HOSPITALITY BOOST | Page 8

## World Cup lifts Qatar hotel rooms' yield about 300% in December



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Rajab 10, 1444 AH

GULF TIMES
BUSINESS

RISKS GALORE : Page 2

## IMF eyes 'turning point' for world economy as growth bottoms



# USQBC expected to host US congressional delegation in Qatar to bolster trade ties

**By Peter Alagos**
Business Reporter

**Gulf Times Exclusive**

The US-Qatar Business Council (USQBC) is planning to host a delegation of American congressmen, which is expected to arrive in Qatar this February, the council's top official has said.

Scott Taylor, USQBC president, said the planned visit of the US congressional delegation to Qatar is part of the council's efforts to boost the trade and economic relations between both countries.

"There is a delegation in the works and it will be composed of bi-partisan members of Congress from different US states. Most of the time, members of Congress have specific industries in their respective districts that relate to Qatar, whether it's energy, sustainability, or defence.

"The dates for this event are being firmed up and it may happen this February, probably right around or just right after the strategic dialogue that is currently happening," Taylor told *Gulf Times* in an exclusive interview.

According to Taylor, members of the congressional delegation from the US are slated to meet with ministers and other high-level government officials in Qatar, as well as with US ambassador to Qatar Timmy Davis and other dignitaries.

Also expected to participate in the meeting are US and Qatari companies and other players and stakeholders of both countries' private sectors, as well as members of the US military and their Qatari counterpart, Taylor pointed out.

Taylor, a former congressman and US Navy Seal, underscored the importance of forging networks between private sector companies and congress members, who can impact policy in different industries and business sectors.

Asked about USQBC's plans for 2023, Taylor said: "The USQBC will strive to organise a congressional delegation to Qatar once every quarter. As USQBC, we basically decided that I would visit Qatar at least once every quarter."

Taylor added: "My vision as president of the USQBC is to make sure that I am coming here on a regular basis because obviously, relationships are very important in this part of the world and it is important for me to build relationships with my existing members and with the authorities in Doha, as well as with prospective members."

Taylor was appointed USQBC president in June 2022, and he aims to utilise his extensive experience in international business development, government relations, and government diplomacy to support the council's mission to expand and enhance the bilateral business relationship between Qatar and the US.

As a congressman representing Virginia's 2nd district, Taylor served on the Appropriations Committee. He was a sponsor of the AshantiAlert Act, a nationwide network for missing persons, and the VA SEA Act for accountability at the Department of Veterans Affairs. Prior to his time in Congress, Taylor served as a member of the Virginia House of Delegates.

USQBC president Scott Taylor. **PICTURE:** Shaji Kayamkulam

## Commercial Bank named 'Best Trade Finance Provider in Qatar' by *Global Finance*

For the fourth consecutive year, Commercial Bank, the most innovative digital bank in Qatar, has been named the 'Best Trade Finance Provider in Qatar' by *Global Finance* that recognises excellence in the financial industry.

The award recognises Commercial Bank's "exceptional" performance in the field of trade finance and its unwavering commitment to delivering top-quality financial products and services to its clients.

Trade finance is a vital part of Commercial Bank's business strategy, and the bank has a longstanding track record of helping its clients navigate the complexities of international trade and minimise risk. Commercial Bank's success in trade finance is a result of its dedication to innovation and its focus on providing the best possible financial products and services to its clients.

The bank is constantly seeking ways to enhance its trade finance offerings and meet the evolving needs of its clients.

In addition to its strong client relationships, Commercial Bank has also made significant investments in technology, which has allowed it to streamline its trade finance processes and increase efficiency. This investment has proven to be beneficial, as the bank has been able to offer its clients faster turnaround times and more flexible solutions.

Commenting on the recognition, Raju Buddhiraju, executive general manager and head (Wholesale Banking) at Commercial Bank said, "One of the key factors in Commercial Bank's successful trade finance strategy is the focus on building strong relationships with our clients. By investing the time to understand the unique needs of each client, we have been able to tailor our financial products and services to meet those needs and help clients achieve their business goals. We are honoured to receive this recognition from *Global Finance* and will continue to strive for excellence in the years to come."

This recognition from *Global Finance* further enhances Commercial Bank's leading position in the field of trade finance in Qatar. The Bank's dedication to innovation and its focus on providing the best possible financial products and services to its clients, has allowed it to stand out in the competitive market.

Commercial Bank said it "is committed to continuing its efforts to improve and expand its trade finance offerings, and is determined to maintain its position as the leading provider of trade finance in Qatar."


**The award recognises Commercial Bank's "exceptional" performance in the field of trade finance and its unwavering commitment to delivering top-quality financial products and services to its clients**

## QFC-homed Vesuvio Labs to establish JVs, bring two UK portfolio companies into Doha

**By Santhosh V Perumal**
Business Reporter

**Gulf Times Exclusive**

The Qatar Financial Centre (QFC) domiciled Vesuvio Labs Doha, a venture builder, has embarked on a multi-pronged strategy to enhance Doha's international appeal in attracting fintechs as it finds the country has immense potential, especially for B2B fintechs.

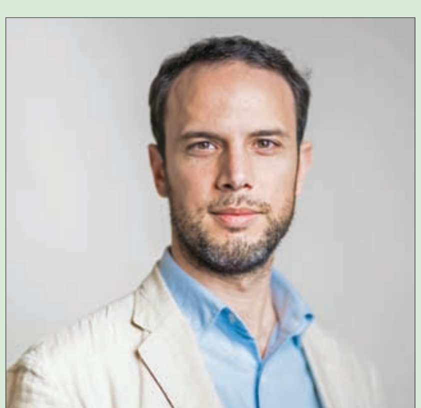
The UK-headquartered entity is setting up two joint ventures here and also trying to bring in two portfolio companies that it nurtured in London to establish their base in Qatar as part of expansion into the wider Gulf and Middle East regions, Pedro Caetano, head of Ecosystem, Vesuvio Labs, Doha, told *Gulf Times*.

In this regard, Vesuvio Labs, whose core areas are financial services and remittances, has approached Invest Qatar and Qatar Insurance Company's Digital Venture Partners.

"We are finalising two joint ventures. Our model here is more towards joint ventures," he said, confirming that it is in talks with the Qatar Development Bank (QDB) for becoming a complementary co-founder.

"We are pre-seeds with a ceiling of $100,000 to $150,000," he said "Qatar is the right place to launch, test and expand" and it is the reason why it chose the country as its regional headquarter for the Middle East.

Asked by when the joint ventures would be established, he said "by February, we will be able to finalise those."



Pedro Caetano, head of Ecosystem, Vesuvio Labs.

One of the joint ventures would be a fintech "as the area, where we think there is room for growth in Qatar, is on B2B or business-to-business fintechs", according to Caetano.

Highlighting the potential for B2B fintechs in Qatar; he said the small and medium enterprises (SMEs) could greatly benefit as fintechs could help not only with financial services but also the technology could fine tune the processes in their entire supply chain.

Stressing that it involves working with banks and identity verification entities; he said Vesuvio Labs Doha is already in talks with those entities that were part of the QDB accelerator programme.

Another joint venture would be with an already existing fintech for the latter's research and development lab, he said, without disclosing the name.

On plans to bring its already nurtured entities in the UK to Doha; he said "we are bringing two portfolio companies to Qatar and we did an application to Invest Qatar to help us on that."

The application includes not only hosting its portfolio entities but also for the future companies it is about to set up as joint ventures.

At present, Vesuvio Labs has 10 portfolio companies in the UK with some of them already becoming matured into multimillion pound entities, especially Distribind, a digital data exchange delivering automated back office processing that can help all participants across the value chain in the insurance sector.

"We submitted multiple portfolio companies to Qatar insurance digital ventures challenge undergoing," he said.

QIC DVP works with breakthrough insurtech companies that are redefining the insurance ecosystem through digital innovation.

"The QIC DVP can help establish niche businesses (such as Distribind) in Qatar," according Caetano.

## Qatar banking system's external debt decline may continue over the next two years, says S&P

**By Pratap John**
Business Editor

The decline in Qatari banking system's external debt is expected to continue in the next 12-24 months, S&P Global has said in a report.

