

**LESHA BANK LLC (Public)**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS**

**30 June 2025**

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

### To the Board of Directors of Lesha Bank L.L.C. (Public)

#### Introduction

We have reviewed the accompanying 30 June 2025 interim condensed consolidated financial statements of Lesha Bank L.L.C. (Public) (the "Bank") and its subsidiaries (together the "Group"), which comprise:

- the interim consolidated statement of financial position as at 30 June 2025;
- the interim consolidated statement of income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of comprehensive income for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of income and attribution related to quasi-equity for the three-month and six-month periods ended 30 June 2025;
- the interim consolidated statement of changes in equity for the six-month period ended 30 June 2025;
- the interim consolidated statement of cash flows for the six-month period ended 30 June 2025
- the interim consolidated statement of changes in off-balance sheet assets under management for the six-month period ended 30 June 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 FAS 41, 'Interim Financial Reporting' as modified by Qatar Financial Centre Regulatory Authority ("QFCRA"). 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 30 June 2025 interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with FAS 41, 'Interim Financial Reporting' as modified by Qatar Financial Centre Regulatory Authority ("QFCRA").

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

## Lesha Bank L.L.C. (Public) (continued)

### Other Matter

The consolidated financial statements of the Bank as at and for the year ended 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 26 January 2025. The interim condensed consolidated financial statements of the Bank as at and for the six-month period ended 30 June 2024 were reviewed by the same auditor who expressed unmodified conclusion on those interim consolidated condensed financial statements on 23 July 2024.

23 July 2025  
Doha  
State of Qatar

A handwritten signature in blue ink, appearing to read 'Balasubramaniam'.

Gopal Balasubramaniam  
KPMG L.L.C.  
Qatar Auditor's Registry Number 251  
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	Notes	30 June 2025 (Reviewed)	31 December 2024 (Audited)
<b>ASSETS</b>			
Cash and bank balances	4	<b>3,009,760</b>	3,089,860
Financing assets	5	<b>149,961</b>	175,378
Investments securities	6	<b>3,454,453</b>	3,054,777
Investments in real estate		<b>256,097</b>	270,024
Fixed assets		<b>9,635</b>	11,747
Intangible assets		<b>16,485</b>	17,619
Assets held-for-sale	7	-	83,106
Other assets		<b>304,527</b>	119,882
<b>TOTAL ASSETS</b>		<b>7,200,918</b>	<b>6,822,393</b>
<b>LIABILITIES, QUASI-EQUITY AND EQUITY</b>			
<b>Liabilities</b>			
Financing liabilities		<b>2,556,623</b>	2,439,965
Customers' balances		<b>306,630</b>	186,904
Liabilities held-for-sale	7	<b>13,723</b>	13,723
Other liabilities		<b>149,770</b>	164,349
<b>Total Liabilities</b>		<b>3,026,746</b>	<b>2,804,941</b>
<b>QUASI-EQUITY</b>			
Participatory investment accounts		<b>2,807,896</b>	2,693,427
<b>Equity</b>			
Share capital	8	<b>1,120,000</b>	1,120,000
Share premium		<b>80,003</b>	80,003
Legal reserve		<b>22,256</b>	22,256
Investments fair value reserve		<b>(3,873)</b>	(22,769)
Retained earnings		<b>169,171</b>	142,735
<b>Total Equity Attributable to Shareholders of the Bank</b>		<b>1,387,557</b>	<b>1,342,225</b>
Non-controlling interest		<b>(21,281)</b>	(18,200)
<b>Total Equity</b>		<b>1,366,276</b>	<b>1,324,025</b>
<b>TOTAL LIABILITIES, QUASI-EQUITY AND EQUITY</b>		<b>7,200,918</b>	<b>6,822,393</b>
Off-balance sheet assets under management		<b>10,797,367</b>	8,604,433
Contingent liabilities and commitments	10	<b>45,256</b>	1,145

These interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on 23<sup>rd</sup> July 2025 and signed on its behalf by:

  
 Mohamed Yousef Al Mana  
 Vice Chairman

  
 Mohammed Ismail Al Emadi  
 Chief Executive officer

The attached notes 1 to 14 form an integral part of these interim condensed consolidated financial statements.

