

Investor Presentation Q1 2024 results

**New horizons
New opportunities**

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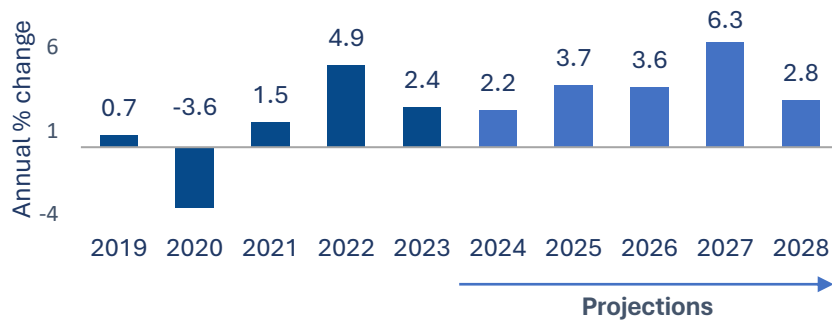
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1. Qatar Outlook *Strong macro-economic environment towards providing Sustainable growth*

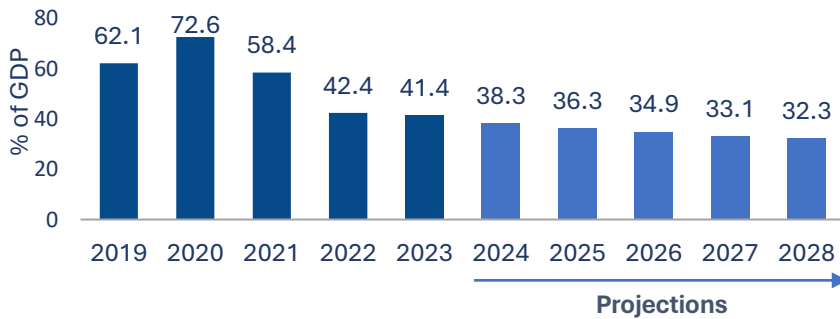
- Qatar is one of the world’s richest countries on a GDP per capita basis
- Low level of sovereign indebtedness** with track record of prudent budgetary and financial policymaking led to the **most recent upgrade by Moody’s and Fitch**
- Qatar has one of the **largest hydrocarbon reserves in the World** with one of the lowest fiscal breakeven price of oil
- Globally, **Qatar is the largest LNG exporter** with a market share of 20-30% of total LNG exports
- Qatar’s hydrocarbon reserves are mostly held in the North Field – the world’s largest non-associated gas field; QatarEnergy is **on track to boost LNG production 77 million tonnes to 126 million tonnes** a year (MTPA) by 2027



Real GDP growth⁽¹⁾



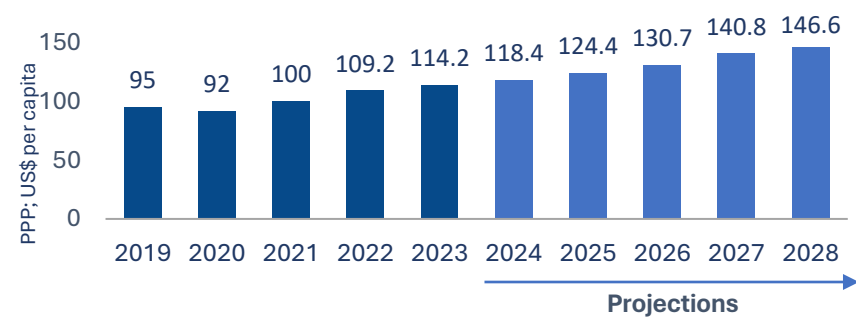
General government gross debt as % of GDP⁽¹⁾



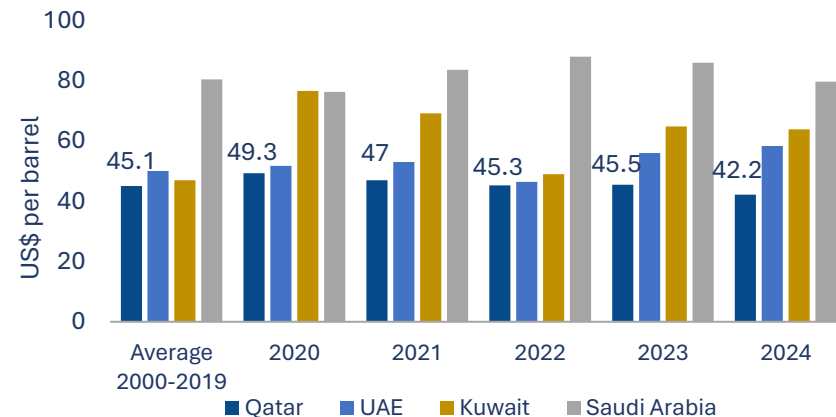
Source: (1) IMF World Economic Outlook October 2023

(2) S&P Global Ratings Sovereign Risk Indicators 2023 Estimates as of 11 December 2023

