



**The Commercial Bank (P.S.Q.C.)**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2025**



KPMG  
Zone 25 C Ring Road  
Street 230, Building 246  
P.O Box 4473, Doha  
State of Qatar  
Telephone: +974 4457 6444  
Fax: +974 4436 7411  
Website: kpmg.com/qa

# Independent auditor's report on review of interim condensed consolidated financial statements

## To the Board of Directors of The Commercial Bank (P.S.Q.C.)

### Introduction

We have reviewed the accompanying 31 March 2025 interim condensed consolidated financial statements of The Commercial Bank (P.S.Q.C.) (the "Bank") and its subsidiaries (together the "Group"), which comprise:

- the interim consolidated statement of financial position as at 31 March 2025;
- the interim consolidated statement of income for the three-month period ended 31 March 2025;
- the interim consolidated statement of comprehensive income for the three-month period ended 31 March 2025;
- the interim consolidated statement of changes in equity for the three-month period ended 31 March 2025;
- the interim consolidated statement of cash flows for the three-month period ended 31 March 2025; and
- notes to the interim condensed consolidated financial statements.

The Board of Directors of the Bank is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 31 March 2025 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

16 April 2025  
Doha  
State of Qatar

Gopal Balasubramaniam  
KPMG  
Qatar Auditor's Registry Number 251  
Licensed by QFMA: External  
Auditor's License No. 120153



**The Commercial Bank (P.S.Q.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**



QAR '000s

	Notes	31-Mar-2025 Reviewed	31-Mar-2024 Reviewed	31-Dec-2024 Audited
<b>ASSETS</b>				
Cash and balances with central banks		8,010,467	7,795,662	7,306,830
Due from banks		17,674,680	27,374,670	20,705,383
Loans and advances to customers	6	94,864,139	89,676,655	91,480,008
Investment securities	7	34,735,351	28,124,539	33,228,625
Investment in associates and a joint arrangement	8	3,751,530	3,457,979	3,659,348
Property and equipment		3,036,536	3,119,597	3,085,020
Intangible assets		89,313	56,573	88,517
Other assets		6,905,020	6,634,149	6,259,265
<b>TOTAL ASSETS</b>		<b>169,067,036</b>	<b>166,239,824</b>	<b>165,812,996</b>
<b>LIABILITIES</b>				
Due to banks	9	23,933,610	17,406,407	20,840,281
Customer deposits	10	76,383,865	79,364,188	77,006,817
Debt securities	11	10,451,336	9,837,547	10,734,890
Other borrowings	12	25,646,484	23,192,021	24,729,655
Other liabilities		6,942,941	11,146,865	6,012,609
<b>TOTAL LIABILITIES</b>		<b>143,358,236</b>	<b>140,947,028</b>	<b>139,324,252</b>
<b>EQUITY</b>				
Share capital	13a	4,047,254	4,047,254	4,047,254
Legal reserve		10,236,265	10,223,581	10,203,933
General reserve		26,500	26,500	26,500
Risk reserve		2,274,574	2,274,574	2,274,574
Fair value reserve		(482,219)	(514,353)	(557,990)
Cash flow hedge reserve		(4,649)	(58,086)	(6,127)
Foreign currency translation reserve		(2,779,709)	(2,632,377)	(2,464,328)
Other reserves		1,516,514	1,216,673	1,420,600
Revaluation reserve		1,255,539	1,198,403	1,251,466
Employee incentive phantom scheme shares	13b	(1,114,988)	(1,139,524)	(1,114,988)
Retained earnings		4,913,716	4,830,148	5,587,847
Instruments eligible for Additional Tier 1 Capital		5,820,000	5,820,000	5,820,000
<b>TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>		<b>25,708,797</b>	<b>25,292,793</b>	<b>26,488,741</b>
Non-controlling interests		3	3	3
<b>TOTAL EQUITY</b>		<b>25,708,800</b>	<b>25,292,796</b>	<b>26,488,744</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>169,067,036</b>	<b>166,239,824</b>	<b>165,812,996</b>

The interim condensed consolidated financial statements were approved by the Board of Directors on 16 April 2025 and were signed on its behalf by:

Sheikh Abdulla Bin Ali Bin Jabor Al Thani  
Chairman

Mr. Hussain Ibrahim Alfardan  
Vice Chairman

Mr. Joseph Abraham  
Group Chief Executive Officer

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



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**The Commercial Bank (P.S.Q.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2025**



	Notes	Three months ended	
		31-Mar-2025	31-Mar-2024
		Reviewed	Reviewed
Interest income		2,271,428	2,431,481
Interest expense		(1,489,758)	(1,473,787)
<b>Net interest income</b>		<b>781,670</b>	<b>957,694</b>
Fee and commission income		420,565	371,111
Fee and commission expense		(169,753)	(168,884)
<b>Net fee and commission income</b>		<b>250,812</b>	<b>202,227</b>
Net foreign exchange loss		(26,419)	(16,803)
Net income from investment securities		76,881	77,196
Other operating income		48,160	29,036
<b>Net operating income</b>		<b>1,131,104</b>	<b>1,249,350</b>
Staff costs	15	(191,928)	(84,128)
Depreciation		(60,751)	(53,759)
Amortization of intangible assets		(7,744)	(16,752)
Other expenses		(90,172)	(82,191)
<b>Operating expenses</b>		<b>(350,595)</b>	<b>(236,830)</b>
<b>Operating profit</b>		<b>780,509</b>	<b>1,012,520</b>
Net impairment (losses) / reversals on investment securities		(8,527)	59
Net impairment losses on loans and advances to customers		(78,008)	(130,369)
Net impairment losses on other financial assets		(49,907)	(14,017)
Other provisions		(12,677)	(96,148)
		<b>631,390</b>	<b>772,045</b>
Net monetary losses due to hyperinflation		(24,495)	(40,574)
<b>Profit before share of results of associates and a joint arrangement</b>		<b>606,895</b>	<b>731,471</b>
Share of results of associates and a joint arrangement		97,164	78,718
<b>Profit before tax</b>		<b>704,059</b>	<b>810,189</b>
Income tax	16	(52,648)	(8,566)
<b>Profit for the period</b>		<b>651,411</b>	<b>801,623</b>
<b>Attributable to:</b>			
Equity Holders of the bank		651,411	801,623
Non-controlling interests		-	-
<b>Profit for the period</b>		<b>651,411</b>	<b>801,623</b>
<b>Basic/diluted earnings per share (QAR)</b>	17	<b>0.16</b>	<b>0.20</b>

