

QIIB



**الحدو لى
الإسلا مى**



Investors' Presentation

- Q3 2024 -



1. QIIB Overview & Strategy

2. Financial Performance

3. Funding Overview

4. Rating Overview



Introduction

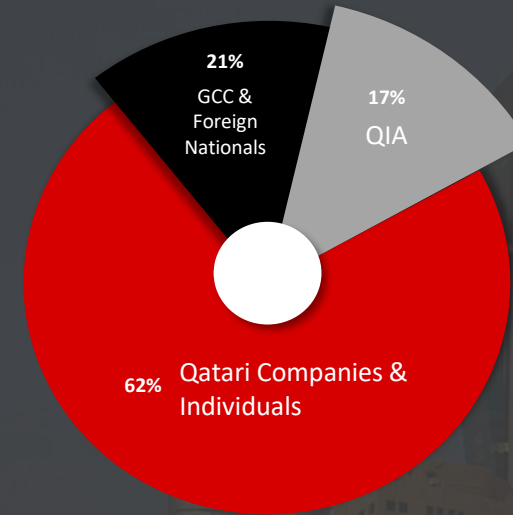
- ◆ (QIIB) Established in 1990 by an Amiri Decree, Qatar International Islamic Bank began operations on 1 January 1991.
- ◆ As of 30 September 2024, QIIB has the sixth market capitalization on the Qatar Exchange of all Listed banks in Qatar with a market capitalization of QAR 16.6 Bn (at QAR 10.99 per share).
- ◆ Large network in Qatar with 17 branches, 1 digital branch and over 80 ATMs.
- ◆ Continuous improvement of Capital Adequacy Ratio.

Financial Snapshot

QAR mn	Dec-20	Dec-21	Dec-22	Dec-23	Q3-24
Total Assets	61,314	61,792	56,393	61,626	60,048
Total Financing	40,514	37,031	35,022	36,499	39,041
NPL- Ratio	1.6%	2.6%	2.8%	2.9%	3.4%
Customer Deposits	36,352	38,646	37,945	38,934	40,991
Net Profit	938	1003	1,075	1,165	1,040
Earning Per Share (QAR)	0.55	0.59	0.64	0.70	0.64
Capital Adequacy (BIII)	16.6%	16.7%	17.7%	17.0%	19.3%
Market Capitalization	QAR 16.6 Bn (as of 30 th September 2024)				

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 62% of the bank's shares

QIIB Business Segments



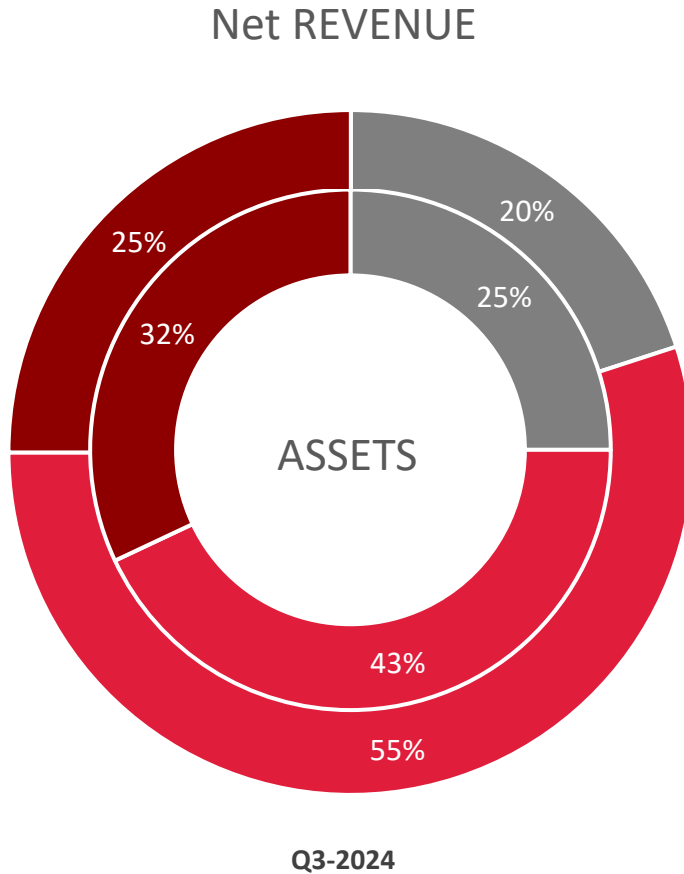


Section 1

QIIB Overview & Strategy



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 80 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