GDP per capita, current prices⁽¹⁾



Fiscal Breakeven Oil Prices⁽²⁾

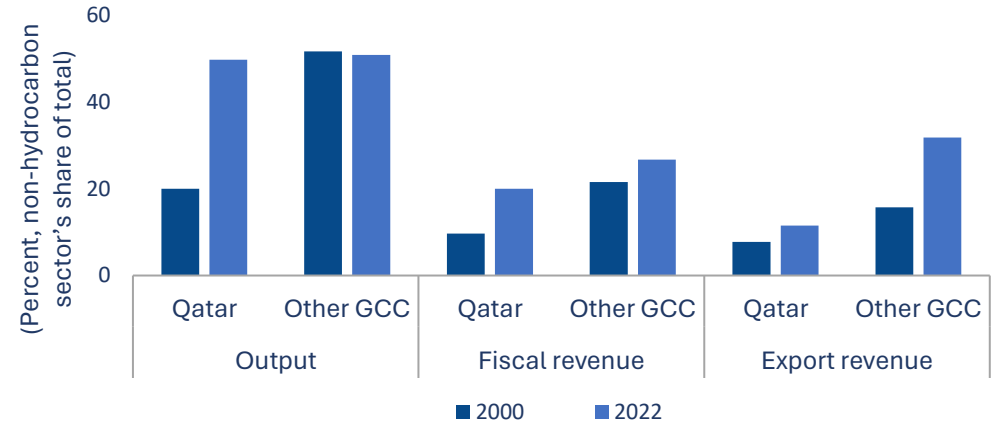


Qatar's Outlook *continued*

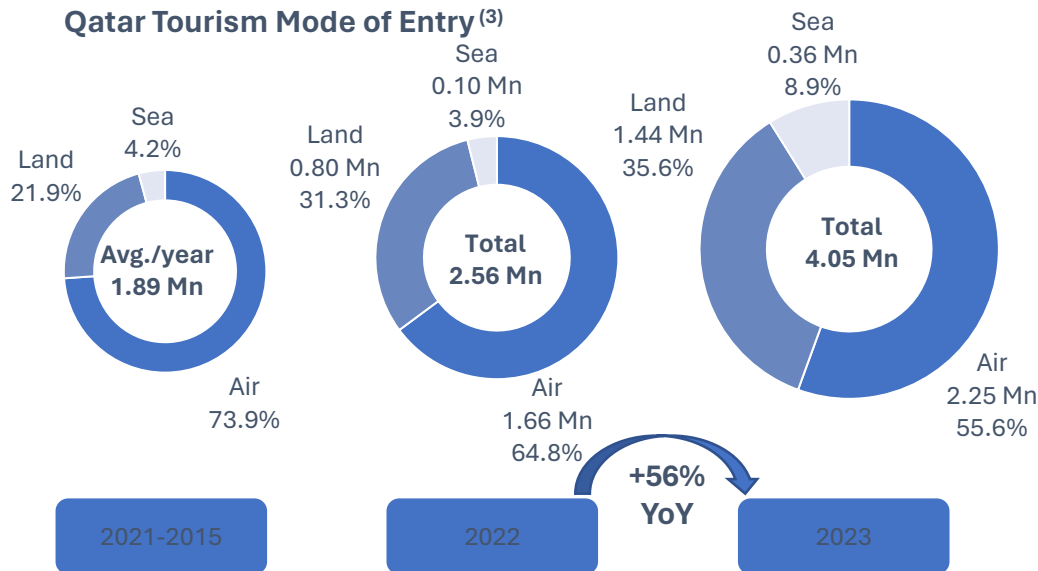
Qatar's transformation into a diversified economy

- Third Qatar National Development Strategy (2024-2030) launched to transform Qatar into an advanced and diversified economy
- Qatar remains resilient in terms of population as on 31 March 2024, population now sits at c.3.12 million an increase of +4% YTD
- Tourism was beyond expectations for FY2023 as the country witnessed a 56% increase year on year, post WC 2022. 4 million tourists arrived in Qatar during 2023, 1.5 million more than the year of the FIFA World Cup event; and this continues to improve in 2024, as for the first 2 months of the year tourism is up +78%Y/Y as the country has received c.1 Mn versus 163K tourists

Indicators of Economic Diversification⁽¹⁾



Qatar Tourism Mode of Entry⁽³⁾



Qatar's Accommodation Supply & Demand has greatly improved – Hotels and Deluxe + Standard apartments⁽³⁾

YTD	Keys	Keys YoY	Occupancy Rate	Occupancy Rate YoY	Rev PAR	RevPAR YoY
19/04/2024	39,371	2%	85%	63%	433	89%
19/04/2023	38,443	28%	52%	-9%	229	-1%

FY	Keys	Keys YoY	Occupancy Rate	Occupancy Rate YoY	Rev PAR	RevPAR YoY
2023	39,165	4%	58%	2%	236	-44%
2022	37,539	28%	57%	-15%	422	64%
2021	29,339	4%	67%	19%	257	28%

Source: (1) IMF World Economic Outlook October 2023; 2) Planning Statistics Authority; 3) [Qatar Tourism-dashboards](#)



2. Operational and Financial Highlights

Wholesale Banking Group:

- Continued momentum from last year, the bank is under the approval process to participate in a number of syndication/ club deals.
- The Bank is still targeting 5% private sector lending growth for the year.
- High priority is being placed on Global Transactional Banking capabilities with new investment and product enhancements in progress to assist with cross selling, fee generation and liability growth initiatives.

Retail Banking Group:

- In line with the bank's network optimization strategy, closure and relocation of one of the Corporate Service Centers (Industrial area branch) to Salwa road branch. Also closed and relocated of Gharafa branch to Bin Omran branch.
- Doha Bank has launched Fawran a national real time person to person payment service as one of the first few Banks in Qatar.
- Successfully launched customer acquisition campaigns with tailored products (Housing Loans, Personal Loans & Credit Cards) for Qatari and Affluent segments.
- Ongoing salary transfer, and credit card acquisition campaigns are in full swing featuring exciting discount offers, enhancing the value proposition for our cardholders offering lucrative rewards for new to bank customers.

Treasury & Investments Group:

- While portfolio assets increased +20% year on year, these have been steady during Q1 as credit spreads have tightened significantly paying off for the portfolio buildup last year. In addition,
- the portfolio growth was self-funded and will remain so in the near future
- the bank will continue with a hedging strategy, currently 90% hedged.
- The bank continues to work on cross sell opportunities with Wholesale Banking team for FX & Commodity hedging requirements of corporate customers to help manage their underlying market risks.
- The bank returned to the debt capital markets for the first time in over 2 years. The bank issued a 5-year, USD 500 Mn transaction @ 5.25%

