



Investor Presentation
February 2020

Disclaimer by Doha Bank

Our discussion may include forward-looking predictions and or expectations.

While these forward-looking statements represent our current judgment on what the future holds for the bank, they are subject to risks and uncertainties that could cause actual results to differ materially.

You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation.

Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements considering new information or future events.

Throughout the discussion, we will attempt to present some important factors relating to our business that may affect our predictions.

A copy of our press release and financials can be viewed and downloaded on the bank's website at www.dohabank.qa/investor

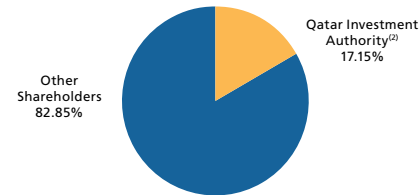
Key highlights

- Incorporated in 1979, Doha Bank is the third largest local conventional bank by assets in Qatar with a market share of approximately 7.0% ⁽¹⁾ and assets totaling QR108.2 bn
- Doha Bank has a strong domestic franchise with a retail footprint which includes 24 local branches, 7 e-branches (including pay offices) and around 90 ATMs as of 31 December 2019
- Doha Bank has one of the largest international networks of the Qatari banks through branches located in UAE (Dubai and Abu Dhabi), Kuwait and India (Mumbai, Chennai & Kochi) and representative offices in Singapore, Turkey, Japan, China, United Kingdom, South Korea, Germany, Australia, Hong Kong, Canada, South Africa, Bangladesh, Sri Lanka and Nepal
- Doha Bank, leveraging its network, has a strong market presence in contract financing (27% market share), trade loans (10% market share) and real estate (12% market share) and has been fast growing (8% net loans CAGR since 2009)
- The bank operates principally through four business groups: Wholesale Banking, Retail Banking, International Banking and Treasury & Investments
- Doha Bank's long-term local and foreign currency rating was assessed at A3 / A by Moody's and Fitch respectively

Strong international footprint



Diversified shareholder base and strong support



Largest international network of representative offices among Qatari banks

Positioned strategically in select business lines including contract financing, trade finance, real estate and retail

Source: Company information, Doha Bank estimates based on public information and QCB data

Note: 1. Measured as a percentage of the aggregate assets of the banking sector in Qatar as at 31 December 2019
2. Qatar Central Securities Depository, major shareholders list.

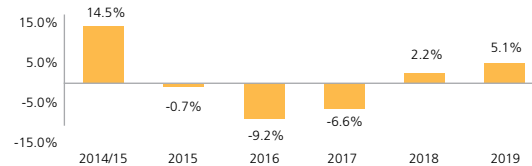
Qatar Economy

Stable economic situation

Sovereign rating:	A (Stable) by Fitch / Aa3 (Stable) by Moody's
Gas reserves:	Qatar has the 3 rd largest reserves of natural gas in the world ⁽²⁾
Oil reserves:	25.2 billion barrels of proven oil reserves ⁽²⁾
Current account balance:	Surplus of 6.0% in 2019 ⁽¹⁾ and 4.1% in 2020 ⁽¹⁾ of nominal GDP
Forecasted real GDP growth:	2.0% in 2019 ⁽¹⁾ and 2.8% in 2020 ⁽¹⁾
Population:	2.69 million as at 31 December 2019 ⁽⁴⁾
GDP per capita:	With US\$70,736 in 2020 Qatar is one of the wealthiest countries in the world ⁽¹⁾
Government fiscal position:	Estimated fiscal surplus of QR0.50 billion in 2020 ⁽³⁾
Government gross debt:	QR340.9 billion (47.9% of GDP) in 2020 ⁽¹⁾
Significant future government & infrastructure spending:	Significant investments in the run up to hosting the 2022 FIFA World Cup and achieving the 2030 Qatar National Vision (e.g. gas projects, airport, rail, infrastructure, housing)
Currency:	Pegged to the U.S. dollar since 1980

