

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

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

30 June 2025

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

CONTENTS	PAGE(S)
Independent auditor's review report	1
Interim condensed consolidated financial statements:	
Interim consolidated statement of financial position	2
Interim consolidated statement of income	3
Interim consolidated statement of comprehensive income	4
Interim consolidated statement of income and attribution related to quasi-equity	5
Interim consolidated statement of changes in owners' equity	6
Interim consolidated statement of cash flows	7
Notes to the interim condensed consolidated financial statements	8 – 26



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

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

Introduction

We have reviewed the accompanying 30 June 2025 interim condensed consolidated financial statements of Qatar International Islamic Bank (Q.P.S.C.) (the "Bank") and its subsidiaries (together the "Group"), which comprise:

- the interim consolidated statement of financial position as at 30 June 2025;
- the interim consolidated statement of income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of income and attribution related to quasi-equity for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of changes in owners' equity for the six-month period ended 30 June 2025;
- the interim consolidated statement of cash flows for the six-month period ended 30 June 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 30 June 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.

20 July 2025
Doha
State of Qatar

Gopal Balasubramaniam
KPMG
Qatar Auditor's Registry Number 251
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Auditor's License No. 120153



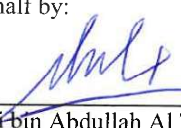
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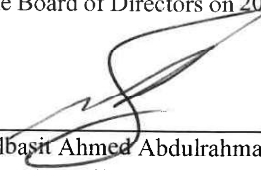
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

		30 June 2025 (Reviewed) QR'000	31 December 2024 (Audited) QR'000	30 June 2024 (Reviewed) QR'000
ASSETS				
Cash and balances with Qatar Central Bank		2,612,286	3,453,248	2,389,927
Due from banks	5	9,550,866	8,598,849	10,016,127
Financing assets	6	38,960,102	39,326,165	38,560,582
Investment securities	7	8,153,225	7,424,597	7,109,253
Investment in associates		138,493	135,050	152,755
Investment properties		603,122	616,259	628,566
Fixed assets		227,099	227,728	223,552
Intangible assets		40,326	42,159	43,129
Other assets		288,731	155,353	162,738
TOTAL ASSETS		60,574,250	59,979,408	59,286,629
LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY				
LIABILITIES				
Due to banks	8	4,675,927	5,186,376	6,689,210
Customers' current accounts		6,383,658	6,290,275	6,410,708
Sukuk financing	9	2,797,189	2,797,713	1,862,223
Other liabilities		1,087,880	1,011,889	906,111
TOTAL LIABILITIES		14,944,654	15,286,253	15,868,252
QUASI-EQUITY				
Participatory investment accounts	10	35,808,811	35,093,566	34,007,409
Reserves attributable to quasi-equity	10	3,177	(515)	4,541
TOTAL QUASI-EQUITY		35,811,988	35,093,051	34,011,950
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		1,686	(274)	2,455
Foreign currency translation reserve		8,814	(1,696)	(644)
Other reserves	14	18,177	83,856	81,537
Retained earnings		2,779,861	2,509,148	2,378,409
<i>Equity attributable to shareholders of the Bank</i>		7,725,158	7,507,654	7,313,977
Sukuk eligible as additional capital	16	2,092,450	2,092,450	2,092,450
TOTAL OWNERS' EQUITY		9,817,608	9,600,104	9,406,427
TOTAL LIABILITIES, QUASI-EQUITY AND OWNERS' EQUITY		60,574,250	59,979,408	59,286,629
CONTINGENT LIABILITIES AND COMMITMENTS				
	19	12,412,660	12,724,428	13,273,035

The interim condensed consolidated financial statements were approved by the Board of Directors on 20 July 2025 and were signed on its behalf by:


 Dr. Khalid bin Thani bin Abdullah Al Thani
 Chairman


 Dr. Abdulbasit Ahmed 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 and six-month periods ended 30 June 2025

