

PRESS RELEASE

The Commercial Bank (P.S.Q.C.)
Financial Results
For The Year Ended
31 December 2025

The Commercial Bank (P.S.Q.C.) Reports Financial Year 2025 Net Profit Before Pillar Two Tax of QAR 2,384.4 million

Key Highlights

- Net Profit before the impact of Pillar Two Tax of QAR 2,384.4 million, down by 21.4% as compared to the year ended 31 December 2024.
- Net Profit after Tax of QAR 2,204.9 million, down by 27.3% as compared to the year ended 31 December 2024.
- Total Assets of QAR 192.9 billion, up by 16.4% from 31 December 2024.
- Loans and Advances to Customers excluding Acceptances of QAR 96.1 billion, up by 5.7% from 31 December 2024.
- Customer Deposits of QAR 89.4 billion, up 16.2% from 31 December 2024.
- Strong Capital Adequacy Ratio at 17.6% (post adjusting for proposed dividends).
- Total Equity of QAR 27.0 billion, up by 2.5% from 31 December 2024.
- S&P Global Ratings affirms Commercial Bank's issuer credit rating at 'A-/A-2' with Stable outlook.

Doha, Qatar, 18 January 2026:

The Commercial Bank (P.S.Q.C.) (the "Bank") and its subsidiaries (the "Group") announced today its financial results for the year ended 31 December 2025.

The Group reported Net Profit before Pillar Two Tax of QAR 2,384.4 million for FY 2025, down from QAR 3,032.1 million in FY 2024. Core income momentum remained positive supported by growth in balance sheet.

The year-on-year decline in profit primarily reflected higher net provisions, increased operating expenses including IFRS 2 related long term incentive scheme (LTIS) movements, and a reported loss of QAR 144.7 million from our Turkish subsidiary including the impacts of hyper-inflation.

On a normalized basis excluding the LTIS related movements, the adjusted Net Profit before Pillar Two Tax for the year ended 31 December 2025 is QAR 2,424.6 million.

The Group also accrued for BEPS (Base Erosion and Profit Shifting) Pillar Two Tax, a charge of QAR 179.4 million. The Group may benefit from certain available reliefs on the finalisation of the draft executive regulations which is now expected in 2026.

In relation to our core businesses, our retail and wealth business continues to deliver good and consistent returns. On the wholesale banking side, despite a challenging year, our lending book grew whilst we also continued our focus on transaction banking services. Our associates continued to perform well as we continue to work closely with them in the execution of their strategies. Performance at Alternatif Bank in Turkey improved at operating profit level.

The Board of Directors proposed a dividend distribution to shareholders of QAR 0.30 per share i.e. 30.0% of the nominal share value.

The financials and proposed dividend distribution are subject to Qatar Central Bank approval and endorsement by shareholders at the Group's Annual General Meeting.

Sheikh Abdulla bin Ali bin Jabor Al Thani, Chairman, said,

"2025 marked a year of disciplined execution and continued balance-sheet resilience across loans and investment securities. The Group delivered positive momentum in core income and asset growth, underpinned by prudent governance and robust risk management framework. Importantly, all three major credit-rating agencies affirmed Commercial Bank's strong credit profile, reinforcing our trajectory of safe, sustainable growth and long-term value creation in alignment with Qatar National Vision 2030. With the appointment of our new Group CEO, Stephen Moss, in the second half of 2025, the Group is well positioned to build on its strong foundations and advance into the next phase of its strategy."

Mr. Omar Hussain Alfardan, Vice Chairman and Managing Director, said,

"In 2025, the Group delivered steady operating profit growth, with positive contributions from all entities. We strengthened our franchise through enhanced customer propositions, expanded fee-based income streams, and value-added services. In parallel, we advanced targeted innovation and capability building, while reinforcing our long-term commitment to sustainability and national talent development. As we enter 2026 and the next phase of our strategy, our priorities are clear: expanding resilient revenue streams, managing risk and cost control."

Mr. Stephen Moss, Group Chief Executive Officer, commented,

"Since joining Commercial Bank in August 2025, our focus has been on working to strengthen our capital efficiency, credit quality, and operational discipline. We have also been preparing

for the next phase of our strategy. By engaging closely with our clients, staff, regulators, and shareholders, we have shaped a refreshed vision and strategic priorities for 2026–2030, positioning the Group for sustainable growth and long-term value creation.”

