

QIIB



**الحدو لى
الإسلا مى**



Investors' Presentation

- YE 2022 -



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 December 2022, QIIB has the third largest market capitalization on the Qatar Exchange of all Listed Islamic banks in Qatar with a market capitalization of QAR 15.7 Bn (at QAR 10.40 per share).
- ◆ Large network in Qatar with 17 branches and over 82 ATMs.
- ◆ QIIB's balance sheet sustained growth CAGR of 2.9% between FY 2018 –YE-2022.

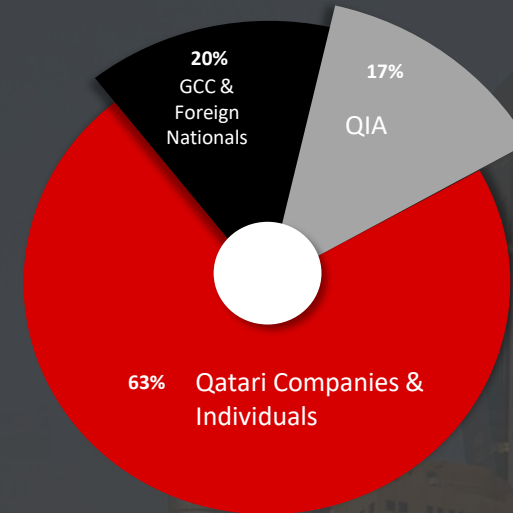
Financial Snapshot

QAR mn	Dec-18	Dec-19	Dec-20	Dec-21	Dec-22
Total Assets	50,260	56,831	61,314	61,792	56,393
Total Financing	27,991	37,011	40,514	37,031	35,022
Non – Performing Financing Ratio	2.0%	1.9%	1.6%	2.6%	2.8%
Customer Deposits	31,130	31,229	36,352	38,646	36,706
Net Profit	882	927	938	1,003	1,075
Earning Per Share (QAR)	0.55	0.58	0.55	0.59	0.64
Capital Adequacy (BIII)	16.4%	18.5%	16.6%	16.7%	17.7%
Market Capitalization	QAR 15.7 Bn (as of 31st December 2022)				

Ratings

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

Shareholder Structure



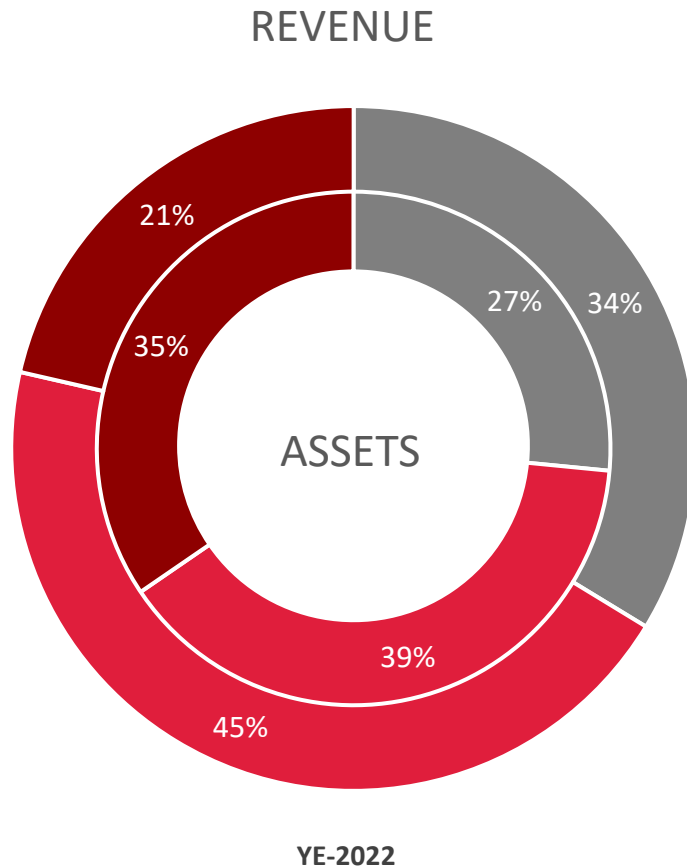
- The Qatar Investment Authority (QIA) is the largest shareholder (17%) of QIIB through its subsidiary, Qatar Holdings Company.
- Qatari Companies & Individuals own 63% of the bank's shares

