



**DUKHAN BANK Q.P.S.C.**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**FOR THE THREE MONTH PERIOD ENDED  
31 MARCH 2026  
(REVIEWED)**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the three month period ended 31 March 2026**

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<b>CONTENTS</b>	<b>PAGES</b>
Independent auditor's review report	1
Interim consolidated statement of financial position	2
Interim consolidated statement of income	3
Interim consolidated statement of comprehensive income	4
Interim consolidated statement of income and attribution related to quasi-equity	5
Interim consolidated statement of changes in equity	6 - 7
Interim consolidated statement of cash flows	8
Interim consolidated statement of changes in off-balance sheet assets under management	9
Notes to the interim condensed consolidated financial statements	10 - 31



## Report on review of the interim condensed consolidated financial statements to the board of directors of Dukhan bank Q.P.S.C.

### Introduction

We have reviewed the accompanying interim consolidated statement of financial position of Dukhan Bank Q.P.S.C. (the "Parent") and its subsidiaries (together "the Group") as at 31 March 2026 and the related interim consolidated statement of income, interim consolidated statement of comprehensive income, interim consolidated statement of income and attribution related to quasi-equity, interim consolidated statement of changes in equity, interim consolidated statement of cash flows and interim consolidated statement of changes in off balance sheet assets under management for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with Financial Accounting Standard ("FAS") 41 "Interim financial reporting" issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI") as modified by Qatar Central Bank ("QCB"). 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 International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim 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 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with FAS 41 issued by AAOIFI as modified by QCB.

For and on behalf of PricewaterhouseCoopers - Qatar Branch  
Qatar Financial Market Authority registration number 120155

Waleed Tahtamouni  
Auditor's registration number 370  
Doha, State of Qatar  
26 April 2026



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**DUKHAN BANK Q.P.S.C.**  
**INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2026**

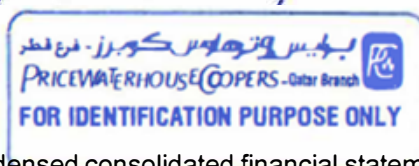
	Notes	31 March 2026 (Reviewed) QAR'000	31 December 2025 (Audited) QAR'000
<b>Assets</b>			
Cash and balances with Qatar Central Bank	7	4,153,413	5,124,363
Due from banks	8	2,881,419	1,093,855
Financing assets	9	90,967,537	90,012,883
Investment securities	10	25,935,159	25,016,750
Investment in associate	11	14,536	14,533
Investment in real estate		134,263	134,321
Fixed assets		838,918	844,863
Intangible assets	16	658,696	678,313
Other assets		902,178	861,630
<b>Total assets</b>		<b>126,486,119</b>	<b>123,781,511</b>
<b>Liabilities</b>			
Due to banks	12	8,207,369	11,221,546
Customer current accounts		18,726,909	18,688,040
Sukuk financing		2,969,069	2,935,316
Other liabilities		8,829,317	6,631,023
<b>Total liabilities</b>		<b>38,732,664</b>	<b>39,475,925</b>
<b>Quasi-equity</b>			
Participatory investment accounts	13	72,167,364	69,104,682
<b>Equity</b>			
Share capital	14(a)	5,234,100	5,234,100
Legal reserve	14(b)	5,034,283	5,034,283
Treasury shares	14(e)	(14,290)	(14,290)
Risk reserve	14(c)	1,750,742	1,750,742
Fair value reserve	10	28,740	39,775
Cash flow hedge reserve		3,096	442
Other reserves	14(d)	79,826	79,826
Retained earnings		1,648,753	1,255,185
<b>Total equity attributable to owners of the bank</b>		<b>13,765,250</b>	<b>13,380,063</b>
Non-controlling interests		91	91
Sukuk eligible as additional capital	20	1,820,750	1,820,750
<b>Total equity</b>		<b>15,586,091</b>	<b>15,200,904</b>
<b>Total liabilities, quasi-equity and equity</b>		<b>126,486,119</b>	<b>123,781,511</b>
Off-balance sheet assets under management	22	5,668,017	5,373,764
Contingent liabilities and commitments	15	81,209,081	83,340,760

These interim condensed consolidated financial statements were approved by the Board of Directors on 26 April 2026 and were signed on its behalf by:

  
 Abdulla Bin Fahad Bin  
 Jassim Al-Thani  
 Chairman

  
 Mohamed Bin Hamad Bin  
 Jassim Al Thani  
 Executive Board Member  
 Managing Director

  
 Ahmed Hashem  
 Acting Group Chief Executive Officer



Independent auditor's review report is set out on page 1.  
 The attached notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

**DUKHAN BANK Q.P.S.C.**
**INTERIM CONSOLIDATED STATEMENT OF INCOME**
**For the three month period ended 31 March 2026**

	Notes	For the three month period ended 31 March	
		2026 (Reviewed) QAR'000	2025 (Reviewed) QAR'000
Net income from financing activities		1,102,788	1,226,555
Net income from investing activities		276,086	259,498
Finance cost		(198,866)	(243,902)
<b>Income from financing and investing activities, Net</b>		<b>1,180,008</b>	<b>1,242,151</b>
Fee and commission income		121,651	140,329
Fee and commission expense		(52,037)	(46,057)
<b>Net fee and commission income</b>		<b>69,614</b>	<b>94,272</b>
Net foreign exchange gain		37,761	30,612
Share of results of associate	11	3	(60)
Other income		7,763	6,694
<b>Total income</b>		<b>1,295,149</b>	<b>1,373,669</b>
Staff costs		(110,353)	(108,690)
Depreciation and amortisation		(46,572)	(43,462)
Other expenses		(64,340)	(63,936)
<b>Total expenses</b>		<b>(221,265)</b>	<b>(216,088)</b>
Net impairment losses on financing assets	4(a)	(43,282)	(39,825)
Net impairment losses on due from banks	4(a)	(217)	(219)
Net impairment reversals/ (losses) on investment securities	4(a)	1,200	(218)
Net impairment reversals on other exposures subject to credit risk	4(a)	6,316	5,044
		<b>(35,983)</b>	<b>(35,218)</b>
<b>Net profit for the period before tax and return to quasi-equity</b>		<b>1,037,901</b>	<b>1,122,363</b>
Less : Net profit attributable to quasi-equity	13	(608,367)	(685,281)
<b>Net profit for the period before tax</b>		<b>429,534</b>	<b>437,082</b>
Tax expense		(7)	(6)
<b>Net profit for the period</b>		<b>429,527</b>	<b>437,076</b>
<b>Net profit for the period attributable to:</b>			
Equity holders of the Bank		429,527	437,076
Non-controlling interests		-	-
<b>Net profit for the period</b>		<b>429,527</b>	<b>437,076</b>
<b>Earnings per share</b>			
Basic and diluted earnings per share (QAR per share)	17	0.075	0.077



Independent auditor's review report is set out on page 1.

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**DUKHAN BANK Q.P.S.C.**

**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three month period ended 31 March 2026

		<i>For the three month period ended 31 March</i>	
		<u>2026</u>	<u>2025</u>
		<i>(Reviewed)</i>	<i>(Reviewed)</i>
<i>Notes</i>		<i>QAR'000</i>	<i>QAR'000</i>
	<b>NET PROFIT FOR THE PERIOD</b>	<u>429,527</u>	<u>437,076</u>
	<b>OTHER COMPREHENSIVE INCOME</b>		
	<i>Items that may not be subsequently classified to consolidated statement of income</i>		
	Fair value changes of equity-type investments carried at fair value through other comprehensive income - net	10 <u>(11,035)</u>	<u>(2,856)</u>
	<i>Items that may be subsequently classified to consolidated statement of income</i>		
	Net movement in cash flow hedges – effective portion of changes in fair value	<u>2,654</u>	<u>12,526</u>
	<b>Total other comprehensive income for the period</b>	<u>(8,381)</u>	<u>9,670</u>
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>421,146</u>	<u>446,746</u>
	<b>Attributable to:</b>		
	Equity holders of the Bank	421,146	446,746
	Non-controlling interest	-	-
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>421,146</u>	<u>446,746</u>



Independent auditor's review report is set out on page 1.