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



**The Commercial Bank (P.S.Q.C.)**  
**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2025**



QAR '000s

	<b>Three months ended</b>	
	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	<b>Reviewed</b>	<b>Reviewed</b>
<b>Profit for the period</b>	<b>651,411</b>	<b>801,623</b>
<b>Other comprehensive (loss) / income for the period</b>		
<b>Items that are, or may be subsequently reclassified to profit or loss:</b>		
Foreign currency translation differences from foreign operation	(1,183,163)	(575,364)
Hyperinflation impact	867,782	661,516
Share of other comprehensive income of investment in associates and a joint arrangement	6,835	7,353
Net movement in cashflow hedge reserve:		
Net movement in cash flow hedges-effective portion of changes in fair value	1,478	105,884
Net amount transferred to consolidated statement of income	-	-
Net change in fair value of investments in debt securities at FVOCI :		
Net change in fair value	68,311	(80,234)
Net amount transferred to interim consolidated statement of income	-	(56)
<b>Items that may not be subsequently reclassified to profit or loss:</b>		
Net change in fair value of equity investments at FVOCI	11,192	(49,644)
Share of other comprehensive loss of investment in associates and a joint arrangement	(10,567)	(1,399)
Revaluation on land and buildings	4,073	58,242
<b>Other comprehensive (loss) / income for the period:</b>	<b>(234,059)</b>	<b>126,298</b>
<b>Total comprehensive income for the period</b>	<b>417,352</b>	<b>927,921</b>
<b>Attributable to:</b>		
Equityholders of the bank	417,352	927,921
Non-controlling interests	-	-
<b>Total comprehensive income for the period</b>	<b>417,352</b>	<b>927,921</b>



The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.

Notes	Share Capital	Legal Reserve	General Reserve	Risk Reserve	Fair Value Reserve	Cash Flow Hedge reserve	Foreign Currency Translation Reserve	Other Reserves	Revaluation Reserve	Employees incentive phantom scheme shares	Retained Earnings	Instruments Eligible for Additional Tier 1 Capital	Total Equity Attributable to Equity Holders of the Bank	Non-Controlling Interests	Total Equity
<b>Balance as at 1 January 2025</b>	4,047,254	10,203,933	26,500	2,274,574	(557,990)	(6,127)	(2,464,328)	1,420,600	1,251,466	(1,114,988)	5,587,847	5,820,000	26,488,741	3	26,488,744
Profit for the period	-	-	-	-	-	-	-	-	-	-	651,411	-	651,411	-	651,411
Other comprehensive income	-	-	-	-	75,771	1,478	(315,381)	-	4,073	-	-	-	(234,059)	-	(234,059)
<b>Total comprehensive income for the period</b>	-	-	-	-	75,771	1,478	(315,381)	-	4,073	-	651,411	-	417,352	-	417,352
Transfer to legal reserve	-	32,332	-	-	-	-	-	-	-	-	(32,332)	-	-	-	-
Dividend for instruments eligible for additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	(40,950)	-	(40,950)	-	(40,950)
Net movement in other reserves	-	-	-	-	-	-	-	95,914	-	-	(95,914)	-	-	-	-
Net movement in the employees incentive phantom scheme shares	-	-	-	-	-	-	-	-	-	-	57,830	-	57,830	-	57,830
Dividends for the year 2024	14	-	-	-	-	-	-	-	-	-	(1,214,176)	-	(1,214,176)	-	(1,214,176)
<b>Balance as at 31 March 2025</b>	4,047,254	10,236,265	26,500	2,274,574	(482,219)	(4,649)	(2,779,709)	1,516,514	1,255,539	(1,114,988)	4,913,716	5,820,000	25,708,797	3	25,708,800
<b>Balance as at 1 January 2024</b>	4,047,254	10,024,432	26,500	2,274,574	(390,373)	(163,970)	(2,718,529)	1,137,955	1,140,161	(1,139,524)	4,347,342	5,820,000	24,405,822	3	24,405,825
Profit for the period	-	-	-	-	-	-	-	-	-	-	801,623	-	801,623	-	801,623
Other comprehensive (loss) / income	-	-	-	-	(123,980)	105,884	86,152	-	58,242	-	-	-	126,298	-	126,298
<b>Total comprehensive income for the period</b>	-	-	-	-	(123,980)	105,884	86,152	-	58,242	-	801,623	-	927,921	-	927,921
Transfer to legal reserve	-	199,149	-	-	-	-	-	-	-	-	(199,149)	-	-	-	-
Dividend for instruments eligible for additional Tier 1 capital	-	-	-	-	-	-	-	-	-	-	(40,950)	-	(40,950)	-	(40,950)
Net movement in other reserves	-	-	-	-	-	-	-	78,718	-	-	(78,718)	-	-	-	-
Dividends for the year 2023	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2024</b>	4,047,254	10,223,581	26,500	2,274,574	(514,353)	(58,086)	(2,632,377)	1,216,673	1,198,403	(1,139,524)	4,830,148	5,820,000	25,292,793	3	25,292,796