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

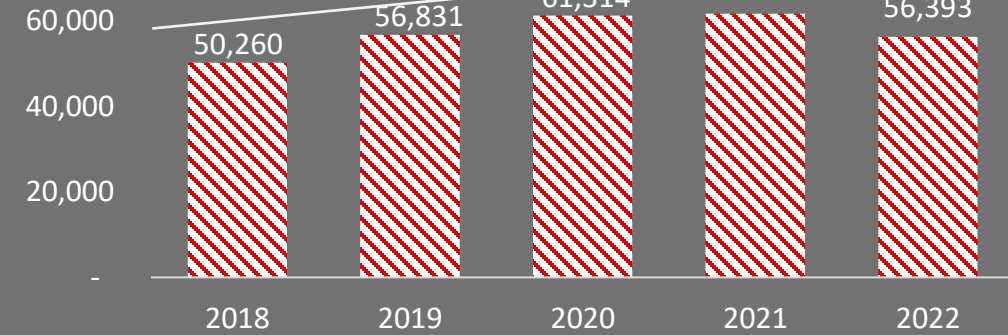


Highlights

- ◆ QIIB's balance sheet sustained growth CAGR of 2.9% between FY 2018 – YE-2022, notwithstanding slower economic environment.
- ◆ 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 62% of the bank's total assets.

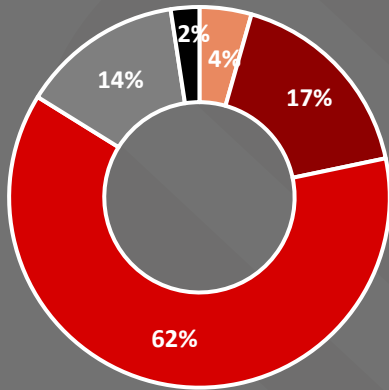
QIIB'S strong asset growth (QAR Mn)

(CAGR: 2.9%)



Asset composition by type

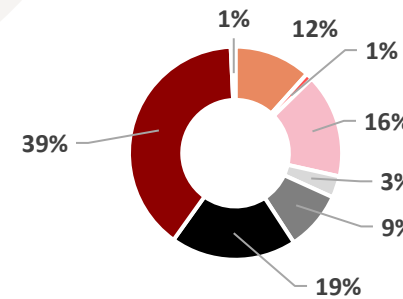
As at YE-2022



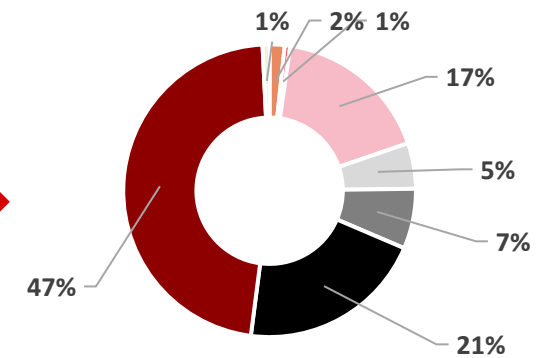
- Cash & Balances with QCB
- Balances & Investments with Banks
- Receivables & Balances from Financing Activities
- Financial Investments
- Others

QIIB financing book split

As of 31 December 2021



As of 31 December 2022



- Government
- Industry
- Trade
- Service
- Contracting
- Real Estate
- Consumer
- Other



Asset quality highlights

- ◆ Non-performing financing ratio slightly increased to 2.8% as of 31 December 2022, compared to December 2021, nevertheless its still within the industry average
- ◆ QIIB enhanced the stage“3”NPL converge ratio up to 93.4% from 75.2% in Dec-2021. The overall coverage of the Financing assets enhanced to 4.1% from 3.2% in Dec-2021
- ◆ In addition, QIIB’s strong asset quality is further reinforced by the availability of collateral that the bank receives on its financings.