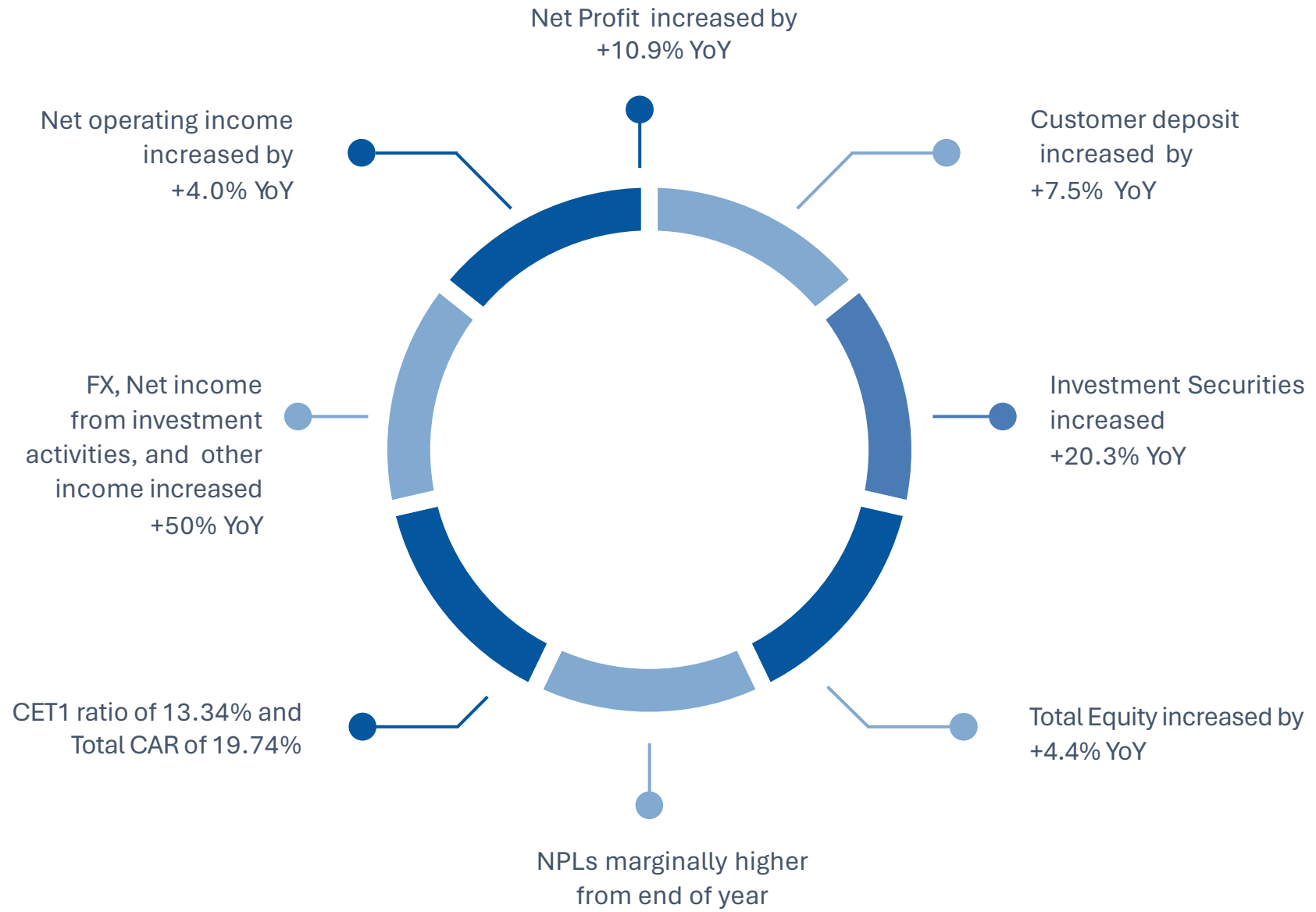
International Banking Group:

- FI & Syndication business had a good growth in assets in Q1'24, in line with our international strategy for 2024.
- UAE branch strategy is in final stages to redefine the business in UAE. Kuwait and India strategy are under review to redefine the business in these branches.

Sharq Insurance:

- Revenue drivers: New business production across all products and all distribution channels.
- Business outlook: 2024 targeting GWP QAR 130 Mn (2023 was QAR 106 Mn)
- Digital sales capabilities via Mobile App showcased
- Relocation to new premises is planned for 2024

Note: Company Information



PERFORMANCE SCORECARD

	Actual FY 2023	Actual Q1 2024	Guidance FY 2024	2023-2027 5-year Target
Capital Adequacy Ratio	19.25%	19.74%	Maintain c.19%	Maintain min. 17%
Net Loan Growth	Pvt. 5.0%	0.2%	5% p.a.	3-5% p.a.
Net Interest Margin	2.21%	1.97%	c.2.00%-2.10%	2.50%
Non-performing loans	7.36%	7.46%	7.0%; Guidance to be provided quarterly	4.5-5%
Cost of Risk	1.54%	1.23%	c.1.50% (subject to remedial)	120-130bps
Cost of Income	33.4%	35.5%	<35%	<25%
Return on Equity	5.67%	7.01%	6%-6.50%	12-14%

Doha Bank's Transformation Process to implement the strategy

Comprehensive 360-degree assessment covering 10 dimensions to identify short to medium-term priorities



50+ initiatives identified post review, providing a clear roadmap for the transformation process.

The Key priorities of the bank moving forward are:

Building High-Quality Assets & Liabilities

- The Bank is focused on creating a quality asset book from key sectors
- The Bank will fund itself by actively making efforts to diversify its deposits from customers across different sectors



Strengthening Digital & IT

- Strengthen technological resilience, towards building a digital-centric bank, which will enhance the customers' digital experience
- The Bank is launching an upgraded mobile app to customers end of April 2024



Driving Cost Efficiencies

- Focus on optimizing the banks costs to reinvest into key requirements of the Bank
- The Bank has identified > QAR 100 Mn of cost savings



Improving key ratios and metrics

- The Bank is actively working to strengthen the overall health, liquidity, and funding metrics, of the bank's portfolio



