

**QIIB**



**الحدو لى  
الإسلا مى**



# Investors' Presentation

- YE 2023 -



**1. QIIB Overview & Strategy**

**2. Financial Performance**

**3. Funding Overview**

**4. Rating Overview**



## Section 1

### QIIB Overview & Strategy



## Introduction

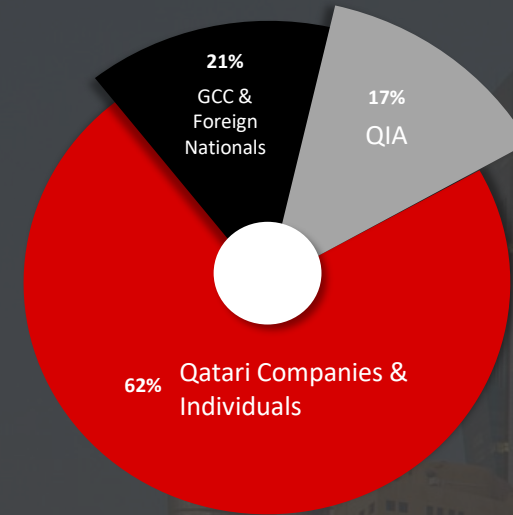
- ◆ (QIIB) Established in 1990 by an Amiri Decree, Qatar International Islamic Bank began operations on 1 January 1991.
- ◆ As of 31 December 2023, QIIB has the sixth market capitalization on the Qatar Exchange of all Listed banks in Qatar with a market capitalization of QAR 16.2 Bn (at QAR 10.69 per share).
- ◆ Large network in Qatar with 17 branches, 1 digital branch and over 84 ATMs.
- ◆ Continuous improvement of Capital Adequacy Ratio.

## Financial Snapshot

QAR mn	Dec-19	Dec-20	Dec-21	Dec-22	Dec-23
Total Assets	56,831	61,314	61,792	56,393	61,626
Total Financing	37,011	40,514	37,031	35,022	36,499
NPL- Ratio	1.9%	1.6%	2.6%	2.8%	2.9%
Customer Deposits	31,229	36,352	38,646	37,945	38,934
Net Profit	927	938	1003	1,075	1,165
Earning Per Share (QAR)	0.58	0.55	0.59	0.64	0.70
Capital Adequacy (BIII)	18.5%	16.6%	16.7%	17.7%	17.0%
Market Capitalization	QAR 16.2 Bn (as of 31 <sup>st</sup> December 2023)				

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

## Shareholder Structure



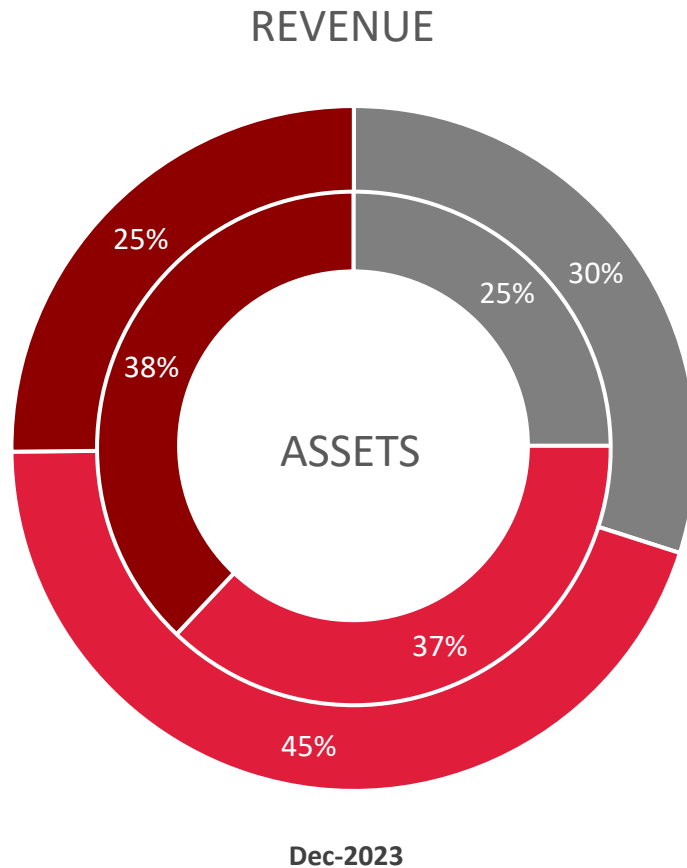
- The Qatar Investment Authority (QIA) is the largest shareholder (17%) of QIIB through its subsidiary, Qatar Holdings Company.
- Qatari Companies & Individuals own 62% of the bank's shares