GCC countries are back to pre-pandemic levels, S&P said and noted the region's banks' margins, cost to income, and cost of risk are all improving.

"We expect cost of risk to stay at normalised levels of about 1% and margins to continue improving although at a slower pace than in 2022," S&P noted.

GCC banks' efficiency continues to support profitability, but inflation will increase operating costs. Low cost of labour and limited taxation help, it said.

S&P expects GCC banks' asset quality indicators to deteriorate only slightly because of slowing growth and higher interest rates. Although banks have absorbed the impact of the pandemic, they also continued to build provisions and write off nonperforming loans (NPLs) to make space for new ones.

Profitability has recovered to pre-pandemic levels in most GCC countries thanks to higher interest rates and stable cost of risk. Although banking sector efficiency remains strong, inflation will increase operating costs.

Lower global liquidity is likely to have a limited impact on GCC banks because of their strong net external asset positions or limited net external debt positions.

Strong capitalisation and potential extraordinary government support, in case of need, continue to support banks' creditworthiness.

Rating bias remains positive, driven by sovereign and idiosyncratic factors. The Russia-Ukraine conflict has more limited implications for the region and its banks than other Middle Eastern or North African countries, S&P said.

On non-performing loans of GCC banks, S&P said the NPL ratio dropped slightly, thanks to the stronger economic environment, reaching 3.3% of total loans on September 30, 2022, compared with 3.5% at year-end 2021.

"We expect a small deterioration of asset quality indicators because of the expected slowdown of the GCC economies and higher interest rates. In our view, banks have already absorbed the impact of the pandemic and continue to build provisions for difficult times. Overall, we expect the NPL ratio to remain below 5% in the next 12-24 months," S&P said.

GCC banks' capitalisation levels will continue to support their creditworthiness in 2023 and 2024, it said.

GCC banks stepped up their additional Tier 1 (AT1) issuances (both conventional and Islamic) in the past few years to benefit from supportive market conditions. As interest rates increase, S&P sees lower issuance and potential decisions to not call hybrids approaching their first optional call date.

GCC banks are mainly funded by domestic deposits, which have proved stable through different cycles. Deposit growth was insufficient to finance lending growth in some countries, particularly in Saudi Arabia, where the central bank intervened to alleviate the pressure.

# Foreign funds' net profit booking drags QSE 191 points; M-cap erodes QR11bn

**By Santhosh V Perumal**
Business Reporter

The Qatar Stock Exchange yesterday remained under bearish spell for the second consecutive day as it tanked more than 191 points, on an across the board selling, particularly in the real estate, transport and banking sectors.

The foreign institutions were seen net profit takers as the 20-stock Qatar Index plummeted 1.72% to 10,932.29 points, reflecting the concerns in the global markets on falling energy prices and the rising US Federal Reserve rates.

The market, which was highly skewed towards shakers, had touched an intraday high of 11,085 points, indicating strong demand especially during the start of the session.

The Gulf institutions' net buying was seen weakening in the main market, whose year-to-date gains truncated to 2.35%.

More than 70% of the traded constituents were in the red in the main bourse, whose capitalisation saw QR10.95bn or a 1.74% erosion to QR619.95bn, mainly led by midcap segments.

However, the local retail were increasingly net buyers in the main market, which saw a total of 0.09mn exchange traded funds (sponsored by Masraf Al Rayan and Doha Bank) valued at QR0.27mn changed hands across nine deals.

The Arab individuals turned net buyers in the main bourse, which saw no trading of sovereign bonds.

The Islamic index was seen declining faster than the other indices in the main market, which saw no trading of treasury bills.

The Total Return Index shed 1.72%, the All Share Index by 1.37% and the Al Rayan Islamic Index (Price) by 1.8% in the main bourse, whose trade turnover and volumes were on the decline.

The real estate sector index tanked 2.3%, followed by transport (2.18%), banks and financial services (2.06%), insurance (1.61%), telecom (1.24%), industrials (0.42%) and consumer goods and services (0.03%).

Major shakers in the main market included Masraf Al Rayan, United Development Company, Qatar National Cement, Milaha, Mesaieed Petrochemical Holding, QNB, Qatar Islamic Bank, QIIB, Estithmar Holding, Gulf Warehousing and Ooredoo.

Nevertheless, Qatar Islamic Insurance, Medicare Group, Industries Qatar, Doha bank and Beema were among the losers in the main market.

The foreign institutions turned net sellers to the tune of QR40.91mn compared with net buyers of QR28.54mn on January 30.

The Gulf institutions' net buying weakened marginally to QR7.6mn against QR8.34mn the previous day.

However, the local retail investors' net buying shot up considerably to QR37.5mn compared to QR19mn on Monday.

The Arab retail investors were net buyers to the extent of QR4.79mn against net sellers of QR1.73mn on January 30.

The foreign individuals turned net buyers to the tune of QR4.38mn compared with net sellers of QR0.81mn the previous day.

The Gulf retail investors were net buyers to the extent of QR0.06mn against net sellers of QR1.1mn on Monday.

The domestic funds' net profit booking decreased substantially to QR13.42mn compared to QR52.24mn on January 30.

The Arab institutions had no major net exposure for the second consecutive session.

The main market saw a 19% contraction in trade volumes to 134.51mn shares and 5% in value to QR601.36mn but on a 14% jump in deals to 19,485.

## Pakistan economy in 'collapse' as IMF visits

**AFP**
Islamabad

Pakistan is gripped by a major economic crisis, with the rupee plummeting, inflation soaring and energy in short supply as International Monetary Fund officials visit to discuss a vital cash injection.

Prime Minister Shehbaz Sharif for months held out against the tax rises and subsidy slashing demanded by the IMF, fearful of backlash ahead of elections due in October.

But in recent days, with the prospect of national bankruptcy looming and no friendly countries willing to offer less painful bailouts, Islamabad has started to bow to pressure.

The government loosened controls on the rupee to rein in a rampant black market in US dollars, a step that caused the currency to plunge to a record low.

Artificially cheap petrol prices have also been hiked.

"We're at the end of the road. The government has to make the political case to the public for meeting these (IMF) demands," former World Bank economist Abid Hasan told AFP.

Time is of the essence, with Nasir Iqbal from the Pakistan Institute of Development Economics warning the economy had already "virtually collapsed" due to mismanagement and political turmoil.

The IMF delegation arrived on Tuesday to a nation in panic.

The world's fifth-biggest population has less than $3.7bn in the state bank — enough to cover just three weeks of imports.

It is no longer issuing letters of credit, except for essential food and medicines, causing a backlog of thousands of shipping containers at Karachi port stuffed with stock the country can no longer afford.

Industry has been hammered by the imports block and massive rupee devaluation.

Public construction projects have halted, textiles factories have partially shut down and domestic investment has slowed.

In downtown Karachi, dozens of day labourers including carpenters and painters wait with their tools on display for work that never comes.

Pakistan is struggling on many fronts, with the country reeling from unprecedented floods that submerged a third of its territory last summer and a deteriorating security situation near the Afghanistan border.

Pakistan is locked in an endless cycle of servicing external debt.

State Bank governor Jamil Ahmed last month said the country owed $33bn in loans and other foreign payments before the end of the fiscal year in June.

A diplomatic offensive has seen $4bn rolled over by lending nations, with $8.3bn still on the negotiating table.

Meanwhile, Pakistan is battling severe energy shortages — with capacity drained by poor infrastructure and mismanagement — compounding the misery of businesses and citizens.

Last week the whole country was plunged into a day-long blackout because of a fault in the national grid that followed a cost-cutting measure.

State Petroleum Minister Musadik Malik told reporters in Islamabad that imports of Russian oil would start in April, paid for in currencies of "friendly countries" in a mutually beneficial deal.

The tumbling economy mirrors the country's political chaos, with former prime minister Imran Khan heaping pressure on the ruling coalition in his bid for early elections while his popularity remains high.

Khan, who was ousted last year in a no-confidence motion, negotiated a multi-billion-dollar loan package from the IMF in 2019.

But he reneged on promises to cut subsidies and market interventions that had cushioned the cost-of-living crisis, causing the programme to stall.