The attached notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

**DUKHAN BANK Q.P.S.C.****INTERIM CONSOLIDATED STATEMENT OF INCOME AND ATTRIBUTION RELATED TO QUASI-EQUITY**  
**For the three month period ended 31 March 2026**

	<i>For the three month period ended 31 March</i>	
	<b>2026</b>	<b>2025</b>
	<b>(Reviewed)</b>	<b>(Reviewed)</b>
	<b>QAR'000</b>	<b>QAR'000</b>
Net profit for the period before net profit attributable to quasi-equity after tax	<b>1,037,894</b>	1,122,357
Less: Income not attributable to quasi-equity	<b>(478,326)</b>	(504,341)
Add: Expenses not attributable to quasi-equity	-	-
Net profit attributable to quasi-equity before bank's Mudaraba income	<b>559,568</b>	618,016
Less: Mudarib's share	<b>(534,281)</b>	(594,670)
Add: Support provided by bank	<b>583,080</b>	661,935
<b>NET PROFIT ATTRIBUTABLE TO QUASI-EQUITY</b>	<b>608,367</b>	685,281
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that may be subsequently classified to consolidated statement of income	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	-	-
<b>TOTAL PROFIT ATTRIBUTABLE TO QUASI-EQUITY</b>	<b>608,367</b>	685,281



Independent auditor's review report is set out on page 1.

The attached notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

**DUKHAN BANK Q.P.S.C.**
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the three month period ended 31 March 2026**

	Share capital QAR'000	Legal reserve QAR'000	Treasury shares QAR'000	Risk reserve QAR'000	Fair value reserve QAR'000	Cash flow hedge reserve QAR'000	Other reserves QAR'000	Retained earnings QAR'000	Total equity attributable to equity owners of the Bank QAR'000	Non- controlling interests QAR'000	Sukuk eligible as additional capital QAR'000	Total equity QAR'000
<i>Balance at 1 January 2026</i> <i>(Audited)</i>	5,234,100	5,034,283	(14,290)	1,750,742	39,775	442	79,826	1,255,185	13,380,063	91	1,820,750	15,200,904
Net profit for the period	-	-	-	-	-	-	-	429,527	429,527	-	-	429,527
Other comprehensive income for the period	-	-	-	-	(11,035)	2,654	-	-	(8,381)	-	-	(8,381)
<b>Total comprehensive income for the period</b>	-	-	-	-	(11,035)	2,654	-	429,527	421,146	-	-	421,146
Sale of treasury shares	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to retained earnings on disposal of equity-type instruments classified at FVOCI	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid (Note 14 (f))	-	-	-	-	-	-	-	-	-	-	-	-
Profit on Sukuk eligible as additional capital (Note 20)	-	-	-	-	-	-	-	(35,959)	(35,959)	-	-	(35,959)
<b>Balance at 31 March 2026</b> <b>(Reviewed)</b>	5,234,100	5,034,283	(14,290)	1,750,742	28,740	3,096	79,826	1,648,753	13,765,250	91	1,820,750	15,586,091



Independent auditor's review report is set out on page 1.

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**DUKHAN BANK Q.P.S.C.**
**INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**For the three month period ended 31 March 2026**

	Share capital QAR'000	Legal reserve QAR'000	Treasury shares QAR'000	Risk reserve QAR'000	Fair value reserve QAR'000	Cash flow hedge reserve QAR'000	Other reserves QAR'000	Retained earnings QAR'000	Total equity attributable to equity owners of the Bank QAR'000	Non-controlling interests QAR'000	Sukuk eligible as additional capital QAR'000	Total equity QAR'000
<i>Balance at 1 January 2025</i> <i>(Audited)</i>	5,234,100	4,889,319	(21,120)	1,682,594	(37,705)	(3,730)	75,737	1,139,025	12,958,220	91	1,820,750	14,779,061
Net profit for the period	-	-	-	-	-	-	-	437,076	437,076	-	-	437,076
Other comprehensive income for the period	-	-	-	-	(2,856)	12,526	-	-	9,670	-	-	9,670
Total comprehensive income for the period	-	-	-	-	(2,856)	12,526	-	437,076	446,746	-	-	446,746
Sale of treasury shares	-	19,096	6,808	-	-	-	-	-	25,904	-	-	25,904
Transferred to retained earnings on disposal of equity-type instruments classified at FVOCI	-	-	-	-	1,338	-	-	(1,338)	-	-	-	-
Dividend paid (Note 14 (f))	-	-	-	-	-	-	-	(417,038)	(417,038)	-	-	(417,038)
Profit on Sukuk eligible as additional capital (Note 20)	-	-	-	-	-	-	-	(35,959)	(35,959)	-	-	(35,959)
<i>Balance at 31 March 2025</i> <i>(Reviewed)</i>	5,234,100	4,908,415	(14,312)	1,682,594	(39,223)	8,796	75,737	1,121,766	12,977,873	91	1,820,750	14,798,714



Independent auditor's review report is set out on page 1.

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**DUKHAN BANK Q.P.S.C.**  
**INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**For the three month period ended 31 March 2026**

	Notes	For the three month period ended 31 March	
		2026	2025
		(Reviewed) QAR'000	(Reviewed) QAR'000
<b>Cash flows from operating activities</b>			
Net profit for the period before tax		429,534	437,082
<i>Adjustments for:</i>			
Net impairment losses on due from banks	4(a)	217	219
Net impairment reversals on other exposures subject to credit risk	4(a)	(6,316)	(5,044)
Net impairment losses on financing assets	4(a)	43,282	39,825
Net impairment (reversals)/ losses on investment securities	4(a)	(1,200)	218
Depreciation and amortisation		46,572	43,462
Employees' end of service benefits provision		5,819	7,294
Net gains on sale of investment securities		(2,521)	(3,144)
Dividend income		(4,252)	(5,656)
Gain on disposal of fixed assets		(247)	(1,778)
Amortisation of transaction costs on Sukuk Financing		33,210	33,210
Finance expenses on Sukuk Financing		543	543
Share of results of associate	11	(3)	60
<b>Profit before changes in operating assets and liabilities</b>		<b>544,638</b>	<b>546,291</b>
Change in reserve account with Qatar Central Bank		677,173	(62,189)
Change in due from banks		(15)	1,143,135
Change in financing assets		(997,936)	(419,142)
Change in other assets		(37,894)	(685,834)
Change in due to banks		(3,014,177)	935,148
Change in customer current accounts		38,869	1,654,449
Change in other liabilities		2,202,995	135,830
		(586,347)	3,247,688
Dividends received		4,252	5,656
Employees' end of service benefits paid		(4,213)	(2,431)
<b>Net cash (used in)/ generated from operating activities</b>		<b>(586,308)</b>	<b>3,250,913</b>
<b>Cash flows from investing activities</b>			
Acquisition of investments, net		(1,841,207)	(339,874)
Proceeds from sale of investments		915,544	587,401
Acquisition of fixed assets		(21,191)	(63,601)
Proceeds from sale of fixed assets		428	4,986
<b>Net cash (used in)/ generated from investing activities</b>		<b>(946,426)</b>	<b>188,912</b>
<b>Cash flows from financing activities</b>			
Change in participatory investment accounts		3,062,682	(3,002,208)
Dividend paid		-	(417,038)
Proceeds from sale of treasury shares		-	25,904
Profit paid on Sukuk eligible as additional capital		(35,959)	(35,959)
<b>Net cash generated from/(used in) financing activities</b>		<b>3,026,723</b>	<b>(3,429,301)</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,493,989</b>	<b>10,524</b>
Cash and cash equivalents at 1 January		2,109,499	5,062,095
<b>Cash and cash equivalents at 31 March</b>	19	<b>3,603,488</b>	<b>5,072,619</b>

Independent auditor's review report is set out on page 1.

The attached notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.



