

# Oman Arab Bank

## Investor Presentation 1H25 Results

9 September 2025



# Agenda

- 1 Operating Environment
- 2 Oman Arab Bank Overview
- 3 Financial Performance

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# Operating Environment



# Sultanate of Oman



Second largest country by area in the GCC



Stable political system



Strategically placed at the entrance of the Arabian Gulf



Independent, pragmatic foreign policy, good relations with Oman's neighbours and globally

## Credit Rating

### S&P Global

- BBB-
- Stable

### FitchRatings

- BB+
- Positive

### MOODY'S

- Baa3
- Stable

## Oman : A Strategic Investment Destination

### Growing Pipeline of Strategic Partnerships



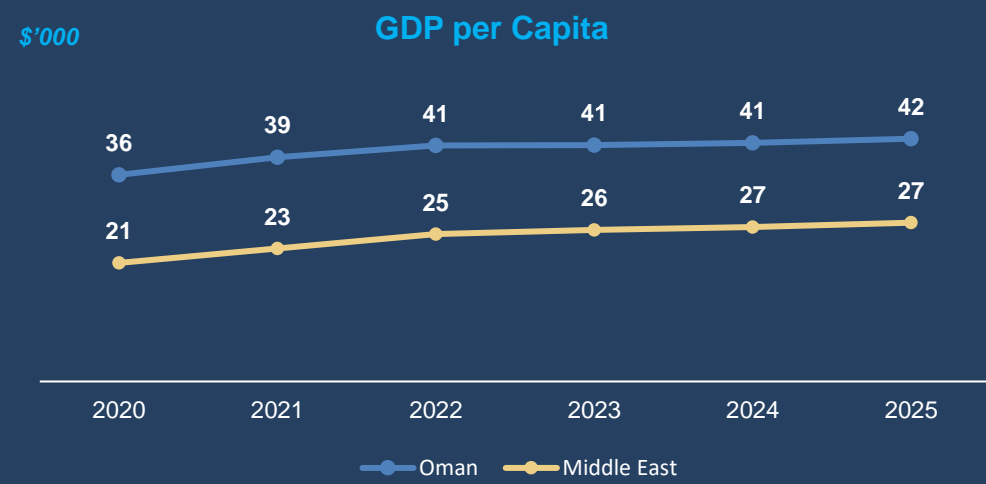
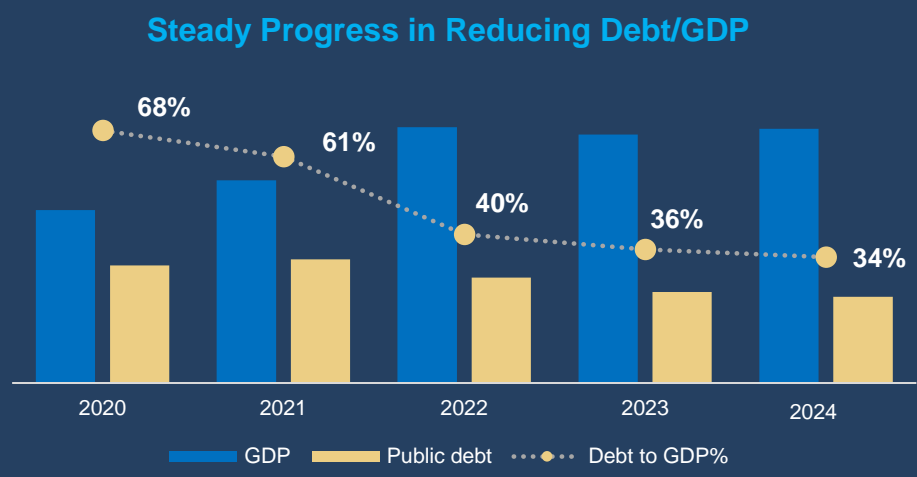
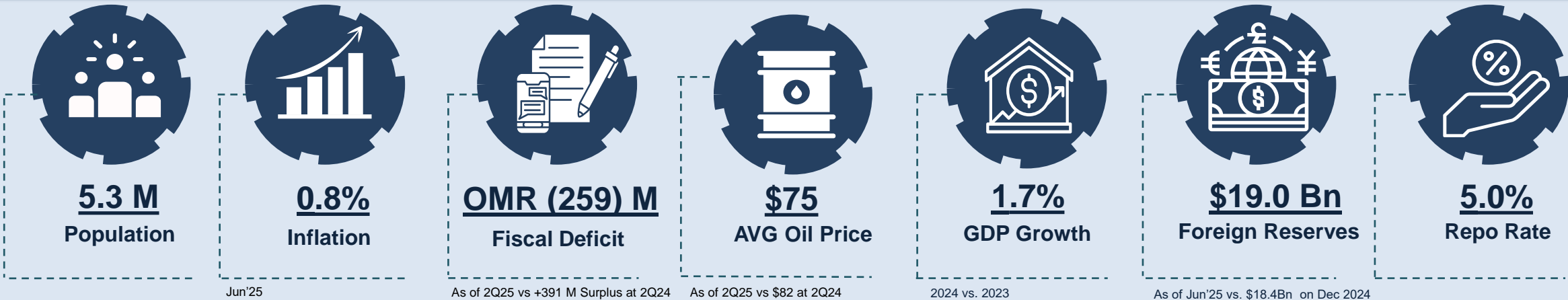
- High profile IPOs, including Asyad Shipping demonstrate government's commitment to private sector expansion
- Over **USD 35 Billion** in new UAE-Oman investment partnerships across various sectors

### Improving Macroeconomic Fundamentals



- Moody's upgrade to Investment Grade (Baa3) – *Jul 2025*
- Declining Debt-to-GDP ratio and growing non oil revenues
- Increase of **20.6%** foreign direct investments at 1Q25 compared to same period last year

