



بنك قطر الأول
QFB

Qatar First Bank LLC (Public)
Investor Presentation
November 2020

Profile

Qatar First Bank L.L.C. (Public) “QFB”, a leading Shari’ah compliant bank based in Qatar, offers investment opportunities and innovative financial solutions with local, regional and international reach.

QFB, listed on the Qatar Stock Exchange provides a wide range of products and services including alternative investments focused on private equity and real estate, private banking and wealth management, corporate and institutional banking, as well as treasury and investments.

With a clear strategy, highly experienced team, and solid shareholder base, QFB is a trusted advisor for high-net-worth individuals, corporate and institutional clients and a gateway to opportunities in Qatar, the region and global markets.

Facts:

- Established in 2008 as Qatar First Investment Bank, and started operations in 2009 with initial focus on principal investments in equity and real estate. Building on its successful investments, the Bank expanded its offering to banking and wealth management services.
- Qatar First Investment Bank was rebranded to Qatar First Bank (QFB) to become the first Shari’a compliant private bank in Qatar exclusively focused on catering to the banking needs of its elite private clients and their businesses, while offering access to unique investment opportunities and capabilities.
- The Bank with an authorized share capital of QAR 2.5bn and a paid up capital of QAR 0.7 bn (after capital reduction) is licensed and regulated by the Qatar Financial Centre Regulatory Authority (QFCRA)