INTERIM CONSOLIDATED STATEMENT OF CHANGES IN OFF- BALANCE SHEET ASSETS UNDER MANAGEMENT

For the three month period ended 31 March 2026

	At 1 January 2026 (Audited) Total value QAR'000	Movements during the period				Group's fee as an agent QAR'000	At 31 March 2026 (Reviewed) QAR'000
		Net Investments/ (withdrawals) QAR'000	Revaluation QAR'000	Gross Income QAR'000	Dividends paid QAR'000		
Discretionary Portfolio Management	1,254,401	(6,421)	(40,068)	-	-	-	1,207,912
Other Restricted Wakalas	4,119,363	329,446	11,296	26,727	(26,727)	-	4,460,105
	<u>5,373,764</u>	<u>323,025</u>	<u>(28,772)</u>	<u>26,727</u>	<u>(26,727)</u>	-	<u>5,668,017</u>

For the three month period ended 31 March 2025

	At 1 January 2025 (Audited) Total value QAR'000	Movements during the period				Group's fee as an agent QAR'000	At 31 March 2025 (Reviewed) QAR'000
		Net Investments/ (withdrawals) QAR'000	Revaluation QAR'000	Gross Income QAR'000	Dividends paid QAR'000		
Discretionary Portfolio Management	791,722	76,088	(1,555)	-	-	-	866,255
Other Restricted Wakalas	3,984,841	756	17,758	6,388	(6,388)	-	4,003,355
	<u>4,776,563</u>	<u>76,844</u>	<u>16,203</u>	<u>6,388</u>	<u>(6,388)</u>	-	<u>4,869,610</u>



Independent auditor's review report is set out on page 1.

The attached notes 1 to 23 form an integral part of these interim condensed consolidated financial statements.

**1. REPORTING ENTITY**

Dukhan Bank was incorporated as a Qatari Shareholding Company in the State of Qatar under Commercial Registration No. 38012 dated 28 January 2008 (the “date of incorporation”). Dukhan Bank (the “Bank”) commenced its activities on 1 February 2009 under Qatar Central Bank (“QCB”) License No. RM/19/2007. The Bank and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) are primarily engaged in financing, investing and advisory activities in accordance with Islamic Shari’a rules as determined by the Shari’a Committee of the Bank and provisions of its Memorandum and Articles of Association. Investment activities are carried out for proprietary purpose and on behalf of customers.

On 21 April 2019, the Bank and International Bank of Qatar (“IBQ”) merged, the merger became effective upon receiving QCB confirmation pursuant to Article 161(2) of the Central Bank Law, Article 278 of the Companies Law, and the Merger Agreement.

The Bank operates through its head office situated in Lusail Marina, Qatar and its 8 branches in the State of Qatar. The Bank post completion of merger is now 24.52% owned by the General Retirement and Social Insurance Authority, 11.71% by the Military Pension Fund (Qatar), and 6.84% by Qatar Holding, strategic and direct investment arm of Qatar Investment Authority being the sovereign wealth fund of the State of Qatar; and remaining shares are owned by several individuals and corporate entities. The Bank rebranded itself from Barwa Bank to Dukhan Bank during October 2020 post obtaining necessary approvals as per the State of Qatar applicable laws and regulations.

On 15 January 2023, the extraordinary general assembly resolution resolved to convert the Bank from a Qatari Private Shareholding Company to a Qatari Public Shareholding Company and subsequently list on the Qatar Stock Exchange. On 22 January 2023, pursuant to Resolution No. 2 of 2023 by the Minister of Industry and Commerce, the Bank was converted from a Qatari Private Shareholding Company to a Qatari Public Shareholding Company. The conversion was formally announced in the Constitutional General Assembly meeting held on 25 January 2023. Consequently, there were no changes in the interest held by the shareholders of the Bank. On 1 February 2023, Qatar Financial Markets Authority (“QFMA”) approved the listing of the Bank’s shares on the Qatar Stock Exchange. Following the QFMA’s approval, trading of the Bank’s shares on the Qatar Stock Exchange commenced on 21 February 2023.

The subsidiaries of the Group are as follows:

<b>Name of subsidiary</b>	<b>Country of incorporation</b>	<b>Tax residency</b>	<b>Year of incorporation</b>	<b>Percentage of ownership as of</b>	
				<b>31 March 2026</b>	<b>31 December 2025</b>
The First Investor P.Q.S.C.	Qatar	Qatar	1999	<b>100%</b>	100%
First Finance Company P.Q.S.C.	Qatar	Qatar	1999	<b>100%</b>	100%
First Leasing Company P.Q.S.C.	Qatar	Qatar	2008	<b>100%</b>	100%
BB Islamic Derivatives **	Cayman Islands	Qatar	2018	<b>100%</b>	100%

The business description and principal activities of each of the above-listed subsidiaries is consistent with the explanation as provided in the 31 December 2025 year-end audited consolidated financial statements.

\*\* BB Islamic Derivative was incorporated for the purpose of undertaking Islamic derivative-related transactions for the Bank. During 2025, in connection therewith, BB Islamic Derivative – QFC Branch was established in the State of Qatar and registered under the Qatar Financial Centre (“QFC”). Accordingly, BB Islamic Derivative is regarded as tax resident in the State of Qatar under Article 8(1)(b) of the QFC Tax Regulations, as the place of effective management is in Qatar.

These interim condensed consolidated financial statements were authorised for issue in accordance with a resolution of the Board of Directors passed on 26 April 2026.

**1. REPORTING ENTITY (CONTINUED)****a) Shari'ah governance framework**

The Group follows Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI") Governance Standards (GSs) in their entirety along with the regulators' requirements related to Shari'ah governance / Shari'ah governance framework. In line with the requirements of the same, the Group has a comprehensive governance mechanism comprising of Shari'ah supervisory board, Shari'ah compliance function, internal Shari'ah audit, external Shari'ah audit, etc. These functions perform their responsibilities in line with AAOIFI GSs as well as the regulators' requirements related to Shari'ah governance.

The GSs also require the Board of Directors and those charged with governance to discharge their duties in line with Shari'ah governance and fiduciary responsibilities.

**b) Shari'ah principles and rules**

The Group follows the hierarchy of Shari'ah principles and rules as defined in paragraph 165 of FAS 1 "General Presentation and Disclosures in the Financial Statements".

**2. BASIS OF PREPARATION****a) Statement of compliance**

The interim condensed consolidated financial statements have been prepared using accounting policies which are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2025, except for adoption of new standards effective from 1 January 2026 as stated in note 3. These interim condensed consolidated financial statements have been prepared in accordance with the Financial Accounting Standard ("FAS") 41 "Interim financial reporting" as issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI") as modified by Qatar Central Bank. In line with the requirements of AAOIFI, for matters that are not covered by FAS, the Group uses guidance from the relevant IFRS accounting standards.

Qatar Central Bank modifications to Financial Accounting Standards ("FAS") has been disclosed below:

*Investments classified at fair value through other comprehensive income*

QCB Circular 12/2020 dated 29 April 2020 modifies the requirements of FAS 33 "Investments in Sukuk, shares and similar instruments" and FAS 30 "Impairment, credit losses and onerous commitments" and requires Islamic Banks to follow principles of IFRS 9 "Financial Instruments" in respect of equity-type investments carried at fair value through other comprehensive income. The Bank has adopted the circular from the effective date and the changes to the accounting policies have been adopted prospectively by the Bank, which did not result in any material adjustment.

These interim condensed consolidated financial statements do not contain all information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2025. The results for the period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026.

**b) Basis of measurement**

These interim condensed consolidated financial statements have been prepared on the historical cost basis except for investments carried at fair value through other comprehensive income, investments carried at fair value through the statement of income, derivatives held for risk management purposes and Shari'a compliant risk management instruments, which are measured at fair value.

**c) Functional and presentation currency**

These interim condensed consolidated financial statements are presented in Qatari Riyals ("QAR"), which is the Group's functional currency. Except as otherwise indicated, financial information presented in QAR has been rounded to the nearest thousands. The functional currencies for the Group entities have also been assessed as Qatari Riyals.

## **2. BASIS OF PREPARATION (CONTINUED)**

### **d) Use of estimates and judgments**

The preparation of these interim condensed consolidated financial statements in conformity with FAS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The Group has adopted QCB guidelines on staging and provisioning of certain exposures, which modifies the requirements of FAS 30 "Impairment, credit losses and onerous commitments".

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2025.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements as at and for the year ended 31 December 2025, except for the changes as described below:

During the period, the Group applied the following standards and amendments to standards. The adoption of the below standards and amendments to standards did not result in changes to previously reported net profit or equity of the Group, but they may result in additional disclosures at year end.