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



	<b>Three months ended</b>	<b>Year ended</b>	
	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>	
	<b>Reviewed</b>	<b>Reviewed</b>	
		<b>Audited</b>	
<b>Cash flows from operating activities</b>			
Profit before tax	<b>704,059</b>	810,189	3,013,664
<i>Adjustments for:</i>			
Net impairment losses on loans and advances to customers	78,008	130,369	330,371
Net impairment losses / (reversals) losses on investment securities	8,527	(59)	(22,037)
Net impairment losses / (reversals) on other financial assets	49,907	14,017	(97,278)
Depreciation	60,751	53,759	221,579
Amortization of intangible assets and transaction costs	31,096	30,915	99,361
Net income from investment securities	(2,141)	(12,066)	(30,837)
Net monetary losses due to hyperinflation	24,495	40,574	256,108
Other provisions	12,677	96,148	768
Loss on disposal of property and equipment	(553)	1,943	131,761
Share of results of associates and a joint arrangement	(97,164)	(78,718)	(329,739)
<b>Operating profit before working capital changes</b>	<b>869,662</b>	<b>1,087,071</b>	<b>3,573,721</b>
<i>Working capital changes</i>			
Change in due from banks	2,548,702	(1,160,190)	(3,435,282)
Change in loans and advances to customers	(3,871,414)	1,651,815	(766,507)
Change in other assets	(798,745)	(198,748)	(138,797)
Change in due to banks	2,781,426	(1,403,259)	1,954,846
Change in customer deposits	(351,987)	3,092,791	1,064,544
Change in other liabilities	611,453	712,383	(4,428,278)
Contribution to social and sports fund	-	-	(75,257)
<b>Cash from / (used in) operation</b>	<b>1,789,097</b>	<b>3,781,863</b>	<b>(2,251,010)</b>
Income tax paid	-	(5,869)	(14,560)
<b>Net cash flows from / (used in) operating activities</b>	<b>1,789,097</b>	<b>3,775,994</b>	<b>(2,265,570)</b>
<b>Cash flows from investing activities</b>			
Acquisition of investment securities	(3,154,196)	(1,397,239)	(13,557,821)
Dividend received from associates and a joint arrangement	1,250	-	47,093
Proceeds from sale/maturity of investment securities	1,588,178	3,021,169	10,807,371
Acquisition of property and equipment and intangible assets	(28,394)	(83,110)	(189,262)
Proceeds from the sale of property and equipment and other assets	3,992	6,790	4,462
<b>Net cash flows (used in) / from investing activities</b>	<b>(1,589,170)</b>	<b>1,547,610</b>	<b>(2,888,157)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of debt securities	845,630	3,109,580	5,364,990
Repayment of debt securities	(1,414,911)	(370,489)	(2,471,279)
Repayment of other borrowings	(773,910)	(3,749,678)	(9,812,520)
Proceeds from other borrowings	1,211,154	1,171,965	9,317,130
Payment of lease liabilities	(32,532)	(42,327)	(143,350)
Payment on coupon of instruments eligible for additional Tier 1 Capital	(40,950)	(40,950)	(283,720)
Dividends paid (note 14)	(1,214,176)	-	(1,011,814)
<b>Net cash flows (used in) / from financing activities</b>	<b>(1,419,695)</b>	<b>78,101</b>	<b>959,437</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(1,219,768)</b>	<b>5,401,705</b>	<b>(4,194,290)</b>
Effect of exchange rate fluctuation	822,972	(579,824)	(574,870)
Cash and cash equivalents as at 1 January	10,857,362	15,626,522	15,626,522
<b>Cash and cash equivalents at the end of the period / year (Note 19)</b>	<b>10,460,566</b>	<b>20,448,403</b>	<b>10,857,362</b>
<b>Net cash flows from interest and dividend:</b>			
Interest paid	1,643,659	1,354,091	6,205,986
Interest received	2,209,394	2,344,648	9,339,976
Dividend received	74,740	65,130	230,836

The attached notes 1 to 22 form an integral part of these interim condensed consolidated financial statements.



### 1- REPORTING ENTITY

The Commercial Bank (P.S.Q.C.) (the "Bank") is an entity domiciled in the State of Qatar and was incorporated in 1974 as a public shareholding company under Emiri Decree No.73 of 1974. The commercial registration number of the Bank is 150. The address of the Bank's registered office is PO Box 3232, Doha, State of Qatar. The interim condensed consolidated financial statements of the Bank comprise the Bank and its subsidiaries (together referred to as the "Group"). The Group is primarily engaged in conventional banking, brokerage services and the credit card business and operates through its head office, branches and subsidiaries.

The principal subsidiaries of the Group are as follows:

<u>Name of subsidiary</u>	<u>Country of incorporation</u>	<u>Capital of the subsidiary</u>	<u>Activity of the subsidiary</u>	<u>Percentage of ownership</u>	
				<u>31 Mar 2025</u>	<u>31 Mar 2024</u>
Alternatifbank A.S.	Turkey	TRY 2,213,740,000	Banking services	100%	100%
Commercial Bank Financial Services L.L.C.	Qatar	QAR 700,000,000	Brokerage services	100%	100%
CBQ Finance Limited	Bermuda	US\$ 1,000	Debt issuance for the Bank	100%	100%

### 2- BASIS OF PREPARATION

#### Statement of compliance

The accompanying interim condensed consolidated financial statements are prepared in accordance with IAS 34 - "Interim Financial Reporting". This interim condensed consolidated financial information should be read in conjunction with the 2024 annual consolidated financial statements of the Group.