It is a common pattern in Pakistan, where most people live in rural poverty, with more than two dozen IMF deals brokered and then broken over the decades.

"Even if Pakistan avoids default, the underlying structural factors that triggered the current crisis — one exacerbated by poor leadership and external global shocks — will still be in place," tweeted political analyst Michael Kugelman, the director of the South Asia Institute at the Wilson Center in Washington. "Barring difficult, large-scale reforms, the next crisis could be just around the corner."

Daily wage labourers sitting along a road as they wait to be hired for day jobs in Pakistan's port city of Karachi. Pakistan is gripped by a major economic crisis, with the rupee plummeting, inflation soaring and energy in short supply.

Cars move on a street at the Beijing's Central Business District (CBD) during the morning rush hour following the Chinese Lunar New Year holiday on January 30. The International Monetary Fund sees a "turning point" for the global economy as it raised its growth outlook for the first time in a year, with resilient US spending and China's reopening buttressing demand against a host of risks.

# IMF eyes 'turning point' for world economy as growth bottoms

**Bloomberg**
Singapore

The International Monetary Fund sees a "turning point" for the global economy as it raised its growth outlook for the first time in a year, with resilient US spending and China's reopening buttressing demand against a host of risks.

Gross domestic product will likely expand 2.9% in 2023, 0.2 percentage point more than forecast in October, the fund said Tuesday in Singapore in a quarterly update to its World Economic Outlook. While that's a slowdown from a 3.4% expansion in 2022, the IMF said it expects growth will bottom out this year before accelerating to 3.1% in 2024.

Central banks' interest-rate hikes and Russia's invasion of Ukraine will continue to weigh on economic activity this year amid a protracted inflation crisis, the Washington-based institution said.

While the slight upgrades are hardly cause for celebration, the IMF's latest messaging signals a tonal shift as the fund's top officials spent much of last year warning about the risks of widespread recession.

The fund sees world consumer-price increases slowing to 6.6% this year, 0.1 percentage point higher than the October projection, following 8.8% in 2022. It forecast further slowing to 4.3% in 2024. Inflation rates are expected to be lower in about 84% of countries in 2023 than in 2022.

"The outlook is not worsened this time around, which in itself is good news," chief economist Pierre-Olivier Gourinchas said. The fund cut its 2023 outlook three times last year. "But it's not enough. There are still some challenges to get on our way to a sustainable recovery that is broad and long-lasting."

The fight against inflation is not yet won: Monetary policy will need to remain contractionary, and some countries will need to tighten further before there's a slowdown in broad measures of cost of living increases, Gourinchas said in a briefing.

Downside risks include China's recovery stalling, the war in Ukraine escalating, and more emerging and developing economies entering debt distress.

Inflation could also prove more persistent. Financial markets may become volatile, and international tensions spurred by Russia's aggression could cause the global system to fragment, hampering cooperation between nations.

Yet the risks are more balanced than in October, Gourinchas said. One upside risk is stronger consumption, particularly in services, fuelled by pent-up demand from tight labour markets and government pandemic fiscal support. Conversely, inflation could fall faster than expected amid the shift in spending to services, allowing central banks to tighten less.

"We are far from having won the fight against inflation," Gourinchas said in an interview on Tuesday with Bloomberg Television's Rishaad Salamat. "We've had a few good prints. It's encouraging. It's in the right direction."

- The fund raised its 2023 growth forecast for advanced nations marginally to 1.2%, 0.1 percentage point higher than previously foreseen and less than half the 2.7% expansion in 2022.
- In that group, the British economy is an outlier, expected to contract 0.6%.
- The US is expected to grow 1.4%, 0.4 percentage point more than in the prior projection, amid resilient domestic demand.
- The IMF sees a "narrow path" where a US recession can be avoided in 2023, despite the unemployment rate rising to about 5.2% by next year from 3.7% this year, Gourinchas said.
- The biggest upgrade was for the Russian economy, which the fund now predicts will expand 0.3% compared with a contraction of 2.3% seen in October.
- The current level of the oil-price cap set by Group of Seven nations isn't expected to significantly affect export volumes of Russian crude, with trade continuing to be redirected from sanctioning to non-sanctioning countries, the IMF said.

The nation also is being helped by its fiscal-stimulus measures, Gourinchas said. "We're well away from any kind of global recession marker," although the risks materialising could change that."

The IMF boosted its forecast for emerging-market and developing economies, saying they will grow 4%, a 0.3 percentage-point upgrade from October and compared with 3.9% for 2022. It raised the estimate for China's expansion by 0.8 percentage point to 5.2%.

China and India will account for about half of world growth in 2023, Gourinchas said.

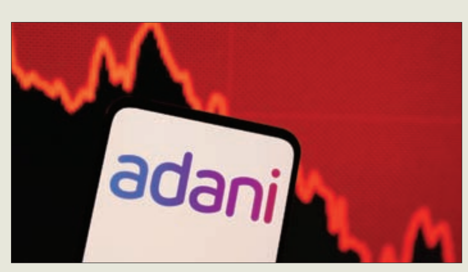
The IMF's slightly more upbeat tone contrasts with a more dire view from its sister Bretton Woods institution, the World Bank. The development lender on January 10 slashed its growth forecasts for most countries and regions, and warned that new adverse shocks could tip the global economy into a recession.

Gourinchas said that part of the difference is explained by the IMF's use of purchasing-power-parity weights, which give a greater emphasis to emerging-market economies, differing from the World Bank's use of market-based exchange rates.



## Adani secures $2.5bn share sale amid short-seller storm

**Reuters**
Mumbai




Gautam Adani's crucial $2.5bn share sale was fully subscribed on Tuesday as investors pumped funds into his flagship firm, despite a $65bn rout in the Indian billionaire's stocks sparked by a short-seller's report.

The fundraising is critical for Adani, not just because it will help cut his group's debt, but also because it is being seen by some as a gauge of confidence at a time when the tycoon faces one of his biggest business and reputational challenges.

Hindenburg Research's report last week alleged improper use of offshore tax havens and concerns about high debt, which Adani denied, but the subsequent market meltdown has led to a dramatic and sudden fall in his fortunes as he slipped to eighth from third in Forbes rich list rankings.

The 30% anchor portion of India's largest ever secondary share sale attracted investors including Maybank Securities and Abu Dhabi Investment Authority, as well as India's HDFC Life Insurance and state-backed Life Insurance Corp.

The list of investors who participated in the book building, which had gathered only 3% in bids on Monday amid concerns over the rout in Adani's stocks, is not yet public.

By Tuesday, the overall share sale was fully subscribed as foreign institutional investors and corporate funds flooded in, although participation by retail investors and Adani Enterprises employees remained low.

"The purpose of the FPO (follow-on public offering) was two fold — to raise funds to reduce the debt and to broadbase the shareholding...they haven't been able to broadbase the shareholding," Ambareesh Baliga, a Mumbai-based independent market analyst, said.

The offer closes days after Adani's public face-off with Hindenburg Research, which last week flagged concerns about the use of tax havens and "substantial debt" at the group.

It added that shares in seven Adani listed companies have an 85% downside due to what it called "sky-high valuations".

That Adani group has said it complies with all laws and disclosure requirements, calling the report baseless and adding it is considering taking action against Hindenburg.

Support for Adani's share sale came even as the flagship's shares closed at 2,973.9 rupees, up nearly 3% but below the lower end of the sale price band of 3,112 rupees.

Adani Group's total gross debt in the financial year ended March 31, 2022, rose 40% to 2.2tn rupees ($26.83bn). Adani said on Sunday in response to Hindenburg's allegations that over the past decade the group has "consistently de-levered".

Adani said the Hindenburg report was a "calculated attack" on India and its institutions, while its CFO compared the market rout of its stocks to a colonial-era massacre.

Hindenburg later said Adani's "response largely confirmed our findings and ignored our key questions."