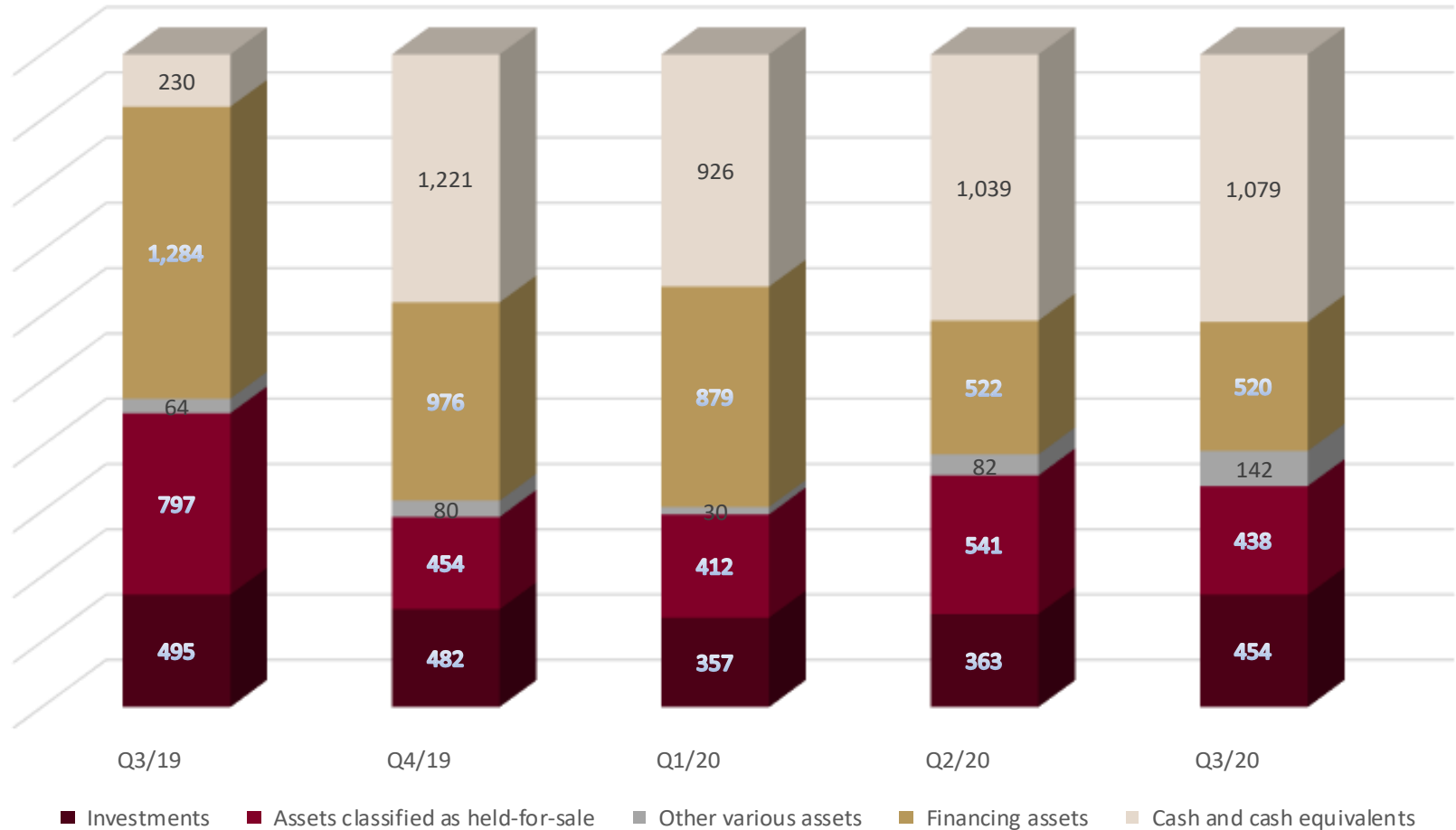
Snapshot on results of Q3 2020

QoQ ANALYSIS

Profitability	Net loss for the third quarter 2020 stood at QAR -20.2 million	Total expenses decreased by -10% to QAR 20 million
	Total income/ (loss) of the third quarter stood at QAR 16 million	Return on equity* for Q3 stood at -4.1%
Financial position	Total assets increased by 3.4% to QAR 2.6 billion	Total deposits increased by 7% to QAR 1.9 billion
	Total cash and bank increased by 3.9% to QAR 1.1 billion	Financing assets to deposits stood at 27.9%

