





# Investors' Presentation

- Q1 2023 -





**1. QIIB Overview & Strategy**

**2. Financial Performance**

**3. Funding Overview**

**4. Rating Overview**





## Section 1

### QIIB Overview & Strategy



## Introduction

- ◆ (QIIB) Established in 1990 by an Amiri Decree, Qatar International Islamic Bank began operations on 1 January 1991.
- ◆ As of 31 March 2023, QIIB has the sixth market capitalization on the Qatar Exchange of all Listed banks in Qatar with a market capitalization of QAR 14.97 Bn (at QAR 9.89 per share).
- ◆ Large network in Qatar with 17 branches and over 82 ATMs.
- ◆ Continuous improvement of Capital Adequacy Ratio .

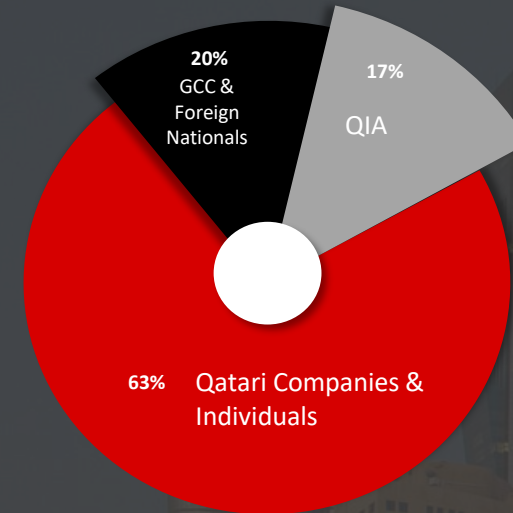
## Financial Snapshot

QAR mn	Dec-19	Dec-20	Dec-21	Dec-22	Q1-23
Total Assets	56,831	61,314	61,792	56,393	54,955
Total Financing	37,011	40,514	37,031	35,022	34,957
Non – Performing Financing Ratio	1.9%	1.6%	2.6%	2.8%	3.0%
Customer Deposits	31,229	36,352	38,646	36,706	35,837
Net Profit	927	938	1003	1,075	315.9
Earning Per Share (QAR)	0.58	0.55	0.59	0.64	0.21
Capital Adequacy (BIII)	18.5%	16.6%	16.7%	17.7%	18.4%
Market Capitalization	QAR 14.97 Bn (as of 31st March 2023)				

Fitch A-: (Positive) Moody's A2: (Stable)

Ratings

## Shareholder Structure



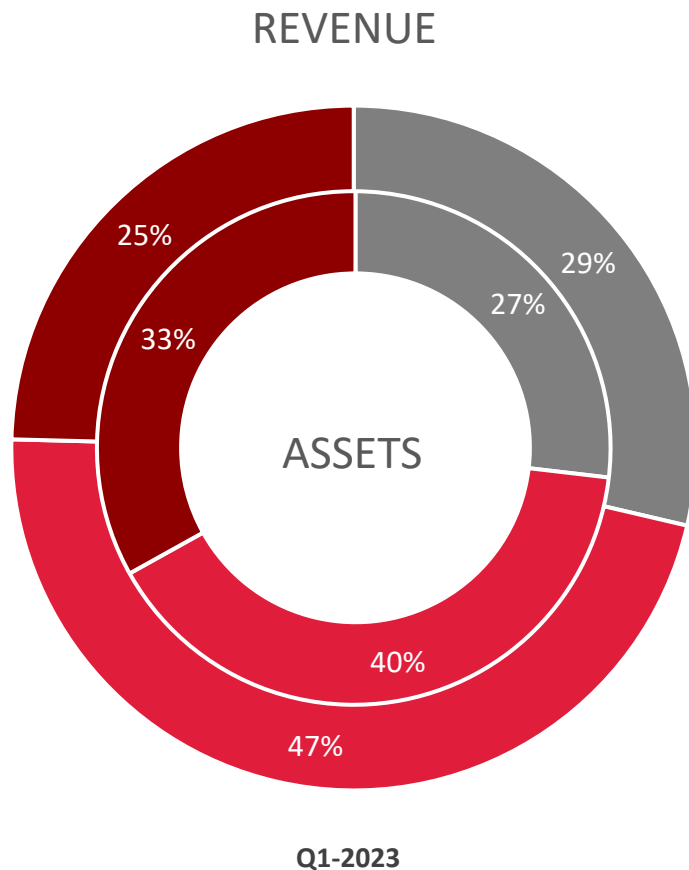
- The Qatar Investment Authority (QIA) is the largest shareholder (17%) of QIIB through its subsidiary, Qatar Holdings Company.
- Qatari Companies & Individuals own 63% of the bank's shares

