



**CONDENSED INTERIM FINANCIAL STATEMENTS  
AS AT AND FOR THE THREE MONTHS  
PERIOD ENDED 31 MARCH 2025**

## **OMAN ARAB BANK SAOG**

### **Condensed Interim Financial Statements As at and for the period ended 31 March 2025**

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## **CHAIRMAN'S REPORT – FIRST QUARTER 2025**

Dear Shareholders,

I am pleased to present to you the financial results of Oman Arab Bank SAOG (the Bank) for the first quarter ended 31 March 2025.

The Federal Reserve has maintained the Federal fund rates at its current level, highlighting a careful stance towards inflationary pressures. Meanwhile, the US proposed tariffs may impact global trade and supply chains.

Oman continued to have balanced fiscal discipline and healthy debt to GDP ratio supported by improved governance in public expenditure, providing a cushion against external shocks. The International Monetary Fund (IMF) reported in January 2025 that Oman's economy continued to expand, supported by favorable hydrocarbon revenues and steadfast reform efforts. The IMF noted that fiscal and external surpluses continued in 2024, with the overall fiscal balance at 6.2% of GDP and the current account balance at 2.4% of GDP, with government debt declining to 35% of GDP in 2024.

### **CONSOLIDATED FINANCIAL PERFORMANCE**

The Bank recorded a net profit after tax of OMR 7.42 million for the three-month ended 31 March 2025, up 16% compared to OMR 6.42 million for the same period in 2024.

Net interest income from conventional banking and net income from Islamic financing services increase by 21% to RO 28.5 million for the first quarter of 2025 due to an increase in interest and finance income, which was partly offset by higher cost of funds.

Operating income increased by 9% to RO 35.1 million for the three-month ended 31 March 2025 compared to RO 32.2 million for the same period in 2024. Operating expenses reached RO 19.0 million compared to RO 18.3 million for the same period in 2024. This has led to a healthy growth in operating profit, which grew 16% to reach RO 16.2 million in the first three months of 2025 compared to RO 13.9 million for the same period last year. Net allowances for expected credit losses increased by 17% to reach RO 7.3 million in the three-month ended 31 March 2025 compared to RO 6.3 million for the same period in 2024.

Net loans and advances, including Islamic finance, grew 3% to RO 3,543 million compared to RO 3,436 million at 31 March 2024, while customer deposits reached RO 3,672 million by the end of first quarter of 2025, up 8% compared to RO 3,392 million at 31 March 2024.

### **PERFORMANCE OF THE PARENT COMPANY**

The parent company recorded a net profit after tax of RO 7.5 million for the three-month ended 31 March 2025, up 15% compared to RO 6.5 million for the same period in 2024. Interest income grew 11%, driven by growth in investments and loans and advances, while interest expenses grew 4%. Operating income reached RO 28.4 million for the three-month ended 31 March 2025, up 14% compared to RO 24.9 million in the same period of 2024, driven by growth in net interest income and an increase in share of profit from



subsidiary by 20%, while operating profit recorded an increase of 27%. Operating expenses increased by 3% to reach RO 13.9 million for the three-month ended 31 March 2025 compared to RO 13.5 million in the same period in 2024. Net allowances for expected credit losses increased by 47% to record RO 6.0 million for the three-month ended 31 March 2025 compared to RO 4.1 million in the same period in 2024.

Net loans and advances grew 0.7% to RO 2,420 million at 31 March 2025, compared to RO 2,404 million for the same period last year. Customer deposits increased by 7% to RO 2,518 million at 31 March 2025 compared to RO 2,348 million for the same period in 2024.

The Parent Company has adopted the equity method to account for investments in a subsidiary in its separate financial statements. This amendment has been applied retrospectively, and the previous year's figures have been restated accordingly.

#### **PERFORMANCE OF ALIZZ ISLAMIC BANK**

Alizz Islamic Bank's net profit grew by 20% to RO 2.4 million for the three-month ended 31 March 2025 compared to RO 2.0 million for the same period in 2024. Net financing receivables amounted to RO 1,123 million at 31 March 2025, 9% higher than RO 1,032 million for the same period last year. Customer deposits reached RO 1,154 million at 31 March 2025, up 11% compared to RO 1,044 million at 31 March 2024.

#### **NEW BANKING SERVICES AND PRODUCTS**

In Q1 2025, the Bank introduced innovative products and services, reinforcing its commitment to elevating customer experiences and promoting economic growth, including support of Small and Medium-sized Enterprises (SMEs).

Notably, the Bank unveiled a new suite of commercial banking services tailored for SMEs, corporate clients, and government entities. These services incorporated advanced technologies such as Host-to-Host, SWIFTNet. The new services allow clients to effortlessly manage their financial operations at any time and from any location, with corporate clients gaining complete oversight and efficient management of their financial transactions.

As part of its digital transformation journey, the Bank also successfully launched its Corporate Mobile Banking application, tailored to meet the needs of corporate, SME, and government entities. Additionally, a Virtual Account solution was introduced for licensed brokerage firms on the Muscat Stock Exchange, in collaboration with the Financial Services Authority (FSA).

During Ramadan, Oman Arab Bank announced the launch of its special Ramadan 'Markabati' Car Loan campaign. The initiative aimed to meet the needs of individuals and families by offering flexible financing terms and competitive interest rates. The Bank offered flexible repayment terms of up to 10 years, helping improve personal financial management, while saving time and effort. It also provided customers with the opportunity to obtain financing for purchasing new or used cars with attractive interest rates, reaching some of the lowest rates in the market, contributing to easing the financial burden on customers during the holy month of Ramadan.





In celebration of Eid al-Fitr, the Bank announced the launch of its special Eid al-Fitr Spend Campaign, designed to reward the Bank's credit cardholders with 4% cashback for local purchases made during the festive period. The campaign aimed to encourage local spending while providing a unique opportunity for customers to earn cashback on their everyday purchases.

Staying aligned with evolving customer needs and emerging technologies, Alizz Islamic Bank partnered with Visa, a world leader in digital payments, to offer an enhanced shari'a compliant card value proposition to the customers. The new premium card's offerings come as part of the bank's recent transformational journey that focuses on 'Personalising every experience through innovative and smart solutions'. This partnership enables Alizz Islamic bank to provide instant issuance of new Visa debit cards, credit cards and prepaid cards.

## **RETAIL INITIATIVES**

Oman Arab Bank achieved significant milestones in retail banking over the past quarter of the year, reinforcing its commitment to innovation, customer experience, and digital transformation. Among the most notable advancements was the successful launch of Samsung Pay and Apple Pay wallets, enabling secure and seamless transactions through tokenization for both debit and credit cards. The Bank also rolled out several enhancements to its mobile app, including features like international purpose of transfer, e-IPO enhancements, and mobile debit card requests for renewals and replacements. In addition, new billers such as Vodafone and Friendi mobile top-ups were integrated into both the mobile app and ATMs, further improving customer convenience.

In line with its strategic focus on expanding payment infrastructure, Oman Arab Bank upgraded its physical and digital channels. This included the replacement of 52 outdated NCR machines with new DN machines and the installation of a Dynamic View System to improve ATM monitoring. The Bank also expanded its POS network, onboarding high-profile merchants such as Pizza Hut with 133 machines, Makah Hypermarket with six branches, and Modern Dairy Factory. Collaborations with major fuel retailers like Oman Oil and Al Maha Petroleum led to the deployment of POS machines across 67 fuel stations. The Bank's reach in the academic and institutional sectors was further solidified through a significant RO 7 Million agreement with Sohar University and a completed SAP payment gateway integration for Muscat University.