# Invitation to attend the Extraordinary & Ordinary Annual General Meeting of Qatar Islamic Bank (Q.P.S.C.)

Doha, January 31st 2023: The Board of Directors of Qatar Islamic Bank (Q.P.S.C.) have approved the financial statements for the year ending 31 December 2022, as per the approval by Qatar Central Bank. In accordance with Article (34) of the Articles of Association of the Bank, The Board of Directors are pleased to invite you to attend the Bank's Extraordinary & Ordinary Annual General Assembly Meeting on Wednesday 22 February 2023 at 4:30pm, that shall be held virtually.
At the meeting, the Board will discuss the agenda mentioned below. In the event the quorum is not met, an alternative virtual meeting will be held on Wednesday March 1st, 2023 at 4:30 PM.

**The Agenda of the extraordinary meeting shall be as follows:**

1. Modifying some articles in the Bank's Articles of Association, based on the updated version from the Governance instructions issued by Qatar Central Bank, as per circular (25) for the year 2022.

**The Agenda of the ordinary meeting shall be as follows:**

1. Board of Director's Report on the results of the Bank and financial statements for year ended 31/12/2022 and discussion of the plan for the year 2023.
2. Sharia Supervisory Board report.
3. External auditors' report on the financial statements for the year ended 31/12/2022.
4. Discussion and approval of the Bank's balance sheet and profit and loss for the year ended 31/12/2022.
5. Approval of the board of directors' proposal to distribute 62.50% cash dividends of the nominal value per share, i.e. QAR 0.625 per share.
6. Absolve the Board members from liability for the year ended 31/12/2022 and approval of the remuneration prescribed to them.
7. QIB Governance Report for the year 2022.
8. Nomination of the external auditors of the Bank for the year 2023 and determination of the fees to be paid to them.
9. Board Elections for the new cycle 2023-2025.

**Participation and Voting procedures for the Meeting:**
In order to attend the meeting, the shareholders or the proxies will be required to send electronically the following information and documents on or before February 21st, 2023 to the email address: AGM@qib.com.qa:

1. Copy of an identification document (Qatar ID or passport)
2. Mobile number
3. NIN number
4. Copy of the completed proxy form (available for download at www.qib.com.qa/investorrelations) and supporting documents to authorize the proxy.

Upon receipt and verification of the above documents, a Zoom link will be shared with the shareholder or their proxy to confirm their attendance and registration.
Registration of the shareholders or their proxy shall commence at 1:00pm on February 22nd 2023 via the shared Zoom link.
Subsequent to the completion of the above registration, a second Zoom linkwill be shared by email which will redirect the shareholder or their proxy to the virtual meeting room.
During the course of the meeting, the shareholders or their proxy will be able to discuss the agenda items and address their questions to the Board of Directors by sending them in the chat box, available in the Zoom application.
As for voting on the agenda items, the shareholders or their proxy, who have an objection on any item are requested to raise their hand using the Zoom application functionality at the time of voting on the agenda item. In the event that the shareholder or the proxy does not raise the hand, it will be considered as an approval of the agenda item.

**Jassim bin Hamad bin Jassim bin Jaber Al-Thani**
**QIB Chairman**

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## Board of Directors Report to the General Assembly Meeting

In 2022, QIB continued to expand its business by meeting the evolving needs of its customers. By increasing Net Profits and Total Assets over the last few years, QIB became the third largest institution in the Qatar Stock Exchange (QSE) and the second largest institution in the financial sector. As a result, the Bank maintained its leadership in the Qatari banking sector, and continued to be the largest Islamic bank and largest private bank in Qatar.

Despite a challenging macroeconomic backdrop headlined by rising geopolitical tensions, higher interest rates pressures and high inflation, QIB is operating from a position of strength underpinned by a healthy balance sheet and continued investments in new technologies to improve the customer experience. We remain focused on driving organic growth in Qatar while naturally examining new areas of growth to be pursued only if they meet the bank's strategic and financial requirements.

We accelerated our vision to transform the Bank for the future. QIB continued to invest in people and technology in order to provide more value to our customers. The award-winning QIB Mobile App has now become the primary channel for our customers as it offers instant services, convenience and maximum security. In 2022, we continued to expand and introduce new innovative products and services to improve our customers' experience. Many of our innovative digital products and services are introduced for the first time in Qatar. Key innovations, the first of their kind in Qatar, launched in 2022 include: Digital Credit Card which enables customers to perform online purchases securely, in addition to Growing Deposit and Mobile Banking World Cup related promotions, in collaboration with Visa.

In terms of participation in the country›s activities, we have invested in a variety of economic and social activities, such as introducing a low profit rate offer for Green Car Finance, organizing a beach cleaning initiative, participating in the "One Million Trees" initiative and participating in the Environmental Sustainability Program launched by the Ministry of Environment, in addition to effective participation in activities during the World Cup.

QIB has been investing in its people, our Learning & Development team has delivered over 36,000 hours of training, with a focus on product knowledge and information security. Furthermore, all QIB employees had access to a comprehensive portfolio of mandatory learning modules that can help them advance to higher positions.

As a testament to its exceptional performance, QIB has received over 40 prestigious awards and global recognition from acclaimed publications including "Best Bank", "Best Bank for Digital Solutions", and "Best Bank for Islamic Finance in Qatar" from the Euromoney Magazine. In addition, QIB was named a leader in "Digital Solutions", "Corporate Banking" and "Islamic Finance" as well as a number of other awards from reputable publications.

Looking back at the 2022 fiscal year, QIB had achieved positive progress, cementing its position as one of the largest Islamic banks both locally and internationally. Total Assets of the Bank now stand at QAR 184 Billion as of 31 December 2022, Customer Deposits stand at QAR 122.4 Billion, and Total Income for the year ended 31 December 2022 reached QAR 8.968 Billion representing a growth of 10.3% compared to 2021. The Bank's ratios are among the best in the market, with non-performing financing assets and the provision coverage ratios at 1.5%, one of the lowest in the industry. In accordance with Qatar Central Bank guidelines, QIB continues to pursue the conservative impairment policy maintaining a healthy 95.4% coverage ratio for non-performing financing assets by the end of 2022.

In the light of these remarkable results, QIB reported a Net Profit attributable to shareholders of QR 4,005 Million with an increase of 12.7% compared to 2021. Accordingly, it is recommended that your esteemed Assembly approve the distribution of 62.5% of cash dividends of QAR 0.625 per share.

Finally, on behalf of the Board of Directors, I would like to extend our sincerest gratitude and appreciation to His Highness the Amir, Sheikh Tamim Bin Hamad Bin Khalifa Al Thani, and to His Highness the Father Amir, Sheikh Hamad Bin Khalifa Al Thani, for their continuous support and encouragement to the banking sector in the State of Qatar.

I would also like to thank all officials concerned with the banking sector in Qatar, particularly Qatar Central Bank, for their continued support on all components of the banking and economic activity. This support is highly appreciated. I also thank our customers, investors, and shareholders for their confidence and loyalty, and the Shari'a Supervisory Board for all their good work. I conclude by praising and appreciating the efforts and loyalty of the Group Chief Executive Officer and his team of dedicated executives, which yielded outstanding results that helped the Bank reach a top position.

**Jassim bin Hamad bin Jassim bin Jaber Al-Thani**
**QIB Chairman**

# CONSOLIDATED FINANCIAL STATEMENTS
31 DECEMBER 2022

## INDEPENDENT AUDITOR'S REPORT
## To the Shareholders of Qatar Islamic Bank (Q.P.S.C.)

### Report on the Audit of the Consolidated Financial Statements

**Opinion**
We have audited the consolidated financial statements of Qatar Islamic Bank Q.P.S.C. (the "Bank"), and its subsidiaries (the "Group") as at 31 December 2022, which comprise the consolidated statement of financial position as at 31 December 2022 and the consolidated statement of income, consolidated statement of changes in equity, consolidated statement of cash flows, consolidated statement of changes in restricted investment accounts and consolidated statement of sources and uses of charity fund for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as modified by the Qatar Central Bank (QCB).

