

Qatar International Islamic Bank (Q.P.S.C.)

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 March 2025

Qatar International Islamic Bank (Q.P.S.C.)
Interim condensed consolidated financial statements

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Independent auditor's report on review of interim condensed consolidated financial statements

To the Board of Directors of Qatar International Islamic Bank (Q.P.S.C.)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Qatar International Islamic Bank (Q.P.S.C.) (the "Bank") and its subsidiaries (together the "Group") for the three-month period ended 31 March 2025, which comprise:

- the interim consolidated statement of financial position as at 31 March 2025;
- the interim consolidated statement of income for the three-month period ended 31 March 2025;
- the interim consolidated statement of comprehensive income for the three-month period ended 31 March 2025;
- the interim consolidated statement of income and attribution related to quasi-equity for the three-month period ended 31 March 2025;
- the interim consolidated statement of changes in owners' equity for the three-month period ended 31 March 2025;
- the interim consolidated statement of cash flows for the three-month period ended 31 March 2025; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with FAS 41, "Interim Financial Reporting" as modified by Qatar Central Bank. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2025 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with FAS 41, "Interim Financial Reporting" as modified by Qatar Central Bank.

21 April 2025
Doha
State of Qatar


Gopal Balasubramaniam
KPMG

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Auditor's License No. 120153




Qatar International Islamic Bank (Q.P.S.C.)


INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		31 March 2025 (Reviewed) QR'000	31 December 2024 (Audited) QR'000	31 March 2024 (Reviewed) QR'000
ASSETS				
Cash and balances with Qatar Central Bank		2,710,040	3,453,248	2,508,345
Due from banks	5	8,376,902	8,598,849	13,878,936
Financing assets	6	39,857,513	39,326,165	37,462,166
Investment securities	7	7,092,989	7,424,597	7,837,648
Investment in associates		132,017	135,050	151,369
Investment properties		609,869	616,259	635,701
Fixed assets		226,108	227,728	224,733
Intangible assets		43,655	42,159	28,667
Other assets		277,564	155,353	180,637
TOTAL ASSETS		59,326,657	59,979,408	62,908,202
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY				
LIABILITIES				
Due to banks	8	3,678,753	5,186,376	10,574,245
Customers' current accounts		6,666,602	6,290,275	6,421,368
Sukuk financing	9	2,761,625	2,797,713	1,838,340
Other liabilities		1,018,614	1,011,889	1,634,462
TOTAL LIABILITIES		14,125,594	15,286,253	20,468,415
QUASI-EQUITY				
Participatory investment accounts	10	35,646,854	35,093,566	33,277,198
Reserves attributable to quasi-equity	10	542	(515)	4,369
TOTAL QUASI-EQUITY		35,647,396	35,093,051	33,281,567
OWNERS' EQUITY				
Share capital	11	1,513,687	1,513,687	1,513,687
Legal reserve	12	2,452,360	2,452,360	2,452,360
Risk reserve	13	950,573	950,573	886,173
Fair value reserve		282	(274)	2,410
Foreign currency translation reserve		3,651	(1,696)	(1,559)
Other reserves	14	84,169	83,856	80,787
Retained earnings		2,456,495	2,509,148	2,131,912
Equity attributable to shareholders of the Bank		7,461,217	7,507,654	7,065,770
Sukuk eligible as additional capital	16	2,092,450	2,092,450	2,092,450
TOTAL OWNERS' EQUITY		9,553,667	9,600,104	9,158,220
TOTAL LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY		59,326,657	59,979,408	62,908,202
CONTINGENT LIABILITIES AND COMMITMENTS				
	19	11,635,900	12,724,428	14,128,304

The interim condensed consolidated financial statements were approved by the Board of Directors on 21 April 2025 and were signed on its behalf by:


 Dr. Khalid bin Thani bin Abdullah Al Thani
 Chairman


 Dr. Abdulbasit Ahmad Abdulrahman Al Shaibei
 Chief Executive Officer

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements
 Independent auditor's review report is set out on page 1.

Qatar International Islamic Bank (Q.P.S.C.)
INTERIM CONSOLIDATED STATEMENT OF INCOME
For the three-month period ended 31 March 2025

	<i>For the three-month period ended 31 March</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
	<i>Note</i>	
Income from financing activities	653,834	616,110
Net income from investing activities	174,548	247,761
Finance expenses	(79,829)	(138,526)
Total income from financing and investing activities, net of finance expenses	748,553	725,345
Fee and commission income	111,223	105,341
Fee and commission expense	(34,627)	(24,950)
Net fee and commission income	76,596	80,391
Net foreign exchange gain	9,891	15,524
Net share of results of investment in associates	1,783	292
TOTAL INCOME	836,823	821,552
Staff expenses	(44,917)	(45,160)
Depreciation of fixed assets and amortisation of intangible assets	(6,263)	(5,683)
Other expenses	(45,252)	(39,741)
TOTAL EXPENSES	(96,432)	(90,584)
NET OPERATING INCOME BEFORE IMPAIRMENT	740,391	730,968
Net impairment losses on due from banks	(32)	(77)
Net impairment (losses) / reversals on investments securities	(442)	862
Net impairment losses on financing assets	(22,016)	(52,169)
Impairment loss on investment in associate	(6,956)	-
Net impairment (losses) / reversals on off balance sheet exposures subject to credit risk	(22,238)	7,656
NET PROFIT FOR THE PERIOD BEFORE RETURN TO QUASI-EQUITY	688,707	687,240
Less: Net profit attributable to quasi-equity	(332,352)	(352,052)
NET PROFIT FOR THE PERIOD	356,355	335,188
BASIC AND DILUTED EARNINGS PER SHARE (QR PER SHARE)	17	0.24
		0.22



The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.
Independent auditor's review report is set out on page 1.

Qatar International Islamic Bank (Q.P.S.C.)