## 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, 1 digital branch and 84 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

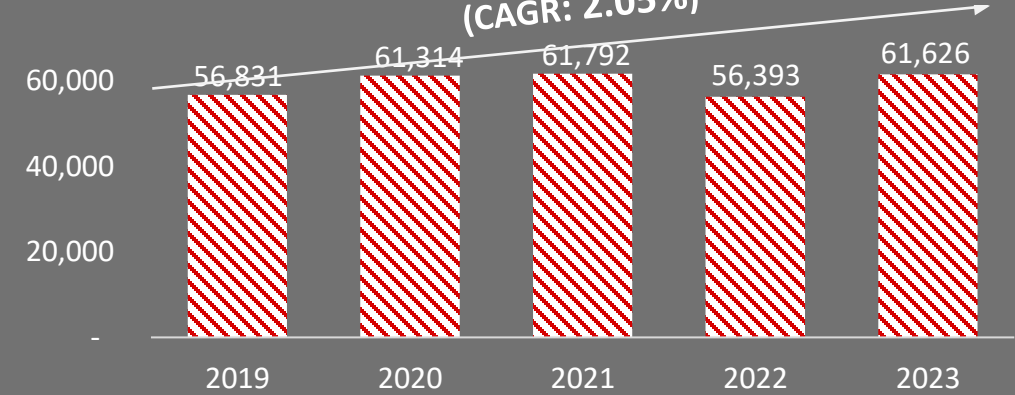


## Highlights

- ◆ QIIB's balance sheet increased compared to year end 2022, which is consistent with Qatar's 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 36.5 Bn as of 31 December 2023, representing 59% of the bank's total assets.

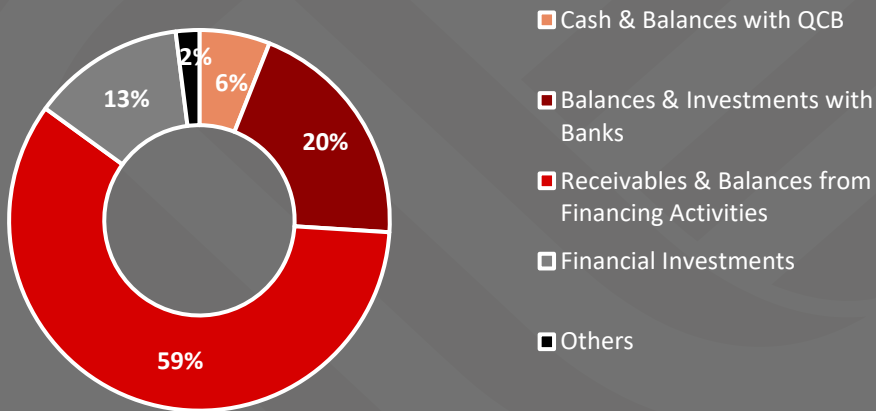
## QIIB'S strong asset growth (QAR Mn)

(CAGR: 2.05%)