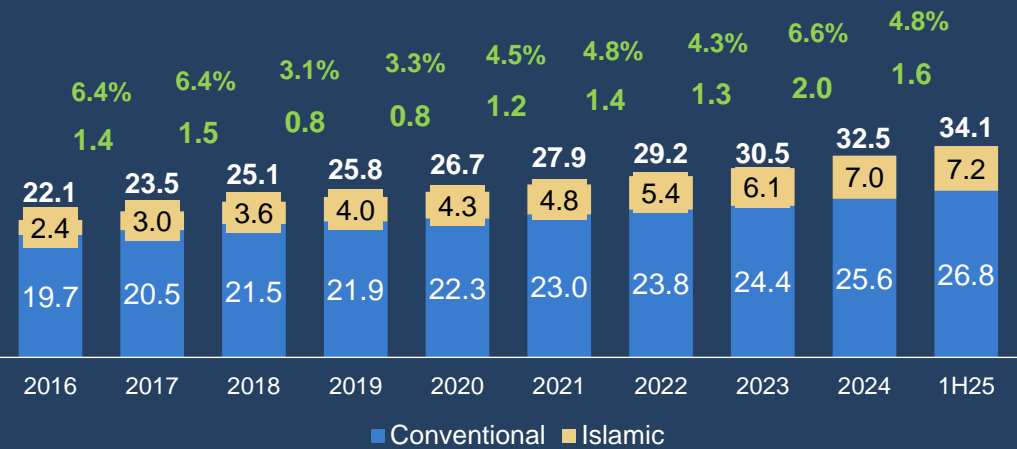
# Oman Economy



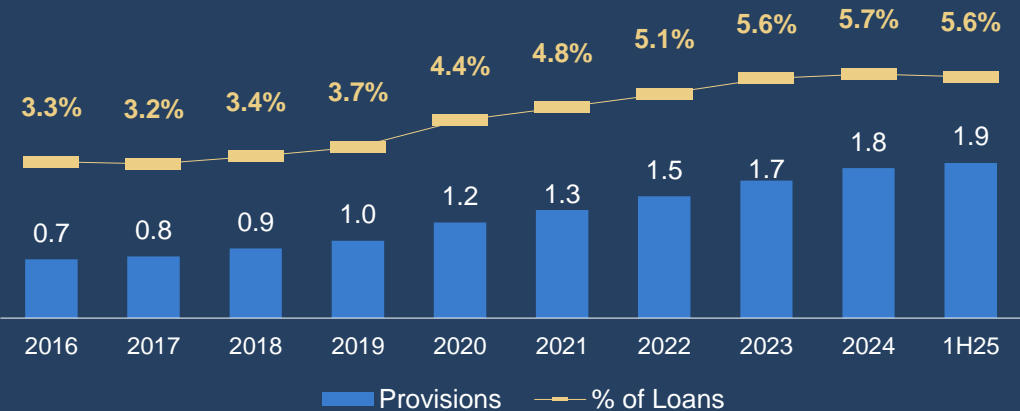
Sources: National Centre for Statistics & Information, Central Bank of Oman, MOF and IMF world economic outlook

# Banking Sector – Credit and Lending

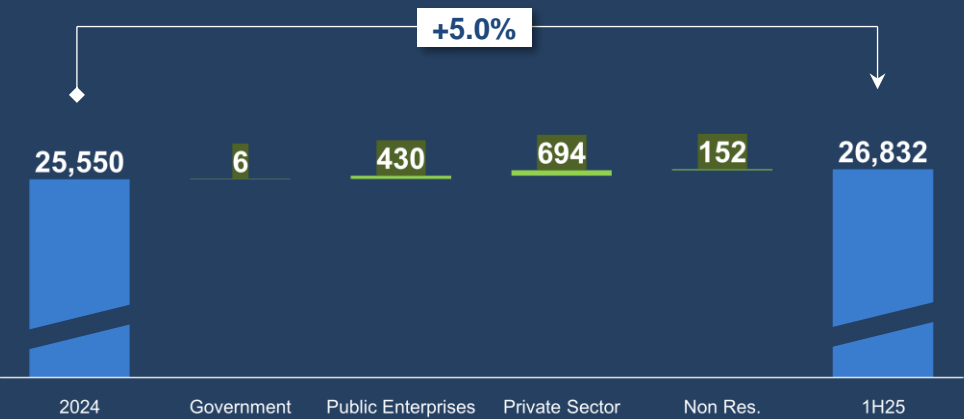
Gross Loans (OMR Bn)



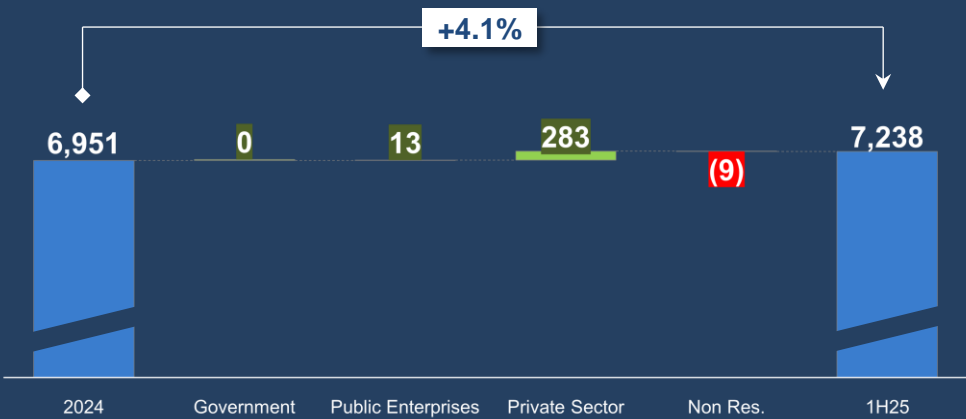
Provisions (OMR Bn) & Coverage



Conventional Loans 1H 2025 Growth (OMR Mn)

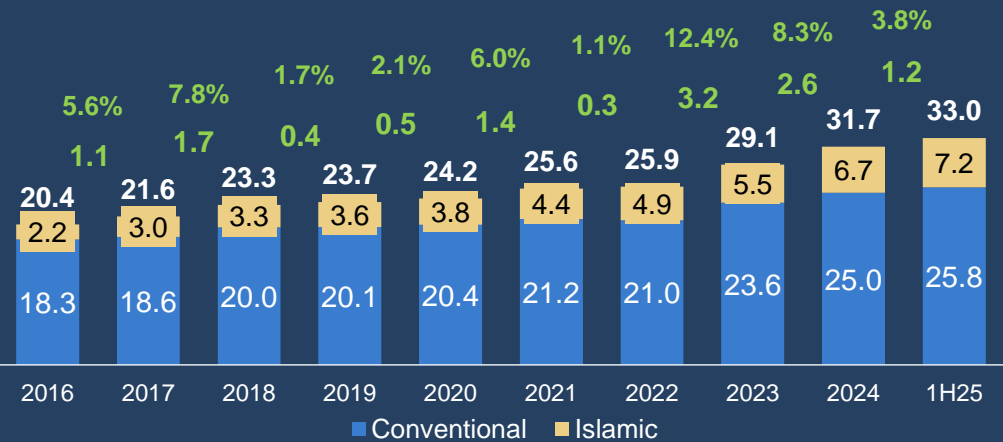


Islamic Financing 1H 2025 Growth (OMR Mn)