## QIIB Business Segments





## Business Segments Overview



### Treasury & Investments

- Equity participation, private equity, investment funds
- Sukuk investment book
- International finance and syndications
- Islamic Treasury products and services



### Personal Banking Financing

- Large personal banking franchise with 14 branches and 82 ATMs across Qatar
- Strong brand
- Client segmentation to provide client-focused services
- Maintain growth in distribution network
- Focus on sales and service quality



### Corporate Financing

- Major sectors served include Government, oil & gas, commercial and contracting
- Key partner of the public sector and continue to attract and maintain strong deposit base
- Key products include: Murabahah, Ijarah, Mudarabah, Istisna, foreign trade finance and commercial finance
- 3 branches fully dedicated to serve Corporate Customers'
- Developing Small-to-Medium Enterprise (SME) sector in partnership with Government





## Section 2

### Financial Performance



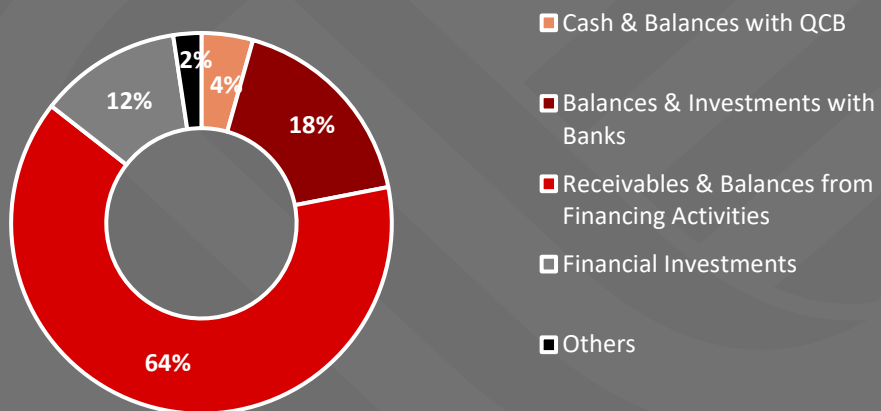
## Highlights

- QIIB's balance sheet slightly dropped compared to year end 2022, which is consistent with Qatar banking system
- The growth has been driven by a strong increase in QIIB's Islamic Financing Facilities (IFFs), and Financial investments.
- QIIB has a reasonably diversified financing book totaling QAR 35 Bn as of 31 December 2022, representing 64% of the bank's total assets.



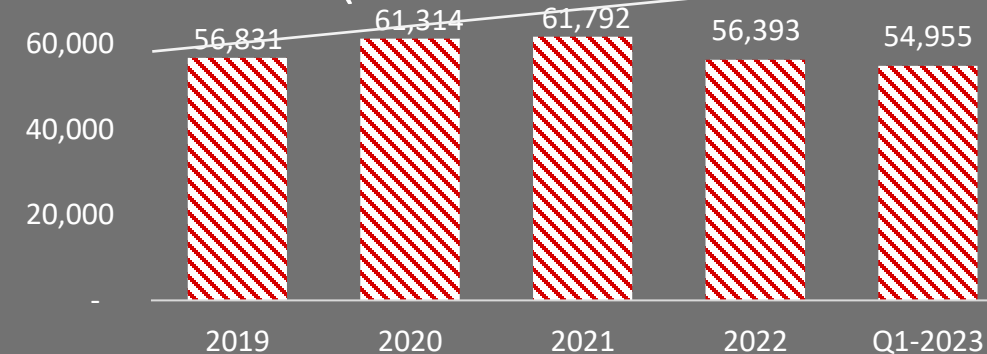
## Asset composition by type

As at Q1-2023



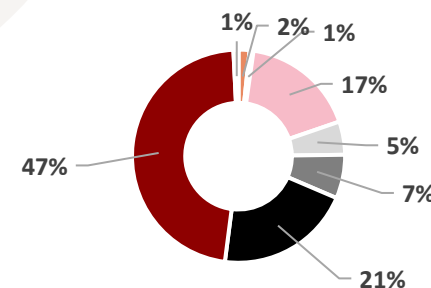
## QIIB'S strong asset growth (QAR Mn)