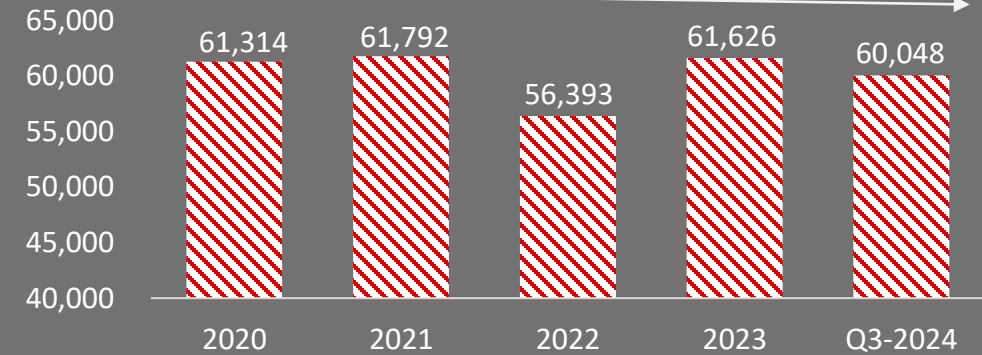


Highlights

- ◆ QIIB's balance sheet decreased compared to year end 2023, which is mainly a result of reducing the bank's balances and investments with Financial Institutions.
- ◆ However, Financing Assets grew by 7.0% compared to year end 2023, which offset the decline in balances and investments with Financial Institutions.
- ◆ QIIB has a reasonably diversified financing book totaling QAR 39.0 Bn as of 30 September 2024, representing 65% of the bank's total assets.

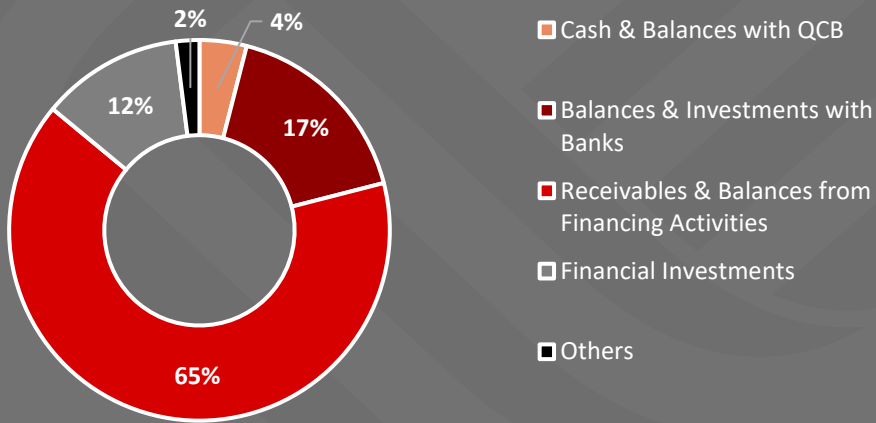
Total banking assets development (QAR Mn)

(CAGR: -0.52%)