*Attributable to the shareholders

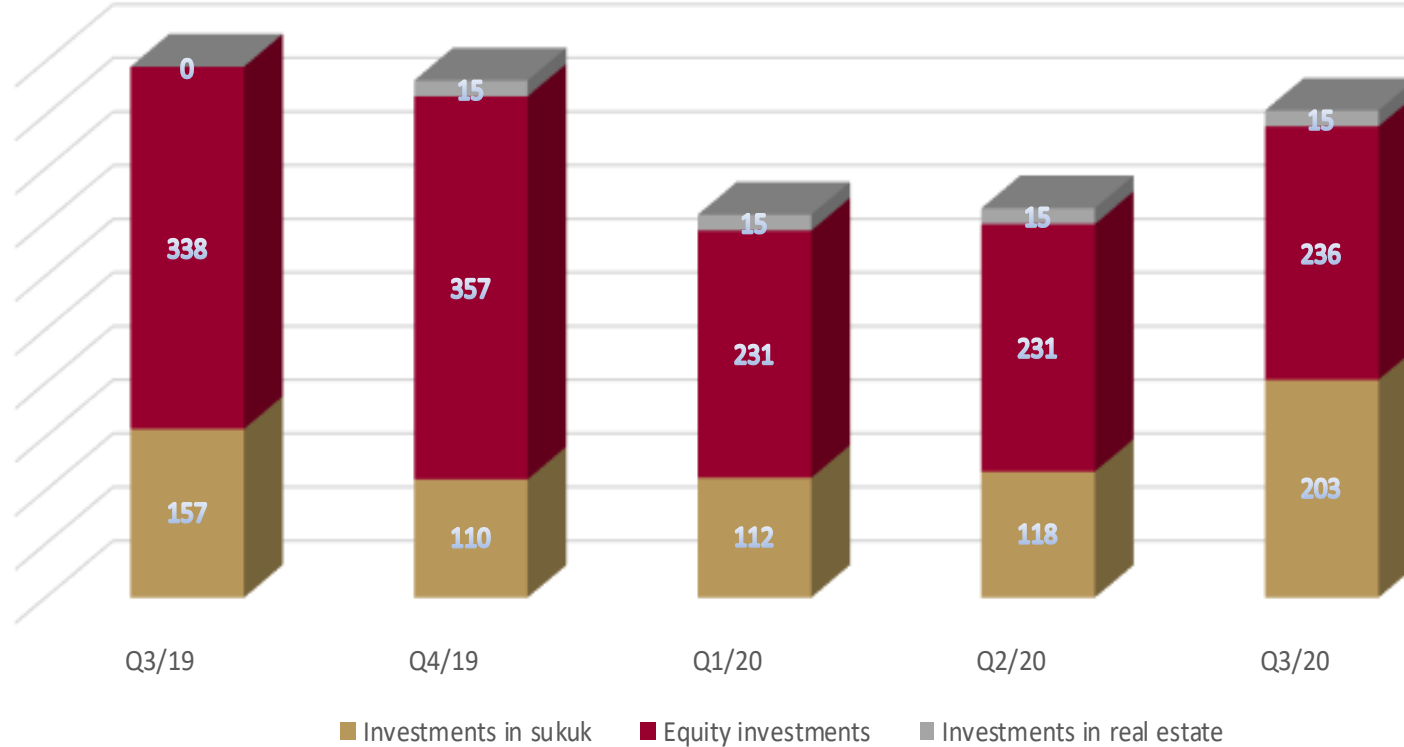
Asset Mix



Key Highlights

- Financing assets decreased from QAR 1.3B to QAR 0.5B due to the Bank's strategy to focus more on products
- Bank's liquidity has been improved from QAR 0.2B to 1B

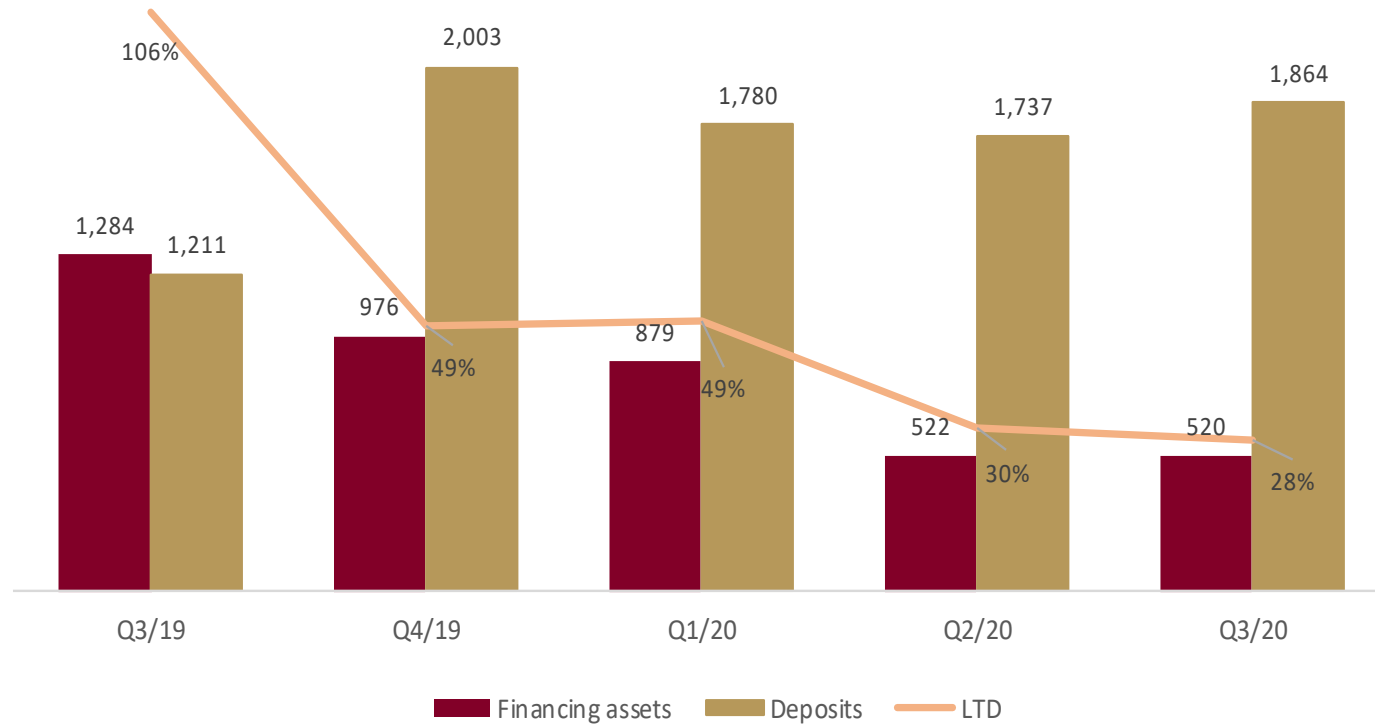
Investment



Key Highlights

- Over the period, the Bank was able to decrease its exposure to equity investments
- To stabilize Bank's future income stream the Bank has invested further in additional sukuk of QAR 85M in Q3 2020.