(CAGR: -0.8%)

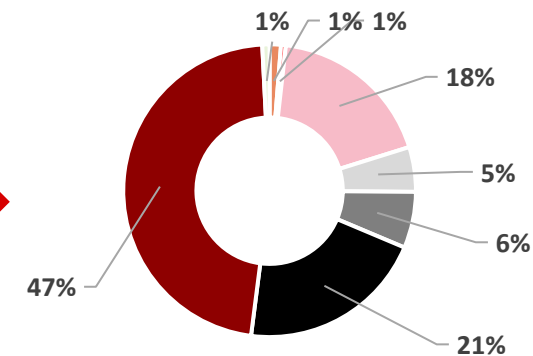


## QIIB financing book split

As of 31 December 2022



As of Q1-2023



Government Industry Trade Service Contracting Real Estate Consumer Other



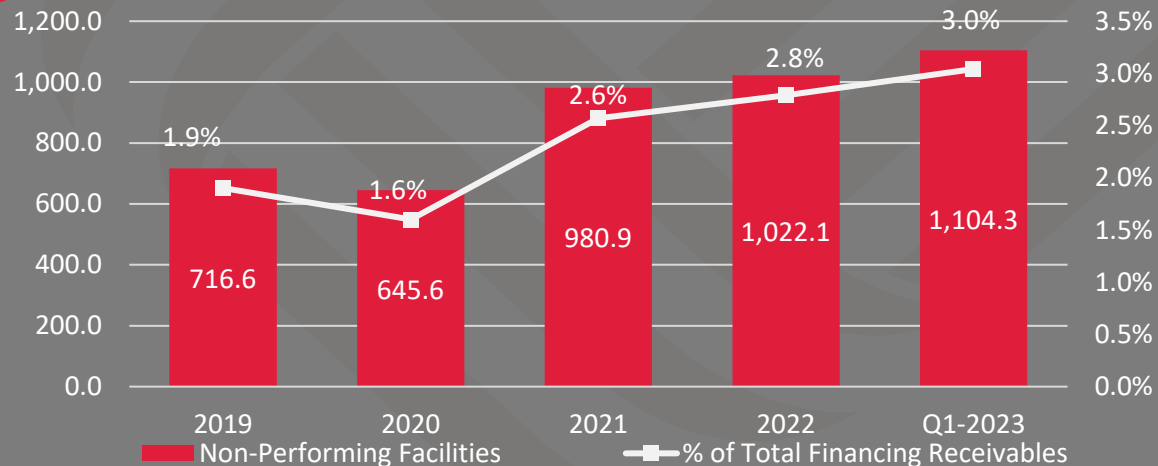


## Asset quality highlights

- ◆ Non-performing financing ratio slightly increased to 3.0% as of 31 March 2023, compared to December 2022, nevertheless its still within the industry average
- ◆ QIIB stage“3”NPL coverage ratio reached 91.1% as of Dec-2022, & the overall coverage of the Financing assets up to 4.3%.
- ◆ In addition, QIIB’s strong asset quality is further reinforced by the availability of collateral that the bank receives on its financings.



## Non-performing receivables (QAR mn)



## Asset quality ratios

	2019	2020	2021	2022	Q1-2023
<i>Non-performing financing ratio<sup>(1)</sup></i>	1.9%	1.6%	2.6%	2.8%	3.0%
<i>Non-performing coverage ratio<sup>(2)</sup></i>	99.0%	134.4%	128.8%	154.8%	149.1%

(1) Non-performing facilities as at period end divided by gross financing and receivables as at period end

(2) All financing provisions & suspended interest, as at period end divided by non-performing facilities as at period end



