



# Qatar First Bank

Investor Presentation  
for the period ending 30 Sep 2021

# 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)



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Snapshot on result of Q3 2021

# Snapshot on results of Q3 2021

## Comparative analysis YoY

Profitability	Net profit* for the nine-month of 2021 stood at <b>QAR 62 million</b> vs. loss of QAR 228 million in 9m of 2020	Total expenses for the nine-month reduced by -24% to <b>QAR 63.4 million</b>
	Total income for the nine-month stood at <b>QAR 168.1 million</b> vs. negative total income of QAR 82 million in 9m of 2020	Return on equity** for the nine-month stood at <b>15.2%</b>
Financial position	Total assets remain stable at <b>QAR 2.66 billion</b>	Total deposits have reduced by -30% to <b>QAR 1.3 billion</b>
	Total cash and bank decreased over 2020 by -12.1% to <b>QAR 0.95 billion</b>	Financing assets to deposits stood at <b>31.0%</b>

\*Attributable to the shareholders

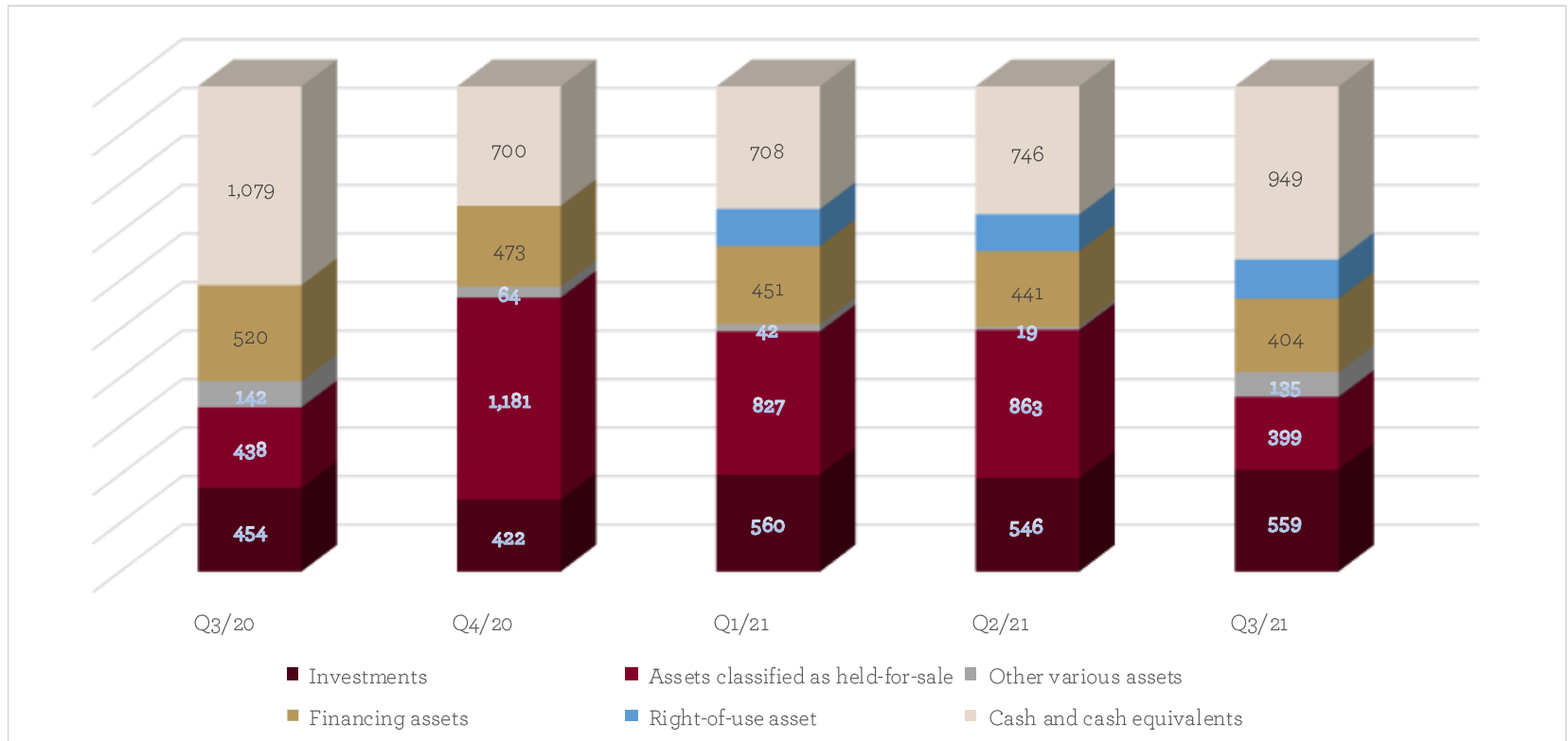
\*\*Nine-month profit is annualised

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Overall Financial Performance

# Asset Mix

Amount in QAR million

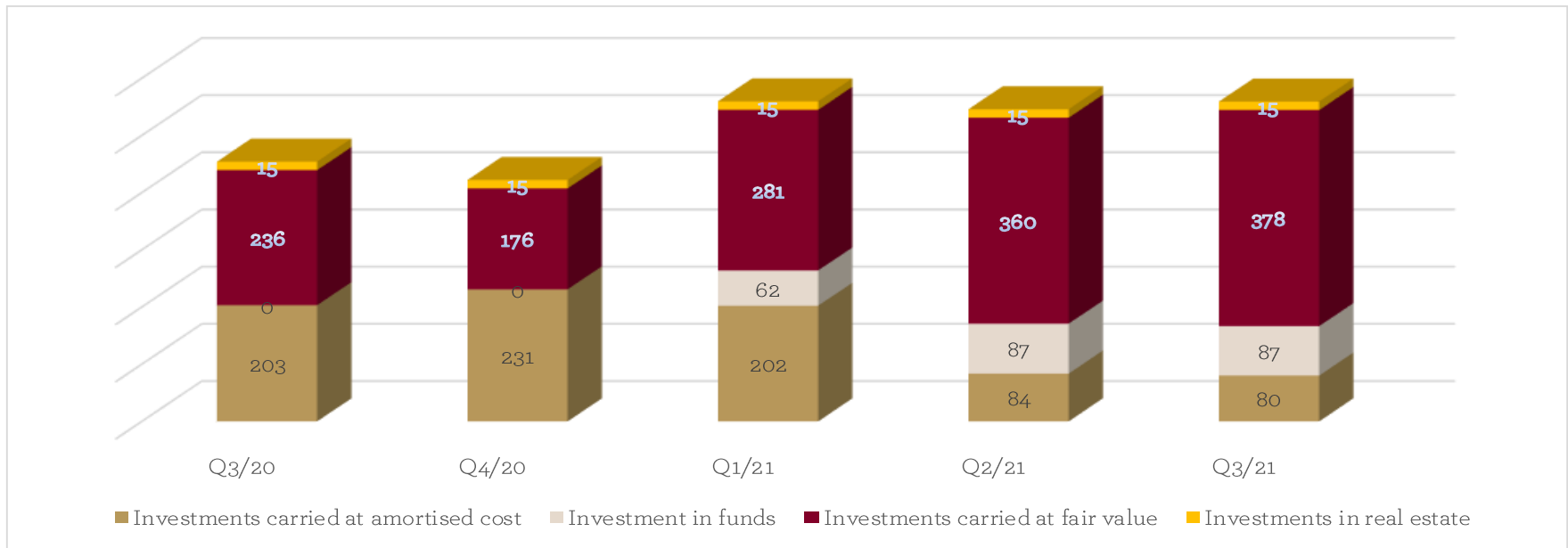


## Key Highlights

- Decrease in assets classified as held-for-sale is on account of Banks model of buying into real estate products and their subsequent syndication
- Financing assets reduced from QAR 441 Mn to QAR 404 Mn due to the Bank's strategy to reduce exposure on the financing assets and focus on other core investment products