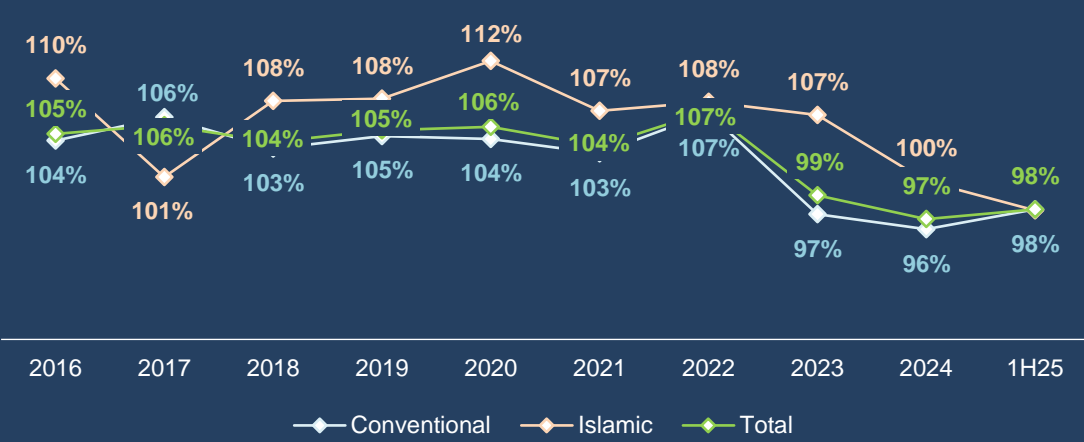


# Banking Sector – Customer Deposits

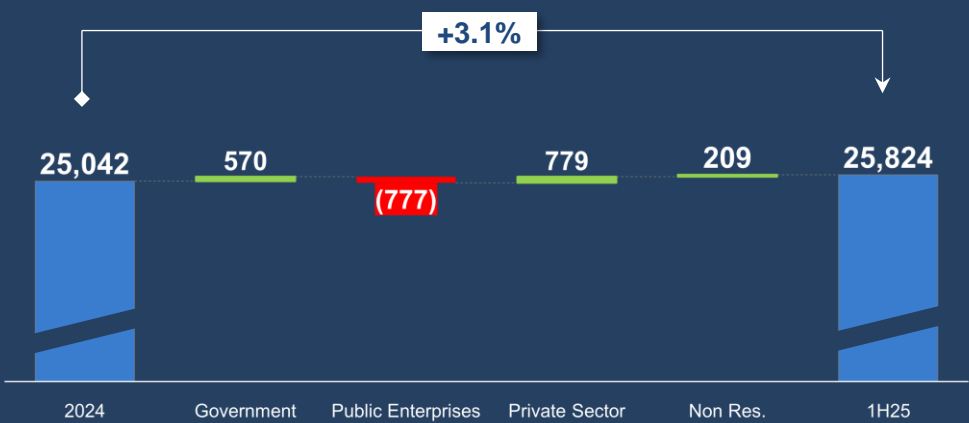
Customer Deposits (OMR Bn)



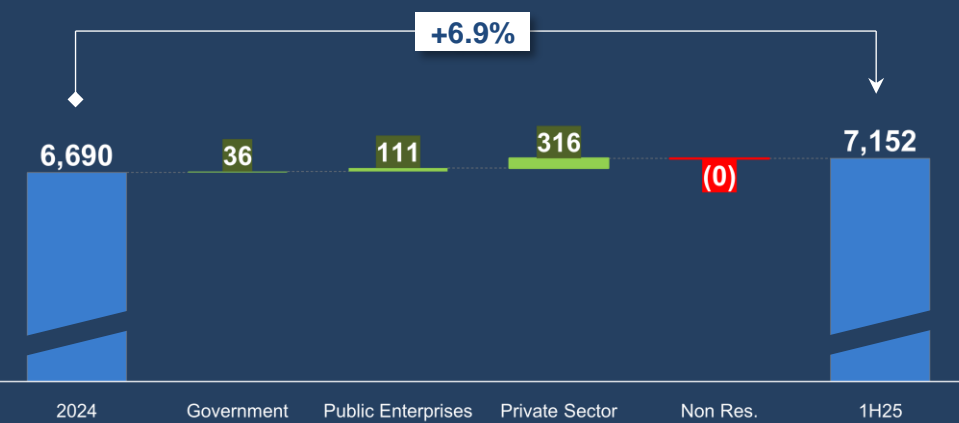
(net) Loans / Deposits (%)



Conventional Deposits 1H 2025 Growth (OMR Mn)



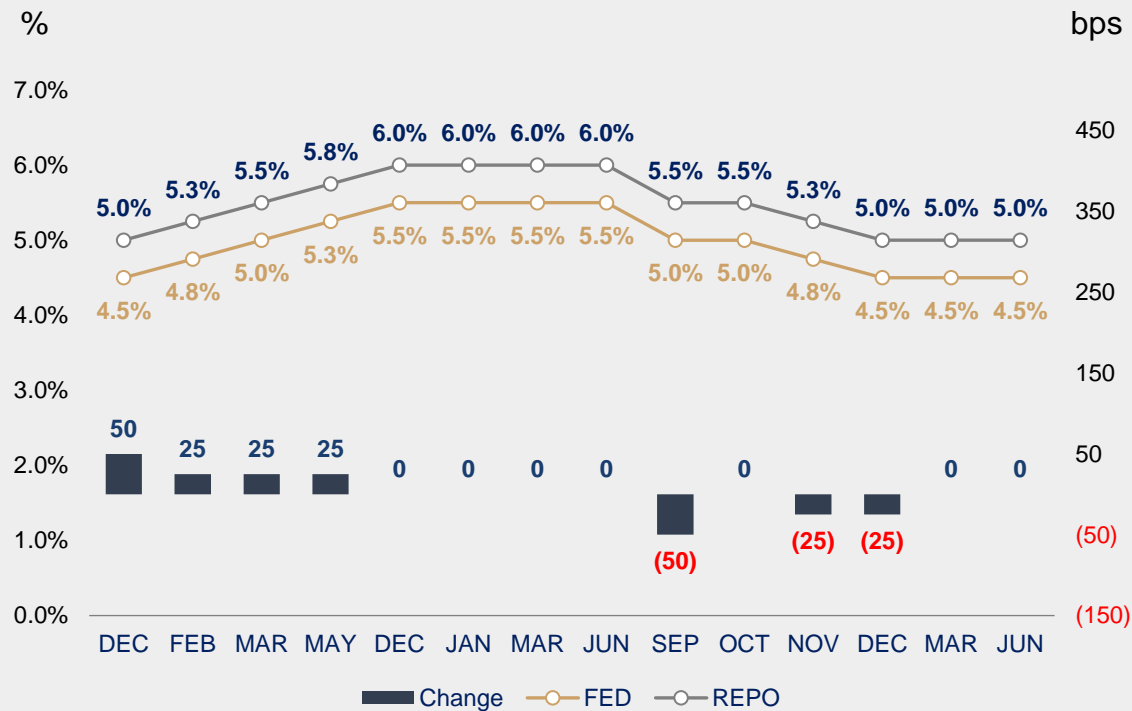
Islamic Deposits 1H 2025 Growth (OMR Mn)