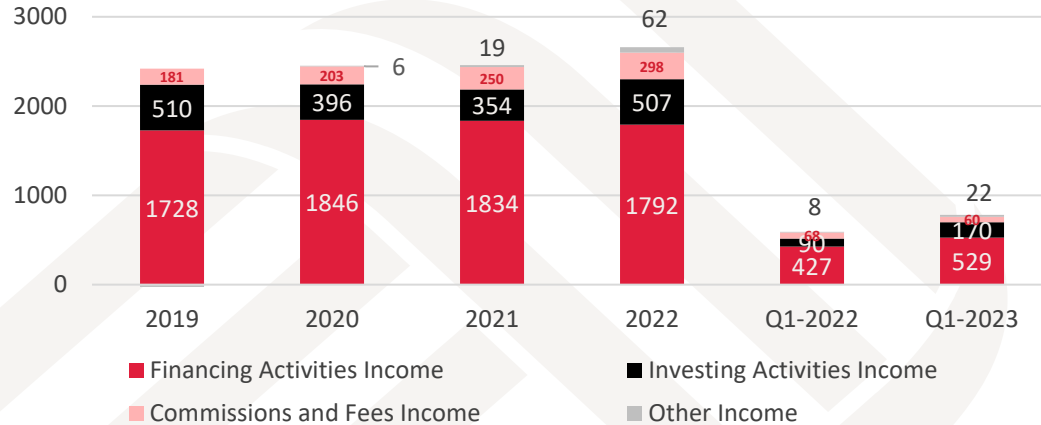
## ECL of the Bank (QR 000s)

ECL of the Bank QR000s		Financing assets		Off balance sheet exposures subject to ECL	
		31-Mar-23	31-Dec-22	31-Mar-23	31-Dec-21
Stage 1	Exposure	32,393,813	32,480,419	14,220,647	14,922,455
	ECL	316,772	312,356	100,088	99,527
	Coverage	1.0%	1.0%	0.7%	0.7%
Stage 2	Exposure	3,105,005	3,100,946	359,722	555,751
	ECL	240,984	242,636	5,426	9,662
	Coverage	7.8%	7.8%	1.5%	1.7%
Stage 3	Exposure	1,104,310	1,022,100	5,924	2,911
	ECL	1,005,519	954,290	-	-
	Coverage	91.1%	93.4%	0.0%	0.0%
Total	Exposure	36,603,128	36,603,465	14,586,293	15,481,117
	ECL	1,563,275	1,509,282	105,514	109,189
	Coverage	4.3%	4.1%	0.7%	0.7%

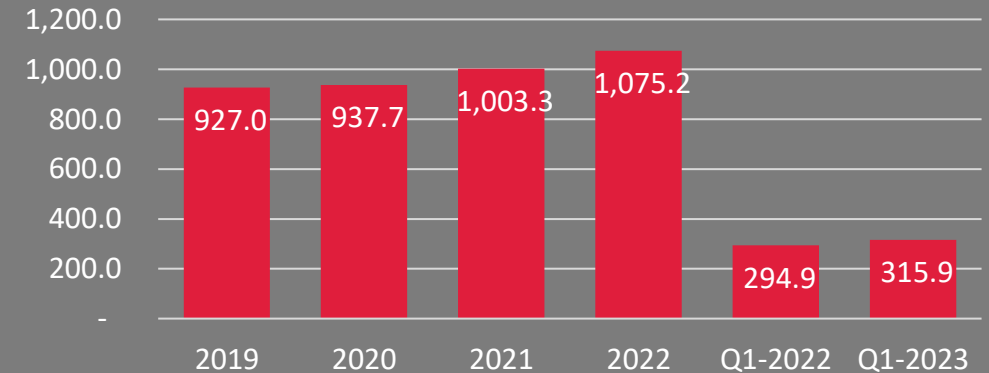
# Continued Profitability & Operating Efficiency



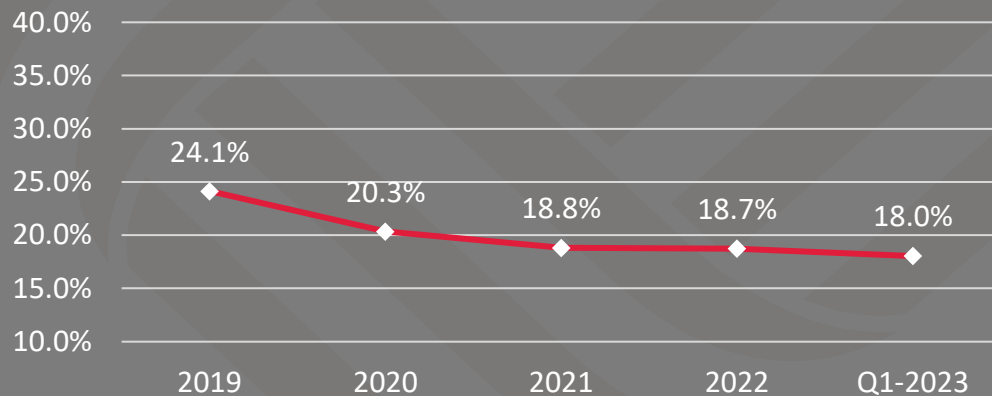
## Operating income breakdown (QAR mn)