# Investments

Amount in QAR million

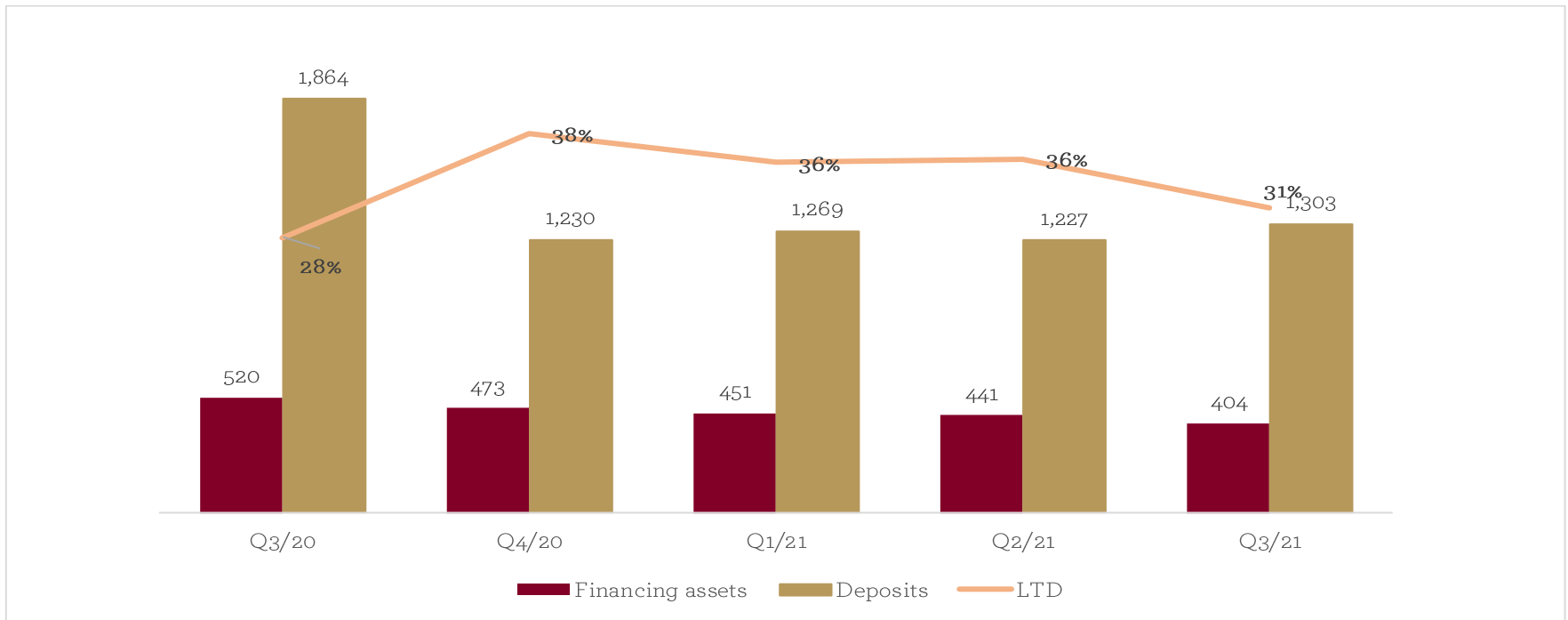


## Key Highlights

- Over the 9m period, the Bank was able to successfully exit some of its private equity investments
- To stabilize the future stream of income, the Bank added sukuk & sukuk funds of QAR 117Mn during the 9M period of 2021

