

Investor Presentation FY 2023 Results

New Horizons.
New Opportunities.

44
Years

Investor Presentation

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QATAR'S OUTLOOK LOOKS STRONG

QatarEnergy and Qatar Energy LNG⁽¹⁾, during the year of 2023, signed multiple 3-27 year off-take contracts. The development of the NFE (North Field Expansion) continues on progress.

QatarEnergy is on track to boost LNG production 77 million tonnes to 126 million tonnes per year (MTPA) by 2027.

- ➔ Phase 1 of the North Field expansion project will increase Qatar's LNG production capacity from 77 million MTPA to 110 million MTPA by 2025.
- ➔ Phase 2, referred to as the North Field South Project (NFS), will further increase Qatar's LNG production capacity from 110 million MTPA to 126 million MTPA by 2027.

Qatar's real GDP growth is projected to be 2.2% in 2024, while it is projected to exceed 6% in 2027 according to the IMF⁽²⁾.

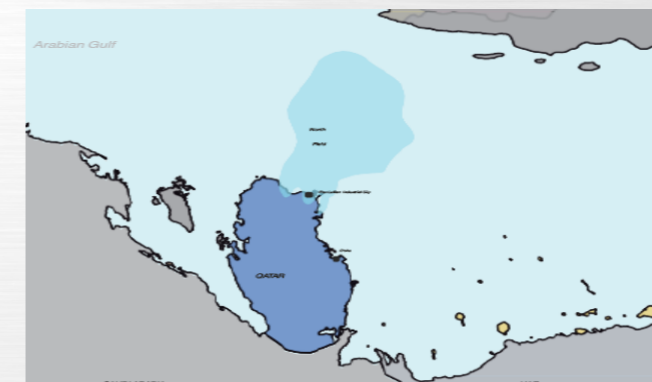
The Third Qatar National Development Strategy (2024-2030) was launched with the aim of transforming Qatar into an advanced and diversified economy capable of sustaining its own development. At the center of this vision is the desire to enhance confidence in Qatar and drive greater foreign direct investment.

In 2023, Qatar announced the establishment of the Real Estate Regulatory Authority, and the newly opened Commercial Court offers a more effective, reliable, and quicker route to enforce contractual rights.

Population, Tourism, Mode of Entry, Accommodations⁽³⁾

Population	2023 to 2015		Chg Y/Y
Highest	Oct-23	3,085,087	
Current	Dec-23	2,965,952	2%
Lowest	Jul-21	2,380,011	
Yearend	Dec-22	2,909,134	

		2023		2022		2021-2015		
Air	55.5%	2,251,667	Air	64.7%	1,657,404	Air	73.8%	9,775,534
Land	35.5%	1,440,595	Land	31.4%	804,671	Land	21.9%	2,904,263
Sea	8.9%	361,761	Sea	3.8%	97,983	Sea	4.2%	561,108
Totals	100.0%	4,054,023	Totals	100.0%	2,560,058	Totals	100.0%	13,240,905
Qatar crossed 4.0 million tourists in 2023, +56% YoY							Average per year	1,891,558



Accommodation Supply & Demand: Hotels, Deluxe Apartments, and Standard Apartments

YTD	Keys	Room Nights	Occupancy Rate	Average Daily Rate	Average RevPAR
Chg Y/Y	4%	25%	2%	-45%	-44%
2023	39,233	8,180,061	58%	410	237
2022	37,586	6,557,762	57%	744	425

Source: 1. Qatar Energy and Qatar Energy LNG | 2. IMF World Economic Outlook October 2023 | 3. Qatar Tourism - dashboards.

I. OPERATIONAL AND FINANCIAL HIGHLIGHTS

Wholesale Banking Group:

- Significant progress has been made on the syndications side, with a focus on attracting high-quality new clients using the Bank's corporate finance, public sector, and international network. We have both mandated and participated in several new corporate and public sector syndications as part of our strategy to expand and diversify our client base and loan book. This strategic approach has resulted in a 5% growth in private sector lending for the year.
- We have identified Global Transactional Banking capabilities as a high priority, and investments are being made in new products and enhancements to facilitate cross-selling, fee generation, and liability growth initiatives.
- We currently have a robust pipeline of public sector and high-quality corporate syndicated financings leveraging our corporate finance expertise and international network. This is expected to drive asset growth in 2024 as we continue to diversify our exposures across various sectors and geographies.

Treasury & Investments Group:

- Portfolio assets increased by 22% for the year, driven by our strategy to capitalise on favorable rate levels.
- The growth of the portfolio is self-funded.
- We will maintain our hedging strategy, currently

hedging 90% of our positions.

- We have enhanced the asset and credit quality of our portfolios and are focused on optimising portfolio yields going forward.
- New issuances are being considered depending on market opportunities.
- A Sustainable Finance Framework, with an approved SPO (Second Party Opinion), is in place.
- We have launched an FX & Commodity hedging program for corporate customers, offering solutions to help manage their underlying market risks.

Retail Banking Group:

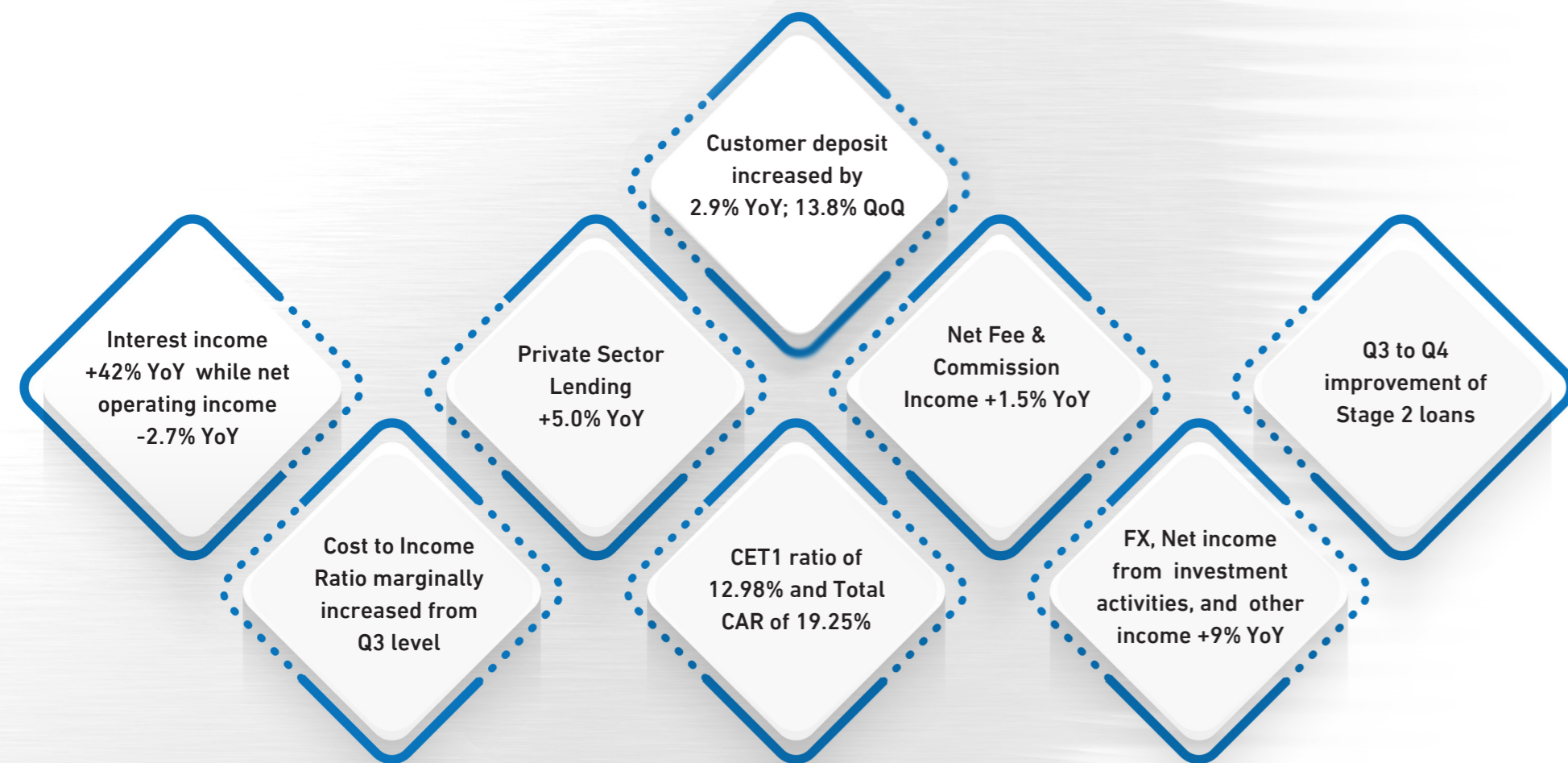
- Two local branches have been converted into Corporate Service Centers, dedicated to welcoming and serving all retail and corporate customers of the bank. This strategic move aims to streamline operations, enhance efficiency, and most importantly, improve the overall customer experience.
- The bank has secured several corporate card deals with reputable companies known for their high spending potential. Additionally, negotiations are ongoing with other high-level corporate entities and local authorities for further deals.
- Customer acquisition campaigns are currently underway, specifically targeting Qatari customers and the higher affluent segment.

International Banking Group:

- The FI & Syndication business achieved attractive revenue growth in 2023, aligning with our international strategy. Moving forward, the focus will be on further growing the FI & Syndication business in 2024.
- The strategies for Kuwait and India are progressing well, aiming to redefine our business presence in these regions.
- Regarding foreign branches, the Chennai branch was closed in Q4, and the Abu Dhabi branch is in the final stages of merging with the Dubai Branch.
- Branch relocations have seen progress, with the Kuwait relocation completed in Q3 and Mumbai and Kochi relocations on track.
- In terms of representative offices, the Hong Kong operations merged with Singapore in Q1, Sri Lanka operations merged with Bangladesh in Q2, and Canada operations merged with the UK in Q3.

Sharq Insurance:

- Revenue drivers: Achieved new business production across all products and distribution channels.
- Profitability outlook: 2023 marked a record year for profit.
- Showcased digital sales capabilities via Mobile App.
- Planned relocation to new premises in 2024.



PERFORMANCE SCORECARD

	Guidance for Q4 2023	(A) 2023	Scorecard	Guidance for FY 2024	2023-2027 5-year Strategy
Capital Adequacy Ratio	18.50-19.00%	19.25%	✓	Maintain min. 17%	Maintain min. 17%
Net Loan Growth	Pvt. 4-5%	Pvt. 5.0%	✓	5% p.a.	3-5% p.a.
Net Interest Margin	2.10-2.20%	2.21%	✓	2.20%; +/-5bps	2.50%
Non-performing loans	<7.00%	7.36%	—	Circa 7.0%; guidance to be provided quarterly	4.5-5%
Cost of Risk	1.80-1.90%	1.54%	✓	Circa 1.50% (subject to remedial)	120-130bps
Cost of Income	<35%	33.4%	✓	<35%	<25%
Return on Equity	6.00%	5.67%	—	6%-6.50%	12-14%

WAY FORWARD

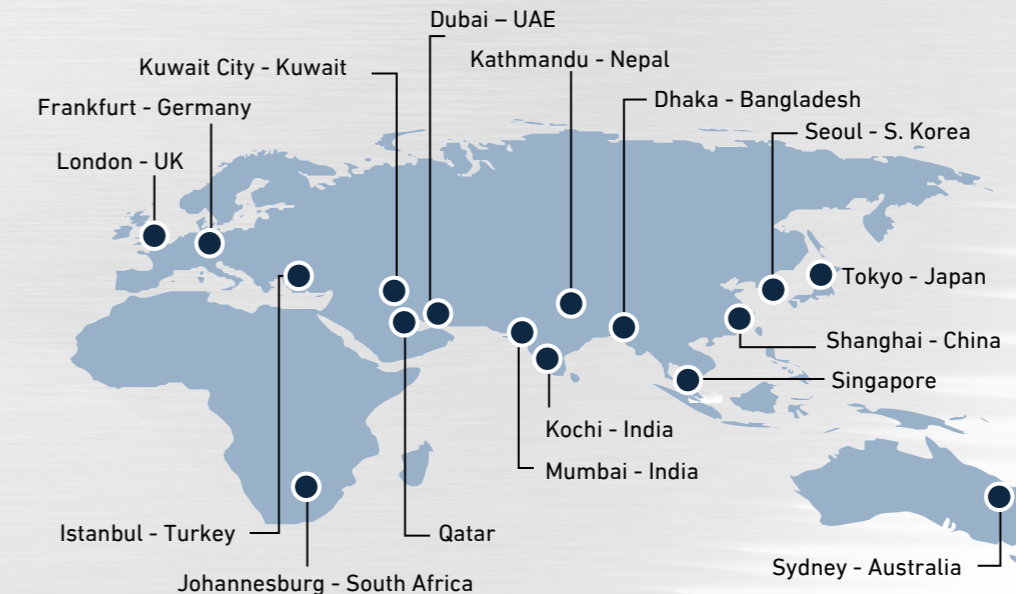
Top Priorities	Objectives
Building High-Quality Assets & Liabilities:	<ul style="list-style-type: none"> We are focused on creating a quality asset book from key sectors such as the public sector and trade. And we will fund it by actively making efforts to diversify our deposits from customers across different sectors.
Strengthening Digital & IT:	<ul style="list-style-type: none"> Strengthening technological resilience towards building a digital-centric bank, which will enhance customers' digital experience. We are launching an upgraded mobile app to customers in 2024.
Driving Cost Efficiencies:	<ul style="list-style-type: none"> ➔ Focus on optimising our costs to reinvest into key requirements of the Bank. ➔ We have identified over QR 100 million in cost savings.
Improving key ratios and metrics:	<ul style="list-style-type: none"> We are actively working to strengthen the overall health, liquidity, and funding metrics of the bank's portfolio.