On the campaign front, Oman Arab Bank continued to engage customers with rewarding offers and strategic outreach. A national campaign commemorating His Majesty's Ascension Anniversary offered up to 25% cashback on credit card transactions, while the Ramadan Car Loan campaign and weekend discounts at Lulu Hypermarket strengthened seasonal engagement. The Bank also introduced a new credit card product for the Ministry of Finance with tailored limits and usage options. Other initiatives included enhancing contactless transaction limits for premium credit cards, conducting Tamakun training for credit card features across Dhofar and Sharqiya regions, and launching Open Day activations with partners like the Ministry of Housing and O-Taxi. These collective efforts underline the Bank's ongoing drive to offer innovative financial solutions, broaden accessibility, and strengthen customer relationships.



## STRATEGIC COLLABORATIONS & PARTNERSHIPS

In Q1 2025, Oman Arab Bank strengthened its commitment to empowering communities and supporting the nation through key partnerships and initiatives.

The Bank participated in the Sultan Qaboos University Career Fair, which was held from 17 to 19 February 2025. OAB's booth attracted a large number of young visitors who expressed keen interest in exploring its pioneering initiatives, career opportunities, and innovative programs, particularly the 'Ruwad Al Arabi' program, which targets university and college graduates. The Bank's participation in the exhibition aligns with its commitment to supporting national talent and contributing to Oman's employment objectives for youth, in line with the country's future vision.

Additionally, Takaful Oman Insurance, a leading provider of insurance solutions, and Oman Arab Bank announced a strategic partnership; a collaboration set to redefine the financial services landscape by providing customers with enhanced access to innovative, integrated solutions. The partnership enabled OAB's customers to seamlessly access Takaful Oman's comprehensive suite of insurance products through OAB's extensive network of branches and advanced digital platforms. The collaboration reflects both the organisations' commitment to innovation, customer satisfaction, all while delivering tailored financial solutions that address the evolving needs of Oman's diverse market.

The Bank has played a vital role in financing key development projects across various sectors and industries in the Sultanate. This includes support for small and medium-sized enterprises, with total financing exceeding RO 100 million during the first quarter of the year. In addition, the Bank continues to advance green financing initiatives in line with Environmental, Social, and Governance (ESG) principles and government-led sustainability efforts. These contributions are fully aligned with the Bank's strategic plans and the broader objectives of Oman Vision 2040.

Reinforcing its leadership in innovation and advanced financial solutions, the Bank played a key role in collaboration with the Financial Services Authority (FSA) to launch five digital trading platforms for licensed brokerage firms on the Muscat Stock Exchange (MSX). These platforms are part of some broader financial sustainability initiatives aimed at facilitating and stimulating investment, driving comprehensive digital transformation in the Omani capital market, and expanding investor access to local markets. These solutions enhance transparency, simplify the tracking of outstanding amounts for each project or product, and significantly streamline financial transactions among institutions operating in the financial sector.

Further, and as part of its ongoing initiatives and innovative programs to support and develop SMEs, the Bank organized the Eid Exhibition, serving as a distinguished promotional platform for entrepreneurs, supporting national products, and enhancing their presence in local markets. The exhibition was held at the Bank's headquarters in Al Ghubrah, where it attracted many visitors and shoppers. It featured a wide range of unique products catering to all family members, along with exceptional collections that added a touch of elegance to Eid Al-Fitr celebrations.

Adding to its key initiatives and strategic partnerships, the Bank was proud to be associated with the nation's leading infrastructure development initiatives, including the landmark Hafeet Rail project, for which the first disbursement was successfully completed in Q1. The Bank remains committed to supporting similar





infrastructure projects, with a particular focus on ESG-aligned deals. Further strengthening its position, the Bank finalized an innovative IRS deal with a global leader in the oil and gas sector — the first of its kind in the market. The Bank also continues to place strong emphasis on the SME sector, reinforcing its role as a trusted partner in their growth and success.

The Bank continues to reaffirm its commitment to social responsibility and inclusive development through a series of impactful CSR initiatives. As part of its ongoing support for people with disabilities, the Bank hosted a Special Olympics exhibition at its headquarters, where local businesses run by or supporting individuals with disabilities showcased their products – including handmade crafts, artworks, and homegrown food items. The initiative also featured a staff-organised bake sale to raise funds and awareness for children with intellectual disabilities, reinforcing a culture of compassion and community involvement within the Bank. Additionally, the Bank proudly announced its sponsorship of the upcoming Special Olympics World Winter Games, set to take place in Torino, Italy, in 2025 – marking a continuation of its dedication to empowering children and supporting their inclusion on international platforms.

Further extending its social outreach, the Bank hosted the 'Happiness Village Carnival,' a joyful and inclusive community event tailored for people with disabilities. The event provided a day of entertainment, interaction, and support for individuals and families, creating a warm and welcoming environment that reflected the Bank's values of empathy and equality.

In parallel, the Bank launched a nationwide financial literacy programme targeting SMEs, a sector central to the country's economic diversification goals. Recognising that access to financial knowledge is critical to the growth and sustainability of these businesses. The Bank has already conducted three successful training workshops in Muscat and Sohar. These free sessions provided both aspiring and existing entrepreneurs with practical financial advice, business planning tools, and a deeper understanding of banking services. Looking ahead, the Bank plans to extend the initiative to more regions including Dakhiliya (Nizwa) and Salalah, ensuring broader geographic inclusion. The programme's hybrid model also includes live-streamed sessions and plans to host the content online permanently – ensuring long-term accessibility and sustainability for entrepreneurs nationwide. This initiative reflects the Bank's belief that empowering SMEs with the right financial tools and education can unlock their full potential and contribute significantly to Oman's economy.

Complementing these CSR efforts, the Bank has played a vital role in financing key development projects across various sectors and industries in the Sultanate. This includes dedicated support for Small and Medium Enterprises (SMEs), with total gross financing exceeding RO 100 million during the first quarter of this year. These efforts align with the Bank's strategic priorities and the overarching objectives of Oman Vision 2040, driving progress and economic resilience across the nation.

As for Alizz Islamic Bank, the bank signed an agreement with the International Islamic Trade Finance Corporation (ITFC) and Saudi Export-Import Bank (Saudi EXIM) to provide Shari'a compliant financing solutions, further enhancing the bank's commitment to offering innovative and ethical financial services in alignment with Islamic principles.



## DEVELOPMENT OF HUMAN RESOURCES

Oman Arab Bank held its annual meeting, a yearly tradition celebrating the successes achieved through the innovative contributions of the team and employees. The event also served as a platform to prepare for a new year filled with achievements and to sustain the exceptional performance the Bank has attained through continuous advancements in digital products, solutions, and customer service.

Similarly, in the first quarter, the Bank's unwavering commitment to delivering high-quality learning and development programs resulted in the successful delivery of 99 courses, encompassing both physical and online modalities. These courses, spanning leadership, technical, and soft skills, impacted 1,488 learners. The cumulative training hours amounted to 6,757, reflecting our dedication to fostering continuous professional growth and development within our organization.

Continuing our efforts to strengthen our talent pipeline and contributing to the national employment agenda, the Bank launched a refreshed version of our highly successful Al Ruwad Graduate program. Partnering with the Ministry of Labour and one of the renowned and leading training institutes, we have on-boarded 25 young national talents to undergo an intensive 9-months bespoke development program. Upon successful completion of the program, these high potential talents would be deployed into the business. This approach ensures they are well-prepared to have impactful careers within our Bank.

Additionally, as part of our Corporate Social Responsibility (CSR) efforts, we provided 36 internship opportunities to job seekers and recent graduates.