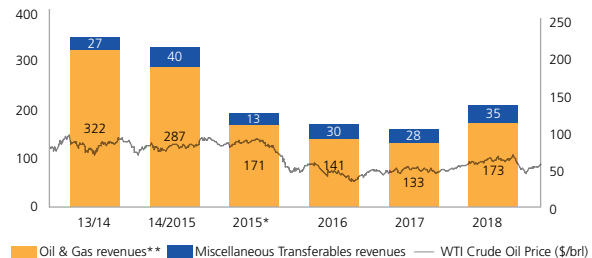
Source:
 1. IMF World Economic Outlook Database (October 2019)
 2. British Petroleum Statistical Review of World Energy (June 2019)
 3. Qatar Budget 2020
 4. Qatar monthly statistics - Planning and Statistics Authority (December 2019)

Government fiscal surplus/deficit (% of GDP)



Source: QCB annual reports & QCB Quarterly Statistic Bulletins
Note: The above data until 2014/15 is for the fiscal year from 1 April – 31 March
 Estimated fiscal surplus of QR0.50 billion in 2020

Government revenues (QRbn)

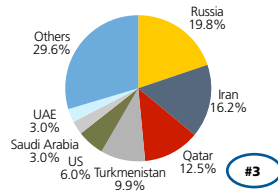


Source: Government revenues: QCB annual reports / WTI Crude oil Price: Bloomberg – 31 December 2019
Note: * Preliminary data covers 9 months (1/4- 31/12/2015) where the period has been extended as per Law No. (2) for the year 2015 for amending the fiscal year to a calendar year.
 ** Oil & Gas Revenue includes investment revenue transferred from Qatar Petroleum.

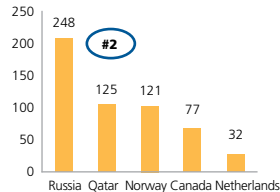
Qatar enjoys one of the highest GDP per capita at US\$ 70,736 in 2020⁽¹⁾ and has a strong historic economic growth

3rd largest reserves and 2nd largest exporter of natural gas

Natural gas reserves (2018)

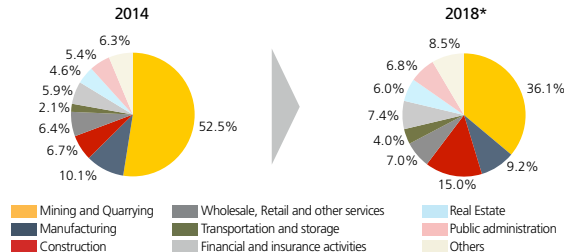


Export of natural gas in 2018 (cubic meters bn)



Source: British Petroleum Statistical Review of World Energy (June 2019)

Development of GDP composition 2014–2018*



Source: QCB Quarterly Statistical Bulletin – December 2019
Note: * Preliminary estimates

Qatar Mega-projects and stand-alone projects

Infrastructure projects in Qatar

- FIFA World Cup Football Stadiums (2020)
- Musheireb Properties - Musheireb Downtown Doha (2020)
- QP - Bul Hanine Field Redevelopment Project (2021)
- ASHGAL – Expressway Program (2022)
- ASHGAL - Local Roads & Drainage Program (2022)
- HIA – Steering Committee (2022)
- Qatar University Expansion (2023)
- UDC - Pearl Qatar (2024)
- LREDC - Lusail Development (2025)
- QatarGas - North Field Gas Expansion (2025)
- NPP - Hamad Port (2025)
- QFZA - Qatar Economic Zone (2025)
- Kahramaa - Water Security Mega Reservoirs (2025)
- QRAIL - Qatar Integrated Rail Project (2026)

These 14 mega-projects are expected to have cost c.USD\$227 Bn

Source: MEED Projects 16.01.2020

2022 FIFA World Cup

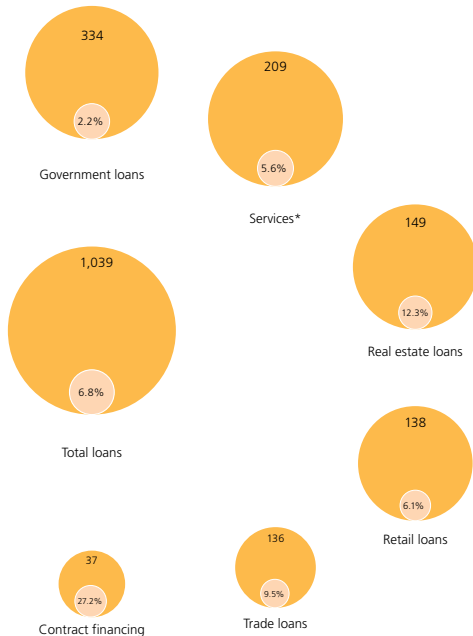
- '2022 FIFA World Cup' is expected to draw around half a million visitors, circa 19% of Qatar's current population