Notes	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<b>CONTINUING OPERATIONS</b>				
<b>INCOME</b>				
Income from financing assets	2,432	1,770	4,852	3,389
Income from placements with financial institutions	36,261	51,591	74,820	96,407
Profit on sukuk investments	32,162	27,033	62,685	52,615
Profit on financing liabilities	(30,805)	(32,314)	(61,404)	(60,302)
<b>Net income from financing and investing assets</b>	<b>40,050</b>	<b>48,080</b>	<b>80,953</b>	<b>92,109</b>
Fee income	26,050	17,696	53,316	32,622
Dividend income	7,209	10,782	13,686	15,745
Gain / (loss) on re-measurement of investments at fair value through income statement	9,108	(3,087)	1,241	(7,290)
Gain on disposal of sukuk investments	-	257	184	396
Gain on disposal of equity investments	11,479	1,950	22,611	10,732
(Loss) / gain on disposal of real estate investments	-	-	(7,291)	13,933
Net foreign exchange gain	3,487	1,102	8,455	1,957
Other income, net	7,078	11,840	25,197	16,172
<b>TOTAL INCOME</b>	<b>104,461</b>	<b>88,620</b>	<b>198,352</b>	<b>176,376</b>
<b>EXPENSES</b>				
Staff costs	(22,039)	(19,164)	(43,446)	(37,926)
Depreciation and amortisation	(1,936)	(1,563)	(3,870)	(3,169)
Other operating expenses	(12,673)	(11,773)	(23,946)	(21,660)
<b>TOTAL EXPENSES</b>	<b>(36,648)</b>	<b>(32,500)</b>	<b>(71,262)</b>	<b>(62,755)</b>
(Provision) / reversal for impairment on financing assets, net of recoveries	12	25	2,162	(501)
(Provision) / reversal for impairment on other financial assets	12	(2,065)	125	(2,717)
<b>PROFIT BEFORE TAX AND ATTRIBUTION TO QUASI-EQUITY</b>	<b>65,773</b>	<b>58,407</b>	<b>123,872</b>	<b>115,879</b>
Less: Net profit attributable to quasi-equity		(22,251)	(32,798)	(44,501)
<b>PROFIT BEFORE INCOME TAX</b>	<b>43,522</b>	<b>25,609</b>	<b>79,371</b>	<b>56,576</b>
Income tax expense	-	-	-	-
<b>NET PROFIT FROM CONTINUING OPERATIONS</b>	<b>43,522</b>	<b>25,609</b>	<b>79,371</b>	<b>56,576</b>
<b>DISCONTINUED OPERATIONS</b>				
Loss from discontinued operations, net of tax	-	356	-	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>43,522</b>	<b>25,965</b>	<b>79,371</b>	<b>56,576</b>
<b>Attributable to:</b>				
Equity holders of the Bank	41,978	25,361	82,436	54,131
Non-controlling interest	1,544	604	(3,065)	2,445
	<b>43,522</b>	<b>25,965</b>	<b>79,371</b>	<b>56,576</b>
Basic/diluted profit per share from continuing operations - QAR	0.038	0.022	0.074	0.048
Basic/diluted profit per share from discontinued operations - QAR	-	-	-	-
Basic/diluted profit per share - QAR	9	0.038	0.022	0.074
	<b>0.038</b>	<b>0.022</b>	<b>0.074</b>	<b>0.048</b>

The attached notes 1 to 14 form an integral part of these interim condensed consolidated financial statements.

	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<b>NET PROFIT FOR THE PERIOD</b>	<b>43,522</b>	25,965	<b>79,371</b>	56,576
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Items that may not be subsequently classified to consolidated income statement</b>				
Fair value changes of equity-type investments carried at fair value through other comprehensive income	3,035	1,272	1,905	568
<b>Items that may be subsequently classified to consolidated income statement</b>				
Fair value changes of debt-type investments classified as fair value through other comprehensive income	8,512	(10,074)	16,991	(11,849)
Fair value changes of investment in real estate reclassified to consolidated Income statement	-	-	-	(13,894)
<b>Total other comprehensive income for the period</b>	<b>11,547</b>	(8,802)	<b>18,896</b>	(25,175)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>55,069</b>	17,163	<b>98,267</b>	31,401
<b>Attributable to:</b>				
Equity holders of the Bank	53,525	16,559	101,332	28,956
Non-controlling interest	1,544	604	(3,065)	2,445
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>55,069</b>	17,163	<b>98,267</b>	31,401



The attached notes 1 to 14 form an integral part of these interim condensed consolidated financial statements.

	For the three-month period ended		For the six-month period ended	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)
<b>NET PROFIT FOR THE PERIOD BEFORE ATTRIBUTION TO QUASI-EQUITY</b>	<b>65,773</b>	58,407	<b>123,872</b>	115,879
Less: Income not attributable to quasi-equity	(25,841)	(16,563)	(48,707)	(39,682)
Add: Expenses not attributable to quasi-equity	-	-	-	-
<b>Net profit attributable to quasi-equity holders before Bank's</b>				
<b>Mudaraba Income</b>	<b>39,932</b>	41,844	<b>75,165</b>	76,197
Less: Mudarib's share	(33,942)	(12,553)	(63,890)	(22,859)
Add: Support provided by Bank	16,261	3,507	33,226	5,965
<b>NET PROFIT ATTRIBUTABLE TO QUASI-EQUITY</b>	<b>22,251</b>	32,798	<b>44,501</b>	59,303
<b>OTHER COMPREHENSIVE INCOME</b>				
<b>Item that may be subsequently classified to consolidated statement of income</b>				
Share in the reserve attributable to quasi-equity	-	-	-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-</b>	-	-	-
<b>TOTAL PROFIT ATTRIBUTABLE TO QUASI-EQUITY</b>	<b>22,251</b>	32,798	<b>44,501</b>	59,303