Asset quality ratios

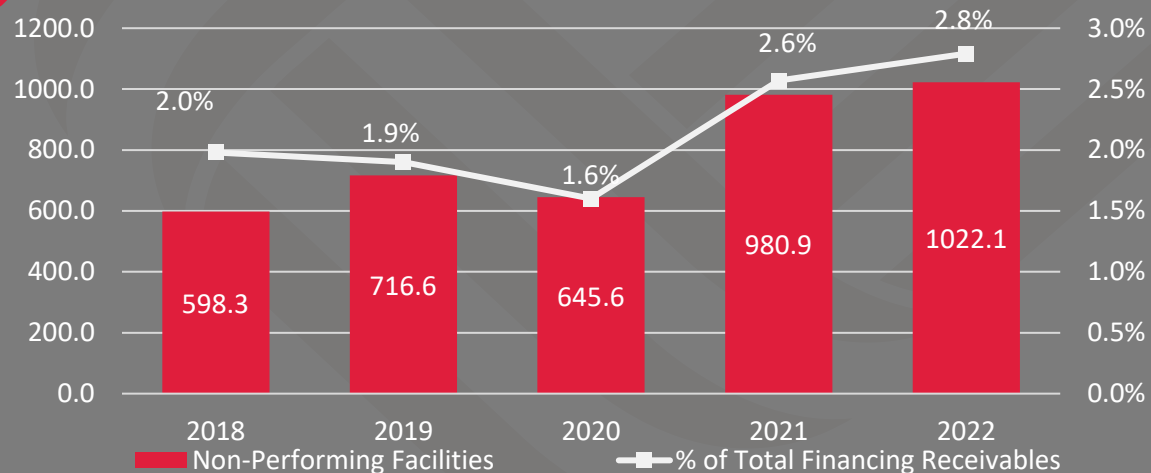
	2018	2019	2020	2021	YE-2022
<i>Non-performing financing ratio⁽¹⁾</i>	2.0%	1.9%	1.6%	2.6%	2.8%
<i>Non-performing coverage ratio⁽²⁾</i>	96.6%	99.0%	134.4%	128.8%	154.8%

(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



Non-performing receivables (QAR mn)



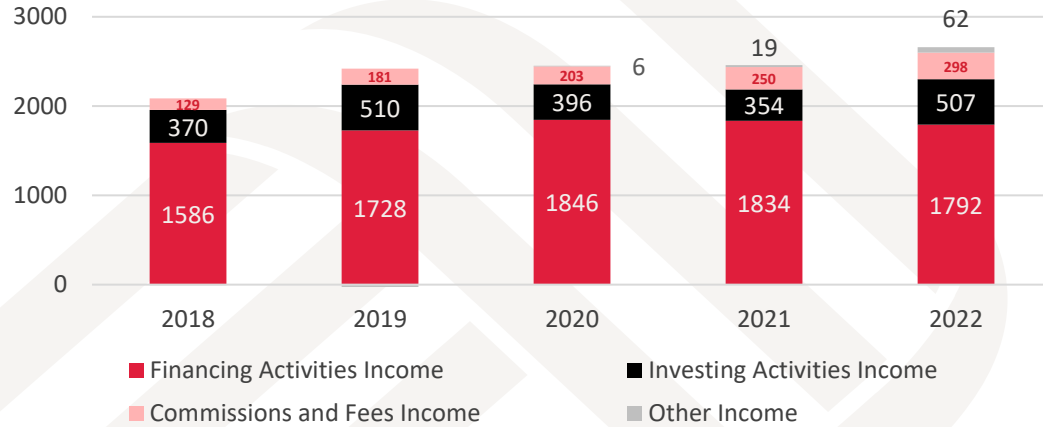
ECL of the Bank (QR 000s)

	ECL of the Bank QR000s	Financing assets		Off balance sheet exposures subject to ECL	
		31-Dec-22	31-Dec-21	31-Dec-22	31-Dec-21
Stage 1	Exposure	32,463,270	33,951,584	14,922,455	13,908,164
	ECL	312,356	213,797	99,527	84,101
	Coverage	1.0%	0.6%	0.7%	0.6%
Stage 2	Exposure	3,100,946	3,362,018	555,751	441,114
	ECL	242,636	256,780	9,662	3,272
	Coverage	7.8%	7.6%	1.7%	0.7%
Stage 3	Exposure	1,022,100	980,939	2,911	6,634
	ECL	954,290	737,424	-	-
	Coverage	93.4%	75.2%	0.0%	0.0%
Total	Exposure	36,603,465	38,294,541	15,481,117	14,355,912
	ECL	1,509,282	1,208,001	109,189	87,373
	Coverage	4.1%	3.2%	0.7%	0.6%