### **New standards, amendments and interpretations effective from 1 January 2026**

#### *FAS 45 – Quasi-Equity (Including Investment Accounts)*

AAOIFI has issued FAS 45 in 2023. This standard prescribes the principles of financial reporting related to the participatory investment instruments (including investment accounts) in which an Islamic financial institution controls the underlying assets (mostly, as a working partner), on behalf of the stakeholders other than the owners' equity. Such instruments (including, in particular, the participatory investment accounts) normally qualify for on-balance-sheet accounting and are reported as quasi-equity. This standard also provides the overall criteria for on-balance-sheet accounting for participatory investment instruments and quasi-equity, as well as pooling, recognition, derecognition, measurement, presentation and disclosure for quasi-equity. It further addresses financial reporting related to other quasi-equity instruments and certain specific issues.

The concept of quasi-equity has been introduced in FAS 1 – General Presentation and Disclosures in the Financial Statements (Revised 2021) which was adopted by the Group during the year 2024. The Group shall address the requirements of FAS 45 – Quasi-Equity (Including Investment Accounts).

#### *FAS 46 – Off-Balance Sheet Assets Under Management*

AAOIFI has issued FAS 46 in 2023. This standard prescribes the criteria for characterization of off-balance sheet assets under management, and the related principles of financial reporting in line with the "AAOIFI Conceptual Framework for Financial Reporting". The standard encompasses the aspects of recognition, derecognition, measurement, selection and adoption of accounting policies, related to off-balance sheet assets under management, as well as certain specific aspects of financial reporting such as impairment and onerous commitments by the institution. The standard also includes the presentation and disclosure requirements, particularly aligning the same with the requirements of the revised FAS 1 – General Presentation and Disclosures in the Financial Statements in respect of the statement of changes in off-balance sheet assets under management. This standard, along with FAS 45 "Quasi-Equity (Including Investment Accounts)", supersedes the earlier FAS 27 "Investment Accounts".

#### *FAS 47 – Transfer of Assets Between Investment Pools*

AAOIFI has issued FAS 47 in 2023. This standard prescribes the financial reporting principles and disclosure requirements applicable to all transfers between investment pools related to (and where material, between significant categories of) owners' equity, quasi-equity and off-balance-sheet assets under management of an institution. It requires adoption and consistent application of accounting policies for such transfers in line with Shari'a principles and rules and describes general disclosure requirements in this respect.

### **3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

#### **New standards, amendments and interpretations effective from 1 January 2026 (continued)**

##### *FAS 48 – Promotional Gifts and Prizes*

AAOIFI has issued FAS 48 on 9 December 2024. This standard prescribes the accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions to their customers, including quasi-equity and other investment accountholders.

##### *FAS 49 – Financial Reporting for Institutions Operating in Hyperinflationary Economies*

AAOIFI has issued FAS 49 on 19 December 2024. This standard outlines the principles governing financial reporting for the institutions applying AAOIFI FASs operating in hyperinflationary economies, duly considering the relevant Shari'a principles and rules and their unique business models.

The adoption of these standards did not have any material impact on the Group's interim condensed consolidated financial statements.

#### **New standards, amendments and interpretations issued but not yet effective**

The Group has not yet applied the following new and revised FASs that have been issued but are not yet effective. These standards are currently in process of being assessed by the management of the Group to consider any implication in the current or future reporting periods and on foreseeable future transactions.

##### *FAS 50 – Financial Reporting for Islamic Investment Institutions (Including Investment Funds)*

AAOIFI has issued FAS 50 on 24 December 2024. This standard supersedes the earlier FAS 14 "Investment Funds." This standard sets out the principles of financial reporting for Islamic Investment Institutions ("IIIs") particularly prescribing overall requirements for the presentation, minimum contents and recommended structure of their financial statements in a manner that facilitates truthful and fair presentation in line with Shari'a principles and rules. This standard shall be effective on the annual financial statements of an IIIs beginning on or after 1 January 2027.

##### *FAS 51 – Participatory Ventures*

AAOIFI has issued FAS 51 "Participatory Ventures", which prescribes the accounting and financial reporting principles for the recognition, measurement, presentation and disclosure of participatory ventures, including arrangements based on Mudaraba and Musharaka. The standard replaces FAS 3 "Mudaraba Financing" and FAS 4 "Musharaka Financing" and expands the scope to address accounting in the books of the working partner(s) as well as the financial reporting of the participatory venture itself, including ventures with gradual transfer of ownership such as running and diminishing Musharaka, variable equity ventures and restricted Mudaraba. FAS 51 is effective for annual financial statements beginning on or after 1 January 2027.

##### *FAS 52 – Deferred Delivery Sales (Salam and Istisna)*

AAOIFI has issued FAS 52 "Deferred Delivery Sales – Salam and Istisna", which establishes the accounting and financial reporting requirements for Salam and Istisna contracts, including guidance on recognition, measurement, presentation and disclosure for both sellers and buyers. The standard aims to enhance consistency and transparency in reporting deferred delivery sale transactions in accordance with Shari'ah principles, addressing key aspects such as contract assets and liabilities, profit recognition, and treatment of parallel Salam and Istisna arrangements. FAS 52 is effective for annual financial statements beginning on or after 1 January 2027.

**4 FINANCIAL RISK MANAGEMENT**

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2025.

**(a) Expected credit loss / Impairment allowances**

	Stage 1 QAR'000	Stage 2 QAR'000	Non - performing QAR'000	Total QAR'000
<b>Exposure (carrying value) subject to ECL as at 31 March 2026 (Reviewed)</b>				
- Financing assets	82,490,028	8,486,363	3,967,788	94,944,179
- Due from banks	2,881,808	-	-	2,881,808
- Debt type investments carried at amortised cost	3,241,650	-	-	3,241,650
- Other exposures subject to credit risk	41,570,422	2,601,240	151,078	44,322,740
	<b>130,183,908</b>	<b>11,087,603</b>	<b>4,118,866</b>	<b>145,390,377</b>
<b>Opening balance of allowance for impairment as at 1 January 2026 (Audited)</b>				
- Financing assets	131,982	792,772	3,001,065	3,925,819
- Due from banks	172	-	-	172
- Debt type investments carried at amortised cost	5,117	-	-	5,117
- Other exposures subject to credit risk	141,933	48,082	136,328	326,343
	<b>279,204</b>	<b>840,854</b>	<b>3,137,393</b>	<b>4,257,451</b>
<b>Net transfer between stages</b>				
- Financing assets	(1,934)	(1,967)	3,901	-
- Due from banks	-	-	-	-
- Debt type investments carried at amortised cost	-	-	-	-
- Other exposures subject to credit risk	(37)	37	-	-
	<b>(1,971)</b>	<b>(1,930)</b>	<b>3,901</b>	<b>-</b>
<b>Charge for the period (net)</b>				
- Financing assets	36,518	15,215	8,366	60,099
- Financing assets – recovery	-	-	(16,817)	(16,817)
- Due from banks	217	-	-	217
- Debt type investments carried at amortised cost	(1,200)	-	-	(1,200)
- Other exposures subject to credit risk	(2,843)	(3,473)	-	(6,316)
	<b>32,692</b>	<b>11,742</b>	<b>(8,451)</b>	<b>35,983</b>
- Financing assets – write-off	-	-	(973)	(973)
- Financing assets – profit in suspense net movement	-	-	8,514	8,514
	<b>32,692</b>	<b>11,742</b>	<b>(910)</b>	<b>43,524</b>
<b>Closing balance of allowance for impairment as at 31 March 2026 (Reviewed)</b>				
- Financing assets	166,566	806,020	3,004,056	3,976,642
- Due from banks	389	-	-	389
- Debt type investments carried at amortised cost	3,917	-	-	3,917
- Other exposures subject to credit risk	139,053	44,646	136,328	320,027
	<b>309,925</b>	<b>850,666</b>	<b>3,140,384</b>	<b>4,300,975</b>

4 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Expected credit loss / Impairment allowances (continued)