Source: Business Monitor International, research reports

Upcoming projects and economic development have attracted an influx of expatriate labor and benefited the economy

Banking Sector

Loan market size (QRbn) and Doha Bank market share (%)

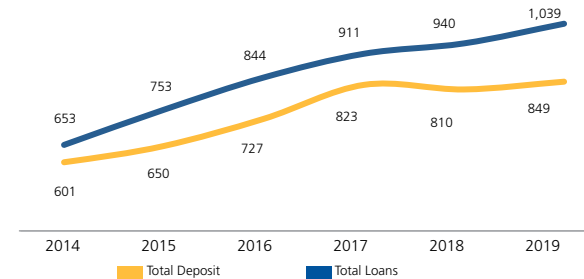


* Includes Non-Banking Financial Institution

● Doha Bank market share as of 31 December 2019

● Loan market size as of 31 December 2019

Qatari banking system – Total Loans Vs Deposits (QRbn)



Source: QCB banks' monthly statements and annual reports

Comments:- Market Share

- Actively working to mitigate risks associated to real estate and contract finance in the GCC
- Loan portfolio remains diversified
- Representative offices strategically located globally in key locations
- We maintain a strong brand recognition in Qatar and internationally
- First to introduce many innovative products and services in Qatar
- Majority of the Board members belong to the ruling 'Al Thani' family

Highlights

- ✓ Total assets amounted to QR 108.2 billion as at 31 December 2019 showing an increase of 12.6%.
- ✓ Net loans and advances reached QR 65.8 billion as at 31 December 2019 with an increase of 9.9%.
- ✓ The investment portfolio amounted to QR 26.6 billion, registering an increase of 28.1%.
- ✓ Customer deposits stood at QR 58.5 billion as at 31 December 2019, an increase of 4.8%.
- ✓ The total shareholder's equity by end of 2019 reached to QR 13.3 billion showing an increase of 4.6%
- ✓ The Interest income grew by 7.5% as compared to last year to reach QR 4.2 billion.
- ✓ The Net Operating income stood at QR 2.8 billion with an increase of 5.6%
- ✓ The bank's cost to income ratio has come down to 33.6% in 2019 as compared to 35.6% in 2018.
- ✓ The bank has increased the impairment provision to QR 1.16 billion, an increase of 22% as compared to last year resulting in high total provision coverage (including ECL of 124%)
- ✓ The bank has transferred QR 712 million to risk reserve which has enhanced all capital ratios.
- ✓ The bank's NPL ratio remains relatively stable
- ✓ The bank's capital adequacy ratios stand stronger with CET1 11.53%, T1 16.58% and the total CAR at 17.75%.

Comments

We have embarked on a transformation journey and have already started translating the strategic plan into tangible actions that will reshape our business, build sustainable earnings and achieve growth. As part of this plan, we will raise capital and we already have initiated a process of prudent provisioning and de-risking of our loan portfolio through diversification by sector, geography and tenor whilst building momentum in our business earnings and driving increased productivity and efficiency. Across the five-year plan, we will maintain a focus on improved asset quality, diversification, client experience and digital innovation as key market differentiators for Doha Bank.