Our refreshed strategy for long-term, safe and sustainable growth

The Group has launched its refreshed 2026–2030 strategy, reinforcing its ambition to be Qatar’s banking partner of choice — creating enduring value for customers, employees, and shareholders.

Rooted in disciplined credit underwriting, provisioning, capital efficiency, and continuous innovation, the strategy aims to build a stronger, more balanced and sustainably profitable franchise, with a resilient business mix and a focus on core client segments. The Group will prioritize long-term value creation through high-quality earnings and strong credit fundamentals across the cycle.

Wholesale: Deepening Client Relationships and Scaling Fee Income

The Group will focus wholesale growth on higher-return client segments and strategic sectors, while continuing to invest in its transaction banking and trade finance capabilities. A key objective is to rebalance the revenue mix by accelerating capital-light, fee-based income and scaling product penetration.

Retail: Strengthening Market Position and Diversifying Profit Pools

In Retail, the Group aims to deepen its presence in Qatari customer segments while maintaining leadership in the expat and employee banking markets. The Group will continue to invest in its core retail franchises — cards, remittances, and digital wealth — with a focus on cross-sell and deepening long-term relationships.

Enablers: Investing in Digital, Innovation, and Talent

Execution will be supported by strategic enablers. The Group will modernize its core platforms and continue expanding the use of AI, automation, and data-driven decision-making to drive productivity and agility. It will also accelerate digital onboarding and servicing, while aiming to maintain its leadership in mobile-first banking.

Talent and culture remain central to the strategy. In the next phase of our strategy the Group will work on simplifying its organizational model, investing in future-critical skills, and fostering a performance-driven, collaborative culture to enable sustained transformation and profitability.

2025 Financial Highlights

Key indicators of the financial results for the year ended 31 December 2025 are as follows:

QAR million	December 2025	December 2024	Change %
Total Assets	192,912.7	165,677.8	16.4%
Loans and Advances to Customers	104,547.5	91,480.0	14.3%
Customer Deposits	89,445.4	77,006.8	16.2%
Total Equity	27,013.5	26,353.6	2.5%
Net Operating Income	4,786.1	4,556.0	5.1%
Operating Expenses	(1,411.2)	(1,273.2)	(10.8%)
Operating Profit	3,375.0	3,282.9	2.8%
Net Provisions	(1,193.3)	(467.2)	(155.4%)
Share of Results of Associates	406.4	329.7	23.2%
Net Monetary Losses Due to Hyperinflation	(131.2)	(131.8)	0.4%
Income Tax (Expense) / Credit	(72.4)	18.4	(493.0%)
Net Profit Before BEPS Pillar Two Taxes	2,384.4	3,032.1	(21.4%)
BEPS Pillar Two Taxes	(179.4)	-	(100.0%)
Net Profit after Tax	2,204.9	3,032.1	(27.3%)

Key Performance Indicators	December 2025	December 2024
Cost to Income Ratio	29.5%	27.9%
Cost of Risk – COR (bps) – gross	148	102
Cost of Risk – COR (bps) – net	75	36
Non-Performing Loan (NPL) Ratio	6.1%	6.2%
Loan Coverage Ratio – Stage 3	60.4%	52.8%
Common Equity Tier 1 (CET 1) Ratio	12.2%	12.3%
Capital Adequacy Ratio (CAR)	17.6%	17.2%

Balance sheet

Total Assets as at 31 December 2025 reached QAR 192.9 billion, an increase of 16.4% from 31 December 2024. This is mainly driven by an increase in loans and advances to customers and an increase in investment securities.

Investment securities increased by 21.3% to reach QAR 40.3 billion, with the Group investing in high-quality market securities.

Net Loans and advances to customers increased to QAR 104.5 billion, up 14.3% due to higher corporate, government and public sector, retail lending and acceptances. Excluding acceptances which are trade related items, the loan growth is approx. 5.7%.

Debt securities and other borrowings in issue increased to QAR 13.3 billion and QAR 27.4 billion respectively, as the Group diversified its funding sources. Furthermore, customer deposits are at QAR 89.4 billion as we focus on reducing high cost of funding, while growing low-cost deposits by 4.5%, which represents 37.0% of the total customer deposits mix.