	Stage 1 QAR'000	Stage 2 QAR'000	Non - performing QAR'000	Total QAR'000
Exposure (carrying value) subject to ECL as at 31 March 2025 (Reviewed)				
- Financing assets	77,388,692	8,722,390	4,104,811	90,215,893
- Due from banks	4,667,252	-	-	4,667,252
- Debt type investments carried at amortised cost	3,614,105	-	-	3,614,105
- Other exposures subject to credit risk	33,903,930	2,094,673	171,016	36,169,619
	119,573,979	10,817,063	4,275,827	134,666,869
Opening balance of allowance for impairment as at 1 January 2025 (Audited)				
- Financing assets	118,516	456,725	3,008,694	3,583,935
- Due from banks	112	-	-	112
- Debt type investments carried at amortised cost	7,515	-	-	7,515
- Other exposures subject to credit risk	138,121	48,446	165,670	352,237
	264,264	505,171	3,174,364	3,943,799
Net transfer between stages				
- Financing assets	(3,935)	(1,163)	5,098	-
- Due from banks	-	-	-	-
- Debt type investments carried at amortised cost	-	-	-	-
- Other exposures subject to credit risk	(1,287)	1,287	-	-
	(5,222)	124	5,098	-
Charge for the period (net)				
- Financing assets	(15,656)	10,977	62,209	57,530
- Financing assets – recovery	-	-	(17,705)	(17,705)
- Due from banks	219	-	-	219
- Debt type investments carried at amortised cost	218	-	-	218
- Other exposures subject to credit risk	(882)	(4,162)	-	(5,044)
	(16,101)	6,815	44,504	35,218
- Financing assets – write-off	-	-	(9,079)	(9,079)
- Financing assets – profit in suspense net movement	-	-	9,526	9,526
	(16,101)	6,815	44,951	35,665
Closing balance of allowance for impairment as at 31 March 2025 (Reviewed)				
- Financing assets	98,925	466,539	3,058,743	3,624,207
- Due from banks	331	-	-	331
- Debt type investments carried at amortised cost	7,733	-	-	7,733
- Other exposures subject to credit risk	135,952	45,571	165,670	347,193
	242,941	512,110	3,224,413	3,979,464

**4 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(b) Credit quality assessment**

Pursuant to the adoption of the ECL regulations, the Group has mapped its internal credit rating scale to Moody's rating scale, the table below provides an analysis of counterparties by rating grades and credit quality of the Group's credit risk, based on Moody's ratings (or their equivalent) as at 31 March 2026:

**31 March 2026**

<b>Rating grade</b>	<b>Financing assets QAR'000</b>	<b>Due from Banks QAR'000</b>	<b>Debt type investments carried at amortised cost QAR'000</b>	<b>Other exposures subject to credit risk QAR'000</b>
Aaa to Aa3	34,246,913	33,280	-	3,162,540
A1 to A3	11,492,572	1,819,163	2,125,817	9,554,703
Baa1 to Baa3	28,163,859	1,029,365	339,261	19,214,033
Ba1 to B3	9,590,018	-	776,572	12,215,783
Below B3	3,967,788	-	-	151,078
Unrated	7,483,029	-	-	24,603
<b>Total (Reviewed)</b>	<b>94,944,179</b>	<b>2,881,808</b>	<b>3,241,650</b>	<b>44,322,740</b>

**31 December 2025**

<b>Rating grade</b>	<b>Financing assets QAR'000</b>	<b>Due from Banks QAR'000</b>	<b>Debt type investments carried at amortised cost QAR'000</b>	<b>Other exposures subject to credit risk QAR'000</b>
Aaa to Aa3	34,539,047	13,437	52,476	3,394,081
A1 to A3	11,163,746	190,845	2,089,170	7,990,208
Baa1 to Baa3	27,164,021	889,659	367,588	19,833,130
Ba1 to B3	9,745,977	86	485,783	13,225,036
Below B3	3,965,064	-	56,973	153,309
Unrated	7,360,847	-	-	23,249
<b>Total (Audited)</b>	<b>93,938,702</b>	<b>1,094,027</b>	<b>3,051,990</b>	<b>44,619,013</b>

In light of the ongoing geopolitical developments and the resulting increase in uncertainty within the economic environment in which the Group operates, management has conducted a comprehensive assessment of the potential impact of these developments on its operations and financial position, including an evaluation of the associated credit risks. This assessment included a review of financing assets, investments, and off-balance sheet exposures.

As part of this process, management analyzed the sectors, counterparties, and exposures that may be more sensitive to these developments. The outcomes of this analysis have been reflected, where appropriate, in the measurement of expected credit loss allowances. Based on the information available as of the reporting date, and given the evolving nature of these conditions, the ultimate impact remains uncertain.

The Group will continue to monitor developments and reassess the situation in future reporting periods as necessary.

**5. OPERATING SEGMENTS**

The Group has four reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately based on the Group's management and internal reporting structure. For each of the strategic divisions, the Group Management Committee reviews internal management reports on at least a monthly basis. The following summary describes the operations in each of the Group's reportable segments.

Wholesale Banking	Includes financing, deposits and other transactions and balances with wholesale customers.
Retail and private Banking	Includes financing, deposits and other transactions and balances with retail and private customers including part asset management activities for private customers.
Treasury investment group	Undertakes the Bank's funding and centralised risk management activities through borrowings, use of risk management instruments for risk management purposes and investing in liquid assets such as short-term placements and corporate and government debt securities. Further it also manages Bank's trading of investments and corporate finance activities.
Subsidiaries	Includes subsidiaries of the Bank.

**DUKHAN BANK Q.P.S.C.**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**As at and for the three month period ended 31 March 2026**

**5. OPERATING SEGMENTS (CONTINUED)**

Information regarding the operating result and assets of each reportable segment is included below. Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Group Management Committee. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

**Information about operating segments**

	<i>Wholesale banking QAR'000</i>	<i>Retail and private banking QAR'000</i>	<i>Treasury investment Group QAR'000</i>	<i>Subsidiaries QAR'000</i>	<i>Unallocated QAR'000</i>	<i>Total QAR'000</i>
<b>31 March 2026 (Reviewed)</b>						
Finance and Investment income	478,777	588,992	273,712	37,393	-	1,378,874
Net fee and commission income	48,843	8,272	6,365	6,134	-	69,614
Net profit - before impairment	<u>107,373</u>	<u>136,826</u>	<u>211,595</u>	<u>27,995</u>	<u>(18,279)</u>	<u>465,510</u>
Reportable segment assets	<u>44,374,449</u>	<u>46,423,272</u>	<u>32,225,023</u>	<u>2,026,771</u>	<u>1,436,604</u>	<u>126,486,119</u>
<b>31 March 2025 (Reviewed)</b>						
Finance and Investment income	595,542	591,707	257,511	41,293	-	1,486,053
Net fee and commission income	75,506	3,195	9,767	5,804	-	94,272
Net profit - before impairment	<u>173,449</u>	<u>105,273</u>	<u>179,942</u>	<u>33,247</u>	<u>(19,617)</u>	<u>472,294</u>
Reportable segment assets	<u>41,528,869</u>	<u>44,227,985</u>	<u>27,939,387</u>	<u>1,979,409</u>	<u>2,040,471</u>	<u>117,716,121</u>

**DUKHAN BANK Q.P.S.C.**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**As at and for the three month period ended 31 March 2026**

**6. FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS**

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

<b>31 March 2026 (Reviewed)</b>	<b>Fair value through income statement QAR'000</b>	<b>Fair value through other comprehensive income QAR'000</b>	<b>Amortised cost QAR'000</b>	<b>Total carrying amount QAR'000</b>	<b>Fair value QAR'000</b>
Cash and balances with Qatar Central Bank	-	-	4,153,413	4,153,413	4,153,413
Due from banks	-	-	2,881,419	2,881,419	2,881,419
Financing assets	-	-	90,967,537	90,967,537	90,967,537
Investment securities:					
- Carried at fair value	341,725	580,373	-	922,098	922,098
- Carried at amortised cost	-	-	25,013,061	25,013,061	25,167,425
	<u>341,725</u>	<u>580,373</u>	<u>123,015,430</u>	<u>123,937,528</u>	<u>124,091,892</u>
Due to banks	-	-	8,207,369	8,207,369	8,207,369
Sukuk financing	-	-	2,969,069	2,969,069	2,937,636
Customer current accounts	-	-	18,726,909	18,726,909	18,726,909
	<u>-</u>	<u>-</u>	<u>29,903,347</u>	<u>29,903,347</u>	<u>29,871,914</u>
Participatory investment accounts	-	-	72,167,364	72,167,364	72,167,364
	<u>-</u>	<u>-</u>	<u>102,070,711</u>	<u>102,070,711</u>	<u>102,039,278</u>

\* Carrying value of other assets and other liabilities approximate their fair value as at reporting date.