Note: Company Information

3. Overview

Doha Bank at a glance



Well-established banking franchise with strong brand value, and a 45-year legacy



Global footprint in 15 countries spread over 4 continents

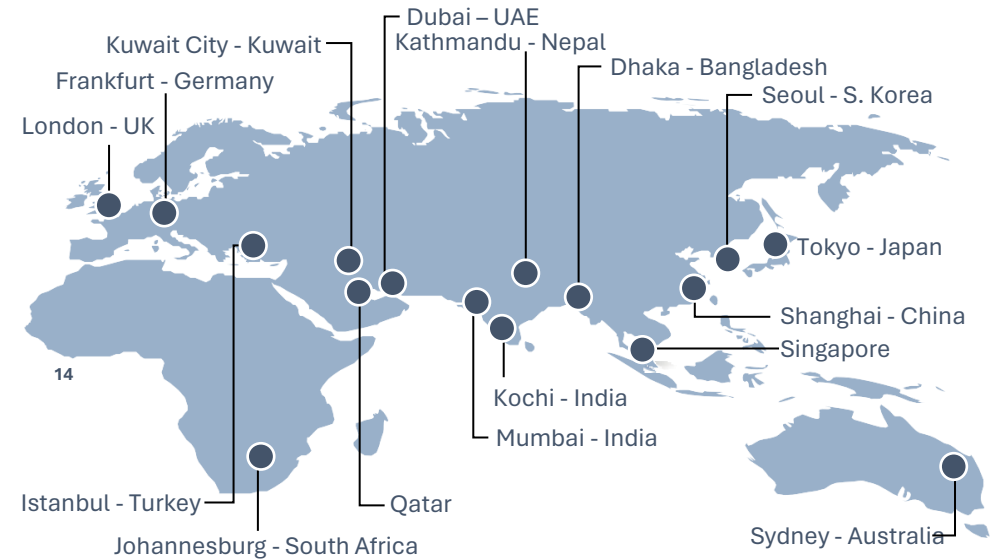


Strong shareholding structure with State of Qatar ownership of 23.72%



Strategy approved, and the Transformation is WELL underway

Doha Bank has a global reach



Founded 1978	Qatar Exchange	Network	Sub. & Assoc.	31 March 2024	2023-2027
<ul style="list-style-type: none"> ✓ First branch opened in 1979 	<ul style="list-style-type: none"> ✓ Listed on the Qatar Stock Exchange in 1997 	<p>Branches: Qatar, Kuwait, United Arab Emirates, and India</p> <p>Representative Offices: Australia, Bangladesh, China, Germany, Japan, Nepal, Singapore, South Africa, South Korea, Turkey, and United Kingdom</p>	<ul style="list-style-type: none"> ✓ Sharq Insurance 100% owned ✓ Brokerage & Financial Services, associate in India 	<ul style="list-style-type: none"> ➤ 16 Domestic Branches ➤ 2 Corporate Service Centers (under RBG) and 1 Corporate Branch (under WBG) ➤ 3 E-branches, ➤ 78 ATMs, 3 ITMs, and 1 Mobile ATM ➤ Client base of c.360,000⁽¹⁾ active customers 	<ul style="list-style-type: none"> ✓ Doha Bank's 5-year strategy & transformation was adopted by the Board of Directors for 2023-2027

Note: (1) Salaried, non-salaried and under Wages Protection Scheme ("WPS")

Doha Bank *Healthy diversification of income streams across all business units*

Wholesale Banking

QAR 51.47 billion of assets or 50.28% of total assets **Total Income of QAR 0.95 billion**

Corporate and commercial banking, structured finance, public sector finance, mortgage finance and real estate services, trade finance, factoring services and small and medium enterprises

Treasury & Investment

QAR 34.51 billion of assets or 33.71% of total assets **Total Income of QAR 0.49 billion**

The Treasury and Investments Group manages the bank’s asset and liability gaps as well as its day-to-day liquidity, the group is pivotal in shaping the bank’s short to medium-term liability structure and funding costs

Retail Banking

QAR 4.07 billion of assets or 3.98% of total assets **Total Income of QAR 0.13 billion**

The Retail Banking Group provides a wide range of products and services to individuals

International Banking

QAR 5.48 billion of assets or 5.36% of total assets **Total Income of QAR 0.13 billion**

Relationships with over 400 financial institutions globally

Sharq Insurance (100% owned)



Doha Bank is the only local Bank providing end to end Insurance solutions

Personal Accident



Travel Insurance

Motor Insurance



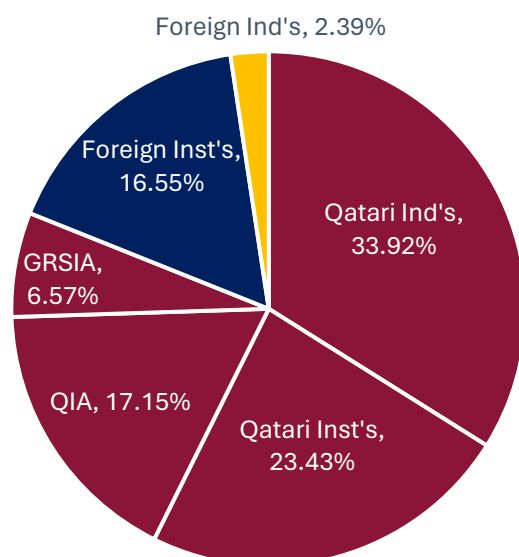
Home Insurance

Note: Company information and Company financials as of 31 March 2024

Diversified shareholder base & Share performance



Strong shareholding structure with State of Qatar ownership⁽¹⁾ of 23.72%



Share price and market capitalization

	Date	Value
Last Price	31-Mar-24	1.470
52 Week High	31-Dec-23	1.865
52 Week Low	24-Oct-23	1.407
Current Market Capitalization	Qatari Riyals Mn	4,557
	USD Mn	1,251

Note: (1) Qatar Investment Authority 17.15%, and the General Retirement Social Insurance Authority via the 'Civil Pension Fund' 6.57%, as of 31 March 2024

Strong ratings profile underpinned by highly rated sovereign

Agency	Category	Ratings	Outlook
Doha Bank			
MOODY'S	Bank Deposit Ratings LT	Baa1	Stable
FitchRatings ⁽²⁾	Issuer Default Rating LT	A	Stable
Qatar Sovereign			
MOODY'S ⁽⁴⁾	Counter Party Risk LT	Aa2	Stable
FitchRatings ⁽³⁾	Issuer Default Rating LT	AA	Stable
S&P Global Ratings	Counter Party Risk LT	AA	Stable

Note: (2) Fitch upgrades LT IDR to A from A-, and outlook as stable from positive 20.03.2024 (3) Fitch outlook stable from positive 20.03.2024 (4) Moody's upgrades rating from Aa3 to Aa2 and outlook to stable 24.01.2024

4. Financial Summary

Profitability (QAR Mn)	Mar-24	Mar-23	Chg Y/Y
Interest income	1,535	1,270	20.8%
Interest Expense	(1,046)	(783)	33.6%
Net Interest income	489	487	0.3%
Fees and commission	91	92	-1.3%
Foreign exchange gain	33	27	23.5%
Income from investment securities	36	16	127.8%
Net income from insurance activities	6	5	13.3%
Other Income	5	7	-22.9%
Net Operating Income	660	634	4.0%
Staff Cost	(137)	(126)	8.2%
Non-Staff Cost	(97)	(96)	1.1%
Net impairment losses	(194)	(185)	4.7%
Tax	(0)	(18)	-98.3%
Net Profit	231	209	10.9%

Comments

- ➡ Non-recurring income stands out year on year
- ➡ Interest Income increased by +20.8% YoY while Net Interest Income slightly positive +0.3% YoY

Assets and Liabilities (QAR Mn)	Mar-24	Mar-23	Chg Y/Y
Total Assets	102,379	96,648	5.9%
Loans and Advances	58,155	56,650	2.7%
Investments	30,106	25,034	20.3%
Customer Deposits	52,187	48,567	7.5%
Total Equity	14,490	13,882	4.4%

