

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

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS**

31 MARCH 2022

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

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

31 March 2022

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INDEPENDENT AUDITORS' REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF QATAR ISLAMIC BANK (Q.P.S.C.)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Qatar Islamic Bank (Q.P.S.C.) (the "Bank") and its subsidiaries (the "Group") as at 31 March 2022, comprising of the interim consolidated statement of financial position as at 31 March 2022 and the interim consolidated statements of income, interim consolidated statement of changes in equity, interim condensed consolidated statement of cash flows and interim consolidated statement of changes in restricted investment accounts for the three months period then ended, and the related explanatory notes.

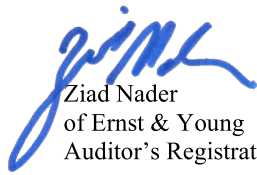
The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as modified by Qatar Central Bank ("QCB"). 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with Financial Accounting Standards issued by the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as modified by Qatar Central Bank ("QCB").



Ziad Nader
of Ernst & Young
Auditor's Registration No. 258

Date: 12 April 2022
Doha




INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2022

		31 March 2022 (Reviewed) QAR'000	31 December 2021 (Audited) QAR'000	31 March 2021 (Reviewed) QAR'000
Assets				
Cash and balances with central banks		8,708,122	7,176,507	9,059,618
Due from banks		4,740,704	7,460,696	6,197,317
Financing assets	6	127,067,909	128,408,527	125,128,160
Investment securities	7	44,877,637	44,379,772	33,513,579
Investment in associates		1,147,882	1,139,568	1,129,914
Investment properties		2,841,101	2,853,997	2,844,537
Fixed assets		420,057	428,132	454,499
Intangible assets		354,987	359,919	367,745
Other assets		2,352,172	1,708,792	1,519,946
Total assets		192,510,571	193,915,910	180,215,315
Liabilities, equity of unrestricted investment account holders and equity				
<div style="border: 1px solid black; padding: 5px; display: inline-block;"> ERNST & YOUNG Doha - Qatar 12 APR 2022 Stamped for Identification Purposes Only </div>				
Liabilities				
Due to banks		26,189,453	19,855,882	12,768,593
Customers' current accounts		18,136,856	16,907,030	18,060,740
Sukuk financing		14,985,513	14,062,725	14,062,991
Other liabilities		3,189,336	3,490,633	4,536,542
Total liabilities		62,501,158	54,316,270	49,428,866
Equity of unrestricted investment account holders	8	105,026,653	114,187,769	107,922,387
Equity				
Share capital		2,362,932	2,362,932	2,362,932
Legal reserve	9	6,370,016	6,370,016	6,370,016
Risk reserve	10	2,444,872	2,444,872	2,436,510
General reserve	11	81,935	81,935	81,935
Fair value reserve		147,284	60,661	(32,017)
Foreign currency translation reserve	13	(454,599)	(466,695)	(456,268)
Other reserves		216,820	216,820	216,820
Retained earnings		9,150,007	9,665,188	7,158,732
Total equity attributable to equity holders of the bank		20,319,267	20,735,729	18,138,660
Non-controlling interests		663,493	676,142	725,402
Sukuk eligible as additional capital	14	4,000,000	4,000,000	4,000,000
Total equity		24,982,760	25,411,871	22,864,062
Total liabilities, equity of unrestricted investment account holders and equity		192,510,571	193,915,910	180,215,315

These interim condensed consolidated financial statements were approved by the Board of Directors on 12 April 2022 and were signed on its behalf by:



 Jassim Bin Hamad Bin Jassim Bin Jabor Al Thani
 Chairman



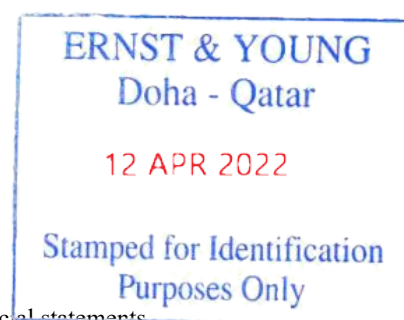
 Bassel Samir
 Group Chief Executive Officer

The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF INCOME

For the three months periods ended 31 March 2022

	<i>For the three months period ended 31 March</i>	
	2022 <i>(Reviewed)</i> QAR'000	2021 <i>(Reviewed)</i> QAR'000
	<i>Note</i>	
Net income from financing activities	1,514,650	1,489,398
Net income from investing activities	342,762	268,957
Total income from financing and investing activities, net	1,857,412	1,758,355
Fee and commission income	260,233	264,925
Fee and commission expense	(62,808)	(49,718)
Net fee and commission income	197,425	215,207
Net foreign exchange gain	45,752	102,130
Net share of results of associates	13,611	1,512
Other income	2,546	22,639
Total income	2,116,746	2,099,843
Staff costs	(154,121)	(163,668)
Depreciation and amortisation	(21,476)	(22,429)
Sukuk holders' share of profit	(113,357)	(115,207)
Other expenses	(94,396)	(82,521)
Total expenses	(383,350)	(383,825)
Net impairment reversals on investment securities	333	483
Net impairment losses on financing assets	(518,517)	(557,522)
Other impairment reversals	46,795	7,284
Net profit for the period before tax and return to unrestricted investment account holders	1,262,007	1,166,263
Less: return to unrestricted investment account holders	(399,547)	(404,768)
Net profit for the period before tax	862,460	761,495
Tax expense	(3,302)	(5,860)
Net profit for the period	859,158	755,635
Net profit for the period attributable to:		
Equity holders of the Bank	855,147	750,030
Non-controlling interests	4,011	5,605
Net profit for the period	859,158	755,635
Earnings per share		
Basic and diluted earnings per share (QAR per share)	0.36	0.32



INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months period ended 31 March 2022

