



مصرف الريان
MASRAF AL RAYAN

Investor Presentation

Financial Results- Q3 2024

October 2024

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Introduction to Masraf Al Rayan

Introduction to Masraf Al Rayan Corporate Profile

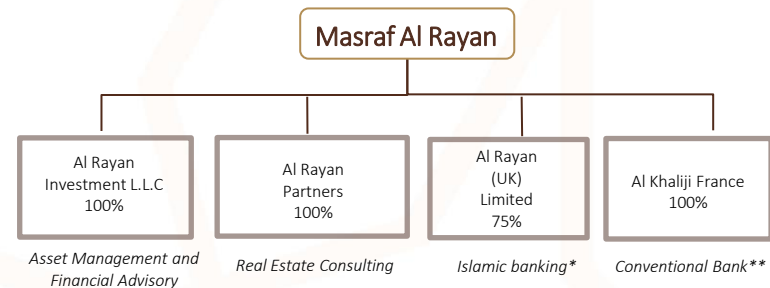
Overview

<p>Profile</p>	<ul style="list-style-type: none"> Islamic bank incorporated in Qatar on January 4 2006 and licensed by the Qatar Central Bank Classified as a DSIB (Domestic Systemically Important Bank) Legal merger completed on December 1, 2021 with Al Khaliji commercial Bank P.Q.S.C
<p>Business Lines</p>	<ul style="list-style-type: none"> Corporate Banking & SME Retail & Private Banking Treasury & Financial Institutions Asset Management & Financial Advisory International Operations (UK, France and U.A.E)
<p>Market Share</p>	<ul style="list-style-type: none"> 2nd largest listed Islamic bank in Qatar by total assets (30 % market share)* 3rd largest listed Qatari bank by total loans (9 % market share)**
<p>Public Listing</p>	<ul style="list-style-type: none"> Ordinary shares listed on the Qatar Stock Exchange 3rd bank in Qatar by market capitalization (QAR 22.97 b)*** Total ordinary shares issued 9.3 billion
<p>Rating</p>	<ul style="list-style-type: none"> MAR's credit rating at A2/P1 Stable outlook, baseline credit assessment and adjusted baseline credit assessment: baa3

Network



Subsidiaries



*Via Al Rayan Bank Plc (formerly known as Islamic Bank of Britain Plc)

** Masraf Al Rayan owns 100% of Al Khaliji France (S.A) which also operates 2 branches in U.A.E and 1 branch in Paris, France

Masraf Al Rayan has 100% ownership in MAR Sukuk Ltd., Lusail Waterfront Investment Co, AKCB Finance Ltd, AKCB Markets Ltd, Lusail Limited, and MAR Finance LLC

Introduction to Masraf Al Rayan

Ownership structure

Shareholding Structure

Qatari Ownership:	79.83%
Govt. /GRE:	34.14% (Major shareholders below)
Other Shareholding:	31.49% Corporations & 34.37% Retail
Shareholders count:	178 K (of which 128 K Outside Qatar)
Listing:	Qatar Stock Exchange
Regulators	Qatar central Bank; Qatar Financial Market Authority

Credit Rating (Moody's)

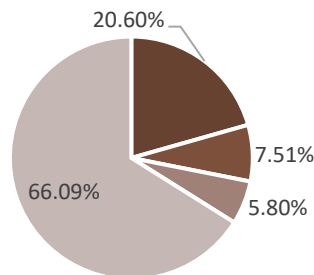
Long-term and short-term foreign currency and local currency issuer ratings: **A2/Prime-1**

Baseline credit assessment and adjusted baseline credit assessment: **baa3**

Counterparty Risk Assessment: **A1(cr)**

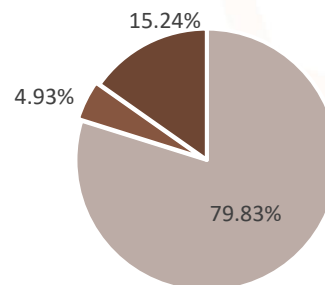
Outlook: Stable

Top Shareholders



- QIA
- QAF investment portfolio
- Pension Fund
- Others

Shareholding by Country



- Qatar
- GCC
- Other

Share Overview

MAR shares

- listed on the Qatar Stock Exchange

Symbol

- MARK

ISIN

- QA000A0M8VM3

Market cap

- QAR 22.97 bn

Valuation multiples

- P/B 0.96

Introduction to Masraf Al Rayan

Our Board of Directors

The principal role of the Board is to oversee the implementation of the Bank's strategy initiatives and its functions within the agreed framework in accordance with relevant statutory and regulatory requirements