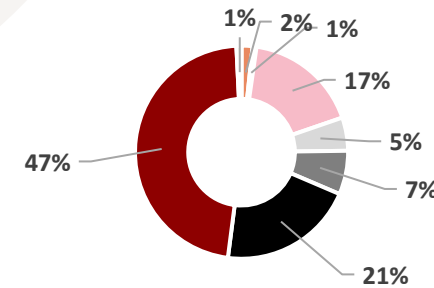
## Asset composition by type

As at Dec-2023

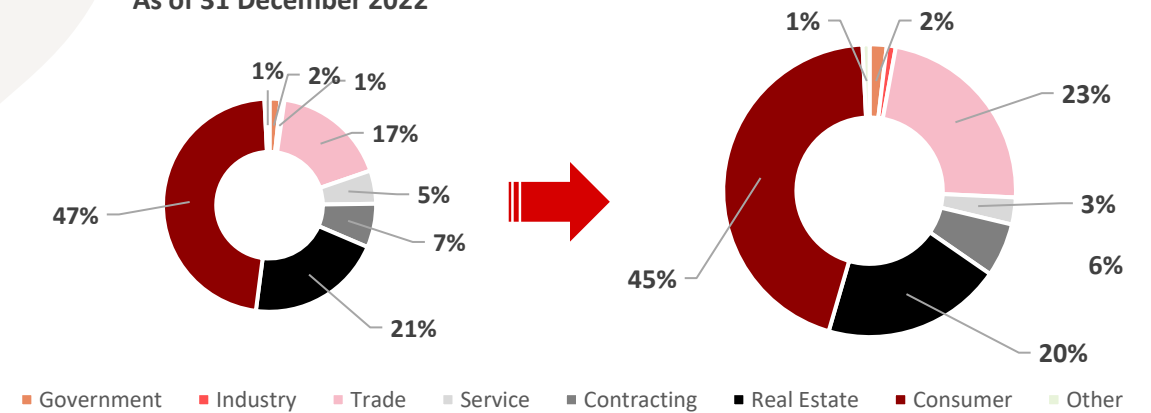


## QIIB financing book split

As of 31 December 2022



As of 31 December 2023





## Asset quality highlights

- ◆ Non-performing financing ratio slightly increased to 2.9% as end of December 2023, compared to December 2022, nevertheless its still within the industry average
- ◆ QIIB stage “3” NPL coverage ratio reached 86.6% as end of December 2023, & 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.



## Asset quality ratios

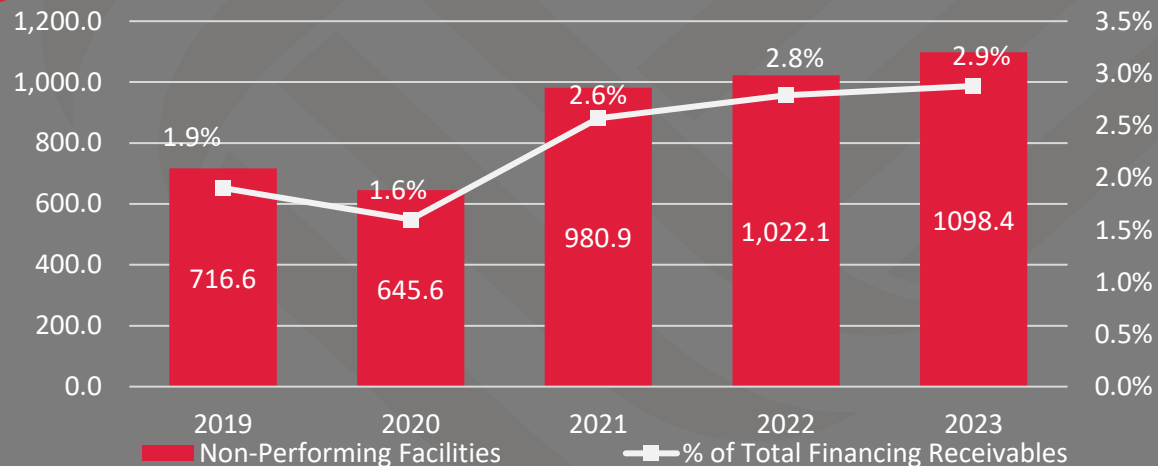
	2019	2020	2021	2022	2023
<i>Non-performing financing ratio<sup>(1)</sup></i>	1.9%	1.6%	2.6%	2.8%	2.9%
<i>Non-performing coverage ratio<sup>(2)</sup></i>	99.0%	134.4%	128.8%	154.8%	154.2%

(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)



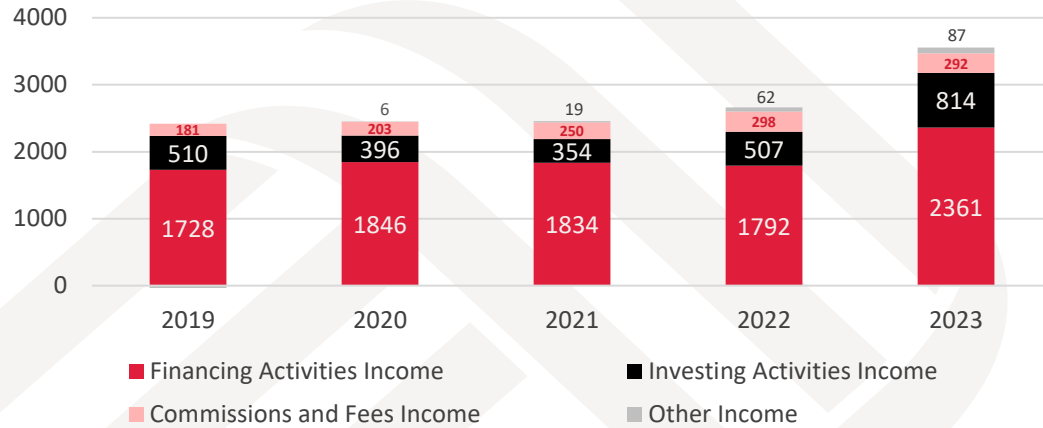
## ECL of the Bank (QR 000s)