	Share capital	Legal reserve	Risk reserve	General reserve	Fair value reserve	Foreign currency translation reserve	Other reserves	Retained earnings	Total equity attributable to equity holders of the Bank	Non-controlling interests	Sukuk eligible as additional capital	Total equity
	QAR'000											
Balance at 1 January 2022	2,362,932	6,370,016	2,444,872	81,935	60,661	(466,695)	216,820	9,665,188	20,735,729	676,142	4,000,000	25,411,871
Foreign currency translation reserve movement	-	-	-	-	-	12,096	-	-	12,096	-	-	12,096
Fair value reserve movement	-	-	-	-	86,623	-	-	-	86,623	-	-	86,623
Net profit for the period	-	-	-	-	-	-	-	855,147	855,147	4,011	-	859,158
Total recognised income and expense for the period	-	-	-	-	86,623	12,096	-	855,147	953,866	4,011	-	957,877
Cash dividends paid to equity holders (Note 15)	-	-	-	-	-	-	-	(1,358,686)	(1,358,686)	-	-	(1,358,686)
Movement in non-controlling interests	-	-	-	-	-	-	-	-	-	(16,660)	-	(16,660)
Loss on settlement of equity type investments	-	-	-	-	-	-	-	(11,642)	(11,642)	-	-	(11,642)
Balance at 31 March 2022 (Reviewed)	2,362,932	6,370,016	2,444,872	81,935	147,284	(454,599)	216,820	9,150,007	20,319,267	663,493	4,000,000	24,982,760
Balance at 1 January 2021	2,362,932	6,370,016	2,436,510	81,935	(109,786)	(336,313)	216,820	7,281,413	18,303,527	902,576	4,000,000	23,206,103
Foreign currency translation reserve movement	-	-	-	-	-	(119,955)	-	-	(119,955)	-	-	(119,955)
Fair value reserve movement	-	-	-	-	77,769	-	-	-	77,769	-	-	77,769
Net profit for the period	-	-	-	-	-	-	-	750,030	750,030	5,605	-	755,635
Total recognised income and expense for the period	-	-	-	-	77,769	(119,955)	-	750,030	707,844	5,605	-	713,449
Cash dividends paid to equity holders (Note 15)	-	-	-	-	-	-	-	(945,172)	(945,172)	-	-	(945,172)
Buyback of shares by subsidiary	-	-	-	-	-	-	-	60,595	60,595	32,986	-	93,581
Movement in non-controlling interests	-	-	-	-	-	-	-	-	-	(215,765)	-	(215,765)
Gain on settlement of equity type investments	-	-	-	-	-	-	-	11,866	11,866	-	-	11,866
Balance at 31 March 2021 (Reviewed)	2,362,932	6,370,016	2,436,510	81,935	(32,017)	(456,268)	216,820	7,158,732	18,138,660	725,402	4,000,000	22,864,062

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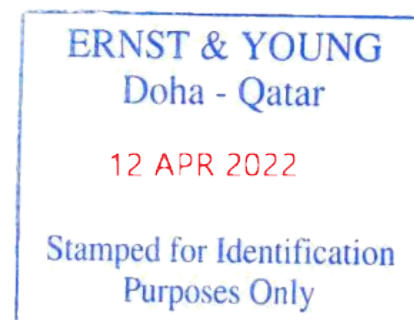
The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the three months period ended 31 March 2022

	<i>For the three months period ended 31 March</i>	
	<i>2022</i>	<i>2021</i>
	<i>(Reviewed) QAR'000</i>	<i>(Reviewed) QAR'000</i>
Cash flows from operating activities		
Net profit for the period before tax	862,460	761,495
Net changes in operating assets and liabilities	<u>7,624,150</u>	<u>(6,734,774)</u>
Net cash flows from (used in) operating activities	<u>8,486,610</u>	<u>(5,973,279)</u>
Cash flows from investing activities		
Net changes in investment securities	(519,441)	(216,161)
Net changes in fixed and intangible assets	(12,766)	(20,318)
Net changes in investment properties	-	(531)
Dividends received from associate companies	<u>7,000</u>	<u>7,000</u>
Net cash flows (used in) investing activities	<u>(525,207)</u>	<u>(230,010)</u>
Cash flows from financing activities		
Change in equity of unrestricted investment account holders	(9,161,116)	7,194,099
Profit paid on sukuk eligible as additional capital	196,337	(205,000)
Net proceeds from sukuk issue	910,000	-
Net movement in non-controlling interests	(16,659)	(182,778)
Cash dividends paid to equity holders of the Bank	<u>(1,358,686)</u>	<u>(945,172)</u>
Net cash flows (used in) from financing activities	<u>(9,430,124)</u>	<u>5,861,149</u>
Net (decrease) in cash and cash equivalents	<u>(1,468,721)</u>	<u>(342,140)</u>
Cash and cash equivalents - beginning of the period	<u>8,502,257</u>	<u>10,078,149</u>
Cash and cash equivalents - end of the period (Note 16)	<u>7,033,536</u>	<u>9,736,009</u>



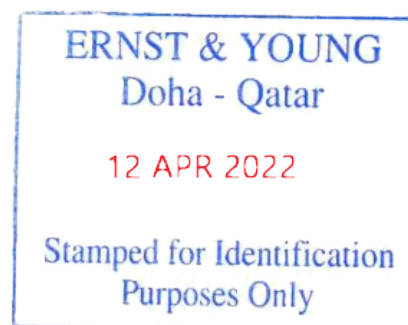
The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN RESTRICTED INVESTMENT ACCOUNTS

For the three months period ended 31 March 2022

<i>Investment</i>	<i>At 1 January 2022 (Audited)</i>	<i>Movements during the period</i>					<i>At 31 March 2022 (Reviewed)</i>
		<i>Investments</i>	<i>Revaluation</i>	<i>Gross income QAR'000</i>	<i>Dividends paid</i>	<i>Bank's fee as an agent</i>	
Real Estate Portfolio	22,750	(10,920)	-	-	-	-	11,830
Equity Securities Portfolio	1,710,285	11,684	76,451	42,690	(6,133)	(1,638)	1,833,339
	1,733,035	764	76,451	42,690	(6,133)	(1,638)	1,845,169

<i>Investment</i>	<i>At 1 January 2021 (Audited)</i>	<i>Movements during the period</i>					<i>At 31 March 2021 (Reviewed)</i>
		<i>Investments</i>	<i>Revaluation</i>	<i>Gross income QAR'000</i>	<i>Dividends paid</i>	<i>Bank's fee as an agent</i>	
Real Estate Portfolio	24,570	-	-	-	-	-	24,570
Equity Securities Portfolio	1,585,224	31,391	(20,577)	22,000	(4,947)	(1,773)	1,611,318
	1,609,794	31,391	(20,577)	22,000	(4,947)	(1,773)	1,635,888



The attached notes 1 to 20 form part of these interim condensed consolidated financial statements.