**Basis for Opinion**
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Qatar, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| **Impairment of financing assets** | |
| Due to the inherently judgmental nature of the computation of impairment of financing assets in accordance with FAS 30 "Impairment, Credit Losses and Onerous Commitments", there is a risk that the amount of impairment of financing assets may be misstated. | Our audit procedures included the following:<br><br>• Read the Group's FAS 30 impairment policy and assessed compliance with the requirements of FAS 30. |
| The key areas of judgement include:<br><br>1.The identification of exposure with a significant deterioration in credit quality;<br><br>2.Assumptions used in the models such as financial condition of counterparty, expected future cash flows, forward looking macroeconomic variables etc; and<br><br>3.The need to apply additional overlays to reflect current or future external factors that might not be captured by the model.<br><br>Determining the adequacy of impairment allowance on financing assets to customers is a key area of judgement for the management. Qatar Central Bank ("QCB") regulations require banks to estimate impairment allowance in accordance with FAS 30 and the applicable provisions of QCB regulations. Notes 4(b), 10 and 20 of the consolidated financial statements provide details relating to the impairment of financing assets.<br><br>Due to the significance of financing assets, subjectivity in identifying impairment indicators and estimation uncertainty in measuring impairment allowances, this is considered a key audit matter. | • Evaluated the Group's criteria for the significant increase in credit risk ("SICR") and the basis for classification of exposures into various stages considering the effect of COVID19- and various relief measures implemented by the QCB. Selected a sample of exposures and tested the application of Group's SICR criteria to assess the movements between stages.<br><br>• Evaluated the Group's forward-looking macroeconomic variables by comparing on a sample basis against supporting evidence, where applicable, and assessed the reasonableness of changes made to the economic scenarios to reflect the effect of COVID 19.<br><br>• For probability of default ("PD") used in the ECL calculation:<br><br>- Evaluated the through-the-cycle ("TTC") PDs by selecting a sample of exposures and comparing against supporting evidence.<br><br>- Selected a sample of exposures and tested the conversion of TTC PDs to point in time ("PIT") PDs.<br><br>• Tested the calculation of the Loss Given Default ("LGD") used by the Group in the ECL calculations.<br><br>• Assessed the modelled calculation by re-performing ECL calculations on a sample basis.<br><br>• Assessed the impairment allowance for individually impaired financing assets (stage 3) in accordance with FAS 30 and the applicable provisions of QCB regulations.<br><br>In addition, we considered, assessed and tested relevant controls over credit initiation, monitoring and settlement, and those relating to the calculation of impairment allowances. |

**Other information included in the Group's 2022 annual report**
Other information consists of the information included in the Group's 2022 Annual Report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2022 Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

**Responsibilities of management and the Board of Directors for the consolidated financial statements**
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Financial Accounting Standards (FAS) issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) as modified by the Qatar Central Bank (QCB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Group's financial reporting process.

**Auditor's responsibilities for the audit of the consolidated financial statements**
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
• Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

• Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on other legal and regulatory requirements**
We have obtained all the information and explanations, which we considered necessary for the purpose of our audit. We confirm that we are not aware of any contraventions by the Bank of its Articles of Association and Qatar Commercial Companies Law No. 11 of 2015 (as amended by Law No. 8 of 2021), during the financial year that would have had a material adverse effect on the Group's financial position or performance

**Ziad Nader**
of Ernst & Young
Qatar Auditor's Register Number: 258
Date: 31 January 2023
State of Qatar

## SHARI'A SUPERVISORY BOARD REPORT
## FOR THE FISCAL YEAR ENDING ON 31ST DECEMBER 2022

All Praise be to Allah and may His peace and blessings be upon His messenger and bondsman our Prophet Mohammad, his family and his companions.

Shari'a Supervisory Board has reviewed QIB operations, contracts and products, and reviewed the financial statements and profit and loss account for the fiscal year 2022, and considers that they do not contradict with the provisions of Islamic Sharia.

May Allah guide us all to what pleases Him.

**His Eminence Sheikh Walid Bin Hadi**
**Chairman, Shari'a Supervisory Board**

**Sheikh Dr. Mohamad Ahmaine**
**Member, Shari'a Supervisory Board**

**Sheikh Dr. Abdulaziz Khalefa Al-Qassar**
**Member, Shari'a Supervisory Board**

# CONSOLIDATED FINANCIAL STATEMENTS
## 31 DECEMBER 2022

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2022

| | QAR '000s 2022 | QAR '000s 2021 |
|---|---|---|
| **Assets** | | |
| Cash and balances with central banks | **7,951,115** | 7,176,507 |
| Due from banks | **3,188,120** | 7,460,696 |
| Financing assets | **119,284,576** | 128,408,527 |
| Investment securities | **45,774,186** | 44,379,772 |
| Investment in associates | **1,130,376** | 1,139,568 |
| Investment properties | **3,320,550** | 2,853,997 |
| Fixed assets | **557,611** | 570,237 |
| Intangible assets | **217,814** | 217,814 |
| Other assets | **2,576,277** | 1,708,792 |
| **Total assets** | **184,000,625** | 193,915,910 |
| **Liabilities, equity of unrestricted investment account holders and equity** | | |
| **Liabilities** | | |
| Due to banks | **17,382,480** | 19,855,882 |
| Customers' current accounts | **19,020,955** | 16,907,030 |
| Sukuk financing | **12,453,056** | 14,062,725 |
| Other liabilities | **3,868,349** | 3,490,633 |
| **Total liabilities** | **52,724,840** | 54,316,270 |
| **Equity of unrestricted investment account holders** | **103,349,939** | 114,187,769 |
| **Equity** | | |
| Share capital | **2,362,932** | 2,362,932 |
| Legal reserve | **6,370,016** | 6,370,016 |
| Risk reserve | **2,641,655** | 2,444,872 |
| General reserve | **81,935** | 81,935 |
| Fair value reserve | **197,141** | 60,661 |
| Foreign currency translation reserve | **(428,562)** | (466,695) |
| Other reserves | **216,820** | 216,820 |
| Proposed cash dividends | **1,476,833** | 1,358,686 |
| Retained earnings | **10,338,483** | 8,306,502 |
| **Total equity attributable to equity holders of the bank** | **23,257,253** | 20,735,729 |
| Non-controlling interests | **668,593** | 676,142 |
| Sukuk eligible as additional capital | **4,000,000** | 4,000,000 |
| **Total equity** | **27,925,846** | 25,411,871 |
| **Total liabilities, equity of unrestricted investment account holders and equity** | **184,000,625** | 193,915,910 |

These consolidated financial statements were approved by the Board of Directors on 16 January 2023 and were signed on its behalf by:

**Jassim Bin Hamad Bin Jassim Bin Jaber Al Thani**
Chairman

**Bassel Gamal**
Group Chief Executive Officer

### CONSOLIDATED STATEMENT OF INCOME
For the year ended 31 December 2022

| | QAR '000s 2022 | QAR '000s 2021 |
|---|---|---|
| Net income from financing activities | **6,502,045** | 5,998,636 |
| Net income from investing activities | **1,451,615** | 1,131,982 |
| **Net income from financing and investing activities** | **7,953,660** | 7,130,618 |
| Fee and commission income | **1,095,603** | 937,164 |
| Fee and commission expense | **(285,252)** | (210,734) |
| **Net fee and commission income** | **810,351** | 726,430 |
| Net foreign exchange gain | **122,353** | 200,380 |
| Share of results of associates | **73,291** | 41,569 |
| Other income | **8,183** | 30,876 |
| **Total income** | **8,967,838** | 8,129,873 |
| Staff costs | **(636,652)** | (650,211) |
| Depreciation and amortisation | **(88,993)** | (90,140) |
| Sukuk holders' share of profit | **(416,888)** | (453,042) |
| Other expenses | **(386,604)** | (344,879) |
| **Total expenses** | **(1,529,137)** | (1,538,272) |
| Net impairment losses on investment securities | **56** | (3,791) |
| Net impairment losses on financing assets | **(1,194,311)** | (1,326,086) |
| Other impairment losses | **(40,893)** | (11,930) |
| **Net profit for the year before tax and return to unrestricted investment account holders** | **6,203,553** | 5,249,794 |
| Less: Return to unrestricted investment account holders | **(2,169,116)** | (1,687,172) |
| **Profit before tax** | **4,034,437** | 3,562,622 |
| Tax expenses | **(11,214)** | (9,707) |
| **Net profit for the year** | **4,023,223** | 3,552,915 |
| **Net profit for the year attributable to:** | | |
| Equity holders of the Bank | **4,005,203** | 3,555,296 |
| Non-controlling interests | **18,020** | (2,381) |
| **Net profit for the year** | **4,023,223** | 3,552,915 |
| **Earnings per share** | | |
| Basic / diluted earnings per share (QAR per share) | **1.62** | 1.42 |

### CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

| | QAR '000s 2022 | QAR '000s 2021 |
|---|---|---|
| Cash flows from operating activities | | |
| Net profit for the year before tax | **4,034,437** | 3,562,622 |
| *Adjustments for:* | | |
| Net impairment losses on financing assets | **1,194,311** | 1,326,086 |
| Net impairment losses on investment securities | **(56)** | 3,791 |
| Other impairment losses | **40,895** | 11,930 |
| Depreciation and amortisation | **88,993** | 90,140 |
| Net gain on sale of investment securities | **(56,659)** | (28,704) |
| Share of results of associates | **(73,291)** | (41,569) |
| Amortization of premium on sukuks | **7,029** | 4,379 |
| Fair value loss / (gain) on investment securities carried as fair value through income statement | **19,387** | (7,710) |
| Employees end of service benefits charge | **22,046** | 24,687 |
| Profit before changes in operating assets and liabilities | **5,277,092** | 4,945,652 |
| Change in reserve account with Qatar Central Bank | **(118,359)** | (812,722) |
| Change in due from banks | **(49,609)** | (129,834) |
| Change in financing assets | **7,929,640** | (10,662,181) |
| Change in other assets | **(627,804)** | 398,443 |
| Change in due to banks | **(2,473,402)** | 6,028,136 |
| Change in customers' current accounts | **2,113,925** | (508,663) |
| Change in other liabilities | **299,483** | (1,662,389) |
| Employees' end of service benefits paid | **(10,173)** | (34,620) |
| **Net cash used in operating activities** | **12,340,793** | (2,438,178) |
| **Cash flows from investing activities** | | |
| Acquisition of investment securities | **(4,920,811)** | (14,682,761) |
| Proceeds from sale / redemption of investment securities | **3,471,098** | 3,471,062 |
| Acquisition of fixed assets | **(74,288)** | (47,333) |
| Proceeds from sale of investment in associates | **50,165** | 24,325 |
| Acquisition of investment properties | **(479,731)** | (1,019) |
| Dividends received from associate companies | **12,757** | 12,757 |
| **Net cash used in investing activities** | **(1,940,810)** | (11,222,969) |
| **Cash flows from financing activities** | | |
| Change in equity of unrestricted investment accountholders | **(10,837,830)** | 13,459,480 |
| Net movement in non-controlling interest | **(25,569)** | (224,052) |
| Cash dividends paid to shareholders | **(1,358,686)** | (945,173) |
| Profit paid on sukuk eligible as additional capital | **(196,337)** | (205,000) |
| Net proceeds from sukuk financing | **(1,647,497)** | - |
| **Net cash from financing activities** | **(14,065,919)** | 12,085,255 |
| **Net decrease in cash and cash equivalents** | **(3,665,936)** | (1,575,892) |
| Cash and cash equivalents at 1 January | **8,502,257** | 10,078,149 |
| **Cash and cash equivalents at 31 December** | **4,836,321** | 8,502,257 |

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

QAR '000s

| | Share capital | Legal reserve | Risk reserve | General reserve | Fair value reserve | Foreign currency translation reserve | Other reserves | Proposed cash dividends | Retained earnings | Total equity attributable to equity holders of the Bank | Non-controlling interests | Sukuk eligible as additional capital | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 31 December 2021 | **2,362,932** | **6,370,016** | **2,444,872** | **81,935** | **60,661** | **(466,695)** | **216,820** | **1,358,686** | **8,306,502** | **20,735,729** | **676,142** | **4,000,000** | **25,411,871** |
| Foreign currency translation reserve movement | - | - | - | - | - | **38,133** | - | - | - | **38,133** | - | - | **38,133** |
| Fair value reserve movement | - | - | - | - | **136,480** | - | - | - | - | **136,480** | - | - | **136,480** |
| Net profit / loss for the year | - | - | - | - | - | - | - | - | **4,005,203** | **4,005,203** | **18,020** | - | **4,023,223** |
| Total recognised income and expense for the year | - | - | - | - | **136,480** | **38,133** | - | - | **4,005,203** | **4,179,816** | **18,020** | - | **4,197,836** |
| Dividends for the year 2021 | - | - | - | - | - | - | - | **(1,358,686)** | - | **(1,358,686)** | - | - | **(1,358,686)** |
| Transfer to risk reserve | - | - | **196,783** | - | - | - | - | - | **(196,783)** | - | - | - | - |
| Proposed cash dividends | - | - | - | - | - | - | - | **1,476,833** | **(1,476,833)** | - | - | - | - |
| Social and Sports Fund appropriation | - | - | - | - | - | - | - | - | **(100,130)** | **(100,130)** | - | - | **(100,130)** |
| Profit on Sukuk eligible as additional capital | - | - | - | - | - | - | - | - | **(187,673)** | **(187,673)** | - | - | **(187,673)** |
| Gain on settlement of Equity type investments | - | - | - | - | - | - | - | - | **(11,803)** | **(11,803)** | **(6,198)** | - | **(18,001)** |
| Movement in non-controlling interests | - | - | - | - | - | - | - | - | - | - | **(19,371)** | - | **(19,371)** |
| **Balance at 31 December 2022** | **2,362,932** | **6,370,016** | **2,641,655** | **81,935** | **197,141** | **(428,562)** | **216,820** | **1,476,833** | **10,338,483** | **23,257,253** | **668,593** | **4,000,000** | **27,925,846** |

QAR '000s

| | Share capital | Legal reserve | Risk reserve | General reserve | Fair value reserve | Foreign currency translation reserve | Other reserves | Proposed cash dividends | Retained earnings | Total equity attributable to equity holders of the Bank | Non-controlling interests | Sukuk eligible as additional capital | Total equity |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Balance at 31 December 2020 | 2,362,932 | 6,370,016 | 2,436,510 | 81,935 | (109,786) | (336,313) | 216,820 | 945,173 | 6,336,240 | 18,303,527 | 902,576 | 4,000,000 | 23,206,103 |
| Foreign currency translation reserve movement | - | - | - | - | - | (130,382) | - | - | - | (130,382) | - | - | (130,382) |
| Fair value reserve movement | - | - | - | - | 170,447 | - | - | - | - | 170,447 | - | - | 170,447 |
| Net profit / loss for the year | - | - | - | - | - | - | - | - | 3,555,296 | 3,555,296 | (2,381) | - | 3,552,915 |
| Total recognised income and expense for the year | - | - | - | - | 170,447 | (130,382) | - | - | 3,555,296 | 3,595,361 | (2,381) | - | 3,592,980 |
| Dividends for the year 2020 | - | - | - | - | - | - | - | (945,173) | - | (945,173) | - | - | (945,173) |
| Transfer to risk reserve | - | - | 8,362 | - | - | - | - | - | (8,362) | - | - | - | - |
| Proposed cash dividends | - | - | - | - | - | - | - | 1,358,686 | (1,358,686) | - | - | - | - |
| Social and Sports Fund appropriation | - | - | - | - | - | - | - | - | (88,882) | (88,882) | - | - | (88,882) |
| Profit on Sukuk eligible as additional capital | - | - | - | - | - | - | - | - | (196,337) | (196,337) | - | - | (196,337) |
| Buyback of shares by subsidiary | | | | | | | | - | 65,796 | 65,796 | 35,809 | | 101,605 |
| Gain on settlement of Equity type investments | - | - | - | - | - | - | - | - | 1,437 | 1,437 | - | - | 1,437 |
| Movement in non-controlling interests | - | - | - | - | - | - | - | - | - | - | (259,862) | | (259,862) |
| Balance at 31 December 2021 | 2,362,932 | 6,370,016 | 2,444,872 | 81,935 | 60,661 | (466,695) | 216,820 | 1,358,686 | 8,306,502 | 20,735,729 | 676,142 | 4,000,000 | 25,411,871 |

"Note: The above published financial information represents the main consolidated financial statements. The published audit report of the independent auditors is issued on the full set of consolidated financial statements which are available on QIB website: qib.com.qa"

4402 0888 | www.qib.com.qa

QIB المصرف

CR: 8338 – Share Capital (authorised and fully paid): QAR 2,362,932,000

# Nakilat bags British Safety Council's award for the fifth consecutive year


Nakilat receives British Safety Council's award.