Chairman of the Board



H.E. Sheikh Mohamed Bin Hamad Bin Qassim Al Thani

Other positions:

- Minister of Commerce and Industry
- Board Member of Supreme Council of Economic Affairs and Investment
- Chairman of Board of Qatar Stock Exchange
- Chairman of Advisory Board of Investment Promotion Agency
- Chairman of Board of Qatar Financial Center Authority
- Board member, Qatar Investment Authority
- Board member, Qatar Energy

Vice Chairman & Chair of the Executive



H.E. Sheikh Hamad Bin Faisal Bin Thani Al Thani

Other positions:

- Chairman, Qatari Investors Group
- Chairman, Qatar Insurance Company (QIC)
- Chairman, Al Khaliji France S.A. (France) – representing MAR interest
- Board member, Al Rayan Bank (UK) – representing MAR interest

Board Members



Sheikh Ali Bin Jassim M Al-Thani

Other positions:

- Board Member, Qatar General insurance and reinsurance
- CEO adviser, QIA
- Vice Chairman, Al Nuran Bank
- Board member, Al Salam International Investment



Mr. Ahmed Al Hamadi

Other positions:

- General Manager, General Retirement & Social Insurance Authority
- Chairman, United Development Company



Mr. Nasser Jaralla S. Jaralla Al Marri

Other positions:

- Board member, United Development Company
- Board Member, Vodafone
- Chairman, Head of Finance Department at Ministry of Defence



Sheikh Nasser Bin Hamad Al Thani

Other positions:

- Board Member, Ooredoo (Oman).
- Chief Commercial Officer, Ooredoo



Mr. Abdulrahman Mohammed Al Khayareen

Other positions:

- Board Member, Barwa Real estate



Mohamed Jaber Ahmed Khasim Al Sulaiti

Other positions:

- CEO and MD of Al Ahed Holding



Abdulla Hamad Al Minsad

Other positions:

- Head of Executive office of the HE Prime minister



Mohammed Al Saadi



Abdulla Saad M J Al Romaihi

Other positions:

- Public relations associate director-QIA



Introduction to Masraf Al Rayan Management team



FAHAD AL KHALIFA

Group Chief Executive Officer



HAMAD AL KUBAISI

Group Chief HR Officer



OMAR AL EMADI

Group Chief Business Officer



RANA AL ASAAD

GM Retail and Private Banking



ALEXIS NEESON

Group Chief Risk Officer



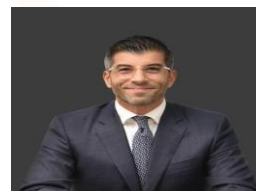
Shahnawaz Niazi

Group Chief Financial Officer



STUART RENNIE

Group Chief Operation Officer



Houssam Itani

Group Chief Transformation Officer



TAHIR PIRZADA

GM, Group Treasurer and FI



RONAN DODGSON

AGM, Strategy and Projects



EMAN AL NAEMI

AGM, Corporate Communications



MUTAZ DANA

GM, Group Compliance and AML



ADEL ATTIA

GM, Group Internal Audit



ABDELMONEM EL HASSAN

GM, Group Legal Council



FAWZI SIAM

AGM, Sharia Audit

Introduction to Masraf Al Rayan

A bank with many strengths



Strong fundamentals underpinned by Qatari government related franchise, stable profitability and high capitalization

- Robust capitalization (CAR 23.34%) well above the regulatory threshold of 13.50% for a DSIB
- Financing exposure to Government and GREs entities 48 % of portfolio
- Strong liquidity and well diversified funding base

Diversified and innovative product/service offerings and improved geographical diversification

- Wide array of Sharia compliant financing products, deposit accounts, treasury/investment products & advisory services
- Focus on product innovation and providing customized solutions
- Established presence in the UK , France and UAE servicing European, Qatari, other GCC customers