Income statement

CB Group reported a consolidated Net Profit after Tax of QAR 2,204.9 million for the year ended 31 December 2025, which includes a BEPS Pillar Two Tax charge of QAR 179.4 million and a reported loss of QAR 144.7 million from our subsidiary in Turkey, Alternatif Bank.

Net interest income increased by 2.9% to QAR 3,413.9 million, and the Group continued to grow core net fee and commission-based income, with fees and other income increasing by 10.8% to QAR 1,372.2 million.

The Group's reported cost-to-income ratio increased to 29.5% due to increase in staff costs.

Gross provisions increased by 78.2% to QAR 1,905.1 million as we continued to build provisions for the remedial book. Net provisions were at QAR 1,193.3 million supported by strong recoveries which increased by 18.3% to QAR 711.8 million.

Our share of the results of associates continued to outperform by 23.2% to QAR 406.4 million.

Capital ratios

The Group's Common Equity Tier 1 (CET 1) Ratio as at 31 December 2025 is at 12.2%. The Capital Adequacy Ratio (CAR) as at 31 December 2025 increased to 17.6%. These ratios are higher than the regulatory minimum requirements of the Qatar Central Bank and Basel III requirements.

BEPS Pillar Two Tax

The Group is subject to the global minimum top-up tax under Pillar Two tax legislation. The top-up tax relates to the Group's operations in the State of Qatar ('Qatar').

The Group has accrued for Base Erosion and Profit Shifting (BEPS) Pillar Two Tax with effect from 1 January 2025 based on the applicable rules under BEPS Pillar Two Anti Global Base Erosion ("GloBE") Rules. The Rules have multiple mechanisms that aim to ensure that qualified multinational enterprises maintain a minimum effective tax rate of 15% calculated based on the excess taxable profits in every jurisdiction in which the Group operates. The incremental impact of these new taxes amounted to QAR 179.4 million for the year ended 31 December 2025 (year ended 31 December 2024: Nil). The Group may benefit from certain available reliefs on the finalisation of the draft executive regulations.

Credit ratings highlight the Group's robust resilience

On 22 October 2025, Standard & Poor's (S&P) Global Ratings affirmed Commercial Bank's issuer credit ratings at 'A-' with a stable outlook. Earlier in 2025, both Fitch and Moody's affirmed Commercial Bank's strong credit ratings of 'A' and 'A2' respectively, also with a stable outlook.

These rating affirmations by S&P, Fitch, and Moody's reflect continued confidence in the Group's financial strength, supported by solid capital buffers, diversified funding sources, healthy liquidity, and profitability supported by adequate earnings generation capacity. The ratings also acknowledge the potential for sovereign support if ever required, given the Commercial Bank's systemic importance to the local banking sector.

Diversified funding sources

In September, the Group issued a USD 600 million Senior-Unsecured Bond under its EMTN programme with a 4.625% coupon and five-year tenor, listed on Euronext Dublin. The transaction saw strong demand from investors, with approximately USD 2.0 billion order book, allowing Commercial Bank to tighten the final spread.

The Group continues to proactively diversify its funding base to maintain a strong liquidity profile. It remains focused on accessing competitive and sustainable funding solutions that are aligned with its long-term strategic objectives.

Reinforcing our commitment to sustainability

The Group remains aligned with Qatar National Vision 2030 and Qatar's environmental and climate priorities. In 2025, the Group continued to make progress in relation to its

sustainability initiatives to support its operations and customers. The Group's progress was also recognised during the year, including the Ministry of Environment and Climate Change's Leadership in Sustainability recognition (October 2025).

About The Commercial Bank

The Commercial Bank was incorporated in 1974 as the first private bank in the country. It stands as one of Qatar's leading financial institutions, with a profitable track record since its inception, and is the second-largest conventional bank in Qatar. Today, the Group continues to play a pivotal role in driving innovation and raising banking service standards across the region through investment in new technology, a strong customer focus, and prudent management.

For further information, visit: [Investor Relations | Commercial Bank of Qatar \(cbq.qa\)](https://www.cbq.qa/en/investor-relations)

For investor-related queries, please contact CB Investor Relations team on ir@cbq.qa