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three-month period ended 31 March 2025

	<i>For the three-month period ended 31 March</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
NET PROFIT FOR THE PERIOD	356,355	335,188
OTHER COMPREHENSIVE INCOME		
Items that will not be reclassified subsequently to consolidated statement of income		
Fair value changes of equity-type investments carried at fair value through other comprehensive income	1,654	(466)
Items that are or maybe reclassified subsequently to consolidated statement of income		
Exchange difference arising on translation of foreign operations	5,347	(1,559)
Net change in the share of other comprehensive income of investment in associates	(41)	102
Share in the reserve attributable to quasi-equity	(1,057)	32
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	5,903	(1,891)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	362,258	333,297



The attached notes 1 to 23 form part of these interim condensed consolidated financial statements. Independent auditor's review report is set out on page 1.

Qatar International Islamic Bank (Q.P.S.C.)

INTERIM CONSOLIDATED STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY

For the three-month period ended 31 March 2025

	<i>For the three-month period ended 31 March</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Net profit for the period before return to quasi-equity	688,707	687,240
Less: Income not attributable to quasi-equity	(235,892)	(244,350)
Net profit attributable to quasi-equity before the Bank's share as Mudarib	452,815	442,890
Less: Bank's share as Mudarib	(407,533)	(398,601)
Add: Support provided by the Bank	287,070	307,763
NET PROFIT ATTRIBUTABLE TO QUASI-EQUITY	332,352	352,052
OTHER COMPREHENSIVE INCOME		
Items that are or may subsequently be classified to statement of income		
Share in the reserve attributable to quasi-equity	1,057	(32)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	1,057	(32)
TOTAL PROFIT ATTRIBUTABLE TO QUASI-EQUITY	333,409	352,020



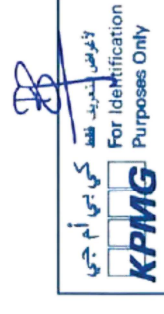
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Qatar International Islamic Bank (Q.P.S.C.)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the three-month period ended 31 March 2025

	Notes	Share capital QR'000	Legal reserve QR'000	Risk reserve QR'000	Fair value reserve QR'000	Foreign currency translation reserve QR'000	Other reserves QR'000	Retained earnings QR'000	Sukuk eligible as additional capital QR'000	Total owners' equity QR'000
Balance at 1 January 2025 (Audited)		1,513,687	2,452,360	950,573	(274)	(1,696)	83,856	2,509,148	2,092,450	9,600,104
Net income for the period		-	-	-	-	-	-	356,355	-	356,355
Other comprehensive income for the period		-	-	-	556	5,347	-	-	-	5,903
Total comprehensive income for the period		-	-	-	556	5,347	-	356,355	-	362,258
Cash dividend paid to shareholders	15	-	-	-	-	-	-	(408,695)	-	(408,695)
Net movement in other reserves	14	-	-	-	-	-	313	(313)	-	-
Balance at 31 March 2025 (Reviewed)		1,513,687	2,452,360	950,573	282	3,651	84,169	2,456,495	2,092,450	9,553,667
Balance at 1 January 2024 (Audited)		1,513,687	2,452,360	886,173	2,742	-	81,974	2,476,696	2,092,450	9,506,082
Net income for the period		-	-	-	-	-	-	335,188	-	335,188
Other comprehensive loss for the period		-	-	-	(332)	(1,559)	-	-	-	(1,891)
Total comprehensive income for the period		-	-	-	(332)	(1,559)	-	335,188	-	333,297
Cash dividend proposed to shareholders	15	-	-	-	-	-	-	(681,159)	-	(681,159)
Net movement in other reserves	14	-	-	-	-	-	(1,187)	1,187	-	-
Balance at 31 March 2024 (Reviewed)		1,513,687	2,452,360	886,173	2,410	(1,559)	80,787	2,131,912	2,092,450	9,158,220



The attached notes 1 to 23 form part of these interim condensed consolidated financial statements. Independent auditor's review report is set out on page 1.

Qatar International Islamic Bank (Q.P.S.C.)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025

	<i>For the three-month period ended 31 March</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Cash flows from operating activities		
Net profit for the period	356,355	335,188
<i>Adjustments for:</i>		
Net impairment losses on financing assets	22,016	52,169
Net impairment losses / (reversals) on investment securities	442	(862)
Impairment loss on investment in associate	6,956	-
Net impairment losses / (reversals) on off balance sheet exposures subject to credit risk	22,238	(7,656)
Net impairment losses on due from banks	32	77
Gain on disposal of fixed assets	-	(9)
Depreciation of investment properties	7,256	7,125
Depreciation of fixed assets and amortisation of intangible assets	6,263	5,683
Dividend income	(16,226)	-
Net share of results of investment in associates	(1,783)	(292)
Fair value losses on investment security carried at fair value through income statement	57	57
Sukuk amortisation	(1,714)	(1,998)
Employees' end of service benefits	6,467	2,385
Profit before changes in operating assets and liabilities	408,359	391,867
Working capital changes:		
Cash reserve with Qatar Central Bank	(8,642)	(32,720)
Due from banks	796,755	91,664
Financing assets	(553,364)	(1,014,898)
Other assets	(122,211)	(5,889)
Due to banks	(1,507,623)	1,106,567
Customers' current accounts	376,327	39,696
Other liabilities	(47,813)	(35,922)
	(658,212)	540,365
Employees' end of service benefits paid	(1,013)	(1,928)
Net cash flows (used in) / generated from operating activities	(659,225)	538,437
Cash flows from investing activities		
Acquisition of investment securities	(186,186)	(1,273,471)
Proceeds from sale/redemption of investment securities	513,188	1,274,376
Acquisition of fixed assets	(625)	(979)
Acquisition of intangible assets	(5,514)	(49)
Dividend received from associates	1,470	1,470
Proceeds from sale of fixed assets	-	9
Acquisition of investment in properties	(866)	(440)
Dividend income	16,226	-
Net cash flows generated from investing activities	337,693	916
Cash flows from financing activities		
Change in quasi-equity	553,288	729,390
Net settlement of sukuk financing	-	(910,375)
Cash dividends paid to shareholders	(408,766)	(354)
Net cash flows generated from / (used in) financing activities	144,522	(181,339)
Net (decrease) / increase in cash and cash equivalents	(177,010)	358,014
Cash and cash equivalents at 1 January	5,120,524	5,376,338
Cash and cash equivalents at 31 March	4,943,514	5,734,352

The attached notes 1 to 23 form part of these interim condensed consolidated financial statements.
Independent auditor's review report is set out on page 1.