Strong shareholding structure with majority shareholding with the Qatar State institutions / Govt GRE entities

- Majority Qatari ownership holding approximately 80%
- Strong government related franchise with a solid domestic asset base and funding source
- Possibility of receiving Govt. support if needed (given Govt.'s in the past supported Qatari banks)

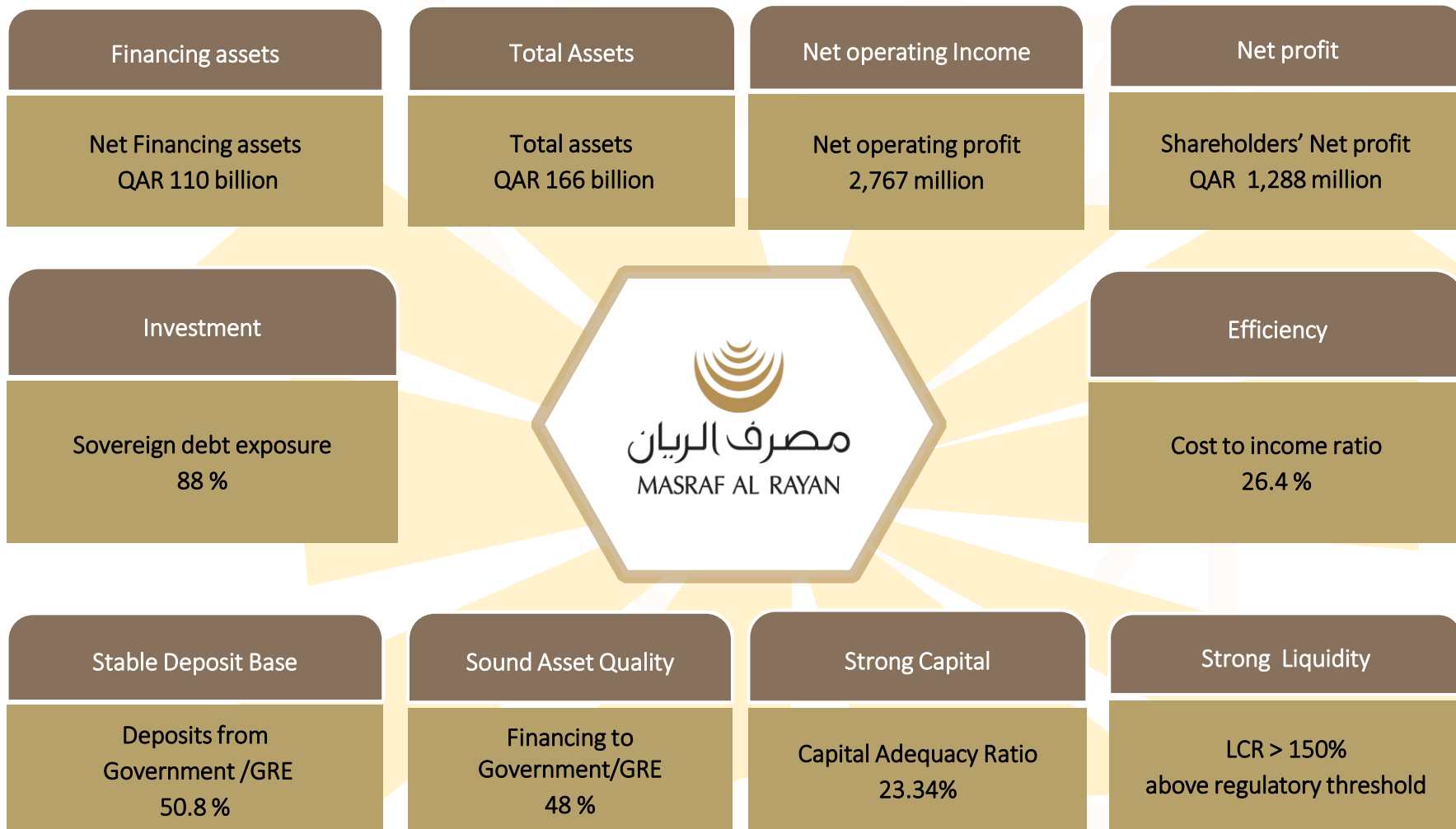
Experienced management team and commitment to corporate governance