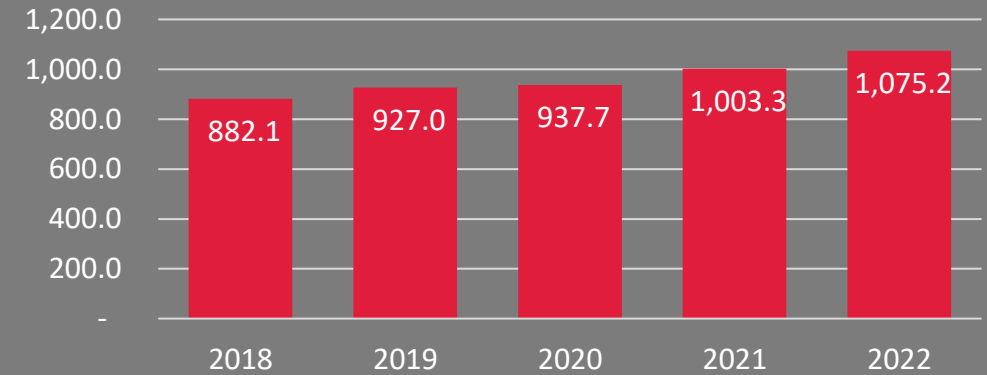
Continued Profitability & Operating Efficiency



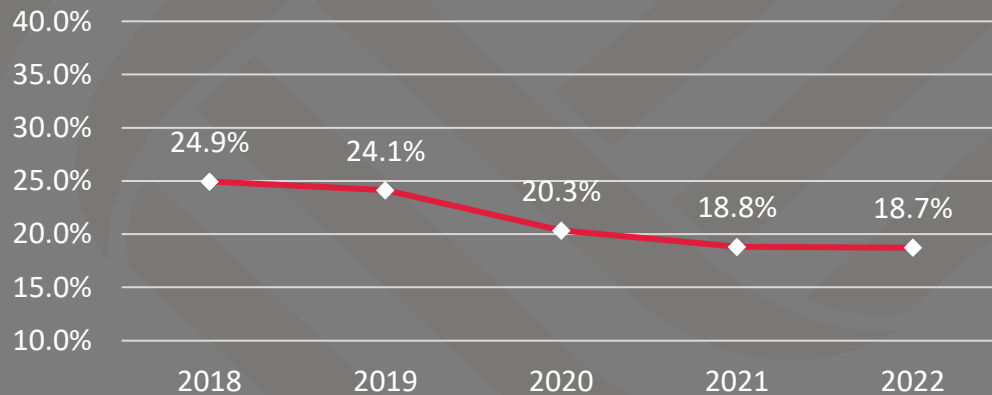
Operating income breakdown (QAR mn)



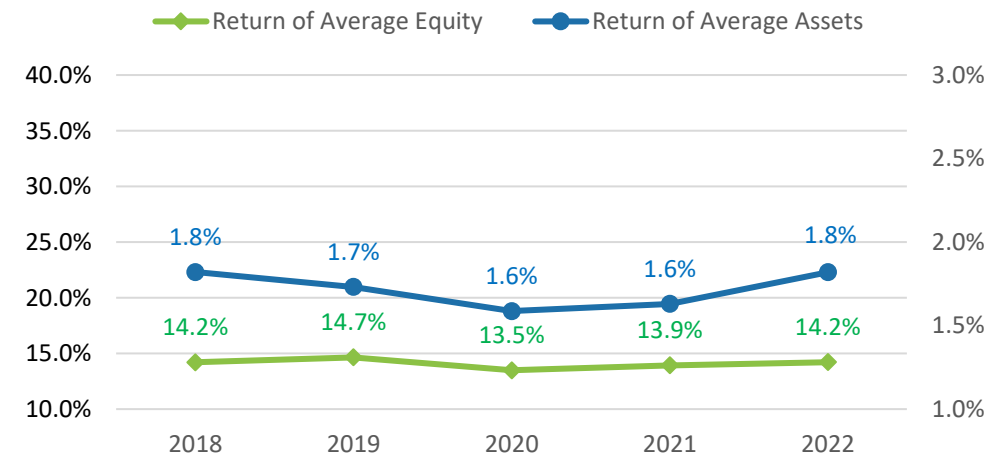
Sustained profitability (QAR mn)



Sustained efficiency ratio (Cost to Income Ratio %)



Return on average equity and assets (%)