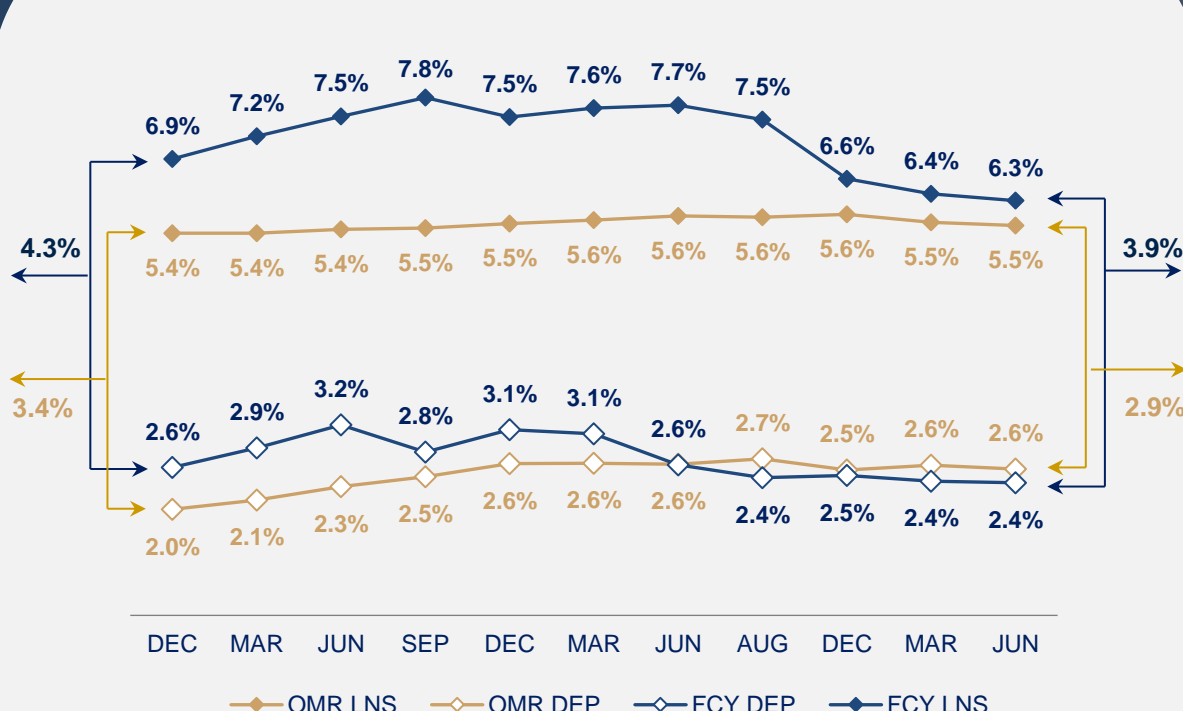


# 100 Bps reduction in FED Rate since Sep 2024

FED and CBO policy rate evolution



Local loans and deposits rate (industry average)



# Oman Arab Bank Overview



بنك عُمان العربي  
OMAN ARAB BANK

# We are Supported by Strong Shareholders



OMINVEST

One of the largest publicly listed investment companies in the MENA region

Diversified portfolio into :

Banking

Private Equity

Real Estate

Education

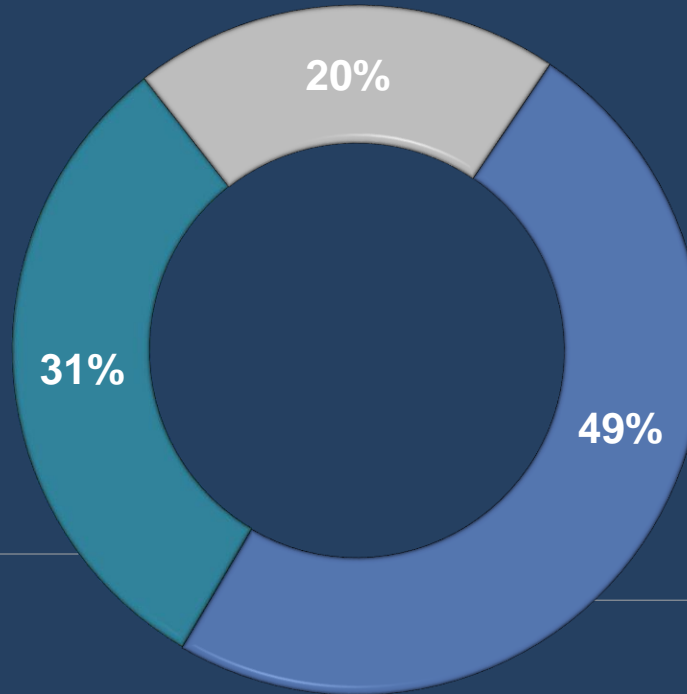
Leasing

Insurance

Investment Banking

**\$ 0.53Bn**

Market Cap (USD)



■ Arab Bank Group ■ OMINVEST ■ Others



البنك العربي  
ARAB BANK

One of the largest financial institutions in the Middle East

Covering key financial markets including London, Dubai, Singapore, Geneva, Paris, Frankfurt, Sydney, Bahrain and China

**\$8.59Bn**  
Total Equity

**\$3.8Bn**  
Market Cap (USD)



**600+**  
Branches across 5 continents  
and 29 countries

# and Guided by Team of Experts



**Mr. Rashad Al Zubair**  
**Chairman**

Chairman - Zubair Corporation, Chairman - Oasis Water Co, Vice Chairman - Barr Al Jissah Resort Co, Vice Chairman and Founder Member of Muscat University.



**Dr. Nabil Qaddumi**  
**Director**

Founder and Chairman of SPETCO, international Petroleum Company operating in UAE and Kuwait. Founded PROJACS Int'l, leading project management firm later acquired by EGIS



**Ms. Randa Sadik**  
**Director**

Chief Executive Officer - Arab Bank, Chairwoman – Arab Bank Tunisian, Vice Chairwomen Arab Bank Australia. Chairwoman - Al Arabi Finance Holdings Lebanon, Chairwoman



**Mr. Abdulaziz Al Balushi**  
**Director**

Chief Executive Officer - OMINVEST, Deputy Chairman - Jabreen Capital, Board Member in Liva (NLGIC), National Finance, Member of Oman American Business Center. "Second Best CEO in Arab Banking World" - Forbes Magazine, November 2012.



**Mr. Imad Sultan**  
**Director**

Vice Chairman & Managing Director - W. J. Towell LLC, Vice chairman of National Hospitality Institute, Member of the Executive Committee of Muscat Stock Exchange. Member of Young Presidents' Organization (YPO).



**Mr. Walid Samhouri**  
**Director**

Executive Vice President, Jordan Country Head Arab Bank, Chairman - Arab Sudanese Bank, Board Member in Arab Tunisian Bank, Jordan Loan Guarantee Corporation.



**Mr. Nasri Malhame**  
**Director**

Board member in Arab Bank Switzerland (Lebanon), AB Fund Managers-Guernsey, Ubhar Capital, Oman, and Chambre de commerce Arabo-Suisse, Geneva.