Qatar International Islamic Bank (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Qatar International Islamic Bank (Q.P.S.C.) (“QIIB” or “the Bank”) was incorporated under Amiri Decree No. 52 of 1990. The Bank operates through its head office located on Grand Hamad Street in Doha and 16 local branches. The Bank’s equity shares are listed and traded on the Qatar Stock Exchange.

The commercial registration number of the Bank is 13023. The address of the Bank’s registered office is Grand Hamad Street 2, Doha, State of Qatar, P.O. Box 664.

The interim condensed consolidated financial statements include the financial information of the Bank and its subsidiaries which are, QIIB Senior Oryx Ltd (previously “QIIB Senior Sukuk Ltd”) and QIIB Tier 1 Sukuk LLC, (special purpose entity (“SPE”)) (together the “Group”) after elimination of intercompany balances and transactions.

QIIB Senior Oryx Ltd and QIIB Tier 1 Sukuk LLC, were incorporated in the State of Qatar for the purpose of issuing Sukuks and Tier 1 Sukuks respectively. QIIB Senior Oryx Ltd was registered and licensed under Qatar Financial Centre (“QFC”) and regarded as a resident Company in the State of Qatar under Article 8(1)(b) of the QFC tax regulations. Further, QIIB Tier 1 Sukuk LLC was incorporated in the State of Qatar, as an exempted company with limited liability for the sole purpose of issuing Tier 1 Sukuks, for the benefit of QIIB.

As licensed by Qatar Central Bank (QCB), the Bank is engaged in banking, financing and investing activities in accordance with its Articles of Incorporation, Islamic Shari’ah Rules and Principles as determined by the Shari’ah Supervisory Board of the Group and regulations of QCB.

The reviewed interim condensed consolidated financial statements of the Group for the period ended 31 March 2025 were authorized for issuance in accordance with a resolution of the Board of Directors on 21 April 2025.

1.1 Shari’ah governance framework

The Group follows Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”) Governance Standards (GSs) in their entirety along with the regulators’ requirements related to Shari’ah governance / Shari’ah governance framework. In line with the requirements of the same, the Group has a comprehensive governance mechanism comprising of Shari’ah supervisory board and internal Shari’ah audit. These functions perform their responsibilities in line with AAOIFI GSs as well as the regulators’ requirements related to Shari’ah governance. The GSs also require the Board of Directors and those charged with governance to discharge their duties in line with Shari’ah governance and fiduciary responsibilities.

1.2 Shari’ah principles and rules

The Group follows the hierarchy of Shari’ah principles and rules as defined in paragraph 165 of FAS 1 “General Presentation and Disclosures in the Financial Statements”.

2 BASIS OF PREPARATION

(a) Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with Financial Accounting Standards (“FAS”) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (“AAOIFI”) as modified by Qatar Central Bank (“QCB”). QCB has mandated a modification through a circular issued, namely Circular No. 12 / 2020 on 29 April 2020 (the effective date), which amends the requirements of FAS 33 “Investments in Sukuk, shares and similar instruments” and FAS 30 “Impairment, credit losses and onerous commitments”, and requires Islamic banks to follow the principles of the International Financial Reporting Standard 9 “Financial Instruments” in respect of impairment of equity-type investments carried at Fair Value Through Equity.

For matters that are not covered by FAS, the Group uses the guidance from the relevant International Financial Reporting Standards (“IFRSs”) as issued by the International Accounting Standards Board (“IASB”).

The interim condensed consolidated financial statements do not contain all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

Qatar International Islamic Bank (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

2 BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024 except for the adoption of new and amended standards as set out in note 2 (d). In addition, results for the three-month period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The significant judgments made by management in applying the Group's accounting policies, the key sources of estimation uncertainty, and Group's financial risk management objectives and policies were same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

(b) Basis of measurement

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for the investment securities classified as Investments at fair value through other comprehensive income (OCI), Investments at fair value through income statement and Shari'ah compliant risk management instruments.

(c) Functional and presentation currency

The interim condensed consolidated financial statements are presented in Qatari Riyals ("QR"), which is the Bank's functional and presentational currency. Except as otherwise indicated, financial information presented in the interim condensed consolidated financial statements have been rounded to the nearest thousands.

(d) New standards, amendments and interpretations issued but not effective from 1 January 2025

FAS 45 Quasi Equity (Including investment accounts)

AAOIFI has issued the revised FAS 45 Quasi Equity (Including investment accounts) in 2023. This standard prescribes the principles of financial reporting related to the participatory investment instruments (including investment accounts) in which an Islamic financial institution (IFI / the institution) controls the underlying assets (mostly, as a working partner), on behalf of the stakeholders other than the owners' equity. Such instruments (including, in particular, the unrestricted investment accounts) normally qualify for on-balance sheet accounting and are reported as quasi-equity.

This standard provides the overall criteria for on-balance-sheet accounting for participatory investment instruments and quasi-equity, as well as, pooling, recognition, derecognition, measurement, presentation and disclosure for quasi-equity. It further addresses financial reporting related to other quasi-equity instruments and certain specific issues.

This standard is effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group is assessing the impact of adoption of this standard.

FAS 46 Off-Balance-Sheet assets under management

AAOIFI has issued the revised FAS 46 Off-Balance-Sheet assets under management in 2023. This standard prescribes the criteria for characterisation of off-balance-sheet assets under management, and the related principles of financial reporting in line with the "AAOIFI Conceptual Framework for Financial Reporting" (the conceptual framework).

The standard encompasses the aspects of recognition, derecognition, measurement, selection and adoption of accounting policies, etc., related to off-balance-sheet assets under management, as well as certain specific aspects. of financial reporting, e.g., impairment and onerous commitments by the institution. The standard also includes the presentation and disclosure requirements, particularly aligning the same with the requirements of FAS 1 "General Presentation and Disclosures in the Financial Statements". in respect of the statement of changes in off-balance-sheet assets under management.

2 BASIS OF PREPARATION (CONTINUED)

(d) New standards, amendments and interpretations issued but not effective from 1 January 2025 (continued)

FAS 46 Off-Balance-Sheet assets under management (continued)

This standard, along with, FAS 45 "Quasi Equity "(Including Investment Accounts)", supersedes the earlier FAS 27 "Investment Accounts". This standard is effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group is assessing the impact of adoption of this standard.