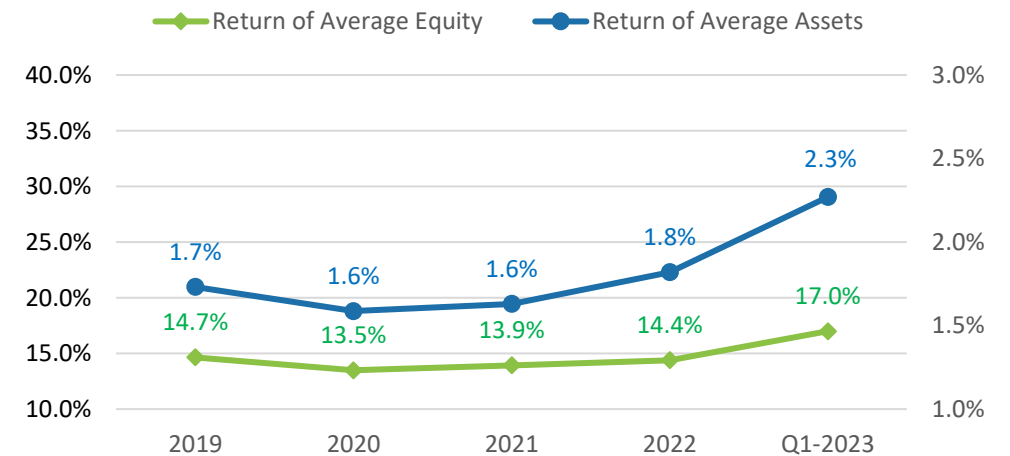
## Sustained profitability (QAR mn)