**Mr. Mohammed Al Ghanma**  
**Director**

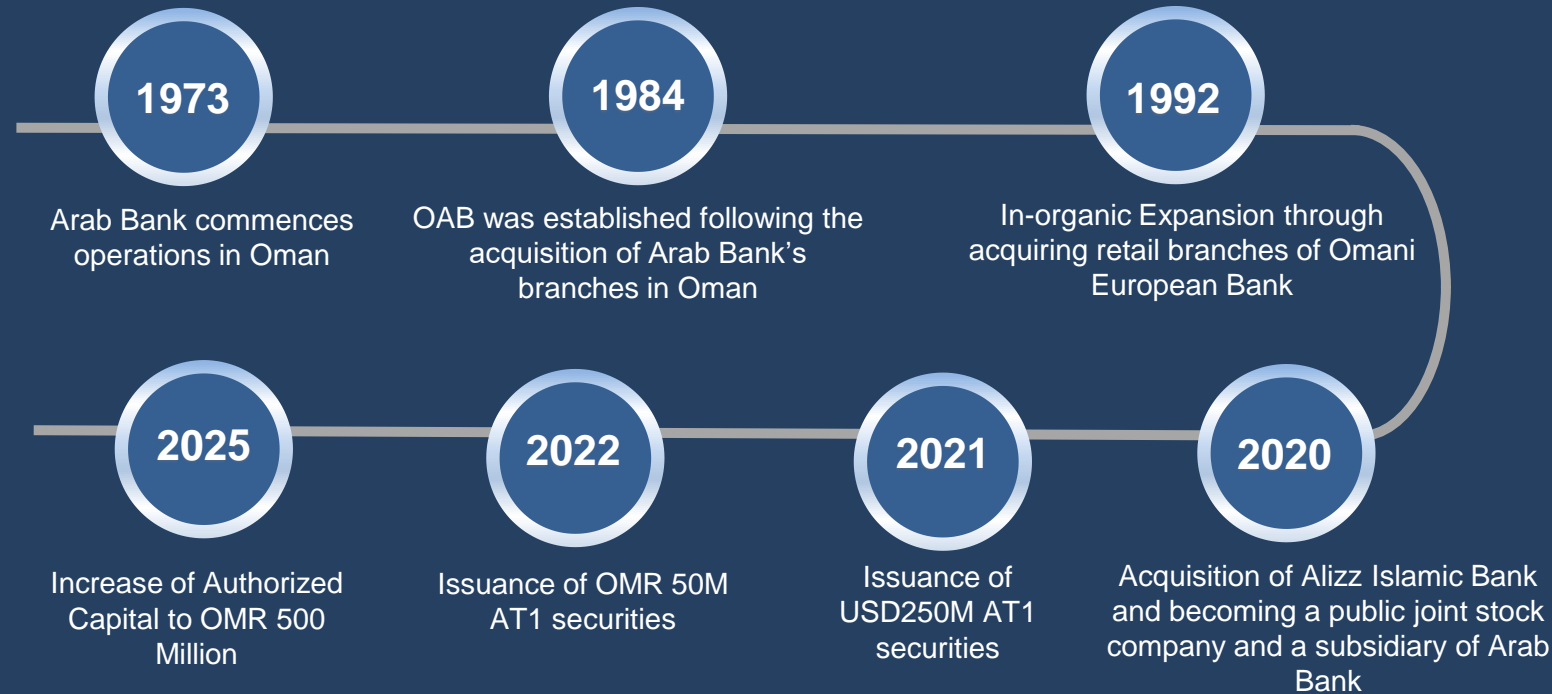
Executive Vice President and Head of Credit Division - Arab Bank, Deputy Chairman - Islamic International Arab Bank, T-Bank Turkey. Board Member in Arab National Bank, Arab Bank Syria.



**Mr. Yasir Aqil Badri**  
**Director**

Vice President , Financial Services at Mubadala Investment Company.

# Journey to success: expanding our presence and achievements



## Today



Branches

18

Islamic

50

Conventional

68

Group



Number of Employees  
1,436



ATMS  
163



### Best CSR Practices Award

*Oman Leaderships Award 2025  
By CMO Asia*



### Oman CX Award

*Best Brand in Customer Experience for Corporate  
Banking  
Outstanding Commitment to SME growth & empowerment*

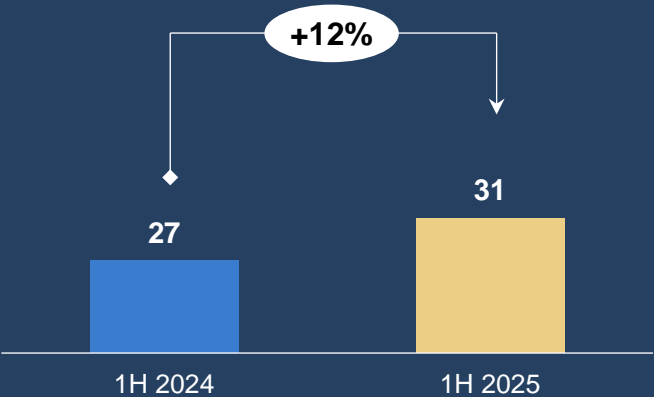


The background of the slide is a solid dark blue color. It features two large, flowing, wavy lines in a lighter shade of blue, one positioned in the upper half and one in the lower half, creating a sense of movement and depth. The text "Financial Performance" is centered horizontally and positioned in the middle of the slide, rendered in a clean, white, sans-serif font.

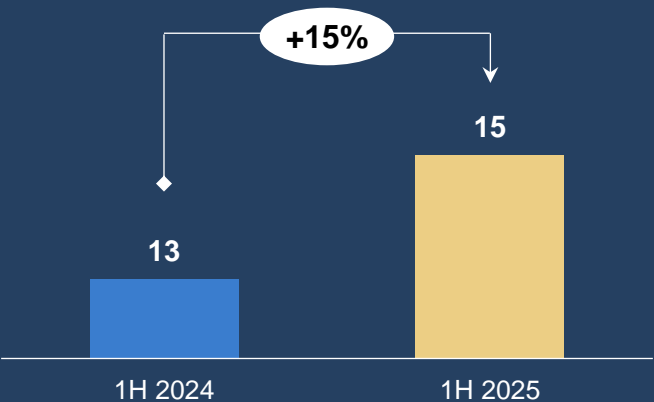
# Financial Performance

# Selective growth in balance sheet

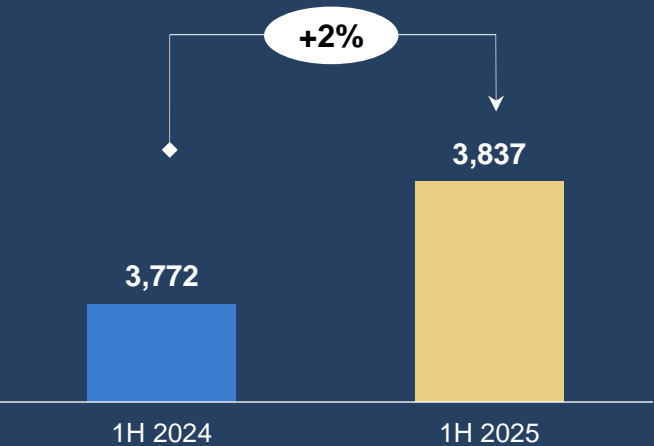
Operating Profit (OMR Mn)



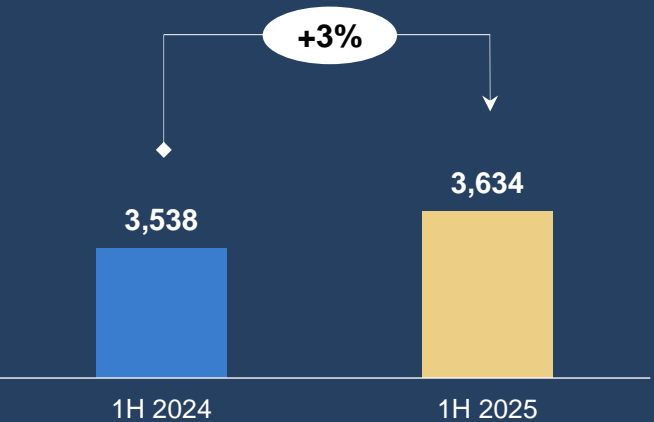
Net Profit (OMR Mn)



Loans & Advances (OMR Mn)