	Share capital	Share premium	Legal reserve	Investments fair value reserve	Retained earnings	Total equity attributable to equity holders of the Bank	Non-controlling interests	Total equity
<b>Balance at 1 January 2025</b>	<b>1,120,000</b>	<b>80,003</b>	<b>22,256</b>	<b>(22,769)</b>	<b>142,735</b>	<b>1,342,225</b>	<b>(18,200)</b>	<b>1,324,025</b>
Net profit for the period	-	-	-	-	82,436	82,436	(3,065)	79,371
Fair value adjustments	-	-	-	18,896	-	18,896	-	18,896
Dividend for the year 2024	-	-	-	-	(56,000)	(56,000)	-	(56,000)
Interim dividend for the year 2025	-	-	-	-	-	-	(16)	(16)
<b>Balance at 30 June 2025</b>	<b>1,120,000</b>	<b>80,003</b>	<b>22,256</b>	<b>(3,873)</b>	<b>169,171</b>	<b>1,387,557</b>	<b>(21,281)</b>	<b>1,366,276</b>
Balance at 1 January 2024	1,120,000	80,003	9,439	(3,237)	30,206	1,236,411	(9,402)	1,227,009
Net profit for the period	-	-	-	-	54,131	54,131	2,445	56,576
Fair value adjustments	-	-	-	(25,175)	-	(25,175)	-	(25,175)
<b>Balance at 30 June 2024</b>	<b>1,120,000</b>	<b>80,003</b>	<b>9,439</b>	<b>(28,412)</b>	<b>84,337</b>	<b>1,265,367</b>	<b>(6,957)</b>	<b>1,258,410</b>



The attached notes 1 to 14 form an integral part of these interim condensed consolidated financial statements.

	For the six-month period ended		
	Notes	30 June	30 June
		2025	2024
		(Reviewed)	(Reviewed)
<b>OPERATING ACTIVITIES</b>			
Net profit for the period		<b>79,371</b>	56,576
<b>Adjustments for non-cash items</b>			
Depreciation and amortisation		<b>3,870</b>	3,169
Loss on disposal of Fixed assets		-	6
Loss / (gain) on disposal of real estate Investments		<b>7,291</b>	(13,933)
Unrealised (gain) / loss on re-measurement of investments at fair value through income statement		<b>(1,241)</b>	7,290
Unrealised loss on Sharia-compliant risk management instruments, net		<b>21,408</b>	2,235
Provision / (reversal) for impairment on financing assets, net	12	<b>501</b>	(2,162)
Provision / (reversal) for impairment on other financial assets	12	<b>2,717</b>	(96)
		<b>113,917</b>	53,085
<b>Changes in:</b>			
Financing assets		<b>24,916</b>	24,084
Assets held-for-sale		<b>83,106</b>	(59,987)
Other assets		<b>(191,172)</b>	(45,891)
Customers' balances		<b>119,726</b>	101,142
Liabilities held-for-sale		-	(98,497)
Other liabilities		<b>(35,987)</b>	(27,854)
<b>Net cash from / (used in) operating activities</b>		<b>114,506</b>	(53,918)
<b>INVESTING ACTIVITIES</b>			
Purchase of fixed assets & intangible assets		<b>(624)</b>	(612)
Proceeds from disposal of fixed assets		-	110
Investments securities		<b>(382,328)</b>	(526,732)
Investment in real estate		<b>(3,092)</b>	-
Proceeds from disposal of real estate investments		<b>16,255</b>	253,250
Net change in cash and bank balances with maturity of more than 90 days		<b>(220,440)</b>	(412,927)
<b>Net cash used in investing activities</b>		<b>(590,229)</b>	(686,911)
<b>FINANCING ACTIVITIES</b>			
Net change in financing liabilities		<b>116,658</b>	542,918
Net change in participatory investment accounts		<b>114,469</b>	608,640
Net change in non-controlling interest		<b>(16)</b>	-
Dividends paid to equity holders		<b>(56,000)</b>	-
<b>Net cash from financing activities</b>		<b>175,111</b>	1,151,558
Net (decrease) / increase in cash and cash equivalents		<b>(300,612)</b>	410,729
Cash and cash equivalents at the beginning of the period	4	<b>1,952,050</b>	1,892,842
<b>Cash and cash equivalents at the end of the period</b>	4	<b>1,651,438</b>	2,303,571

	<i>Movements during the period</i>				<i>At 30 June 2025</i>
	<i>1 January 2025</i>	<i>Investments</i>	<i>Revaluations / Gross Income</i>	<i>Dividends paid</i>	
<b><i>Investments</i></b>					
Sukuk securities Portfolio	<b>227,594</b>	<b>(11,690)</b>	<b>8,150</b>	<b>(8,150)</b>	- <b>215,904</b>
Equity securities portfolio	<b>8,376,839</b>	<b>2,881,822</b>	<b>(543,574)</b>	<b>(100,802)</b>	<b>(32,822)</b> <b>10,581,463</b>
	<b>8,604,433</b>	<b>2,870,132</b>	<b>(535,424)</b>	<b>(108,952)</b>	<b>(32,822)</b> <b>10,797,367</b>

	<i>Movements during the period</i>				<i>At 30 June 2024</i>
	<i>1 January 2024</i>	<i>Investments</i>	<i>Revaluations / Gross Income</i>	<i>Dividends paid</i>	
<b><i>Investments</i></b>					
Sukuk securities Portfolio	59,089	36,707	-	-	- <b>95,796</b>
Equity securities portfolio	6,129,826	502,378	50,637	(59,118)	(26,519) <b>6,597,204</b>
	<b>6,188,915</b>	<b>539,085</b>	<b>50,637</b>	<b>(59,118)</b>	<b>(26,519)</b> <b>6,693,000</b>



The attached notes 1 to 14 form an integral part of these interim condensed financial statements.