FAS 47 Transfer of assets between investment pools

AAOIFI has issued the revised FAS 47 Transfer of assets between investment pools in 2023. This standard prescribes the financial reporting principles and disclosure requirements. applicable to all transfers of assets between investment pools related to (and where material, between significant categories of) owners' equity, quasi-equity and off-balance-sheet assets under management of an institution. It requires adoption and consistent application of accounting policies for such transfers in line with Shari'ah principles and rules and describes general disclosure requirements in this respect.

This standard is effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group is assessing the impact of adoption of this standard.

FAS 48 Promotional Gifts and Prizes

This standard prescribes accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions. The standard categorizes them into a) promotional gifts where entitlement occurs instantly; b) promotional prizes that are announced in advance to be awarded at a future date and c) loyalty programs where the obligation is accumulated over the period.

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

(e) Global minimum top-up tax

On 27 March 2025, Qatar published in the Official Gazette, Law No. 22 of 2024 amending specific provisions of the Income Tax Law promulgated under Law No. 24 of 2018 by introducing Domestic Minimum Top-up Tax ('DMTT') and Income Inclusion Rule ('IIR') with a minimum effective tax rate of 15%. The amendments are effective from 1 January 2025 and the related regulations on implementation, compliance and administrative provisions are expected to be issued by the General Tax Authority in the near future.

The Group has performed an assessment of the applicability of Pillar Two tax requirements, and based on this assessment the Group believes it will be exempt from these requirements on the basis that it does not have 'multinational' status given its active subsidiaries operate in the State of Qatar as mentioned in Note 1. The Bank will continue to monitor any Pillar Two legislation and regulations as and when issued, and accordingly reassess and liaise with the relevant regulatory authorities to determine whether there would be any impact for the Group.

Qatar International Islamic Bank (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

3 SEGMENT INFORMATION

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic divisions, the Group Management Committee reviews internal management reports on monthly basis. The following summary describes the operations in each of the Group's reportable segments:

Corporate banking Includes financings, deposits and other transactions and balances with corporate customers, government and semi government institutions and SME customers.

Personal banking Includes financings, deposits and other transactions and balances with personal customers.

Treasury & Investments Undertakes the Group's funding and centralised risk management activities through borrowings, issues of Sukuk, use of risk management instruments for risk management purposes and investing in liquid assets such as short-term deposits and corporate and government Sukuk.

Investments activities include the Group's trading and corporate finance activities.

Information regarding the results, assets and liabilities of each reportable segment is included below. Performance is measured based on segment profit, assets and liabilities growth, as included in the internal management reports that are reviewed by the Assets and Liabilities Committee (ALCO) committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments.

Qatar International Islamic Bank (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

3 SEGMENT INFORMATION (CONTINUED)

<i>Three-month ended 31 March 2025 (Reviewed)</i>	<i>Corporate banking QR'000</i>	<i>Personal banking QR'000</i>	<i>Treasury & Investments QR'000</i>	<i>Total QR'000</i>
External revenue:				
Total income from financing and investing activities, net of finance expenses	372,226	281,608	94,719	748,553
Net fee and commission income	39,555	37,041	-	76,596
Net foreign exchange gain	-	-	9,891	9,891
Net share of results of investment in associates	-	-	1,783	1,783
Total segment income	411,781	318,649	106,393	836,823
Net impairment losses on due from banks	-	-	(32)	(32)
Net impairment losses on investments securities	-	-	(442)	(442)
Net impairment losses on financing assets	(14,303)	(7,713)	-	(22,016)
Net impairment loss on investment in associate	-	-	(6,956)	(6,956)
Net impairment losses on off balance sheet exposures subject to credit risk	(22,238)	-	-	(22,238)
Net profit attributable to quasi-equity	(154,218)	(178,134)	-	(332,352)
Reportable segment net profit before non- segmented expenses	221,022	132,802	98,963	452,787
<i>Three-month ended 31 March 2024 (Reviewed)</i>	<i>Corporate banking QR'000</i>	<i>Personal banking QR'000</i>	<i>Treasury & Investments QR'000</i>	<i>Total QR'000</i>
External revenue:				
Total income from financing and investing activities, net of finance expenses	361,411	254,699	109,235	725,345
Net fee and commission income	45,824	34,567	-	80,391
Net foreign exchange gain	-	-	15,524	15,524
Net share of results of investment in associates	-	-	292	292
Total segment income	407,235	289,266	125,051	821,552
Net impairment losses on due from banks	-	-	(77)	(77)
Net impairment reversal on investments securities	-	-	862	862
Net impairment losses on financing assets	(35,665)	(16,504)	-	(52,169)
Net impairment reversal on off balance sheet exposures subject to credit risk	7,656	-	-	7,656
Net profit attributable to quasi-equity	(173,320)	(178,732)	-	(352,052)
Reportable segment net profit before non- segmented expenses	205,906	94,030	125,836	425,772
	<i>Corporate banking QR'000</i>	<i>Personal banking QR'000</i>	<i>Treasury & Investments QR'000</i>	<i>Total QR'000</i>
31 March 2025 (Reviewed)				
Reportable segment assets	24,851,681	15,005,832	16,471,062	56,328,575
Reportable segment liabilities and quasi-equity	15,364,994	26,949,004	6,440,378	48,754,376

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3 SEGMENT INFORMATION (CONTINUED)

	<i>Corporate banking</i>	<i>Personal banking</i>	<i>Treasury & Investments</i>	<i>Total</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
<i>31 December 2024 (Audited)</i>				
Reportable segment assets	<u>24,684,640</u>	<u>14,641,525</u>	<u>17,886,800</u>	<u>57,212,965</u>
Reportable segment liabilities and quasi-equity	<u>15,991,770</u>	<u>25,391,556</u>	<u>7,984,089</u>	<u>49,367,415</u>

The tables below provide reconciliation of reportable segment profit, assets, liabilities and quasi-equity:

	<i>For the three-month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Reportable segment net profit before allocation of expenses	452,787	425,772
Unallocated expenses	(96,432)	(90,584)
Consolidated net profit for the period	<u>356,355</u>	<u>335,188</u>
	<i>31 March</i>	<i>31 December</i>
	<i>2025</i>	<i>2024</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>
	<i>QR'000</i>	<i>QR'000</i>
Assets		
Total assets for reportable segments	56,328,575	57,212,965
Other unallocated amounts	2,998,082	2,766,443
Consolidated total assets	<u>59,326,657</u>	<u>59,979,408</u>
Liabilities and quasi-equity		
Total liabilities and quasi-equity for reportable segments	48,754,376	49,367,415
Other unallocated amounts	1,018,614	1,011,889
Consolidated total liabilities and quasi-equity	<u>49,772,990</u>	<u>50,379,304</u>

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4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS

The tables below set out the carrying amounts and fair values of the Group's main financial assets and financial liabilities:

<i>31 March 2025 (Reviewed)</i>	<i>Fair value through income statement QR'000</i>	<i>Fair value through equity QR'000</i>	<i>Amortised cost QR'000</i>	<i>Total carrying amount QR'000</i>	<i>Fair value QR'000</i>
Cash and balances with Qatar					
Central Bank	-	-	2,710,040	2,710,040	2,710,040
Due from banks	-	-	8,376,902	8,376,902	8,376,902
Investment securities:					
- Measured at fair value	700	299,735	-	300,435	300,435
- Measured at amortised cost	-	-	6,792,554	6,792,554	6,705,272
Other assets (excluding non-financial assets)	10,224	-	35,486	45,710	45,710
	<u>10,924</u>	<u>299,735</u>	<u>17,914,982</u>	<u>18,225,641</u>	<u>18,138,359</u>
Due to banks	-	-	3,678,753	3,678,753	3,678,753
Customers' current accounts	-	-	6,666,602	6,666,602	6,666,602
Sukuk financing	-	-	2,761,625	2,761,625	2,761,625
Other liabilities	10,826	-	1,007,788	1,018,614	1,018,614
Quasi-equity	-	-	35,647,396	35,647,396	35,647,396
	<u>10,826</u>	<u>-</u>	<u>49,762,164</u>	<u>49,772,990</u>	<u>49,772,990</u>

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4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

	<i>Fair value through income statement</i> QR '000	<i>Fair value through equity</i> QR '000	<i>Amortised cost</i> QR '000	<i>Total carrying amount</i> QR '000	<i>Fair value</i> QR '000
31 December 2024 (Audited)					
Cash and balances with Qatar					
Central Bank	-	-	3,453,248	3,453,248	3,453,248
Due from banks	-	-	8,598,849	8,598,849	8,598,849
Investment securities:					
- Measured at fair value	757	298,006	-	298,763	298,763
- Measured at amortised cost	-	-	7,125,834	7,125,834	7,017,670
Other assets (excluding non-financial assets)	8,687	-	28,055	36,742	36,742
	<u>9,444</u>	<u>298,006</u>	<u>19,205,986</u>	<u>19,513,436</u>	<u>19,405,272</u>
Due to banks	-	-	5,186,376	5,186,376	5,186,376
Customers' current accounts	-	-	6,290,275	6,290,275	6,290,275
Sukuk financing	-	-	2,797,713	2,797,713	2,797,713
Other liabilities	11,260	-	1,000,629	1,011,889	1,011,889
Quasi-equity	-	-	35,093,051	35,093,051	35,093,051
	<u>11,260</u>	<u>-</u>	<u>50,368,044</u>	<u>50,379,304</u>	<u>50,379,304</u>
31 March 2024 (Reviewed)					
	<i>Fair value through income statement</i> QR '000	<i>Fair value through equity</i> QR '000	<i>Amortised cost</i> QR '000	<i>Total carrying amount</i> QR '000	<i>Fair value</i> QR '000
Cash and balances with Qatar					
Central Bank	-	-	2,508,345	2,508,345	2,508,345
Due from banks	-	-	13,878,936	13,878,936	13,878,936
Investment securities:					
- Measured at fair value	772	302,778	-	303,550	303,550
- Measured at amortised cost	-	-	7,534,098	7,534,098	7,394,585
Other assets (excluding non-financial assets)	2,923	-	39,851	42,774	42,774
	<u>3,695</u>	<u>302,778</u>	<u>23,961,230</u>	<u>24,267,703</u>	<u>24,128,190</u>
Due to banks	-	-	10,574,245	10,574,245	10,574,245
Customers' current accounts	-	-	6,421,368	6,421,368	6,421,368
Sukuk financing	-	-	1,838,340	1,838,340	1,838,340
Other liabilities	3,965	-	1,630,497	1,634,462	1,634,462
Quasi-equity	-	-	33,281,567	33,281,567	33,281,567
	<u>3,965</u>	<u>-</u>	<u>53,746,017</u>	<u>53,749,982</u>	<u>53,749,982</u>

The fair value of financial assets and liabilities carried at amortised cost are equal to the carrying value except for investment securities carried at amortised cost with a carrying value of QR 6,793 million (31 December 2024: QR 7,126 million, 31 March 2024: QR 7,534 million) for which the fair value amounts to QR 6,705 million (31 December 2024: QR 7,018 million, 31 March 2024: QR 7,395 million).

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

Valuation of financial investments

The Group measures fair value using the following fair value hierarchy that reflects the significant inputs used in making the measurement valuation technique:

- Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations. For all other financial instruments the Group determines fair values using valuation techniques.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark profit rates, credit spreads and other premia used in estimating discount rates, sukuk and equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations. The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instrument at the reporting date, that would have been determined by market participants acting at arm's length.

