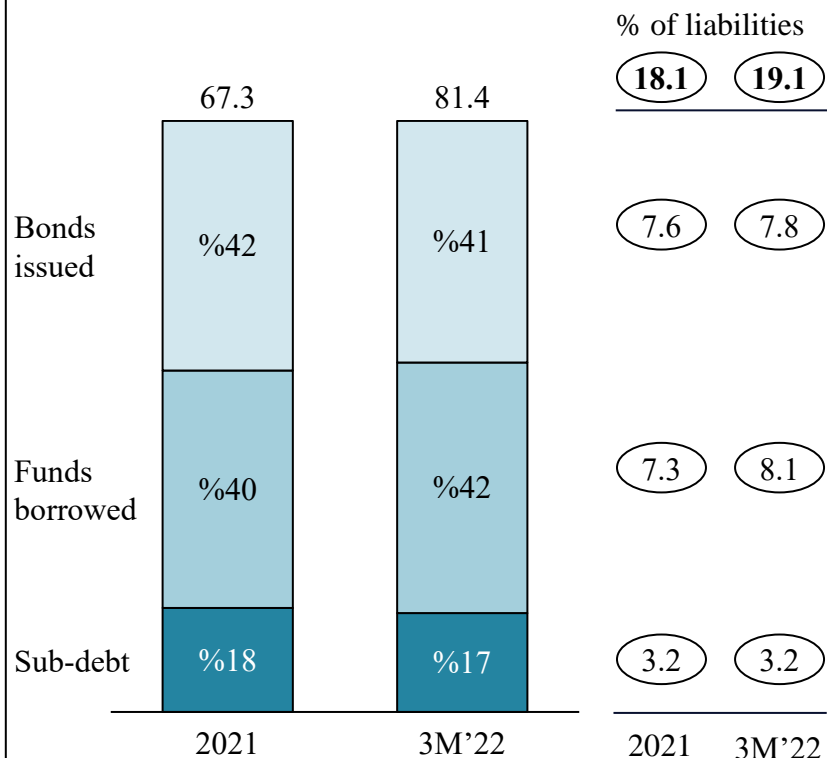


# Well-balanced wholesale borrowing mix has been actively managed with a cost-oriented approach, closely assessing loan & demand dynamics

Well diversified wholesale borrowing mix funded 19% of the assets base,

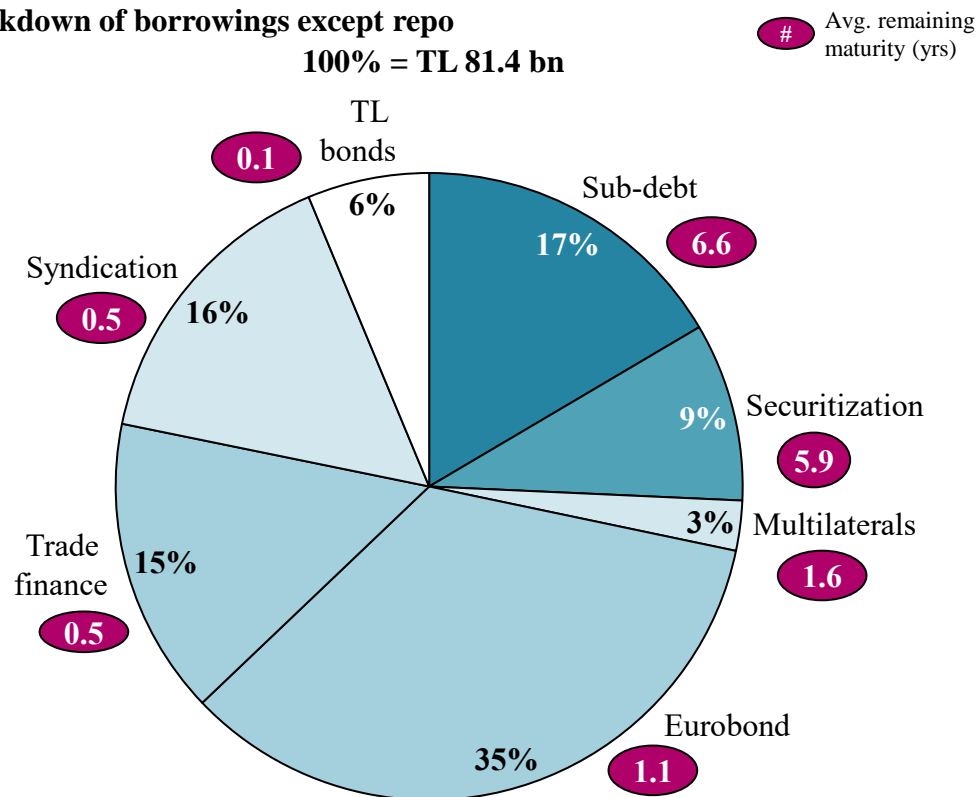
... as majority of the wholesale funding has a remaining maturity above 1 year