The interim condensed consolidated financial statements do not include all the information and disclosures required for full consolidated financial statements prepared in accordance with IFRS Accounting Standards ("IFRS"). The results for the three months ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The preparation of the interim condensed consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

### 3- MATERIAL ACCOUNTING POLICIES

Except as described below, the accounting policies applied in these interim condensed consolidated financial statements are the same as those applied in the last annual consolidated financial statements as at 31 December 2024.

#### New standards, amendments and interpretations :

The Group has adopted the following new and amended IFRS Accounting Standards as of 1 January 2025. The adoption of the below did not result in changes to previously reported net profit or equity of the Group.

	<b>Effective from</b>
Lack of Exchangeability – Amendments to IAS 21	1 January 2026
<b>Standard Issued but not yet Effective</b>	
The Group is currently evaluating the impact of these amendments. The Group will adopt it when the amendments become effective.	
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
Power Purchase Agreements – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Deferred indefinitely



**3- MATERIAL ACCOUNTING POLICIES (continued)****Applicaton of IAS 29 - Hyperinflation accounting**

From 1 April 2022, the Turkish economy is considered to be hyperinflationary in accordance with the criteria in IAS 29. This requires purchasing power adjustment to the carrying values of the non-monetary assets and liabilities and to items in the consolidated statement of comprehensive income with respect to subsidiaries of the Group operating in Turkey.

On the application of IAS 29 the Bank used the conversion factor derived from the consumer price index ("CPI") in Turkey.

The index and corresponding conversion factors are as follows:

	<b>CPI</b>	<b>Conversion Factors</b>
31 March 2024	2,139.47	1.38
31 December 2024	2,684.55	1.10
31 March 2025	2,954.69	1.00

Monetary assets and liabilities are not restated because they are already expressed in terms of the monetary unit current. Non-monetary assets and liabilities are restated by applying the relevant index from the date of acquisition or initial recording and are subject to impairment assessment with the guidance in the relevant IFRS. The components of shareholders' equity are restated by applying the applicable general price index from the dates when components were contributed or otherwise arose.

All items in the statement of income are restated by applying the relevant conversion factors, except for restatement of certain specific income statement items which arise from the restatement of non-monetary assets and liabilities like amortization and gain or loss on sale of fixed assets.

The gain or loss on the net monetary position is the result of the effect of general inflation and is the difference resulting from the restatement of non-monetary assets, liabilities, shareholders' equity and income statement items. The gain or loss on the net monetary position is included in the statement of income.

#### 4- FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements as at and for the year ended 31 December 2024.

##### Exposures and Movement in ECL

Exposure (Carrying Value) Subject to ECL	31-Mar-2025 (Reviewed)				31-Dec-2024 (Audited)
	Stage1	Stage2	Stage3	Total	Total
Due from banks and balances with central banks	22,273,269	2,278,449	-	24,551,718	26,690,292
Loans and advances to customers	74,297,778	18,898,437	5,865,035	99,061,250	95,464,167
Investment securities (Debt)	30,880,909	248,841	-	31,129,750	31,489,320
Loan commitments and financial guarantees	34,133,867	1,597,935	75,552	35,807,354	35,600,665

##### Movement in ECL

Movement in ECL	31-Mar-2025 (Reviewed)				31-Dec-2024 (Audited)
	Stage1	Stage2	Stage3	Total	
<b>Opening Balance as at 1 January</b>					
Due from banks and balances with central banks	30,717	17,591	-	48,308	62,481
Loans and advances to customers	222,408	1,504,871	3,102,389	4,829,668	5,940,758
Investment securities (Debt)	30,478	4,607	-	35,085	57,160
Loan commitments and financial guarantees	35,037	16,335	72,269	123,641	204,839
	<b>318,640</b>	<b>1,543,404</b>	<b>3,174,658</b>	<b>5,036,702</b>	6,265,238
<b>ECL charge / (reversals) for the Period (net)</b>					
Due from banks and balances with central banks	12,965	15,539	-	28,504	(14,126)
Loans and advances to customers*	14,315	29,407	150,517	194,239	1,124,766
Investment securities (Debt)	8,566	(39)	-	8,527	(22,037)
Loan commitments and financial guarantees	14,581	6,592	230	21,403	(83,152)
	<b>50,427</b>	<b>51,499</b>	<b>150,747</b>	<b>252,673</b>	1,005,451
<b>Write offs / Transfer</b>					
Due from banks and balances with central banks	-	-	-	-	-
Loans and advances to customers	-	-	(14,566)	(14,566)	(2,258,811)
Investment securities (Debt)	-	-	-	-	-
Loan commitments and financial guarantees	-	-	-	-	-
	-	-	<b>(14,566)</b>	<b>(14,566)</b>	(2,258,811)
<b>Exchange differences</b>					
Due from banks and balances with central banks	20	-	-	20	(47)
Loans and advances to customers	(11,506)	10,098	28	(1,380)	22,955
Investment securities (Debt)	49	-	-	49	(38)
Loan commitments and financial guarantees	(791)	336	(2,116)	(2,571)	1,954
	<b>(12,228)</b>	<b>10,434</b>	<b>(2,088)</b>	<b>(3,882)</b>	24,824
<b>Closing Balance as at 31 March/31 December</b>					
Due from banks and balances with central banks	43,702	33,130	-	76,832	48,308
Loans and Advances to Customers	225,217	1,544,376	3,238,368	5,007,961	4,829,668
Investment securities (Debt)	39,093	4,568	-	43,661	35,085
Loan commitments and financial guarantees	48,827	23,263	70,383	142,473	123,641
	<b>356,839</b>	<b>1,605,337</b>	<b>3,308,751</b>	<b>5,270,927</b>	5,036,702

\* Includes interest suspended amounting to QAR 99 million (31 March 2024: QAR 53 million).