Financial investments classification

The table below analyses investment securities measured at fair value at the end of the period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	<i>Fair value measurement using</i>			<i>Total QR'000</i>
	<i>Quoted prices in active markets (Level 1) QR'000</i>	<i>Significant observable inputs (Level 2) QR'000</i>	<i>Significant unobservable inputs (Level 3) QR'000</i>	
31 March 2025 (Reviewed)				
- Quoted equity-type investments classified as fair value through income statement	700	-	-	700
- Quoted equity-type investments classified as fair value through equity	293,434	-	-	293,434
- Unquoted equity-type investments classified as fair value through equity	-	-	6,301	6,301

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4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

	<i>Fair value measurement using</i>			<i>Total QR'000</i>
	<i>Quoted prices in active markets (Level 1) QR'000</i>	<i>Significant observable inputs (Level 2) QR'000</i>	<i>Significant unobservable inputs (Level 3) QR'000</i>	
<i>31 December 2024 (Audited)</i>				
- Quoted equity-type investments classified as fair value through income statement	757	-	-	757
- Quoted equity-type investments classified as fair value through equity	291,895	-	-	291,895
- Unquoted equity-type investments classified as fair value through equity	-	-	6,111	6,111
<i>31 March 2024 (Reviewed)</i>				
- Quoted equity-type investments classified as fair value through income statement	772	-	-	772
- Quoted equity-type investments classified as fair value through equity	297,222	-	-	297,222
- Unquoted equity-type investments classified as fair value through equity	-	-	5,556	5,556

There have been no transfers between level 1 and level 2 during the periods ended 31 March 2025 and 2024 and the year ended 31 December 2024.

Details of the Group's classification of financial investments are given in note 7.

5 DUE FROM BANKS

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Mudaraba placements	2,692,739	1,323,127	3,223,524
Commodity Murabaha receivable	5,235,128	7,018,167	10,254,588
Current accounts	357,037	135,826	110,663
Accrued profit	92,557	122,256	291,480
	8,377,461	8,599,376	13,880,255
Allowance for expected credit losses of due from banks (stages 1 and 2)	(559)	(527)	(1,319)
Total	8,376,902	8,598,849	13,878,936

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6 FINANCING ASSETS

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Murabaha and Musawama	36,893,793	35,951,000	34,110,109
Ijarah Muntahia Bittamleek	5,661,561	5,968,154	5,680,837
Istisn'a	89,121	88,251	89,774
Mudaraba	517,507	517,378	573,661
Others	286,675	434,225	291,751
Accrued Profit	337,223	337,329	340,647
Total financing assets	43,785,880	43,296,337	41,086,779
Less: Deferred profit	(1,848,688)	(1,908,476)	(1,844,760)
Allowance for expected credit losses (stages 1 and 2)	(784,014)	(708,404)	(590,187)
Allowance for credit impairment (stage 3)	(1,187,445)	(1,246,332)	(1,086,570)
Suspended profit	(108,220)	(106,960)	(103,096)
Net financing assets	39,857,513	39,326,165	37,462,166

Total carrying amount of Istisn'a contracts under processing is QR 53 million as at 31 March 2025 (31 March 2024: 82 million; 31 December 2024: QR 62 million).

During the period, the Group had written off fully provided bad debts after meeting conditions stipulated in the instructions of QCB amounting to QR 8 million as at 31 March 2025 (31 March 2024: QR 140 thousand; 31 December 2024: QR 2.37 million).

The total non-performing financing assets net of deferred profit at 31 March 2025 amounted to QR 1,226 million, representing 2.92% of the gross financing assets (31 March 2024: QR 1,256 million, representing 3.20%; 31 December 2024: QR 1,356 million, representing 3.28%).

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7 INVESTMENT SECURITIES

	31 March 2025 (Reviewed)		31 December 2024 (Audited)		31 March 2024 (Reviewed)		
	Quoted QR'000	Unquoted QR'000	Quoted QR'000	Unquoted QR'000	Quoted QR'000	Unquoted QR'000	Total QR'000
Investments classified at fair value through income statement							
- Equity-type investments	700	-	757	-	772	-	772
	700	-	757	-	772	-	772
Debt-type investments classified at amortised cost							
- State of Qatar Sukuk	-	4,260,517	-	4,470,393	-	5,197,444	5,197,444
- Fixed rate	2,477,063	-	2,592,144	-	2,264,323	-	2,264,323
- Accrued profit	34,629	30,975	26,302	47,183	58,848	28,205	87,053
- Less: allowance for expected credit losses (stage 1 and 2)	(10,630)	-	(10,188)	-	(14,722)	-	(14,722)
	2,501,062	4,291,492	2,608,258	4,517,576	2,308,449	5,225,649	7,534,098
Equity-type investments classified at fair value through equity							
	293,434	6,301	299,735	6,111	297,222	5,556	302,778
Total	2,795,196	4,297,793	7,092,989	4,523,687	2,606,443	5,231,205	7,837,648

Notes:

- (i) The fair value of the investments carried at amortized cost as at 31 March 2025 amounted to QR 6,705 million (31 March 2024: QR 7,395 million; 31 December 2024: QR 7,018 million).
- (ii) The fair value hierarchy and the transfers between categories of fair value hierarchy are disclosed in note 4.
- (iii) The carrying value of investment securities pledged under repurchase agreement (REPO) is QR 510 million (31 March 2024: QR 672 million; 31 December 2024: QR Nil).

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8 DUE TO BANKS

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Wakala payable	3,413,370	4,884,971	10,236,290
Current accounts	216,849	225,579	233,610
Profit payable	48,534	75,826	104,345
Total	3,678,753	5,186,376	10,574,245

9 SUKUK FINANCING

Instrument	Issued amount QR'000	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
QIIB Senior Oryx	2,731,125	2,761,625	2,797,713	1,838,340
Total balance		2,761,625	2,797,713	1,838,340

The financing assets backing the Sukuk as at 31 March 2025 and 31 December 2024 are Murabaha.

10 QUASI EQUITY

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Term accounts	27,570,567	27,491,089	26,254,702
Savings accounts	8,076,287	7,602,477	7,022,496
	35,646,854	35,093,566	33,277,198
Reserves attributable to quasi-equity	542	(515)	4,369
Total	35,647,396	35,093,051	33,281,567

All participatory investment accounts are unrestricted balances as of 31 March 2025, 31 December 2024, and 31 March 2024.

11 SHARE CAPITAL

	<i>Number of shares (thousand)</i>		
	<i>31 March 2025 (Reviewed)</i>	<i>31 December 2024 (Audited)</i>	<i>31 March 2024 (Reviewed)</i>
Issued and fully paid*	1,513,687	1,513,687	1,513,687

*Issued and fully paid capital of QR 1,514 million comprises 1,514 million shares with a nominal value of QR 1 each (December 2024 and March 2024: QR 1,514 million comprises 1,514 million shares with a nominal value of QR 1 each).