**Borrowings<sup>(1)</sup> by Type**  
TL, bn, % of borrowings



**Breakdown of borrowings except repo**

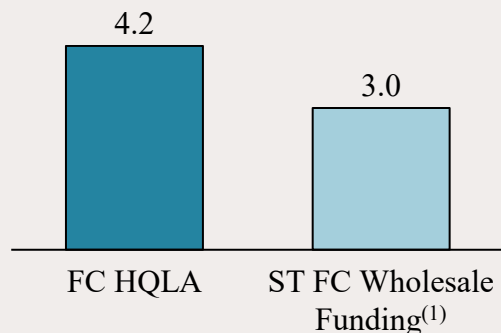
100% = TL 81.4 bn



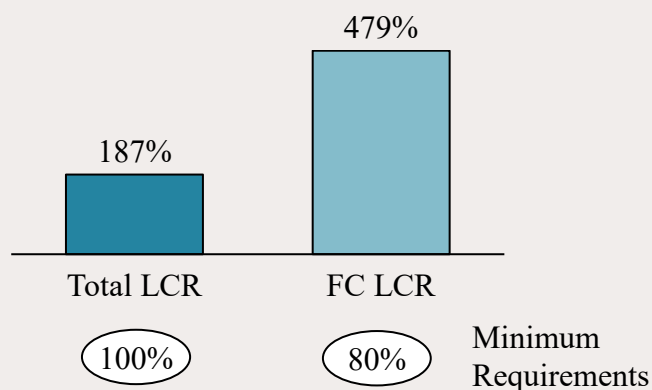


# Manageable external borrowings led to ample FC liquidity vis-a-vis short-term dues

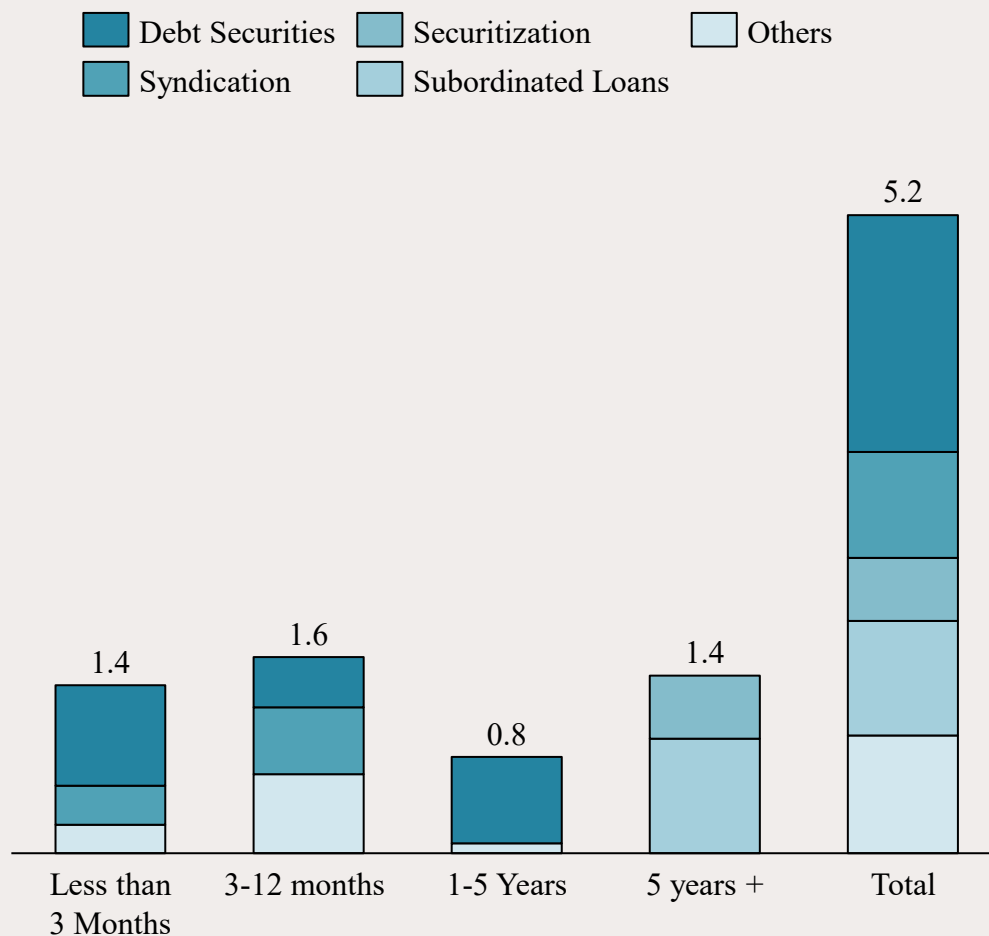
FC HQLA vs Short-term Dues (USD bn)



Liquidity Coverage Ratios (% eop)



Maturity Profiles of FC Wholesale Funding (USD bn)



# A structured approach to market and liquidity risk management

## Focused ALM leads to low interest rate sensitivity

- TL interest rate sensitivity is actively managed in the international swap market
- Hedge swap book stands at TL 13.5 bn as of the end of Q1'22
- Net change in Economic Value / Equity is constantly monitored under several scenarios
- Regulatory IRRBB ratio is at 7.8% as opposed to 20% limit; indicating a conservative interest rate position on the banking book (as of the end of Q1'22)

## Prudent management of liquidity risk

- Strong framework is in place to ensure sufficient short-term and long-term liquidity
- Total Regulatory Liquidity Coverage ratio is 187% as opposed to 100% limit, whereas FX Regulatory Liquidity coverage ratio is 479% as opposed to 80% limit. (as of the end of Q1'22)
- Continuous monitoring and reporting are in place to support effective management in addition to contingency plans for extreme situations

## Low risk appetite for trading risks

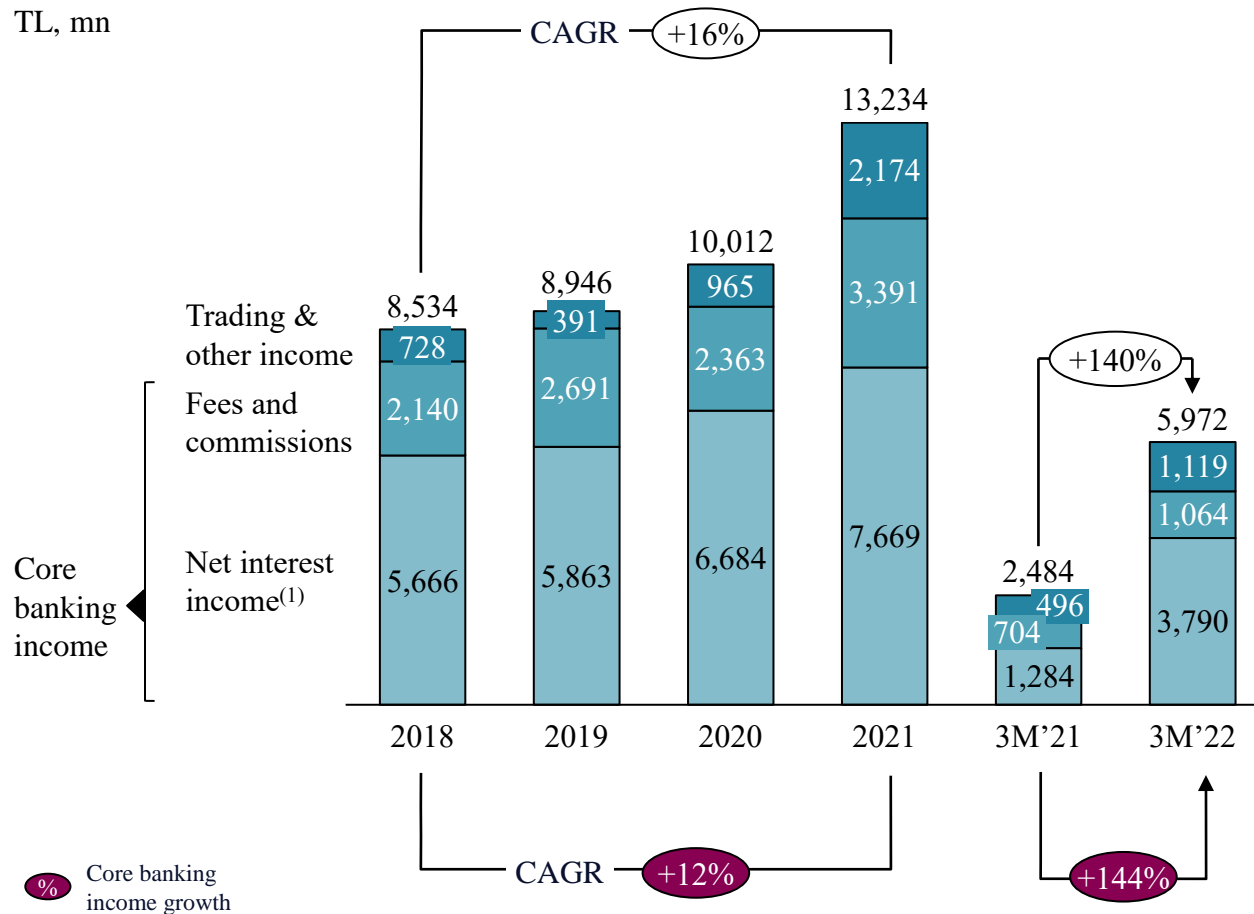
- Low trading risk appetite is reflected by the limit structure both on portfolio and product level
- Best-in-class measurement methodologies are in place with daily monitoring of all market risk metrics (VaR, sensitivities, etc.) in addition to stress tests and scenario analysis