The net impairment loss on loans and advances to customers in the income statement includes QAR 17.2 million recoveries from the loans & advances previously written off for the period ended 31 March 2025 (31 March 2024: QAR 26.1 million).

4- FINANCIAL RISK MANAGEMENT (continued)

Exposures and Movement in ECL

	31-Mar-2024 (Reviewed)			Total
	Stage1	Stage2	Stage3	
<b>Exposure (Carrying Value) Subject to ECL</b>				
Due from banks and balances with central banks	30,780,147	3,007,221	-	<b>33,787,368</b>
Loans and advances to customers	69,919,968	19,291,784	5,733,048	<b>94,944,800</b>
Investment Securities (Debt)	24,498,728	260,194	-	<b>24,758,922</b>
Loan commitments and financial guarantees	33,795,686	1,853,313	217,464	<b>35,866,463</b>
<b>Movement in ECL</b>				
<b>Opening Balance as at 1 January 2024</b>				
Due from banks and balances with central banks	43,475	19,006	-	<b>62,481</b>
Loans and advances to customers	183,563	1,779,601	3,977,594	<b>5,940,758</b>
Investment Securities (Debt)	51,808	5,352	-	<b>57,160</b>
Loan commitments and financial guarantees	23,778	9,292	171,769	<b>204,839</b>
	<b>302,624</b>	<b>1,813,251</b>	<b>4,149,363</b>	<b>6,265,238</b>
<b>ECL charge / (reversals) for the Period (net)</b>				
Due from banks and balances with central banks	(6,896)	5,329	-	<b>(1,567)</b>
Loans and advances to customers	53,227	19,509	135,844	<b>208,580</b>
Investment Securities (Debt)	(92)	33	-	<b>(59)</b>
Loan commitments and financial guarantees	14,177	770	637	<b>15,584</b>
	<b>60,416</b>	<b>25,641</b>	<b>136,481</b>	<b>222,538</b>
<b>Write offs / Transfer</b>				
Due from banks and balances with central banks	-	-	-	-
Loans and advances to customers	-	-	(7,726)	<b>(7,726)</b>
Investment Securities (Debt)	-	-	-	-
Loan commitments and financial guarantees	-	-	-	-
	-	-	<b>(7,726)</b>	<b>(7,726)</b>
<b>Exchange differences</b>				
Due from banks and balances with central banks	(22)	-	-	<b>(22)</b>
Loans and advances to customers	(12,819)	11,969	(4,144)	<b>(4,994)</b>
Investment Securities (Debt)	(9)	-	-	<b>(9)</b>
Loan commitments and financial guarantees	(760)	147	(325)	<b>(938)</b>
	<b>(13,610)</b>	<b>12,116</b>	<b>(4,469)</b>	<b>(5,963)</b>
<b>Closing Balance as at 31 March 2024</b>				
Due from banks and balances with central banks	36,557	24,335	-	<b>60,892</b>
Loans and advances to customers	223,971	1,811,079	4,101,568	<b>6,136,618</b>
Investment Securities (Debt)	51,707	5,385	-	<b>57,092</b>
Loan commitments and financial guarantees	37,195	10,209	172,081	<b>219,485</b>
	<b>349,430</b>	<b>1,851,008</b>	<b>4,273,649</b>	<b>6,474,087</b>

5- SEGMENT INFORMATION

Segment assets and liabilities comprise operating assets and liabilities which are directly handled by the operating segment and income or expenses are attributed with the assets and liabilities' ownership. The following table summarizes performance of the operating segments:

31 March 2025 (Reviewed)

	Qatar Operations			Unallocated, Intra - group transactions and others	Total
	Wholesale Banking	Retail Banking	International		
Net interest income	463,483	260,317	58,533	(663)	781,670
Net fee, commission and other income	97,533	180,641	33,912	37,348	349,434
<b>Segmental revenue</b>	<b>561,016</b>	<b>440,958</b>	<b>92,445</b>	<b>36,685</b>	<b>1,131,104</b>
Net impairment losses on investment securities	(8,487)	-	(40)	-	(8,527)
Net impairment (losses) / reversals on loans and advances to customers and other financial assets	(84,911)	(43,327)	323	-	(127,915)
<b>Segmental profit</b>	<b>367,215</b>	<b>244,671</b>	<b>(31,912)</b>	<b>(25,727)</b>	<b>554,247</b>
Share of results of associates and a joint arrangement	-	-	96,604	560	97,164
<b>Net profit for the period</b>	<b>367,215</b>	<b>244,671</b>	<b>64,692</b>	<b>(25,167)</b>	<b>651,411</b>
<b>Other information</b>					
Loans and advances to customers	77,165,384	12,573,443	5,125,312	-	94,864,139
Investments in associates and a joint arrangement	-	-	3,743,900	7,629	3,751,530
Assets (other than above)	58,863,855	2,820,823	4,752,512	4,014,177	70,451,367
					<b>169,067,036</b>
Customer deposits	44,358,933	28,302,501	3,834,464	(112,033)	76,383,865
Liabilities (other than above)	59,423,583	1,547,028	4,178,435	1,825,325	66,974,371
					<b>143,358,236</b>
Contingent liabilities	30,897,154	1,438,880	3,471,318	-	35,807,352

Intra-group transactions are eliminated from this segmental information (Assets: QAR 4,978 million, Liabilities: QAR 1,425 million).