# Financing Asset and Customer Deposits

Amount in QAR million

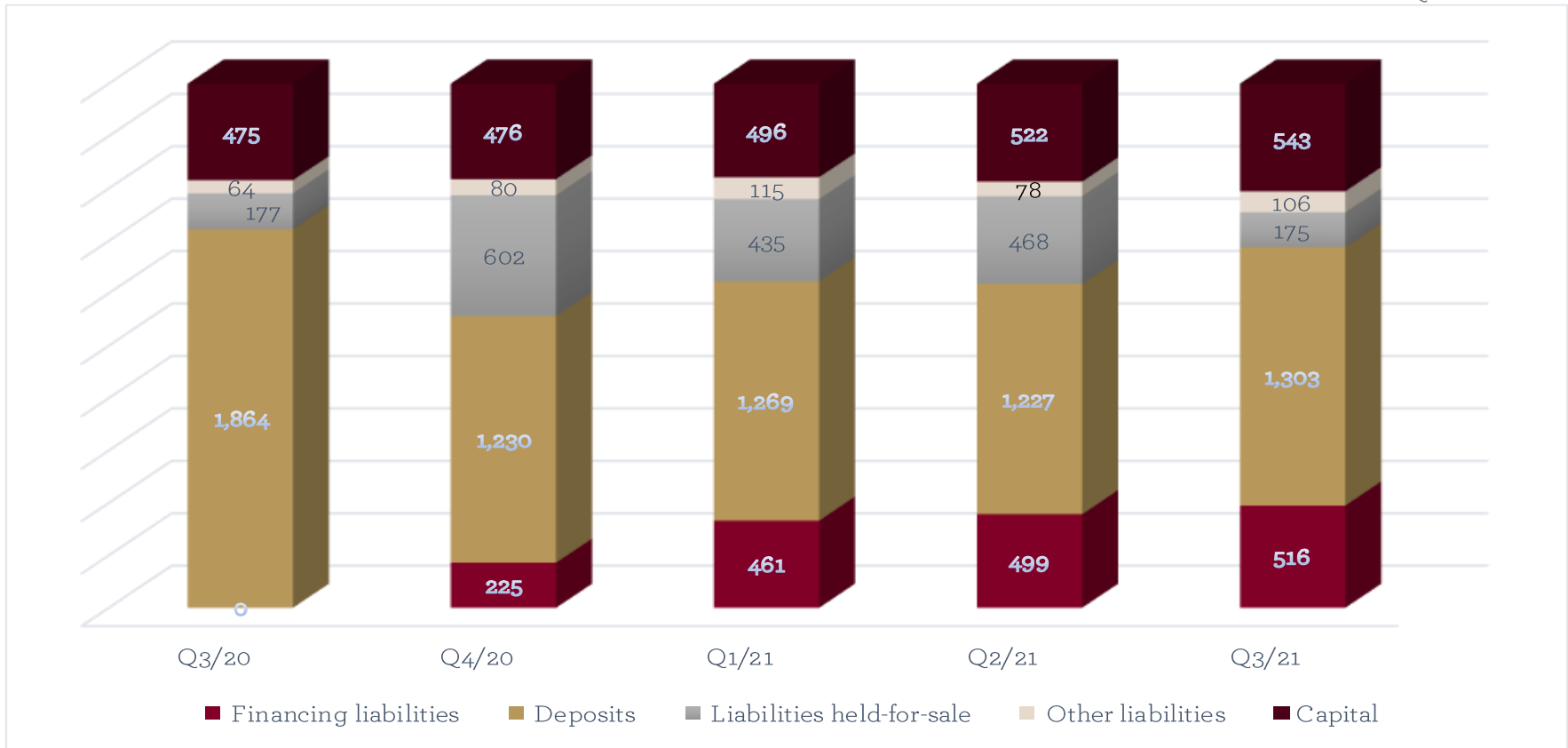


## Key Highlights

- The Bank is steadily reducing its Financing assets with a conscious strategy to focus more on core investment products