- Members of the Board including the Chairman are highly respected individuals within the wider Govt. set up
- Highly experienced management team with extended years of experience
- Continuously evolving and strengthening corporate governance framework by adopting global best practices



Introduction to Masraf Al Rayan

Strong and stable bank



Introduction to Masraf Al Rayan Sustainability Governance

- First Islamic bank in Qatar to launch **Sustainable Financing Framework (SSF)** which enables:
 - ESG-linked funding opportunities to investors
 - Use of proceeds to finance eligible assets
 - Introduce ESG concepts in the bank
 - Set clear ESG targets as part of strategy development
- **MARs SSF is independently rated** - S&P Global Ratings, assessed the bank's Framework as 'strong' in its ESG criteria, as part of an independent second party opinion
- An **ESG Governance Committee** ("Committee") at senior management monitors implementation of the framework
- Following establishment of the framework, the Bank launched the country's first Islamic **Green Deposit** in April 2022;



Introduction to Masraf Al Rayan

Product offering – Full suite of Islamic Banking Products



Retail Banking	Private Banking	Wholesale Banking	Treasury & FI	Investment Banking
Auto finance Home finance Personal finance Credit cards	Real estate and Project finance Bespoke investment solutions	Direct finance: Murabaha, Mudaraba, Ijara, Itisna'a, Tawaruq	MM placements: Murabaha, Wakala based Sukuk debt issuance	Asset Management Mutual funds
Time deposits Saving accounts Current accounts	Business planning Credit planning and management	Trade finance Murabaha LC, Finance Guarantee	Sukuk investment in LCY/FCY Equity investment	Financial Advisory Equity Capital Market Debt Capital Market
Digital banking (Internet / Mobile), ATMs	Asset management/ Wealth protection	Syndicated financing Cash management	FX SWAP/Forward Profit rate swap Options	Financial Advisory : M&A, IPO's



Introduction to Masraf Al Rayan

Key Recognitions : 2023- 2024



Financial Highlights and Performance



Financial Highlights and Performance

Q3 2024 Summary

Balance Sheet

- Total assets QAR 165,761 million compared to QAR 164,200 million on 31 December 2023
- Financing activities at QAR 110,037 million compared to QAR 108,228 million on 31 December 2023
- Investments securities at QAR 39,032 million, compared to QAR 38,599 million on 31 December 2023
- Customer deposits totaled QAR 108,635 million compared to QAR 92,724 million on 31 December 2023

Income statement

- Net profit totalled QAR 1,288 million in Q3 2024, compared to QAR 1,238 million for the same period in 2023
- Total Net operating income for Q3 2024 totalled QAR 2,767 million compared to QAR 2,761 million for the same period in 2023

Financial Ratios

- Net Profit margin of 1.96 %
- Return on average equity of 7.23%
- Earnings per share for the period is QAR 0.139
- Book value per share at QAR 2.58
- Operational Efficiency ratio is 26.4%
- Non-performing financing (NPF) ratio of 5.91%

Financial Highlights and Performance

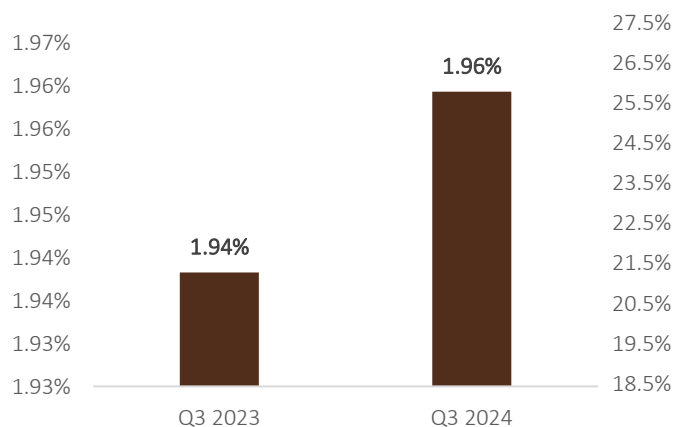
Income statement Q3 2024

Income statement (QAR million)	Q3 2024	Q3 2023
Total income, net of finance expenses	6,504	5,456
Operating expenses (including tax)	730	669
Net Impairment Charges	732	829
Net profit	1,305	1,262
Net profit attributable to shareholders	1,288	1,238