2. OVERVIEW

1978 Incorporated	1997	2007	2007	2008-2017	2013-2018	2023
First branch opens 1979	Listing/ Admission for trading Qatar Stock Exchange	Brokerage and financial services associate in India	Sharq Insurance, a 100% owned subsidiary, based in Qatar	Kuwait 2008, United Arab Emirates- Dubai 2008 & Abu Dhabi 2011, and India 2014-2017	Rep. Offices China, Turkey, Singapore, Germany, Japan, UK, South Korea, South Africa, Bangladesh, Australia, and Nepal	Client base of more than 375,000 active customers(1) 18 Domestic Branches, 2 Corporate Service Centres, 1 Corporate Branch and 3 E-Branches



Global footprint in 15 countries spread over 4 continents



STRONG RATINGS PROFILE UNDERPINNED BY HIGHLY RATED SOVEREIGN

Agency	Category	Ratings	Outlook
Doha Bank			
Moody's	Bank Deposit Ratings LT	Baa1	Stable
Fitch ⁽¹⁾	Issuer Default Rating LT	A-	Positive
Qatar Sovereign			
Moody's ⁽³⁾	Counter Party Risk LT	Aa2	Stable
Fitch ⁽²⁾	Issuer Default Rating LT	AA-	Positive
S&P	Counter Party Risk LT	AA	Stable

Notes:

1. Fitch upgrades from stable to positive 06.04.2023
2. Fitch upgrades from stable to positive 28.03.2023
3. Moody's upgrades rating and outlook 26.01.2024

SHARE PERFORMANCE AND DIVERSIFIED SHAREHOLDER BASE

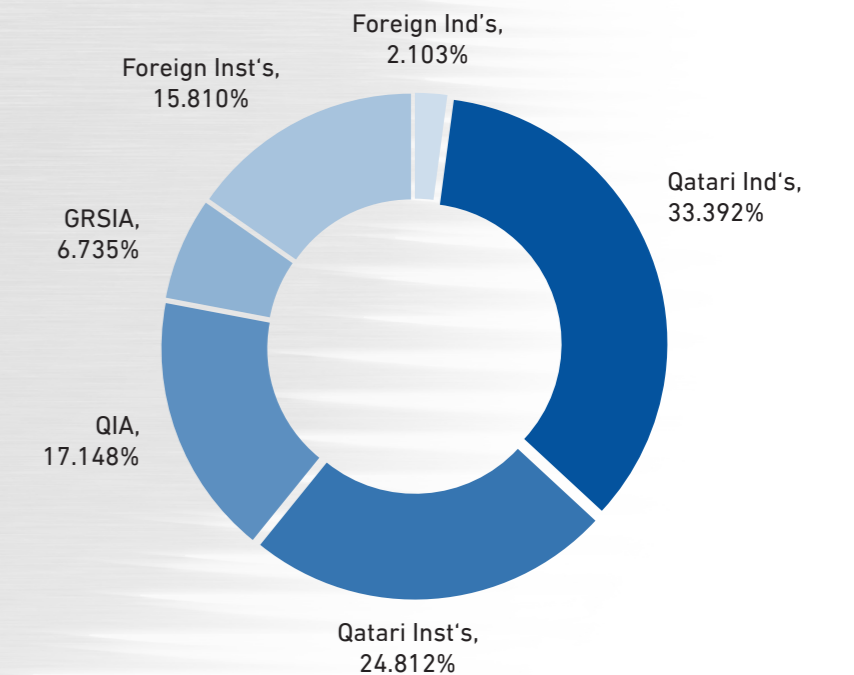
Share price and market capitalisation

	Date	Value
Last Price	31-Dec-23	1.830
52 Week High	04-Oct-22	2.089
52 Week Low	26-Jun-23	1.407
Current Market Capitalisation	Qatari Riyals Mn	5,674
	USD Mn	1,558

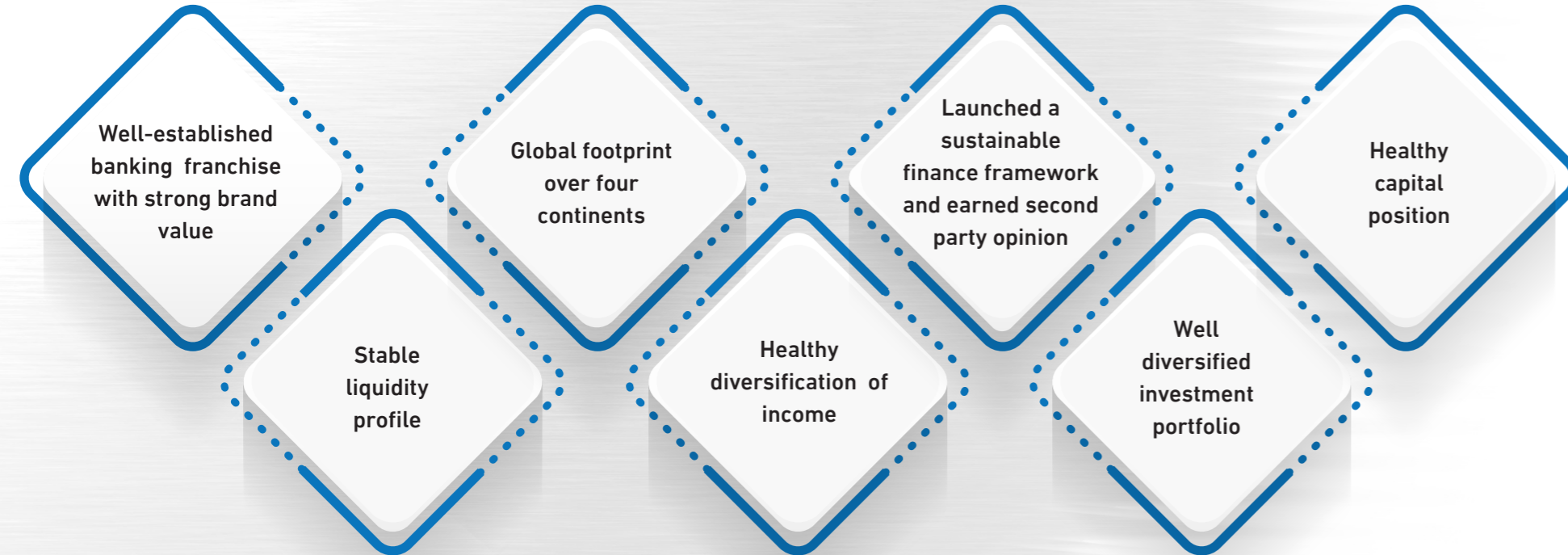
Notes:

- (1) State of Qatar owns 23.883% comprises of the Qatar Investment Authority 17.148% & 6.735% by the General Retirement Social Insurance Authority via the 'Civil Pension Fund', as of 31 December 2023

Diversified shareholder base and strong support⁽¹⁾



DOHA BANK AT A GLANCE



DOHA BANK IS STRUCTURED IN FOUR BUSINESS UNITS AND HOLDS 100% OF SHARQ INSURANCE

Wholesale Banking Group

The relationship management and product groups focus on the public sector, large corporates, multinationals, commercial banking, global transactional banking and corporate finance areas

Assets (QR): 51.22 billion or 50.58% of total assets

Total Income (QR): 3.66 billion

Treasury & Investments Group

Responsible for activities such as foreign exchange, treasury products and managing the bank's proprietary investment book.

Assets (QR): 33.48 billion or 33.06% of total assets

Total Income (QR): 1.62 billion

Retail Banking Group

Provides a wide range of products and services to individuals, including transactional and deposit accounts, mortgages, remittances, priority banking, private banking, insurance, personal loans and credit cards and digital wallets

Assets (QR): 4.16 billion or 4.11% of total assets

Total Income (QR): 0.53 billion

International Banking Group

Provides a range of products and services including guarantees, letters of credit, risk mitigation and discounting products and risk participation in international trade

Assets (QR): 5.04 billion or 4.98% of total assets

Total Income (QR): 0.40 billion.



Established in 2007 as part of the bank's strategy of creating a fully comprehensive financial services provider and provides general insurance products to corporate and retail customers

Gross Written Premiums

(QR): 105 million

Source: Company financials as of 31 December 2023

3. FINANCIAL SUMMARY

Profitability (QR Mn)	Dec-23	Dec-22	Chg Y/Y
Interest income	5,618	3,945	42.4%
Interest Expense	(3,470)	(1,623)	113.8%
Net Interest income	2,148	2,322	-7.5%
Fees and commission	376	371	1.5%
Foreign exchange gain	105	153	-31.4%
Income from investment securities	112	25	341.3%
Net income from insurance activities	69	(0)	18985.0%
Other Income	20	38	-48.2%
Net Operating Income	2,829	2,909	-2.7%
Staff Cost	(521)	(501)	4.0%
Non-Staff Cost	(425)	(393)	8.1%
Legal compensation	(162)	-	-
Net impairment losses	(857)	(1,201)	-28.6%
Tax	(95)	(48)	97.0%
Net Profit	769	765	0.5%

Comments:

- Non-recurring income stands out year on year
- Interest Income +42% YoY while Net Interest Income -7.5% YoY

Assets and Liabilities (QR Mn)	Dec-23	Dec-22	Chg Y/Y
Total Assets	101,225	97,645	3.7%
Loans and Advances	58,009	58,079	-0.1%
Investments	30,386	24,964	21.7%
Customer Deposits	51,573	50,130	2.9%
Total Equity	14,444	14,079	2.6%

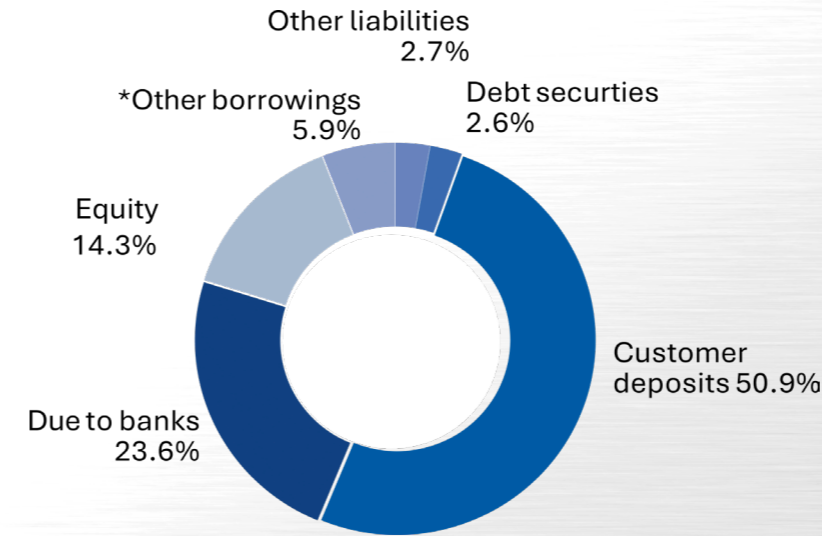
Capital	Dec-23	Dec-22	Chg Y/Y
RWA (QR Mn)	78,094	73,175	6.7%
CET 1 Ratio (%)	12.98%	13.32%	-2.6%
T1 Ratio (%)	18.10%	18.79%	-3.7%
Total Capital Ratio (%)	19.25%	19.94%	-3.5%

Minimum regulatory ratios for 2023: CET1: 8.50%, Tier1: 10.50%, Total Capital Ratio 12.50%, ICAAP 1.00%, Management buffer 0.50%

Comments:

- RWA higher year on year. The bank is being cautious and prudent with reference to the private sector.
- Investment securities book remains healthy, and the bank is always monitoring for opportunities.