Financial Summary

Profitability (QR Mn)

	Chg Y/Y	FY 2019	FY 2018
Interest Income	7.5%	4,217	3,921
Interest Expense	21.6%	(2,236)	(1,840)
Net Interest Income	-4.8%	1,980	2,081
Net Fees and Commissions	1.7%	394	388
Net Foreign Exchange Gain	-3.4%	112	115
Income from Investment Securities	-	306	(10)
Net Income from Insurance Activities	-	(77)	(7)
Other Income	1.9%	68	67
Staff Cost	0.6%	(493)	(496)
Non Staff Cost	7.0%	(413)	(444)
Net Impairment loss loans and advances	22.1%	(1,162)	(952)
Net impairment reversal on other assets	-63.2%	38	104
Net Profit	-9.2%	754	830

Assets and Liabilities (QR Mn)

	Chg Y/Y	FY 2019	FY 2018
Total Assets	12.6%	108,208	96,132
Loans and Advances	9.9%	65,784	59,844
Investments	28.1%	26,561	20,727
Customer Deposits	4.8%	58,464	55,785
Total Equity	4.6%	13,318	12,733

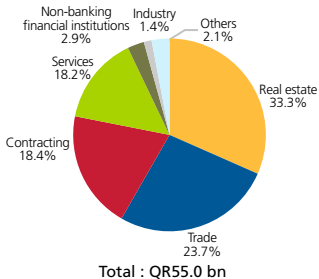
Capital

	FY 2019	FY 2018
RWA (QR Mn)	79,287	77,173
CET1 Ratio	11.53%	10.66%
T1 Ratio	16.58%	15.84%
Total Capital Ratio	17.75%	17.01%

Minimum ratios 2019:

CET1 8.50%, Tier1 10.50%, Total Capital Ratio 12.50%

Overview of the corporate banking loan book – December 2019

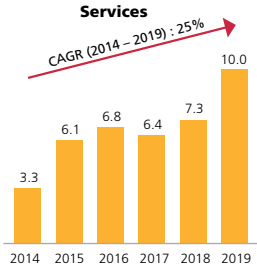
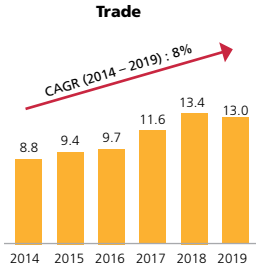
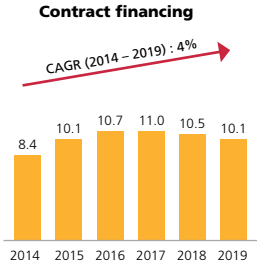
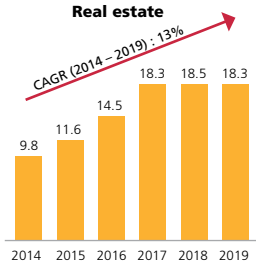


Source: Company information

Comments:

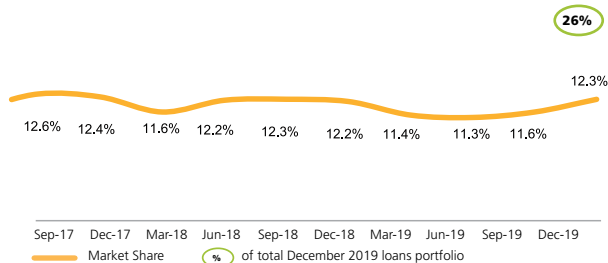
- To remain a significant contributor to the total income of Doha Bank
- Predominantly targeting local companies, while seeking opportunities both regionally and internationally.
- Well diversified portfolio focused on private sector
- While mitigating risks around the loan book we seek to recover and grow in line with the market

Loans (QRbn)



Source: Company information

Real estate market share development

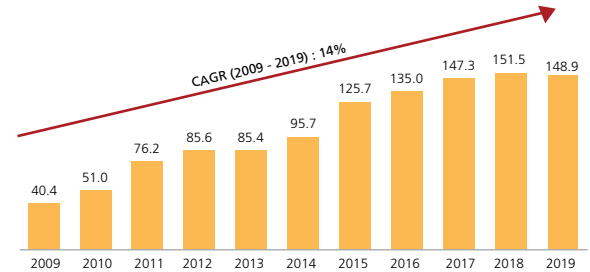


Source: Company information and QCB data

Comments:

- Conservative regulatory environment with real estate lending limits well defined
- Real Estate loan portfolio collateralized at circa 167%