	ECL of the Bank QR000s	Financing assets		Off balance sheet exposures subject to ECL	
		31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
Stage 1	Exposure	33,166,345	32,480,419	10,178,472	14,922,455
	ECL	238,548	312,356	40,366	99,527
	<b>Coverage</b>	0.7%	1.0%	0.4%	0.7%
Stage 2	Exposure	3,928,843	3,100,946	958,878	555,751
	ECL	434,299	242,636	44,477	9,662
	<b>Coverage</b>	11.1%	7.8%	4.6%	1.7%
Stage 3	Exposure	1,098,374	1,022,100	41,432	2,911
	ECL	950,932	954,290	-	-
	<b>Coverage</b>	86.6%	93.4%	0.0%	0.0%
Total	Exposure	38,193,562	36,603,465	11,178,782	15,481,117
	ECL	1,623,779	1,509,282	84,843	109,189
	<b>Coverage</b>	4.3%	4.1%	0.8%	0.7%

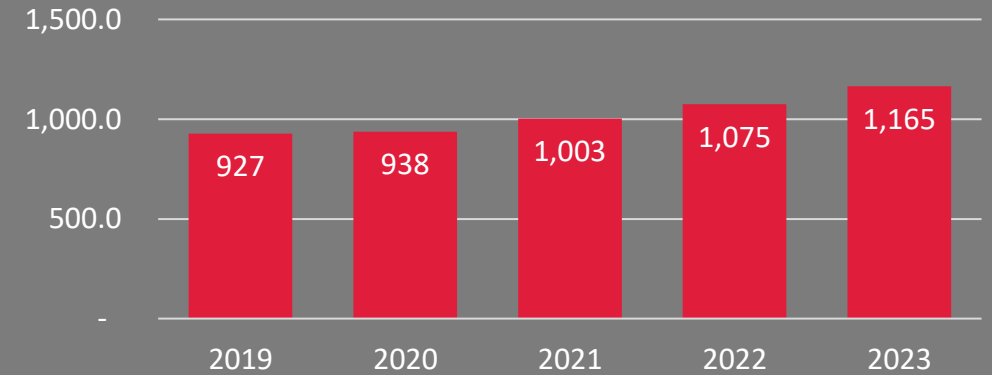
# Continued Profitability & Operating Efficiency



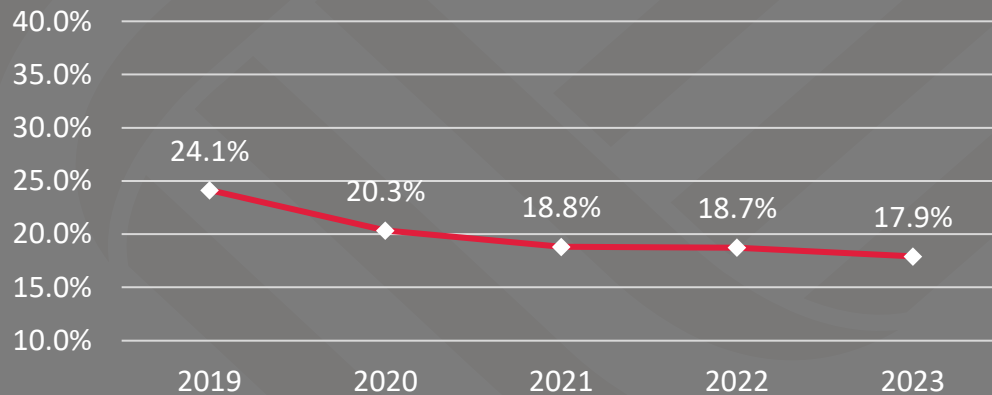
## Operating income breakdown (QAR mn)



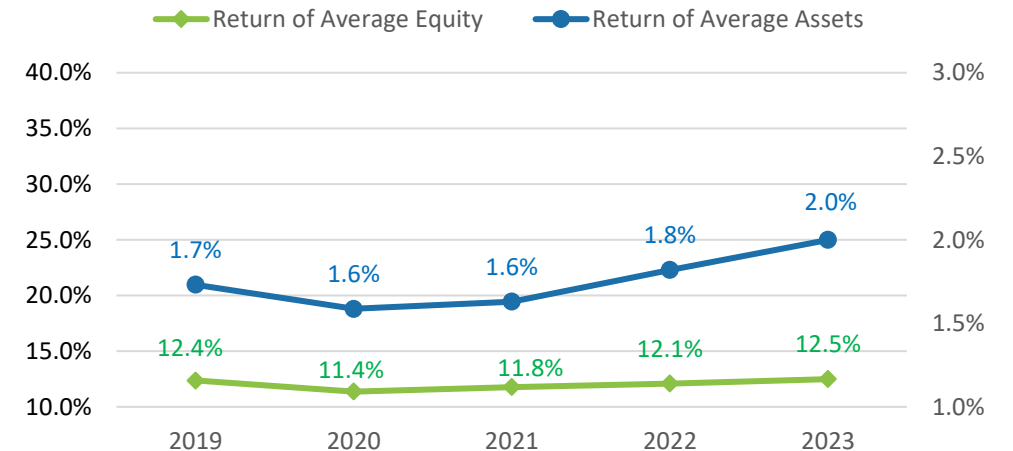
## Sustained profitability (QAR mn)