# Funding Mix

Amount in QAR million

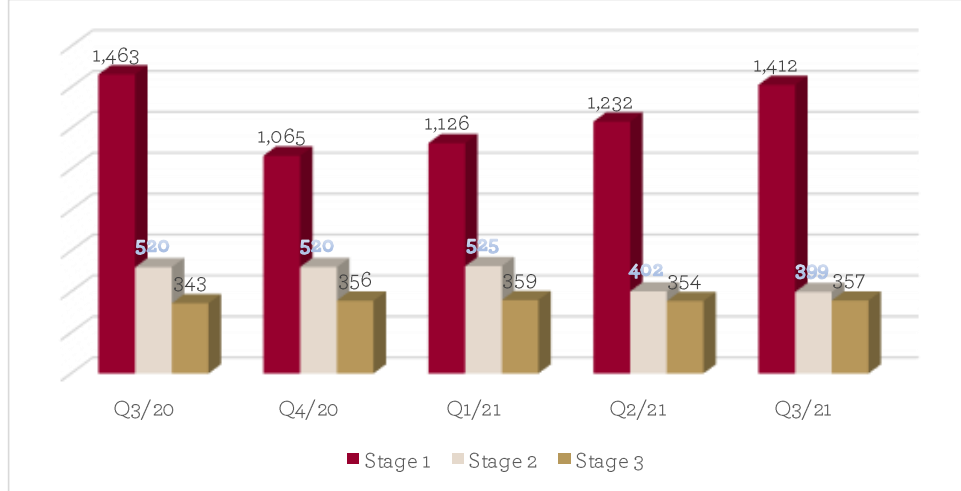


## Key Highlights

- The Bank has diversified its funding base by attracting interbank short-term deposits from Q4 2020 to grow it to QAR 516 Mn
- The Bank has maintained its stable funding base quarter on quarter post one time reduction in last year to reduce its cost of funds

## Exposure at Default

Amount in QAR million

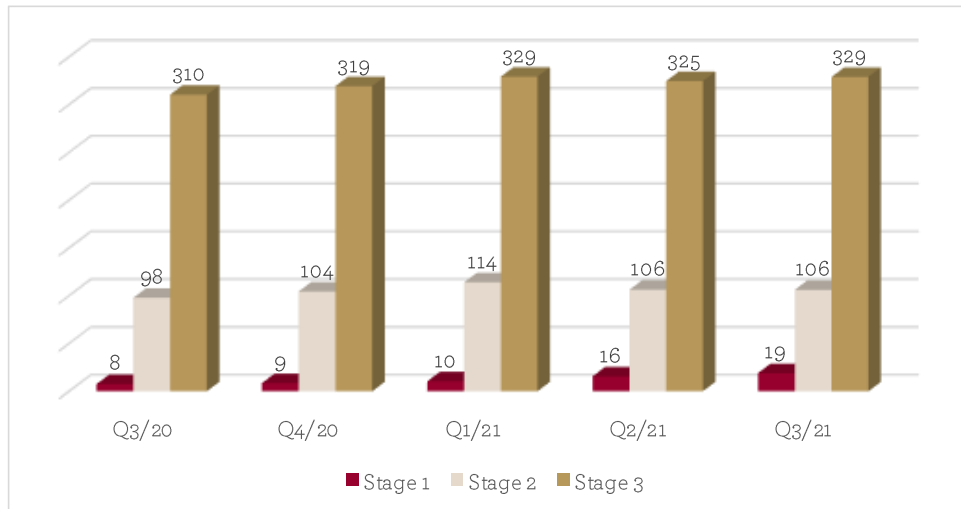


### Key Highlights

- As of 30 Sep 2021, the Bank's stage wise credit exposure are
  - Stage 1 65%
  - Stage 2 18%
  - Stage 3 17%

## Expect Credit Loss

Amount in QAR million



### Key Highlights

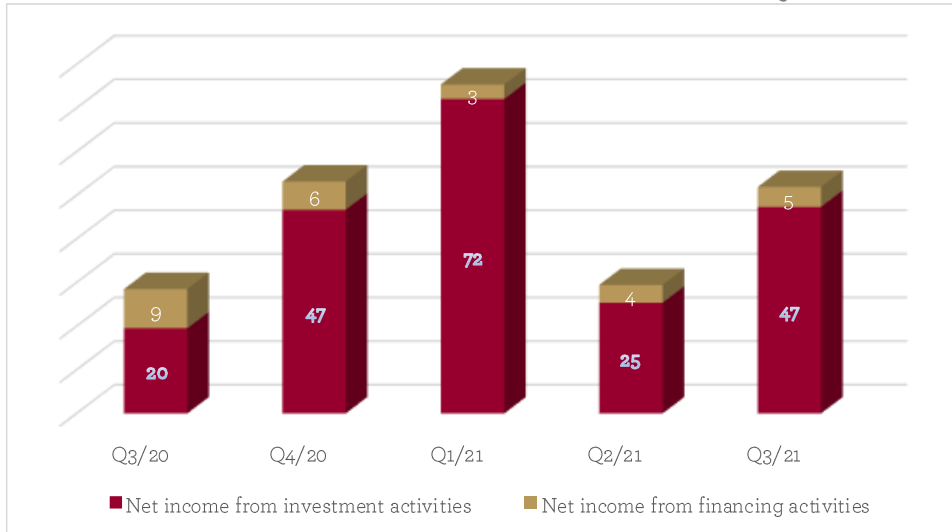
- As of 30 Sep 2021, the Bank's ECL provisions as a % of credit exposure are
  - Stage 1 1.3%
  - Stage 2 26.6%
  - Stage 3 92.2%