1 REPORTING ENTITY

Qatar Islamic Bank Q.P.S.C (“QIB” or the “Bank”) is an entity domiciled in the State of Qatar and was incorporated on 8 July 1982 as a Qatari Public Shareholding Company under Emiri Decree no. 45 of 1982. The commercial registration number of the Bank is 8338. The address of the Bank’s registered office is at P.O. Box 559, Doha, State of Qatar. The interim condensed consolidated financial statements of the Bank for the three months periods ended 31 March 2022 comprise the Bank and its subsidiaries (together referred to as the “Group”). The Group is primarily involved in corporate, retail and investment banking in accordance with Islamic sharia rules as determined by sharia supervisory board of the Bank and has 22 branches in Qatar and one branch in Sudan. The Parent Company of the Group is Qatar Islamic Bank (Q.P.S.C). The Bank’s shares are listed for trading on the Qatar Exchange.

The interim condensed consolidated financial statements include the financial statements of the Bank and the following principal subsidiaries:

	Country of Incorporation	Principal Business Activity	Effective percentage of ownership	
			31 March 2022	31 December 2021
Arab Finance House	Lebanon	Banking	99.99%	99.99%
Aqar Real Estate Development and Investment Company W.L.L.(“Aqar”)				
(i)				
Durat Al Doha Real Estate Investment and Development W.L.L.	Qatar	Investment in real estate	49%	49%
QIB Sukuk Ltd (ii)	Qatar	Investment in real estate	82.61%	82.61%
QIB (UK)	Cayman Island	Sukuk issuance	100%	100%
QInvest LLC	United Kingdom	Investment banking	99.71%	99.71%
	Qatar	Investment banking	65.62%	65.62%

Notes:

- i) The Group excises control over Aqar as it has the rights that give it the current ability to direct the relevant activities of Aqar. Furthermore, the Group has majority of the votes in the Board of Directors meetings of Aqar by virtue of representing the highest number of members in the Board.
- ii) QIB Sukuk Ltd was incorporated in the Cayman Islands as an exempted company with limited liability for the sole purpose of Sukuk issuance for the benefit of QIB.

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 Organisation for Islamic Financial Institutions (“AAOIFI”) as modified by the Qatar Central Bank (“QCB”).

QCB Circular 13/2020 dated 29 April 2020 modifies 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 principles of IFRS 9 “Financial Instruments” in respect of equity-type investments carried at Fair Value Through Equity. The Bank has adopted the circular from the effective date and the changes to the accounting policies have been adopted prospectively by the Bank.

2 BASIS OF PREPARATION (CONTINUED)
(a) Statement of compliance (continued)

The interim condensed consolidated financial statements as of and for the three months period ended 31 March 2022 were prepared in accordance with FAS issued by AAOIFI and the applicable provisions of the QCB regulations.

In line with the requirements of AAOIFI, 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”). Accordingly, the interim condensed consolidated financial statements have been prepared in accordance with the guidance provided by International Accounting Standard 34 – ‘Interim Financial Reporting’.

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 2021. In addition, results for the three months periods ended 31 March 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

(b) Estimates and judgements

The preparation of the interim condensed consolidated financial statements in conformity with FAS issued by AAOIFI as modified by QCB, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing the interim condensed consolidated financial information, significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the consolidated financial statements as at and for the year ended 31 December 2021.

(c) Financial risk management

The Group’s financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2021.

(d) Significant accounting policies

The significant 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 2021, except as noted below:

During the period, the Group applied the following standards and amendments to standards in preparation of these interim condensed consolidated financial statements. The adoption of the below standards and amendments to standards did not result in changes to previously reported net profit or equity of the Group, however, may result in additional disclosures at year end.

- ***FAS 37 -Financial Reporting by Waqf Institutions***
 AAOIFI has issued FAS 38 in 2020. The objective of this standard is to establish principles of financial reporting by Waqf institutions, which are established and operated in line with Shari’ah principles and rules. The implementation of this comprehensive standard is expected, in turn, to contribute towards improving effectiveness and efficiency of operations of Waqfs, maximizing benefits to the beneficiaries and encouraging proper accountability and management.
- ***FAS 38 - Wa'ad, Khiyar and Tahawwut***
 AAOIFI has issued FAS 38 in 2020. The objective of this standard is to prescribe the accounting and reporting principles for recognition, measurement and disclosure in relation to Shari'ah compliant Wa'ad (promise), Khiyar (option) and Tahawwut (hedging) arrangements for Islamic financial institutions.

2 BASIS OF PREPARATION (CONTINUED)

(e) New standards, amendments and interpretations issued but not yet effective

- ***FAS 1 (Revised 2021) - General Presentation and Disclosures in the Financial Statements***

AAOIFI has issued revised FAS 1 in 2021. The revised FAS 1 supersedes the earlier FAS 1 General Presentation and Disclosures in the Financial Statements of Islamic Banks and Financial Institutions and introduces the concepts of quasi-equity, off-balance-sheet assets under management and other comprehensive income to enhance the information provided to the users of the financial statements. This standard shall be effective for the financial periods beginning on or after 1 January 2023 with early adoption permitted. The Group is currently evaluating the impact of the above standards.