## Sustained efficiency ratio (Cost to Income Ratio %)



## Return on average equity and assets (%)



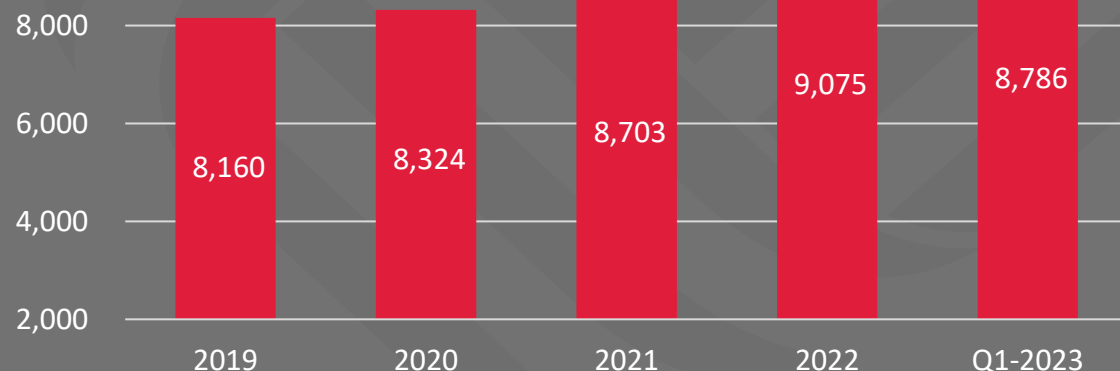


## Highlights

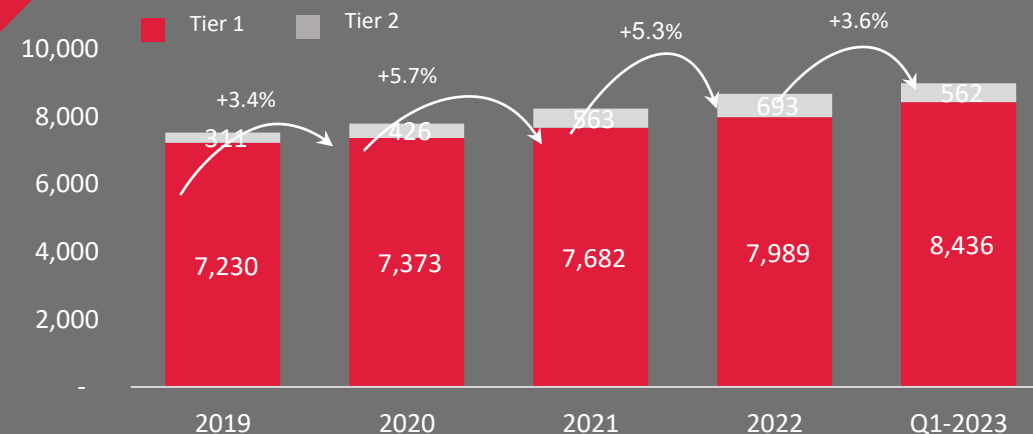
- Basel II, Pillar 2 (ICAAP) requirements were effective from 1 January 2014 with all ICAAP and BIII requirements subject to regular (external) audit. Guidelines were refined and updated in March 2016. To date, no audit qualification has been raised on QIIB's submissions.
- QCB's Basel III CAR is 10% plus a 2.5% capital buffer and minimum 1% ICAAP starting from year 2016, with additional DSIB capital between 0.5% to 3.5%. For QIIB, no additional capital is required under the DSIB model. As of 31 December 2022, total CAR increased to 18.4%, including the additional Tier 1 issuance (QAR 1 billion & USD 300 million) concluded in August 2016 & November 2019.



## Equity (QAR mn)



## Capital Structure (QAR mn)



\*Percentage change is calculated on total equity.



## Capital adequacy ratios (%)

Capital Adequacy Basel III	Q1-2023	2022	Minimum limit as per QCB
CET 1 ratio without capital conservation buffer	12.94%	12.01%	6.00%
CET 1 ratio including capital conservation buffer	12.94%	12.01%	8.50%
Tier 1 capital ratio including capital conservation buffer	17.20%	16.27%	10.50%
Tier 1 and 2 capital ratio including capital conservation buffer	18.35%	17.68%	12.50%
Total capital including conservation buffer, domestic systemic important bank buffer and ICAAP Pillar II capital charge	18.35%	17.68%	14.15%



# Summary of Q1 - 2023 Performance



- Strong liquidity levels
- Stable asset quality
- Stable deposit base
- Improving total income
- Healthy capitalization ratios

	31-Dec-22	31-Mar-23	% Change
<i>Total Assets (QAR mn)</i>	56,393	54,955	↓ -2.6%
<i>Net Islamic Financing Facilities (QAR mn)</i>	35,022	34,957	↓ -0.2%
<i>Liquid Assets (QAR mn)</i>	20,003	18,690	↓ -6.6%
<i>Customers' Deposits (QAR mn) <sup>1</sup></i>	36,706	35,837	↓ -2.4%
	Q1-2022	Q1-2023	% Change
<i>Total Income</i>	593.4	781.3	↑ 31.7%
<i>Net Profit</i>	294.9	315.9	↑ 7.1%

(1) Includes Customers' Current Accounts and Equity of Investment Account Holders



## Section 3

### Funding Overview

# Funding Overview



## Highlights

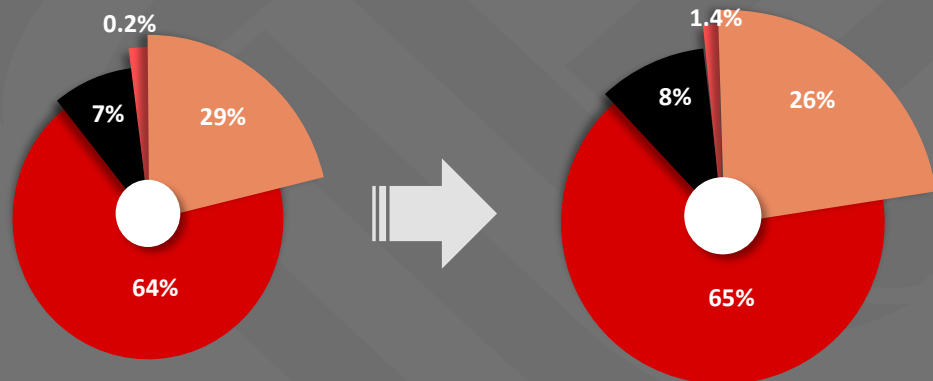
- ◆ QIIB's funding is predominantly driven by customer deposits and equity of investment account holders (EIAH) and is backed by the bank's own capital.
- ◆ QIIB has leveraged its expanding branch network and corporate relationships to steadily grow its deposits base – to be supported further with Corporate e-Banking services.
- ◆ QIIB is increasingly becoming a preferred banking partner for individuals as well as corporations and financial institutions looking for Sharia-compliant solutions.
- ◆ In the process of establishing an investor relations function to broaden investor base, develop investor relationships.



