



PRESS RELEASE

The Commercial Bank (P.S.Q.C.)
Financial Results
For The Three Months Ended
31 March 2026

The Commercial Bank (P.S.Q.C.) Reports First Quarter 2026 Net Profit Before Pillar Two Tax of QAR 538.3 million

Key Highlights

- Net Profit before the impact of Pillar Two Tax of QAR 538.3 million, supported by resilient operating performance.
- Total Assets of QAR 190.6 billion, up by 12.8% from 31 March 2025.
- Loans and Advances to Customers excluding Acceptances of QAR 97.1 billion, up by 3.9% from 31 March 2025.
- Customer Deposits of QAR 85.0 billion, up by 11.3% from 31 March 2025.
- Strong capital position, with Capital Adequacy Ratio at 18.4%, increased from 17.1% at 31 March 2025.
- Total Equity of QAR 26.1 billion, up by 1.8% from 31 March 2025.
- The overall results reflect a resilient capital and liquidity position.
- Successful re-issuance of USD 500 million Additional Tier 1 Capital Securities.

Doha, Qatar, 13 April 2026:

The Commercial Bank (P.S.Q.C.) (the “Bank”) and its subsidiaries (the “Group”) announced today its financial results for the three months ended 31 March 2026.

The Group reported Net Profit before Pillar Two Tax of QAR 538.3 million for Q1 2026. The year-on-year movement in profit was supported by resilient operating performance in the first quarter of 2026. Net Operating Income increased by 7.6% to QAR 1,216.8 million driven by increase in net interest income and fee income. This was offset by higher net provisions, increased operating expenses including IFRS 2 related long term incentive scheme (LTIS) movements, and a reported loss of QAR 25.7 million from Turkish subsidiary taking into account the impact of hyper-inflation.

The Group is very focused on executing the next phase of its strategy which was announced in January and progress is being made across our core businesses. The retail and wealth business started the year strongly with good and consistent returns supported by growth in lending. The Group strengthened its advisory-led offering through a new wealth management tool and hybrid advisory model, supporting fee income growth. On the wholesale banking side, the lending book grew in the core segments with clear focus on cross sell opportunities.

The Group progressed to upgrade corporate channels, facilitating opening accounts digitally, and continued to build traction in digital solutions.

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

This quarter also reflects a more balanced approach of loan provisioning consistently throughout the year, rather than 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 LTIS related movements, the adjusted Net Profit before Pillar Two Tax for the three months ended 31 March 2026 is QAR 559.1 million.

The Group also accrued for the BEPS (Base Erosion and Profit Shifting) Pillar Two Tax, a charge of QAR 36.9 million.

Commercial Bank held its Annual General Meetings on 16 March 2026, during which shareholders approved all agenda items, including the Board's recommendation to distribute a cash dividend of QAR 0.30 per share.

Current Geopolitical Environment

The current heightened geopolitical environment has resulted in uncertainty across the GCC, with direct impacts on energy supply and certain trade routes. Despite this backdrop, the Group has continued to operate resiliently, supported by its strong operating platform, established governance framework, and ongoing investment in digital capabilities including AI, which have enabled customers to maintain seamless and secure access to banking services.

The Group's Business Continuity and Crisis Management activities have ensured its operational resilience throughout the current environment. Backed by strong infrastructure, resilient capabilities, and close coordination with the regulator, the Bank has been able to sustain uninterrupted services and maintain full operational readiness throughout this period.

The Qatari banking system continues to operate from a position of strength. Following its review of recent geopolitical developments, Qatar Central Bank announced a number of precautionary measures to support orderly market functioning and deep liquidity in the domestic market, including unlimited Qatari Riyal repo facilities, a term repo facility of up to three months, a reduction in reserve requirements on deposits from 4.5% to 3.5%, and the

option for banks to offer temporary payment deferrals for affected borrowers, in line with internal policies and supervisory guidance.

In the current operating backdrop, the Group remains focused on staying close to its clients, maintaining strong liquidity and capital strength, and on executing the next phase of its strategy as announced earlier this year.

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

“Commercial Bank began 2026 with continued focus on prudent stewardship, sound governance and balance-sheet strength. In the current backdrop, our priorities remain firmly anchored in preserving financial strength, maintaining strong capital and liquidity, and continuing disciplined execution of our strategy to deliver sustainable long-term value creation. We remain confident in the strength of Qatar’s fundamentals, and the Bank’s ability to build steadily on its foundations in alignment with Qatar National Vision 2030.”

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

“In the current operating environment, we remained focused on staying close to our clients, supporting their needs, delivering resilient performance and continuing to execute our strategy with discipline. In the first quarter, we further strengthened our customer proposition, service delivery and continued to progress in the digital and AI-led transformation as part of our broader transformation that will support the Group’s sustainable growth in line with its strategy. We remain committed to reinforcing resilience across the business while continuing to respond to evolving client needs.”