FUNDING MIX



31 December 2023
Total liabilities and equity: QR 101.3 Bn

*Other borrowings include syndicated and bilateral borrowings

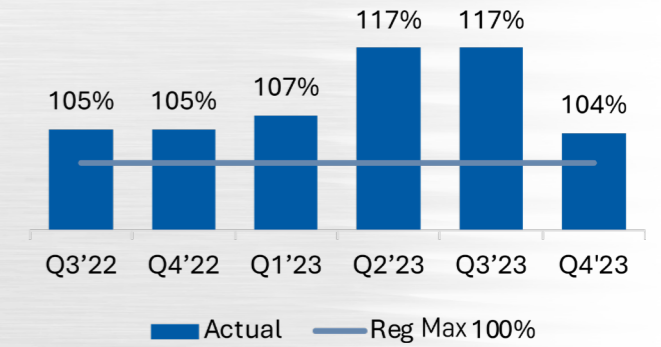
Comments:

Funding plan versus needs:

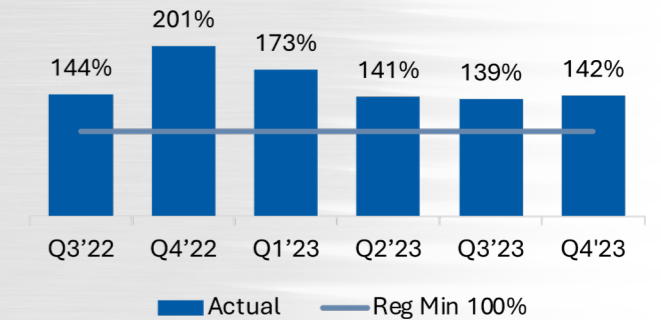
- Improving on CASA / potential issuance(s) to extend duration for both QAR and/ or USD.
- Reduction in non-resident funding is well within QCB guidance

Source: Company financials as of 31 December 2023

Regulatory Loan to Deposit Ratio



Regulatory Liquidity Coverage Ratio

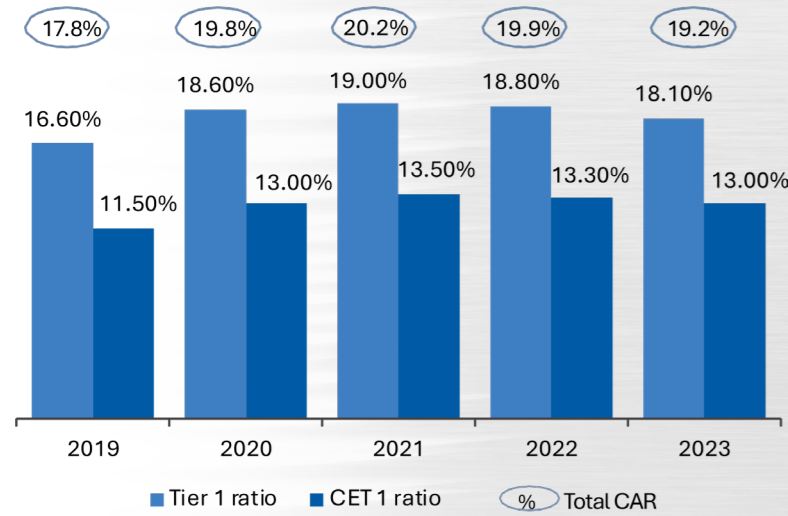


Liquidity profile:

- Stable funding sources with a mixture of customer deposits, syndicated and bilateral borrowings, and debt securities
- Maintain sufficient HQLA fixed income investment portfolio
- Unencumbered assets at Head Office of QAR 16.0 billion

CAPITALISATION

Evolution of Capital Ratios



Minimum regulatory ratios for 2023: CET1: 8.50%, Tier1: 10.50%, Total Capital Ratio 12.50%, ICAAP 1.00%, Management buffer 0.50%

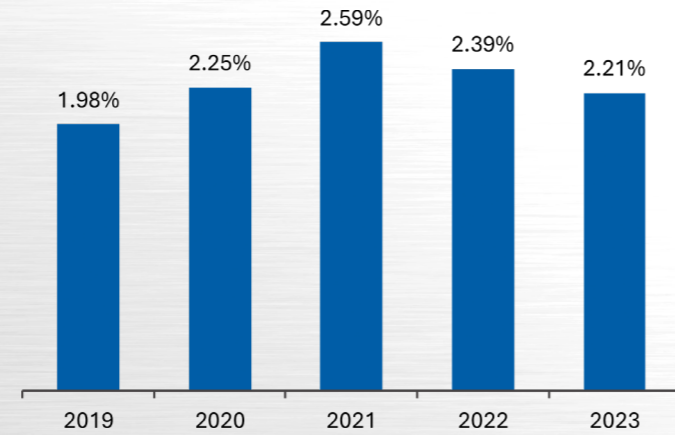
Comments:

Funding plan versus needs:

- Current capital position is stable
- CAR expected to remain stable in the short to medium term given the credit growth projections, without the need for further capital raising.

Source: Company financials as of 31 December 2023

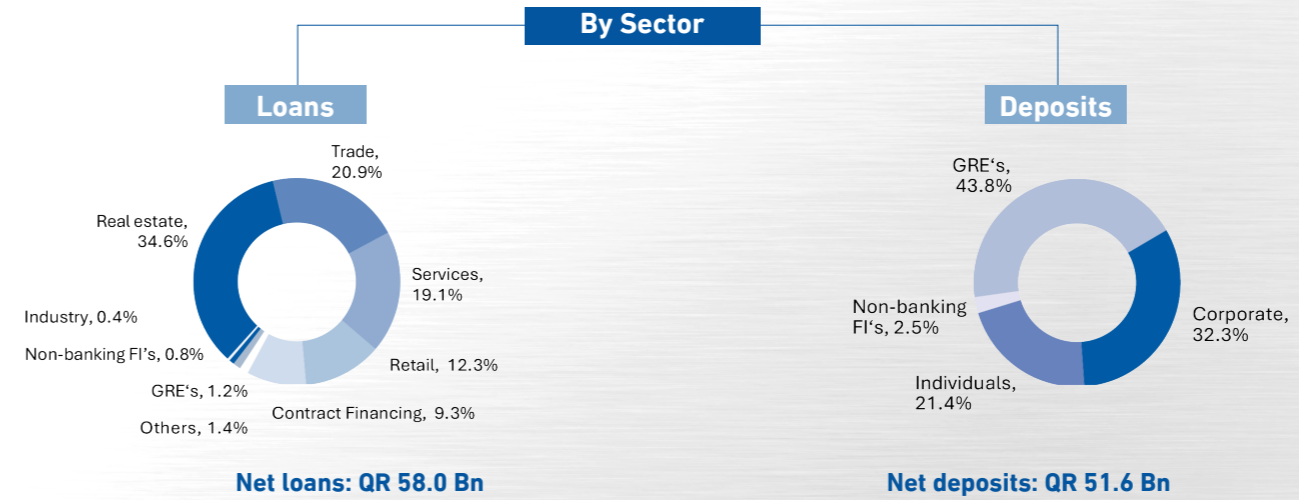
NET INTEREST MARGIN



Comments:

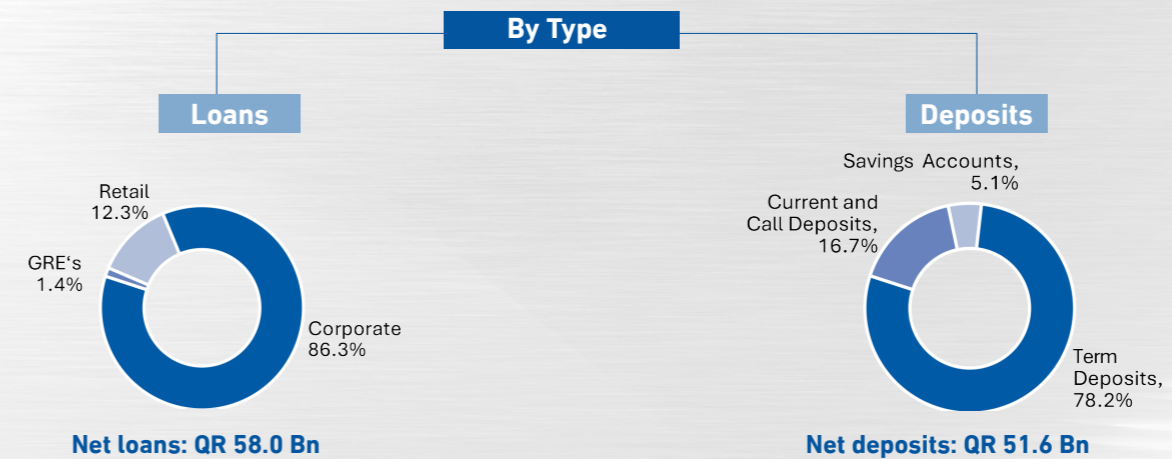
- Expected to maintain current net interest margins
- Expected rate cuts to benefit the bank Q4'24,/ Q1'25

DIVERSIFIED LOANS AND DEPOSITS



Comments Loans

- Growth to come from GREs/ PSU
- Corporate Syndications
- Private Sector, being very selective



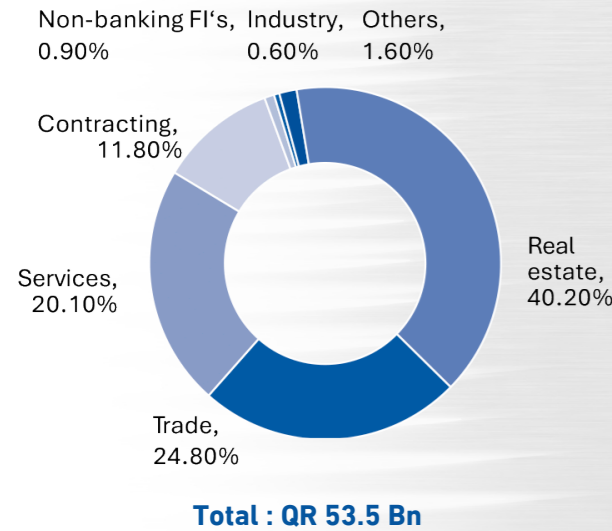
Comments Deposits

- Doha Bank ensures it retains a diversified deposit base to minimise concentration risk
- Emphasis is given to liquidity risk management
- CASA to grow

Source: Company financials as of 31 December 2023

WHOLESALE BANKING

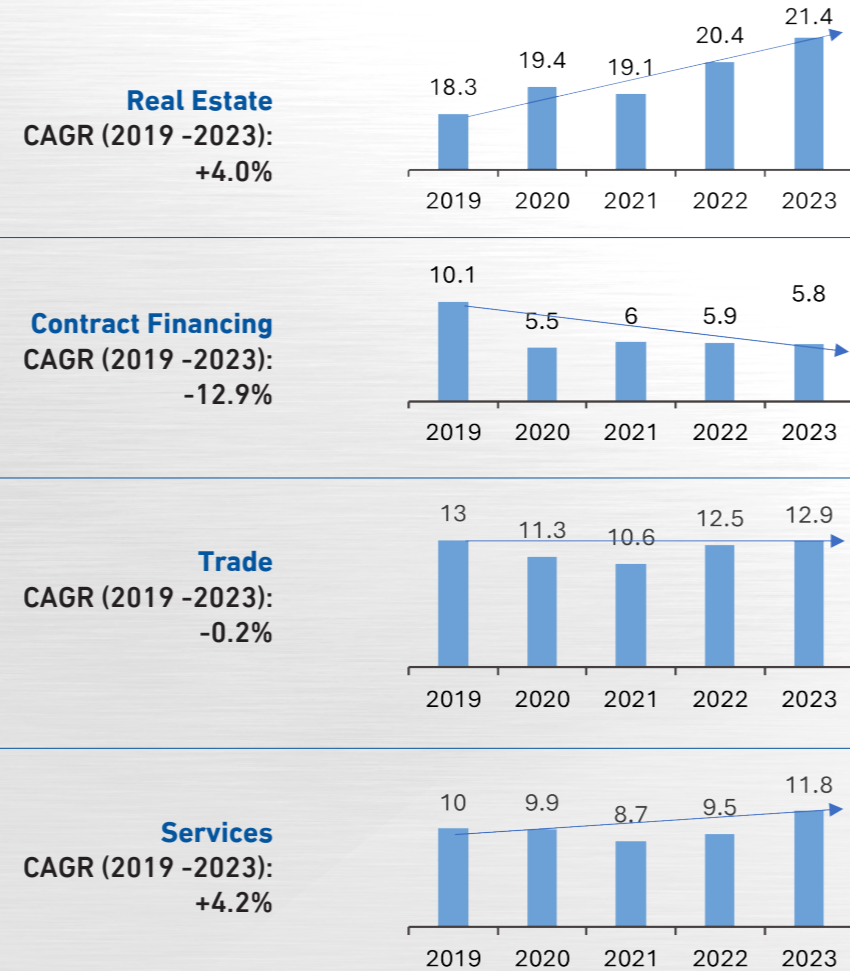
Overview of the corporate banking loan book December 2023



Comments:

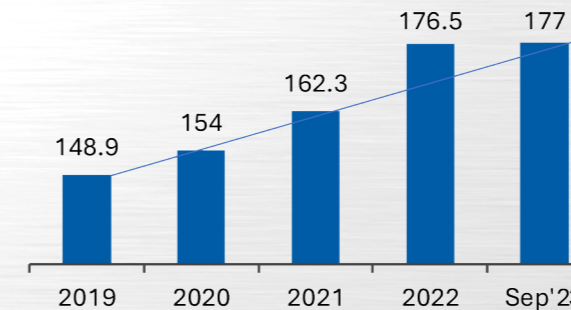
- The bank will look to maximise returns from non-borrowing customers and offer robust digitalisation channels towards reducing transaction cost and incentivise customer interaction with the bank which will enable the cost of funds to improve
- Moving forward the bank is looking at corporate syndications, and enhancing its global transaction banking abilities

Loans (QR Bn)