# Outstanding core operating income supported by both healthy NII and F&C performance

Exceptional core banking income growth thanks to eye-catching NII recovery and strong Fees & Commissions contribution

## Total Operating Income

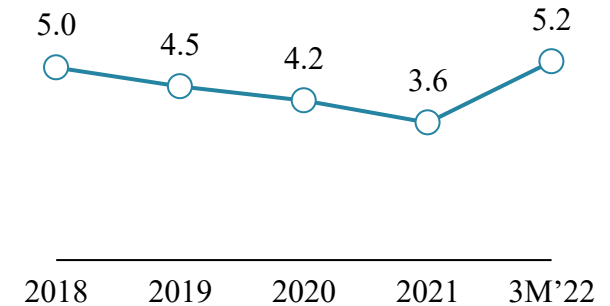
TL, mn



Strong NIM uplift upheld by higher CPI linkers' contribution

## NIM after Swap

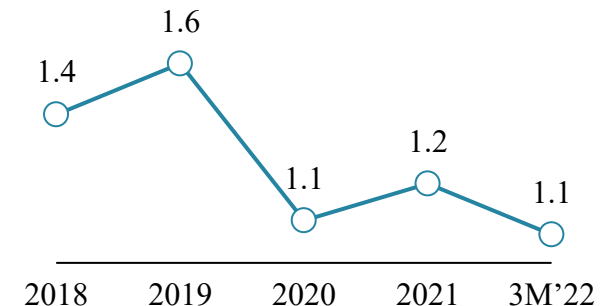
%



solid Fees&Commissions contribution sustained albeit strong assets growth

## Fees / Assets

%

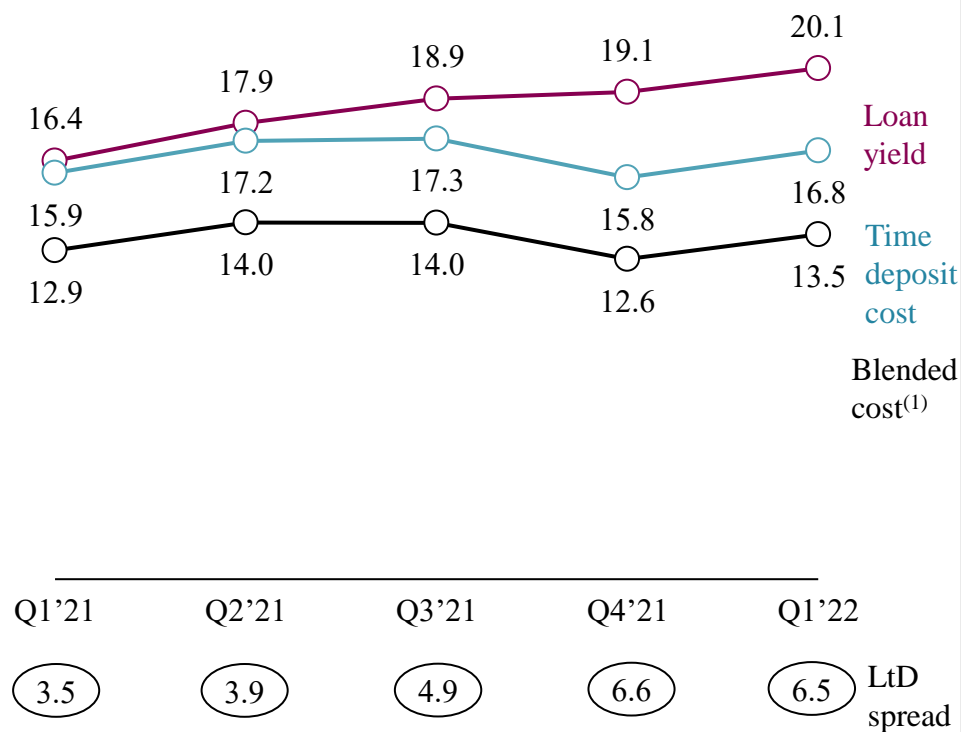


# Steady TL spread expansion boosted by 500-bp rate cut in Q4

TL spreads widened substantially vis-a-vis the trough seen in Q1 thanks to TL loan repricing and growth, as rate cuts also contributed starting in Q4

## TL Spread

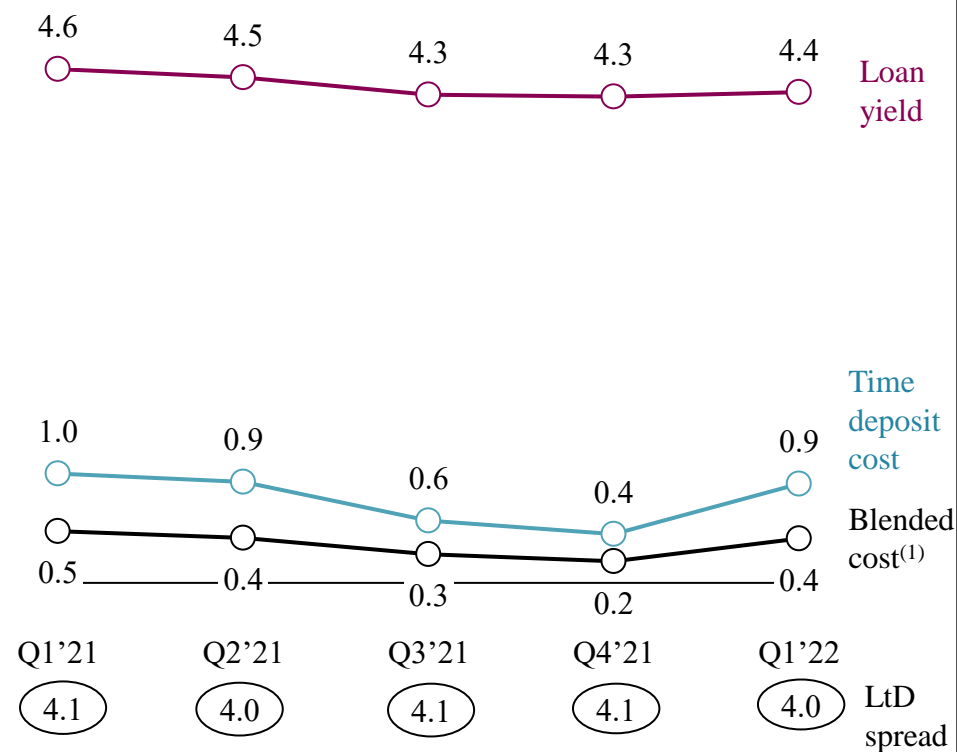
%, quarterly



FX spreads remained relatively intact mainly on the back of ample FX deposit supply