Capital	Mar-24	Mar-23	Chg Y/Y
RWA (QAR Mn)	76,358	74,574	2.4%
CET 1 Ratio (%)	13.34%	12.86%	3.7%
T1 Ratio (%)	18.58%	18.23%	1.9%
Total Capital Ratio (%)	19.74%	19.37%	1.9%

Minimum regulatory ratios for 2024: CET1: 8.50%, Tier1: 10.50%, Total Capital Ratio 12.50%, ICAAP 1.00%, Management buffer 0.50%

Comments

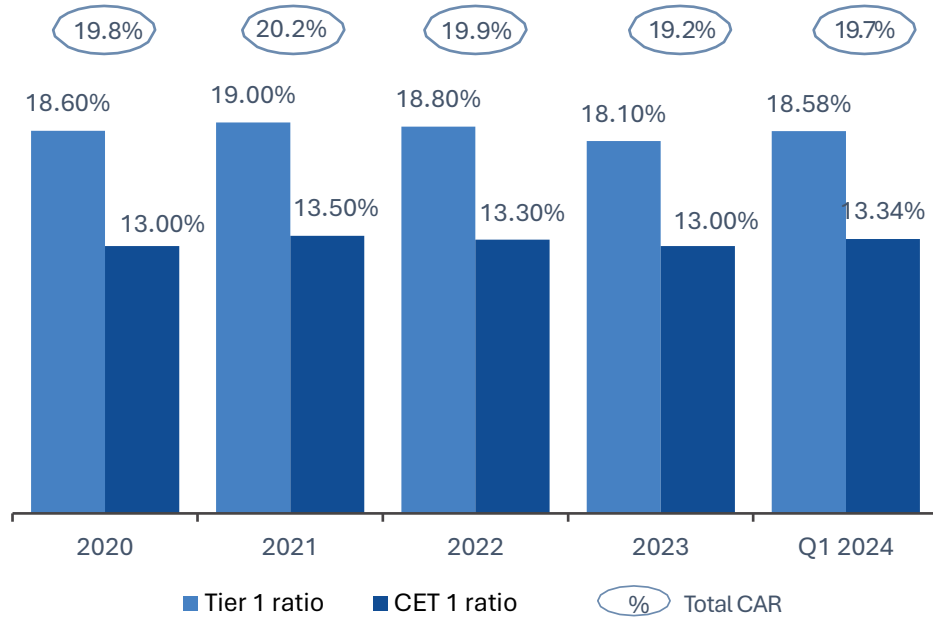
- ➡ RWA slightly higher year on year.
- ➡ Investment securities book remains healthy

Note: Company information and Company financials as of 31 March 2024

Capitalization

Net Interest Margin

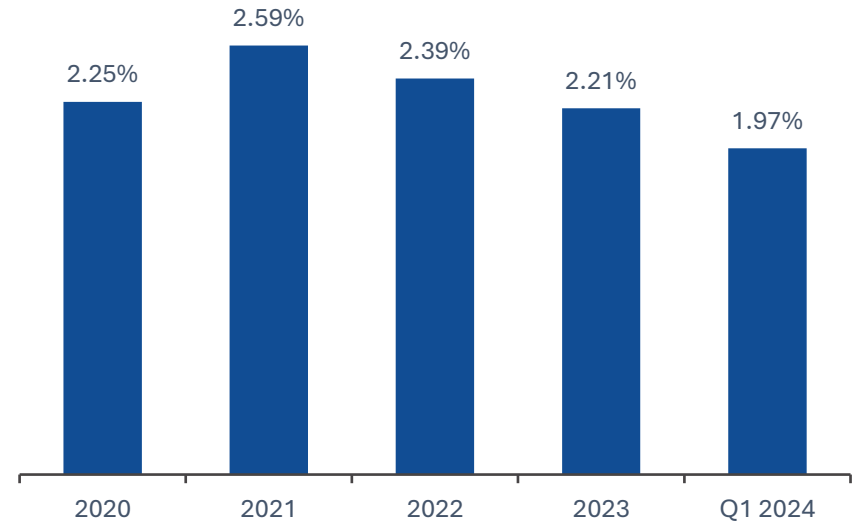
Evolution of Capital Ratios



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

Comments

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



Comments

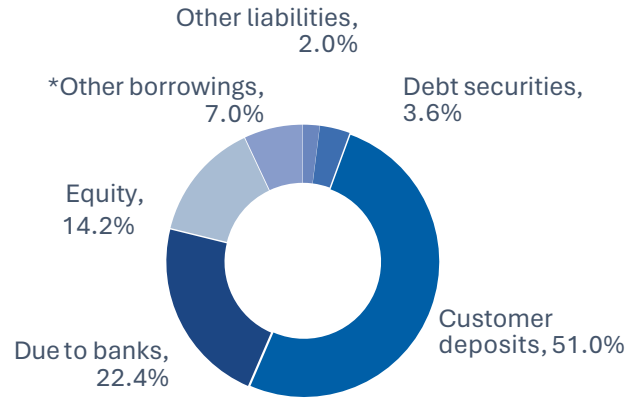
- Net interest margins expected to improve going forward
- Any rate cuts that occur will benefit the bank

Source: Company financials as of 31 March 2024

Funding Mix and Liquidity Profile

Comments

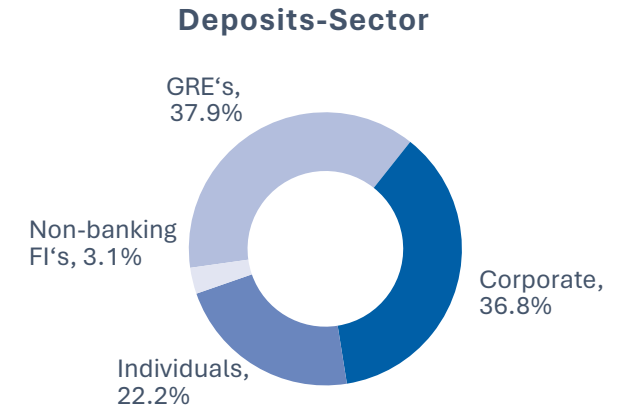
- Funding plan – raise liabilities to support asset growth:
 - Well diversified funding mix with 14.2% equity
 - Increase CASA and add duration through medium to long-term borrowings
- Liquidity profile:
 - Stable funding sources with a mixture of customer deposits, syndicated and bilateral borrowings, and debt securities
 - Maintain sufficient HQLA fixed income investment portfolio
 - Unencumbered assets at Head Office of QAR 12.96 Bn