	<i>For the three-month period ended 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>(Reviewed) QR'000</i>	<i>(Reviewed) QR'000</i>	<i>(Reviewed) QR'000</i>	<i>(Reviewed) QR'000</i>
	<i>Note</i>			
Income from financing activities	661,069	650,201	1,314,903	1,266,311
Net income from investing activities	167,861	218,335	342,409	466,096
Finance expenses	(71,704)	(116,831)	(151,533)	(255,357)
Total income from financing and investing activities, net of finance expenses	757,226	751,705	1,505,779	1,477,050
Fee and commission income	128,167	117,916	239,390	223,257
Fee and commission expense	(31,381)	(33,785)	(66,008)	(58,735)
Net fee and commission income	96,786	84,131	173,382	164,522
Net foreign exchange gain	13,692	22,647	23,583	38,171
Net share of results of investment in associates	1,414	537	3,197	829
TOTAL INCOME	869,118	859,020	1,705,941	1,680,572
Staff expenses	(48,792)	(46,331)	(93,709)	(91,491)
Depreciation of fixed assets and amortisation of intangible assets	(6,456)	(5,733)	(12,719)	(11,416)
Other expenses	(49,068)	(47,868)	(94,320)	(87,609)
TOTAL EXPENSES	(104,316)	(99,932)	(200,748)	(190,516)
Net impairment (losses) / reversals on due from banks	(47)	307	(79)	230
Net impairment reversals / (losses) on investment securities	379	(56)	(63)	806
Net impairment losses on financing assets	(112,285)	(65,815)	(134,301)	(117,984)
Impairment loss on investment in associate	-	-	(6,956)	-
Net impairment (losses) / reversals on off balance sheet exposures subject to credit risk	(7,529)	3,946	(29,767)	11,602
NET PROFIT FOR THE PERIOD BEFORE RETURN TO QUASI-EQUITY	645,320	697,470	1,334,027	1,384,710
Less: Net profit attributable to quasi-equity	(312,549)	(377,595)	(644,901)	(729,647)
NET PROFIT FOR THE PERIOD	332,771	319,875	689,126	655,063
BASIC AND DILUTED EARNINGS PER SHARE (QR PER SHARE)	0.17	0.16	0.41	0.38



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 and six-month periods ended 30 June 2025

	<i>For the three-month period ended 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
NET PROFIT FOR THE PERIOD	332,771	319,875	689,126	655,063
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	4,512	283	6,166	(183)
Items that are or maybe reclassified subsequently to consolidated statement of income				
Exchange difference arising on translation of foreign operations	5,163	915	10,510	(644)
Net change in the share of other comprehensive income of investment in associates	(101)	(66)	(142)	36
Share in the reserve attributable to quasi-equity	(2,635)	(172)	(3,692)	(140)
TOTAL OTHER COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	6,939	960	12,842	(931)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	339,710	320,835	701,968	654,132



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 and six-month periods ended 30 June 2025

	<i>For the three-month period ended 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Net profit for the period before return to quasi-equity	645,320	697,470	1,334,027	1,384,710
Less: Income not attributable to quasi-equity	(226,614)	(241,591)	(462,506)	(485,941)
Net profit attributable to quasi-equity before the Bank's share as Mudarib	418,706	455,879	871,521	898,769
Less: Bank's share as Mudarib	(376,836)	(410,291)	(784,369)	(808,892)
Add: Support provided by the Bank	270,679	332,007	557,749	639,770
NET PROFIT ATTRIBUTABLE TO QUASI-EQUITY	312,549	377,595	644,901	729,647
OTHER COMPREHENSIVE INCOME				
Items that are or may subsequently be classified to statement of income				
Share in the reserve attributable to quasi-equity	2,635	172	3,692	140
TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD	2,635	172	3,692	140
TOTAL PROFIT ATTRIBUTABLE TO QUASI-EQUITY	315,184	377,767	648,593	729,787



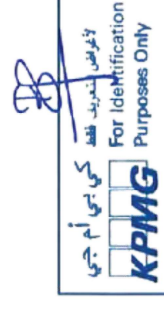
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Qatar International Islamic Bank (Q.P.S.C.)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