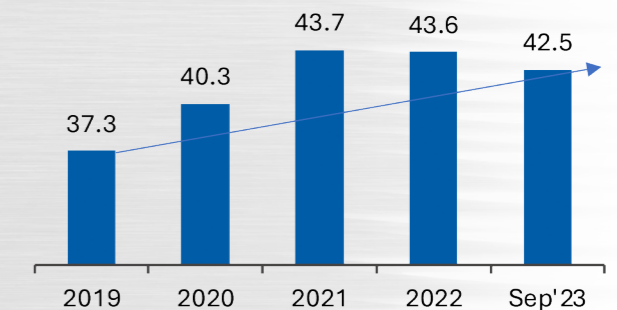


DOHA BANK IS BEING SELECTIVE IN TERMS OF REAL ESTATE & CONTRACT FINANCE

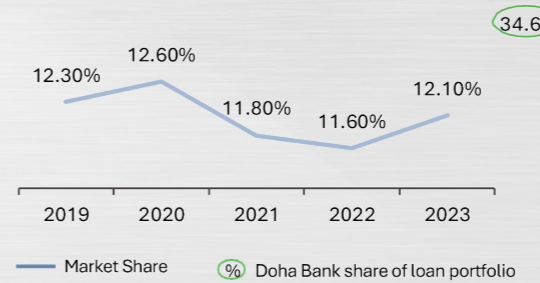
Real Estate Qatar market real estate loans (QR Bn) CAGR (2019 -2023) : +4.4%



Contract Finance Qatar market contract financing loans (QR Bn) CAGR (2019 -2023) : +3.3%



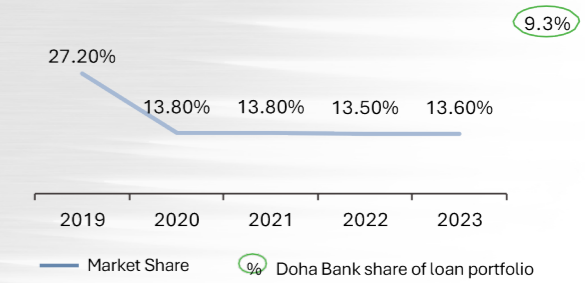
Real estate market share development⁽¹⁾



- Real Estate Portfolio is highly collateralised circa 167%

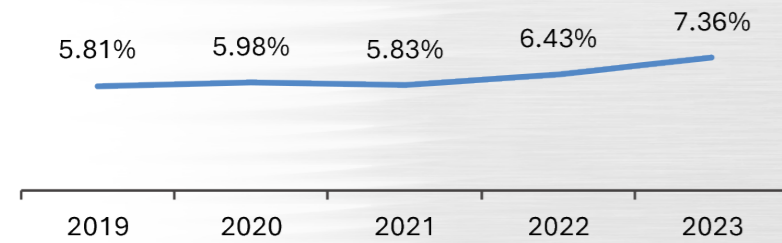
Note: (1) Market share calculated based on Qatar Central Bank market data as on 30 September 2023

Contract financing market share development⁽¹⁾

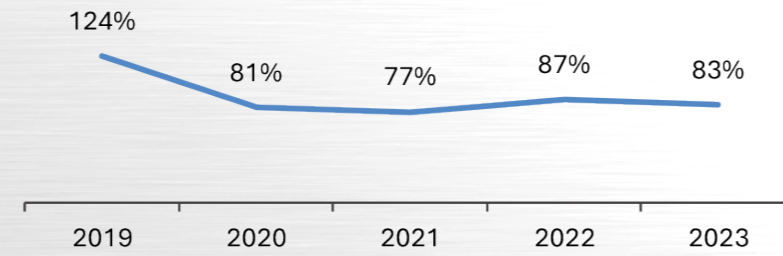


CREDIT QUALITY

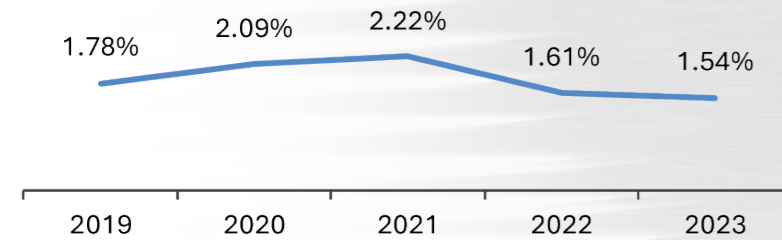
NPL evolution



Total Reserves⁽¹⁾ for loans and advances



Cost of risk⁽¹⁾



Dec-2023 ⁽²⁾			
	Stage 1	Stage 2	Stage 3
Percentage on total loans	61.16%	31.48%	7.36%
Provision coverage	0.24%	5.14%	59.21%
Dec-2022			
	Stage 1	Stage 2	Stage 3
Percentage on total loans	62.66%	30.90%	6.43%
Provision coverage	0.22%	5.07%	60.53%

Note: (1) Includes expected credit losses (ECL)

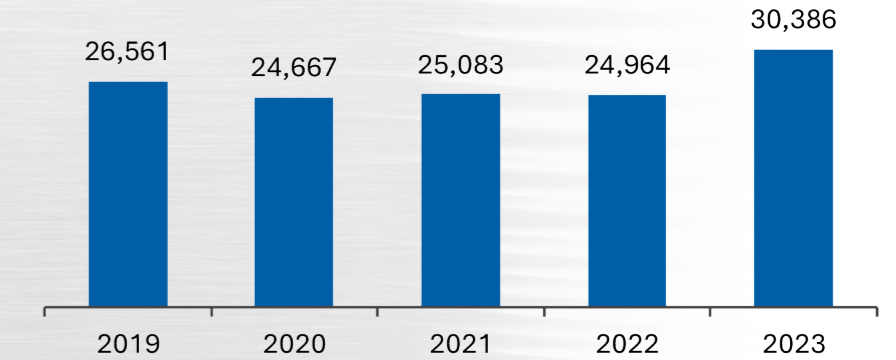
Note: (2) Stage 3 provision includes interest in suspense