- ***FAS 39 - Financial Reporting for Zakah***

AAOIFI has issued FAS 39 in 2021. This standard improves upon and supersedes FAS 9 on “Zakah” and aims at setting out the accounting treatment of Zakah in the books of the institutions, including the presentation and disclosure by an Islamic financial institution. The accounting and financial reporting requirements such as recognition, presentation and disclosure requirements of this standard shall apply to institutions that are obliged to pay Zakah on behalf of certain or all stakeholders. Institutions that are not obliged to pay Zakah shall apply the disclosure requirements of this standard for certain or all stakeholders, as relevant. This standard shall be effective for the financial periods beginning on or after 1 January 2023 with early adoption permitted. The Group is currently evaluating the impact of the above standards.

- ***FAS 40 - Financial Reporting for Islamic Finance Windows***

AAOIFI has issued FAS 40 in 2021. The objective of this revised standard is to establish financial reporting requirements for Islamic finance windows and applicable to all conventional financial institutions providing Islamic financial services through an Islamic finance window. This standard improves upon and supersedes FAS 18 “Islamic Financial Services Offered by Conventional Financial Institutions”. This standard shall be effective for the financial periods beginning on or after 1 January 2024 with early adoption permitted. The Group is currently evaluating the impact of the above standards.

(f) Key changes to the significant estimates and judgements

Investment classification

Assessment of the business model within which the investments are managed, and assessment of whether the contractual terms of the investment represents either a debt-type instrument or other investment instrument having reasonably determinable effective yield.

(g) Adoption of QCB circular 13/2020

Measurement of equity-type instruments classified as fair value through equity

The Group may elect to present in statement of changes in equity changes in the fair value of certain investments in equity-type instruments that are not held for trading. The election is made on an instrument by instrument basis on initial recognition and is irrevocable. Gains and losses on such equity-type instruments are never subsequently reclassified to consolidated income statement, including on disposal. However, cumulative gains and losses recognised in fair value reserve are transferred to retained earnings on disposal of an investment. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognised in consolidated income statement, unless they clearly represent a recovery of part of the cost of the investment, in which case they are recognised in statement of changes in equity.

3 OPERATING SEGMENTS

The Group has four 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 Chief Executive Officer reviews internal management reports on a monthly basis. The following summary describes the operations in each of the Group's reportable segments:

Corporate banking – Corporate Banking includes services offered to institutional investors, corporate, other banks, and investment vehicles such as mutual funds or pensions.

Personal banking – Personal banking includes services that are offered to individual customers through local branches of the Bank which includes checking and savings accounts, credit cards, personal lines of credit, mortgages, and so forth.

Group function – treasury, investment, finance and other central functions.

Local & international subsidiaries – Local and international subsidiaries include the Groups local and international subsidiaries all of which are consolidated in the Group financial statements.

Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Chief Executive Officer. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information regarding the results, assets and liabilities of each reportable segment is included below:

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2022

3 OPERATING SEGMENTS (CONTINUED)
Information about operating segments

	<i>Corporate banking QAR'000</i>	<i>Personal banking QAR'000</i>	<i>Group function QAR'000</i>	<i>Local & international subsidiaries QAR'000</i>	<i>Total QAR'000</i>
<i>31 March 2022 (Reviewed)</i>					
External revenue:					
Total income from financing and investing activities	1,136,499	449,908	195,562	75,443	1,857,412
Net fee and commission income	63,584	69,549	54,237	10,055	197,425
Net foreign exchange gain	-	-	24,913	20,839	45,752
Share of results of associates	-	-	12,434	1,177	13,611
Other income	-	-	-	2,546	2,546
Total income	1,200,083	519,457	287,146	110,060	2,116,746
Sukuk holders' share of profit	-	-	(113,357)	-	(113,357)
Return to unrestricted investment account holders	(219,274)	(109,791)	(57,863)	(12,619)	(399,547)
Inter segment (cost) / revenue	(327,304)	104,125	223,179	-	-
Reportable segment net profit after tax	105,369	340,978	363,779	49,032	859,158
<i>31 March 2021 (Reviewed)</i>					
External revenue:					
Total income from financing and investing activities	1,040,473	456,943	216,068	44,871	1,758,355
Net fee and commission income	64,195	52,113	44,377	54,522	215,207
Net foreign exchange gain	-	-	21,817	80,313	102,130
Share of results of associates	-	-	(3,286)	4,798	1,512
Other income	-	-	20,000	2,639	22,639
Total income	1,104,668	509,056	298,976	187,143	2,099,843
Sukuk holders' share of profit	-	-	(115,207)	-	(115,207)
Return to unrestricted investment account holders	(176,760)	(116,551)	(101,147)	(10,310)	(404,768)
Inter segment (cost) revenue	(367,351)	122,360	244,991	-	-
Reportable segment net profit after tax	79,251	252,069	312,102	112,213	755,635

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2022

3 OPERATING SEGMENTS (CONTINUED)

	<i>Corporate banking QAR'000</i>	<i>Personal banking QAR'000</i>	<i>Group function QAR'000</i>	<i>Local & international subsidiaries QAR'000</i>	<i>Total QAR'000</i>
<i>31 March 2022 (Reviewed)</i>					
Reportable segment assets	121,609,229	24,509,629	39,052,482	7,339,231	192,510,571
Reportable segment liabilities and equity of unrestricted investments account holders	58,420,498	45,591,395	56,527,568	6,988,350	167,527,811
<i>31 December 2021 (Audited)</i>					
Reportable segment assets	123,825,437	23,846,413	39,979,620	6,264,440	193,915,910
Reportable segment liabilities and equity of unrestricted investments account holders	63,739,603	44,525,279	54,062,865	6,176,292	168,504,039