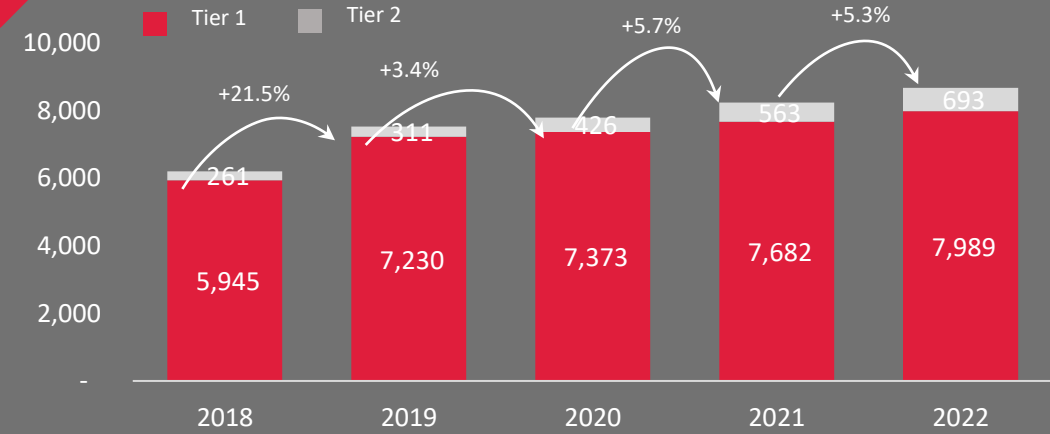




Highlights

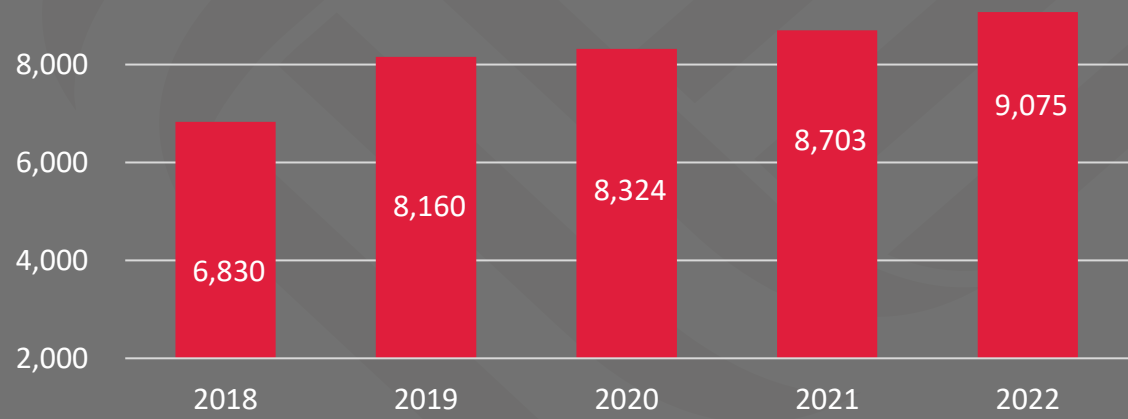
- Basel II, Pillar 2 (ICAAP) requirements were effective from 1 January 2014 with all ICAAP and BIII requirements subject to regular (external) audit. Guidelines were refined and updated in March 2016. To date, no audit qualification has been raised on QIIB's submissions.
- QCB's Basel III CAR is 10% 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 17.7%, including the additional Tier 1 issuance (QAR 1 billion & USD 300 million) concluded in August 2016 & November 2019.

Capital Structure (QAR mn)



*Percentage change is calculated on total equity.

Equity (QAR mn)



Capital adequacy ratios (%)

Capital Adequacy Basel III	2022	2021	Minimum limit as per QCB
CET 1 ratio without capital conservation buffer	12.01%	11.35%	6.00%
CET 1 ratio including capital conservation buffer	12.01%	11.35%	8.50%
Tier 1 capital ratio including capital conservation buffer	16.27%	15.60%	10.50%
Tier 1 and 2 capital ratio including capital conservation buffer	17.68%	16.74%	12.50%
Total capital including conservation buffer, domestic systemic important bank buffer and ICAAP Pillar II capital charge	17.68%	16.74%	13.50%