For the six-month period ended 30 June 2025

	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	-	-	-	-	-	-	689,126	-	689,126
Other comprehensive income for the period	-	-	-	2,332	10,510	-	-	-	12,842
Total comprehensive income for the period	-	-	-	2,332	10,510	-	689,126	-	701,968
Cash dividend paid to shareholders	-	-	-	-	-	-	(408,695)	-	(408,695)
Dividend appropriation to Sukuk eligible as Additional Tier 1 Capital	-	-	-	-	-	-	(75,769)	-	(75,769)
Net movement in other reserves	-	-	-	-	-	(65,679)	65,679	-	-
Other movement	-	-	-	(372)	-	-	372	-	-
Balance at 30 June 2025 (Reviewed)	1,513,687	2,452,360	950,573	1,686	8,814	18,177	2,779,861	2,092,450	9,817,608
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	-	-	-	-	-	-	655,063	-	655,063
Other comprehensive loss for the period	-	-	-	(287)	(644)	-	-	-	(931)
Total comprehensive income for the period	-	-	-	(287)	(644)	-	655,063	-	654,132
Cash dividend paid to shareholders	-	-	-	-	-	-	(681,159)	-	(681,159)
Dividend appropriation to Sukuk eligible as Additional Tier 1 Capital	-	-	-	-	-	-	(72,628)	-	(72,628)
Net movement in other reserves	-	-	-	-	-	(437)	437	-	-
Balance at 30 June 2024 (Reviewed)	1,513,687	2,452,360	886,173	2,455	(644)	81,537	2,378,409	2,092,450	9,406,427



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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2025

	<i>For the six-month period ended 30</i>	
	<i>June</i>	
	<i>2025</i>	<i>2024</i>
<i>Note</i>	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Cash flows from operating activities		
Net profit for the period	689,126	655,063
<i>Adjustments for:</i>		
Net impairment losses on financing assets	134,301	117,984
Net impairment losses / (reversals) on investment securities	63	(806)
Impairment loss on investment in associate	6,956	-
Net impairment losses / (reversals) on off balance sheet exposures subject to credit risk	29,767	(11,602)
Net impairment losses / (reversals) on due from banks	79	(230)
Gains on disposal of fixed assets	(45)	(9)
Depreciation of investment properties	14,514	14,264
Depreciation of fixed assets and amortisation of intangible assets	12,719	11,416
Gain on sale of investments securities	-	(207)
Dividend income	(6,375)	(427)
Net share of results of investment in associates	(3,197)	(829)
Fair value losses / (gains) on investment security carried at fair value through income statement	94	(209)
Sukuk amortisation	(3,415)	(4,675)
Employees' end of service benefits	7,653	3,491
Profit before changes in operating assets and liabilities	882,240	783,224
Working capital changes:		
Cash reserve with Qatar Central Bank	(42,752)	57,802
Due from banks	890,699	1,012,513
Financing assets	231,762	(2,179,129)
Other assets	(133,378)	12,010
Due to banks	(510,449)	(2,778,468)
Customers' current accounts	93,383	29,036
Other liabilities	34,259	(75,721)
	1,445,764	(3,138,733)
Employees' end of service benefits paid	(1,258)	(2,685)
Net cash flows generated from / (used in) operating activities	1,444,506	(3,141,418)
Cash flows from investing activities		
Acquisition of investment securities	(1,273,517)	(1,870,963)
Proceeds from sale / redemption of investment securities	561,172	2,624,759
Acquisition of fixed assets	(4,051)	(1,858)
Acquisition of intangible assets	(6,206)	(18,184)
Acquisition of investment in properties	(1,377)	(444)
Proceeds from sale of fixed assets	45	9
Dividends received from investment in associates	1,470	1,470
Dividend income	6,375	427
Net cash flows (used in) / generated from investing activities	(716,089)	735,216
Cash flows from financing activities		
Dividend appropriation to Sukuk eligible as additional Tier 1 capital	(75,769)	(72,628)
Change in quasi-equity	715,245	1,459,601
Cash dividends paid to shareholders	(408,812)	(682,545)
Net settlement of sukuk financing	-	(910,375)
Net cash flows generated from / (used in) financing activities	230,664	(205,947)
Net increase / (decrease) in cash and cash equivalents	959,081	(2,612,149)
Cash and cash equivalents at 1 January	5,120,524	5,376,338
Cash and cash equivalents at 30 June	6,079,605	2,764,189

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 six-month period ended 30 June 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’a Rules and Principles as determined by the Shari’a Supervisory Board of the Group and regulations of QCB.