**DUKHAN BANK Q.P.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****As at and for the three month period ended 31 March 2026****6. FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)**

The table below sets out the carrying amounts and fair values of the Group's financial assets and financial liabilities:

<i>31 December 2025 (Audited)</i>	<i>Fair value through income statement QAR'000</i>	<i>Fair value through other comprehensive income QAR'000</i>	<i>Amortised cost QAR'000</i>	<i>Total carrying amount QAR'000</i>	<i>Fair value QAR'000</i>
Cash and balances with Qatar Central Bank	-	-	5,124,363	5,124,363	5,124,363
Due from banks	-	-	1,093,855	1,093,855	1,093,855
Financing assets	-	-	90,012,883	90,012,883	90,012,883
Investment securities:					
- Carried at fair value	390,910	583,263	-	974,173	974,173
- Carried at amortised cost	-	-	24,042,577	24,042,577	24,036,481
	<u>390,910</u>	<u>583,263</u>	<u>120,273,678</u>	<u>121,247,851</u>	<u>121,241,755</u>
Due to banks	-	-	11,221,546	11,221,546	11,221,546
Sukuk financing	-	-	2,935,316	2,935,316	2,954,543
Customer current accounts	-	-	18,688,040	18,688,040	18,688,040
	<u>-</u>	<u>-</u>	<u>32,844,902</u>	<u>32,844,902</u>	<u>32,864,129</u>
Participatory investment accounts	-	-	69,104,682	69,104,682	69,104,682
	<u>-</u>	<u>-</u>	<u>101,949,584</u>	<u>101,949,584</u>	<u>101,968,811</u>

\* Carrying value of other assets and other liabilities approximate their fair value as at reporting date.

**6. FAIR VALUE AND CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)**

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:

	<i>Level 1</i> <i>QAR'000</i>	<i>Level 2</i> <i>QAR'000</i>	<i>Level 3</i> <i>QAR'000</i>	<i>Total</i> <i>QAR'000</i>
<b>31 March 2026 (Reviewed)</b>				
Risk management instruments assets	-	<b>42,539</b>	-	<b>42,539</b>
Investment securities carried at fair value	<b>658,299</b>	<b>10,476</b>	<b>253,323</b>	<b>922,098</b>
	<b>658,299</b>	<b>53,015</b>	<b>253,323</b>	<b>964,637</b>
Risk management instruments liabilities	-	<b>419,502</b>	-	<b>419,502</b>
	-	<b>419,502</b>	-	<b>419,502</b>
<b>31 December 2025 (Audited)</b>				
Risk management instruments assets	-	129,798	-	129,798
Investment securities carried at fair value	689,125	22,370	262,678	974,173
	689,125	152,168	262,678	1,103,971
Risk management instruments liabilities	-	79,689	-	79,689
	-	79,689	-	79,689

The Group's accounting policies provide scope for assets and liabilities to be designated at inception into different accounting categories in certain circumstances:

- in classifying financial assets or liabilities as trading, the Group has determined that it meets the definition of trading assets and liabilities set out in accounting policies.
- in designating financial assets or liabilities at fair value through Statement of Income, the Group has determined that it has met one of the criteria for this designation set out in accounting policies.

During the period ended 31 March 2026 and year ended 31 December 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The valuation technique in measuring the fair value financial instruments categorized as level 3 were in line with 31 December 2025.

**7. CASH AND BALANCES WITH QATAR CENTRAL BANK**

	<b>31 March</b> <b>2026</b> <b>(Reviewed)</b> <b>QAR'000</b>	<b>31 December</b> <b>2025</b> <b>(Audited)</b> <b>QAR'000</b>
Cash on hand	<b>447,815</b>	420,529
Cash reserve with QCB*	<b>2,752,546</b>	3,429,719
Other balances with QCB	<b>953,052</b>	1,274,115
	<b>4,153,413</b>	5,124,363

\* The cash reserve with QCB is not available for use in the Group's day to day operations.

**DUKHAN BANK Q.P.S.C.**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**As at and for the three month period ended 31 March 2026**

**8. DUE FROM BANKS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Current accounts	230,000	252,958
Wakala placements with banks	1,601,805	28,948
Mudaraba placements	127,460	130,205
Commodity Murabaha receivable	919,079	679,000
Accrued profit	3,464	2,916
Allowance for impairment*	(389)	(172)
	<b><u>2,881,419</u></b>	<b><u>1,093,855</u></b>

\* For stage wise exposure and allowance for impairment refer note 4(a).

**9. FINANCING ASSETS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Murabaha	81,778,527	82,016,215
Ijarah Muntahia Bittamleek	3,903,007	3,836,845
Istisna	666,502	666,502
Musawama	1,305,617	1,332,150
Acceptances	6,593,044	4,788,984
Cards	177,777	188,783
Others	1,373,137	1,395,186
Accrued profit	714,916	701,983
Total financing assets	<b><u>96,512,527</u></b>	<b><u>94,926,648</u></b>
Less: Deferred profit	1,568,348	987,946
Allowance for impairment on financing assets	<b><u>3,740,223</u></b>	<b><u>3,697,914</u></b>
Suspended profit on non performing financing assets	<b><u>236,419</u></b>	<b><u>227,905</u></b>
Allowance for impairment*	<b><u>3,976,642</u></b>	<b><u>3,925,819</u></b>
Net financing assets	<b><u>90,967,537</u></b>	<b><u>90,012,883</u></b>

\* For stage wise exposure, allowance for impairment and profit in suspense, refer to note 4(a). The total non-performing financing assets at 31 March 2026 amounted to QAR 3,967.8 million, representing 4.2% of the gross financing assets net of deferred profit (31 December 2025: QAR 3,965.1 million, representing 4.2% of the gross financing assets).

Others include QAR 1,373.1 million (31 December 2025: QAR 1,395.2 million) of net loans acquired on business combination, which are in process of conversion to sharia compliant equivalent products or kept on a run-off basis. These are carried at amortised cost and its corresponding income is recognised on a time-apportioned basis over the period of the loan term using effective profit rate till conversion is completed.

**DUKHAN BANK Q.P.S.C.**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**As at and for the three month period ended 31 March 2026**

**10. INVESTMENT SECURITIES**

	31 March 2026 (Reviewed)			31 December 2025 (Audited)		
	Quoted QAR'000	Unquoted QAR'000	Total QAR'000	Quoted QAR'000	Unquoted QAR'000	Total QAR'000
<i>Investments classified at fair value through statement of income</i>						
Investments classified as held for trading:						
- Equity-type investments	43,732	7,197	50,929	43,246	9,246	52,492
- Debt-type investments	287,517	3,279	290,796	325,294	13,124	338,418
	<u>331,249</u>	<u>10,476</u>	<u>341,725</u>	<u>368,540</u>	<u>22,370</u>	<u>390,910</u>
<i>Debt-type investments classified at amortised cost</i>						
- Fixed rate*	6,607,488	18,206,989	24,814,477	5,975,494	17,865,415	23,840,909
- Allowance for impairment**	(3,917)	-	(3,917)	(5,117)	-	(5,117)
	<u>6,603,571</u>	<u>18,206,989</u>	<u>24,810,560</u>	<u>5,970,377</u>	<u>17,865,415</u>	<u>23,835,792</u>
<i>Equity-type investments classified at fair value through other comprehensive income</i>						
	327,050	253,323	580,373	320,585	262,678	583,263
	<u>7,261,870</u>	<u>18,470,788</u>	<u>25,732,658</u>	<u>6,659,502</u>	<u>18,150,463</u>	<u>24,809,965</u>
Accrued profit income			202,501			206,785
			<u>25,935,159</u>			<u>25,016,750</u>

\* Investments in unquoted debt-type instruments classified at amortised cost at fixed rate represent investments in the Sovereign securities. It includes acquired Sovereign bonds portfolio of QAR 1,398.1 million (31 December 2025: QAR 1,397.4 million) on business combination.