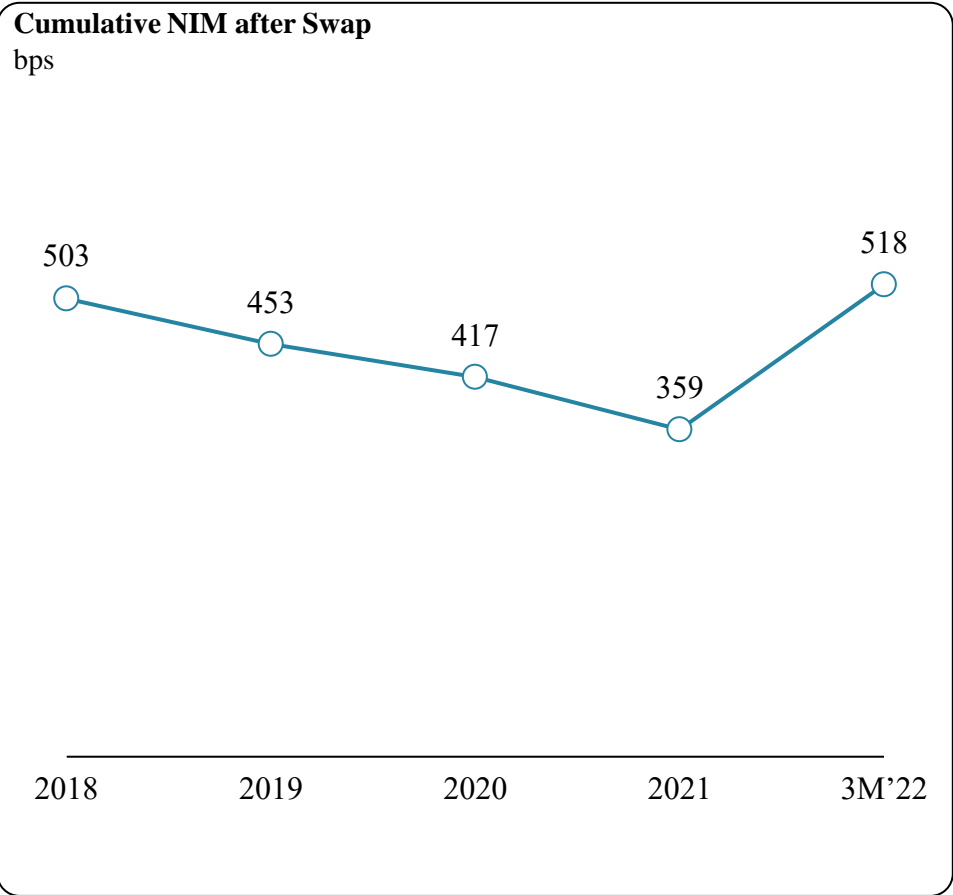
## FX Spread<sup>(2)</sup>

%, quarterly

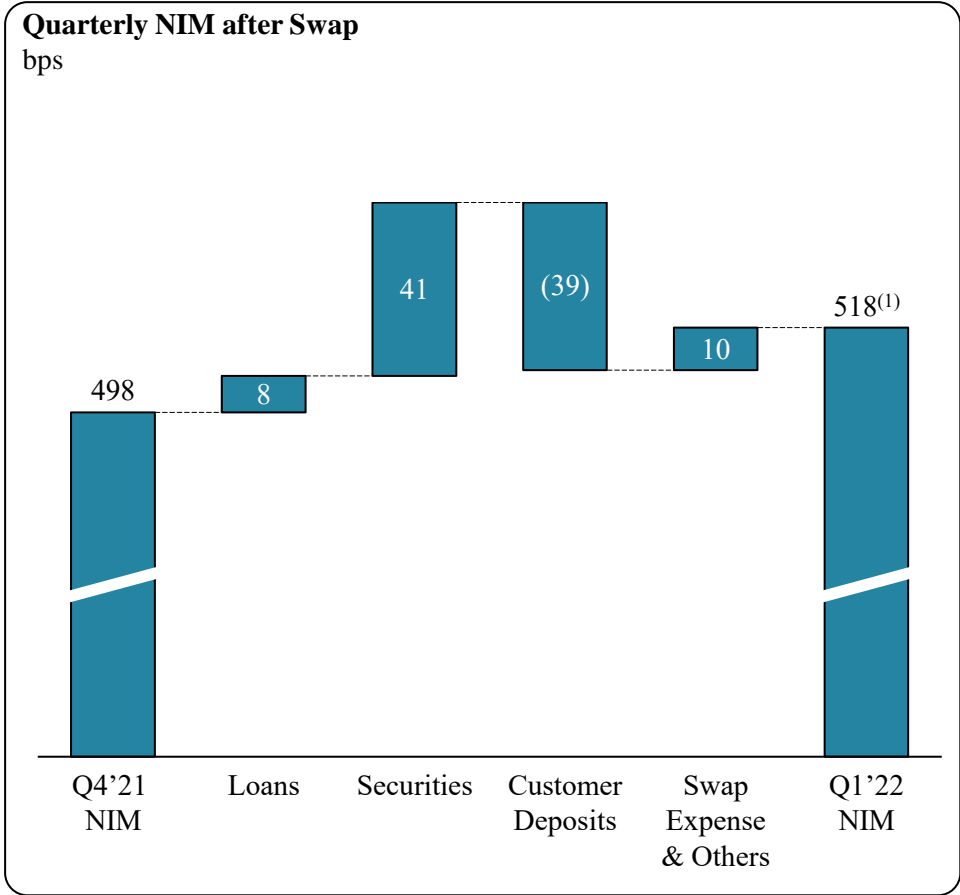


# NIM enhancement continued on the back of CBRT's rate cuts in Q4'21 and solid CPI linkers' contribution

NIM started 2021 at historically low levels and steadily improved throughout 2021 and 3M'22



Quarterly NIM evolution supported by higher CPI linkers' contribution

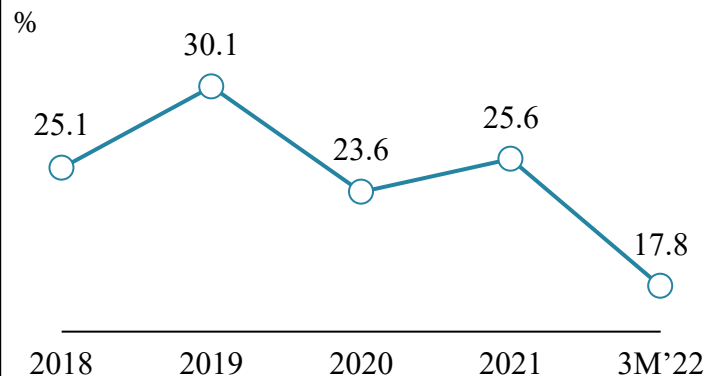


<sup>(1)</sup> October-October inflation projection used in the valuation of CPI linkers was 35% as of the end of Q1'22.  
A 100 bps increase in CPI projection would contribute TL 249 mn/yr to NII and 8 bps to annual NIM.