The reviewed interim condensed consolidated financial statements of the Group for the period ended 30 June 2025 were authorized for issuance in accordance with a resolution of the Board of Directors on 20 July 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. 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 six-month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

2 BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

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 at fair value through income statement.

(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.

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.

2 BASIS OF PREPARATION (CONTINUED)

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

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 six-month period ended 30 June 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.

<i>Six-month ended 30 June 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	742,871	572,032	190,876	1,505,779
Net fee and commission income	92,534	80,848	-	173,382
Net foreign exchange gain	-	-	23,583	23,583
Net share of results of investment in associates	-	-	3,197	3,197
Total segment income	835,405	652,880	217,656	1,705,941
Net impairment losses on due from banks	-	-	(79)	(79)
Net impairment losses on investments securities	-	-	(63)	(63)
Net impairment losses on financing assets	(123,527)	(10,774)	-	(134,301)
Impairment loss on investment in associate	-	-	(6,956)	(6,956)
Net impairment losses on off balance sheet exposures subject to credit risk	(29,767)	-	-	(29,767)
Net profit attributable to quasi-equity	(300,558)	(344,343)	-	(644,901)
Reportable segment net profit before non- segmented expenses	381,553	297,763	210,558	889,874

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

3 SEGMENT INFORMATION (CONTINUED)

<i>Six-month ended 30 June 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	770,566	495,745	210,739	1,477,050
Net fee and commission income	100,362	64,160	-	164,522
Net foreign exchange gain	-	-	38,171	38,171
Net share of results of investment in associates	-	-	829	829
Total segment income	870,928	559,905	249,739	1,680,572
Net impairment reversals on due from banks	-	-	230	230
Net impairment reversals on investments securities	-	-	806	806
Net impairment losses on financing assets	(90,911)	(27,073)	-	(117,984)
Net impairment reversals on off balance sheet exposures subject to credit risk	11,602	-	-	11,602
Net profit attributable to quasi-equity	(362,259)	(367,388)	-	(729,647)
Reportable segment net profit before non-segmented expenses	429,360	165,444	250,775	845,579
	<i>Corporate banking QR'000</i>	<i>Personal banking QR'000</i>	<i>Treasury & Investments QR'000</i>	<i>Total QR'000</i>
30 June 2025 (Reviewed)				
Reportable segment assets	24,173,859	14,786,243	18,619,313	57,579,415
Reportable segment liabilities and quasi-equity	15,568,039	26,627,607	7,473,116	49,668,762
	<i>Corporate banking QR'000</i>	<i>Personal banking QR'000</i>	<i>Treasury & Investments QR'000</i>	<i>Total QR'000</i>
31 December 2024 (Audited)				
Reportable segment assets	24,684,640	14,641,525	17,886,800	57,212,965
Reportable segment liabilities and quasi-equity	15,991,770	25,391,556	7,984,089	49,367,415

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

3 SEGMENT INFORMATION (CONTINUED)

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

	<i>For the six-month period ended 30 June</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Reportable segment net profit before allocation of expenses	889,874	845,579
Unallocated expenses	(200,748)	(190,516)
Consolidated net profit for the period	689,126	655,063
	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>
Assets		
Total assets for reportable segments	57,579,415	57,212,965
Other unallocated amounts	2,994,835	2,766,443
Consolidated total assets	60,574,250	59,979,408
Liabilities and quasi-equity		
Total liabilities and quasi-equity for reportable segments	49,668,762	49,367,415
Other unallocated amounts	1,087,880	1,011,889
Consolidated total liabilities and quasi-equity	50,756,642	50,379,304