Summary of YE - 2022 Performance



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

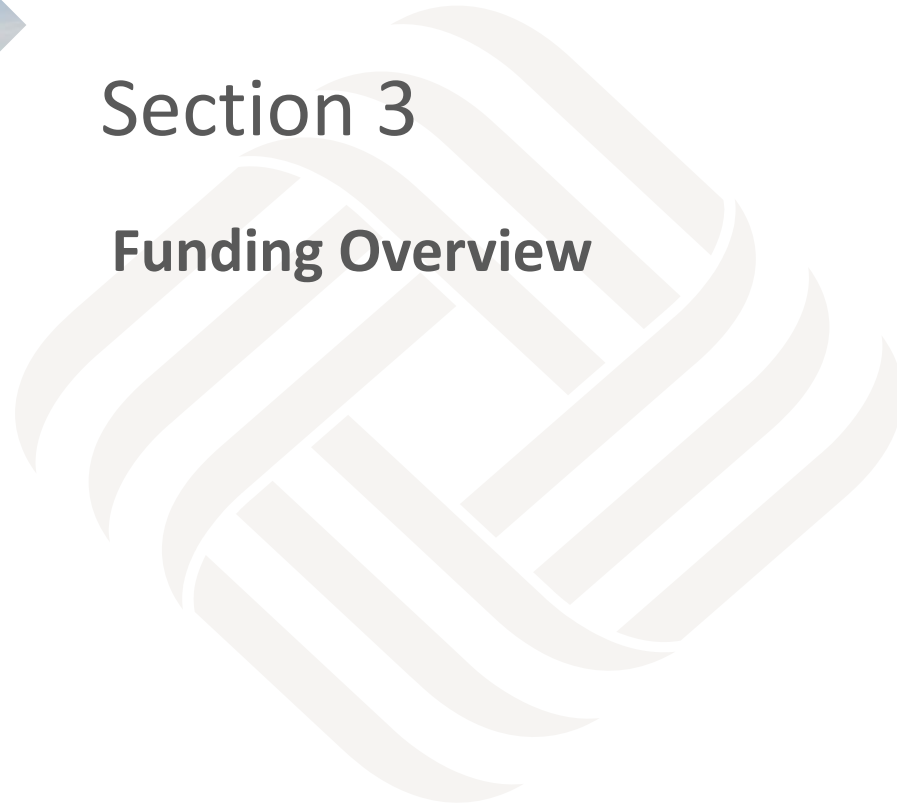
	31-Dec-21	31-Dec-22	% Change
<i>Total Assets (QAR mn)</i>	61,792	56,393	↓ -8.7%
<i>Net Islamic Financing Facilities (QAR mn)</i>	37,031	35,022	↓ -5.4%
<i>Liquid Assets (QAR mn)</i>	23,316	20,003	↓ -14.2%
<i>Customers' Deposits (QAR mn)¹</i>	38,646	36,706	↓ -5.0%
	31-Dec-21	31-Dec-22	% Change
<i>Total Income</i>	2,457	2,660	↑ 8.3%
<i>Net Profit</i>	1,003	1,075	↑ 7.2%

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



Section 3

Funding Overview



Funding Overview



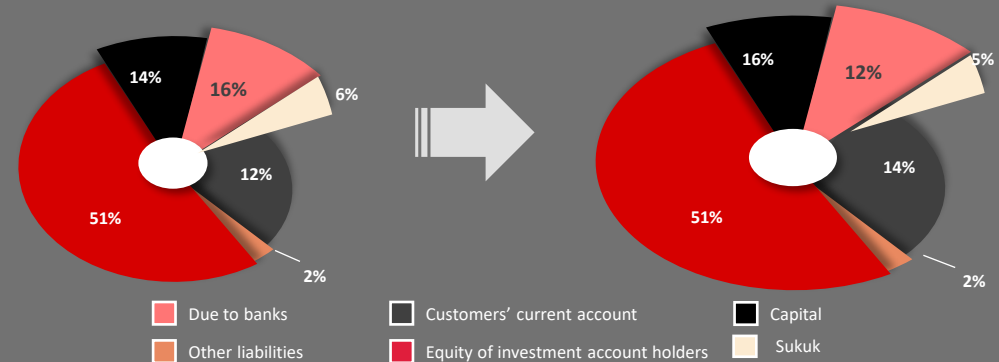
Highlights

- ◆ 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.