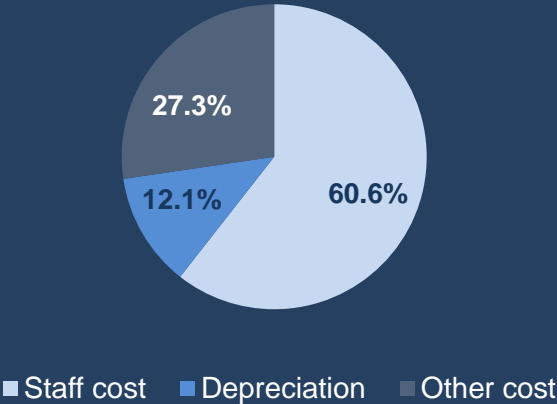


Customer Deposits (OMR Mn)

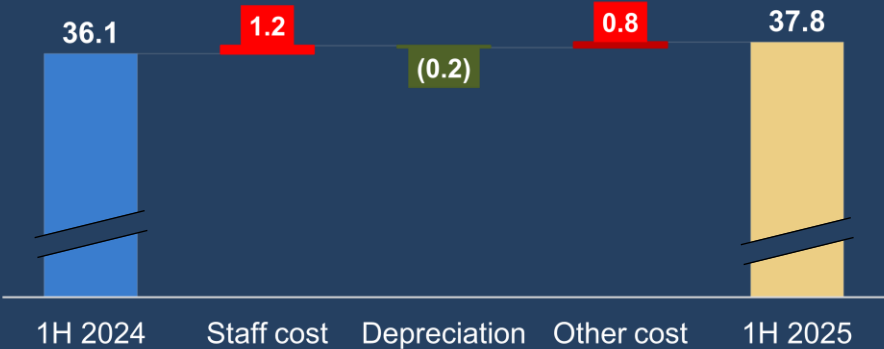


# Leading to an improvement in return on equity

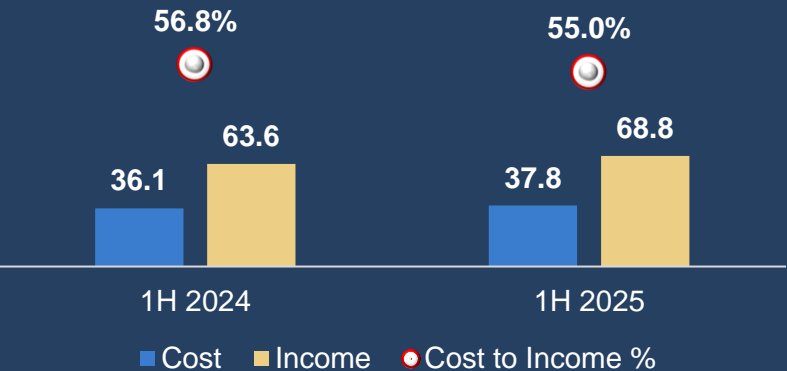
Cost Base (OMR Mn)



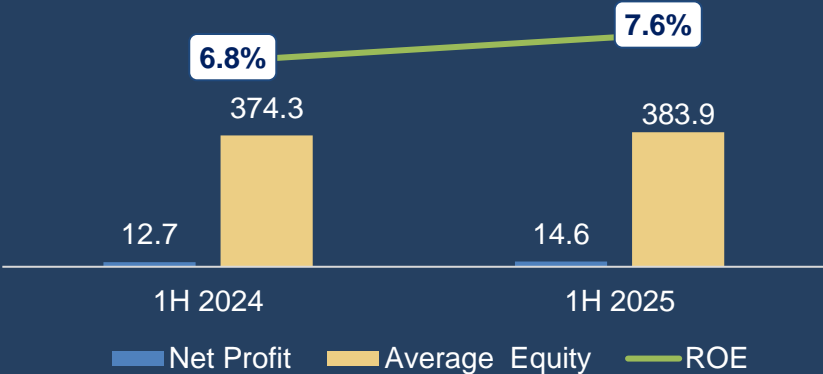
Cost Movement (OMR Mn)



Cost / Income (%)



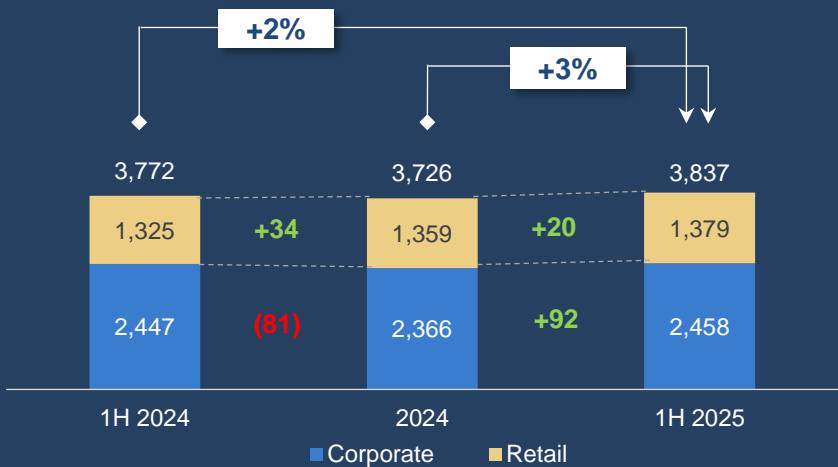
Return on Equity (%)<sup>1</sup>



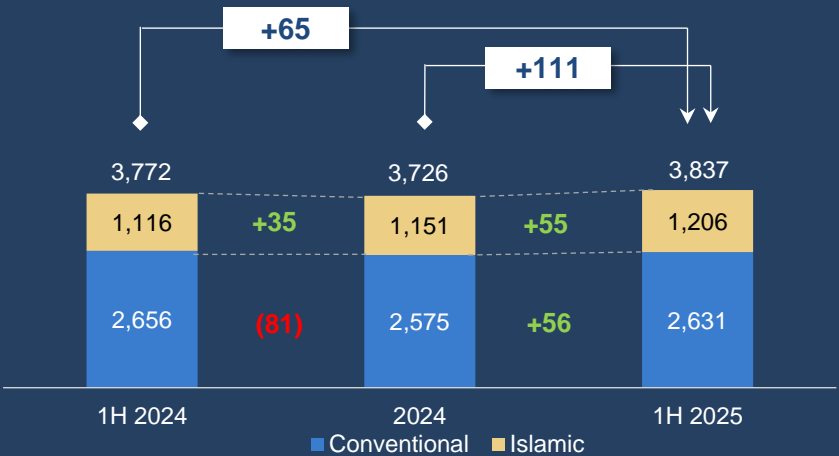
1. Net profit / average shareholder equity.