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

	<i>Fair value through equity</i>	<i>Fair value through income statement</i>	<i>Amortised cost QAR'000</i>	<i>Total carrying amount</i>	<i>Fair value</i>
	-----	-----	-----	-----	-----
31 March 2022 (Reviewed)					
Cash and balances with central banks	-	-	8,708,122	8,708,122	8,708,122
Due from banks	-	-	4,740,704	4,740,704	4,740,704
Financing assets	-	-	127,067,909	127,067,909	127,067,909
Investment securities					
- Equity type instruments	2,433,483	1,581,173	-	4,014,656	4,014,656
- Debt type instruments	-	300,631	40,562,350	40,862,981	40,537,381
Other assets	-	-	478,914	478,914	478,914
	2,433,483	1,881,804	181,557,999	185,873,286	185,547,686
Due to banks	-	-	26,189,453	26,189,453	26,189,453
Customers' current accounts	-	-	18,136,856	18,136,856	18,136,856
Sukuk financing	-	-	14,985,513	14,985,513	14,985,513
Other liabilities	-	-	3,189,336	3,189,336	3,189,336
Equity of unrestricted investment account holders	-	-	105,026,653	105,026,653	105,026,653
	-	-	167,527,811	167,527,811	167,527,811
	-----	-----	-----	-----	-----
	<i>Fair value through equity</i>	<i>Fair value through income statement</i>	<i>Amortised cost QAR'000</i>	<i>Total carrying amount</i>	<i>Fair value</i>
	-----	-----	-----	-----	-----
31 December 2021 (Audited)					
Cash and balances with central banks	-	-	7,176,507	7,176,507	7,176,507
Due from banks	-	-	7,460,696	7,460,696	7,460,696
Financing assets	-	432,315	127,976,212	128,408,527	128,408,527
Investment securities:					
- Equity type instruments	2,337,228	1,428,483	-	3,765,711	3,765,711
- Debt type instruments	-	325,568	40,288,493	40,614,061	40,387,805
Other assets	-	-	482,481	482,481	482,481
	2,337,228	2,186,366	183,384,389	187,907,983	187,681,727
Due to banks	-	-	19,855,882	19,855,882	19,855,882
Customers' current accounts	-	-	16,907,030	16,907,030	16,907,030
Sukuk financing	-	-	14,062,725	14,062,725	14,062,725
Other liabilities	-	-	3,490,633	3,490,633	3,490,633
Equity of unrestricted investment account holders	-	-	114,187,769	114,187,769	114,187,769
	-	-	168,504,039	168,504,039	168,504,039

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

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 QAR 2,867 million (31 December 2021: QAR 2,737 million) for which the fair value amounts to QAR 2,847 million (31 December 2021: QAR 2,757 million), which is derived using level 1 fair value hierarchy.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial investments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

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, other valuation techniques where all significant inputs are directly or indirectly observable from market data.; and

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.

For financial instruments that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

As at 31 March 2022 and 31 December 2021, the Group held the following financial instruments measured at fair value:

<i>31 March 2022 (Reviewed)</i>	<i>Fair value measurement using</i>			
	<i>Total</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QAR'000</i>			
Shari'a compliant risk management instruments (assets)	130,392	-	130,392	-
Investments securities				
Quoted equity-type investments classified FVTIS	245,805	245,805	-	-
Quoted debt-type investments classified as FVTIS	10,559	10,559	-	-
Unquoted debt-type investments classified as FVTIS	290,072	-	290,072	-
Unquoted equity-type investments classified as FVTIS	1,335,368	-	217,526	1,117,842
Quoted equity-type investments classified as FVTE	1,504,762	498,184	1,006,578	-
Unquoted equity-type investments classified as FVTE	928,721	-	545,188	383,533
Financing assets classified as FVTIS	437,467	-	-	437,467
Shari'a compliant risk management instruments (liabilities)	110,378	-	110,378	-

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value hierarchy (continued)**

<i>31 December 2021 (Audited)</i>	<i>Fair value measurement using</i>			
	<i>Total</i>	<i>Level 1</i>	<i>Level 2</i>	<i>Level 3</i>
	<i>QAR'000</i>			
Shari'a compliant risk management instruments (assets)	88,803	-	88,803	-
Investments securities				
Quoted equity-type investments classified as FVTIS	345,977	345,977	-	-
Quoted debt-type investments classified as FVTIS	12,992	12,992	-	-
Unquoted debt-type investments classified as FVTIS	312,576	-	312,576	-
Unquoted equity-type investments classified as FVTIS	1,082,506	-	209,441	873,065
Quoted equity-type investments classified as FVTE	1,354,854	833,981	520,873	-
Unquoted equity-type investments classified as FVTE	982,374	-	600,536	381,838
Financing assets classified as FVTIS	432,315	-	-	432,315
Shari'a compliant risk management instruments (liabilities)	202,286	-	202,286	-

FVTIS – Fair value through income statement

FVTE – Fair value through equity

Transfers within the fair value hierarchy

During the period ended 31 March 2022 and year ended 31 December 2021, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The valuation technique in measuring the fair value financial instruments categorized as level 3 were in line with 31 December 2021.

The following table shows the reconciliation of the opening and closing amounts of level 3 investments which are recorded at fair value:

	<i>At</i>	<i>Total (loss) / gain</i>			<i>At 31 March</i>
	<i>1 January</i>	<i>in consolidated</i>	<i>Purchases</i>	<i>Sales /</i>	<i>2022</i>
	<i>2022</i>	<i>income statement /</i>		<i>transfers</i>	<i>(Reviewed)</i>
	<i>(Audited)</i>	<i>equity</i>			
	<i>QAR'000</i>				
Equity investments:					
at fair value through equity	381,838	(4,227)	11,292	(5,370)	383,533
at fair value through income statement	873,065	14,849	280,080	(50,152)	1,117,842
Financing assets classified as FVTIS	432,315	5,152	-	-	437,467
	1,687,218	15,774	291,372	(55,522)	1,938,842

4 FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)**Transfers within the fair value hierarchy (continued)**

	<i>At 1 January 2021 (Audited)</i>	<i>Total (loss) / gain recorded in consolidated income statement / equity</i>	<i>Purchases</i>	<i>Sales/ transfers</i>	<i>At 31 December 2021 (Audited)</i>
	QAR '000				
Equity investments:					
at fair value through equity	297,747	(14,918)	103,068	(4,059)	381,838
at fair value through income statement	744,187	12,286	235,092	(118,500)	873,065
Financing assets classified as FVTIS	512,275	(3,048)	9,915	(86,827)	432,315
	1,554,209	(5680)	348,075	(209,386)	1,687,218