## 1. REPORTING ENTITY

Lesha Bank LLC (Public) ("the Bank" or "the Parent") is an Islamic bank, which was established in the State of Qatar as a limited liability company under license No.00091, dated 4 September 2008, from the Qatar Financial Centre Authority. The Bank is authorized to conduct the following regulated activities by the Qatar Financial Centre Regulatory Authority (the "QFCRA"):

- Deposit taking;
- Providing credit facilities;
- Dealing in investments;
- Arranging deals in investments;
- Arranging credit facilities;
- Providing custody services;
- Arranging the provision of custody services;
- Managing investments;
- Advising on investments; and
- Operating a collective investment fund

All the Bank's activities are regulated by the QFCRA and are conducted in accordance with Islamic Shari'a principles, as determined by the Shari'a Supervisory Board of the Bank and in accordance with the provisions of its Articles of Association. The Bank operates through its head office located on 4<sup>th</sup> Floor, Tornado Tower, West Bay, Doha, State of Qatar. The Bank's issued shares were listed for trading on the Qatar Exchange effective from 27 April 2016 (ticker: "QFBQ").

The interim condensed consolidated financial statements of the Bank for the six-month period ended 30 June 2025 comprise of the Bank's and its subsidiaries' (together referred to as "the Group" and individually as "Group entities") results. The Parent Company / Ultimate Controlling Party of the Group is Lesha Bank LLC (Public).

The Bank had the following principal subsidiaries as at 30 June 2025 and 31 December 2024:

Subsidiaries	Activity	Effective ownership as at		Year of incorporation	Country
		30 June 2025	31 December 2024		
QFB Money Market Fund 1	Money market fund	100.0%	100.0%	2015	Cayman Islands
LB Aviation Holdco	Investments	100.0%	-	2025	Qatar
Astor Properties Finance Limited.* <sup>1</sup>	Financing	29.0%	29.0%	2017	Jersey
Astor Properties Holdings Limited.* <sup>1</sup>	Holding company	29.0%	29.0%	2017	Jersey
Umm Slai four Accommodation LLC	Construction	70.0%	70.0%	2017	Qatar
3130 Fairview GEG, LLC*	Owning and leasing real estate	98.0%	97.6%	2019	USA
Fairview Investor Corp.*	Leasing real estate	98.0%	97.6%	2019	USA
LB Healthcare Fund 1	Investments	100.0%	100.0%	2024	Cayman Islands
QFB Investments I Ltd.	Investments	100.0%	100.0%	2022	Cayman Islands
QFB Private Equity Ltd.	Investments	100.0%	100.0%	2022	Cayman Islands
LB Income Fund	Investments	100.0%	100.0%	2023	Cayman Islands
LB Education	Investments	100.0%	100.0%	2023	Cayman Islands
QFB Hospitality Ltd.	Investments	100.0%	100.0%	2022	Cayman Islands
Gateway LLC	Investments	100.0%	100.0%	2020	Qatar
LB Real Estate Equity Fund 1	Investments	100.0%	100.0%	2022	Cayman Islands

\*These subsidiaries related to investment products offered to customers.

<sup>1</sup>Although the Bank holds less than 50 percent effective holding, the Bank exercises control by virtue of its contractual right and other qualitative factors.

<sup>2</sup> On 8<sup>th</sup> October 2024, the Bank acquired the entire share capital of a foreign bank, Bereke Bank JSC located in the republic of Kazakhstan. The Bank successfully completed the acquisition which was fully syndicated to an investor though a sharia compliant structure.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial statements of the Group have been prepared in accordance with Financial Accounting Standards ("FAS 41 Interim Financial Reporting") issued by the Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI"), as amended by applicable provisions of QFCRA regulations. In line with the requirements of AAOIFI, for matters that are not covered by FAS, the Group uses the guidance from the relevant International Financial Reporting Standards ("IFRSs") as issued by the International Accounting Standards Board ("IASB").

QFCRA issued an instruction dated 4 October 2020 on the accounting treatment for investments in equity instruments to ensure that harmonisation is achieved between QFCRA-regulated conventional banks and Islamic banks.

Key changes in accounting of equity-type investments classified as fair value through equity:

FAS 33's exemption to carry equity investments at cost less impairment, when a reliable measure of fair value when on a continuous basis cannot be determined, was removed. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value and are reported as part of fair value reserve within equity statement. Cumulative gains and losses recognised as part of fair value reserve within equity are transferred to retained earnings on disposal of equity investments at fair value through equity. The regulation is effective from the financial reporting beginning on or after 1 January 2020. The new regulation did not have any impact on these interim condensed consolidated financial statements.

The 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 Group's annual consolidated financial statements as at 31 December 2024. In addition, results for the six-month period ended 30 June 2025 are not necessarily indicative of results that may be expected for the financial year ending 31 December 2025.