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>Fair value through income statement QR'000</i>	<i>Fair value through OCI QR'000</i>	<i>Amortised cost QR'000</i>	<i>Total carrying amount QR'000</i>	<i>Fair value QR'000</i>
<i>30 June 2025 (Reviewed)</i>					
Cash and balances with Qatar					
Central Bank	-	-	2,612,286	2,612,286	2,612,286
Due from banks	-	-	9,550,866	9,550,866	9,550,866
Investment securities:					
- Measured at fair value	663	361,982	-	362,645	362,645
- Measured at amortised cost	-	-	7,790,580	7,790,580	7,698,370
Other assets (excluding non-financial assets)	15,017	-	41,578	56,595	56,595
	15,680	361,982	19,995,310	20,372,972	20,280,762
Due to banks	-	-	4,675,927	4,675,927	4,675,927
Customers' current accounts	-	-	6,383,658	6,383,658	6,383,658
Sukuk financing	-	-	2,797,189	2,797,189	2,797,189
Other liabilities	16,190	-	1,071,690	1,087,880	1,087,880
Quasi-equity	-	-	35,811,988	35,811,988	35,811,988
	16,190	-	50,740,452	50,756,642	50,756,642

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

	<i>Fair value through income statement</i> QR'000	<i>Fair value through OCI</i> QR'000	<i>Amortised cost</i> QR'000	<i>Total carrying amount</i> QR'000	<i>Fair value</i> QR'000
<i>31 December 2024 (Audited)</i>					
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>
<i>30 June 2024 (Reviewed)</i>					
Cash and balances with Qatar					
Central Bank	-	-	2,389,927	2,389,927	2,389,927
Due from banks	-	-	10,016,127	10,016,127	10,016,127
Investment securities:					
- Measured at fair value	909	27,036	-	27,945	27,945
- Measured at amortised cost	-	-	7,081,308	7,081,308	6,925,350
Other assets (excluding non-financial assets)	3,457	-	25,798	29,255	29,255
	<u>4,366</u>	<u>27,036</u>	<u>19,513,160</u>	<u>19,544,562</u>	<u>19,388,604</u>
Due to banks	-	-	6,689,210	6,689,210	6,689,210
Customers' current accounts	-	-	6,410,708	6,410,708	6,410,708
Sukuk financing	-	-	1,862,223	1,862,223	1,862,223
Other liabilities	3,610	-	902,501	906,111	906,111
Quasi-equity	-	-	34,011,950	34,011,950	34,011,950
	<u>3,610</u>	<u>-</u>	<u>49,876,592</u>	<u>49,880,202</u>	<u>49,880,202</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 7,791 million (31 December 2024: QR 7,126 million, 30 June 2024: QR 7,081 million) for which the fair value amounts to QR 7,698 million (31 December 2024: QR 7,018 million, 30 June 2024: QR 6,925 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>	
30 June 2025 (Reviewed)				
- Quoted equity-type investments classified as FVTIS	663	-	-	663
- Quoted equity-type investments classified as FVTOCI	355,402	-	-	355,402
- Unquoted equity-type investments classified as FVTOCI	-	-	6,580	6,580

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

	<i>Fair value measurement using</i>			<i>Total</i> <i>QR'000</i>
	<i>Quoted</i> <i>prices in</i> <i>active</i> <i>markets</i> <i>(Level 1)</i> <i>QR'000</i>	<i>Significant</i> <i>observable</i> <i>inputs</i> <i>(Level 2)</i> <i>QR'000</i>	<i>Significant</i> <i>unobservable</i> <i>inputs</i> <i>(Level 3)</i> <i>QR'000</i>	
<i>31 December 2024 (Audited)</i>				
- Quoted equity-type investments classified as FVTIS	757	-	-	757
- Quoted equity-type investments classified as FVTOCI	291,895	-	-	291,895
- Unquoted equity-type investments classified as FVTOCI	-	-	6,111	6,111
<i>30 June 2024 (Reviewed)</i>				
- Quoted equity-type investments classified as FVTIS	909	-	-	909
- Quoted equity-type investments classified as FVTOCI	21,056	-	-	21,056
- Unquoted equity-type investments classified as FVTOCI	-	-	5,980	5,980