# Fees once again outperformed the expectations across the board

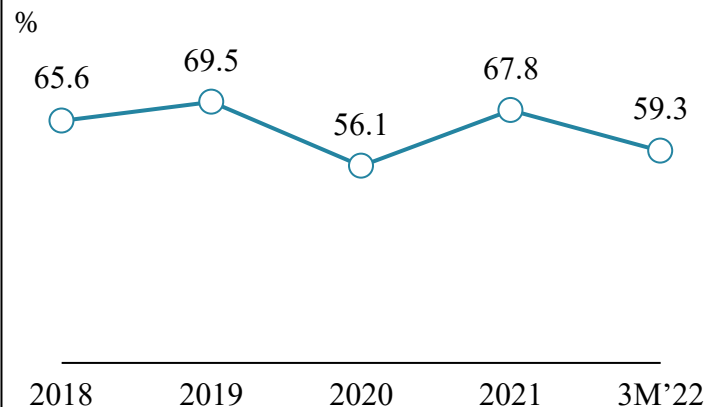
## Fees contribution to total income diluted with robust NII recovery

### Fees / Total Income



## Fees alone covered for 59% of OPEX in 3M'22

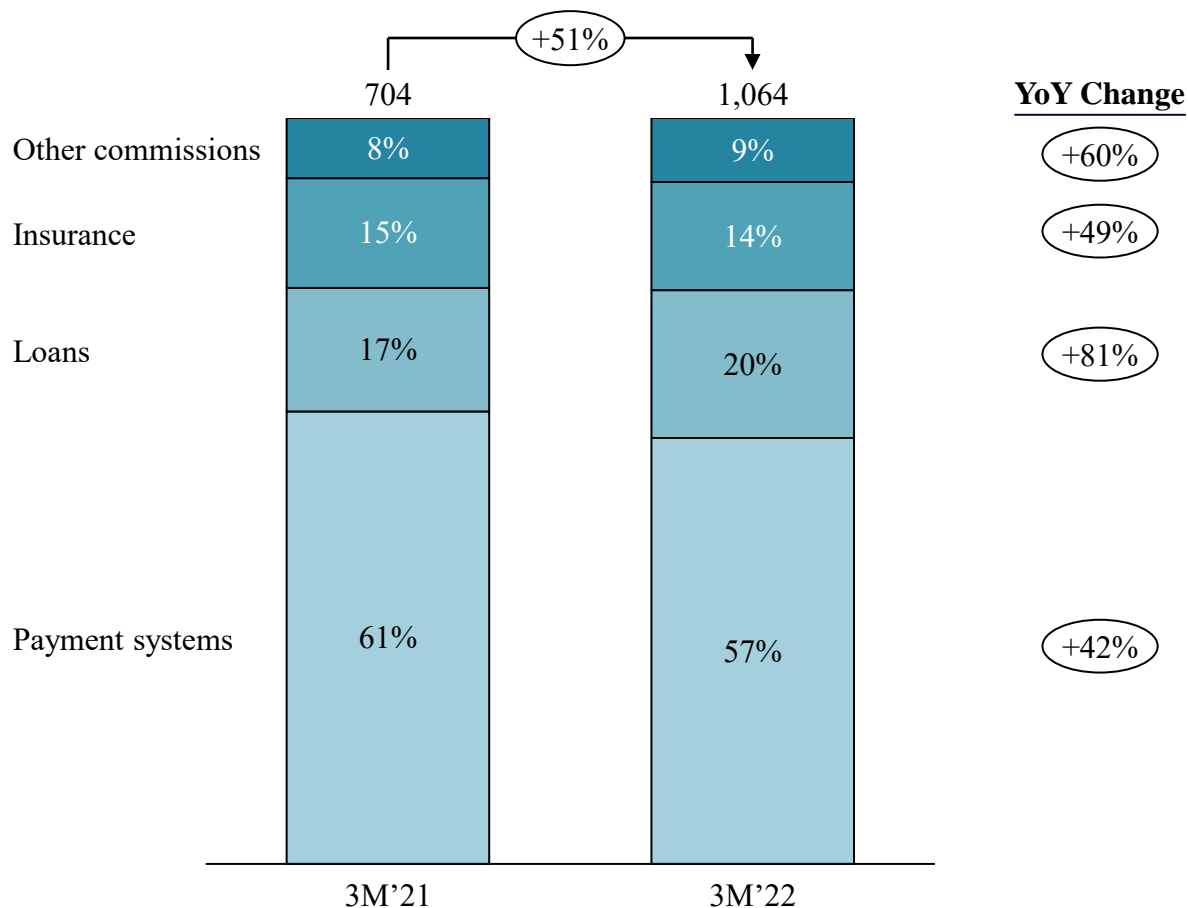
### Fees / OPEX



## Robust loan-based fees growth took the lead, though the growth trend was extensive

### Cumulative Net Fees and Commissions

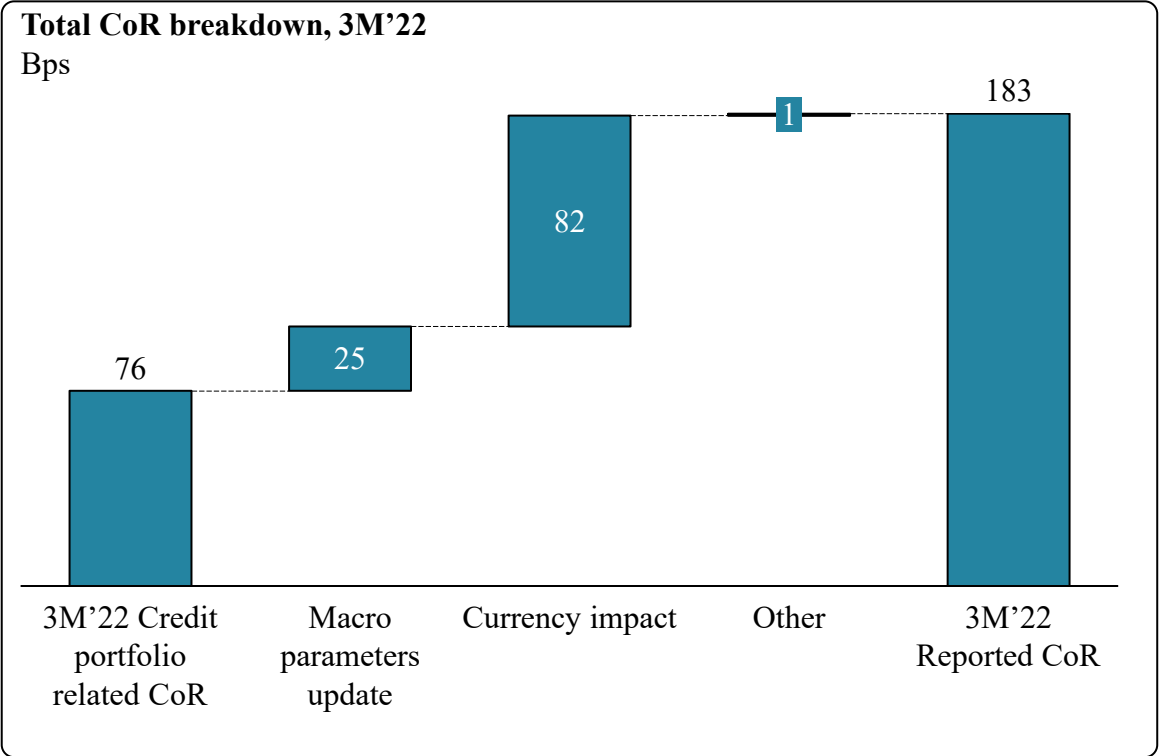
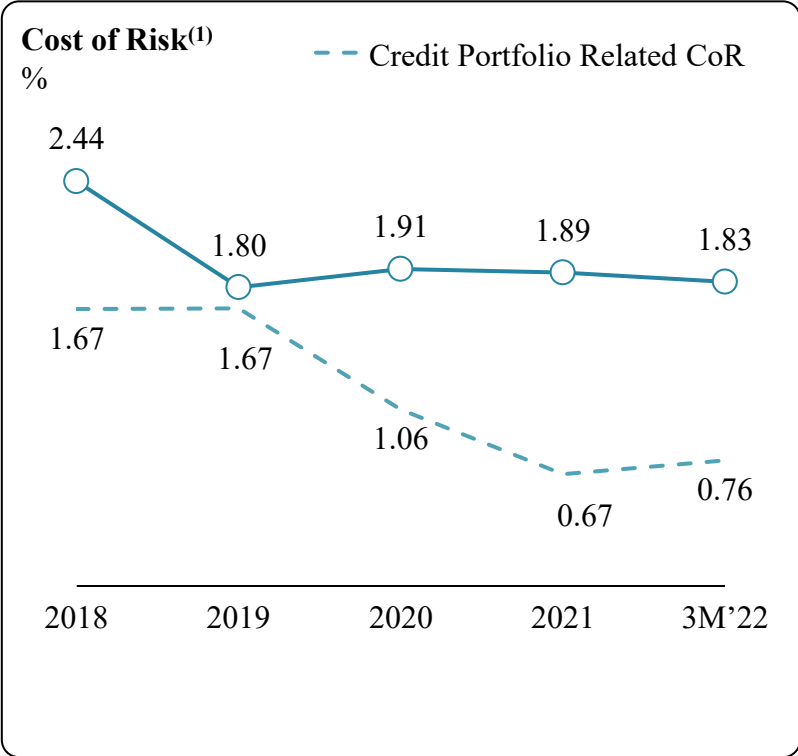
TL, mn