# Main Income Stream Analysis

Amount in QAR million

## Key Highlights

- Investment income was higher in Q3 2021 on account of disposal gains on its Real Estate Products syndicated during Q3
- Net financing income slightly increased on account of recovery from a few customers

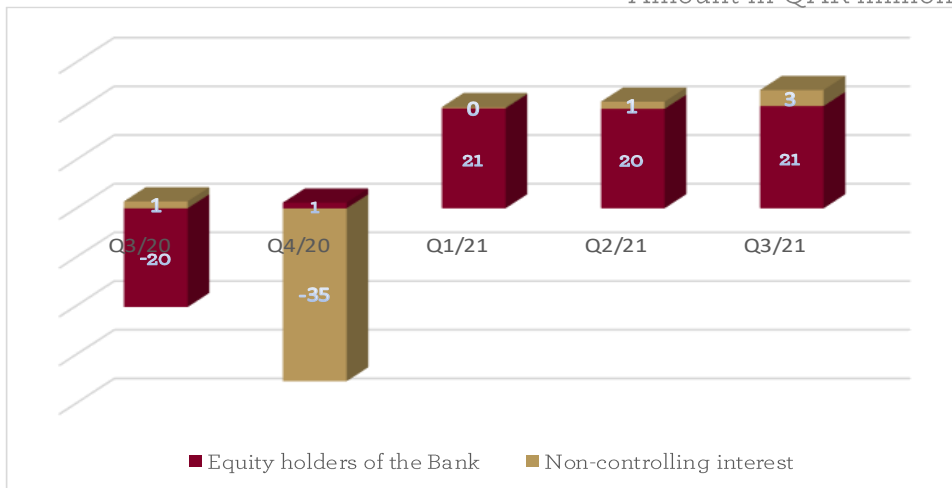


# Net Income

Amount in QAR million

## Key Highlights

- Bank's quarterly net income stays firm at level of QAR 21M
- Bank has been able to generate syndication income from real estate products.



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Key Highlights

# Acquisition of Fourteen55, an office building serving as headquarters for Occidental Chemical Corporation in Dallas, Texas

QFB acquired Fourteen55, a class AA office building located in the desirable Lower Tollway Corridor in Dallas, Texas.

This six-story class AA office building is 100% leased by a roster of 8 tenants and exhibits a weighted average lease term of 11 years with no major rollover before 2029. The building serves as headquarters for Occidental Petroleum's chemical division OxyChem, and includes billion-dollar revenue firms such as Moss Adams and Infor as other major tenants.



# Award and Achievements

Qatar First Bank was named  
“Best Corporate and Investment Bank” in Qatar  
at Asiamoney Best Bank Awards 2021