31 March 2024 (Reviewed)

	Qatar Operations			Unallocated, Intra - group transactions and others	Total
	Wholesale Banking	Retail Banking	International		
Net interest income	606,765	263,190	89,701	(1,962)	957,694
Net fee, commission and other income	(119,093)	177,262	8,915	224,572	291,656
<b>Segmental revenue</b>	<b>487,672</b>	<b>440,452</b>	<b>98,616</b>	<b>222,610</b>	<b>1,249,350</b>
Net impairment losses on investment securities	58	-	1	-	59
Net impairment loss on loans and advances to customers and other financial assets	(145,730)	(24,447)	25,791	-	(144,386)
<b>Segmental profit</b>	<b>333,666</b>	<b>280,081</b>	<b>8,554</b>	<b>100,604</b>	<b>722,905</b>
Share of results of associates and a joint arrangement	-	-	78,084	634	78,718
<b>Net profit for the period</b>	<b>333,666</b>	<b>280,081</b>	<b>86,638</b>	<b>101,238</b>	<b>801,623</b>
<b>Other information</b>					
Loans and advances to customers	74,147,097	11,570,938	3,958,620	-	89,676,655
Investments in associates and a joint arrangement	-	-	3,449,940	8,039	3,457,979
Assets (other than above)	62,870,658	2,258,585	3,709,943	4,266,004	73,105,190
					<b>166,239,824</b>
Customer deposits	50,843,387	26,042,971	2,753,476	(275,646)	79,364,188
Liabilities (other than above)	54,286,684	1,394,158	3,073,851	2,828,147	61,582,840
					<b>140,947,028</b>
Contingent liabilities	19,147,201	1,002,694	3,237,115	-	23,387,010

Intra-group transactions are eliminated from this segmental information (Assets: QAR 3,817 million, Liabilities: QAR 1,230 million).

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

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
AS AT AND FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2025



QAR '000s

**6- LOANS AND ADVANCES TO CUSTOMERS**

<b>Loans and advances to customers comprises:</b>	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
Loans	87,191,440	83,996,147	86,168,526
Overdrafts	10,307,788	5,339,297	8,590,469
Bills discounted	106,890	91,420	101,010
Bankers acceptances	1,456,859	5,520,209	606,015
	<u>99,062,977</u>	<u>94,947,073</u>	<u>95,466,020</u>
Deferred profit	(1,727)	(2,273)	(1,853)
	<u>99,061,250</u>	<u>94,944,800</u>	<u>95,464,167</u>
Accrued interest	810,850	868,473	845,509
Allowance for impairment of loans and advances to customers*	(3,238,368)	(4,101,568)	(3,102,389)
ECL on loans and advances to customers	(1,769,593)	(2,035,050)	(1,727,279)
<b>Net loans and advances to customers</b>	<b><u>94,864,139</u></b>	<b><u>89,676,655</u></b>	<b><u>91,480,008</u></b>

The aggregate amount of non-performing loans and advances to customers as at 31 March 2025 amounted to QAR 5,865 million which represents 5.9% of total loans and advances to customers (31 March 2024: QAR 5,733 million, 6.0% of total loans and advances to customers; 31 December 2024: QAR 5,877 million, 6.2% of total loans and advances to customers).

\*Allowance for impairment includes QAR 874 million of interest in suspense (31 March 2024: QAR 610 million; 31 December 2024: QAR 777 million).

**7- INVESTMENT SECURITIES**

<b>Investment securities comprise the following:</b>	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
Fair value through other comprehensive income (FVOCI)	8,234,173	5,640,491	7,476,589
Fair value through profit & loss (FVTPL)	1,887,304	1,889,224	1,873,918
Amortized cost (AC)	24,111,759	20,234,564	23,428,254
Accrued interest	502,115	360,260	449,864
<b>Total</b>	<b><u>34,735,351</u></b>	<b><u>28,124,539</u></b>	<b><u>33,228,625</u></b>

The carrying value of investment securities pledged under Repurchase agreements (REPO) is QAR 7,132 million (31 March 2024: QAR 7,877 million; 31 December 2024: QAR 5,685 million).

Expected Credit losses of debt securities measured at FVOCI and AC amounted to QAR 43.7 million at 31 March 2025 (31 March 2024: QAR 57.1 million and 31 December 2024: QAR 21.3 million).

**8- INVESTMENT IN ASSOCIATES AND A JOINT ARRANGEMENT**

For the reporting period ended 31 March 2025, the percentage of ownership for the investment in associates and a joint arrangement was the same as reported as at and for the year ended 31 December 2024. At 31 March 2025, the Bank has recorded the share of profit for the investment in associates and a joint arrangement based on management accounts.

**9- DUE TO BANKS**

	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
Balances due to central banks	1,444,455	1,278,551	894,568
Current accounts	629,163	507,194	217,429
Placement with banks	15,700,376	8,892,274	14,731,759
Repurchase agreements with banks	5,972,603	6,518,730	4,759,249
Accrued interest	187,013	209,658	237,276
<b>Total</b>	<b><u>23,933,610</u></b>	<b><u>17,406,407</u></b>	<b><u>20,840,281</u></b>

**10- CUSTOMER DEPOSITS**

	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
Current and call deposits	26,914,995	25,564,096	25,744,025
Saving deposits	6,212,859	5,559,476	5,685,232
Time deposits	42,710,848	47,447,158	44,937,332
Accrued interest	545,163	793,458	640,228
<b>Total</b>	<b><u>76,383,865</u></b>	<b><u>79,364,188</u></b>	<b><u>77,006,817</u></b>