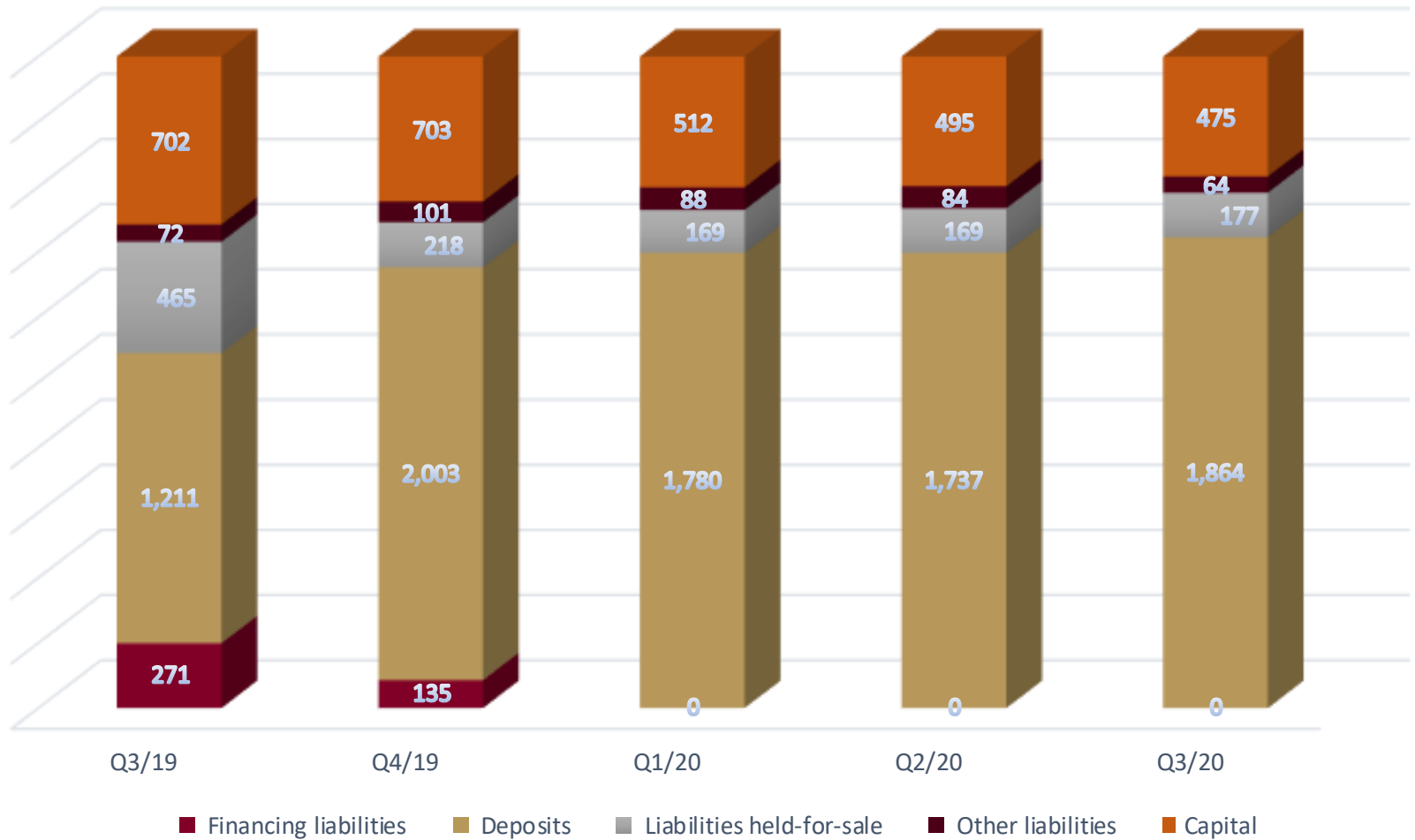
Financing Asset and Customer Deposits



Key Highlights

- Financing assets decreased from QAR 1.3B to QAR 0.5B due to the Bank's strategy to focus more on products
- The Bank's deposit base stabilized over the period