5 IMPAIRMENT*Equity-type investments classified as fair value through equity*

With effect from the issuance of QCB circular 13/2020, equity type instruments classified as fair value through equity are not tested for impairment. However prior to that, equity-type investments classified as fair value through equity and measured at fair value, a significant or prolonged decline in the fair value of an investment below its cost is considered in determining whether the investments are impaired. If any such evidence exists for equity-type investments classified as fair value through equity, the cumulative loss previously recognised in the interim consolidated statement of changes in equity is removed from equity and recognised in the interim consolidated income statement. Impairment losses recognised in the interim consolidated income statement on equity-type investments are subsequently reversed through equity.

Investment properties

Investment properties held for rental or capital appreciation is measured at fair value with the resulting unrealised gains being recognised in the interim consolidated statement of changes in equity under fair value reserve. Any unrealized losses resulting from re-measurement at fair value is recognized in the interim consolidated statement of financial position under fair value reserve to the extent of available balance. In case such losses exceed the available balance, the unrealized loss is recognized in the interim consolidated income statement. In case there are unrealized losses that have been recognized in the interim consolidated income statement in a previous financial year/period, the unrealized gains related to the current financial period is recognized to the extent of crediting back such previous losses in the interim consolidated income statement. Any excess of such gains over such prior-year losses is added to the fair value reserve.

Financial assets carried at amortised cost (including investment in sukuk instruments classified as amortised cost)

For financial assets carried at amortised cost, impairment is recognised based on FAS 30. Losses are recognised in interim consolidated income statement and reflected in an allowance account. The Group has provided QAR 518.5 million (31 March 2021: QAR 557.5 million) as impairment on financing assets which was recognised under "Net impairment losses on financing assets" in the interim consolidated income statement. Further, the Group has recognised impairment reversals of QAR 0.3 million (31 March 2021: reversals of QAR 0.5 million) on investment securities which was recognised under "Net impairment reversals / (losses) on investment securities" in the interim consolidated income statement as disclosed in note 20 to these interim condensed consolidated financial statements.

6 FINANCING ASSETS

	<i>31 March 2022 (Reviewed) QAR'000</i>	<i>31 December 2021 (Audited) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
Total financing assets	140,403,930	140,912,480	137,321,987
Less: Deferred profit	(7,977,706)	(7,665,654)	(8,103,387)
Expected credit losses on financing assets - performing (Stage 1 and 2) *	(3,455,668)	(3,013,742)	(2,358,028)
Allowance for impairment on financing assets – credit impaired (Stage 3) *	(1,843,049)	(1,768,841)	(1,672,046)
Suspended profit	(59,598)	(55,716)	(60,366)
Net financing assets	<u>127,067,909</u>	<u>128,408,527</u>	<u>125,128,160</u>

Note:

Net financing assets include hybrid instruments amounting to QAR 437 million designated as fair value through income statement ('FVTIS') (31 December 2021: QAR 432 million) which are not subject to impairment assessment.

The impaired financing assets net of deferred profit amounted to QAR 2,003 million as at 31 March 2022 representing 1.5% of the total financing assets net of deferred profit (31 December 2021: QAR 2,390 million, representing 1.8% of the total financing assets net of deferred profit).

**For stage wise exposure and allowance for impairment refer to note 20.*

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at and for the period ended 31 March 2022

7 INVESTMENT SECURITIES

	<i>31 March 2022 (Reviewed)</i>			<i>31 December 2021 (Audited)</i>			<i>31 March 2021 (Reviewed)</i>		
	<i>Quoted QAR'000</i>	<i>Unquoted QAR'000</i>	<i>Total QAR'000</i>	<i>Quoted QAR'000</i>	<i>Unquoted QAR'000</i>	<i>Total QAR'000</i>	<i>Quoted QAR'000</i>	<i>Unquoted QAR'000</i>	<i>Total QAR'000</i>
<i>Investments classified as fair value through income statement</i>									
• equity-type investments	245,805	1,335,368	1,581,173	345,977	1,082,506	1,428,483	152,605	930,640	1,083,245
• debt-type investments									
- Fixed rate	10,559	290,072	300,631	12,992	312,576	325,568	13,631	316,476	330,107
	256,364	1,625,440	1,881,804	358,969	1,395,082	1,754,051	166,236	1,247,116	1,413,352
<i>Debt-type investments classified at amortised cost</i>									
- State of Qatar Sukuk and QCB Murabaha	2,052,067	37,671,492	39,723,559	2,070,015	37,551,410	39,621,425	2,056,269	27,190,886	29,247,155
- Fixed rate	834,961	107,230	942,191	663,549	107,252	770,801	758,880	102,141	861,021
Less: allowance for impairment*	(172)	(103,228)	(103,400)	(504)	(103,229)	(103,733)	(1,430)	(98,132)	(99,562)
	2,886,856	37,675,494	40,562,350	2,733,060	37,555,433	40,288,493	2,813,719	27,194,895	30,008,614
<i>Equity-type investments classified as fair value through equity</i>									
	1,504,762	928,721	2,433,483	1,354,854	982,374	2,337,228	949,320	1,142,293	2,091,613
	4,647,982	40,229,655	44,877,637	4,446,883	39,932,889	44,379,772	3,929,275	29,584,304	33,513,579

*For stage wise exposure and allowance for impairment refer to note 20.