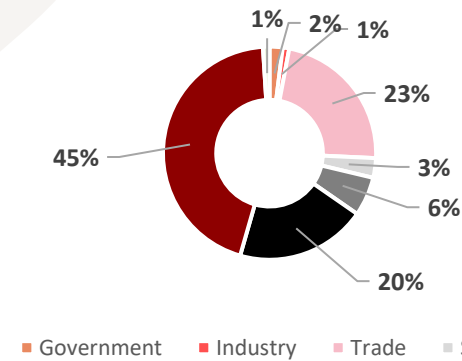
Asset composition by type

As at Q3-2024

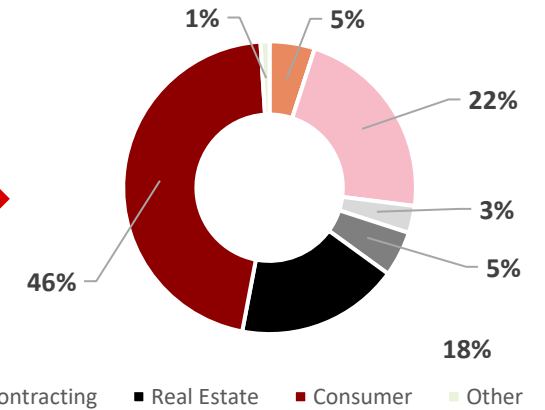


QIIB financing book split

As of 31 December 2023



As of Q3-2024





Asset quality highlights

- ◆ Non-performing financing ratio slightly increased to 3.4% as end of September 2024, compared to December 2023, nevertheless its still less than the industry average.
- ◆ QIIB stage “3” NPL coverage ratio reached 94.6% as end of September 2024, & the overall coverage of the Financing assets up to 4.6%.
- ◆ 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

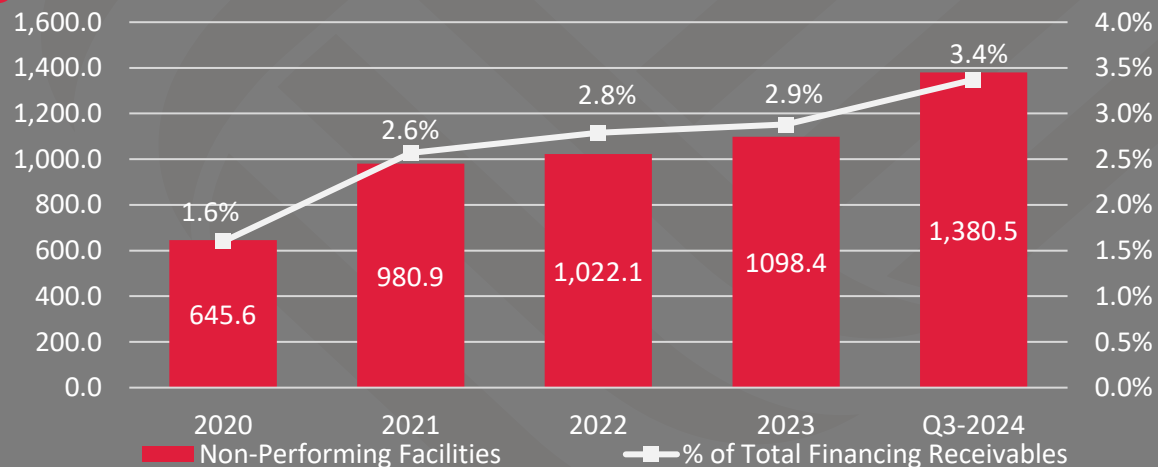
	2020	2021	2022	2023	Q3-2024
<i>Non-performing financing ratio⁽¹⁾</i>	1.6%	2.6%	2.8%	2.9%	3.4%
<i>Non-performing coverage ratio⁽²⁾</i>	134.4%	128.8%	154.8%	154.2%	137.9%

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

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



Non-performing receivables (QAR mn)



ECL of the Bank (QR 000s)

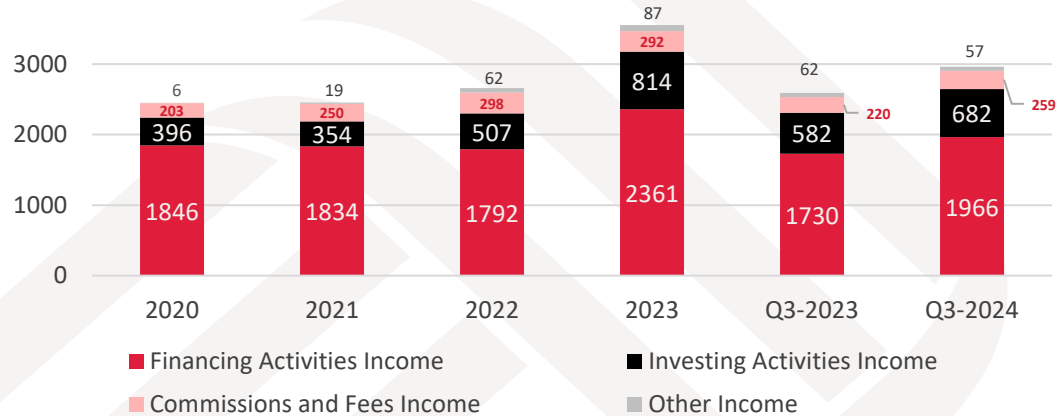
	ECL of the Bank QR000s	Financing assets		Off balance sheet exposures subject to ECL	
		30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
Stage 1	Exposure	35,242,441	33,166,345	9,562,406	10,160,677
	ECL	227,006	238,548	40,450	40,366
	Coverage	0.6%	0.7%	0.4%	0.4%
Stage 2	Exposure	4,321,529	3,928,843	678,585	957,297
	ECL	370,380	434,299	25,948	44,477
	Coverage	8.6%	11.1%	3.8%	4.6%
Stage 3	Exposure	1,380,474	1,098,374	-	41,432
	Provisions ⁽¹⁾	1,306,494	1,021,278	-	-
	Coverage	94.6%	93.0%	-	0.0%
Total	Exposure	40,944,444	38,193,562	10,240,991	11,159,406
	Provisions ⁽¹⁾	1,903,880	1,694,125	66,398	84,843
	Coverage	4.6%	4.4%	0.6%	0.8%