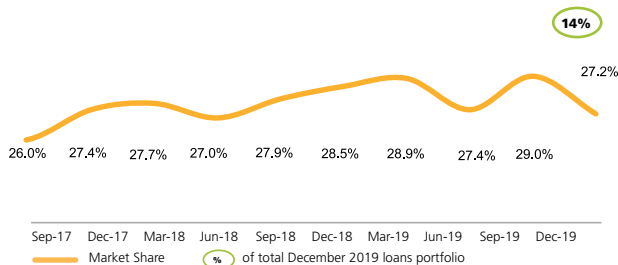
Qatari market real estate loans (QRbn)



Source: QCB banks' monthly statements and annual reports

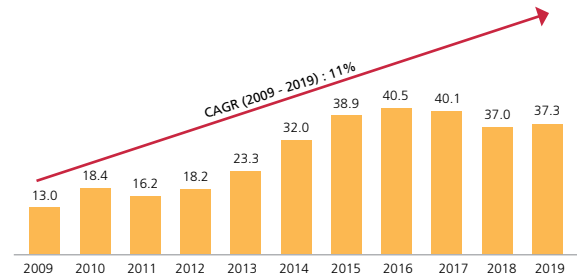


Contract financing market share development



Source: Company information and QCB data

Qatari market contract financing loans (QRbn)



Source: QCB banks' monthly statements and annual reports

Comments:

- Doha Bank's high market share benefits from strong relations with key contractors through Doha Bank representative offices (eg. Turkey, South Korea, Japan, Germany)
- That being said, Doha bank is looking to reduce its market share in this segment over the medium-term

Comments:

- The contract financing sector continues to benefit from the planned infrastructure spend for 'Qatar 2022 FIFA World Cup' and Qatar Vision 2030

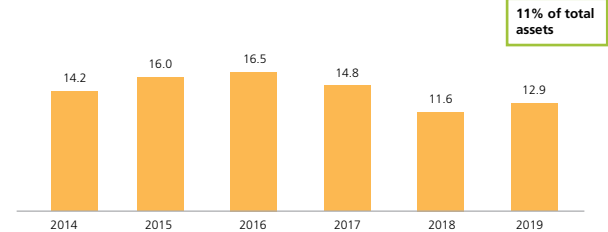
International Presence

Timeline of international expansion

- 2005: Doha Bank established a representative office in Dubai
- 2006: Representative offices in Singapore and Turkey commenced operations
- 2007: First full branch outside of Qatar – in Dubai (upgraded from a representative office to a branch). Representative offices were established in Japan and China
- 2008: Kuwait branch was established. Representative offices in the United Kingdom and South Korea were established
- 2011: Representative offices were established in Abu Dhabi and Germany
- 2012: A representative office was opened in Australia. Abu Dhabi representative office was upgraded to a full branch
- 2013: Representative offices were established in Hong Kong & Canada
- 2014: Opened a branch in Mumbai, India and first e-branch in Dubai
- 2015: Acquired 2 new branches in India (Mumbai & Kochi) from HSBC Oman and a representative office opened in South Africa
- 2016: Representative office was established in Bangladesh
- 2018: Commencement of Chennai Branch. Representative Office established in Sri Lanka and Nepal.

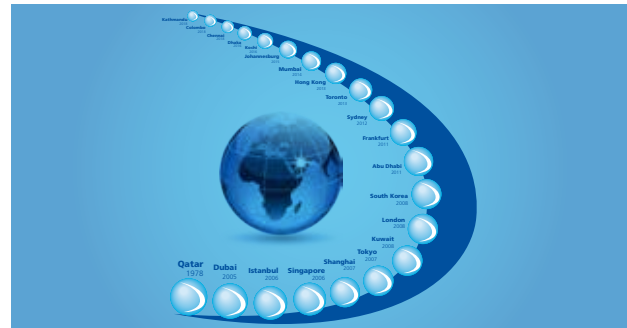
Source: Company information

International asset evolution (QRbn)