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



## Return on average equity and assets (%)



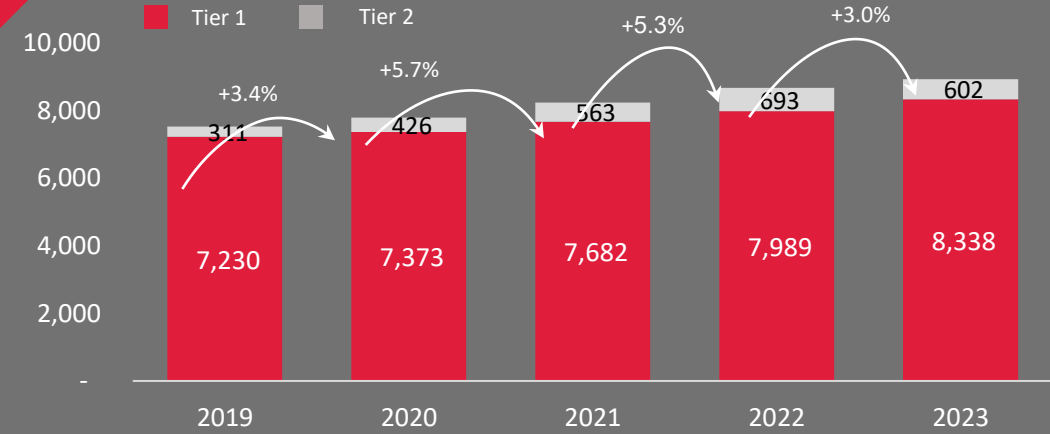
# Robust Capitalization



## Highlights

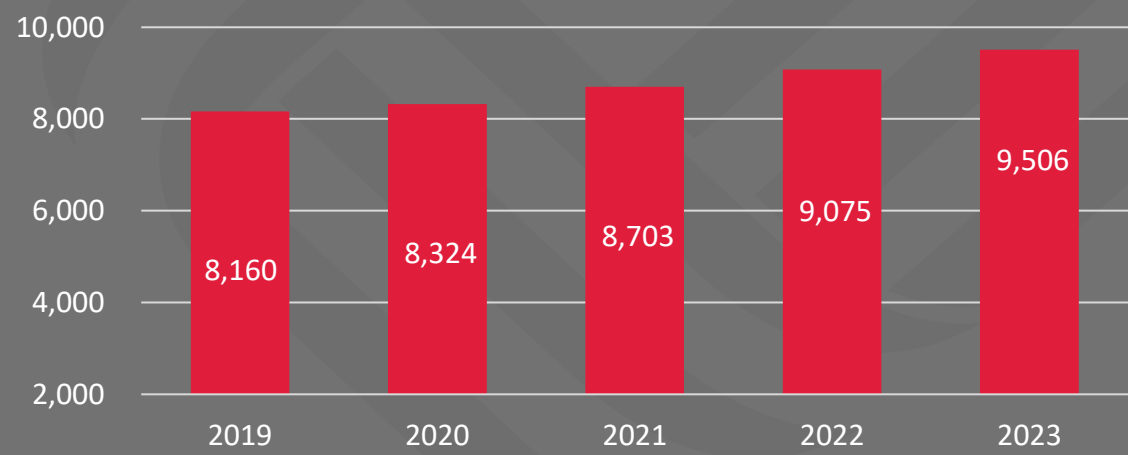
- ◆ Basel II, Pillar 2 (ICAAP) requirements were effective from 1 January 2014 with all ICAAP and BIII requirements subject to regular (external) audit. Guidelines were refined and updated in March 2016. To date, no audit qualification has been raised on QIIB's submissions.
- ◆ QCB's Basel III CAR is 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 2023, total CAR reached 17.0%, 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	2023	2022	Minimum limit as per QCB
CET 1 ratio without capital conservation buffer	11.87%	12.01%	6.00%
CET 1 ratio including capital conservation buffer	11.87%	12.01%	8.50%
Tier 1 capital ratio including capital conservation buffer	15.85%	16.27%	10.50%
Tier 1 and 2 capital ratio including capital conservation buffer	17.00%	17.68%	12.50%
Total capital including conservation buffer, domestic systemic important bank buffer and ICAAP Pillar II capital charge	17.00%	17.68%	14.59%