* ECL and suspended profit

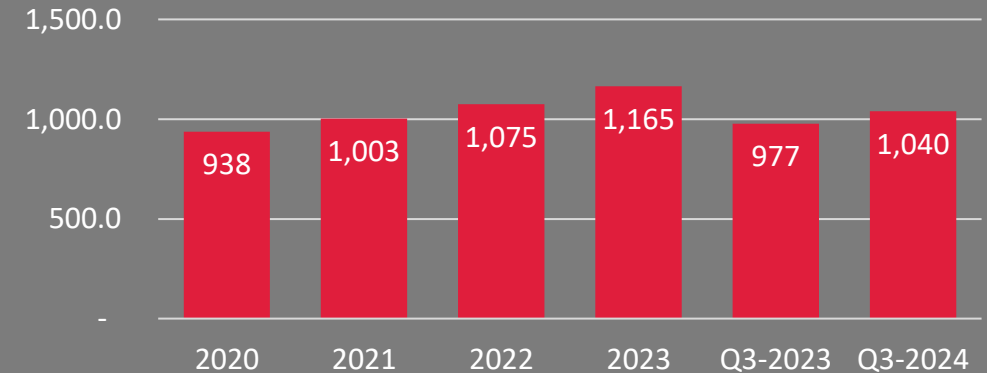
Continued Profitability & Operating Efficiency



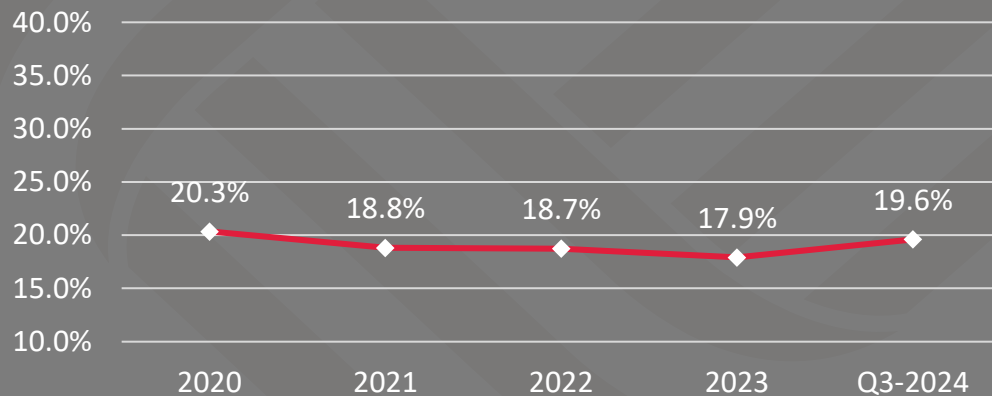
Operating income breakdown (QAR mn)