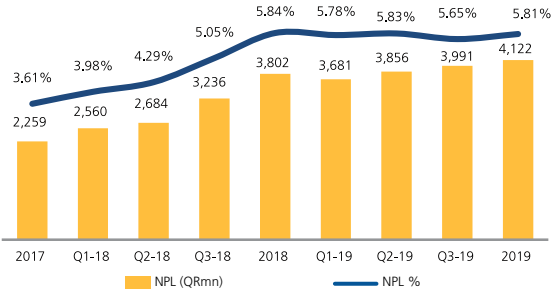
Source: Company information

Increasing international reach



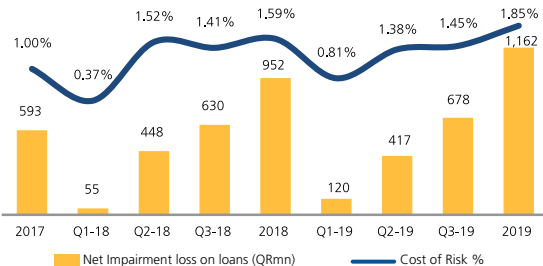
Source: Company information

NPL evolution



Source: Company information

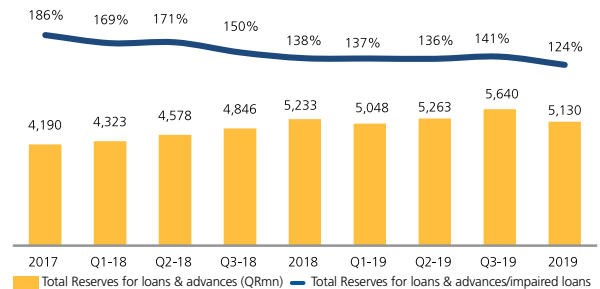
Net impairment loss on loans and cost of risk*



* Includes expected credit losses (ECL) as per IFRS 9 for 2018 & 2019

Source: Company information

Total Reserves* for loans & advances divided by impaired loans



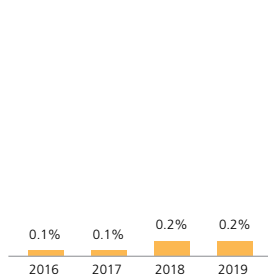
* Includes expected credit losses for 2018 & 2019 (Note: 2017 includes risk reserves)

Source: Company information

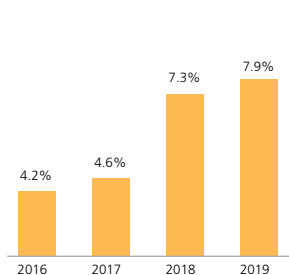


Credit Quality in Doha Bank's Core Businesses and by Geography

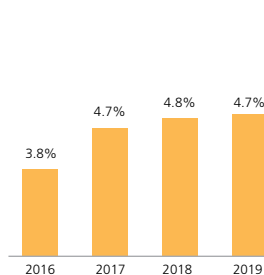
Real estate NPL ratio



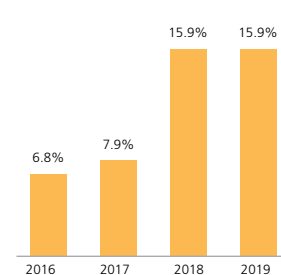
Corporate NPL ratio



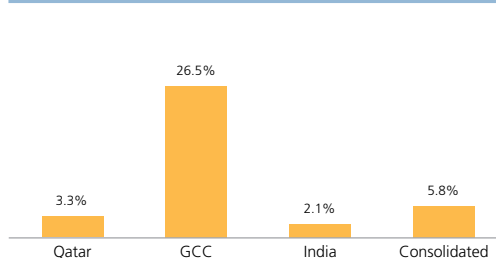
Retail NPL ratio



Contracting NPL ratio



NPL per geographical location – December 2019



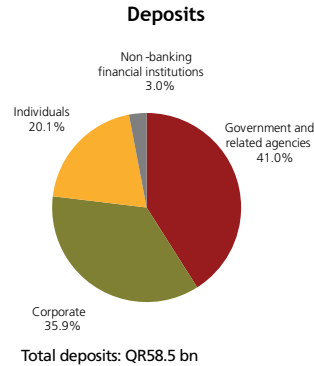
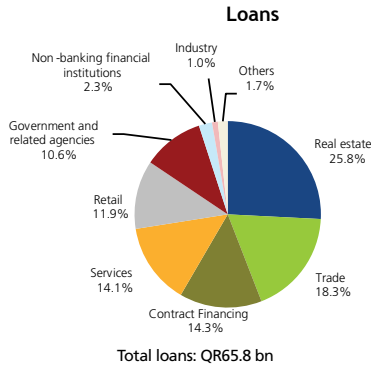
Comments:

- Real estate NPL % is almost nil
- GCC branches showing significantly high NPL%
- High Corporate and Contracting NPL % mainly attributable to exposure from GCC branches
- Qatar operation's NPL% remains relatively low, however has ticked up over the last quarter

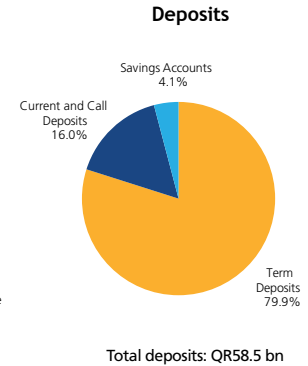
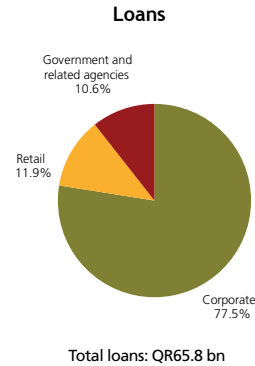
Source: Company information

Diversified Loans and Deposits

By sector – December 2019



By type – December 2019



Comments:

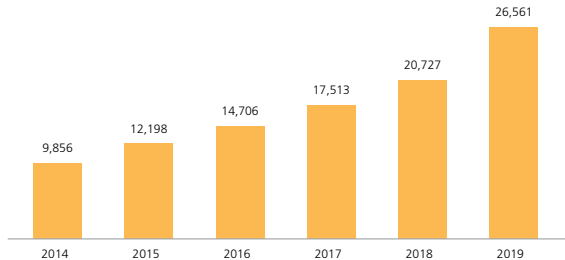
- Doha Bank has maintained a well diversified loan mix
- Doha Bank consistently ensures it retains a diversified deposit and funding base to minimize concentration risks
- Qatar Central Bank (QCB) imposes certain credit concentration limits on regulated banks in Qatar and the Bank follows QCB's credit concentration policy
- Those credit concentration limits impose restrictions such as single obligor limits as well as restrictions on real estate lending

Source: Company information

Portfolio overview

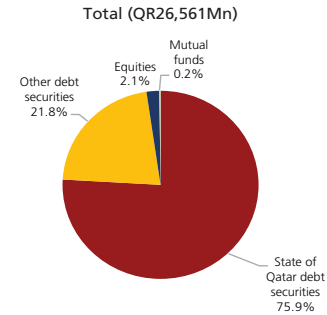
- Conservative investment philosophy
- -Low hard limits for discretionary trading /investments
- Majority of portfolio in local sovereign fixed income
- Fixed Income holdings – average purchase yield 3.74%, Bond average Duration – c.5.09 years/ Net Modified Duration – c.2.76 years
- Portfolio repo-able to the extent liquidity is needed; currently c.QR10 Bn at 2.40%
- Equity and other fund exposures reduced by QR1.3 Bn, since 2015. Remains QR525 Mn equity + QR150 Mn Perp exposure
- Conservative investments limits linked to Tier 1 capital as per QCB
- Investment portfolios are re-classified and re-measured post adoption of IFRS 9 with effect from 1 January 2018

Investment portfolio (QRmn)

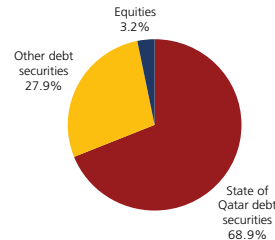


Source: Figures are sourced from Annual Reports and Quarterly Financials

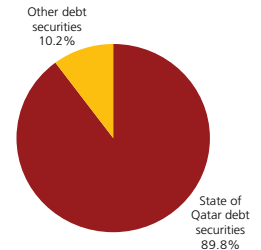
Investment portfolio – split by type – December 2019 (%)



FVOCI (QR17,259Mn)