Our Talent Experience team launched several impactful initiatives focused on enhancing employee well-being, fostering a strong sense of community, and celebrating accomplishments across the Bank.

In January, with our "Happy Thursdays"—a once a month initiative designed to bring a cheerful close to the workweek by promoting relaxation and camaraderie among employees. We also carried out branch visits to strengthen the connection between our teams across various locations. Additionally, the "Breakfast with the CEO" event continues to provide a valuable opportunity for employees to engage in open dialogue and connect directly with the bank's top leadership.

February featured a key moment during the Town Hall meeting, where we recognized long-serving employees through the Long Service Award and celebrated exceptional contributions with the Mutamiyzoon (Employee of the Year) Award. These recognitions reflect our appreciation for dedication and excellence within the organization.

In March, we encouraged team spirit and wellness through the OAB Ramadan Football Tournament, which promoted healthy living, friendly competition, and stronger interdepartmental connections. These initiatives underscore our ongoing commitment to nurturing a vibrant, inclusive, and engaging workplace culture where every employee feels seen, valued, and empowered.

In March, we successfully completed the hiring of 5 new talents to replenish our bench strength and redeployed a number of our internal talents to the Branches as Service Ambassadors, to further enhance our customer experience.





We continued our digitalisation efforts in HR process automation to enhance operational efficiency, ensuring that employees enjoy a seamless experience when submitting any applications, allowing services to be completed in a short time. This accomplishment not only highlights the team's dedication to meeting goals but also reflects their commitment to enhancing the overall employee experience.

Continuing its endeavors to develop national talent, Alizz Islamic Bank designed a specialized comprehensive training programme on the fundamentals of banking for non-banking professional that was conducted by the CEO of the bank where more than 50 internal and external delegates benefiting from the programme that introduces fundamental banking concepts and principles, the basics of how banks operate as service providers and businesses, their obligation to operate in a safe and sound manner and manage risks, the responsibilities of bank employees in a customer-focused financial services environment and more.

Highlighting the accomplishments and the team's dedication to meeting goals reflects a commitment to enhancing and furthering existing and potential employees' skills and services, as well as their ongoing support.

## COMMUNITY ENGAGEMENT

Oman Arab Bank and Alizz Islamic Bank both maintained their commitment to social responsibility in Q1 2025 through various community initiatives.

Notably, OAB launched a pioneering initiative to waive outstanding debts for a number of its distressed customers. This initiative is part of the Bank's ongoing efforts to promote economic development and alleviate financial burdens on individuals facing challenging economic circumstances. This step reflects the Bank's vision of building a sustainable relationship with its customers, founded on trust and mutual support, contributing to economic and social growth in the Sultanate.

During Ramadan, OAB successfully organized the Iftar Saem initiative in the Wilayat of Muttrah. This initiative is part of the Bank's annual Ramadan activities, aimed at encouraging generosity and embodying the virtues of the holy month.

The active participation of OAB employees in the Iftar Saem initiative and other community programs reflects their strong commitment to social responsibility and charitable work, which remains a core priority for the Bank.

As for Alizz Islamic Bank, in alignment with its '**Alizz Cares**' Program, and underscoring its commitment to fostering inclusivity, empowering communities, and enhancing the quality of life, Alizz Islamic Bank introduced the '**Sports for All**' initiative that strives to encourage sports and development into the community. The initiative reflects the Bank's commitment to promoting inclusivity, health, equality and public welfare through sports, aligning with the United Nations Sustainable Development Goals.

The first arm of this initiative was partnering with Special Olympics Oman to sponsor a specialised full year training programme for 10 athletes. The Bank also partnered with Sultan Qaboos University on the 10th Sports Tournament for Students of Universities and Higher Education Institutions in the GCC and launched



the 'Alizz GT' Gaming tournament in collaboration with the Omani Gaming Committee for Games and Electronic Sports from the Ministry of Culture, Sports & Youth and participants competed on the EA Sports FC 25 game.

Additionally, as part of Alizz Islamic Bank's ongoing commitment to enhancing and supporting small and medium enterprises (SMEs) with 'Sharakah', the Bank continues to empower eight selected SMEs which includes three nominations by the SMEs Development Authority, two from Alizz Islamic Bank's Business Banking customers, and three that were selected from a pool of 105 applicants through social media platforms by providing intensive guidance to their running businesses, focusing on boosting their operational capabilities and fostering long-term success.

### CONCLUDING THOUGHTS

Looking back on the promising progress achieved during the first quarter, we extend our heartfelt appreciation to our shareholders, customers, and employees for their continued trust and loyalty. Your steadfast support empowers us to deliver exceptional service, foster innovation, and achieve new milestones.

We are equally grateful to the Central Bank of Oman, the Financial Services Authority, and other related government institutions for their ongoing support and commitment to strengthening the financial sector. Their collaborative efforts and strategic guidance remain essential to our journey of growth and resilience.

Above all, we pledge our allegiance to His Majesty Sultan Haitham bin Tarik for his visionary leadership and dedication to Oman's advancement. His enduring support and guidance inspire us to contribute meaningfully to the nation's progress and ensure sustainable growth for future generations.


Sincerely,

**Rashad Al Zubair**  
Chairman

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2025**

	Note	Consolidated		Parent Company	
		Unaudited	Audited	Unaudited	Audited
		31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
		RO'000	RO'000	RO'000	RO'000
Cash and balances with central bank	3	136,486	180,450	89,999	117,845
Due from banks	4	145,285	67,222	124,140	65,876
Loans, advances and financing to customers	5	3,543,477	3,490,871	2,419,987	2,390,677
Investment securities	6	442,084	450,320	312,671	328,419
Investment in subsidiary		-	-	137,487	135,095
Property and equipment		39,480	39,586	34,392	34,254
Intangible assets	7	6,202	6,280	-	-
Other assets	8	61,838	56,639	53,644	46,088
<b>Total assets</b>		<b>4,374,852</b>	<b>4,291,368</b>	<b>3,172,320</b>	<b>3,118,254</b>
Due to banks	9	29,504	54,599	18,576	31,293
Customer deposits	10	3,672,193	3,571,693	2,518,417	2,467,307
Borrowed funds		9,625	9,625	9,625	9,625
Other liabilities	11	78,485	79,542	71,982	64,965
Taxation		11,693	10,145	10,172	9,181
<b>Total liabilities</b>		<b>3,801,500</b>	<b>3,725,604</b>	<b>2,628,772</b>	<b>2,582,371</b>
Share capital		166,941	166,941	166,941	166,941
Share premium		36,565	36,565	36,565	36,565
Legal reserve		53,626	53,626	53,614	53,614
General reserve		25,560	25,560	25,560	25,560
Special reserve		3,837	3,837	3,837	3,837
Fair value reserve		(1,538)	(1,707)	(1,806)	(1,975)
Impairment reserve		16,800	16,800	16,800	16,800
Retained earnings		85,295	77,876	85,771	78,275
<b>Shareholders' equity</b>		<b>387,086</b>	<b>379,498</b>	<b>387,282</b>	<b>379,617</b>
Perpetual Tier 1 capital bonds	12	186,266	186,266	156,266	156,266
<b>Total equity</b>		<b>573,352</b>	<b>565,764</b>	<b>543,548</b>	<b>535,883</b>
<b>Total equity and liabilities</b>		<b>4,374,852</b>	<b>4,291,368</b>	<b>3,172,320</b>	<b>3,118,254</b>
Net assets value per share (RO)	24 (b)	0.232	0.227	0.232	0.227
Contingent liabilities and commitments	23	360,387	377,039	216,316	238,523

The financial statements were authorised on 06 May 2025 for issue in accordance with a resolution of the Board of Directors and signed by:


  
Chairman


  
Director


  
Chief Executive Officer

The accompanying notes from 1 to 30 form an integral part of these condensed consolidated and separate interim financial statements.



