PRESS RELEASE

The Commercial Bank (P.S.Q.C.)

Financial Results

For The Six Months Ended

30 June 2026

The Commercial Bank (P.S.Q.C.) Reports First Half 2026 Net Profit Before Pillar Two Tax of QAR 1,083.0 million

Key Highlights

- Net Profit before the impact of Pillar Two Tax of QAR 1,083.0 million, supported by resilient operating performance.
- Net Operating Income increased by 9.4% year-on-year to QAR 2,459.4 million.
- Total Assets of QAR 184.5 billion, up by 1.4% from 30 June 2025.
- Loans and Advances to Customers excluding Acceptances of QAR 98.0 billion, up by 3.6% from 30 June 2025.
- Customer Deposits of QAR 85.1 billion, up by 1.8% from 30 June 2025.
- Capital Adequacy Ratio at 18.9%, increased from 17.2% at 30 June 2025.
- Total Equity of QAR 26.6 billion, up by 1.6% from 30 June 2025.
- The Group continues to maintain a strong capital and liquidity position.

Doha, Qatar, 26 July 2026:

The Commercial Bank (P.S.Q.C.) (the "Bank") and its subsidiaries (the "Group") announced today its financial results for the six months ended 30 June 2026.

The Group reported Net Profit before Pillar Two Tax of QAR 1,083.0 million for H1 2026. The year-on-year movement in profit was supported by resilient operating performance in the first half of 2026. Net Operating Income increased by 9.4% year-on-year to QAR 2,459.4 million, driven by increases in net interest income and fee income. This was offset by higher net provisions in the first half of 2026 due to a more balanced approach of loan provisioning across each quarter and increased operating expenses as the Group continued to invest in digital capabilities including AI and people. The results also include a reported loss of QAR 28.2 million from Alternatif Bank after the impact of hyperinflation accounting. Overall balance sheet growth year-on-year was supported by an increase in loans and advances to customers as well as an increase in customer deposits.

The Group remains focused on the disciplined execution of the next phase of its strategy, announced in January 2026 for the period from 2026 to end 2030. The Retail and Wealth business continued to build momentum, supported by higher fee income and continued to strengthen its advisory-led wealth proposition through enhanced digital capabilities, supporting deeper penetration of the mass affluent and private banking customer segments.

In Wholesale Banking, lending growth remained selective and focused on higher-return customer segments, while continuing to deepen cross-sell opportunities. The Group also continued to enhance its digital channels and deploy AI and automation to improve customer engagement, service delivery and productivity.

The associates performed well as the Group continue to work closely with them in the execution of their strategies. Performance of our Turkish subsidiary Alternatif Bank improved year on year at operating profit level however, the results continue to be impacted by hyperinflation accounting, as the Group continues to apply International Accounting Standard 29 (IAS 29) given that Turkey remains a hyperinflationary economy.

These results reflect a more balanced approach of loan provisioning consistently throughout the year, as opposed to the historic practice of taking a significantly larger charge in the fourth quarter. This approach is in line with IFRS9 and prudent risk management.

On a normalized basis excluding the Long-Term Incentive Scheme (LTIS) related movements, the adjusted Net Profit before Pillar Two Tax for the six months ended 30 June 2026 is QAR 1,107.8 million. The Group also accrued a charge of QAR 69.3 million for BEPS (Base Erosion and Profit Shifting) Pillar Two Tax. This resulted in Net Profit after Pillar Two Tax excluding LTIS of QAR 1,038.5 million for the period.

Current Geopolitical Environment

The regional geopolitical environment was volatile and uncertain during the first half of 2026, affecting key maritime and energy supply routes. Against this backdrop, the Group continued to operate resiliently, supported by its established governance framework; strong operating platform; continued investment in digital capabilities; and, business continuity arrangements. These capabilities combined with close coordination with regulators enabled the Group to maintain seamless and secure access to banking services for our customers throughout this period.

The Qatari banking system remained resilient, supported by strong capitalisation and liquidity. Precautionary measures introduced by Qatar Central Bank, including enhanced liquidity facilities and temporary payment deferrals for affected borrowers, supported orderly market functioning and financial stability.

In the current operating backdrop, the Group remains focused on supporting its customers, maintaining strong liquidity and capital, and continuing the disciplined execution of the next phase of its strategy announced earlier this year.

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

"The first half of 2026 demonstrated the resilience of Qatar's economy and the strength of Commercial Bank's foundations. Against a complex and volatile regional backdrop, the Group maintained disciplined stewardship and continued to serve customers without material disruption. Our priorities remain centred on sound governance, balance-sheet resilience and the careful execution of our strategy to create sustainable long-term value in alignment with Qatar National Vision 2030."

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

"During the first half, we remained focused on the execution of our strategic priorities. In Retail Banking, we deepened retail and wealth relationships while protecting the strength of our core businesses across cards, employee banking and remittances. In Wholesale Banking, we strengthened our transaction banking proposition, with external recognition for our cash management and payment-processing capabilities reflecting the strength of our platform and service standards. The senior management appointments announced in the second quarter further enhance the leadership capabilities required to deliver the next phase of our strategy and develop Qatari talent."