The interim condensed consolidated financial statements have been prepared under the historical cost convention except for valuation of investments in securities, investments in real estate and sharia-compliant-risk management instruments, which are carried at fair value.

The interim condensed consolidated financial statements are presented in Qatari Riyals ("QAR"), which is the Bank's functional and presentational currency, and all values are rounded to the nearest QAR thousand except when otherwise indicated.

### Judgements and estimates

The preparation of the 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 significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are consistent with those applied to the annual consolidated financial statements as at 31 December 2024.

### 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 for the year ended 31 December 2024.

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

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

AAOIFI has issued Financial Accounting Standard (FAS) 45 "Quasi-Equity (Including Investment Accounts)" during 2023. The objective of this standard is to establish the principles for identifying, measuring, and presenting "quasi-equity" instruments in the financial statements of Islamic Financial Institutions "IFIs".

The standard prescribes the principles of financial reporting to participatory investment instruments (including investment accounts) in which an IFI controls underlying assets (mostly, as working partner), on behalf of the stakeholders other than owner's equity. This standard 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.

This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

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

AAOIFI has issued Financial Accounting Standard ("FAS") 46 "Off-Balance-Sheet Assets Under Management" during 2023. The objective of this standard is to establish principles and rules for recognition, measurement, disclosure, and derecognition of off-balance-sheet assets under management, based on Shari'a and international best practices. The standard aims to improve transparency, comparability, accountability, and governance of financial reporting related to off-balance-sheet assets under management.

This standard is applicable to all IFIs with fiduciary responsibilities over asset(s) without control, except for the following:

- The participants' Takaful fund and / or participants' investment fund of a Takaful institution; and
- An investment fund managed by an institution, being a separate legal entity, which is subject to financial reporting in line with the requirements of the respective AAOIFI FAS.

This standard shall be effective for the financial reporting periods beginning on or after 1 January 2026 with an option to early adopt.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt. This standard shall be adopted at the same time as adoption of FAS 45 "Quasi-Equity (Including Investment Accounts)".

The Group does not expect any significant impact on the adoption of this standard.

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.1. New standards, amendments and interpretations issued but not yet effective (continued)****FAS 47: Transfer of Assets Between Investment Pools**

AAOIFI has issued Financial Accounting Standard ("FAS") 47 "Transfer of Assets Between Investment Pools" during 2023. The objective of this standard is to establish guidance on the accounting treatment and disclosures for transfers of assets between investment pools that are managed by the same institution or its related parties. The standard applies to transfers of assets that are not part of a business combination, a disposal of a business, or a restructuring of an institution.

The standard defines an investment pool as a group of assets that are managed together to achieve a common investment objective, such as a fund, a portfolio, or a trust. The standard also defines a transfer of assets as a transaction or event that results in a change in the legal ownership or economic substance of the assets, such as a sale, a contribution, a distribution, or a reclassification.

The transfer of assets between investment pools should be accounted for based on the substance of the transaction and the terms and conditions of the transfer agreement. The standard classifies transfers of assets into three categories: transfers at fair value, transfers at carrying amount, and transfers at other than fair value or carrying amount. The standard also specifies the disclosure requirements for transfers of assets between investment pools.

This standard shall be effective for the financial periods beginning on or after 1 January 2026 with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

**FAS 48: Promotional Gifts and Prizes**

This standard prescribes accounting and financial reporting requirements applicable to promotional gifts and prizes awarded by the Islamic financial institutions. The standard categorizes them into a) promotional gifts where entitlement occurs instantly; b) promotional prizes that are announced in advance to be awarded at a future date and c) loyalty programs where the obligation is accumulated over the period.

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

**3. SIGNIFICANT ACCOUNTING POLICIES (Continued)****3.1. New standards, amendments and interpretations issued but not yet effective (continued)****FAS 49 - Financial Reporting for Institutions Operating in Hyperinflationary Economies**

This standard establishes the principles of financial reporting for the institutions operating in hyperinflationary economies. This standard is applicable to the institutions whose functional currency is the currency of a hyperinflationary economy, and on consolidated financial statements of an institution to the extent of impacts relating to a subsidiary whose functional currency is the currency of a hyperinflationary economy.

The standard prescribes pertinent factors for determination of hyperinflationary economy.

This standard is effective for the financial periods beginning on or after 1 January 2026, with an option to early adopt.

AAOIFI recommended that all institutions operating in the same hyperinflationary economy shall apply this standard from the same date to ensure that comparability between their results is possible.

The Group does not expect any significant impact on the adoption of this standard.

**FAS 50 - Financial reporting for Islamic Investment institutions (including investment funds)**

This standard replaces "FAS 14 - Investment funds" and is not applicable to a) financial reporting for Sukuk holders and the Sukuk in the books of the originator; b) off-balance sheet assets under management that do not take form of a separate legal entity; c) investment institutions taking the form of a Waqf from Shari'ah perspective; and d) investment funds (e.g., participants' investment funds) managed by Takaful institutions.

This standard is effective for the financial periods beginning on or after 1 January 2027, with an option to early adopt.

The Group does not expect any significant impact on the adoption of this standard.