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

“In the first quarter of 2026 the Bank delivered a resilient operating performance. We continue to be focused on prudent risk management and the execution of the next phase of our strategy. Net Operating Income and Operating Profit both improved year on year, while the reduction in reported Net Profit primarily reflected higher provisioning, consistent with adjustments of the scenario weights made under IFRS 9 to take into account the current geopolitical environment and balanced provisioning throughout the year.

During the quarter, the Bank maintained strong liquidity and a strong capital position, successfully re-issued USD 500 million of Additional Tier 1 Capital Securities, and continued to advance its strategic priorities through digital and AI initiatives, including a Customer Retention AI program, a Credit Card Spend and Activation Predictor model, and an internal generative AI assistant.”

Financial Highlights

Key indicators of the financial results for the three months ended 31 March 2026 are as follows:

QAR million	March 2026	March 2025	Change %
Total Assets	190,594.4	168,941.1	12.8%
Loans and Advances to Customers	105,475.8	94,864.1	11.2%
Customer Deposits	84,999.8	76,383.9	11.3%
Total Equity	26,055.0	25,582.8	1.8%
Net Operating Income	1,216.8	1,131.1	7.6%
Operating Expenses	(393.0)	(350.6)	(12.1%)
Operating Profit	823.8	780.5	5.5%
Net Provisions	(318.9)	(149.1)	(113.9%)
Share of Results of Associates	94.9	97.2	(2.4%)
Net Monetary Losses Due to Hyperinflation	(41.5)	(24.5)	(69.4%)
Income Tax (Expense) / Credit	(19.9)	0.3	>(100%)
Net Profit Before BEPS Pillar Two Taxes	538.3	704.3	(23.6%)
BEPS Pillar Two Taxes	(36.9)	(52.9)	30.3%
Net Profit after Tax	501.4	651.4	(23.0%)

Key Performance Indicators	March 2026	March 2025
Cost to Income Ratio	32.3%	31.0%
Cost of Risk – COR (bps) – gross	129	72
Cost of Risk – COR (bps) – net	90	34
Non-Performing Loan (NPL) Ratio	6.0%	5.9%
Loan Coverage Ratio – Stage 3	61.0%	55.2%
Common Equity Tier 1 (CET 1) Ratio	12.4%	12.3%
Capital Adequacy Ratio (CAR)	18.4%	17.1%

Balance sheet

Total Assets as at 31 March 2026 reached QAR 190.6 billion, an increase of 12.8% from 31 March 2025. This is mainly driven by an increase in loans and advances to customers and an increase in investment securities.

Investment securities increased by 17.2% to reach QAR 40.7 billion, with the Group investing in high-quality market securities.

Net Loans and advances to customers increased to QAR 105.5 billion, up 11.2% due to higher corporate, government and public sector, retail lending and acceptances. Excluding acceptances which are trade related items, the loan growth is approx. 3.9%.

Debt securities and other borrowings in issue increased to QAR 13.2 billion and QAR 28.6 billion respectively, as the Group diversified its funding sources. Furthermore, customer deposits are at QAR 85.0 billion as the Group focused on reducing high cost of funding, while growing low-cost deposits by 3.8%, which represents 40.5% of the total customer deposits mix.

Income statement

CB Group reported a consolidated Net Profit after Tax of QAR 501.4 million for the three months ended 31 March 2026, which includes a BEPS Pillar Two Tax charge of QAR 36.9 million and a reported loss of QAR 25.7 million from our subsidiary in Turkey, Alternatif Bank.

Net interest income increased by 12.6% to QAR 880.4 million, and the Group net fee and commission-based income increasing by 16.9% to QAR 293.3 million which included one-off fees.

The Group's reported cost-to-income ratio increased to 32.3% mainly due to an increase in staff costs.

Gross provisions increased by 73.7% to QAR 419.8 million.. The higher provisioning in the current quarter reflects the Bank's strategy of provisioning consistently throughout the year, rather than taking a larger charge in the fourth quarter. Net provisions were at QAR 318.9 million supported by recoveries which increased by 9.0% to QAR 100.9 million.

The share of the results of associates decreased by 2.4% to QAR 94.9 million.

Capital ratios

The Group's Common Equity Tier 1 (CET 1) Ratio as at 31 March 2026 is at 12.4%. The Total Capital Adequacy Ratio (CAR) as at 31 March 2026 increased to 18.4%. 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 36.9 million for the three months ended 31 March 2026 (31 March 2025: QAR 52.9 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: A2 / Stable / P-1

Diversified funding sources

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.

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 \(cbq.qa\)](#)

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