# We grew our loan book reasonably across conventional and Islamic segments

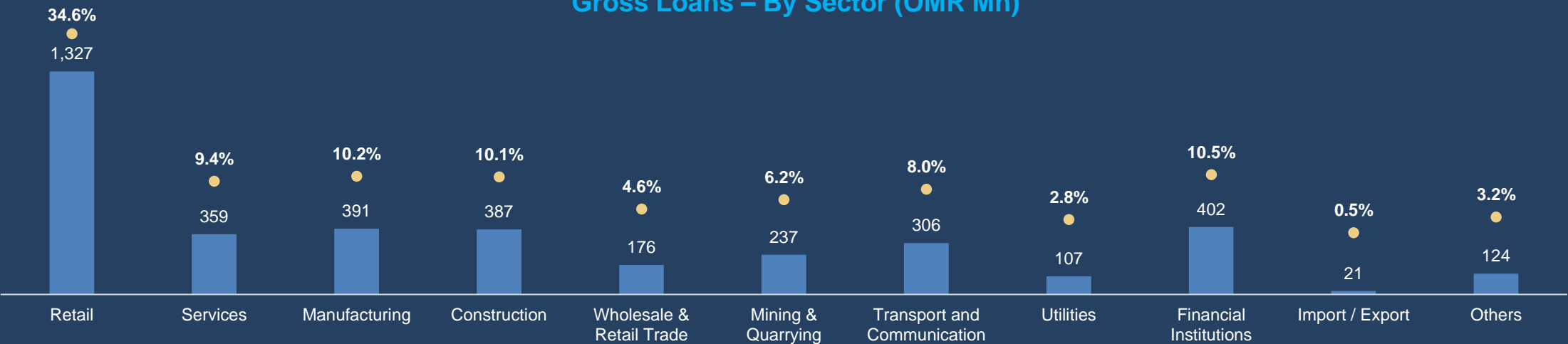
Gross Loans – By Segment (OMR Mn)



Gross Loans – By Type (OMR Mn)

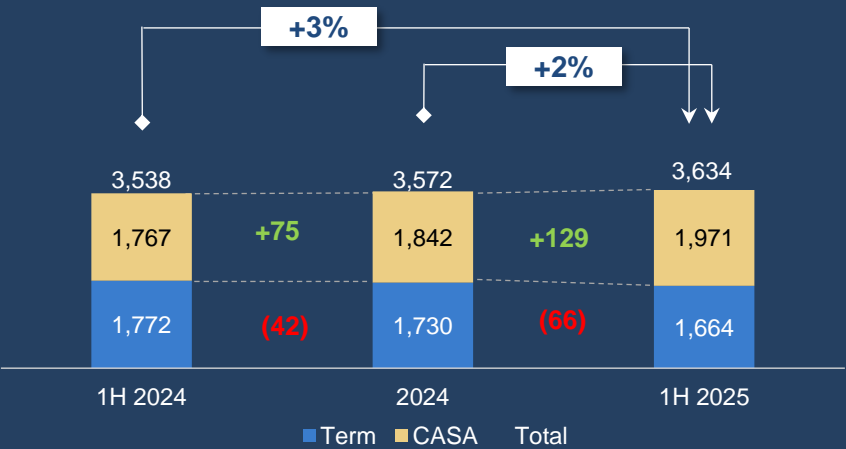


Gross Loans – By Sector (OMR Mn)

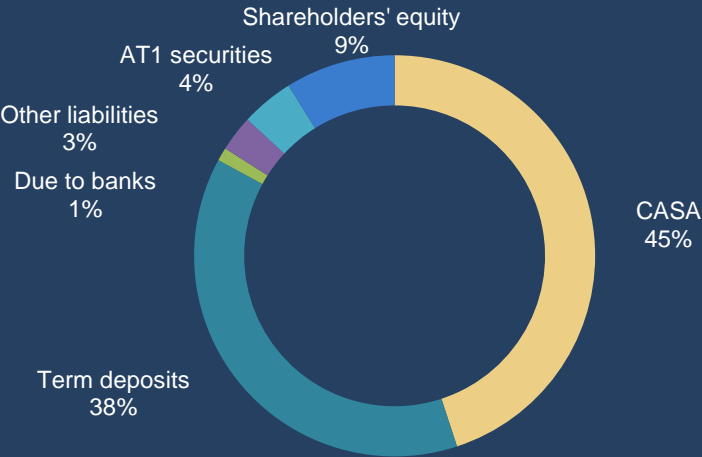
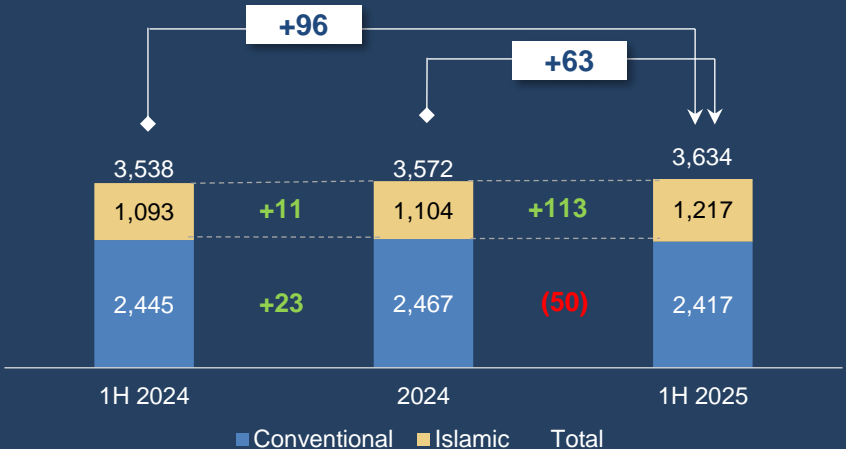


# Steady growth in deposits withstanding a good liquidity position

Customer Deposits – By Product (OMR Mn)



Customer Deposits – By Type (OMR Mn)