## EIAH breakdown by Sector

As of 31 December 2022

As of Q1-2023



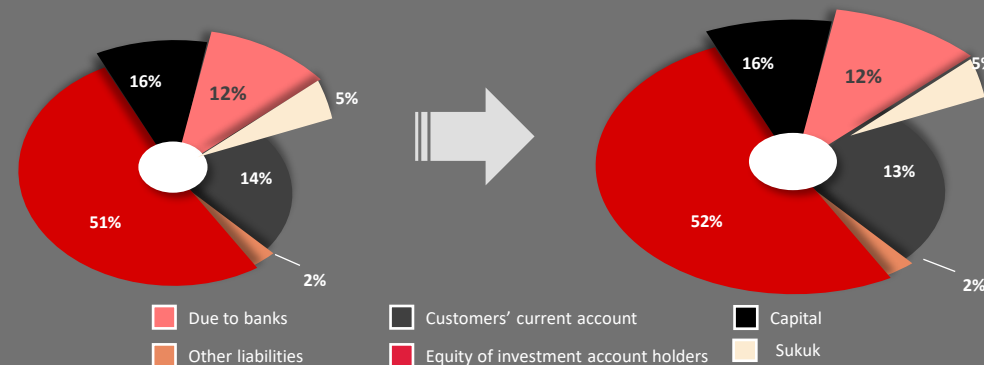
Government & Semi Government Individuals Corporate Non-Banking Financial Institutions



## QIIB's Funding Split

As of 31 December 2022

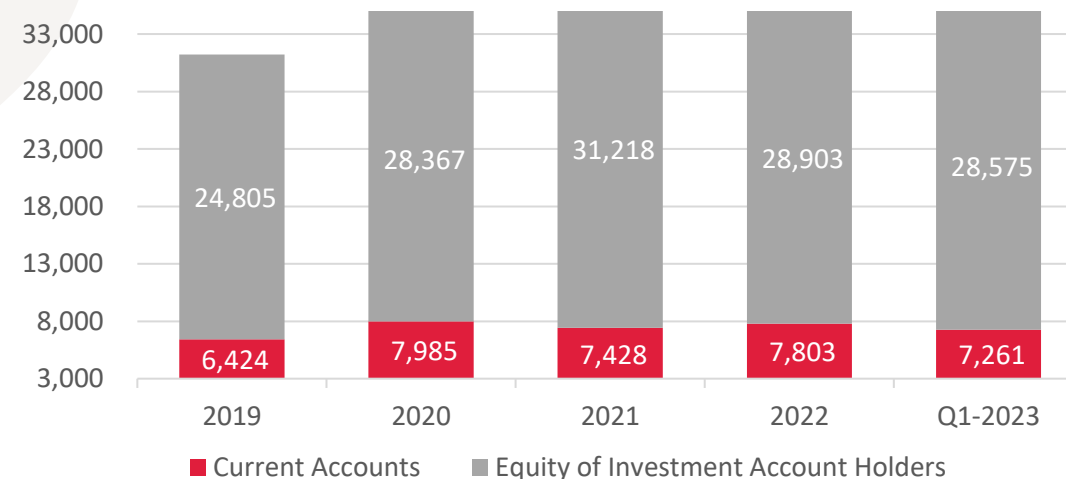
As of Q1-2023



Due to banks Customers' current account Capital  
Other liabilities Equity of investment account holders Sukuk



## Growth in total customer deposits (QAR mn)





## Section 4

### Rating Overview





## Fitch Ratings

<i>Longer-term IDR</i>	<i>Short-term IDR</i>	<i>Viability Rating</i>	<i>Outlook</i>	<i>Date</i>
A-	F2	bb+	Positive	April 2023

## Moody's

<i>Issuer Rating</i>	<i>ST Issuer Rating</i>	<i>Baseline credit assessment</i>	<i>Outlook</i>	<i>Date</i>
A2	P-1	baa3	Stable	January 2023

## Capital Intelligence

<i>Long Term Rating</i>	<i>Short Term Rating</i>	<i>Standalone Rating (BSR)</i>	<i>Outlook</i>	<i>Date</i>
A+	A1	bbb+	Stable	February 2023

# Key Investment Highlights





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