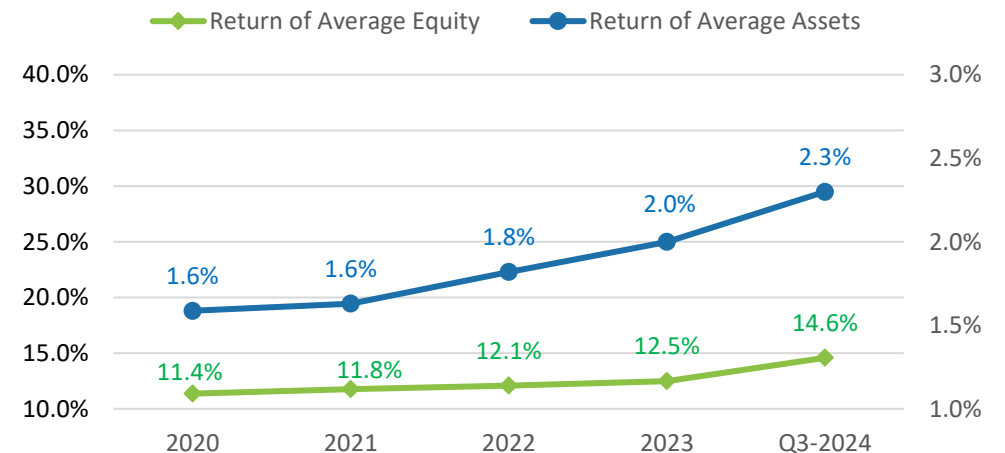
Sustained profitability (QAR mn)



Sustained efficiency ratio (Cost to Income Ratio %)



Return on average equity and assets (%)



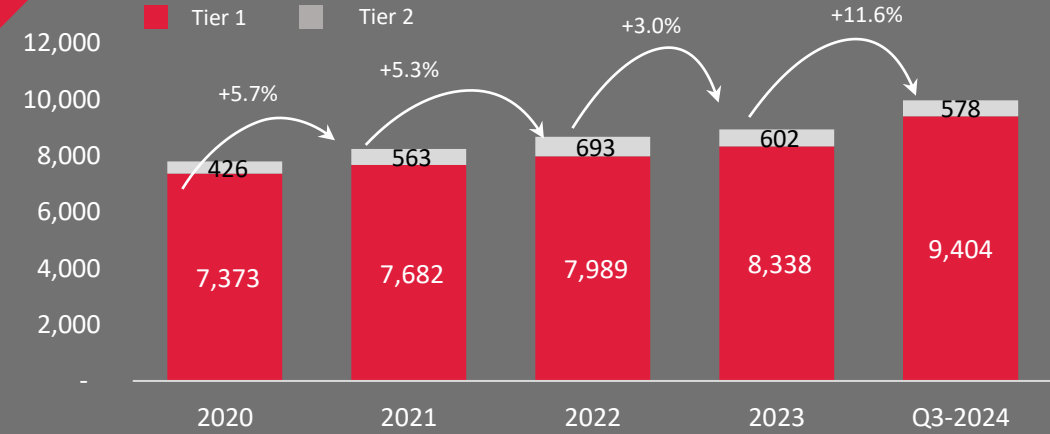
Robust Capitalization



Highlights

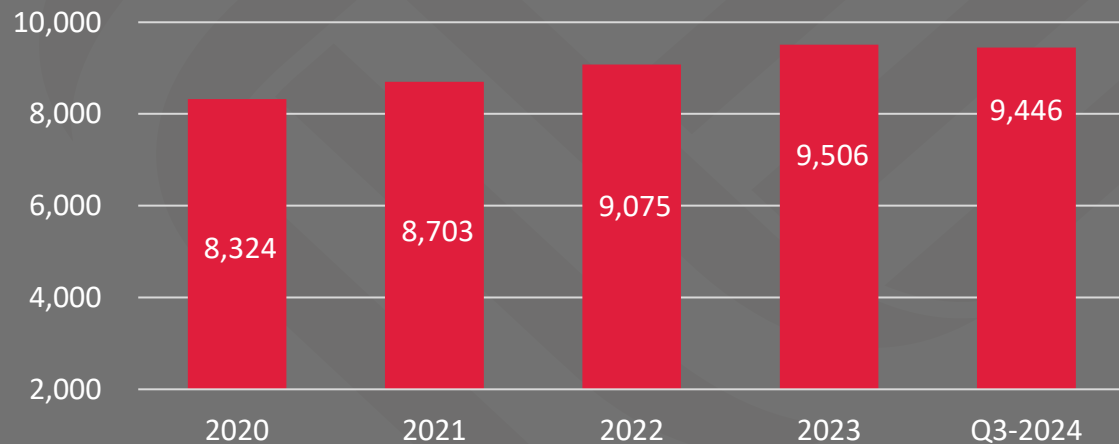
- Basel II, Pillar 2 (ICAAP) requirements were effective from 1 January 2014 with all ICAAP and BIII requirements subject to regular (external) audit. Guidelines were refined and updated in March 2016. To date, no audit qualification has been raised on QIIB's submissions.
- QCB's Basel III CAR is 10% 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 30 September 2024, total CAR reached 19.3 %, 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 eligible capital .