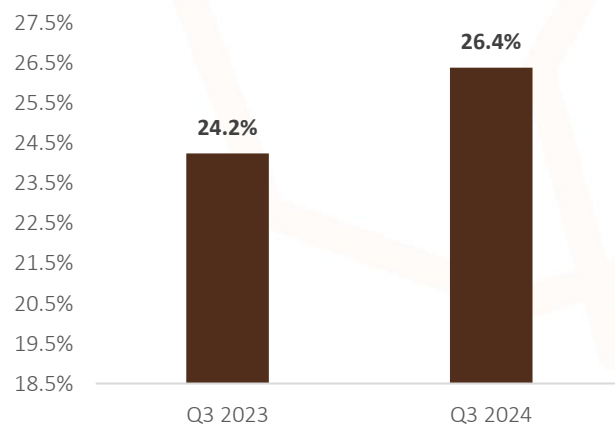
YoY
19.2%
9.1%
-11.7%
3.4%
4.1%

- Net profit attributable to the Equity holders of the bank totalled QAR 1,288 million in Q3 2024 and is 4.1% higher than in Q3 2023 .
- Net operating income totalled QAR 2,767 million in Q3 2024 and is 0.24 % higher than in Q3 2023 .

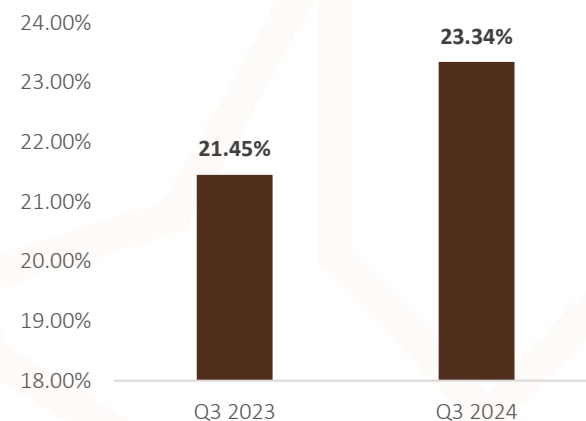
Profit margin



Efficiency ratio



Capital adequacy ratio



* Increase due to investments in the Technology & Digital landscape



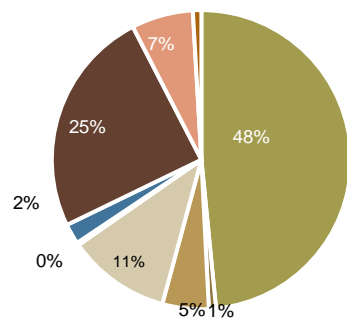
Financial Highlights and Performance

Balance Sheet Q3 2024

Balance Sheet (QAR billion)	Q3 2024	Q3 2023	YoY
Total Assets	166	164	0.8%
Financing assets	110	110	0.1%
Investments securities	39	37	6.0%
Deposits	109	93	17.4%
Total Equity	25	25	2.6%

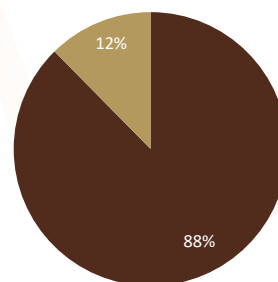
- **Financing Assets QAR 110 Bn** of which 48% is exposure to Govt. & GRE's
- **Investment securities QAR 39 Bn** of which 88% exposure is sovereign debt
- **Deposits QAR 109 Bn** - well diversified mix of Govt., Corporate and Personal banking segments

Financing Assets - Breakdown by Industry



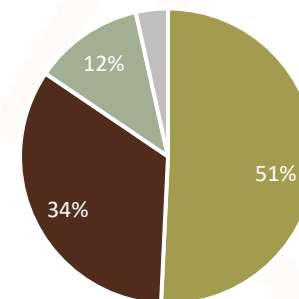
■ Govt and GREs
 ■ Industry
 ■ Commercial
 ■ Services
■ Non-banking FI's
 ■ Contracting
 ■ Real estate
 ■ Personal