QIIB's Funding Split

As of 31 December 2021

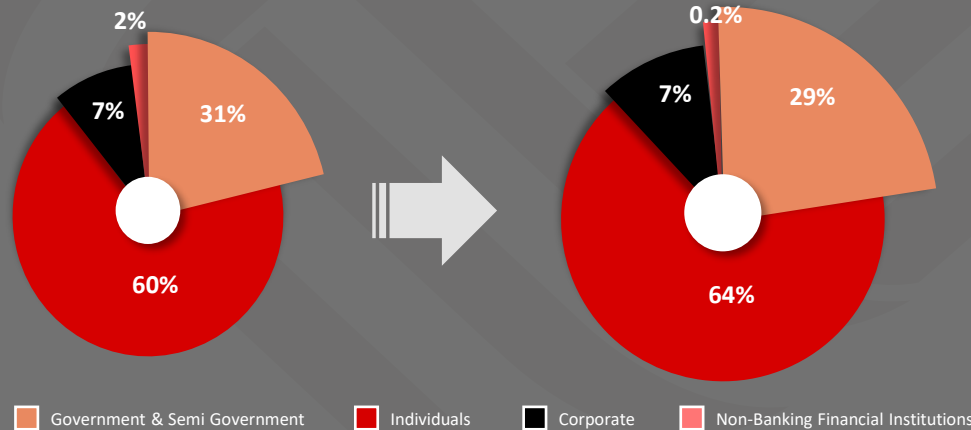
As of 31 December 2022



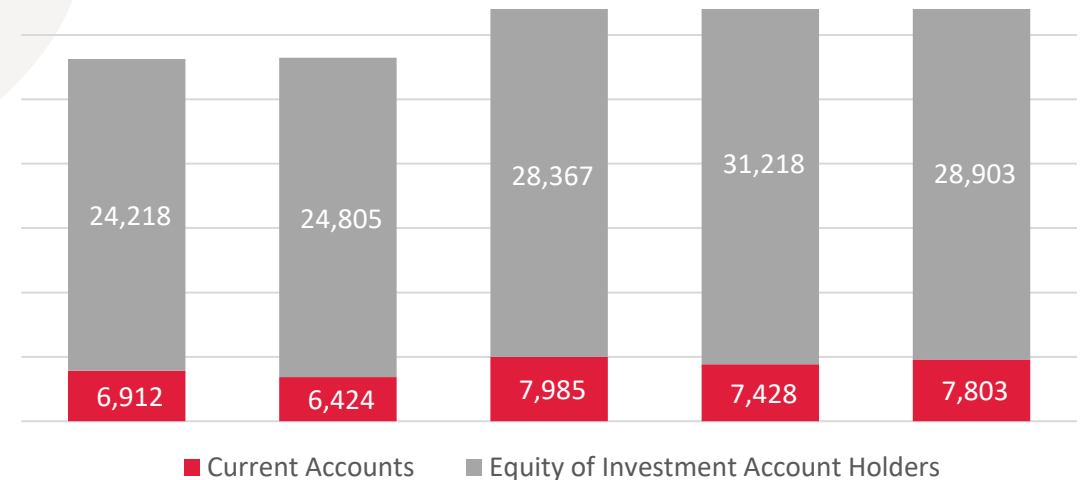
EIAH breakdown by Sector

As of 31 December 2021

As of 31 December 2022



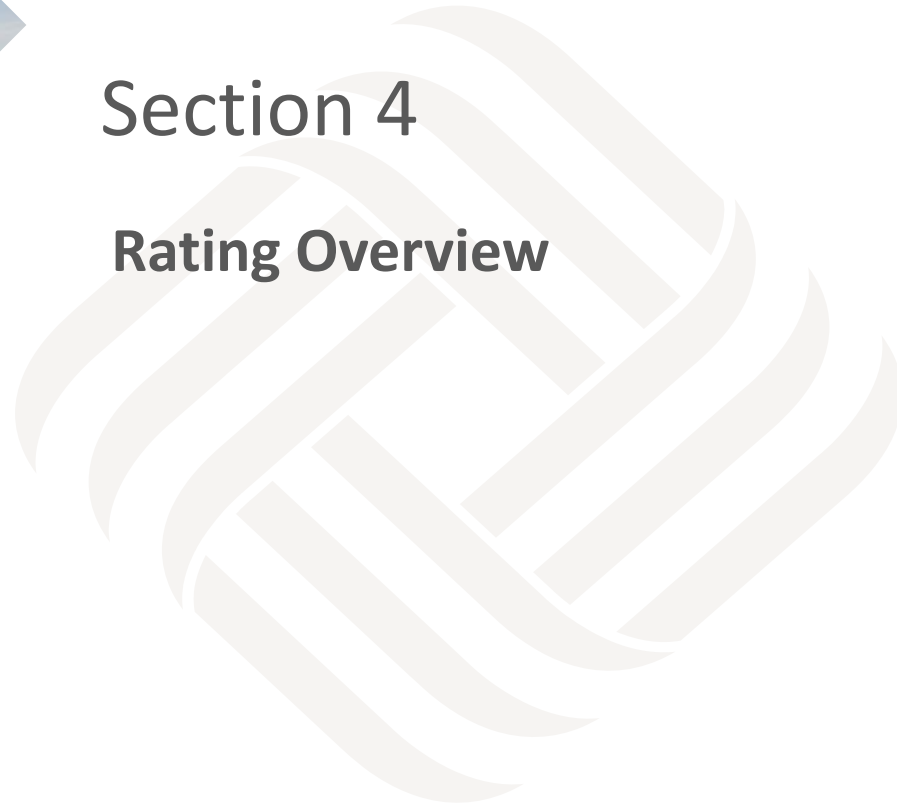
Growth in total customer deposits (QAR mn)