31 March 2024

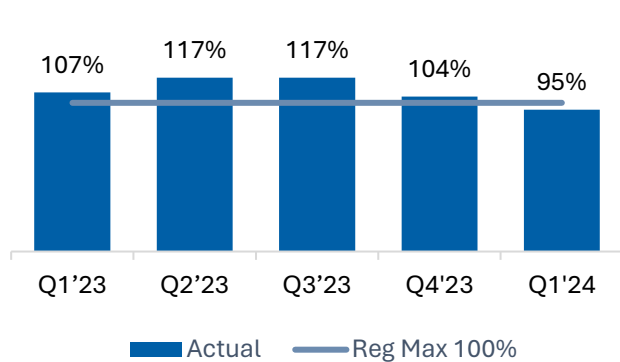
Total liabilities and equity: QAR 102.4 Bn

*Other borrowings include syndicated and bilateral borrowings

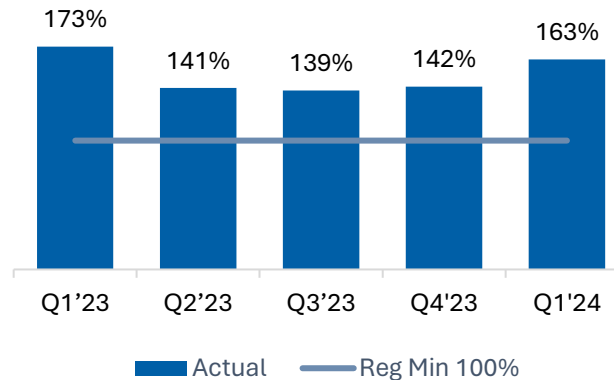


Net deposits: QAR 52.2 Bn

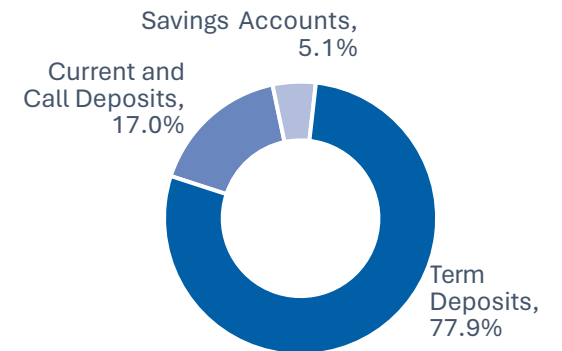
Regulatory Loan to Deposit Ratio



Regulatory Liquidity Coverage Ratio



Deposits-Type



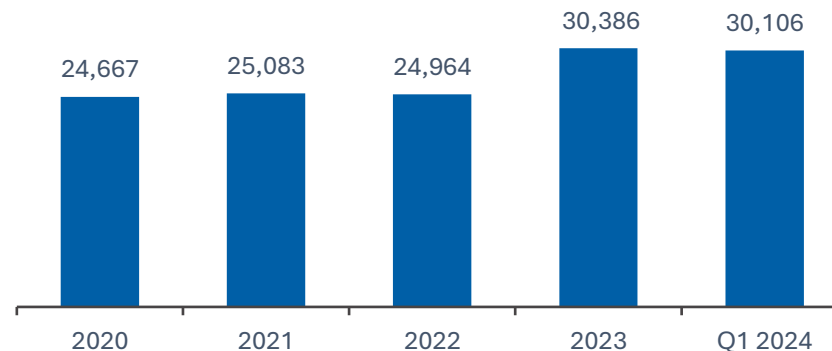
Source: Company financials as of 31 March 2024

Investment Book

Portfolio Overview

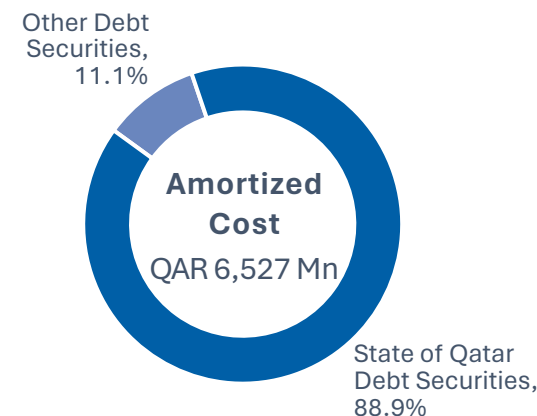
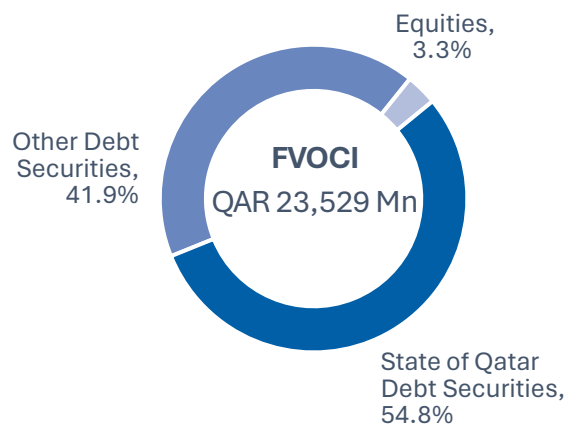
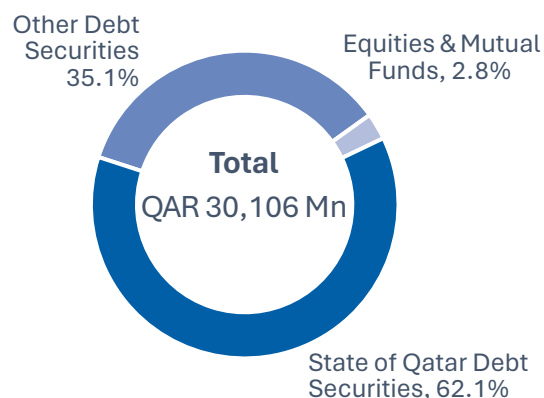
- Investments limits are linked to Tier 1 capital and set at 25% (excluding SOQs) as per QCB; total utilized currently sits at 22.98%
- Conservative low hard limits for discretionary trading / investments; total equities FVTPL QAR 50.05 Mn
- Majority of the portfolio in local sovereign fixed income, Qatar 63.70% and Qatar banks 5.94%
- Fixed Income holdings – current Net Modified Duration – c.1.23 years
- Currently the portfolio contains QAR 15.11 Bn of encumbered assets. The repo borrowings are at a weighted average cost of 5.42%
- Equity, AT1 and other fund exposures stands at QAR 822.56 Mn + QAR 28.73 Mn Mutual Funds