FVTIS – Fair value through income statement

FVTOCI - Fair value through other comprehensive income

There have been no transfers between level 1 and level 2 during the periods ended 30 June 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>30 June</i> <i>2025</i> <i>(Reviewed)</i> <i>QR'000</i>	<i>31 December</i> <i>2024</i> <i>(Audited)</i> <i>QR'000</i>	<i>30 June</i> <i>2024</i> <i>(Reviewed)</i> <i>QR'000</i>
Mudaraba placements	4,845,249	1,323,127	2,960,638
Commodity Murabaha receivable	4,437,841	7,018,167	6,670,015
Current accounts	174,435	135,826	113,484
Accrued profit	93,947	122,256	273,002
	<u>9,551,472</u>	<u>8,599,376</u>	<u>10,017,139</u>
Allowance for expected credit losses of due from banks (Stages 1 and 2)	(606)	(527)	(1,012)
Total	<u>9,550,866</u>	<u>8,598,849</u>	<u>10,016,127</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

6 FINANCING ASSETS

	30 June 2025 (Reviewed) QR'000	31 December 2024 (Audited) QR'000	30 June 2024 (Reviewed) QR'000
Murabaha and Musawama	36,596,303	35,951,000	35,458,586
Ijarah Muntahia Bittamleek	5,033,378	5,968,154	5,502,215
Istisn'a	94,506	88,251	87,564
Mudaraba	517,819	517,378	577,985
Others	413,990	434,225	318,584
Accrued Profit	336,982	337,329	315,347
Total financing assets	42,992,978	43,296,337	42,260,281
Less: Deferred profit	(1,872,764)	(1,908,476)	(1,851,408)
Allowance for expected credit losses (Stages 1 and 2)	(939,849)	(708,404)	(588,823)
Allowance for credit impairment (Stage 3)	(1,140,355)	(1,246,332)	(1,153,378)
Suspended profit	(79,908)	(106,960)	(106,090)
Net financing assets	38,960,102	39,326,165	38,560,582

Total carrying amount of Istisn'a contracts under processing is QR 47 million as at 30 June 2025 (30 June 2024: 78 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 13.6 million as at 30 June 2025 (30 June 2024: QR 1.4 million; 31 December 2024: QR 2.37 million).

The total non-performing financing assets net of deferred profit at 30 June 2025 amounted to QR 1,220 million, representing 2.97% of the gross financing assets (30 June 2024: QR 1,331 million, representing 3.29%; 31 December 2024: QR 1,356 million, representing 3.28%).

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

7 INVESTMENT SECURITIES

	30 June 2025 (Reviewed)		31 December 2024 (Audited)		30 June 2024 (Reviewed)	
	Quoted QR'000	Unquoted QR'000	Quoted QR'000	Unquoted QR'000	Quoted QR'000	Unquoted QR'000
<i>Investments classified at fair value through income statement</i>						
- Equity-type investments	663	-	757	-	909	-
	663	-	757	-	909	-
<i>Debt-type investments classified at amortised cost</i>						
- State of Qatar Sukuk	-	4,875,969	-	4,470,393	-	4,748,782
- Fixed rate	2,839,470	-	2,592,144	-	2,262,199	-
- Accrued profit	28,456	56,936	26,302	47,183	38,237	46,868
- Less: allowance for expected credit losses (Stage 1 and 2)	(10,244)	(7)	(10,188)	-	(14,778)	-
	2,857,682	4,932,898	2,608,258	4,517,576	2,285,658	4,795,650
<i>Equity-type investments classified at fair value through OCI</i>						
	355,402	6,580	291,895	6,111	21,056	5,980
Total	3,213,747	4,939,478	2,900,910	4,523,687	2,307,623	4,801,630
Total	3,213,747	8,153,225	2,900,910	7,424,597	2,307,623	7,109,253

Notes:

- (i) The fair value of the investments carried at amortized cost as at 30 June 2025 amounted to QR 7,698 million (30 June 2024: QR 6,925 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 509 million (30 June 2024: QR 672 million; 31 December 2024: QR Nil).