Equity (QAR mn)




Capital adequacy ratios (%)


Capital Adequacy Basel III	Q3-2024	2023	Minimum limit as per QCB
CET 1 ratio without capital conservation buffer	14.11%	11.87%	6.00%
CET 1 ratio including capital conservation buffer	14.11%	11.87%	8.50%
Tier 1 capital ratio including capital conservation buffer	18.14%	15.85%	10.50%
Tier 1 and 2 capital ratio including capital conservation buffer	19.26%	17.00%	12.50%
Total capital including conservation buffer, domestic systemic important bank buffer and ICAAP Pillar II capital charge	19.26%	17.00%	14.59%


Summary of Q3 - 2024 Performance



 Strong liquidity levels

 Stable asset quality

 Stable deposit base

 Improving total income

 Healthy capitalization ratios

 High Level of efficiency

	31-Dec-23	Q3-2024	% Change
<i>Total Assets (QAR mn)</i>	61,626	60,048	↓ -2.6%
<i>Net Islamic Financing Facilities (QAR mn)</i>	36,499	39,041	↑ 7.0%
<i>Liquid Assets (QAR mn)</i>	23,898	19,782	↓ -17.2%
<i>Customers' Deposits (QAR mn)¹</i>	38,934	40,991	↑ 5.3%

	Q3-2023	Q3-2024	% Change
<i>Total Income</i>	2,202	2,597	↑ 17.9%
<i>Net Profit</i>	977	1,040	↑ 6.5%

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



Section 3

Funding Overview

Funding Overview

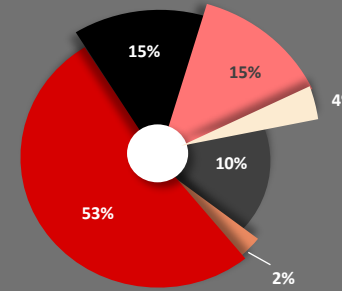


Highlights

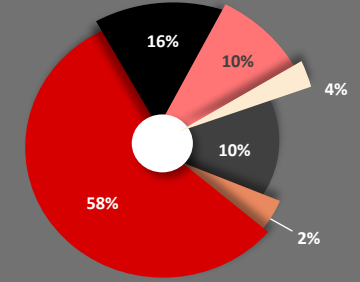
- ◆ QIIB's funding is predominantly driven by customer deposits and equity of investment account holders (EIAH) and is backed by the bank's own capital.
- ◆ QIIB has leveraged its expanding branch network and corporate relationships to steadily grow its deposits base – to be supported further with Corporate 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 2023



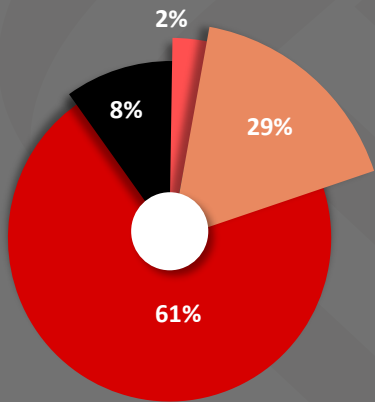
As of Q3-2024



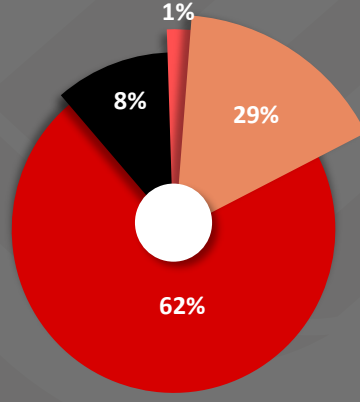
■ Due to banks ■ Customers' current account ■ Capital
■ Other liabilities ■ Equity of investment account holders ■ Sukuk