**4. CASH AND BANK BALANCES**

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Cash in hand	30	30
Balances with banks (current accounts)	122,287	67,416
Placements with financial institutions	2,891,302	3,026,345
Provision for impairment	(3,859)	(3,931)
	<hr/>	<hr/>
Less: balances with maturity of more than 90 days	3,009,760	3,089,860
Add: provision for impairment (non-cash)	(1,362,181)	(1,141,741)
Cash and cash equivalents	3,859	3,931
	<hr/>	<hr/>
	<b>1,651,438</b>	<b>1,952,050</b>

**5. FINANCING ASSETS**

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Murabaha financing	382,831	352,578
Deferred investment sales	90,087	179,132
Others	52,667	31,527
<b>Total financing assets</b>	<hr/>	<hr/>
Deferred profit	(28,084)	(40,820)
Provision for impairment on financing assets	(347,540)	(347,039)
<b>Net financing assets</b>	<hr/>	<hr/>
	<b>149,961</b>	<b>175,378</b>

## 6. INVESTMENTS SECURITIES

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
<b><i>Classified as fair value through income statement</i></b>		
- Equity type (unquoted)	<b>768,416</b>	627,424
- Fund type	<b>311,115</b>	279,180
	<b>1,079,531</b>	906,604
 <b><i>Debt-type classified at amortised cost</i></b>		
- Debt type sukuk investments	<b>41,860</b>	41,860
Accrued profit	<b>854</b>	854
Unamortised premiums, net	<b>34</b>	107
Allowance for impairment	<b>(1,227)</b>	(1,094)
	<b>41,521</b>	41,727
 <b><i>Classified as fair value through other comprehensive income</i></b>		
- Equity type (quoted)	<b>31,474</b>	51,908
- Equity type (unquoted)	<b>79,973</b>	79,973
- Debt type sukuk investments	<b>2,221,954</b>	1,974,565
	<b>2,333,401</b>	2,106,446
	<b>3,454,453</b>	3,054,777

Profit on re-measurement of investments at fair value through income statement for the six-month period ended 30 June 2025 was QAR 1.2 million (for the six-month period ended 30 June 2024: a loss of QAR 7.3 million).

\*As at 30 June 2025, the Bank recognized a positive fair value adjustment of QAR 17.0 million (for the six-month period ended 30 June 2024: a positive fair value of QAR 11.8 million) related to these sukuk investments and a positive fair value of QAR 1.9 million on listed equity investments (for the six-month period ended 30 June 2024: a positive fair value of QAR 0.6 million). Sukuk investments of nominal value of QAR 847.3 million (fair value of QAR 871.8 million) of the Group have been pledged as security for bank financing liabilities of QAR 736.2 million of the Group.

## 7. ASSETS AND LIABILITIES HELD-FOR-SALE

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Equity investments held-for-sale	-	83,106
Liabilities of disposal group classified as held-for-sale	<b>13,723</b>	13,723

## 7. ASSETS AND LIABILITIES HELD-FOR-SALE (continued)

### 7.1 Assets and liabilities of disposal groups classified as held-for-sale

#### 7.1.1 Assets and liabilities of Real Estate Structure

As part of its business, the Bank from time to time enters various structures to invest indirectly in real estate properties using special purpose vehicles ("SPV") with an intention to sell substantial part of it to investors. Until the Bank ceases its control over those SPVs, they are consolidated by the Bank as a result of application of the accounting consolidation rules under Financial Accounting Standard 23 whereby an entity needs to consolidate an SPV based on economic substance despite the fact that the SPV is not legally owned by and not legally related to the Bank. The financings of these SPVs related to the real estate property have no recourse to the Bank.

#### 7.1.2 Assets and liabilities of a Private Equity Structure

As part of its business, the Bank from time to time enters various structures to invest indirectly in private equity investment using special purpose vehicles ("SPV") with an intention to sell substantial part of it to investors. In 2022, the Bank entered into a structure to invest in a private equity within Europe. During the period, the remaining unsold portion of QAR 90.7 million has been reclassified to continuing operations.

## 8. SHARE CAPITAL

	30 June 2025	31 December 2024
<b>Authorized</b>	<b>(Reviewed)</b>	(Audited)
1,120,000,000 ordinary shares of QAR 1 each	<b>1,120,000</b>	2,500,000
<b>Issued and paid</b>	<b>1,120,000</b>	1,120,000

At the Annual General Meeting (AGM) of the Bank held on 25 February 2025, the shareholders approved to change the authorized share capital to QAR 1,120,000,000.