Investment securities



■ Sovereign -Debt exposure
■ Private -Debt exposure

Customer deposits - Breakdown by Sector

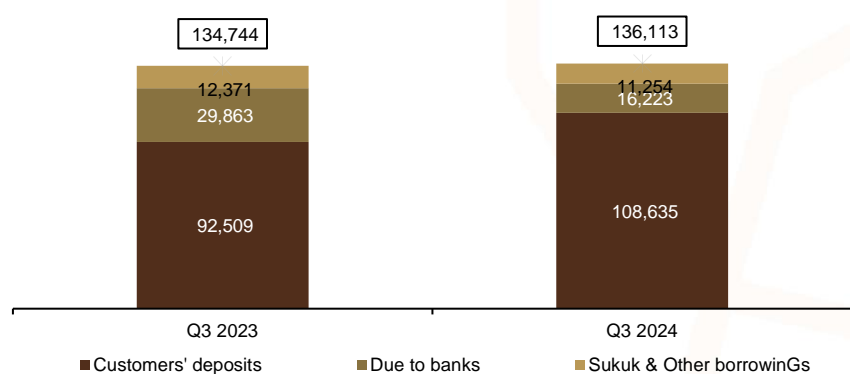


■ Government and GRE
■ Corporate
■ Personal
■ Non Bank Financial Institutions

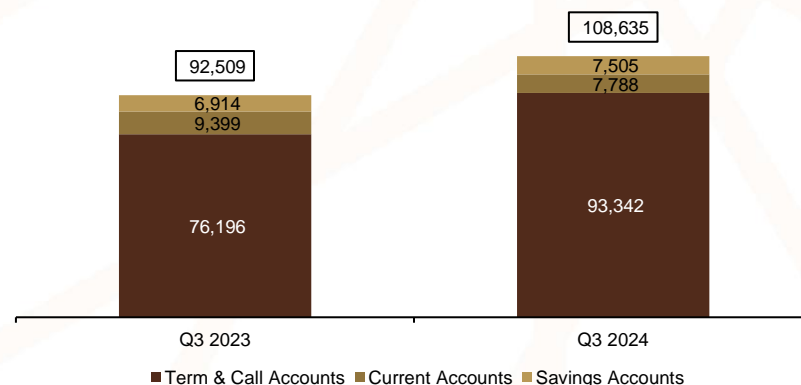
Financial Highlights and Performance

Funding & Liquidity Q3 2024

Funding Mix – QAR Mn



Deposit Mix – QAR Mn



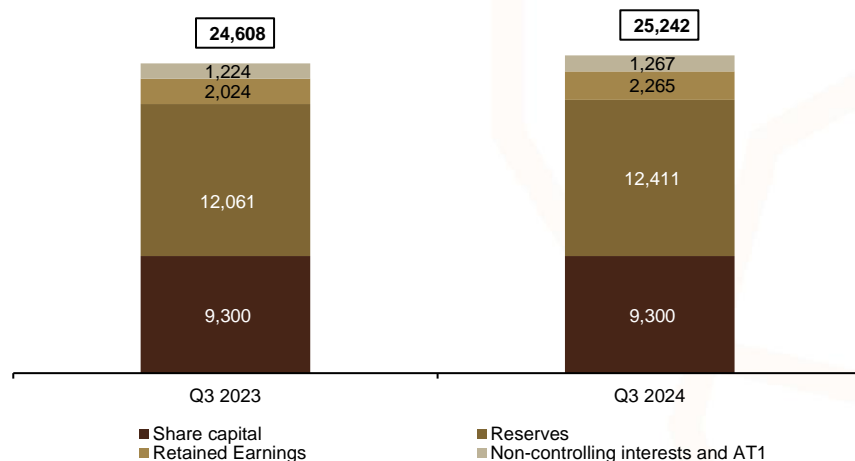
Key Highlights

- 88 % of the investment book is High Quality Sovereign Debt, provides access to liquidity through Repo funding
- MAR Sukuk Programme established in 2018, to further diversify funding base
- Well diversified funding mix (11.9 % Due to Banks, 8.3 % Sukuk & other borrowings and 79.8% Customer Deposits)