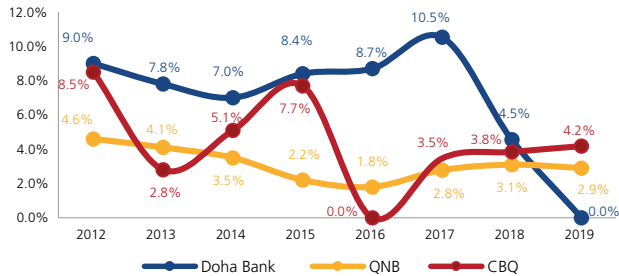


Amortized Cost (QR9,008 Mn)



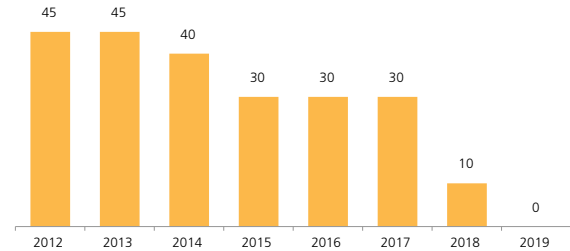
Historically a Very High Dividend Yield...

Dividend yield



Source: Company information & Bank's Annual Financial Statements

Cash dividend (%)



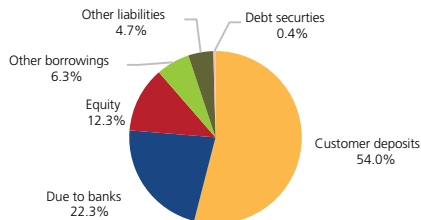
Source: Company information

Comments:

- Historically one of the highest dividend yields as compared to competitors both locally and regionally
- 2018 Dividend reduced in order to enhance capital ratios
- 2019 Reduced to zero in order to enhance capital and reserves

Liquidity and Capitalization

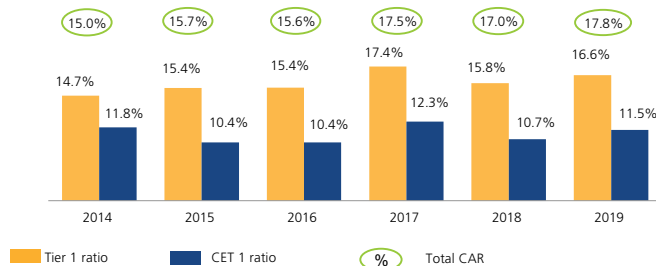
Funding mix – December 2019



Total liabilities and equity: QR108.2 Bn

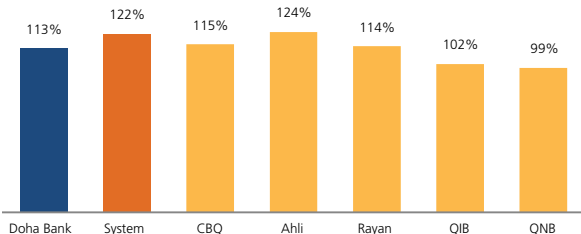
Source: Company information

Evolution of tier 1 and capital adequacy ratio



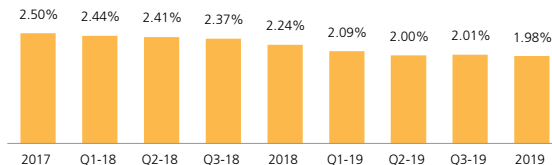
Source: Company information
Note: 2014 onwards based on Basel III

Loan to Deposit ratio (%) – December - 2019



Source: Company information

Net interest margin %



Source: Company information

Doha Bank Strategy - Transformation with a Clear Path to Future Growth

VISION



To be recognized as the bank of choice in Qatar, delivering superior shareholder returns and an unparalleled customer experience

MISSION



We strive to become a platform for innovative financial services and deliver superior customer experience through the use of technology innovation and embrace of a wider partner ecosystem

GUIDING PRINCIPLES



Customer Experience

"Place the customer at the core of all we do and deliver a leading omni channel experience"

Empowerment and Accountability

"Empower our employees to make decisions"

Talent Development

"Hire, train and retain best in class talent"

Cost Reduction

"Optimize cost to improve margin"

Revenue Enhancement

"Enhance revenue through diversified sources of income"

Risk and Capital Management

"Protect our customers, our shareholders and our reputation through sound risk management"

Process Reengineering, Digitization and Automation

"Simplify, digitize and automate internal and customer facing processes"

Source: Company information

Investors Contact

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