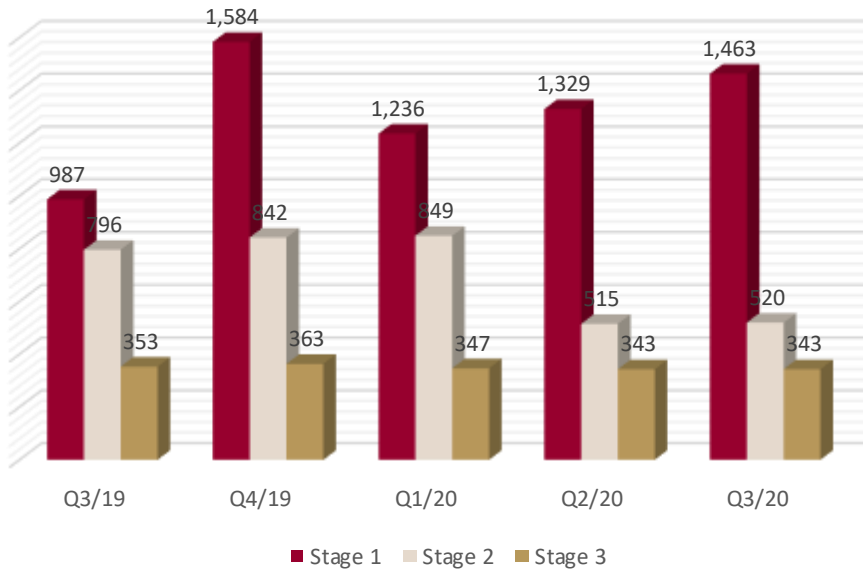
Funding Mix



Key Highlights

- The Bank's deposit base stabilized over the period

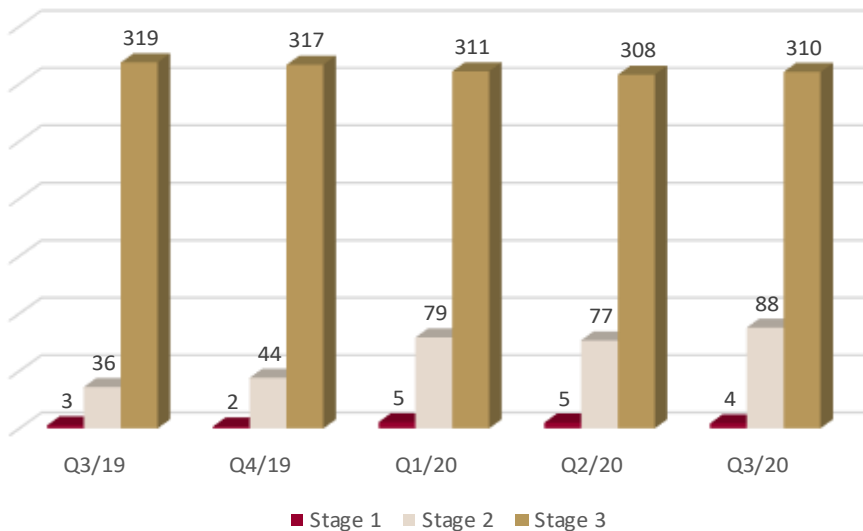
Exposure at Default



Key Highlights

- As at 30 Sep 2020, the Bank's stage 1, 2 and 3 credit exposures comprised of 62%, 22% and 15% total credit exposure, respectively