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

	31-Dec-22	31-Dec-23	% Change
<i>Total Assets (QAR mn)</i>	56,393	61,626	↑ 9.3%
<i>Net Islamic Financing Facilities (QAR mn)</i>	35,022	36,499	↑ 4.2%
<i>Liquid Assets (QAR mn)</i>	20,003	23,898	↑ 19.5%
<i>Customers' Deposits (QAR mn)<sup>1</sup></i>	37,945	38,934	↑ 2.6%

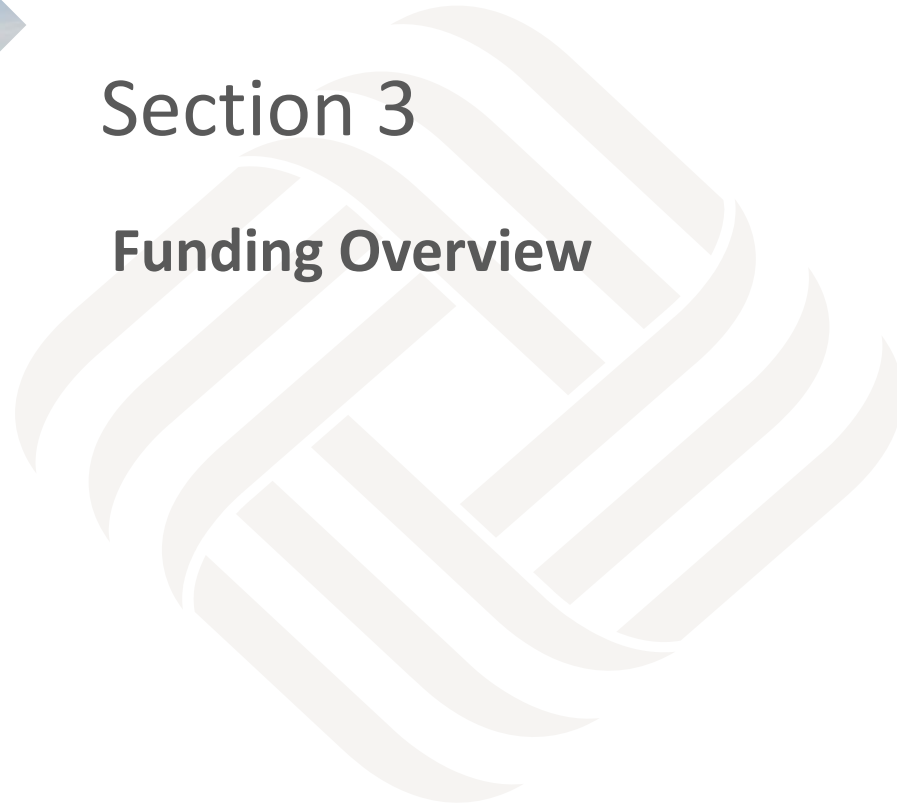
	31-Dec-22	31-Dec-23	% Change
<i>Total Income</i>	2,660	3,553	↑ 33.6%
<i>Net Profit</i>	1,075	1,165	↑ 8.3%

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



## Section 3

### Funding Overview



# Funding Overview

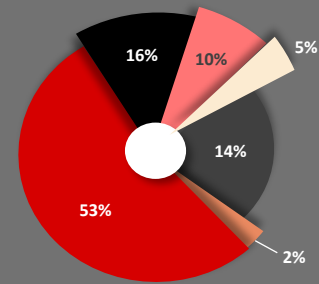


## Highlights

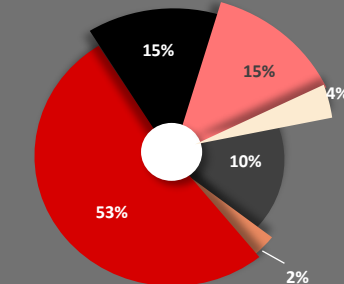
- ◆ QIIB's funding is predominantly driven by customer deposits and equity of investment account holders (EIAH) and is backed by the bank's own capital.
- ◆ QIIB has leveraged its expanding branch network and corporate relationships to steadily grow its deposits base – to be supported further with Corporate 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 2022