## 9. BASIC AND DILUTED PROFIT PER SHARE

The calculation of basic earnings per share is based on the net profit attributable to the Bank's shareholders and the weighted average number of shares outstanding during the period:

	For the six-month period ended	
	30 June 2025 (Reviewed)	30 June 2024 (Reviewed)
<i>Basic and diluted profit per share</i>		
Net profit attributable to the equity holders of the Bank from continuing operations	<b>82,436</b>	54,131
Net profit attributable to the equity holders of the Bank from discontinued operations	-	-
Net Profit attributable to the equity holders of the Bank	<b>82,436</b>	54,131
Total weighted average number of shares (thousand)	<b>1,120,000</b>	1,120,000
Basic and diluted profit per share from continuing operations - QAR	<b>0.074</b>	0.048
Basic and diluted profit per share from discontinued operations - QAR	-	-
Basic and diluted profit per share - QAR	<b>0.074</b>	0.048

## 10. CONTINGENT LIABILITIES

The Group had the following contingent liabilities at the period / year-end:

	30 June 2025 (Reviewed)	31 December 2024 (Audited)
Unutilised credit facilities	<b>45,256</b>	1,145

Contingent liabilities related to Sharia-compliant-risk-management instruments, representing notional amounts, amounted to QAR 1,575.4 million (31 December 2024: QAR 1,235.4 million).

## 11. RELATED PARTIES TRANSACTIONS AND BALANCES

Balances and transactions in respect of related parties included in the interim condensed consolidated financial statements are as follows:

	30 June 2025		
	Affiliates (Reviewed)	Other* (Reviewed)	Total (Reviewed)
<i>a) Consolidated statement of financial position as at</i>			
Financing assets	-	22,143	22,143
Other assets	-	9,100	9,100
Customers' balances	-	41,906	41,906
Liabilities held-for-sale	13,723	-	13,723

*b) Consolidated income statement for the six-month period ended*

Income from financing assets	-	768	768
Provision for impairment on financing assets	-	25	25
Other operating expenses	-	(953)	(953)

*c) Off balance sheet instruments as at*

Assets under management	-	233,654	233,654
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	31 December 2024		
	Affiliates (Audited)	Other* (Audited)	Total (Audited)
<i>a) Consolidated statement of financial position as at</i>			
Other assets	-	9,100	9,100
Customers' balances	-	30,719	30,719
Liabilities held-for-sale	13,723	-	13,723
<i>b) Off balance sheet instruments as at</i>			
Asset under management	-	155,027	155,027

Transactions with related parties for the corresponding period are as follows:

	30 June 2024		
	Affiliates (Reviewed)	Other* (Reviewed)	Total (Reviewed)
<i>c) Consolidated income statement for the six-month period ended</i>			
Income from financing assets	402	-	402
Reversal for impairment of financing assets	4,913	-	4,913
Other operating expenses	-	(664)	(664)

\* Other related parties include affiliated parties of the board members and senior management.

**11. RELATED PARTIES TRANSACTIONS AND BALANCES (continued)**

Key management compensation is presented below:

	<b>For the six-month period ended</b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2025</b>	<b>2024</b>
<i>Key management personnel compensation :</i>		
Senior management personnel	<b>4,312</b>	3,993
Shari'a Supervisory Board remuneration	<b>250</b>	270
	<b>4,562</b>	4,263

Boards Of Directors remuneration for the period ended 30 June 2025 is QAR 2.25 million (30 June 2024: QAR Nil).

**12. FINANCIAL RISK MANAGEMENT**

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2024.

*Credit risk exposures*

	<b>30 June 2025</b>			
	<b>Stage 1</b> (Reviewed)	<b>Stage 2</b> (Reviewed)	<b>Stage 3</b> (Reviewed)	<b>Total</b> (Reviewed)
Cash and bank balances	<b>3,009,979</b>	-	<b>3,640</b>	<b>3,013,619</b>
Investments carried at amortised cost	<b>42,748</b>	-	-	<b>42,748</b>
Investments carried at fair value	<b>2,232,670</b>	-	-	<b>2,232,670</b>
Financing assets	<b>119,341</b>	<b>33,244</b>	<b>344,916</b>	<b>497,501</b>
Off balance sheet instruments, subject to credit risk	<b>45,256</b>	-	-	<b>45,256</b>
	<b>5,449,994</b>	<b>33,244</b>	<b>348,556</b>	<b>5,831,794</b>
31 December 2024				
	<b>Stage 1</b> (Audited)	<b>Stage 2</b> (Audited)	<b>Stage 3</b> (Audited)	<b>Total</b> (Audited)
Cash and bank balances	3,090,151	-	3,640	3,093,791
Investments carried at amortised cost	42,821	-	-	42,821
Investments carried at fair value	1,982,625	-	-	1,982,625
Financing assets	144,759	65,211	312,447	522,417
Off balance sheet instruments, subject to credit risk	1,145	-	-	1,145
	<b>5,261,501</b>	<b>65,211</b>	<b>316,087</b>	<b>5,642,799</b>

## 12. FINANCIAL RISK MANAGEMENT (Continued)

### *Loss allowance*

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments. Comparative amounts represent allowance account for credit losses and reflect measurement basis under relevant FAS:

	30 June 2025				31 December 2024			
	Stage 1 (Reviewed)	Stage 2 (Reviewed)	Stage 3 (Reviewed)	Total (Reviewed)	Stage 1 (Audited)	Stage 2 (Audited)	Stage 3 (Audited)	Total (Audited)
<b>Cash and bank balances</b>								
Balance at 1 January	291	-	3,640	3,931	731	-	3,640	4,371
Impairment allowance, net	(72)	-	-	(72)	(440)	-	-	(440)
Balance at end of the period/year	<u>219</u>	<u>-</u>	<u>3,640</u>	<u>3,859</u>	<u>291</u>	<u>-</u>	<u>3,640</u>	<u>3,931</u>
<b>Investments carried at amortised cost</b>								
Balance at 1 January	1,094	-	-	1,094	1,288	-	-	1,288
Impairment allowance, net	133	-	-	133	(194)	-	-	(194)
Balance at end of the period/year	<u>1,227</u>	<u>-</u>	<u>-</u>	<u>1,227</u>	<u>1,094</u>	<u>-</u>	<u>-</u>	<u>1,094</u>
<b>Investments carried at fair value through other comprehensive income</b>								
Balance at 1 January	8,060	-	-	8,060	9,561	-	-	9,561
Impairment allowance, net	2,656	-	-	2,656	(1,501)	-	-	(1,501)
Balance at end of the period/year	<u>10,716</u>	<u>-</u>	<u>-</u>	<u>10,716</u>	<u>8,060</u>	<u>-</u>	<u>-</u>	<u>8,060</u>
<b>Financing assets</b>								
Balance at 1 January	796	39,075	307,168	347,039	6,414	30,885	301,512	338,811
Transfers to Stage 3	-	(29,072)	29,072	-	-	-	-	-
Foreign currency fluctuation,(net)	-	-	-	-	-	(25)	-	(25)
Impairment allowance, net	(600)	976	125	501	(5,618)	8,215	5,656	8,253
Balance at end of the period/year	<u>196</u>	<u>10,979</u>	<u>336,365</u>	<u>347,540</u>	<u>796</u>	<u>39,075</u>	<u>307,168</u>	<u>347,039</u>

### 13. FAIR VALUE OF FINANCIAL INSTRUMENTS

#### 13.1. Fair value hierarchy

Fair value measurements are analysed by level in the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
<b><i>30 June 2025</i></b>				
Investments carried at fair value				
- at fair value through equity	<b>2,253,428</b>	-	<b>79,973</b>	<b>2,333,401</b>
- at fair value through income statement	-	-	<b>768,416</b>	<b>768,416</b>
Investments in real estate carried at fair value	-	-	<b>256,097</b>	<b>256,097</b>
Investments in funds carried at fair value	<b>80,421</b>	-	<b>230,694</b>	<b>311,115</b>
Net gains and losses included in the consolidated statement of changes in equity	<b>18,896</b>	-	-	<b>18,896</b>
Net gains and losses included in the consolidated income statement	<b>268</b>	-	<b>57,607</b>	<b>57,875</b>
<b><i>31 December 2024</i></b>				
Investments carried at fair value				
- at fair value through equity	2,026,473	-	79,973	2,106,446
- at fair value through income statement	-	-	627,424	627,424
Investments in real estate carried at fair value	-	-	270,024	270,024
Investments in funds carried at fair value	<b>80,153</b>	-	<b>199,027</b>	<b>279,180</b>
Net gains and losses included in the consolidated statement of changes in equity	(11,281)	-	(13,894)	(25,175)
Net gains and losses included in the consolidated income statement	<b>1,983</b>	-	<b>(19,901)</b>	<b>(17,918)</b>

In addition to the above financial instruments, as at 30 June 2025 the Group had Sharia-compliant-risk management instruments whose negative fair value was QAR 21.4 million (31 December 2024: positive fair value of QAR 9.1 million), derived using Level 2 fair value hierarchy. The valuation techniques and key assumptions have remained consistent with those disclosed in the annual consolidated financial statements as at and for the year ended 31 December 2024.

### 13. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

#### 13.2. Movements in level 3 financial instruments

The following table shows the reconciliation of the opening and closing amount of Level 3 investments, which are recorded at fair value:

	At 1 January 2025	Total gain / (losses)		Additions /		At 30 June 2025	
		recorded in consolidated income statement /equity		Transfer from assets held-for-sale, net			
<i>Investments carried</i>							
- at fair value through equity	79,973	-	-	-	-	79,973	
- at fair value through income statement	826,451	57,607	157,316	(42,264)	999,110		
	<u>906,424</u>	<u>57,607</u>	<u>157,316</u>	<u>(42,264)</u>	<u>1,079,083</u>		
		Total gain / (losses)		Additions		At 31 December 2024	
		recorded in consolidated income statement /equity		Disposals			
<i>Investments carried</i>							
- at fair value through equity	79,385	(4,511)	5,099	-	79,973		
- at fair value through income statement	616,324	(27,625)	372,607	(134,855)	826,451		
	<u>695,709</u>	<u>(32,136)</u>	<u>377,706</u>	<u>(134,855)</u>	<u>906,424</u>		

### 14. SEGMENT INFORMATION

Below is the information about operating segments:

	For the six-month period ended			
	30 June 2025		30 June 2024	
	Segment income (Reviewed)	Segment Profit (Reviewed)	Segment income (Reviewed)	Segment Profit (Reviewed)
Alternative Investments	74,530	67,451	25,303	28,664
Private Bank	121,827	11,165	151,073	27,912
Other	1,995	755	-	-
<b>Total</b>	<b>198,352</b>	<b>79,371</b>	<b>176,376</b>	<b>56,576</b>