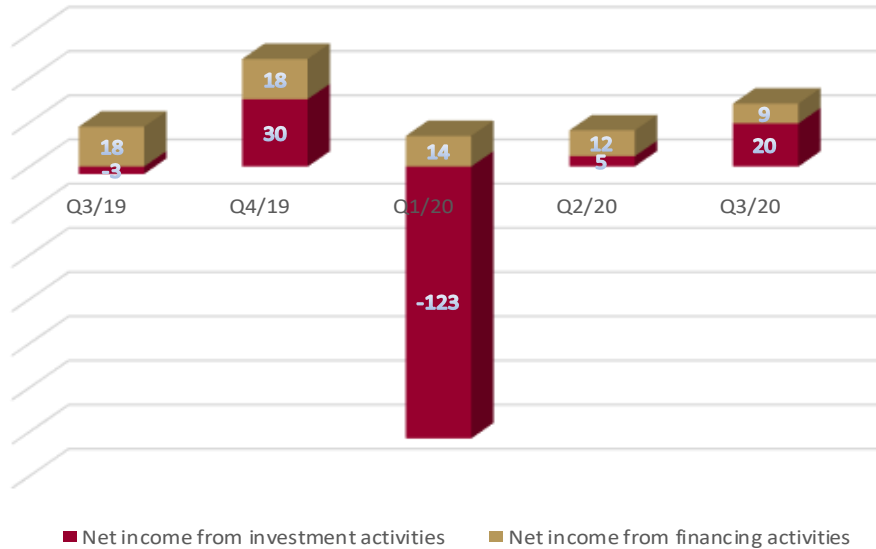
Expect Credit Loss



Key Highlights

- As at 30 Sep 2020, the Bank's provisions for stage 1, 2 and 3 credit exposures stood at 0.3%, 17% and 90% total credit exposure, respectively

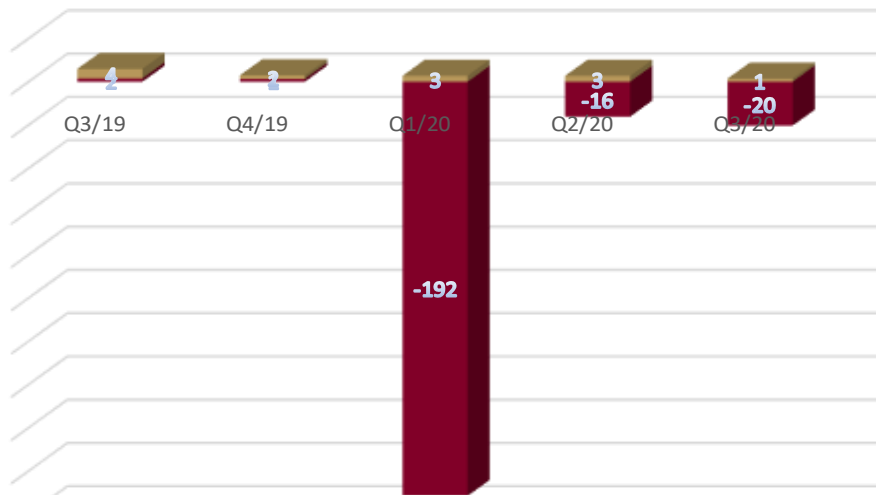
Main income stream analysis



Key Highlights

- Net financing income dropped over the period mainly due to early settlements of financing assets
- Investment income dropped to negative QAR 123 M in Q1 2020 mainly due to Covid 19 impact
- Investment income in Q2 and Q3 has increased mainly due to sukuk income and exchange rate fluctuations

Net Income



Key Highlights

- Net loss attributable to QFB shareholders dropped to a loss of QAR 192 million, mainly due to Covid 19 impact

Key Highlights

- Available investment product of North 90 Corporate Campus located in Seattle Washington was fully syndicated to customers;
- The Bank successfully syndicated 75.6% of Investment product of 14460 Varsity Brands way to its customers;
- Financing assets of QAR 339 million was early settled at carrying amount, thereby boosting the Bank's liquidity;
- QFB continued implementing a cost rationalization initiative to decrease its total costs, alongside implementing a risk-adjusted income-generating strategy to enhance its returns and shareholder value.

QFB acquires BSN Sports' HQ Building “Varsity Brands”

QFB completed a USD\$41million acquisition of Varsity Brands, a three story, 135,000 square foot building in Texas, USA. Varsity Brands marks QFB’s fifth investment in the US real estate market and has been fully syndicated to the Bank’s clients.

Varsity Brands currently serves as the headquarters for BSN sports, which is the leading marketer, manufacturer and distributor of sporting goods apparel and equipment in USA. BSN Sports, markets and distributes its products to over 100,000 institutional and team sports customers in colleges and universities, middle and high schools, and recreational programs throughout the United States via catalog, e-commerce, and direct sales

The Property expands within a land size of 8.41 AC with 600+ plus employees working including sales, customer support, and corporate executives. Property was awarded LEED silver certification in early 2019 and is located 11 miles north of downtown Dallas and within the larger Dallas- Fort worth metropolitan area.