Nakilat, the world's largest liquefied natural gas (LNG) fleet owner, has been recognised with the prestigious 'Sword of Honour' from the British Safety Council for the fifth consecutive year.

"Winning this award consecutively for the 5th time is a further testament to Nakilat's commitment to the well-being and safety of its staff, which is central to the success of our organisation," said Nakilat chief executive officer, Abdullah al-Sulaiti.

Highlighting that its safety, health, environment and quality team has robust and extensive systems, ensuring utmost priority in the staff's safety and environment protection; he said it has procedures in place that allow it to act swiftly in response to any critical situation and ensure that its operations remain uninterrupted, while keeping personnel safe.

Peter McGettrick, chairman of the British Safety Council, said achieving recognition of this sort takes real dedication and absolute professionalism.

In order to compete for the Sword of Honour, Nakilat first had to achieve the maximum five stars in British Safety Council's health and safety management audit scheme.

The organisation also demonstrated to an independent panel of experts that it has achieved excellence in its health and safety throughout the business – from the shop floor to the boardroom.

With one of the world's largest LNG fleet of 69 LNG carriers, Nakilat also manages and operates one floating storage regasification unit (FSRU), and four very large LPG (liquefied petroleum gas) carriers (VLGCs).

In addition, the company provides comprehensive ship repair and offshore fabrication services, shipping agency services, as well as towage and other marine support services through its joint ventures Nakilat-Keppel Offshore and Marine, Qatar Fabrication Company, Nakilat SvitzerWijsmuller and Nakilat Agency.

# Mideast requires $1.11tn investment to raise gas output to 1,190 bcm in 2050: GECF

**By Pratap John**
Business Editor

The Middle East requires $1.11tn investment to increase production to 1,190 billion cubic metres (bcm) in 2050, Doha-headquartered Gas Exporting Countries Forum (GECF) said and noted Qatar, Saudi Arabia and the UAE are projected to account for 79% of natural gas investment in the region.

Qatar will record the fastest annual growth in gas production in the Middle East until 2050, delivering 2.6% annual growth, GECF said.

The Middle East will become the world's second-largest natural gas producer, supplying almost 22% of natural gas globally by 2050, compared to 17% now.

Gas output in the Middle East is expected to jump by 520 bcm to 1,190 bcm by 2050.

Global natural gas production will continue to rise by an average of 1.1% per year, from 4,025 bcm in 2021 to 5,460 bcm in 2050, representing a total of 36%.

The Middle East will contribute the largest growth share, accounting for one-third of the total, followed by Africa and North America

In its 'Global gas outlook 2050' GECF said the Middle East is the world's third-largest gas-producing region, accounting for almost 17% of global output.

Annual production has been growing at a rapid 6% jumping from 190 bcm in 2000 to 670 bcm in 2021.

By comparison, Asia Pacific and African production grew by only 4.1% and 3.7%, respectively over that period.

Iran, Qatar, and Saudi Arabia, supply slightly less than 78% of the total output in the region.

These three countries will remain production hotspots through 2050, with Qatar delivering 2.6% annual growth — the fastest of the three countries.

Gas production in Iran and Saudi Arabia will grow by 2.1% and 1.5%, respectively, on an annual basis over the long term.

Their share of regional production will reach almost 82%, while accounting for 18% of the world's gas output.

GECF expects regional production to grow by 140 bcm by 2030.

This will represent around 24% of global growth, driven by Qatar's North Field expansion projects, along with Iran, UAE and Saudi Arabia increases as well. But longer-term growth will be even more substantial.

Output will jump by 520 bcm to 1,190 bcm by 2050. Share of global output will reach 22%, while the region will account for more than 33% of global growth.

The report noted Saudi Arabia is diversifying its energy exports and stimulating the expansion of domestic gas demand.

The Kingdom is working on increasing its oil export potential to 13mn bpd by 2030 by expanding the use of natural gas and renewable energy.

In addition, Saudi Aramco is planning to increase its natural gas output by 50% by 2030. As a result, the Kingdom has been boosting exploration and production activity and developing natural gas processing facilities.

# Qatar-Germany ties witness 'positive developments' in 2022, says German envoy

**By Peter Alagos**
Business Reporter

Business relations between Qatar and Germany resulted in "positive developments" in 2022, Germany's top diplomat in Qatar stated during the German Business Council Qatar (GBCQ) Annual General Assembly and election of a new board of directors held in Doha yesterday.

In a speech delivered by Bernd Stadtmueller, German ambassador Dr Claudius Fischbach said Germany's exports to Qatar increased in the first six months of 2022.

Similarly, Germany's imports from Qatar saw a 41% growth in the same period last year.

He underscored the major role played by Germany in Qatar's hosting of the 2022 FIFA World Cup, saying many German companies contributed to the construction of mega projects related to the football tournament.

The ambassador also stated that Qatar-Germany political relations were "significantly reinforced" by a number of high-level political delegations, citing the meeting between His Highness the Amir Sheikh Tamim bin Hamad al-Thani and German Chancellor Olaf Scholz held in May last year in Berlin.

His Highness the Amir and Scholz met again after the German chancellor visited Qatar in September 2022.

In March of the same year, German Vice-Chancellor and Federal Minister for Economic Affairs and Climate Action, Dr Robert Habeck, also visited Qatar following the energy crisis in Europe caused by the war in Ukraine, Fischbach stated.

Fischbach's speech also pointed out that the process of energy transformation in Germany is gaining traction in response to the challenges of climate change.

While German companies increase their technological know-how, Qatar provides ample opportunities for scientific collaboration and application of sustainable technologies, he noted.

He also said the German-Qatar Joint Economic Commission is slated to reconvene, adding the German Industry and Commerce Office (AHK Qatar) and GBCQ will continue to play a significant role in forging robust economic relations between both countries.

AHK Qatar is commissioned by the Federal Ministry for Economic Affairs and Climate Protection (BMWK) and the German Chamber of Commerce and Industry (DIHK) to represent the interests of the German economy in Qatar.

The office promotes bilateral economic cooperation and trade relations between the respective countries.

AHK Qatar belongs to a network of 79 chamber offices in Germany and 140 offices worldwide and is the associated representative office of the AHK Gulf region.

# World Cup lifts Qatar's hotel rooms' yield about 300% in December 2022

**By Santhosh V Perumal**
Business Reporter

Doha's hospitality sector saw an almost 300% surge year-on-year in rooms' yield in December 2022, as Qatar saw more than four-fold jump in visitors, particularly from the Americas and the Gulf Co-operation Council (GCC) as well as other Arab countries, in view of the crucial matches of the FIFA World Cup, which culminated to success during the month, according to PSA data.

Doha's hospitality sector saw an almost 300% surge year-on-year in rooms' yield in December 2022, as Qatar saw more than four-fold jump in visitors, particularly from the Americas and the Gulf Co-operation Council (GCC) as well as other Arab countries, in view of the crucial matches of the FIFA World Cup, which culminated to success during the month, according to the official data.

In December 2022, the hospitality sector saw the average room rates increase in the range of 106-365% on an annualised basis, while visitors' growth in the range of 142-587%, said the figures released by the Planning and Statistics Authority (PSA).

The country's overall hospitality sector saw a 285.84 year-on-year surge in average revenue per available room to QR1,281 in December 2022 as the average room rate zoomed 328.4% to QR2,112. Occupancy nevertheless was down 6% to 61% in the review period.

This upward trend in the hospitality sector's room yield comes amidst a 317.6% year-on-year surge in visitor arrivals to 613,612 in December 2022 with majority coming from the GCC countries.

The visitor arrivals from the GCC were 244,261 or 40% of the total; followed by Europe 103,067 or 17%; other Asia (including Oceania) 99,638 or 16%; other Arab countries 87,916 or 14%; Americas 68,422 or 11% and other African countries 10,308 or 2%.