8 EQUITY OF UNRESTRICTED INVESTMENT ACCOUNT HOLDERS

	<i>31 March 2022 (Reviewed) QAR'000</i>	<i>31 December 2021 (Audited) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
Term accounts	81,224,326	90,884,114	83,012,945
Saving accounts	20,520,507	19,789,956	19,502,737
Call accounts	3,181,925	3,409,931	5,319,931
	104,926,758	114,084,001	107,835,613
Share in fair value reserve	99,895	103,768	86,774
Total	105,026,653	114,187,769	107,922,387

9 LEGAL RESERVE

In accordance with QCB Law No. 13 of 2012, 10% of net profit attributable to the owners of the Bank for the year is required to be transferred to the reserve until the legal reserve equals 100% of the paid up share capital at a minimum. This reserve is not available for distribution except in circumstances specified in Qatar Commercial Companies Law No. 11 of 2015 and after QCB approval. No appropriation was made in the current period as the legal reserve exceeds 100% of the paid up share capital.

10 RISK RESERVE

In accordance with QCB regulations, a risk reserve should be created to cover contingencies on both the public and private sector financing assets, with a minimum requirement of 2.5% of the total private 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. No transfer to risk reserve has been made during the period as the required amount will be transferred at year end (31 December 2021: QAR 8.4 million was transferred to risk reserve).

11 GENERAL RESERVE

In accordance with the Articles of Association of the Bank, the General Assembly may transfer a portion of the net profits to the general reserve which could be based on the General Assembly Resolution as per recommendation from Board of Directors and after the approval from Qatar Central Bank.

12 BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Bank for the period by the weighted average number of ordinary shares as outstanding during the period.

	<i>For the three months period ended 31 March</i>	
	<i>2022 (Reviewed)</i>	<i>2021 (Reviewed)</i>
Profit for the period attributable to equity holders of the Bank (QAR'000)	855,147	750,030
Weighted average number of shares outstanding during the period ('000)	2,362,932	2,362,932
Basic and diluted earnings per share (QAR)	0.36	0.32

There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share are equal to the basic earnings per share”

13 FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as from the translation of liabilities and gains and losses on risk management instruments that hedge the Group's net investment in foreign operations and gains and losses on revaluation of foreign currency non-monetary assets carried at fair value for which gain or loss is recognized in other comprehensive income.

14 SUKUK ELIGIBLE AS ADDITIONAL CAPITAL

During 2015, the Group issued perpetual sukuk eligible as additional tier 1 capital for an amount of QAR 2 billion. The sukuk is unsecured and the profit distributions are discretionary, non-cumulative and payable annually at an agreed expected profit rate of 5% to be reset every sixth year. During 2021 the first reset period lapsed and a new profit rate of 4.13365% has been reset for the coming six years. 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 have been classified as equity. During September 2016, the Group raised additional tier 1 capital by issuing a perpetual sukuk for an amount of QR 2 billion at an agreed expected profit rate of 5.25% to be reset every sixth year.

15 DIVIDENDS

The equity holders of the Bank approved 57.5% cash dividends of (QAR 0.575 per share) amounting to QAR 1,358.7 million for the year ended 31 December 2021 in the general assembly meeting held on 22 February 2022 (QAR 945.2 million for the year ended 31 December 2020).

16 CASH AND CASH EQUIVALENTS

For the purpose of 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>31 March 2022 (Reviewed) QAR'000</i>	<i>31 December 2021 (Audited) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
Cash and balances with central banks (excluding restricted QCB and other central banks reserve account)	3,100,404	1,171,395	3,839,808
Due from banks	3,933,132	7,330,862	5,896,201
Total	7,033,536	8,502,257	9,736,009

17 CONTINGENT LIABILITIES AND COMMITMENTS

	<i>31 March 2022 (Reviewed) QAR'000</i>	<i>31 December 2021 (Audited) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
a) Contingent liabilities			
Unused financing facilities	8,396,507	7,731,497	6,334,785
Guarantees	8,294,622	8,393,739	10,538,474
Letters of credit	5,001,186	6,193,367	5,528,887
	21,692,315	22,318,603	22,402,146
b) Commitments			
Investment commitment	472,501	213,614	116,080
Total	22,164,816	22,532,217	22,518,226

17 CONTINGENT LIABILITIES AND COMMITMENTS (CONTINUED)
Lease commitments

Operating lease rentals are payable as follows:

	<i>31 March 2022 (Reviewed) QAR'000</i>	<i>31 December 2021 (Audited) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
Less than one year	15,805	8,947	12,457
After one year but not more than five years	17,428	22,888	40,143
More than five years	<u>751</u>	<u>755</u>	<u>801</u>
	<u>33,984</u>	<u>32,590</u>	<u>53,401</u>

18 RELATED PARTY 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 significant equity holders and entities over which the Group and the equity holders' exercise significant influence, directors and executive management of the Group.

The related party transactions and balances included in these interim condensed consolidated financial statements are as follows:

	<i>31 March 2022 (Reviewed)</i>		<i>31 December 2021 (Audited)</i>	
	<i>Associated companies QAR'000</i>	<i>Board of Directors QAR'000</i>	<i>Associated companies QAR'000</i>	<i>Board of Directors QAR'000</i>
Assets:				
Financing assets	3,104,791	5,134,820	3,169,957	4,842,850
Equity of unrestricted investment account holders	347,110	1,292,455	353,040	1,442,878
Off balance sheet items:				
Contingent liabilities, guarantees and other commitments	128,142	79,950	125,798	55,245
	<i>31 March 2022 (Reviewed)</i>		<i>31 March 2021 (Reviewed)</i>	
	<i>Associated companies QAR'000</i>	<i>Board of Directors QAR'000</i>	<i>Associated companies QAR'000</i>	<i>Board of Directors QAR'000</i>
Consolidated statement of income items:				
Income from financing activities	31,501	52,961	42,330	56,497
Profit paid on deposits	664	7,295	644	8,624
Fee and commission	262	4,260	272	2,936

Key management personnel compensation for the period comprised:

	<i>31 March 2022 (Reviewed) QAR'000</i>	<i>31 March 2021 (Reviewed) QAR'000</i>
Key management remuneration	<u>21,987</u>	<u>20,516</u>

19 CAPITAL ADEQUACY RATIO

As per Qatar Central Bank regulations, the Group has calculated the capital adequacy ratios in accordance with Basel III guidelines. The Group's minimum QCB regulatory limit, including the Capital Conservation Buffer, ICAAP pillar II capital charge and the applicable Domestically Systemically Important Bank ("DSIB") Buffer is 14.5% for 2020.