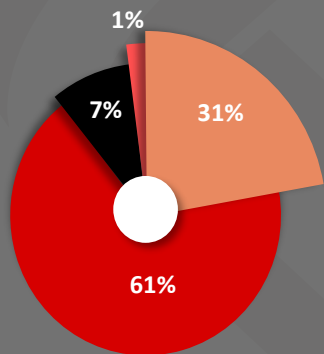
As of 31 December 2023



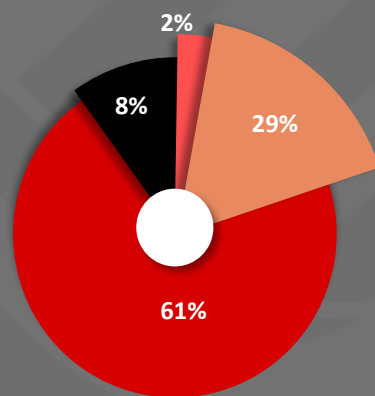
■ Due to banks      ■ Customers' current account      ■ Capital  
■ Other liabilities      ■ Equity of investment account holders      ■ Sukuk

## EIAH breakdown by Sector

As of 31 December 2022

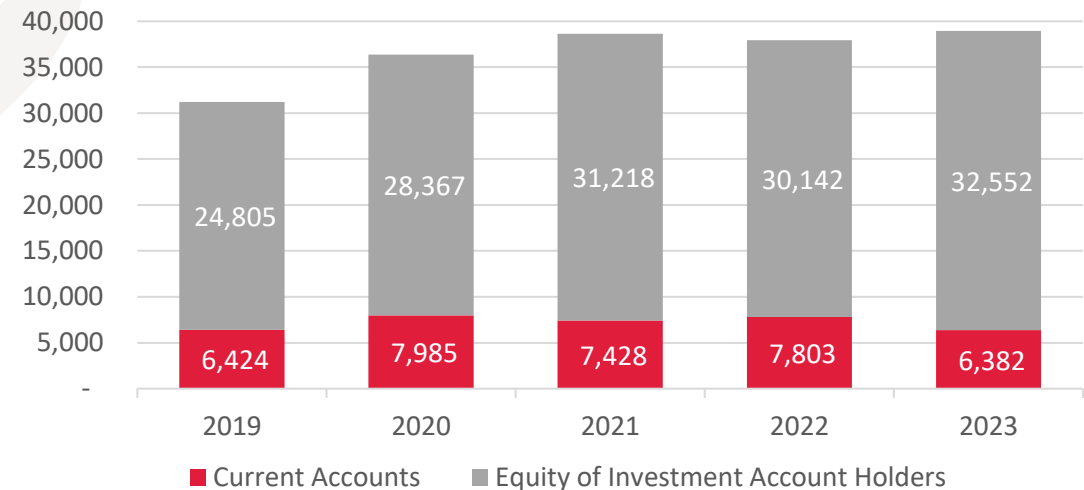


As of 31 December 2023



■ Government & Semi Government      ■ Individuals      ■ Corporate      ■ Non-Banking Financial Institutions

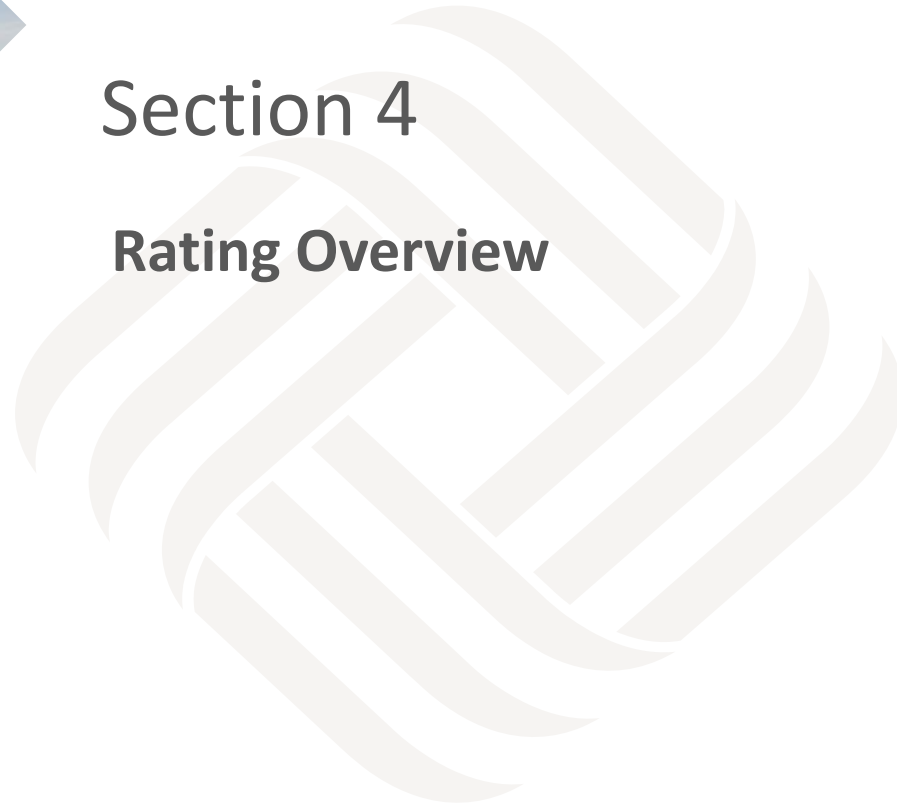
## Growth in total customer deposits (QAR mn)