**11- DEBT SECURITIES**

	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
EMTN Unsecured Programme – Senior Unsecured Notes	9,273,410	9,731,437	9,243,192
Senior Notes	66,488	32,160	30,879
Others	1,036,500	-	1,364,905
Accrued interest	74,939	73,950	95,914
<b>Total</b>	<b><u>10,451,337</u></b>	<b><u>9,837,547</u></b>	<b><u>10,734,890</u></b>

The table below shows the maturity profile of debt securities:

	<b>31-Mar-2025</b>	31-Mar-2024	31-Dec-2024
	<b>Reviewed</b>	Reviewed	Audited
Up to 1 year	3,737,986	1,533,946	3,607,795
Between 1 and 3 years	2,545,212	1,824,372	3,004,362
Over 3 years	4,168,139	6,479,229	4,122,733
<b>Total</b>	<b><u>10,451,337</u></b>	<b><u>9,837,547</u></b>	<b><u>10,734,890</u></b>

## 12- OTHER BORROWINGS

	31-Mar-2025 Reviewed	31-Mar-2024 Reviewed	31-Dec-2024 Audited
Bilateral loans	11,619,178	9,130,981	11,159,510
Syndicated loans	9,976,760	10,998,772	9,970,404
Others	3,839,875	2,741,003	3,401,472
Accrued interest	210,671	321,265	198,269
<b>Total</b>	<b><u>25,646,484</u></b>	<b><u>23,192,021</u></b>	<b><u>24,729,655</u></b>

The table below shows the maturity profile of other borrowings:

	31-Mar-2025 Reviewed	31-Mar-2024 Reviewed	31-Dec-2024 Audited
Up to 1 year	4,833,747	6,017,047	3,819,580
Between 1 and 3 years	10,677,151	5,499,193	11,017,973
Over 3 years	10,135,586	11,675,781	9,892,102
<b>Total</b>	<b><u>25,646,484</u></b>	<b><u>23,192,021</u></b>	<b><u>24,729,655</u></b>

## 13- EQUITY

### (a) Share capital

	31-Mar-2025 Reviewed	31-Mar-2024 Reviewed	31-Dec-2024 Audited
Authorised number of ordinary shares	4,047,253,750	4,047,253,750	4,047,253,750
Nominal value of ordinary shares (QAR)	1	1	1
<b>Issued and paid up capital (in thousands of Qatar Riyals)</b>	<b><u>4,047,254</u></b>	<b><u>4,047,254</u></b>	<b><u>4,047,254</u></b>

### (b) Employee incentive phantom scheme shares

Employee incentive phantom scheme shares represents the shares held by SPVs. These entities hold employee incentive phantom scheme shares on behalf of the Bank in order to hedge the referenced equity price exposure associated with the cash settled share-based employee benefit scheme being run by the Group. These SPVs are not legally owned by the Group. However, an IFRS 10 consolidation assessment has led the Group to consolidate the structure and to recognize the underlying phantom scheme shares in the interim condensed consolidated financial statements. The underlying shares are not legally owned by the Bank and it does not possess voting right associated with these shares.

## 14- DIVIDEND

A cash dividend of 30% for the year 2024 (2023: 25% cash dividend), was approved at the Annual General Assembly held on 20 March 2025 (2023: 1 April 2024) and distributed to shareholders.

## 15- STAFF COSTS

Staff costs include a credit of QAR 2.6 million for the period ended 31 March 2025 (31 March 2024 : credit of QAR 91 million) with respect to performance rights.

## 16- INCOME 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').

On 27 March 2025, Qatar published in the Official Gazette, Law No. 22 of 2024 amending specific provisions of the Income Tax Law promulgated under Law No. 24 of 2018 by introducing Domestic Minimum Top-up Tax ('DMTT') and Income Inclusion Rule ('IIR') with a minimum effective tax rate of 15%. The amendments are effective from 1 January 2025 and the related regulations on implementation, compliance and administrative provisions are expected to be issued by the General Tax Authority in the near future which result in adjustments to amounts reported. The Group also operates in Turkey where it benefits from safe harbors, and hence not subjected to Pillar Two top-up tax.

The Group recognised a current tax expense of QAR 52.9 million related to the top-up tax in the three-month period ended 31 March 2025 (three-month period ended 31 March 2024: Nil).

The Group has applied a mandatory relief from deferred tax accounting for the impacts of the top-up tax and accounts for it as a current tax when it is incurred.

**16- INCOME TAX (continued)**

	<b>Three months ended</b>	
	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	<b>Reviewed</b>	<b>Reviewed</b>
<b>Profit before tax</b>	<b>704,059</b>	<b>810,189</b>
Current income tax credit/ (expense)	271	(8,566)
<b>Profit before Pillar Two Tax</b>	<b>704,330</b>	<b>801,623</b>
Pillar Two Tax - Qatar	(52,919)	-
<b>Profit for the period</b>	<b>651,411</b>	<b>801,623</b>

**17- EARNINGS PER SHARE**

Earnings per share of the Group is calculated by dividing profit for the period attributable to the equity holders of the Bank by the weighted average number of ordinary shares in issue during the period:

	<b>Three months ended</b>	
	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>
	<b>Reviewed</b>	<b>Reviewed</b>
<b>Basic and diluted</b>		
Profit attributable to the equity holders of the bank	651,411	801,623
Less: Dividend on Instrument eligible for additional capital	(40,950)	(40,950)
	610,461	760,673
Weighted average number of outstanding ordinary shares in thousands	4,047,254	4,047,254
Less: Employee incentive phantom scheme shares	(192,765)	(197,007)
	3,854,489	3,850,247
<b>Basic/diluted earnings per share (QAR)</b>	<b>0.16</b>	<b>0.20</b>