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

8 DUE TO BANKS

	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
Wakala payable	4,410,924	4,884,971	6,363,711
Current accounts	222,871	225,579	220,927
Profit payable	42,132	75,826	104,572
Total	4,675,927	5,186,376	6,689,210

9 SUKUK FINANCING

Instrument	Issued amount	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
QIIB Senior Oryx	2,731,125	2,797,189	2,797,713	1,862,223
Total balance		2,797,189	2,797,713	1,862,223

The financing assets backing the Sukuk as at 30 June 2025, 31 December 2024 and 30 June 2024 are Murabaha.

10 QUASI EQUITY

	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
Term accounts	27,465,104	27,491,089	26,905,193
Savings accounts	8,343,707	7,602,477	7,102,216
	35,808,811	35,093,566	34,007,409
Reserves attributable to quasi-equity	3,177	(515)	4,541
Total	35,811,988	35,093,051	34,011,950

All participatory investment accounts are unrestricted balances as of 30 June 2025, 31 December 2024, and 30 June 2024.

11 SHARE CAPITAL

	<i>Number of shares</i>		
	<i>30 June 2025 (Reviewed)</i>	<i>31 December 2024 (Audited)</i>	<i>30 June 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 June 2024: QR 1,514 million comprises 1,514 million shares with a nominal value of QR 1 each).

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

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 and investment derecognized (including disposal, impaired or written off).

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

	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
Balance at 1 January	83,856	81,974	81,974
Undistributed profit of associates of the period / year	3,197	3,352	1,033
Dividend received from associates	(1,470)	(1,470)	(1,470)
Other movement	(67,406)	-	-
Total	18,177	83,856	81,537

15 CASH DIVIDENDS PROPOSED TO THE SHAREHOLDERS

The Board of Directors have approved an interim cash dividend in respect of the six month period ended 30 June 2025 of 24% of the paid up share capital amounting to QR 363 million (2024: 23% of the paid up share capital amounting to QR 348 million). This is in accordance with Qatar Financial Markets Authority (QFMA) Board Decision No. 7 of 2023.

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 has a reset date as per the terms of the agreement of the issued sukuk. The sukuk does not have a fixed maturity date. The Group classified the sukuk as equity.

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

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 30 June</i>		<i>For the six-month period ended 30 June</i>	
	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>	<i>2025 (Reviewed) QR'000</i>	<i>2024 (Reviewed) QR'000</i>
Net profit for the period attributable to the shareholders of the Bank	332,771	319,875	689,126	655,063
Less: Profit attributable to Sukuk eligible as additional capital	(75,769)	(72,628)	(75,769)	(72,628)
Profit for EPS computation	257,002	247,247	613,357	582,435
Weighted average number of shares outstanding during the period (Note 11)	1,513,687	1,513,687	1,513,687	1,513,687
Basic and diluted earnings per share (QR)	0.17	0.16	0.41	0.38

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

	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
Cash and balances with Qatar Central Bank (excluding restricted QCB reserve account)	695,774	1,579,488	552,678
Due from banks	5,383,831	3,541,036	2,211,511
	<u>6,079,605</u>	<u>5,120,524</u>	<u>2,764,189</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>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
a) Contingent liabilities			
Unused financing facilities	5,535,040	4,467,771	5,403,668
Guarantees	5,059,106	5,056,389	5,320,123
Letters of credit	249,565	274,044	341,113
	<u>10,843,711</u>	<u>9,798,204</u>	<u>11,064,904</u>
b) Commitments			
Forward foreign exchange promissory contracts	1,568,949	2,926,224	2,208,131
	<u>1,568,949</u>	<u>2,926,224</u>	<u>2,208,131</u>
	<u>12,412,660</u>	<u>12,724,428</u>	<u>13,273,035</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

20 RELATED PARTIES TRANSACTIONS

Parties are considered to be related if one party has 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:

	30 June 2025 (Reviewed)		31 December 2024 (Audited)		30 June 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
Assets:						
Gross financing assets	41	1,217,848	58	1,214,392	63	1,253,262
Participatory investment accounts	16,753	355,299	91,351	348,554	24,139	307,005
Off balance sheet items:						
Contingent liabilities and commitments	122	11,183	1,029	13,956	35	11,266
				501,696		482,171
				35,086		29,422