## Section 4

### Rating Overview





## Fitch Ratings

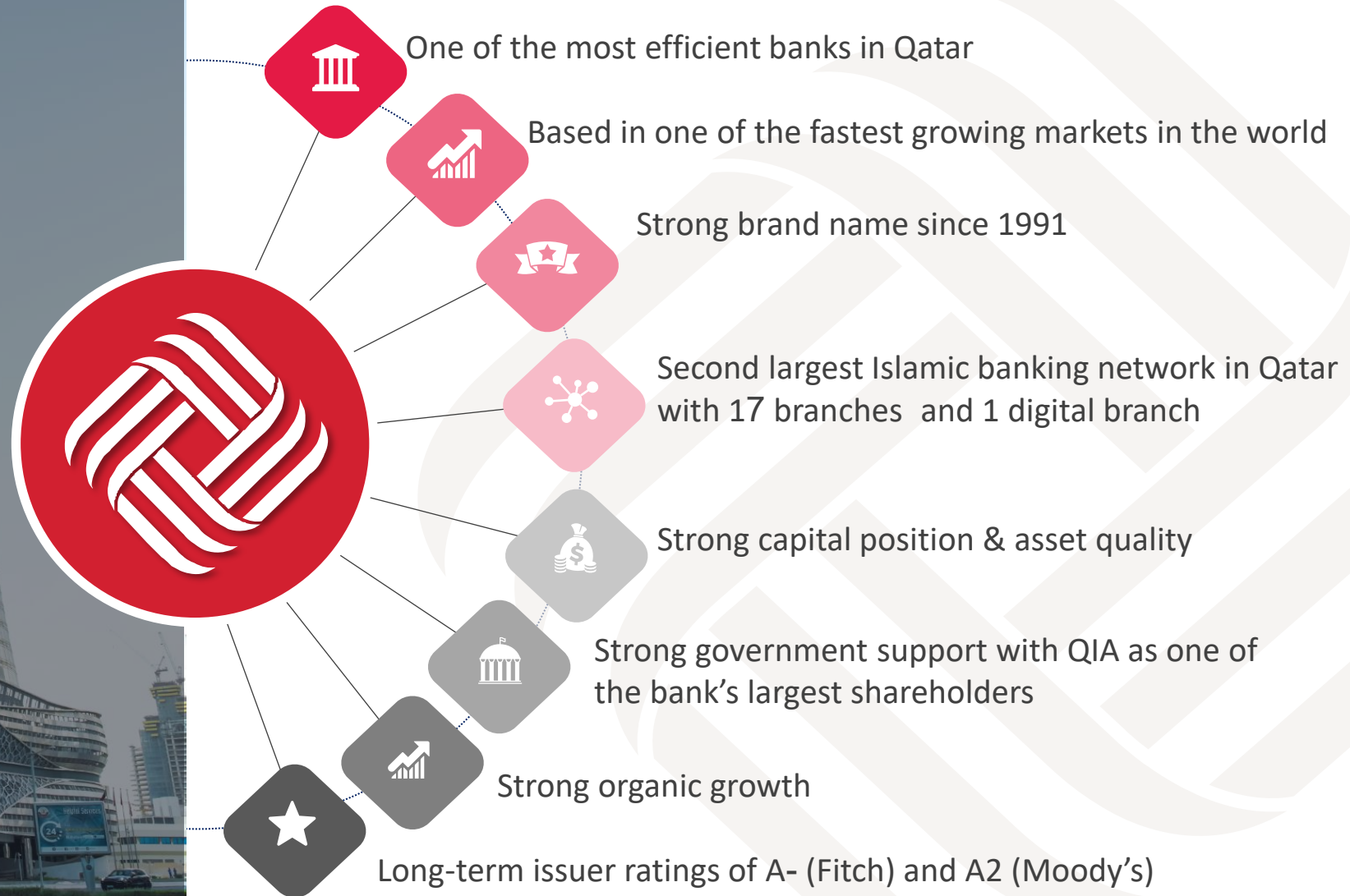
<i>Longer-term IDR</i>	<i>Short-term IDR</i>	<i>Viability Rating</i>	<i>Outlook</i>	<i>Date</i>
A-	F2	bb+	Positive	April 2023

## 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	June 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





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