**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 31 MARCH 2025**

		Consolidated		Parent Company	
		Unaudited	Unaudited	Unaudited	Unaudited
					Restated
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Note	RO'000	RO'000	RO'000	RO'000
Interest income	13	42,397	38,274	42,574	38,400
Interest expense	14	(21,707)	(20,848)	(21,707)	(20,848)
<b>Net interest income</b>		<b>20,690</b>	<b>17,426</b>	<b>20,867</b>	<b>17,552</b>
Income from Islamic financing and investing activities		18,179	16,335	-	-
Profit paid on participatory deposits and banks		(10,379)	(10,120)	-	-
<b>Net income from Islamic financing and investing activities</b>	15	<b>7,800</b>	<b>6,215</b>	<b>-</b>	<b>-</b>
Net fee and commission income	16	5,022	5,595	3,876	4,389
Net income from investment securities	17	283	104	192	75
Other operating income	18	1,352	2,902	1,064	920
Share of profit from subsidiary		-	-	2,410	2,012
<b>Total income</b>		<b>35,147</b>	<b>32,242</b>	<b>28,409</b>	<b>24,948</b>
Operating expenses	19	(18,963)	(18,309)	(13,913)	(13,500)
Net allowances for credit losses		(7,335)	(6,271)	(6,009)	(4,075)
<b>Profit before tax</b>		<b>8,849</b>	<b>7,662</b>	<b>8,487</b>	<b>7,373</b>
Income tax expense		(1,430)	(1,244)	(991)	(877)
<b>Net Profit for the period</b>		<b>7,419</b>	<b>6,418</b>	<b>7,496</b>	<b>6,496</b>
<b>Other comprehensive income / (loss)</b>					
Items that will not be reclassified to profit or loss in the subsequent periods					
- Equity investment at FVOCI – net change in fair value		(426)	3	(297)	3
Items that are or may be reclassified to profit or loss in the subsequent periods					
- Debt investment at FVOCI – net change in fair value		595	(178)	485	(145)
Share of OCI from subsidiary		-	-	(19)	(33)
<b>Other comprehensive income / (loss) for the period</b>		<b>169</b>	<b>(175)</b>	<b>169</b>	<b>(175)</b>
<b>Total comprehensive income for the period – net of tax</b>		<b>7,588</b>	<b>6,243</b>	<b>7,665</b>	<b>6,321</b>
<b>Earnings per share:</b>					
Basic and diluted (RO)	24 (a)	0.004	0.004	0.004	0.004

The accompanying notes from 1 to 30 form an integral part of these condensed consolidated and separate interim financial statements.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2025**

	Share capital	Share premium	Legal reserve	General reserve	Special reserve	Fair value reserve	Impairment reserve	Retained earnings	Sub total	Perpetual Tier 1 capital bonds	Total
<b>Consolidated (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Balance at 1 January 2024</b>	<b>166,941</b>	<b>36,565</b>	<b>50,551</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,075)</b>	<b>9,130</b>	<b>79,217</b>	<b>370,726</b>	<b>146,250</b>	<b>516,976</b>
Net Profit for the period	-	-	-	-	-	-	-	6,418	6,418	-	6,418
Unrealised gain on FVOCI investments	-	-	-	-	-	(142)	-	-	(142)	-	(142)
Realised loss on FVOCI investments	-	-	-	-	-	(33)	-	-	(33)	-	(33)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>6,418</b>	<b>6,243</b>	<b>-</b>	<b>6,243</b>
Redemption of Tier 1 bonds	-	-	-	-	-	-	-	-	-	-	-
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2024</b>	<b>166,941</b>	<b>36,565</b>	<b>50,551</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,250)</b>	<b>9,130</b>	<b>85,635</b>	<b>376,969</b>	<b>146,250</b>	<b>523,219</b>

	Share capital	Share premium	Legal reserve	General reserve	Special reserve	Fair value reserve	Impairment reserve	Retained earnings	Sub total	Perpetual Tier 1 capital bonds	Total
<b>Consolidated (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Balance at 1 January 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,626</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,707)</b>	<b>16,800</b>	<b>77,876</b>	<b>379,498</b>	<b>186,266</b>	<b>565,764</b>
Net Profit for the period	-	-	-	-	-	-	-	7,419	7,419	-	7,419
Unrealised gain on FVOCI investments	-	-	-	-	-	169	-	-	169	-	169
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>-</b>	<b>7,419</b>	<b>7,588</b>	<b>-</b>	<b>7,588</b>
Redemption of Tier 1 bonds	-	-	-	-	-	-	-	-	-	-	-
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,626</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,538)</b>	<b>16,800</b>	<b>85,295</b>	<b>387,086</b>	<b>186,266</b>	<b>573,352</b>

The accompanying notes from 1 to 30 form an integral part of these condensed consolidated and separate interim financial statements.

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2025**

	Share capital	Share premium	Legal reserve	General reserve	Special reserve	Fair value reserve	Impairment reserve	Retained earnings	Sub total	Perpetual Tier 1 capital bonds	Total
<b>Parent Company (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Balance at 1 January 2024 (restated)</b>	<b>166,941</b>	<b>36,565</b>	<b>50,551</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,343)</b>	<b>9,130</b>	<b>79,279</b>	<b>370,508</b>	<b>146,250</b>	<b>516,758</b>
Net Profit for the period	-	-	-	-	-	-	-	6,496	6,496	-	6,496
Unrealised loss on FVOCI investments	-	-	-	-	-	(175)	-	-	(175)	-	(175)
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(175)</b>	<b>-</b>	<b>6,496</b>	<b>6,321</b>	<b>-</b>	<b>6,321</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Redemption of Tier 1 bonds	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2024 (restated)</b>	<b>166,941</b>	<b>36,565</b>	<b>50,551</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,518)</b>	<b>9,130</b>	<b>85,775</b>	<b>376,829</b>	<b>146,250</b>	<b>523,079</b>

	Share capital	Share premium	Legal reserve	General reserve	Special reserve	Fair value reserve	Impairment reserve	Retained earnings	Sub total	Perpetual Tier 1 capital bonds	Total
<b>Parent Company (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Balance at 1 January 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,614</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,975)</b>	<b>16,800</b>	<b>78,275</b>	<b>379,617</b>	<b>156,266</b>	<b>535,883</b>
Net Profit for the period	-	-	-	-	-	-	-	7,496	7,496	-	7,496
Unrealised loss on FVOCI investments	-	-	-	-	-	169	-	-	169	-	169
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>-</b>	<b>7,496</b>	<b>7,665</b>	<b>-</b>	<b>7,665</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Redemption of Tier 1 bonds	-	-	-	-	-	-	-	-	-	-	-
<b>At 31 March 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,614</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,806)</b>	<b>16,800</b>	<b>85,771</b>	<b>387,282</b>	<b>156,266</b>	<b>543,548</b>

The accompanying notes from 1 to 30 form an integral part of these condensed consolidated and separate interim financial statements.



**CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 MARCH 2025**

	Notes	Consolidated		Parent Company	
		Unaudited	Unaudited	Unaudited	Unaudited
		31-Mar-25 RO'000	31-Mar-24 RO'000	31-Mar-25 RO'000	Restated 31-Mar-24 RO'000
<b>Operating activities:</b>					
Profit before tax		8,849	7,662	8,487	7,373
Adjustments:					
Share of profit from Subsidiary		-	-	(2,410)	(2,012)
Depreciation	19	2,128	2,454	1,734	1,928
Amortization	19	78	78	-	-
Net impairment for credit losses		7,335	6,271	6,009	4,075
Dividend income	17	(269)	(67)	(178)	(43)
Loss on sale of property and equipment		(12)	-	(12)	-
Changes in fair value of financial assets at FVTPL	17	(14)	(32)	(14)	(32)
<b>Operating cashflow before working capital changes</b>		<b>18,095</b>	<b>16,366</b>	<b>13,616</b>	<b>11,289</b>
Loans, advances and financing to customers		(78,332)	(123,486)	(53,740)	(84,015)
Due from banks		-	(8,850)	-	10,400
Due to banks		(25,095)	69,446	(12,717)	35,168
Other assets		(115)	(8,473)	(2,522)	(3,772)
Customer deposits		100,500	(8,850)	51,110	(27,012)
Other liabilities		(5,785)	14,535	2,172	4,640
<b>Cash generated from operation activities</b>		<b>9,268</b>	<b>(49,312)</b>	<b>(2,081)</b>	<b>(53,302)</b>
Tax paid		-	-	-	-
<b>Net cash from operating activities</b>		<b>9,268</b>	<b>(49,312)</b>	<b>(2,081)</b>	<b>(53,302)</b>
<b>Investing activities:</b>					
Purchase of investments		(228,003)	(4,245)	(181,780)	(1,062)
Proceeds from sale/maturities of investments		236,888	9,000	198,226	9,000
Purchase of property and equipment		(1,447)	(1,137)	(1,298)	(614)
Proceeds from sale of property and equipment		-	-	-	-
Dividend Income	17	269	67	178	43
<b>Net cash from / (used in) investing activities</b>		<b>7,707</b>	<b>3,685</b>	<b>15,326</b>	<b>7,367</b>
<b>Financing activities:</b>					
Perpetual Tier 1 capital bonds repayment		-	-	-	-
Borrowed funds		-	-	-	-
Additional Tier 1 cost		-	-	-	-
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net increase / (decrease) in cash and cash equivalents		16,975	(45,627)	13,245	(45,935)
Cash and cash equivalents at the beginning of the period		327,409	280,796	263,976	192,947
<b>Cash and cash equivalents at the end of the period</b>	20	<b>344,384</b>	<b>235,169</b>	<b>277,221</b>	<b>147,012</b>
<b>Operational cash flows from interest</b>					
Interest and financing income received		66,110	49,945	48,110	36,019
Interest and profit paid		(25,675)	(26,753)	(16,482)	(17,829)

The accompanying notes from 1 to 30 form an integral part of these condensed consolidated and separate interim financial statements.



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Oman Arab Bank SAOG (the Parent Company or the Bank) was incorporated in the Sultanate of Oman on 1 October 1984 as a closed joint stock company (SAOC). On 6 July 2020, Oman Arab Bank SAOC acquired Al Izz Islamic Bank SAOC (AIB) and become a public joint stock company (SAOG) and was listed on the Muscat Stock Exchange (MSX). The Parent Company is principally engaged in commercial and investment banking activities through a network of branches in the Sultanate of Oman. The registered head office of the Bank is North Al Ghoubra, P.O. Box 2240, Al-Udhayabah, Postal Code 130, Muscat, Sultanate of Oman. The Parent Company is a subsidiary of Arab Bank PLC, an entity listed in Jordan.

The consolidated financial statements as at and for the period ended 31 March 2025 comprises the results of the Parent Company and Al Izz Islamic Bank (AIB) (the Subsidiary).

The Subsidiary prepares its own separate set of financial statements in accordance with Financial Accounting Standards ("FAS") issued by Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI"), the Sharia Rules and Principles as determined by the Sharia Supervisory Board (the "SSB") and other applicable requirements of the CBO. The Subsidiary's financial statements are then converted into International Financial Reporting Standards (IFRS) compliant financial information and included in these consolidated financial statements.

The Parent Company and the Subsidiary together are referred to as 'the Group' or 'the Bank'.

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### 2.1. Basis of preparation

The unaudited condensed consolidated and separate interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 'Interim Financial Reporting', the requirements of the Commercial Companies Law of 2019, the disclosure requirements of the Financial Services Authorities (FSA) of the Sultanate of Oman and the applicable regulations of the Central Bank of Oman (CBO).

The FSA requires that all Public Joint Stock Companies to disclose the financial statements of the Parent Company in a separate column in the consolidated financial statements (via circular E/2/2007 from 21 January 2007).

The Bank presents its statement of financial position in descending order of liquidity, as this presentation is more appropriate to the Bank's operations.

The financial statements have been prepared under the historical cost convention except for derivative financial instruments, financial instruments at fair value through profit or loss (FVTPL) and financial instruments at fair value through other comprehensive income (FVOCI) which have been measured at fair value.

The financial statements are presented in Rial Omani ("RO"), which is the Bank's functional (currency of primary economic environment in which the Bank operates), rounded to the nearest thousand unless otherwise stated.

The unaudited condensed consolidated and separate interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Bank's annual consolidated and separate financial statements as at and for the year ended 31 December 2025. In addition, results of the Bank for the period ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year 2025.



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

#### 2.2. Change in accounting policies and disclosures

The accounting policies are consistent with those used in the previous financial year except for where the Parent Company and Group has adopted certain new standards, amendments and interpretations to IFRS. During the previous year, the Bank has voluntarily changed an accounting policy with respect to investment in subsidiary in separate financial statement. The change is related with accounting policy of the Bank for investment in subsidiary from cost method to equity method of accounting. This amendment has been applied retrospectively. Details of the restatement are set out in note 28.

#### 2.3. Use of judgements and estimates

The preparation of the condensed interim financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that effect 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

#### 2.4. New standards, implementations and amendments in existing standards

The accounting policies adopted in the preparation of the condensed consolidated and separate interim financial statements are consistent with those followed in the preparation of the Bank's annual consolidated and separate financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Bank has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2024, but do not have a material impact on the condensed consolidated and separate interim financial statements of the Bank. The above amendments are effective from 1 January 2025.

### 3. CASH AND BALANCES WITH CENTRAL BANK

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Cash in hand	43,064	28,780	36,506	22,762
Balances with the Central Bank of Oman:	-	-	-	-
- Clearing account	72,762	79,715	52,993	42,133
- Placements	19,635	70,930	-	52,450
- Capital deposit	1,025	1,025	500	500
<b>Total</b>	<b>136,486</b>	<b>180,450</b>	<b>89,999</b>	<b>117,845</b>

- (i) The capital deposit cannot be withdrawn without the approval of the Central Bank of Oman. The capital deposit earns an annual interest at 1.5% as at March 2025 (31 March 2024:1.5%) for the Parent Company. The CBO does not pay any interest to the Islamic Banks in Oman; therefore, no such interest was earned by the Subsidiary during the period.
- (ii) Cash and balances with Central Bank is classified under stage 1 as per IFRS 9. However, there are no expected credit losses and hence no provision has been recognised.