# Conservative provisioning stance has been upheld even with steadily low new NPL generation and solid collection performance

Low NPL generation and solid Collection performance enabled the Bank to further build provision buffers,

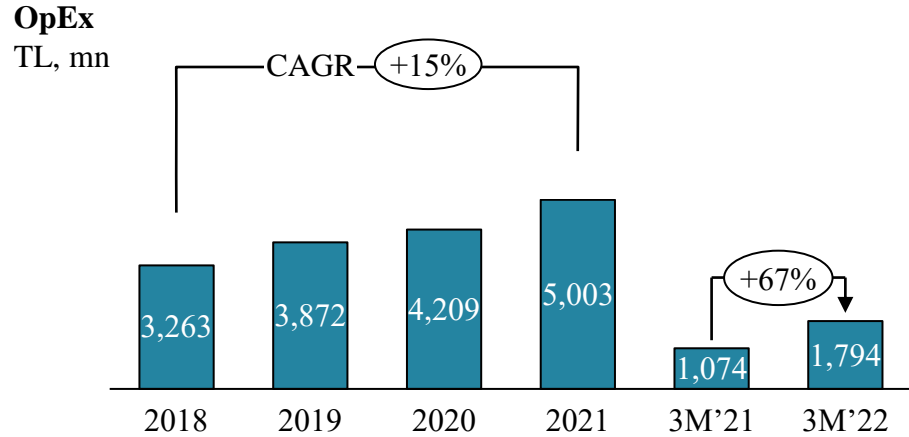
as reported CoR also included significant currency impact.



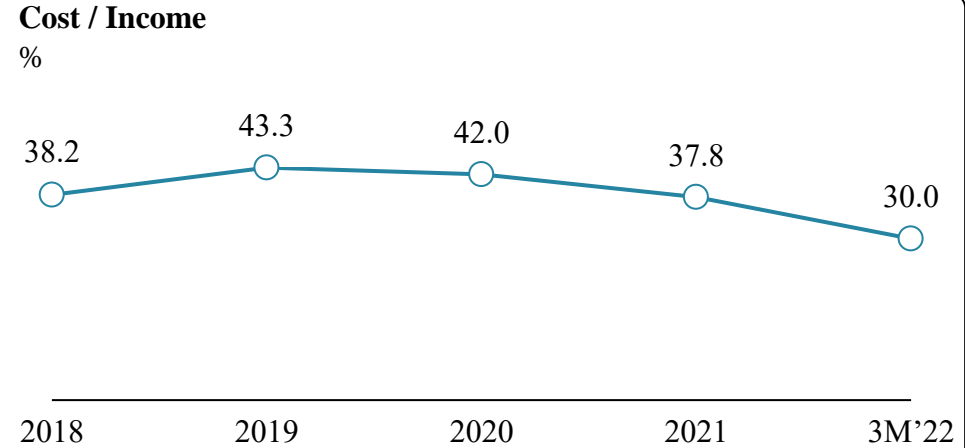
<sup>(1)</sup> IFRS 9 standards with regard to provisions implemented starting in January 1, 2018

# Disciplined management has contained OPEX growth despite surging inflation and material TL depreciation, paying-off in the form of a resilient ROE

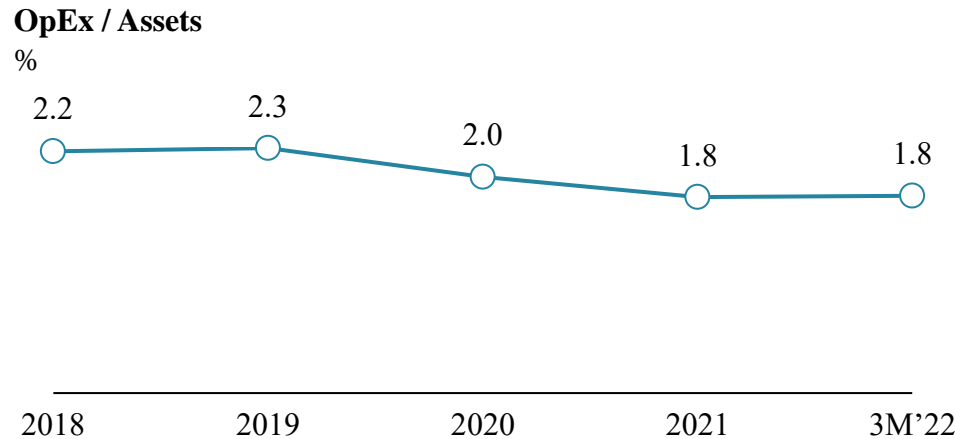
OPEX growth has been contained below inflation,