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12 LEGAL RESERVE

In accordance with QCB Law No. 13 of 2012 as amended, 10% of net profit for the year is required to be transferred to the reserve until the legal reserve equals 100% of the paid up share capital. This reserve is not available for distribution except in circumstances specified in Qatar Commercial Companies Law No. 11 of 2015 as amended by law number 8 of 2021 and after QCB approval. No appropriation was made as the legal reserve equal more than 100% of the paid up share capital.

13 RISK RESERVE

In accordance with QCB regulations, the minimum requirement for risk reserve is 2.5% of the total private and public sector exposure granted by the Group inside and outside Qatar after the exclusion of the specific provisions and profit in suspense. The finance provided to / or secured by the Ministry of Finance – Qatar or finance against cash guarantees is excluded from the gross direct finance.

14 OTHER RESERVES

Other reserves represent the undistributed share of associates profits after deducting the cash dividends received.

Movements in the undistributed share of associates profit are as follows:

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Balance at 1 January	83,856	81,974	81,974
Undistributed profit of associates of the period/year	1,783	3,352	283
Dividend received from associates	(1,470)	(1,470)	(1,470)
Total	84,169	83,856	80,787

15 CASH DIVIDENDS PAID TO THE SHAREHOLDERS

On 18 March 2025 the General Assembly of shareholders approved cash dividends of 27% of the paid up share capital amounting to QR 409 million which took the total cash dividend for the year ended 31 December 2024 to 50% of paid up share capital amounting to QR 757 million (2023: 45% of paid up share capital amounting to QR 681 million).

16 SUKUK ELIGIBLE AS ADDITIONAL CAPITAL

During the year 2016, the Group issued perpetual sukuk eligible as additional capital for an amount of QR 1 billion. The sukuk is unsecured and the profit distributions are discretionary, non –cumulative, payable annually, with a fixed profit rate for the first five years which will be revised upon the completion of the initial five years' period. The Group has the right not to pay profit and the sukuk holders have no right to claim profit on the sukuk. The sukuk does not have a maturity date and has been classified as an equity.

In 2024, the Group issued additional perpetual, unsecured, subordinated sukuk eligible as additional tier 1 capital amounting to USD 300 million listed on the London Stock Exchange. The payment of profit for these sukuk is non-cumulative, and are made at the discretion of QIIB. The Group has the right not to pay profit on these sukuk, and the sukuk holders will have no claim with respect to non-payment. The applicable profit rate have a reset date as per the terms of the agreement of the issued sukuku. The sukuk does not have a fixed maturity date. The Group classified the sukuk as equity.

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17 BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares outstanding during the period.

	<i>For the three-month period ended 31 March</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Profit for the period attributable to the shareholders of the Bank	<u>356,355</u>	<u>335,188</u>
Weighted average number of shares outstanding during the period (Note 11)	<u>1,513,687</u>	<u>1,513,687</u>
Basic earnings per share (QR)	<u>0.24</u>	<u>0.22</u>

There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share is equal to the basic earnings per share.

18 CASH AND CASH EQUIVALENTS

For the purpose of preparing the interim consolidated statement of cash flows, cash and cash equivalents comprise the following balances with original maturities of less than three months:

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Cash and balances with Qatar Central Bank (excluding restricted QCB reserve account)	<u>827,638</u>	1,579,488	580,574
Due from banks	<u>4,115,876</u>	<u>3,541,036</u>	<u>5,153,778</u>
	<u>4,943,514</u>	<u>5,120,524</u>	<u>5,734,352</u>

The cash reserve with Qatar Central Bank is excluded as it is not used in the day-to-day operations of the Group.

19 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
a) Contingent liabilities			
Unused financing facilities	<u>4,434,650</u>	4,467,771	5,862,497
Guarantees	<u>5,037,433</u>	5,056,389	5,800,721
Letters of credit	<u>272,065</u>	274,044	343,106
Others	<u>185</u>	-	13,220
	<u>9,744,333</u>	<u>9,798,204</u>	<u>12,019,544</u>
b) Commitments			
Forward foreign exchange promissory contracts	<u>1,891,567</u>	2,926,224	2,108,760
	<u>1,891,567</u>	<u>2,926,224</u>	<u>2,108,760</u>
Total	<u>11,635,900</u>	<u>12,724,428</u>	<u>14,128,304</u>

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20 RELATED PARTIES TRANSACTIONS

Parties are considered to be related if one party have the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the shareholders who can control or exercise significant influence over the Group, associates of the Group and entities over which the Group and the shareholders (who have the ability to exercise their influence over the Group) exercise significant influence and others include shari'a supervisory members and any entity in which Board of Directors owns a sufficient holding of its voting ownership, in addition to directors and executive management of the Group.

The amount outstanding/transactions during the period/year with members of the Board or the companies in which they have significant interests were as follows:

	31 March 2025 (Reviewed)		31 December 2024 (Audited)		31 March 2024 (Reviewed)		
	Associate companies QR '000	Board of Directors QR '000	Associate companies QR '000	Board of Directors QR '000	Associate companies QR '000	Board of Directors QR '000	Others QR '000
Assets:							
Gross financing assets	45	1,212,489	65	1,214,392	104	1,266,732	38,098
Quasi equity	15,197	338,833	27,217	348,554	22,254	290,815	483,052
Off balance sheet items:							
Contingent liabilities and commitments	35	11,855	118	13,956	91	12,921	29,807

	For the three-month period ended 31 March 2025 (Reviewed)			For the three-month period ended 31 March 2024 (Reviewed)		
	Associate companies QR '000	Board of Directors QR '000	Others QR '000	Associate companies QR '000	Board of Directors QR '000	Others QR '000
Consolidated statement of income items:						
Income from financing activities	1	19,142	411	1	21,217	737
Profit paid on deposits	136	3,065	5,113	266	3,911	467

Qatar International Islamic Bank (Q.P.S.C.)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

20 RELATED PARTIES TRANSACTIONS (CONTINUED)

Transactions with key management personnel

Key management personnel compensation for the period comprised:

	<i>For the three-month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Short term benefits	4,550	4,155
Long term benefits	523	466
	5,073	4,621

Key management personnel with the Group during the period as follows:

	<i>For the three-month period ended 31 March</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Mortgage and other secured financing	2,179	1,992
Credit cards	141	133
	2,320	2,125

21 REGULATORY DISCLOSURES

Capital Adequacy Ratio

The Group's policy is to maintain a strong capital base so as to ensure investor, creditor and market confidence and to sustain future development of the business. The impact of the level of capital on shareholders' return is also recognised and the Group recognises the need to maintain a balance between the higher returns that might be possible with greater gearing and the advantages and security afforded by a sound capital position.