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

"The Group delivered resilient operating momentum in the first half, with Net Operating Income increasing by 9.4% and Operating Profit by 7.9%. The domestic franchise remained solid, underlying lending grew, and Alternatif Bank returned to operating profitability. Reported profit was affected by higher provisioning as we apply a more balanced approach across the year, consistent with prudent risk management and IFRS 9.

Our focus for the remainder of the year remains clear: disciplined execution of next phase of our strategy for the period 2026 to 2030."

Financial Highlights

Key indicators of the financial results for the six months ended 30 June 2026 are as follows:

QAR million	June 2026	June 2025	Change %
Total Assets	**184,510.4**	181,944.0	1.4%
Loans and Advances to Customers *(Excluding Acceptances)*	**98,037.2**	94,656.3	3.6%
Loans and Advances to Customers	**102,686.4**	103,787.6	(1.1%)
Customer Deposits	**85,060.3**	83,538.6	1.8%
Total Equity	**26,614.4**	26,196.8	1.6%
Net Operating Income	**2,459.4**	2,248.1	9.4%
Operating Expenses	**(776.8)**	(689.0)	(12.8%)
Operating Profit	**1,682.5**	1,559.2	7.9%
Net Provisions	**(717.5)**	(295.3)	(143.0%)
Share of Results of Associates	**209.7**	195.5	7.3%
Net Monetary Losses Due to Hyperinflation	**(56.5)**	(71.7)	21.2%
Income Tax Expense	**(35.2)**	(13.5)	(160.3%)
Net Profit Before BEPS Pillar Two Taxes	**1,083.0**	1,374.2	(21.2%)
BEPS Pillar Two Taxes	**(69.3)**	(112.9)	38.6%
Net Profit after Tax	**1,013.7**	1,261.4	(19.6%)

Key Performance Indicators	June 2026	June 2025
Cost to Income Ratio	**31.6%**	30.6%
Cost of Risk – COR (bps) – gross	**142**	77
Cost of Risk – COR (bps) – net	**106**	50
Non-Performing Loan (NPL) Ratio	**6.0%**	5.5%
Loan Coverage Ratio – Stage 3	**61.5%**	57.4%
Common Equity Tier 1 (CET 1) Ratio	**12.8%**	12.5%
Capital Adequacy Ratio (CAR)	**18.9%**	17.2%

Balance sheet

Total assets as at 30 June 2026 reached QAR 184.5 billion, an increase of 1.4% from 30 June 2025. This is mainly driven by an increase in investment securities and by an increase in Investment in associates.

Investment securities increased by 15.4% to reach QAR 41.3 billion, with the Group investing in high-quality market securities that support sustainable and recurring income.

Net loans and advances to customers excluding acceptances of QAR 98.0 billion reflects a growth of 3.6% from 30 June 2025.

Customer deposits increased by 1.8% to QAR 85.1 billion. Low-cost deposits increased by 1.6% to QAR 35.5 billion and represented 42.0% of the total customer deposit mix. Furthermore, other borrowings increased by 15.9% to QAR 28.4 billion.

Income statement

The Group reported consolidated Net Profit after Tax of QAR 1,013.7 million for the six months ended 30 June 2026, including a BEPS Pillar Two Tax charge of QAR 69.3 million and a reported post hyperinflationary accounting loss of QAR 28.2 million for Alternatif Bank.

Net Interest Income increased by 14.4% to QAR 1,841.6 million, and net fee and commission-based income increased by 3.5% to QAR 509.3 million which included one-off fees.

The Group's reported cost-to-income ratio increased to 31.6% mainly due to an increase in staff costs.

Gross provisions increased by 110.5% to QAR 905.2 million. This includes gross loan provisions and ECL of QAR 680.4 million. The higher provisioning in the first two quarters reflects the Group's practice for 2026 onwards of provisioning consistently throughout the year, rather than taking a larger charge in the fourth quarter. Net provisions were at QAR 717.5 million supported by recoveries which increased year on year by 39.7% to QAR 187.6 million.

The share of the results of associates increased by 7.3% to QAR 209.7 million.

Capital ratios

The Group's Common Equity Tier 1 (CET 1) Ratio as at 30 June 2026 is 12.8%. The Total Capital Adequacy Ratio (CAR) as at 30 June 2026 increased to 18.9%. 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 69.3 million for the six months ended 30 June 2026 (six months ended 30 June 2025: QAR 112.9 million).

Credit ratings highlight the Group's robust resilience

All three major rating agencies had affirmed the ratings at:

- S&P: A- / Stable / A-2
- Fitch: A / Rating Watch Negative / F1
- Moody's: A3 / Stable / P-2

Diversified funding sources

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

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.com.qa)

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