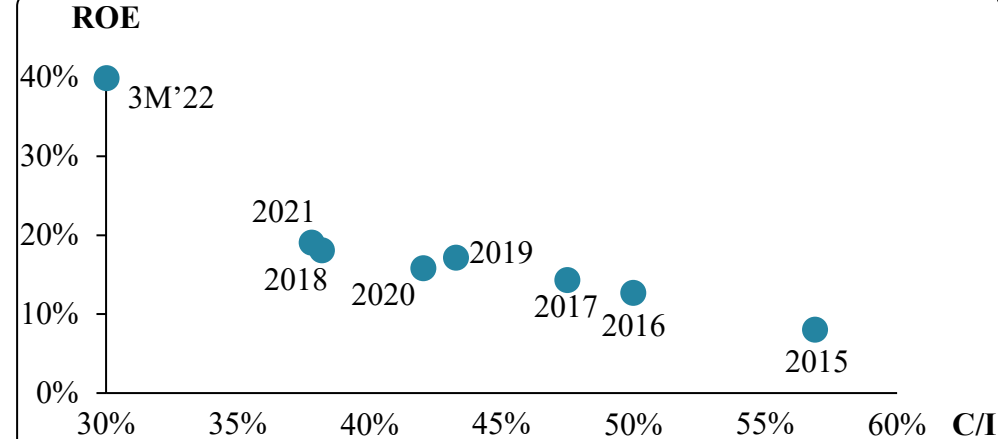
... surging income led to a lower cost/income ratio than peers at similar size



Economies of scale improvement built-up over years sustained in a challenging backdrop



... contributing positively to the sustainable profitability evolution





## Key strategies going forward

- **Core banking**, i.e., minimum market risk
- **Prudent credit risk management**
- **High liquidity** at all times
- Maintain **above market growth in Corporate & Commercial** seeking to achieve fair market share in the long-term
- **Leverage digital transformation** investments in SME segment for new client gathering as well as increasing service coverage for existing clients in line with our target of becoming **client's 'Main Bank'**
- **Continue targeting above-market growth in Retail** via general purpose loans and renewed emphasis on credit cards with 'high card spend'
- Continued emphasis on building a **stable deposit base** through new channels, offerings to untapped segments and customer groups, stronger loyalty (ie: Turkish Airlines co-branded program) and digital offerings (Digital Affluent Model, enpara.com)
- Leverage **wholesale funding opportunities** presented by strong shareholder structure
- Focus on **fee generation** and **operating expenses control** as well as continuing **improvement on cost of risk** front

# Appendix

A decorative graphic on the right side of the page, resembling a folded book corner. It consists of a dark red outer layer and a lighter red inner layer, with a white diagonal line separating them. The layers are folded over each other, creating a three-dimensional effect.

## BRSA Bank-Only Key Financial Ratios

	Bank only figures	2018 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2021 <sup>(1)</sup>	3M'21 <sup>(1)</sup>	3M'22 <sup>(1)</sup>
<b>Profitability</b>	RoAE	18.0%	17.1%	15.8%	19.0%	13.6%	39.9%
	RoAA	1.6%	1.5%	1.3%	1.4%	1.1%	2.4%
	Cost / Income	38.2%	43.3%	42.0%	37.8%	43.2%	30.0%
	NIM after swap expenses	5.0%	4.5%	4.2%	3.6%	2.8%	5.2%
<b>Liquidity</b>	Loans / Deposits <sup>(2)</sup>	106.7%	101.1%	106.2%	91.5%	99.1%	94.5%
	LCR	117.5%	121.5%	117.4%	145.5%	120.1%	181.0%
<b>Asset quality</b>	NPL Ratio	6.1%	6.9%	6.1%	4.2%	5.8%	3.5%
	Cost of Risk	2.4%	1.8%	1.9%	1.9%	1.5%	1.8%
<b>Solvency</b>	CAR	15.4%	15.7%	16.4%	15.9%	15.8%	16.0%
	Tier I Ratio	11.7%	13.1%	13.7%	12.8%	13.1%	12.8%
	Liability/Equity	10.8x	10.9x	11.8x	16.8x	12.8x	16.2x

# QNB Finansbank BRSA Bank-Only Summary Financials<sup>(1)</sup>

## Income Statement

TL, mn	2018	2019	2020	2021	3M'21	3M'22	ΔYoY
Net Interest Income (After Swap Expenses)	5,666	5,863	6,684	7,669	1,284	3,790	195%
Net Fees & Commissions Income	2,140	2,691	2,363	3,391	704	1,064	51%
Trading & Other Income	728	391	965	2,174	496	1,119	126%
<b>Total Operating Income</b>	<b>8,533</b>	<b>8,946</b>	<b>10,012</b>	<b>13,234</b>	<b>2,484</b>	<b>5,972</b>	<b>140%</b>
Operating Expenses	(3,263)	(3,872)	(4,209)	(5,003)	(1,074)	(1,794)	67%
<b>Net Operating Income</b>	<b>5,270</b>	<b>5,074</b>	<b>5,803</b>	<b>8,231</b>	<b>1,410</b>	<b>4,179</b>	<b>196%</b>
Provisions	(2,212)	(1,894)	(2,544)	(3,241)	(579)	(1,087)	88%
<b>Profit Before Tax</b>	<b>3,058</b>	<b>3,180</b>	<b>3,259</b>	<b>4,990</b>	<b>831</b>	<b>3,092</b>	<b>272%</b>
Tax Expenses	(648)	(558)	(512)	(1,062)	(181)	(709)	291%
<b>Profit After Tax</b>	<b>2,410</b>	<b>2,622</b>	<b>2,747</b>	<b>3,928</b>	<b>650</b>	<b>2,383</b>	<b>267%</b>

## Balance Sheet

TL, mn	2018	2019	2020	2021	3M'22	ΔYtD
Cash & Banks <sup>(2)</sup>	19,808	22,643	29,202	85,564	87,649	2%
Securities	21,368	28,761	34,368	49,960	64,150	28%
Net Loans	94,018	110,683	138,719	200,832	240,762	20%
Fixed Asset and Investments <sup>(3)</sup>	4,558	5,308	5,864	6,689	7,045	5%
Other Assets	17,664	14,286	19,089	28,324	26,062	-8%
<b>Total Assets</b>	<b>157,416</b>	<b>181,681</b>	<b>227,243</b>	<b>371,369</b>	<b>425,669</b>	<b>15%</b>
Deposits	87,090	105,626	130,560	226,923	254,098	12%
Customer Deposits	83,413	100,219	125,976	213,946	248,263	16%
Bank Deposits	3,678	5,406	4,583	12,977	5,835	-55%
Borrowings	36,602	42,893	54,892	85,293	106,996	25%
Bonds Issued	8,904	13,086	13,506	28,389	33,261	17%
Funds Borrowed	18,166	15,309	20,192	27,032	34,549	28%
Sub-debt	4,816	5,433	6,704	11,853	13,622	15%
Repo	4,715	9,065	14,489	18,020	25,565	42%
Other	19,152	16,477	22,579	37,009	38,252	3%
Equity	14,572	16,685	19,212	22,144	26,322	19%
<b>Total Liabilities &amp; Equity</b>	<b>157,416</b>	<b>181,681</b>	<b>227,243</b>	<b>371,369</b>	<b>425,669</b>	<b>15%</b>

<sup>(1)</sup> IFRS 9 standards implemented as of January 1, 2018, whereas the previous year figures have not been restated accordingly.