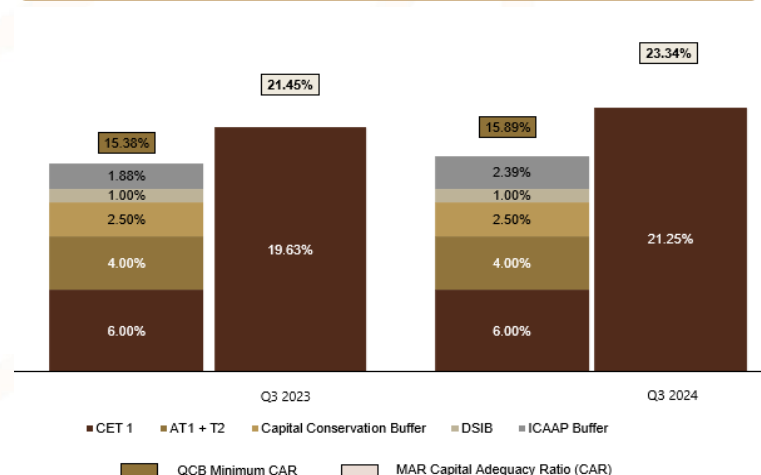
Financial Highlights and Performance

Capital Adequacy Q3 2024

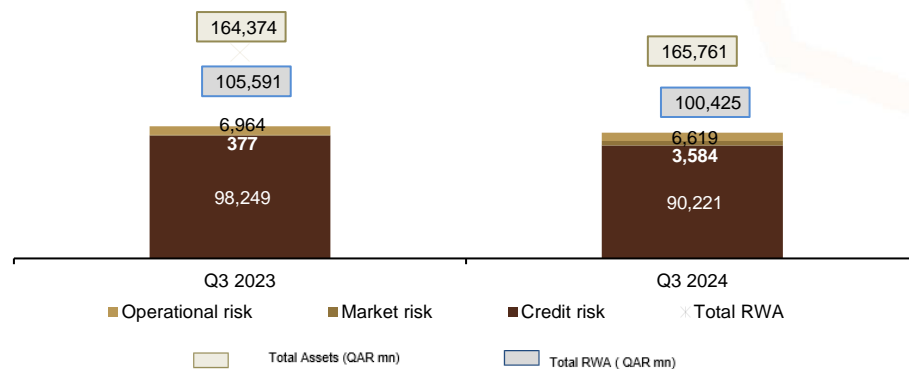
Equity Breakup



Capitalisation %



Risk Weighted Assets



Key Highlights

- Strong capitalization level - CAR (inclusive of CET1 capital of 21.25 %) of 23.34% as of 30 Sep 2024, well above the minimum regulatory requirements of 13.50% (including ICAAP buffer: 15.89%);
- As a Domestic Systemically Important Bank (DSIB), the Bank is required to maintain an additional buffer of 1.00% as of 30 Sep 2024;



Operating Segments

Operating Segments Q3 2024

For the purpose of financial reporting, the Bank provides breakdown by five segments that are managed separately based on the Bank's management and internal reporting structure

Corporate Banking

- Core driver of the Bank's business.
 - Diverse range of Sharia compliant financial products and services and cash management services
 - Principal products include Murabaha, Ijarah, Ijarah Muntahia Bittamleek, Musharaka and Istisna'a.
 - Client base includes Govt. and GREs, large corporates and small and medium enterprises



	Q3 2024	
	QAR mn	% of Total*
Total Assets	75,153	48.0%
Net operating income	1,296	49.2%
Segment profit	770	43.7%

Retail Banking

- Diverse range of Sharia compliant retail banking products and services
 - Wide network of branches and ATMs, as well as alternative distribution channels (internet banking, mobile banking and telephone banking)
 - Private Banking segment focuses on providing a high-quality service to high-net-worth individuals in Qatar and abroad



	Q3 2024	
	QAR mn	% of Total*
Total Assets	25,209	16.1%
Net operating income	853	32.4%
Segment profit	648	36.7%

International Operations

- Represents contribution from the Bank's international location, Al Rayan Bank PLC (UK based subsidiary)
 - Al Rayan Bank PLC is the oldest and largest Sharia Compliant Retail Bank in the UK
 - Al Rayan Bank PLC services personal, business and premier customers



	Q3 2024	
	QAR mn	% of Total*
Total Assets	15,997	10.2%
Net operating income	209	7.9%
Segment profit	81	4.6%