The table below summarises the composition of prevailing regulatory capital and the ratios of the Group. The Group complied with the externally imposed capital requirements to which they are subject to:

	<i>31 March 2022 QAR'000 (Reviewed)</i>	<i>31 December 2021 QAR'000 (Audited)</i>	<i>31 March 2021 QAR'000 (Reviewed)</i>
Common Equity Tier 1 (CET 1) Capital	19,688,335	19,716,441	17,847,044
Tier 1 capital	23,737,550	23,765,517	21,896,357
Tier 2 capital	1,585,007	1,579,436	1,453,652
Total regulatory capital	25,322,557	25,344,953	23,350,009
Risk weighted assets	134,429,289	134,045,196	122,666,233
Common equity tier 1 (CET 1) capital adequacy ratio	14.6%	14.7%	14.5%
QCB minimum	8.5%	8.5%	9.5%
Total capital adequacy ratio	18.8%	18.9%	19.0%
QCB minimum including DSIB and ICAAP pillar II capital charge	14.65%	14.65%	14.5%

20 FINANCIAL RISK MANAGEMENT
Exposure and movement of expected credit loss / impairment allowances

	31 March 2022			Total	31 December 2021
	Stage 1	Stage 2	Stage 3		
	----- QAR'000 -----				
Exposures subject to expected credit losses					
Due from central banks	7,491,398	-	652,594	8,143,992	6,624,783
Due from banks	4,713,754	27,191	19,945	4,760,890	7,480,826
Debt type investments carried at amortised cost	40,440,642	115,771	109,337	40,665,750	40,392,226
Financing assets*	109,141,016	20,675,361	1,942,923	131,759,300	133,191,110
Off balance sheet exposures subject to credit risk	20,101,880	1,451,394	139,041	21,692,315	22,318,603
	<u>181,888,690</u>	<u>22,269,717</u>	<u>2,863,840</u>	<u>207,022,247</u>	<u>210,007,548</u>
Opening balance of expected credit losses / impairment losses as at 1 January					
Due from central banks	-	-	218,000	218,000	218,000
Due from banks	182	3	19,945	20,130	21,208
Debt type investments carried at amortised cost	153	358	103,222	103,733	100,045
Financing assets	2,215,969	797,773	1,768,841	4,782,583	3,901,098
Off balance sheet exposures subject to credit risk	19,359	1,074	27,678	48,111	50,524
	<u>2,235,663</u>	<u>799,208</u>	<u>2,137,686</u>	<u>5,172,557</u>	<u>4,290,875</u>
Net transfer between stages					
Due from central banks	-	-	-	-	-
Due from banks	-	-	-	-	-
Debt type investments carried at amortised cost	-	-	-	-	-
Financing assets	(199)	4,578	(4,379)	-	-
Off balance sheet exposures subject to credit risk	-	-	-	-	-
	<u>(199)</u>	<u>4,578</u>	<u>(4,379)</u>	<u>-</u>	<u>-</u>
Write off / transfers for the period					
Due from central banks	-	-	-	-	-
Due from banks	-	-	-	-	-
Debt type investments carried at amortised cost	-	-	-	-	-
Financing assets	(1,138)	-	(1,245)	(2,383)	(428,546)
Off balance sheet exposures subject to credit risk	-	-	-	-	-
	<u>(1,138)</u>	<u>-</u>	<u>(1,245)</u>	<u>(2,383)</u>	<u>(428,546)</u>
Charge / (reversal) for the period (net) including foreign currency translation					
Due from central banks	-	-	-	-	-
Due from banks	58	(2)	-	56	681
Debt type investments carried at amortised cost	25	(358)	-	(333)	(483)
Financing assets	445,129	(6,444)	79,832	518,517	557,522
Off balance sheet exposures subject to credit risk	5,870	2,150	(9)	8,011	(7,965)
	<u>451,082</u>	<u>(4,654)</u>	<u>79,823</u>	<u>526,251</u>	<u>549,755</u>
Closing balance of expected credit losses / impairment losses - as at 31 March (Reviewed)					
Due from central banks	-	-	218,000	218,000	218,000
Due from banks	240	1	19,945	20,186	21,889
Debt type investments carried at amortised cost	178	-	103,222	103,400	99,562
Financing assets	2,659,761	795,907	1,843,049	5,298,717	4,030,074
Off balance sheet exposures subject to credit risk	25,229	3,224	27,669	56,122	42,559
	<u>2,685,408</u>	<u>799,132</u>	<u>2,211,885</u>	<u>5,696,425</u>	<u>4,412,084</u>

*net of suspended profit

20 FINANCIAL RISK MANAGEMENT (CONTINUED)
Credit quality assessments

The table below provides an analysis of counterparties by rating grades and credit quality of the Group's credit risk, based on third party rating agency's rating scale (or their equivalent) as at 31 March 2022.

<i>Rating grade</i>	<i>Due from central banks</i> <i>QAR'000</i>	<i>Due from banks</i> <i>QAR'000</i>	<i>Debt type investments carried at amortised cost</i> <i>QAR'000</i>	<i>Financing assets</i> <i>QAR'000</i>	<i>Off balance sheet exposures subject to credit risk</i> <i>QAR'000</i>	<i>Total</i> <i>QAR'000</i>
AAA to AA-	7,459,730	1,473,106	40,134,896	23,826,341	4,376,156	77,270,229
A+ to A-	-	2,698,289	72,468	4,644,670	355,037	7,770,464
BBB to BBB-	-	391,999	36,614	81,596,965	12,413,909	94,439,487
BB+ to B-	-	108,027	172,675	14,568,393	4,362,463	19,211,558
Unrated	684,262	89,469	249,097	7,122,931	184,750	8,330,509
Total	8,143,992	4,760,890	40,665,750	131,759,300	21,692,315	207,022,247