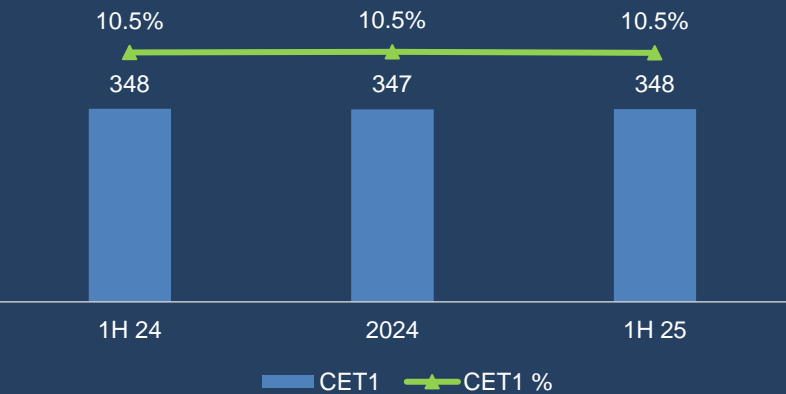
Liquidity Position – 2Q 2025



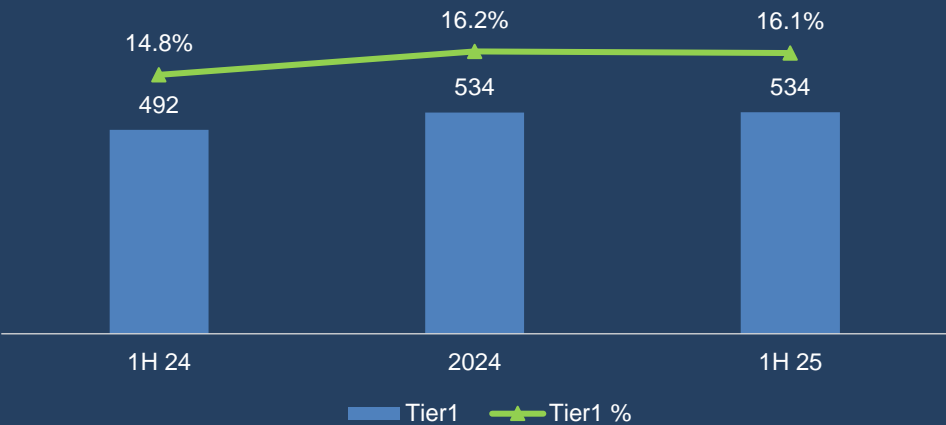


# With an efficient utilization of our capital

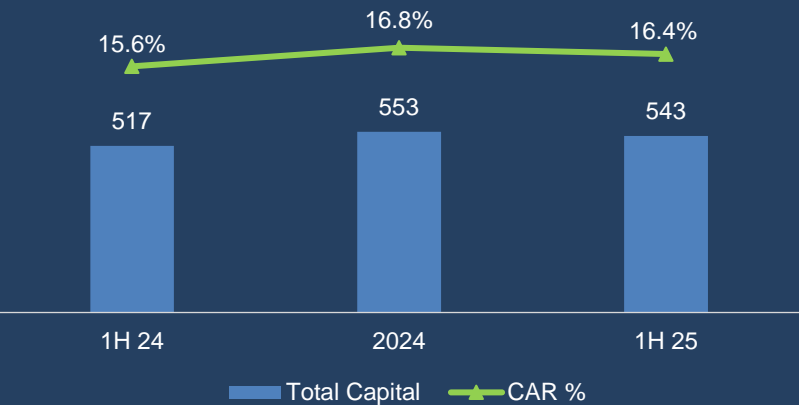
CET 1 Capital (OMR Mn)



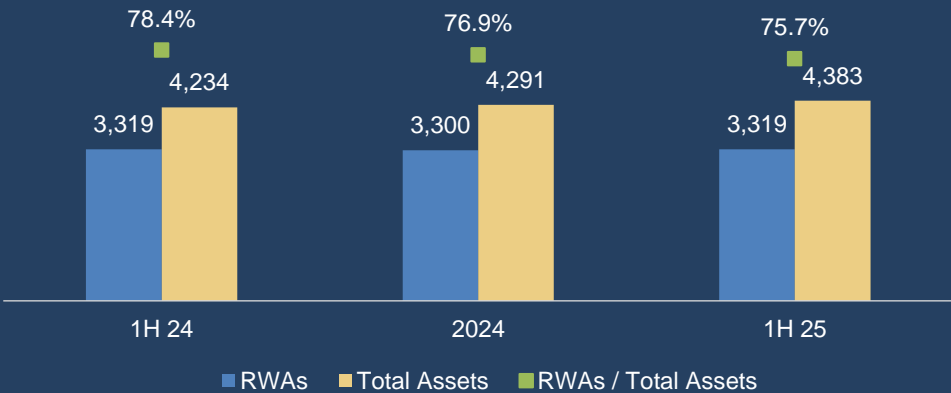
Tier 1 Capital (OMR Mn)



Total Capital (OMR Mn)



Risk Weighted Asset (OMR Mn)



# Appendices

# Balance Sheet Summary

	Parent				Consolidated			
	1H25	2024	VAR	Growth	1H25	2024	VAR	Growth
<b>ASSETS</b>								
Cash and balances with Central Bank	135	118	17	15%	236	180	55	31%
Due from banks	36	66	(30)	-46%	46	67	(21)	-32%
Loans, advances and financing to customers - net	2,440	2,391	49	2%	3,592	3,491	101	3%
Investment on subsidiary	140	135	5	4%	-	-	0	0%
Investment securities	258	328	(70)	-21%	403	450	(48)	-11%
Intangibles	-	-	0	-	6	6	(0)	-2%
Property and equipment	34	34	0	0%	40	40	1	2%
Other assets	52	46	6	12%	60	57	4	6%
<b>TOTAL ASSETS</b>	<b>3,095</b>	<b>3,118</b>	<b>(23)</b>	<b>-1%</b>	<b>236</b>	<b>180</b>	<b>92</b>	<b>2%</b>
<b>LIABILITIES</b>								
Due to banks	28	31	(3)	-11%	47	55	(8)	-14%
Customer deposits	2,417	2,467	(50)	-2%	3,634	3,572	63	2%
Other liabilities	104	84	20	24%	127	99	28	28%
<b>TOTAL LIABILITIES</b>	<b>2,549</b>	<b>2,582</b>	<b>(33)</b>	<b>-1%</b>	<b>3,809</b>	<b>3,726</b>	<b>83</b>	<b>2%</b>
<b>EQUITY</b>								
Total Shareholders' Equity	390	380	10	3%	388	379	9	2%
Perpetual Tier 1 capital securities	156	156	0	0%	186	186	0	0%
<b>TOTAL EQUITY</b>	<b>546</b>	<b>536</b>	<b>10</b>	<b>2%</b>	<b>575</b>	<b>566</b>	<b>9</b>	<b>2%</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>3,095</b>	<b>3,118</b>	<b>(23)</b>	<b>-1%</b>	<b>4,383</b>	<b>4,291</b>	<b>92</b>	<b>2%</b>

# Profit and Loss Summary

	Parent				Consolidated			
	1H 2025	1H 2024	VAR	Growth	1H 2025	1H 2024	VAR	Growth
Interest income	82.5	79.2	3.3	4%	82.3	79.1	3.2	4%
Interest expense	(42.2)	(42.8)	0.6	1%	(42.2)	(42.8)	0.6	1%
Net interest income	40.3	36.5	3.9	11%	40.1	36.3	3.8	10%
Net income from Islamic financing	0.0	0.0	0.0	-	15.7	13.0	2.7	20%
Net fee & commission income	7.4	7.7	(0.3)	-4%	9.6	10.0	(0.4)	-4%
Net income from investment securities	0.4	0.1	0.3	203%	0.6	0.2	0.4	173%
Other operating income	7.4	6.1	1.2	20%	2.8	4.1	(1.3)	-32%
<b>OPERATING INCOME</b>	<b>55.5</b>	<b>50.4</b>	<b>5.1</b>	<b>10%</b>	<b>68.8</b>	<b>63.6</b>	<b>5.1</b>	<b>8%</b>
<b>OPERATING EXPENSES</b>	<b>(27.8)</b>	<b>(26.5)</b>	<b>(1.3)</b>	<b>-5%</b>	<b>(37.8)</b>	<b>(36.1)</b>	<b>(1.7)</b>	<b>-5%</b>
<b>OPERATING PROFIT</b>	<b>27.7</b>	<b>23.9</b>	<b>3.8</b>	<b>16%</b>	<b>30.9</b>	<b>27.5</b>	<b>3.4</b>	<b>12%</b>
Net allowance for credit losses	(11.1)	(9.5)	(1.6)	-17%	(13.5)	(12.5)	(1.1)	-8%
<b>PROFIT BEFORE TAX</b>	<b>16.6</b>	<b>14.5</b>	<b>2.2</b>	<b>15%</b>	<b>17.4</b>	<b>15.0</b>	<b>2.4</b>	<b>16%</b>
Income tax expense	(1.9)	(1.6)	(0.3)	-19%	(2.8)	(2.3)	(0.5)	-20%
<b>NET PROFIT</b>	<b>14.8</b>	<b>12.9</b>	<b>1.9</b>	<b>15%</b>	<b>14.6</b>	<b>12.70</b>	<b>1.9</b>	<b>15%</b>



# Thank You