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 4. DUE FROM BANKS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Placements	100,565	40,575	94,791	42,499
Current accounts	44,917	26,684	29,490	23,407
<b>Due from banks and other money market placements</b>	<b>145,482</b>	<b>67,259</b>	<b>124,281</b>	<b>65,906</b>
Less: allowance for credit losses	(197)	(37)	(141)	(30)
<b>Total</b>	<b>145,285</b>	<b>67,222</b>	<b>124,140</b>	<b>65,876</b>

Movement in allowance for the credit losses is set out below:

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Balance at the beginning of the period	37	115	30	94
Charge / (release) during the period	160	(78)	111	(64)
<b>Balance at the end of the period</b>	<b>197</b>	<b>37</b>	<b>141</b>	<b>30</b>

### 5. LOANS, ADVANCES AND FINANCING TO CUSTOMERS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Term loans	1,607,964	1,547,947	1,607,964	1,559,044
Overdrafts	117,339	122,702	117,339	122,703
Bills discounted	18,518	14,381	18,518	20,038
Islamic finance	670,782	682,118	-	-
<b>Corporate loans</b>	<b>2,414,603</b>	<b>2,367,148</b>	<b>1,743,821</b>	<b>1,701,785</b>
Consumer loans	457,419	464,088	457,419	464,313
Mortgage loans	383,944	388,749	383,944	389,193
Overdrafts	7,165	6,493	7,165	6,493
Credit cards	12,349	13,187	12,349	13,187
Islamic finance	504,539	486,001	-	-
<b>Retail loans</b>	<b>1,365,416</b>	<b>1,358,518</b>	<b>860,877</b>	<b>873,186</b>
<b>Gross loans, advances and financing to customers</b>	<b>3,780,019</b>	<b>3,725,666</b>	<b>2,604,698</b>	<b>2,574,971</b>
Allowance for credit losses	183,678	180,592	137,618	135,788
Contractual interest not recognised	52,864	54,203	47,093	48,506
<b>Less: allowance for credit losses and suspended interest</b>	<b>(236,542)</b>	<b>(234,795)</b>	<b>(184,711)</b>	<b>(184,294)</b>
<b>Net loans, advances and financing to customers</b>	<b>3,543,477</b>	<b>3,490,871</b>	<b>2,419,987</b>	<b>2,390,677</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 5. LOANS, ADVANCES AND FINANCING TO CUSTOMERS

The movements in the allowance for the credit losses and contractual interest not recognised on loans, advances and financing to customers were as follows:

Consolidated Unaudited	Allowance for credit losses	Contractual interest not recognised	Total
2025	RO' 000	RO' 000	RO' 000
<b>Balance at 1 January 2025</b>	<b>180,592</b>	<b>54,203</b>	<b>234,795</b>
Provided during the period	8,245	4,816	13,061
Amounts written off and net transfer from / (to) memorandum portfolio	(3,975)	(2,758)	(6,733)
Amounts released / recovered during the period	(1,184)	(3,397)	(4,581)
<b>Balance at 31 March 2025</b>	<b>183,678</b>	<b>52,864</b>	<b>236,542</b>
2024			
<b>Balance at 1 January 2024</b>	<b>174,347</b>	<b>43,915</b>	<b>218,262</b>
Provided during the period	8,678	5,080	13,758
Amounts written off and net transfer from / (to) memorandum portfolio	212	(596)	(384)
Amounts released / recovered during the period	(2,471)	(398)	(2,869)
<b>Balance at 31 March 2024</b>	<b>180,766</b>	<b>48,001</b>	<b>228,767</b>

Parent Company Unaudited	Allowance for credit losses	Contractual interest not recognised	Total
2025	RO' 000	RO' 000	RO' 000
<b>Balance at 1 January 2025</b>	<b>135,788</b>	<b>48,506</b>	<b>184,294</b>
Provided during the period	6,864	4,742	11,606
Amounts written off and net transfer from / (to) memorandum portfolio	(3,975)	(2,758)	(6,733)
Amounts released / recovered during the period	(1,059)	(3,397)	(4,456)
<b>Balance at 31 March 2025</b>	<b>137,618</b>	<b>47,093</b>	<b>184,711</b>
2024			
<b>Balance at 1 January 2024</b>	<b>133,552</b>	<b>39,734</b>	<b>173,286</b>
Provided during the period	5,930	4,687	10,617
Amounts written off and net transfer from / (to) memorandum portfolio	212	(596)	(384)
Amounts released / recovered during the period	(1,815)	(398)	(2,213)
<b>Balance at 31 March 2024</b>	<b>137,879</b>	<b>43,427</b>	<b>181,306</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 5. LOANS, ADVANCES AND FINANCING TO CUSTOMERS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Performing loans, advances and financings	3,557,474	3,515,792	2,439,180	2,414,413
Allowance for the credit losses on performing loans	92,827	92,059	73,197	72,592
Non-performing loans, advances and financings on which interest was not accrued	222,545	209,874	165,518	160,558
Allowance for the credit losses on non-performing loans	143,715	142,736	111,514	111,702

The analysis of the Islamic financing activities is as follows:

	Corporate	Retail	Total
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000
Musharaka	371,133	325,305	696,438
Murabaha	75,632	78,355	153,987
Ijarah Muntahia Bittamleek	52,463	96,143	148,606
Wakala	171,482	2,084	173,566
Others	72	2,652	2,724
<b>Balance at 31 March 2025</b>	<b>670,782</b>	<b>504,539</b>	<b>1,175,321</b>
31 December 2024 (Audited)			
Musharaka	344,290	304,948	649,238
Murabaha	71,593	72,957	144,550
Ijarah Muntahia Bittamleek	46,914	97,576	144,490
Wakala	180,750	2,000	182,750
Others	86	2,828	2,914
<b>Balance at 31 December 2024</b>	<b>643,633</b>	<b>480,309</b>	<b>1,123,942</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 6. INVESTMENT SECURITIES

	Consolidated		Parent Company	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
- Banking and investment sector	260	261	260	261
Quoted investments – Oman	260	261	260	261
- Banking and investment sector	225	210	225	210
Quoted investments – Foreign	225	210	225	210
<b>Investments measured at FVTPL</b>	<b>485</b>	<b>471</b>	<b>485</b>	<b>471</b>
- Banking and investment sector	2,081	2,081	2,081	2,081
- Manufacturing sector	1,038	1,126	1,038	1,126
- Oil & gas	4,924	4,305	3,230	3,433
- Service sector	3,185	2,227	2,515	594
Quoted investments – Oman	11,228	9,739	8,864	7,234
- Service sector	-	-	-	-
Quoted investments – Foreign	-	-	-	-
- Service sector	194	194	194	194
Unquoted investments – Oman	194	194	194	194
Equity investments measured at FVOCI	11,422	9,933	9,058	7,428
- Government Sukuk	97,962	96,435	7,999	8,000
- Government Development Bonds (GDBs)	41,848	38,238	41,848	38,238
- Corporate Bonds	63,768	57,442	26,613	26,442
Debt investments measured at FVOCI	203,578	192,115	76,460	72,680
<b>Investments measured at FVOCI</b>	<b>215,000</b>	<b>202,048</b>	<b>85,518</b>	<b>80,108</b>
- Government Development Bonds (GDBs)	132,421	133,147	132,421	133,147
- Government Sukuk	18,325	21,475	18,325	21,475
- T-bills	63,441	80,725	63,441	80,725
Quoted investments – Oman	214,187	235,347	214,187	235,347
- Corporate Bonds	12,617	12,627	12,617	12,627
Quoted investments – Foreign	12,617	12,627	12,617	12,627
<b>Investments measured at amortized cost</b>	<b>226,804</b>	<b>247,974</b>	<b>226,804</b>	<b>247,974</b>
<b>Total financial investments</b>	<b>442,289</b>	<b>450,493</b>	<b>312,807</b>	<b>328,553</b>
Less: allowance for credit losses	(205)	(173)	(136)	(134)
<b>Net financial investments</b>	<b>442,084</b>	<b>450,320</b>	<b>312,671</b>	<b>328,419</b>