For the six-month period ended 30 June 2025

For the six-month period ended 30 June 2024

	For the six-month period ended 30 June 2025 (Reviewed)		For the six-month period ended 30 June 2024 (Reviewed)	
	Associate companies QR'000	Board of Directors QR'000	Associate companies QR'000	Board of Directors QR'000
Consolidated statement of income items:				
Income from financing activities	1	34,252	411	42,326
Profit paid on deposits	248	6,393	7,995	7,712
			2	1,327
			540	7,363

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

20 RELATED PARTIES TRANSACTIONS (CONTINUED)

Transactions with key management personnel

Key management personnel compensation for the period comprised:

	<i>For the six-month period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Reviewed)</i>	<i>(Reviewed)</i>
	<i>QR'000</i>	<i>QR'000</i>
Short term benefits	9,100	8,274
Long term benefits	1,046	933
	<u>10,146</u>	<u>9,207</u>

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

	<i>For the six-month period ended 30 June</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	2,378	1,768
Credit cards	199	277
	<u>2,577</u>	<u>2,045</u>

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 have complied with all externally imposed capital requirements throughout the period / 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>30 June</i>	<i>31 December</i>	<i>30 June</i>
	<i>2025</i>	<i>2024</i>	<i>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	9,413,943	9,180,803	9,014,182
Tier 2 capital	569,847	564,897	566,850
Total eligible capital	<u>9,983,790</u>	<u>9,745,700</u>	<u>9,581,032</u>

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the six-month period ended 30 June 2025

21 REGULATORY DISCLOSURES (CONTINUED)

Risk weighted assets

	<i>30 June 2025 (Reviewed) QR'000</i>	<i>31 December 2024 (Audited) QR'000</i>	<i>30 June 2024 (Reviewed) QR'000</i>
Risk weighted assets for credit risk	45,224,525	44,961,630	45,231,434
Risk weighted assets for market risk	2,750,232	2,896,307	3,074,294
Risk weighted assets for operational risk	2,828,705	2,714,654	2,714,654
Total risk weighted assets	50,803,462	50,572,591	51,020,382
Regulatory Capital	9,983,790	9,745,700	9,581,032
Common Equity Tier 1 (CET 1) Capital Adequacy Ratio	14.41%	14.02%	13.57%
Total Capital Adequacy Ratio	19.65%	19.27%	18.78%

	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
30 June 2025 (Reviewed)						
Actual	14.41%	14.41%	18.53%	19.65%	19.65%	19.65%
Minimum limit as per QCB	6.50%	9.00%	11.00%	12.50%	13.00%	14.93%
31 December 2024 (Audited)						
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%

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
As at and for the six-month period ended 30 June 2025

22 FINANCIAL RISK MANAGEMENT (CONTINUED)

22.1 Exposures subject to credit risk (continued)

	30 June 2025 (Reviewed)				30 June 2024 (Reviewed) QR '000
	Stage 1 QR '000	Stage 2 QR '000	Stage 3 QR '000	Total QR '000	
Write off					
Financing assets	-	-	(12,570)	(12,570)	(1,067)
Transfers for the period					
Financing assets	-	-	2,569	2,569	-
Off balance sheet exposures subject to credit risk	-	-	(2,569)	(2,569)	-
Charge / (reversal) for the period (net)					
Due from banks	77	2	-	79	(230)
Debt-type investments classified at amortised cost	674	(611)	-	63	(806)
Financing assets	207,148	25,610	(98,457)	134,301	117,984
Recovery /Reclassification from off-balance sheet to on balance sheet	-	-	1,168	1,168	1,505
Off balance sheet exposures subject to credit risk	14,028	14,049	1,690	29,767	(11,602)
	221,927	39,050	(95,599)	165,378	106,851
Closing balance of expected credit losses / impairment losses - as at 30 June					
Due from banks	589	17	-	606	1,012
Debt-type investments classified at amortised cost	4,432	5,819	-	10,251	14,778
Financing assets	450,247	489,602	1,140,355	2,080,204	1,742,201
Off balance sheet exposures subject to credit risk	104,079	41,366	14,060	159,505	73,241
	559,347	536,804	1,154,415	2,250,566	1,831,232

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.