EIAH breakdown by Sector

As of 31 December 2023

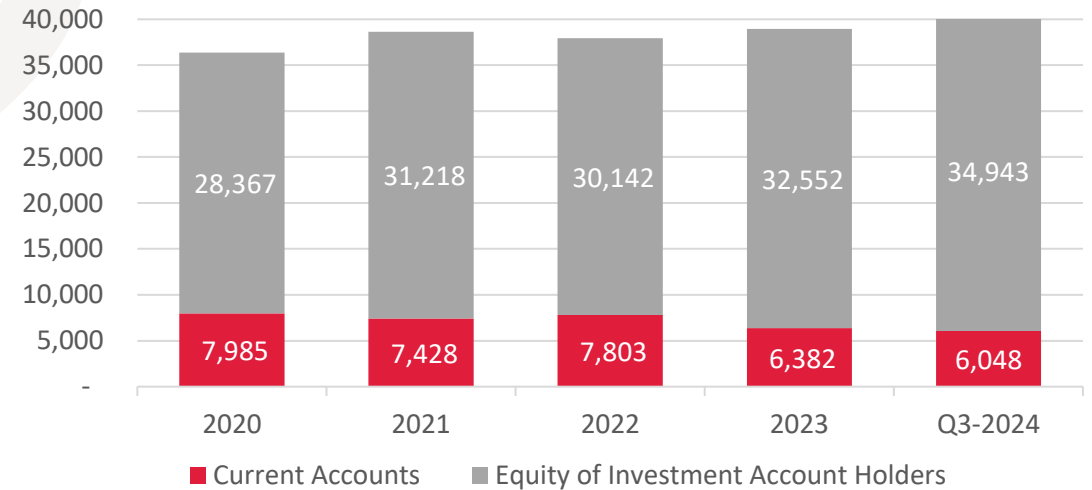


As of Q3-2024



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

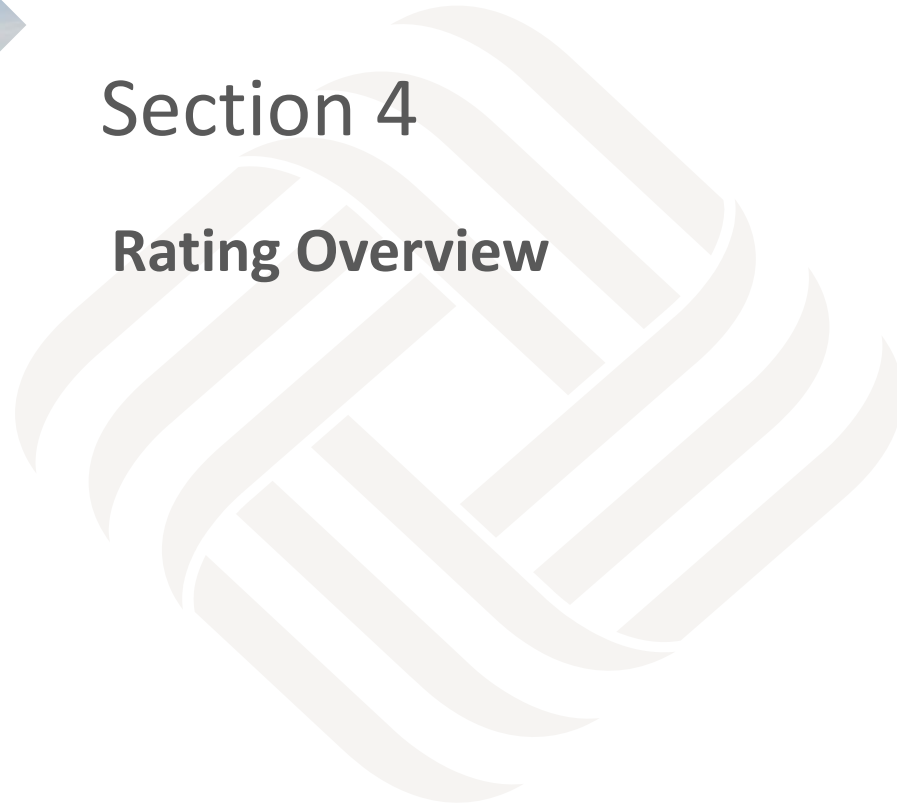
Growth in total customer deposits (QAR mn)





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+	Stable	July 2024

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	July 2024

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 2024





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