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 6. INVESTMENT SECURITIES

The fair value hierarchy of the financial investments is as follows:

<b>Consolidated</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
- Quoted investments	485	-	-	485
<b>Investment measured at FVTPL</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>485</b>
- Quoted investments	11,228	-	-	11,228
- Unquoted investments	-	-	194	194
<b>Equity investment measured at FVOCI</b>	<b>11,228</b>	<b>-</b>	<b>194</b>	<b>11,422</b>
- Quoted investments	119,660	83,918	-	203,578
<b>Debt investments measured at FVOCI</b>	<b>119,660</b>	<b>83,918</b>	<b>-</b>	<b>203,578</b>
<b>Consolidated</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
31 December 2024 (Audited)	RO'000	RO'000	RO'000	RO'000
- Quoted investments	471	-	-	471
<b>Investment measured at FVTPL</b>	<b>471</b>	<b>-</b>	<b>-</b>	<b>471</b>
- Quoted investments	9,739	-	-	9,739
- Unquoted investments	-	-	194	194
<b>Equity investment measured at FVOCI</b>	<b>9,739</b>	<b>-</b>	<b>194</b>	<b>9,933</b>
- Quoted investments	109,104	83,011	-	192,115
<b>Debt investments measured at FVOCI</b>	<b>109,104</b>	<b>83,011</b>	<b>-</b>	<b>192,115</b>
<b>Parent Company</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
- Quoted investments	485	-	-	485
<b>Investment measured at FVTPL</b>	<b>485</b>	<b>-</b>	<b>-</b>	<b>485</b>
- Quoted investments	8,864	-	-	8,864
- Unquoted investments	-	-	194	194
<b>Equity investment measured at FVOCI</b>	<b>8,864</b>	<b>-</b>	<b>194</b>	<b>9,058</b>
- Quoted investments	76,460	-	-	76,460
<b>Debt investments measured at FVOCI</b>	<b>76,460</b>	<b>-</b>	<b>-</b>	<b>76,460</b>
<b>Parent Company</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
31 December 2024 (Audited)	RO'000	RO'000	RO'000	RO'000
- Quoted investments	471	-	-	471
<b>Investment measured at FVTPL</b>	<b>471</b>	<b>-</b>	<b>-</b>	<b>471</b>
- Quoted investments	7,234	-	-	7,234
- Unquoted investments	-	-	194	194
<b>Equity investment measured at FVOCI</b>	<b>7,234</b>	<b>-</b>	<b>194</b>	<b>7,428</b>
- Quoted investments	72,680	-	-	72,680
<b>Debt investments measured at FVOCI</b>	<b>72,680</b>	<b>-</b>	<b>-</b>	<b>72,680</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 7. INTANGIBLE ASSETS

On 30 June 2020, Oman Arab Bank acquired 100% of AIB and AIB became a wholly owned subsidiary. Following the finalisation of the PPA, core deposits, banking license and brand were recognised as intangible assets in 2021.

The core deposits intangible (CDI) is estimated to have a useful life of 10 years and is amortised based on a straight line method.

### 8. OTHER ASSETS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Customers' indebtedness against acceptances	14,261	15,604	14,261	15,604
Fees receivable	944	1,722	944	1,722
Interest receivable	4,913	4,264	3,449	3,151
Prepayments	3,751	3,533	2,730	2,511
Reposessed collateral	3,825	4,822	3,825	3,825
Positive fair value of derivatives	11,050	6,016	11,050	6,016
Others	23,094	20,678	17,385	13,259
<b>Total</b>	<b>61,838</b>	<b>56,639</b>	<b>53,644</b>	<b>46,088</b>

### 9. DUE TO BANKS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Current accounts	6,169	14,207	6,056	14,146
Borrowings	23,335	40,392	12,520	17,147
<b>Total</b>	<b>29,504</b>	<b>54,599</b>	<b>18,576</b>	<b>31,293</b>

### 10. CUSTOMER DEPOSITS

	Consolidated		Parent Company	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
	RO'000	RO'000	RO'000	RO'000
Term deposits	1,693,416	1,724,144	1,205,866	1,243,587
Demand and call accounts	1,345,487	1,259,748	867,333	817,545
Saving accounts	633,290	587,801	445,218	406,175
<b>Total</b>	<b>3,672,193</b>	<b>3,571,693</b>	<b>2,518,417</b>	<b>2,467,307</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 11. BORROWED FUNDS

During the year 2024, Oman Arab Bank signed a loan agreement with the Arab Fund for Economic and Social Development (Badir Fund) worth USD 50 million for a period of 6 years, including a two-year grace period and a variable interest rate based on the interest rate of the US Treasury bonds for 10 years + 0.25%, and the loan is repaid in semi-annual installments in both July and January of each year and starting from 2026, and the loan balance reached USD 25 million (OMR 9.625 million) as at 31 December 2024. The purpose of the loan is exclusively to utilize the proceeds to contribute to the financing and development of small and medium-sized private sector enterprises, either directly or through intermediary financing institutions.

### 12. OTHER LIABILITIES

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Liabilities against acceptances	14,261	15,604	14,261	15,604
Interest payable	405	390	381	323
Accrued expenses and other payables	28,387	29,183	26,775	25,600
Cheques and trade settlement payable	5,397	4,854	4,132	2,945
Staff end of service benefits	1,283	1,304	857	825
Interest and commission received in advance	5,848	4,785	5,848	4,785
Negative fair value of derivatives	11,173	5,987	11,173	5,987
Deferred tax liability	165	283	165	165
Provision for loan commitments, financial guarantees and acceptances	3,900	3,818	3,619	3,528
Others	1,109	6,157	-	-
Lease liabilities	6,557	7,177	4,771	5,203
<b>Total</b>	<b>78,485</b>	<b>79,542</b>	<b>71,982</b>	<b>64,965</b>

### 13. PERPETUAL TIER 1 CAPITAL BONDS

On 7 June 2021, the Bank issued unsecured perpetual Tier 1 bonds of USD 250 million equivalent to RO 96.25 million. The bonds are listed on the International Security Market (ISM) of the London Stock Exchange. The bonds carry a fixed coupon rate of 7.625 per cent per annum payable semi-annually in arrears. Interest is treated as a deduction from equity. Interest is non-cumulative and payable at Bank's discretion. The bonds form part of Tier 1 Capital of the Bank and comply with Basel-III and the CBO regulations.

On 16 October 2023, the Bank issued unsecured perpetual Tier 1 bonds of RO 50 million (50,000,000 units of RO 1 each through private placement). The bonds carry a fixed coupon rate of 7 per cent per annum payable semi-annually in arrears. Interest is treated as a deduction from equity. Interest is non-cumulative and payable at Bank's discretion. The bonds are in pari-passu with earlier issue.

On 9 October 2024, the Bank issued unsecured mandatory convertible bonds qualifying as additional Tier 1 capital of RO 10 million (10,016,460 units of RO 1 each) as dividend to its shareholders. The bonds carry a fixed interest rate of 6 per cent per annum payable semi-annually in arrears. Interest is treated as a deduction from equity. Interest is non-cumulative and payable at Bank's discretion. These bonds would be mandatorily converted in to equity shares after 2 years (9 October 2026) by means of issuing 8 ordinary shares against each bond at an underlying price of 125 baiza per share. The bonds are in pari-passu with other Tier 1 bonds.