Investment Portfolio – evolution (QAR Mn)



Source: Company financials as of 31 March 2024

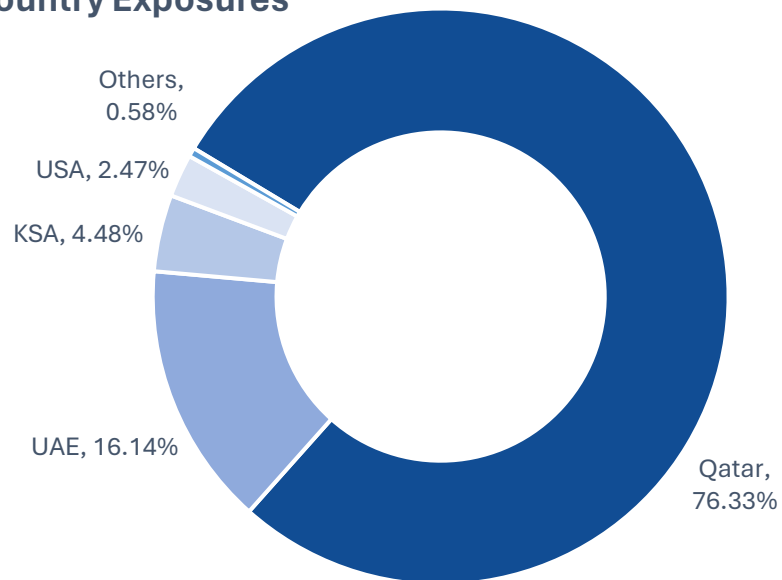
Investment Portfolio Breakdown (%)



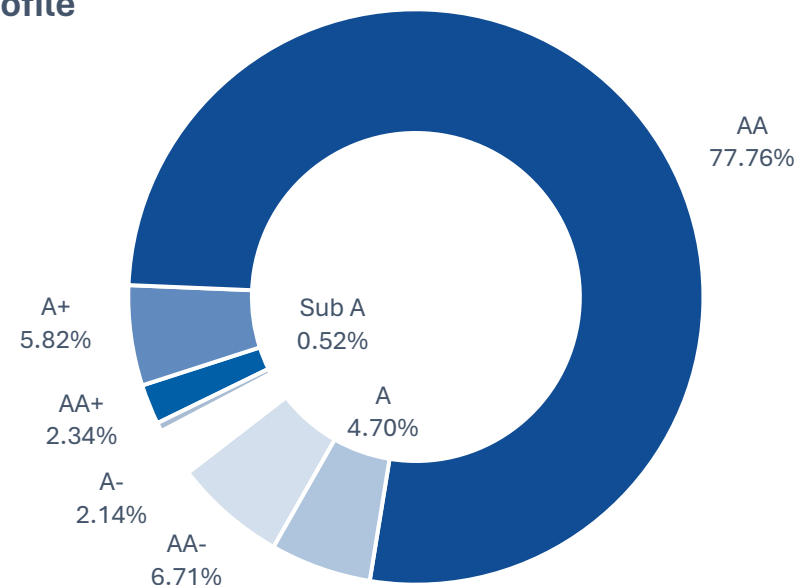
Source: Company financials as of 31 March 2024

Fixed Income Portfolio - Diversification

Country Exposures



Ratings Profile



Total GCC exposure of 97.47%
of which 21.14% ex-Qatar

Total AA exposure of 86.82%
Sub-IG exposure of 0.14%

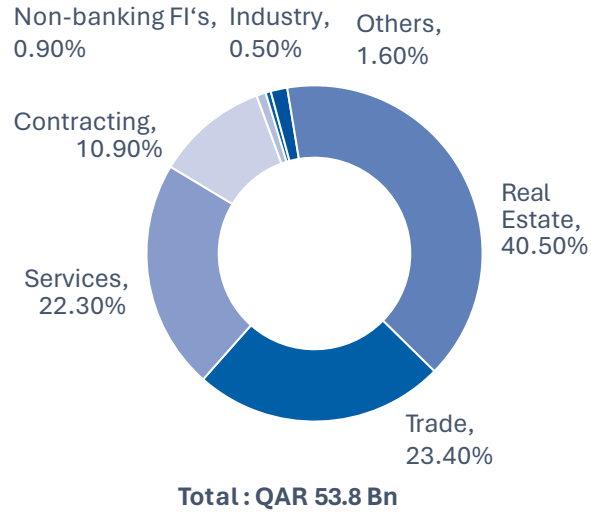
Sovereign State of Qatar Portfolio

State of Qatar (at Cost):	US\$ 5.17 Bn	65.47%
USD Bonds:	US\$ 3.40 Bn	
QAR Bonds:	US\$ 1.77 Bn	
HTM	US\$ 1.03 Bn	
AFS	US\$ 0.74 Bn	

Note: Company Information

Wholesale Banking

Overview of the corporate banking loan book at quarter end March 2024

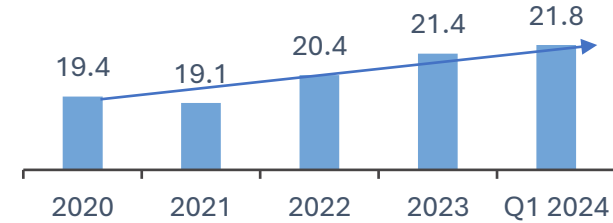


Comments

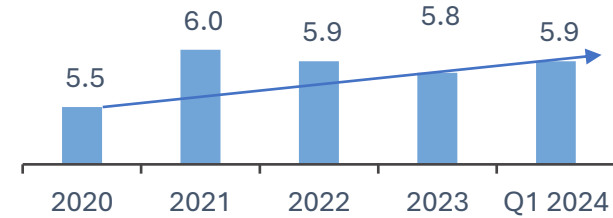
- The bank will look to maximize returns from non-borrowing customers and offer robust digitalization channels towards reducing transaction cost and incentivize customer interaction with the bank which will enable the cost of funds to improve.
- Moving forward the bank is looking at corporate syndications,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

Loans (OAR Bn)