Section 4

Rating Overview





Fitch Ratings

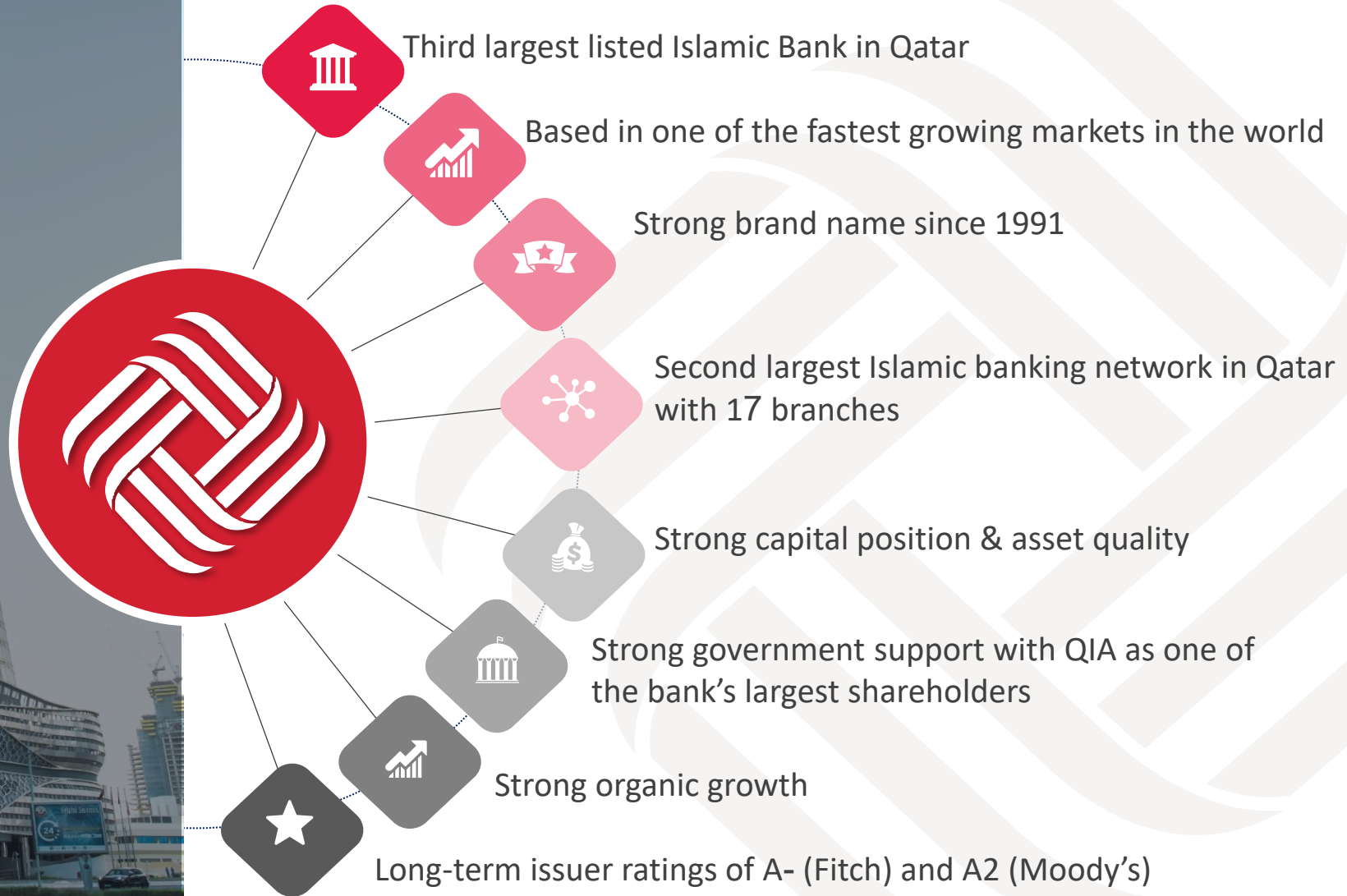
<i>Longer-term IDR</i>	<i>Short-term IDR</i>	<i>Viability Rating</i>	<i>Outlook</i>	<i>Date</i>
A-	F2	bb+	Stable	September 2022

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	March 2022





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