Consolidated Balance Sheet

ASSETS	30-Sep-20	30-Jun-20	Change	
	QAR'M	QAR'M	QAR'M	%
Cash and cash equivalents	1,078.9	1,038.8	40.1	3.9%
Due from banks	-	-	-	0.0%
Investments carried at amortised cost	203.2	117.5	85.7	72.9%
Financing assets	520.5	522.0	(1.5)	-0.3%
Equity investments	236.2	230.8	5.3	2.3%
Investments in real estate	14.8	14.8	-	0.0%
Fixed assets	1.1	0.5	0.6	114.1%
Intangible assets	6.0	6.7	(0.6)	-9.5%
Assets held-for-sale	437.5	540.7	(103.2)	-19.1%
Other assets	135.0	74.8	60.2	80.4%
TOTAL ASSETS	2,633.2	2,546.7	86.5	3.4%
Liabilities				
Financing liabilities	-	-	-	0.0%
Customers' balances	182.7	136.2	46.5	34.1%
Liabilities held-for-sale	176.7	169.0	7.6	4.5%
Other liabilities	63.9	84.4	(20.5)	-24.2%
Total Liabilities	423.3	389.6	33.6	8.6%
Equity of Unrestricted Investment Account Holders	1,681.1	1,601.0	80.1	5.0%
Shareholders' Equity				
Share capital	700.0	700.0	-	0.0%
Share premium	0.2	0.2	-	0.0%
(Accumulated losses) / Retained earnings	(225.0)	(204.8)	(20.2)	9.9%
Total Shareholders' Equity	475.2	495.4	(20.2)	-4.1%
Non-controlling interest	53.7	60.7	(7.0)	-11.6%
TOTAL LIABILITIES AND EQUITY	2,633.2	2,546.7	86.5	3.4%

All amounts are in QAR million

Profit & loss Statement

Income	Q3-2020	Q2-2020	Change	
	QAR'M	QAR'M	QAR'M	%
Income from financing assets	9.0	11.7	(2.7)	-23%
Fee income	1.3	0.5	0.8	158%
Loss on re-measurement of investments at fair value through income statement	5.3	0.3	5.1	1859%
Dividend income	0.4	1.4	(1.0)	-73%
Profit on investments carried at amortised cost	1.6	1.5	0.1	6%
Income from placements with financial institutions	0.5	1.6	(1.1)	-66%
Gain on disposal of investments carried at amortised cost	-	-	-	0%
Gain / (loss) on disposal of equity investments	11.7	-	11.7	100%
Gain on disposal of subsidiaries	-	-	-	0%
Loss on early settlement of financing assets	-	-	-	0%
Other income, net	(1.9)	(2.4)	0.5	-22%
Total Income Before Return To Unrestricted Investment Account Holder	28.0	14.5	13.5	93%
Return to unrestricted investment account holders	(12.0)	(14.1)	2.1	-15%
Total Income	16.0	0.4	15.5	3682%
Expenses				
Staff costs	(10.3)	(10.2)	(0.2)	2%
Financing costs	-	-	-	0%
Depreciation, amortisation and impairment charge	(0.80)	(0.78)	(0.0)	2%
Other operating expenses	(8.9)	(11.2)	2.4	-21%
Total expenses	(20.0)	(22.2)	2.2	-10%
Provision for impairment on financing assets, net of recoveries	(12.8)	5.9	(18.7)	-319%
Provision for impairment on other financial assets	(2.9)	(0.2)	(2.8)	1823%
NET LOSS FROM CONTINUING OPERATIONS	(19.8)	(16.1)	(3.8)	23%
Income from discontinued operations, net of tax	1.0	2.7	(1.6)	-62%
NET LOSS FOR THE YEAR	(18.8)	(13.4)	(5.4)	40%
Attributable to:				
Equity holders of the Bank	(20.2)	(16.1)	(4.1)	26%
Non-controlling interest	1.4	2.7	(1.3)	-47%
	(18.8)	(13.4)	(5.4)	40%

All amounts are in QAR million