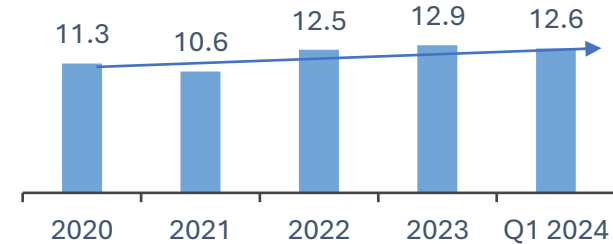
Real Estate
CAGR (2020-Q1 2024): +3.0%



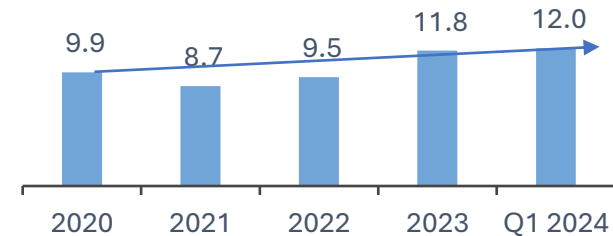
Contract Financing
CAGR (2020-Q1 2024): +1.8%



Trade
CAGR (2020-Q1 2024): +2.8%



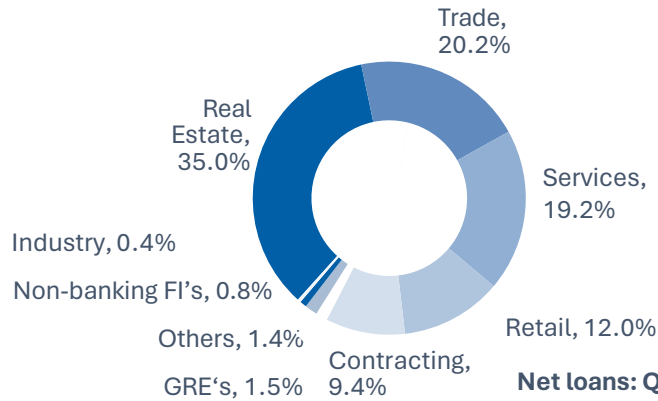
Services
CAGR (2020-Q1 2024): +4.9%



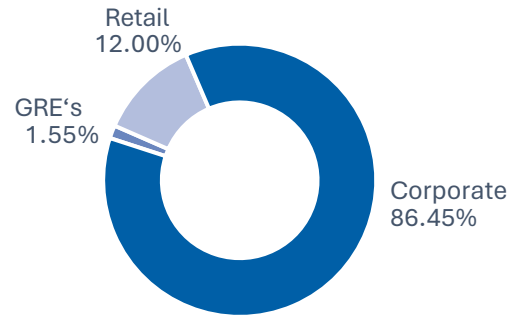
Source: Company financials as of 31 March 2024

Loan Book and Asset Quality

Loans-Sector

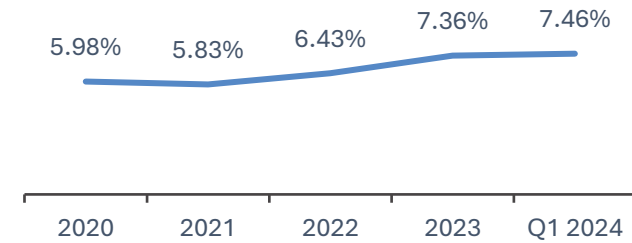


Loans-Type

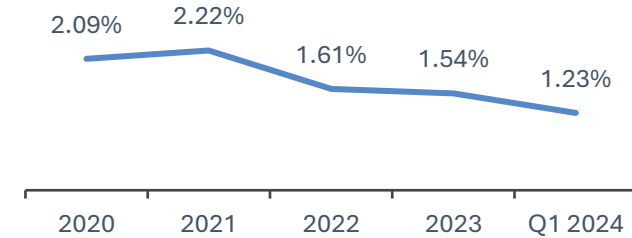


Net loans: QAR 58.2 Bn

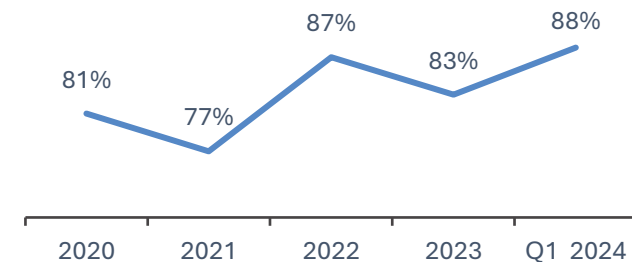
NPL evolution



Cost of risk⁽¹⁾



Total Reserves⁽¹⁾ for loans and advances



Comments

- Loan(s) by sector is well diversified
- Loans predominantly focused on corporates in the past. Expect quality GRE growth for 2024

March 2024 ⁽²⁾			
	Stage 1	Stage 2	Stage 3
Percentage on total loans	61.15%	31.39%	7.46%
Provision coverage	0.26%	5.67%	62.07%
March 2023			
	Stage 1	Stage 2	Stage 3
Percentage on total loans	61.08%	32.34%	6.58%
Provision coverage	0.20%	5.52%	65.12%

Note: (1) Includes expected credit losses (ECL)
 (2) Stage 3 provision includes interest in suspense

5. Doha Bank's Sustainable Journey

Sustainability to be at the core of our future

- Doha Bank began the publication of its annual sustainability disclosure statements in 2009
- Doha Bank sustainability reporting is guided by the Qatar Stock Exchange (QSE) ESG reporting methodology, since 2016
- Doha Bank increased the scope of its reporting to include all required metrics from both GRI and QSE

Doha Bank achieved a Participation 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



2011
 Doha Bank commenced publications of its **Annual Sustainability Disclosure Statements**



2016
 Doha Bank's sustainability reporting is guided by **The QSE ESG reporting methodology**



2023
 Doha Bank published its inaugural **Sustainable Finance Framework** allowing for future issuance of Green, Social, and Sustainability Financing Instruments

Doha Bank's **Sustainable Finance Framework** is aligned with

- ✓ ICMA Green Bond Principles 2021
- ✓ Social Bond Principles 2021
- ✓ Sustainability Bond Guidelines 2021
- ✓ Qatar Financial Centre's Sustainable Sukuk and Bond Framework 2022
- ✓ LMA / LSTA / APLMA Green Loan Principles
- ✓ Social Loan Principles updated in 2023

Doha Bank has received a **Second Party Opinion (SPO)** on its Sustainable Finance Framework, **confirming alignment with the ICMA and LMA principles and guidelines**

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

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.

Note: (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	 
Renewable Energy	 
Renewable Energy	 
Clean Transportation	 
Social Eligible Categories	
Healthcare	
Education	
Support to SMEs and micro-finance	 

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.



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>.



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- Throughout the presentation, we attempt to present some important factors relating to the bank's business that may affect our predictions.

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