The Group and its individually regulated operations have complied with all externally imposed capital requirements throughout the year.

As per Qatar Central Bank regulations, the capital adequacy ratio of the Group is calculated in accordance with the new Basel III guidelines starting from the period ended 31 March 2024. QCB has considered the Group as domestic systemically important bank (DSIB), therefore, the Group is now subject to a 0.5% DSIB charge.

The Group's regulatory capital position under new Basel III and QCB regulations as follows:

	<i>31 March 2025</i>	<i>31 December 2024</i>	<i>31 March 2024</i>
	<i>(Reviewed)</i>	<i>(Audited)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>	<i>QR'000</i>
Tier 1 capital	9,510,111	9,180,803	9,131,081
Tier 2 capital	564,960	564,897	586,105
Total eligible capital	10,075,071	9,745,700	9,717,186

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

21 REGULATORY DISCLOSURES (CONTINUED)

Risk weighted assets

	<i>31 March 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>31 March 2024 (Reviewed) QR'000</i>
Risk weighted assets for credit risk	44,807,246	44,961,630	46,700,001
Risk weighted assets for market risk	2,901,434	2,896,307	2,992,179
Risk weighted assets for operational risk	2,828,705	2,714,654	2,714,654
Total risk weighted assets	50,537,385	50,572,591	52,406,834
Regulatory Capital	10,075,071	9,745,700	9,717,186
Common Equity Tier 1 (CET 1) Capital Adequacy Ratio	14.68%	14.02%	13.43%
Total Capital Adequacy Ratio	19.94%	19.27%	18.54%

	CET 1 ratio with DSIB buffer without capital conservation buffer	CET 1 ratio including capital conservation buffer and DSIB buffer	Tier 1 capital ratio including capital conservation buffer and DSIB buffer	Total capital including capital conservation buffer	Total capital including capital conservation buffer and DSIB buffer	Total capital including conservation buffer, DSIB buffer and ICAAP Pillar II capital charge
2025						
Actual	14.68%	14.68%	18.82%	19.94%	19.94%	19.94%
Minimum limit as per QCB	6.50%	9.00%	11.00%	12.50%	13.00%	14.93%
2024						
Actual	14.02%	14.02%	18.15%	19.27%	19.27%	19.27%
Minimum limit as per QCB	6.50%	9.00%	11.00%	12.50%	13.00%	14.93%

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

22 FINANCIAL RISK MANAGEMENT

22.1 Exposures subject to credit risk

Exposures and movement of expected credit loss / impairment allowances:

	31 March 2025			Total QR '000	31 December 2024 QR '000
	Stage 1 QR '000	Stage 2 QR '000	Stage 3 QR '000		
Exposures subject to ECL					
Due from banks	8,353,933	23,528	-	8,377,461	8,599,376
Debt-type investments classified at amortised cost	6,628,861	174,323	-	6,803,184	7,136,022
Financing assets*	36,325,870	4,385,410	1,225,912	41,937,192	41,387,861
Off balance sheet exposures subject to credit risk	9,486,288	428,035	14,959	9,929,282	9,798,204
	60,794,952	5,011,296	1,240,871	67,047,119	66,921,463
*Net of deferred profits					
Opening balance of expected credit losses / impairment losses as at 1 January 2025					
Due from banks	512	15	-	527	1,242
Debt-type investments classified at amortised cost	3,754	6,434	-	10,188	15,584
Financing assets	272,086	436,318	1,246,332	1,954,736	1,623,779
Off balance sheet exposures subject to credit risk	90,142	27,226	14,939	132,307	84,843
Net transfer between stages					
Due from banks	-	-	-	-	-
Debt-type investments classified at amortised cost	4	(4)	-	-	-
Financing assets	(19,508)	18,469	1,039	-	-
Off balance sheet exposures subject to credit risk	(88)	88	-	-	-
	(19,592)	18,553	1,039	-	-

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three-month period ended 31 March 2025

22 FINANCIAL RISK MANAGEMENT (CONTINUED)

22.1 Exposures subject to credit risk (continued)

	31 March 2025				31 March 2024 QR'000
	Stage 1 QR'000	Stage 2 QR'000	Stage 3 QR'000	Total QR'000	
Write off					
Financing assets	-	-	(7,819)	(7,819)	(43)
Transfers for the period					
Financing assets	-	-	1,669	1,669	-
Off balance sheet exposures subject to credit risk	-	-	(1,669)	(1,669)	-
Charge / (reversal) for the period (net)					
Due from banks	31	1	-	32	77
Debt-type investments classified at amortised cost	717	(275)	-	442	(862)
Financing assets	67,679	8,970	(54,633)	22,016	52,169
Recovery /Reclassification from off-balance sheet to on balance sheet	-	-	857	857	852
Off balance sheet exposures subject to credit risk	15,630	4,919	1,689	22,238	(7,656)
	<u>84,057</u>	<u>13,615</u>	<u>(52,087)</u>	<u>45,585</u>	<u>44,580</u>
Closing balance of expected credit losses / impairment losses - as at 31 March					
Due from banks	543	16	-	559	1,319
Debt-type investments classified at amortised cost	4,475	6,155	-	10,630	14,722
Financing assets	320,257	463,757	1,187,445	1,971,459	1,676,757
Off balance sheet exposures subject to credit risk	105,684	32,233	14,959	152,876	77,187
	<u>430,959</u>	<u>502,161</u>	<u>1,202,404</u>	<u>2,135,524</u>	<u>1,769,985</u>

23 COMPARATIVE INFORMATION

Certain comparative figures have been reclassified where necessary, to conform with current period presentation. Such reclassifications did not affect the previously reported profit or equity.