Operating Segments Q3 2024

For the purpose of financial reporting, the Bank provides breakdown by five segments that are managed separately based on the Bank's management and internal reporting structure

Treasury and Financial Institutions

- 4
- Core driver of the Bank's business.
 - Undertake the Group's funding and centralized risk management activities through borrowings, sukuk and debt financing, use of Shari'a compliant instruments for risk management purposes and investing in liquid assets such as short-term placements and corporate and government debt securities

	Q3 2024	
	QAR mn	% of Total*
Total Assets	39,936	25.5%
Net operating income	230	8.7%
Segment profit	227	12.9%

Asset Management and Financial Advisory

- 5
- Represents contribution from the Bank's fully-owned investment banking arm, Al Rayan Investment LLC (ARI);
 - ARI has three business segments: (i) Asset Management (ii) Financial Advisory and (iii) Strategic Investments
 - ARI's strategy is to provide investment products and services to meet clients' needs

	Q3 2024	
	QAR mn	% of Total*
Total Assets	313	0.2%
Net operating income	47	1.8%
Segment profit	38	2.1%

* Excluding unallocated and non-Sharia compliant assets, revenues and profit related to central functions, and non-core business functions, which accounted for 5.5 % of total assets as at 30 Sep 24

Financial Statements

Financial Statements

Balance Sheet Q3-2024

QAR mn	Q3 2024	Q4 2023	Q3 2023
Cash and Balances with central banks	5,978	4,993	5,231
Due from Banks	4,254	5,663	5,632
Financing Assets	110,037	108,228	109,947
Investment Securities	39,032	38,599	36,811
Investment in Associates	340	349	335
Fixed assets	1,013	969	963
Intangible assets	1,479	1,565	1,593
Other assets	3,627	3,835	3,861
Total Assets	165,761	164,200	164,374
Due to banks	16,223	32,204	29,863
Customer current accounts	7,788	7,924	9,399
Sukuk Financing	5,205	5,236	7,786
Other Borrowings	6,050	4,586	4,585
Other liabilities	4,406	4,644	5,022
Total Liabilities	39,671	54,594	56,656
Quasi - Equity	100,847	84,799	83,110
Share Capital	9,300	9,300	9,300
Legal Reserve	9,644	9,644	9,644
Risk Reserve	2,662	2,662	2,399
Fair value reserve	54	41	33
Foreign currency translation reserve	(73)	(111)	(156)
Other reserves	125	153	141
Retained earnings	2,265	1,880	2,024
Total Equity Attributable to Equity Holders of the Bank	23,976	23,569	23,385
Non-Controlling interest	267	237	224
Instrument eligible as additional capital	1,000	1,000	1,000
Total Equity	25,242	24,806	24,608
Total Liabilities, Equity of Investment Account Holders and Equity	165,761	164,200	164,374

Financial Statements

Income statement Q3-2024

QAR mn	Q3 2024	Q3 2023
Net income from financing activities	5,551	5,395
Net income from investing activities	1,524	1,192
Finance expense	(1,091)	(1,653)
Total Net Income from Financing and Investing Activities, net of finance expense	5,984	4,934
Fee and commission income	318	335
Fee and commission expense	(94)	(91)
Net Fee and Commission Income	223	244
Net foreign exchange gain	162	138
Share of results of associates	55	37
Gain on sale of investment in an associate	(11)	17
Other income	91	86
Total Income, Net of finance expenses	6,504	5,456
Staff costs	(324)	(296)
Depreciation	(130)	(129)
Other expenses	(247)	(210)
Total Expenses	(701)	(635)
Net (impairment losses) / reversal on due from banks	(1)	14
Net (impairment losses) / reversal on financing assets	(738)	(928)
Net (impairment losses) / reversal on investments	7	16
Net (impairment losses) / reversal on other balance sheet exposures	1	69
Profit for the Period before Return to Investment Account Holders	5,071	3,991
Less: Return to investment account holders	(3,737)	(2,695)
Profit for the Period before Tax	1,334	1,296
Tax expense	(29)	(34)
Net Profit for the Year / Period	1,305	1,262
Net profit to equity holders (QAR mn)	1,288	1,238



مصرف الريان
MASRAF AL RAYAN

THANK YOU