IAS-27 equity method consolidation has been implemented as of Q4'21. As 2020 figures have been restated, preceding years' data have not been restated

<sup>(2)</sup> Includes CBRT, banks, interbank, other financial institutions

<sup>(3)</sup> Including subsidiaries

# BRSA Consolidated Key Financial Ratios

	Bank only figures	2018 <sup>(1)</sup>	2019 <sup>(1)</sup>	2020 <sup>(1)</sup>	2021 <sup>(1)</sup>	3M'21 <sup>(1)</sup>	3M'22 <sup>(1)</sup>
<b>Profitability</b>	RoAE	19.0%	18.4%	15.8%	18.9%	13.6%	39.9%
	RoAA	1.6%	1.6%	1.3%	1.4%	1.1%	2.3%
	Cost / Income	38.1%	42.7%	42.4%	38.0%	43.4%	30.7%
	NIM after swap expenses	5.0%	4.5%	4.3%	3.7%	3.0%	5.2%
<b>Liquidity</b>	Loans / Deposits <sup>(2)</sup>	110.4%	105.6%	110.1%	91.7%	102.6%	97.7%
	LCR	117.5%	119.5%	114.2%	144.1%	116.9%	175.1%
<b>Asset quality</b>	NPL Ratio	6.2%	7.0%	6.0%	4.2%	5.7%	3.5%
	Cost of Risk	1.7%	1.8%	1.9%	1.9%	1.7%	1.8%
<b>Solvency</b>	CAR	14.8%	15.2%	15.8%	15.2%	15.2%	15.3%
	Tier I Ratio	11.2%	12.7%	13.1%	12.2%	12.6%	12.2%
	Liability/Equity	11.2x	11.2x	12.2x	17.3x	13.1x	16.7x

# QNB Finansbank BRSA Consolidated Summary Financials<sup>(1)</sup>

## Income Statement

TL, mn	2018	2019	2020	2021	3M'21	3M'22	ΔYoY
Net Interest Income (After Swap Expenses)	5,861	6,121	7,103	8,150	1,405	3,958	182%
Net Fees & Commissions Income	2,252	2,824	2,601	3,682	774	1,173	52%
Trading & Other Income	920	618	799	2,068	450	1,041	132%
<b>Total Operating Income</b>	<b>9,033</b>	<b>9,562</b>	<b>10,503</b>	<b>13,900</b>	<b>2,628</b>	<b>6,172</b>	<b>135%</b>
Operating Expenses	(3,445)	(4,079)	(4,451)	(5,278)	(1,141)	(1,896)	66%
<b>Net Operating Income</b>	<b>5,588</b>	<b>5,483</b>	<b>6,053</b>	<b>8,622</b>	<b>1,487</b>	<b>4,276</b>	<b>188%</b>
Provisions	(2,317)	(1,994)	(2,672)	(3,487)	(626)	(1,116)	78%
<b>Profit Before Tax</b>	<b>3,271</b>	<b>3,489</b>	<b>3,381</b>	<b>5,135</b>	<b>861</b>	<b>3,160</b>	<b>267%</b>
Tax Expenses	(698)	(625)	(626)	(1,227)	(210)	(776)	270%
<b>Profit After Tax</b>	<b>2,573</b>	<b>2,865</b>	<b>2,755</b>	<b>3,908</b>	<b>651</b>	<b>2,384</b>	<b>266%</b>

## Balance Sheet

TL, mn	2018	2019	2020	2021	3M'22	ΔYtD
Cash & Banks <sup>(2)</sup>	20,226	23,072	29,661	86,263	87,806	2%
Securities	21,387	28,809	34,430	50,090	64,367	29%
Net Loans <sup>(3)</sup>	100,377	116,749	146,449	212,565	253,937	19%
Fixed Asset and Investments	3,467	4,058	4,248	4,613	4,754	3%
Other Assets	18,045	14,838	20,232	30,318	28,604	-6%
<b>Total Assets</b>	<b>163,500</b>	<b>187,526</b>	<b>235,020</b>	<b>383,849</b>	<b>439,469</b>	<b>14%</b>
Deposits	86,826	105,500	130,275	225,877	253,368	12%
Customer Deposits	83,149	100,094	125,692	212,899	247,533	16%
Bank Deposits	3,678	5,406	4,583	12,977	5,835	-55%
Borrowings	42,552	48,352	62,320	97,098	119,743	23%
Bonds Issued	11,850	14,352	14,724	29,803	34,600	16%
Funds Borrowed	20,552	19,419	25,897	37,252	45,161	21%
Sub-debt	4,816	5,433	6,704	11,853	13,622	15%
Repo	5,334	9,149	14,995	18,191	26,359	45%
Other	19,518	16,908	23,184	38,722	40,027	3%
Equity	14,603	16,765	19,241	22,152	26,331	19%
<b>Total Liabilities &amp; Equity</b>	<b>163,500</b>	<b>187,526</b>	<b>235,020</b>	<b>383,849</b>	<b>439,469</b>	<b>14%</b>

# Board of Directors

Name	Position	Background
Dr. Ömer A. Aras	Chairman and QNB Finansbank Group CEO	Founding member of Finansbank Former CEO of Finansbank for 6 years Vice President of the High Advisory Council of TUSIAD, member of the Higher Advisory Board of Darüşşafaka Cemiyeti and Board of Trustees of Boğazici University Foundation
Sinan Şahinbaş	Vice Chairman	Former CEO of Finansbank for 7 years Previously worked at Treasury, Corp. Banking and Risk Mgmt. departments of Finansbank
Temel Güzeloğlu	Member of the BoD	Former CEO of QNB Finansbank Experience at Unilever, Citibank, McKinsey & Co.
Osman Ömür Tan	Member of the BoD and QNB Finansbank CEO	Former EVP of Corporate and Commercial Banking Experience at Yapı Kredi Bank Holds board membership at QNB Finansbank subsidiaries
Yousef Mahmoud H N Al-Neama	Member of the BoD	Executive General Manager and Group Chief Business Officer at QNB Q.P.S.C. Serves as VP of HBTF in Jordan and Bank Mansour in Iraq and Board member at QNB Capital Previously worked at Group Corp., Institutional Banking & International Banking of QNB and Doha Bank
Adel Ali M A Al-Malki	Member of the BoD	General Manager - Group Information Technology Previously worked at Development and User Services, E-Business & System Analyst of QNB
Ramzi T. A. Mari	Member of the BoD and Member of the Audit Committee	QNB Group Executive General Manager and Chief Financial Officer Holds board membership at various QNB subsidiaries in Qatar and Jordan
Noor Mohd J. A. Al-Naimi	Member of the BoD and Member of the Audit Committee	QNB General Manager Group Treasury Previously held positions in Treasury Operations Trading & Investment Assistant General Manager
Fatma Abdulla S S Al-Suwaidi	Member of the BoD	QNB Group Chief Risk Officer Serves as President Commissioner of QNB Indonesia
Ali Teoman Kerman	Member of the BoD and Chairman of the Audit Committee	Former Vice Under-Secretary of Treasury Former Vice President of BRSA Former Board Member of SDIF Previously served as a Board Member of Bahçeşehir University, Board of Graduate School and Chairman of the Board in Toprak, Ege and Generali Insurance Companies
Durmuş Ali Kuzu	Member of the BoD and Member of the Audit Committee	Former Vice President of BRSA Experience at Vakıfbank, Emlakbank, Treasury, Public Oversight Institution Holds board membership at TMA Turkey and Bank Examiners Foundation

# Disclaimer

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