INVESTMENT BOOK

Portfolio Overview

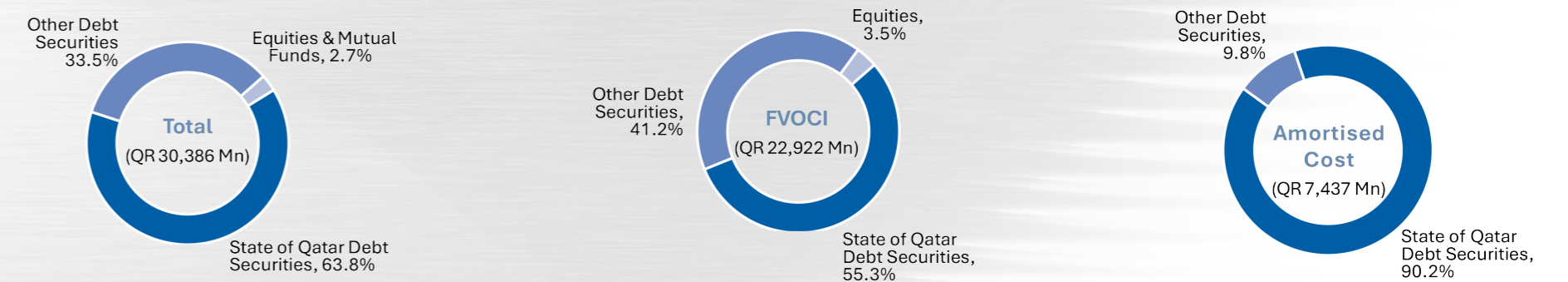
- Investments limits are linked to Tier 1 capital and set at 25% (excluding SOQs) as per QCB; total utilised currently sits at 23.74%
- Conservative low hard limits for discretionary trading / investments
- Majority of the portfolio in local sovereign fixed income, Qatar 67.78% and Qatar banks 7.80%
- Fixed Income holdings – current Net Modified Duration – c.1.33 years
- Currently the portfolio contains QR 12.6 Bn of encumbered assets. The repo borrow weighted average cost of 5.07%
- Equity, AT1 and other fund exposures stands at QR 799.6 Mn + QR 30 Mn Mutual Funds

Investment Portfolio – evolution (QR Mn)



Source: Company financials As of 31 December 2023

Investment Portfolio Breakdown (%)



Source: Company financials as of 31 December 2023

4. SUSTAINABLE FINANCE FRAMEWORK 2023⁽¹⁾

- In May 2023 Doha Bank has published its inaugural Sustainable Finance Framework which allows for the issuance of Green, Social, and Sustainability Financing Instruments
- The Framework is aligned with the ICMA Green Bond Principles 2021, Social Bond Principles 2021, Sustainability Bond Guidelines 2021, the Qatar Financial Centre's Sustainable Sukuk and Bond Framework 2022 and the LMA / LSTA / APLMA Green Loan Principles and Social Loan Principles updated in 2023

Use of proceeds	The proceeds raised via the Sustainable Financing Instruments will be dedicated to (re)finance Eligible Green and Social Assets
	To be eligible, the asset must fall in at least one of the ICMA Green and/or Eligible Categories described
Project evaluation and selection	Green and Social Eligible Assets are evaluated and selected based on compliance with the Eligibility Criteria
	The evaluation and selection process is governed by Doha Bank's ESG Bond Committee. The committee is formed by members of Treasury, Wholesale and Retail Banking, Investor Relations, Market and Credit Risk, Finance, and Strategy
Management of proceeds	The proceeds from Sustainable Finance Instruments will be managed in a portfolio approach
	The Bank intends to fully allocate the proceeds to a pool of eligible assets within 24 months from issuance
Reporting	Doha Bank will publish a Sustainable Finance Report for the life of the Sustainable Financing Instrument on an annual basis consisting of an Allocation Report and an Impact Report
External review	Doha Bank has received a Second Party Opinion on its Framework by Sustainalytics.

Source: (1) Sustainable Finance Framework and Second Party Opinion (SPO) are available [here](#)

ICMA ELIGIBLE CATEGORIES

Eligible Category	Contribution to UN SDGs	
Green Eligible Categories		
Green Building	11 SUSTAINABLE CITIES AND COMMUNITIES	13 CLIMATE ACTION
Renewable Energy	7 AFFORDABLE AND CLEAN ENERGY	13 CLIMATE ACTION
Renewable Energy	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	13 CLIMATE ACTION
Clean Transportation	9 INDUSTRY INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES
Social Eligible Categories		
Healthcare	3 GOOD HEALTH AND WELL-BEING	
Education	4 QUALITY EDUCATION	
Support to SMEs and micro-finance	10 REDUCED INEQUALITIES	8 DECENT WORK AND ECONOMIC GROWTH

Note: (2) The Doha Bank Sustainable Finance Framework Second Party Opinion contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

Exclusions

The Sustainable Finance Asset Pool will explicitly exclude unfunded and non-performing exposures, as well as loans to businesses or projects in the following domains:

- Fossil fuel-related energy generation
- Environmentally negative resource extraction (such as rare-earth elements, metals or fossil fuels)
- Nuclear and nuclear-related technologies
- Weapons, tobacco, gambling, and adult entertainment
- Deforestation and degradation of forests

Second Party Opinion⁽²⁾


Sustainalytics is of the opinion that the Doha Bank Sustainable Finance Framework is credible and impactful and aligned with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, Social Bond Principles 2021, Green Loan Principles 2023 and Social Loan Principles 2023.



DOHA BANK IS COMMITTED TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) SUSTAINABLE PRACTICES

- Doha Bank began the publication of its annual sustainability disclosure statements from the year 2009.
- Doha Bank sustainability reporting is guided by the Qatar Stock Exchange (QSE) ESG reporting methodology; since 2016.
- Doha Bank has increased the scope of its reporting to include all required metrics from both GRI and QSE.
- Doha Bank has expanded the scope of its reporting to align its communication with the GRI Universal Standards through benchmarking. The bank supports the mission of GRI to empower decision makers everywhere, through GRI Sustainability Reporting Standards and its multi-stakeholder network, to take action towards a more sustainable economy and world.
- It is important to note that Sustainability in our approach to business and to all stakeholders will be a journey that will contribute to Doha Bank's growth over an extended period and will continue to be so into the future as we build upon our growth trajectory as a domestic, regional and international institution.

For more information: [Doha Bank/ Sustainability](#)



As on 17 October 2023, last update, Doha Bank received an MSCI ESG Rating of BB.

Disclaimer:
The use by Doha Bank of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI Logos, Trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Doha Bank by MSCI. MSCI services and data are the property of MSCI or its information providers and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



Achieved a score of 100% for the QSE Sustainable Stock Exchanges initiative for the years 2018 – 2022.

For more information:
[QSE Arab Sustainability](#)

Doha Bank was included in the MSCI QSE 20 ESG Index, launched in November 2021.



DISCLAIMER

- The presentation and any discussion may include forward-looking predictions and or expectations.
- While these forward-looking statements represent the bank's current judgment on what the future holds for the bank, they are subject to risks and uncertainties that could cause actual results to differ materially.
- You are cautioned not to place undue reliance on these forward-looking statements, which reflect the bank's current opinions only as of the date of this presentation.
- Please keep in mind that we/ the bank are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements considering new information or future events.
- Throughout the presentation, we will attempt to present some important factors relating to our business that may affect our predictions.

For more information click [here](#)



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