**18- CONTINGENT LIABILITIES AND OTHER COMMITMENTS**

**a- Contingent liabilities**

	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
	<b>Reviewed</b>	<b>Reviewed</b>	<b>Audited</b>
Unutilized credit facilities	15,812,744	16,643,146	15,765,695
Guarantees	16,089,403	16,487,383	16,451,572
Letters of credit	3,905,205	2,735,934	3,383,398
<b>Total</b>	<b>35,807,352</b>	<b>35,866,463</b>	<b>35,600,665</b>

**b- Other commitments**

Derivative financial instruments (notional)	32,726,343	39,808,784	29,705,597
Capital commitments	140,772	352,731	118,011
<b>Total</b>	<b>32,867,115</b>	<b>40,161,515</b>	<b>29,823,608</b>

**19- CASH AND CASH EQUIVALENTS**

	<b>31-Mar-2025</b>	<b>31-Mar-2024</b>	<b>31-Dec-2024</b>
	<b>Reviewed</b>	<b>Reviewed</b>	<b>Audited</b>
Cash and balances with central banks *	2,873,186	3,062,875	2,561,992
Due from banks up to 90 days	7,587,380	17,385,528	8,295,370
	<b>10,460,566</b>	<b>20,448,403</b>	<b>10,857,362</b>

\* Cash and balances with central banks exclude the mandatory cash reserve.

**20- VALUATION OF FINANCIAL INSTRUMENTS**

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:





**20- VALUATION OF FINANCIAL INSTRUMENTS (continued)**

<b>31-Mar-2025 (Reviewed)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Carrying amount</b>
Derivative assets	-	893,449	-	893,449
Investment securities	8,591,497	1,437,246	92,734	10,121,477
	<u>8,591,497</u>	<u>2,330,695</u>	<u>92,734</u>	<u>11,014,926</u>
Derivative liabilities	-	353,974	-	353,974
	<u>-</u>	<u>353,974</u>	<u>-</u>	<u>353,974</u>
<b>31-Dec-2024 (Audited)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Carrying amount</b>
Derivative assets	-	498,274	-	498,274
Investment securities	8,545,353	709,638	95,516	9,350,507
	<u>8,545,353</u>	<u>1,207,912</u>	<u>95,516</u>	<u>9,848,781</u>
Derivative liabilities	-	976,377	-	976,377
	<u>-</u>	<u>976,377</u>	<u>-</u>	<u>976,377</u>

There were no changes in the Group's valuation process, valuation techniques, and type of inputs used in the fair value measurement during the period.

**21- CAPITAL ADEQUACY**

	<b>31-Mar-2025 Reviewed</b>	31-Mar-2024 Reviewed	31-Dec-2024 Audited
Common Equity Tier 1 (CET 1) Capital	16,457,915	15,420,680	16,183,136
Additional Tier 1 (AT 1) Instruments	4,450,738	4,455,728	4,449,398
Additional Tier 2 Capital	1,968,141	1,860,014	1,953,282
<b>Total eligible capital</b>	<u><b>22,876,794</b></u>	<u><b>21,736,422</b></u>	<u><b>22,585,816</b></u>
<b>Risk weighted assets</b>	<u><b>133,876,269</b></u>	<u><b>132,351,075</b></u>	<u><b>131,653,868</b></u>
<b>Total capital ratio</b>	<b>17.1%</b>	<b>16.4%</b>	<b>17.2%</b>

The Group follows Basel III Capital Adequacy Ratio (CAR) calculation in accordance with Qatar Central Bank (QCB) regulations. The minimum accepted total Capital Adequacy Ratio requirements under Basel III as per QCB Requirements is as follows:

- Minimum limit without Capital Conservation buffer is 10%
- Minimum limit including Capital Conservation buffer, ICAAP buffer and the applicable Domestically Systemically 2024: 14.4%).



**22- RELATED PARTY DISCLOSURE**

The Group carries out various transactions with subsidiaries, associates and joint arrangement companies, members of the Board of Directors, the executive management or companies in which they have significant interest or any other parties of important influence in the Group's financial or operating decisions. The balances at the reporting date with these accounts were as follows:

	<b>31-Mar-2025 Reviewed</b>	<b>31-Mar-2024 Reviewed</b>	<b>31-Dec-2024 Audited</b>
<b>Board members of the Bank</b>			
Loans, advances and financing activities (a)	1,535,236	1,613,129	1,557,630
Deposits	902,592	956,629	773,357
Contingent liabilities and other commitments	5,453	6,140	5,337
Interest and fee income received	20,302	53,497	197,283
Interest paid on deposits	4,722	14,603	50,828
Remuneration	-	-	25,500
<b>Associates and joint arrangement companies</b>			
Due from banks	5,480	6,891	6,808
Due to banks	148,634	328,110	1,740
Deposits	5,295	4,513	7,126
Contingent liabilities	15,232	16,742	20,997
Interest earned from Associates	-	10	13
Interest paid to associates	693	3,907	5,888
<b>Senior management of the bank</b>			
Remuneration and other benefits (b)	13,382	6,364	52,842
Loans and advances	9,323	7,281	7,684

(a) A significant portion of the loans, advances and financing activities' balance at 31 March 2025 with the members of the Board and the companies in which they have significant influence, are secured against tangible collateral or personal guarantees. Moreover, the loans and advances are performing satisfactorily honoring all obligations.

(b) In addition to the above remuneration and other benefits, employees of the bank including the senior management have been granted performance rights. For the three months period ended 31 March 2025, the cost of performance rights for the senior management was credit of QAR 0.6 million (31 March 2024: credit of QAR 6.6 million and 31 December 2024: cost of QAR 19.9 million).