\*\* For stage wise exposure and allowance for impairment, refer to note 4(a).

The carrying amount of the debt-type instruments pledged under repurchase agreements amounted to QAR 6,359.9 million (31 December 2025: QAR 3,470.7 million).

**DUKHAN BANK Q.P.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****As at and for the three month period ended 31 March 2026****10. INVESTMENT SECURITIES (CONTINUED)**

The cumulative change in the fair value reserve of investments is as follows:

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Balance at 1 January	39,775	(37,705)
Net change in fair value	<b>(11,035)</b>	74,588
Transferred to retained earnings on disposal of equity-type instruments classified at FVOCI	-	5,872
	<b>(11,035)</b>	80,460
Appropriated to participatory investment accounts	-	(2,980)
<b>Balance at period/ year end</b>	<b>28,740</b>	<b>39,775</b>

**11. INVESTMENT IN ASSOCIATE**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Balance at 1 January	14,533	10,444
Share of results	3	4,089
<b>Balance at period/ year end</b>	<b>14,536</b>	<b>14,533</b>

**12. DUE TO BANKS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Commodity Murabaha payable*	6,066,749	3,623,184
Wakala payable	2,128,857	7,584,768
Profit payable	11,763	13,594
<b>Balance at period/ year end</b>	<b>8,207,369</b>	<b>11,221,546</b>

\* Part of this amount is related to repurchase agreements totaling QAR 6,066.7 million (as of 31 December 2025: QAR 3,281.8 million)

**13. PARTICIPATORY INVESTMENT ACCOUNTS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Participatory investment accounts before share of profit (a)	71,492,875	67,959,566
Distributable profits for the period / year (b)*	<b>608,367</b>	2,590,413
Profit payable, including profits from the previous year after deducting the distributed profits during the period/year	<b>60,914</b>	(1,450,505)
Profit payable to participatory investment accounts	669,281	1,139,908
Share in fair value reserve	5,208	5,208
<b>Total participatory investment accounts</b>	<b>72,167,364</b>	<b>69,104,682</b>

**DUKHAN BANK Q.P.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****As at and for the three month period ended 31 March 2026****13. PARTICIPATORY INVESTMENT ACCOUNTS (CONTINUED)**(a) *Participatory investment accounts balance before share of profit, by type:*

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Saving accounts	6,887,629	6,459,749
Call accounts	3,868,067	1,970,034
Term accounts	60,737,179	59,529,783
<b>Total</b>	<b>71,492,875</b>	<b>67,959,566</b>

(b) *Return to participatory investment accounts for the period:*

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 March 2025 (Reviewed) QAR'000</b>
Saving accounts	24,616	22,742
Call accounts	17,634	9,646
Term accounts - 1 month	46,046	49,180
Term accounts - 3 month	123,533	138,864
Term accounts - 6 month	76,308	97,139
Term accounts - 9 month	1,113	4,530
Term accounts - 1 year and above	319,117	363,180
<b>Total*</b>	<b>608,367</b>	<b>685,281</b>

**14. EQUITY**(a) **Share capital**

	<b>Ordinary shares</b>	
	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
<b>Issued</b>	<b>5,234,100</b>	<b>5,234,100</b>

The authorised number of share capital of the Bank is 5,234,100 thousand (31 December 2025: 5,234,100 thousand) ordinary shares, having a par value of QAR 1 per share (31 December 2025: QAR 1 per share). Entire authorised capital 5,234,100 thousand ordinary shares are issued and fully paid (31 December 2025: 5,234,100 thousand).

#### **14. EQUITY (CONTINUED)**

##### **(b) Legal reserve**

In accordance with QCB Law No.13 of 2012 and the Memorandum and Articles of Association of the Bank, 10% of net profit attributable to the owners of the Bank for the year is required to be transferred to the reserve until the legal reserve equals 100% of the paid up share capital. This reserve is not available for distribution except in circumstances specified in Qatar Commercial Companies Law and after QCB approval. The legal reserve includes the share premium received on issuance of new shares in accordance with Qatar Commercial Companies Law. As at 31 December 2025, legal reserve balance was QAR 5,034.3 million. No further transfer has been made for the three-month period ended 31 March 2026 as the Bank transfers required amount for the current year at year-end.

##### **(c) Risk reserve**

In accordance with Qatar Central Bank regulations, a risk reserve should be created to cover contingencies on both the public and private sector financing assets, with a minimum requirement of 2.5% of the total private sector exposure granted by the Group inside and outside Qatar after the exclusion of the specific provisions and profit in suspense. The finance provided to/or secured by the Ministry of Finance – State of Qatar and finance against cash guarantees are excluded from the gross direct finance. As at 31 December 2025, risk reserve balance was QAR 1,750.7 million which complies with the minimum requirement as stipulated by the Qatar Central Bank regulations. No further transfer has been made for the three-month period ended 31 March 2026 as the Bank transfers required amount for the current year at year-end.

##### **(d) Other reserves**

In accordance with Qatar Central Bank regulations, income recognised from the share of profit from associates is not available for distribution, except to the extent of dividend received from the associates, and should be transferred to a separate reserve account in equity. Further the Group can set aside any amount on recommendation of Board of Directors as a contingency reserve from retained earnings to protect the Group from any future losses that may arise from any unforeseen events. As at 31 December 2025, other reserve total balance was QAR 79.8 million. No further transfer has been made for the three-month period ended 31 March 2026 as the Bank transfers required amount for the current year at year-end.

##### **(e) Treasury shares**

Treasury shares represent ordinary shares of Dukhan Bank with nominal value of QAR 1 each. Treasury shares are presented as a deduction from equity.

##### **(f) Dividend**

The Board of Directors, at its meeting held on 13 January 2026, proposed an additional cash dividend of 8% of the paid-up share capital, amounting to QAR 417.6 million (QAR 0.08 per share), and this was approved for distribution at the Annual General Meeting of the shareholders of the Group held on 12 April 2026. This brings the total cash dividend for the year ended 31 December 2025 to 16% of the paid-up share capital, amounting to QAR 835.2 million (QAR 0.16 per share).

During the year 2025, the Board of Directors approved and paid an interim cash dividend for the six-month period ended 30 June 2025 of QAR 0.08 per share, amounting to QAR 417.6 million.

During the three month period ended 31 March 2025, the Bank declared and paid a cash dividend of 8% of the paid-up share capital, amounting to QAR 417.0 million (QAR 0.08 per share) which brought the total paid dividend for the year ended 31 December 2024 amounting to QAR 833.9 million – QAR 0.16 per share.

**DUKHAN BANK Q.P.S.C.**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**As at and for the three month period ended 31 March 2026**

**15. CONTINGENT LIABILITIES AND COMMITMENTS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
<b>a) Contingent liabilities</b>		
Unused credit facilities	19,542,661	20,630,186
Guarantees	23,524,827	22,648,283
Letters of credit	1,255,252	1,340,544
	<u>44,322,740</u>	<u>44,619,013</u>
<b>b) Commitments</b>		
Profit rate swaps	2,148,989	2,201,439
Options	16,718	331
Other risk management instruments – Wa'ad	34,720,634	36,519,977
	<u>36,886,341</u>	<u>38,721,747</u>

**Unused credit facilities**

Commitments to extend credit represent contractual commitments to make financings and revolving credits. Since commitments may expire without being drawn upon, the total contractual amounts do not necessarily represent future cash requirements.

**Guarantees and Letters of credit**

Guarantees and letters of credit commit the Group to make payments on behalf of customers in the event of a specific event. Guarantees and standby letters of credit carry the same credit risk as financings.

**Lease commitments**

The Group leases a number of branches and office premises under operating leases. Non-cancellable operating lease rentals are payable as follows:

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Within one year	3,808	4,438
After one year but not more than five years	-	681

**16. INTANGIBLE ASSETS**

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
<b>Goodwill and Intangibles</b>		
Goodwill	443,060	443,060
Customer relationships	183,594	198,282
Core deposits	32,042	36,971
<b>Total</b>	<u>658,696</u>	<u>678,313</u>

*Impairment testing of goodwill*

For the purpose of impairment testing, goodwill relates to the Group's subsidiaries and the acquisition of IBQ. The impairment testing of goodwill is carried out at each year-end. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized.