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Appendix

# Quarterly analysis of balance sheet

All amounts are in QAR million

ASSETS	30-Sep-21	30-Jun-21	Change	
	QAR'M	QAR'M	QAR'M	%
Cash and cash equivalents	948.7	746.4	202.3	27.1%
Investments carried at amortised cost	80.1	83.6	(3.5)	-4.2%
Investment in funds	86.5	87.3	(0.8)	-0.9%
Financing assets	403.8	440.7	(36.9)	-8.4%
Equity investments	377.8	360.1	17.7	4.9%
Investments in real estate	14.8	14.8	-	0.0%
Right-of-use asset	214.4	214.4	-	0.0%
Fixed assets	1.1	1.1	(0.0)	-2.6%
Intangible assets	3.8	4.5	(0.6)	-14.5%
Assets held-for-sale	398.5	863.2	(464.7)	-53.8%
Other assets	129.9	13.2	116.8	886.6%
<b>TOTAL ASSETS</b>	<b>2,659.4</b>	<b>2,829.2</b>	<b>(169.7)</b>	<b>-6.0%</b>
<b>Liabilities</b>				
Financing liabilities	515.6	499.2	16.4	3.3%
Customers' balances	140.5	242.0	(101.4)	-41.9%
Liabilities held-for-sale	175.3	468.1	(292.9)	-62.6%
Other liabilities	106.2	78.1	28.1	36.0%
<b>Total Liabilities</b>	<b>937.6</b>	<b>1,287.4</b>	<b>(349.8)</b>	<b>-27.2%</b>
<b>Equity of Unrestricted Investment Account Holders</b>	<b>1,162.5</b>	<b>985.0</b>	<b>177.5</b>	<b>18.0%</b>
<b>Shareholders' Equity</b>				
Share capital	700.0	700.0	-	0.0%
Share premium	0.2	0.2	-	0.0%
Investments fair value reserve	4.3	4.7	(0.4)	-9.4%
(Accumulated losses) / Retained earnings	(161.8)	(182.8)	21.0	-11.5%
<b>Total Shareholders' Equity</b>	<b>542.7</b>	<b>522.1</b>	<b>20.6</b>	<b>3.9%</b>
<b>Non-controlling interest</b>	<b>16.6</b>	<b>34.6</b>	<b>(18.0)</b>	<b>-52.0%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>2,659.4</b>	<b>2,829.2</b>	<b>(169.7)</b>	<b>-6.0%</b>

# Quarterly analysis of profit and loss

All amounts are in QAR million

Income	Q3-2021	Q2-2021	Change	
	QAR'M	QAR'M	QAR'M	%
Income from financing assets	4.6	4.1	0.5	12%
Fee income	3.8	4.3	(0.5)	-12%
Loss on re-measurement of investments at fair value through income statement	(4.5)	1.1	(5.6)	-514%
Dividend income	6.0	3.0	3.0	99%
Profit on investments carried at amortised cost	3.2	3.2	(0.0)	0%
Income from placements with financial institutions	0.8	0.6	0.2	29%
Gain / (loss) on disposal of equity investments	41.8	17.4	24.4	140%
Net foreign exchange (loss) / gain	6.9	(1.9)	8.8	-457%
Other income, net	3.1	3.0	0.1	4%
<b>Total Income Before Return To Unrestricted Investment Account Holders</b>	<b>65.7</b>	<b>34.8</b>	<b>30.9</b>	<b>89%</b>
Return to unrestricted investment account holders	(4.9)	(5.1)	0.2	-4%
<b>Total Income</b>	<b>60.8</b>	<b>29.7</b>	<b>31.1</b>	<b>105%</b>
<b>Expenses</b>				
Staff costs	(13.7)	(11.5)	(2.2)	19%
Financing costs	(2.2)	(2.1)	(0.1)	7%
Depreciation, amortisation and impairment charge	(0.7)	(0.7)	(0.0)	0%
Other operating expenses	(5.1)	(4.5)	(0.6)	13%
<b>Total expenses</b>	<b>(21.8)</b>	<b>(18.9)</b>	<b>(3.0)</b>	<b>16%</b>
Provision for impairment on financing assets, net of recoveries	(3.7)	1.9	(5.7)	-291%
Provision for impairment on other financial assets	(4.0)	5.3	(9.3)	-177%
<b>NET LOSS FROM CONTINUING OPERATIONS</b>	<b>31.2</b>	<b>18.1</b>	<b>13.1</b>	<b>73%</b>
Income from discontinued operations, net of tax	(6.9)	3.8	(10.7)	-281%
<b>NET LOSS FOR THE YEAR</b>	<b>24.3</b>	<b>21.9</b>	<b>2.4</b>	<b>11%</b>
<b>Attributable to:</b>				
Equity holders of the Bank	21.0	20.4	0.6	3%
Non-controlling interest	3.3	1.5	1.8	124%
	<b>24.3</b>	<b>21.9</b>	<b>2.4</b>	<b>11%</b>

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