The visitor arrivals from the Americas zoomed 586.9% on an annualised basis in the review period; followed by other Arab countries (479.4%), the GCC (447.5%), other African countries (346.4%), Europe (206%) and other Asia, including Oceania (141.9%).

On a monthly basis, the visitor arrivals from the GCC shot up 90.2% and those from other Arab countries by 2.9%; whereas those from the Americas declined 49.6%, other African countries by 25.9%, other Asia including Oceania by 13.4% and Europe by 9% in December 2022.

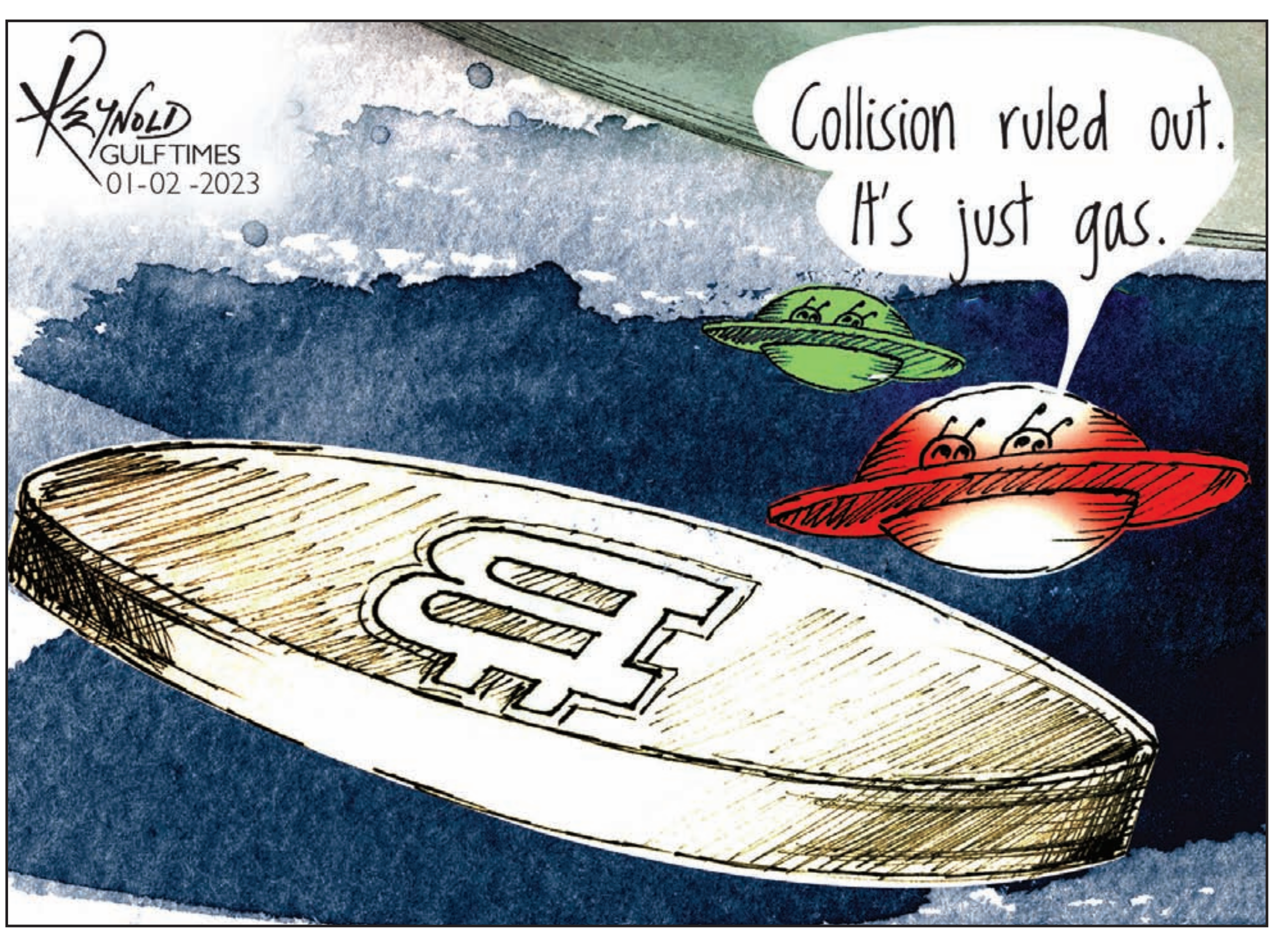
In the case of five-star hotels, the average revenue per available room soared 305.84% on annualised basis to QR1,806 in December 2022 as the average room rate skyrocketed 364.5% to QR3,140. The occupancy was seen dropping 8% to 58% in December 2022.

The average revenue per available room in the four-star hotels shot up 239.42% on a yearly basis to QR706 in December 2022 as the average room rate jumped 307.22% to QR1,128.

The occupancy plummeted 12% to 63% in the review period. The three-star hotels saw a 173.13% year-on-year jump in average revenue per available room to QR620 as average room rate grew 262.96% to QR882 in December 2022. The occupancy plunged 23% to 70% in the review period.

The two-star and one-star hotels' average revenue per available room shot up 197.73% year-on-year to QR393 in December 2022 as the average room rate grew 106.28% to QR427 and occupancy by 28% to 92%. The deluxe hotel apartments saw a 327.35% year-on-year expansion in average revenue available per room to QR1,000 in December 2022 as the average room rate in the category was seen shooting up 317.99% on an annualised basis to QR1,626 and the occupancy by 2% to 62% in the review period.

In the case of standard hotel apartments, the room yield improved by 143.06% year-on-year to QR525 in December 2022. The average room rate shot up 275.5% to QR935, even as occupancy tanked 31% to 56% in the review period.




# Project Qatar 19th edition at DECC from May 29 to June 1

The 19th edition of Project Qatar will take place from May 29 to June 1 at the Doha Exhibition and Convention Centre (DECC) under the patronage of HE the Prime Minister and Minister of Interior Sheikh Khalid bin Khalifa bin Abdulaziz al-Thani.

The international trade exhibition for construction material, equipment and technology will welcome leading brands from around the world and connect industry professionals with Qatar's top decision-makers, paving way for strategic alliances and agreements, IFP Qatar said yesterday.

The exhibition meets all the standards for providing effective access to the lucrative construction market of the country. The platform will also provide the opportunity for companies to generate new business leads and build partnerships, making Project Qatar 2023 an ideal forum for business growth.

IFP Qatar general manager Haidar Mshaimesh said: "The opportunities in the construction market continue to attract stakeholders from all over the world, and Project Qatar is positioned to offer an ideal platform to connect and network, both during and after the event, in order to ensure long-term growth and partnerships.

"The expansion of Qatar's construction market has been fuelled by foreign direct investments and government stimulus packages under the Qatar National Vision (QNV) 2030, which is the government's strategic development roadmap. Through the framework, Qatar aims at becoming a self-sustaining and diversified economy that doesn't heavily rely on oil."

Mshaimesh continued: "We are confident that the exhibition will encourage industry participants to strengthen their efforts in sharing best practices and innovative solutions that will further contribute to the country's economic development."

An industry report further estimates a growth of 2.3% this year, and 3.6% on average between 2023 and 2026, driven by investments from QNV 2030.

Similarly, a new law governing public-private partnerships (PPPs) has been ratified by the government of Qatar, which is expected to attract more foreign direct investments to the nation.

As a result, Qatar's construction sector is expected to continue its growth trajectory, owing to the country's commitment to becoming an advanced nation by 2030. In order to support the evolving demands of the Qatari market and its customers, Project Qatar 2023 will also include new specialised zones and activities for attendees.

New conference topics, certified training sessions, and workshops are to be introduced for the continued growth of all construction industry professionals in the country.

Project Qatar 2022 was a huge success with some 300 exhibits, out of which 120 were international and came from 30 different countries.

The previous edition also featured some 23 local and foreign speakers, 11,000+ delegates, five conference sessions, four training sessions, and workshops led by certified trainers. The 19th edition of the international conference is expected to further accomplish and accelerate the nation's economic growth.