**DUKHAN BANK Q.P.S.C.****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****As at and for the three month period ended 31 March 2026****17. BASIC AND DILUTED EARNINGS PER SHARE**

Basic and diluted earnings per share are calculated by dividing the net 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.

	<i>For the three month period ended</i>	
	<b>31 March 2026</b> <i>(Reviewed)</i> QAR'000	<b>31 March 2025</b> <i>(Reviewed)</i> QAR'000
Net profit for the period attributable to the owners of the Group	<b>429,527</b>	437,076
Less: Profit attributable to sukuk eligible as additional capital	<b>(35,959)</b>	(35,959)
Net profit for earnings per share computation	<b>393,568</b>	401,117
Weighted average number of outstanding shares	<b>5,219,810</b>	5,216,782
<b>Basic and diluted earning per share (QAR)</b>	<b>0.075</b>	0.077
Weighted average number of shares	<b>5,234,100</b>	5,234,100
Less: Weighted average number of Treasury shares	<b>(14,290)</b>	(17,318)
<b>Weighted average number of shares</b>	<b>5,219,810</b>	5,216,782

- (i) There were no potentially dilutive shares outstanding at any time during the period. Therefore, the diluted earnings per share is equal to the basic earnings per share.

**18. RELATED PARTIES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties include the significant owners and entities over which the Group and the owners exercise significant influence, directors and executive management of the Group. That transactions with subsidiaries have been eliminated.

The related party transactions and balances included in these interim condensed consolidated financial statements are as follows:

	<b>31 March 2026 (Reviewed)</b>		
	<b>Subsidiaries</b> QAR'000	<b>Board of directors</b> QAR'000	<b>Others</b> QAR'000
<b>Assets:</b>			
Customer financing	<b>12,670</b>	<b>8,912,154</b>	-
<b>Liabilities:</b>			
Customer current and Participatory investment accounts	<b>481,314</b>	<b>670,565</b>	<b>4,632,329</b>
<b>Off-balance sheet items:</b>			
Contingent liabilities and commitments	<b>10,316</b>	<b>407,038</b>	-

**18. RELATED PARTIES (CONTINUED)**

	<i>31 December 2025 (Audited)</i>		
	<i>Subsidiaries QAR'000</i>	<i>Board of directors QAR'000</i>	<i>Others QAR'000</i>
Assets:			
Customer financing	12,516	8,844,945	-
Liabilities:			
Customer current and Participatory investment accounts	455,766	899,045	4,432,230
Off-balance sheet items:			
Contingent liabilities and commitments	11,367	380,405	-

**Transactions with key management personnel**

Key management personnel and their immediate relatives have transacted with the Group as follows:

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Financing to key management personnel	<u>27,811</u>	<u>28,429</u>
<i>Compensation of key management personnel</i>		
Short-term employee benefits	17,972	72,054
Post-employment benefits	2,173	8,731
	<u>20,145</u>	<u>80,785</u>

**19. CASH AND CASH EQUIVALENTS**

For the purpose of the interim consolidated statement of cash flows, cash and cash equivalents comprise the following balances with original maturities of less than three months:

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>	<b>31 March 2025 (Reviewed) QAR'000</b>
Cash and balances with Qatar Central Bank (excluding reserve account with Qatar Central Bank)	1,400,867	1,694,644	433,329
Due from banks	2,202,621	414,855	4,639,290
Total	<u>3,603,488</u>	<u>2,109,499</u>	<u>5,072,619</u>

**20. SUKUK ELIGIBLE AS ADDITIONAL CAPITAL**

In 2021, the Group issued a perpetual, unsecured, subordinated sukuk eligible as additional tier 1 capital amounting to USD 500 million listed in London Stock Exchange. The sukuk is unsecured and the profit distributions are non-cumulative, payable semi-annually at an agreed expected profit rate of 3.95% and are made at the discretion of Dukhan Bank. Sukuk is redeemable solely at the discretion of the Bank. The Group has the right not to pay profit and the sukuk holders have no right to claim profit on the sukuk. The applicable profit rate has a reset date as per the terms of the agreement of the issued sukuks. The sukuk does not have a maturity date and have been classified as equity.

**21. CAPITAL ADEQUACY RATIO**

As per Qatar Central Bank regulations, the Group has calculated the capital ratios in accordance with Basel III guidelines. The Group's minimum QCB regulatory limit, including the Capital Conservation Buffer, ICAAP pillar II capital charge and the applicable Domestically Systemically Important Bank ("DSIB") Buffer is 14.63% for 31 March 2026.

The Group complied with the externally imposed capital requirements to which they are subject to. The table below summarises the composition of prevailing regulatory capital and the ratios of the Group:

	<b>31 March 2026 (Reviewed) QAR'000</b>	<b>31 December 2025 (Audited) QAR'000</b>
Common Equity Tier 1 (CET) Capital	<b>12,688,970</b>	12,284,165
Additional tier 1 capital	<b>1,820,750</b>	1,820,750
Tier 1 Capital	<b>14,509,720</b>	14,104,915
Tier 2 Capital	<b>918,084</b>	935,530
<b>Total Eligible Capital</b>	<b>15,427,804</b>	15,040,445
Risk weighted assets for credit risk	<b>73,204,188</b>	74,657,869
Risk weighted assets for market risk	<b>3,095,973</b>	3,353,516
Risk weighted assets for operational risk	<b>4,518,674</b>	4,518,674
<b>Risk Weighted Assets</b>	<b>80,818,835</b>	82,530,059
<b>Common Equity Tier 1 (CET 1) Capital Adequacy Ratio</b>	<b>15.7%</b>	14.9%
<b>Tier 1 Capital Adequacy Ratio</b>	<b>18.0%</b>	17.1%
<b>Total Capital Adequacy Ratio</b>	<b>19.1%</b>	18.2%

	<i>CET 1 ratio without capital conservation buffer</i>	<i>CET 1 ratio including capital conservation buffer</i>	<i>Tier 1 capital ratio including capital conservation buffer</i>	<i>Tier 1 and 2 capital ratio including capital conservation buffer</i>	<i>Total capital including capital conservation buffer and DSIB<sup>1</sup> buffer</i>	<i>Total capital including conservation buffer, DSIB<sup>1</sup> buffer and ICAAP Pillar II capital charge</i>
<b>31 March 2026</b>						
<b>Actual</b>	<b>15.7%</b>	<b>15.7%</b>	<b>18.0%</b>	<b>19.1%</b>	<b>19.1%</b>	<b>19.1%</b>
<b>Minimum QCB limit</b>	<b>6.0%</b>	<b>8.5%</b>	<b>10.5%</b>	<b>12.5%</b>	<b>13.0%</b>	<b>14.6%</b>
<b>31 December 2025</b>						
<b>Actual</b>	14.9%	14.9%	17.1%	18.2%	18.2%	18.2%
<b>Minimum QCB limit</b>	6.0%	8.5%	10.5%	12.5%	13.0%	14.6%

The above ratios are calculated based on Total Eligible Capital, net of proposed interim dividends.

## **22. OFF-BALANCE SHEET ASSETS UNDER MANAGEMENT**

Off-balance sheet assets under management represent the funds belonging to the Group's customers, for which it has assumed investment management responsibilities in accordance with the terms and conditions of the investment agreement entered into with the customers. Such funds are invested on behalf of the customers by the Group, acting as an agent or a trustee, and accordingly such funds and the attributable investment gains or losses are not included in these interim condensed consolidated financial statements and are directly paid to the customers after deduction of the Group's stated share of profit or fee. As at 31 March 2026, such assets totaled to QAR 5.7 billion (31 December 2025: QAR 5.4 billion). All assets were held in fiduciary capacity.

## **23. GLOBAL MINIMUM TAX**

The State of Qatar has enacted legislation related to the Global and Domestic Minimum Tax framework, which is applicable to financial years beginning on 1 January 2025. Management has performed an assessment of the impact of these rules on the Group.

Based on the assessment performed for the year 2026, it was concluded that the parent company and its subsidiaries that are tax residents in the State of Qatar are not subject to the Pillar Two requirements. Accordingly, there is no impact on the Group's condensed consolidated interim financial statements.