On 9 December 2024, the subsidiary of the Bank through its SPC issued its first unsecured perpetual Mudaraba additional tier 1 Sukuk with an aggregated face amount of the OMR Certificates and USD Certificates not exceeding OMR 30,000,000 listed in MSX being issued in dual currency with Omani Rial tranche of OMR 26 million and US Dollar tranche of USD 10 million



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 13. PERPETUAL TIER 1 CAPITAL BONDS (CONTINUED)

equivalent to approx. OMR 4 million. The Sukuk pays an indicative profit rate of 6.5% p.a payable semi-annually. The Bank has the right not to pay profit and the sukuk holders have no right to claim profit on the sukuk. Event of non-payment is not considered as an event of default. Alizz Sukuk SPC was established as a sole proprietor company, in accordance with Article 239 of the Commercial Companies Law. Alizz Sukuk SPC (in its separate capacities as the Issuer and Trustee) is licensed by the FSA as a special purpose vehicle for the purpose of issuing the Sukuk.

The Tier 1 bonds and sukuk constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 bonds do not have a fixed or final maturity date and are redeemable by the Bank at its sole discretion. The bond issued in 2021 has First Call date on 4 June 2026 or on any interest payment date thereafter subject to the prior consent of the regulatory authority. The bond issued in 2023 has First Call date on 16 October 2028 or on any interest reset date thereafter subject to the prior consent of the regulatory authority. The sukuk issued in 2024 has First Call date on 9 December 2029 or on any period distribution date thereafter subject to the prior consent of the regulatory authority.

### 14. INTEREST INCOME

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Loans and advances	37,358	33,829	37,358	33,829
Investment securities	3,673	3,322	3,673	3,322
Placements with banks	1,366	1,123	1,543	1,249
<b>Total</b>	<b>42,397</b>	<b>38,274</b>	<b>42,574</b>	<b>38,400</b>

### 15. INTEREST EXPENSE

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Customer deposits	20,863	20,165	20,863	20,165
Bank borrowings	794	621	794	621
Interest cost on lease liabilities	50	62	50	62
<b>Total</b>	<b>21,707</b>	<b>20,848</b>	<b>21,707</b>	<b>20,848</b>





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 16. NET INCOME FROM ISLAMIC FINANCING

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Income from Islamic financing and investing activities				
Islamic financing receivables	16,234	14,901	-	-
Islamic due from banks	368	512	-	-
Islamic investment	1,577	922	-	-
	<b>18,179</b>	<b>16,335</b>	-	-
Profit paid on participatory deposits and banks			-	-
Islamic customers' deposits	9,995	9,964	-	-
Islamic bank borrowings	384	156	-	-
<b>Total expense from Islamic financing</b>	<b>10,379</b>	<b>10,120</b>	-	-
<b>Net Income from Islamic financing and investing activities</b>	<b>7,800</b>	<b>6,215</b>	-	-

### 17. NET FEE AND COMMISSION INCOME

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Fee and commission income	8,050	8,197	6,671	6,817
Fee and commission expense	(3,028)	(2,602)	(2,795)	(2,428)
<b>Total</b>	<b>5,022</b>	<b>5,595</b>	<b>3,876</b>	<b>4,389</b>

### 18. NET INCOME FROM INVESTMENT SECURITIES

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Fair value changes	14	32	14	32
Gain on sale of amortized cost investments	-	5	-	-
Dividend income	269	67	178	43
<b>Total</b>	<b>283</b>	<b>104</b>	<b>192</b>	<b>75</b>

### 19. OTHER OPERATING INCOME

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Exchange income	1,255	1,194	967	919
Other income	97	1,708	97	1
<b>Total</b>	<b>1,352</b>	<b>2,902</b>	<b>1,064</b>	<b>920</b>

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 20. OPERATING EXPENSES

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Staff costs	11,461	10,909	7,989	7,637
Other operating expenses	5,196	4,792	4,115	3,884
Depreciation	2,128	2,454	1,734	1,928
Amortization	78	78	-	-
Directors' remuneration	100	76	75	51
<b>Total</b>	<b>18,963</b>	<b>18,309</b>	<b>13,913</b>	<b>13,500</b>

### 21. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Cash and balances with the Central Bank of Oman (CBO) (note 3)	136,486	143,555	89,999	85,163
Due from banks (note 4)	145,482	92,639	124,281	62,349
T.bills	63,441	-	63,441	-
Restricted deposits included under balances with the CBO	(1,025)	(1,025)	(500)	(500)
<b>Total</b>	<b>344,384</b>	<b>235,169</b>	<b>277,221</b>	<b>147,012</b>

### 22. ASSETS LIABILITIES GAP

The Bank's maturity position of assets and liabilities is given below:

Consolidated	Assets	Liabilities	Gap	Cumulative Gap
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
0-3 months	809,692	405,829	403,863	403,863
3-12 months	567,485	995,324	(427,839)	(23,976)
1-5 years	953,273	266,366	686,907	662,931
More than 5 years	1,790,428	22,624	1,767,804	2,430,735
Not tied to maturity	253,974	2,111,357	(1,857,383)	573,352
<b>Total</b>	<b>4,374,852</b>	<b>3,801,500</b>	<b>573,352</b>	
<b>31 December 2024 (Audited)</b>				
0-3 months	857,406	332,236	525,170	525,170
3-12 months	581,476	1,090,163	(508,687)	16,483
1-5 years	983,587	312,196	671,391	687,874
More than 5 years	1,623,211	21,941	1,601,270	2,289,144
Not tied to maturity	245,688	1,969,068	(1,723,380)	565,764
<b>Total</b>	<b>4,291,368</b>	<b>3,725,604</b>	<b>565,764</b>	



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

Parent Company	Assets	Liabilities	Gap	Cumulative Gap
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
0-3 months	690,114	338,534	351,580	351,580
3-12 months	407,833	764,189	(356,356)	(4,776)
1-5 years	587,912	77,822	510,090	505,314
More than 5 years	1,187,522	22,624	1,164,898	1,670,212
Not tied to maturity	298,939	1,425,603	(1,126,664)	543,548
<b>Total</b>	<b>3,172,320</b>	<b>2,628,772</b>	<b>543,548</b>	
31 December 2024 (Audited)	RO'000	RO'000	RO'000	RO'000
0-3 months	709,963	279,400	430,563	430,563
3-12 months	435,999	865,403	(429,404)	1,159
1-5 years	584,573	91,519	493,054	494,213
More than 5 years	1,074,500	21,941	1,052,559	1,546,772
Not tied to maturity	313,219	1,324,108	(1,010,889)	535,883
<b>Total</b>	<b>3,118,254</b>	<b>2,582,371</b>	<b>535,883</b>	

### 23. RELATED PARTY TRANSACTIONS

#### (a) Technical and administrative services with major shareholders

During the period ended 31 March 2025, the cost of technical and administrative services provided by Arab Bank Plc amounted to RO 22,257 (31 March 2024: RO 19,254).

#### (b) Other related party transactions

In the ordinary course of business, the Bank conducts transactions with its major shareholders and other related parties comprising of Directors, senior management and companies with which they have significant interest, on arm's length basis with the approval of Board of Directors. The aggregate amounts of balances with such related parties are as follows:

Consolidated	Major shareholders	Others	Total
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000
Loans and advances	30,333	172,143	202,476
Customers' deposits	6,710	46,637	53,347
Due from banks	2,884	23	2,907
Other assets	-	-	-
Due to banks	7,572	-	7,572
Stand by line of credit	57,750	-	57,750
Letters of credit, guarantees and acceptances	26,908	6,546	33,454
31 December 2024 (Audited)	RO'000	RO'000	RO'000
Loans and advances	22,000	174,301	196,301
Customers' deposits	2,572	38,562	41,134
Due from banks	1,976	18	1,994
Other assets	-	-	-
Due to banks	23,478	-	23,478
Stand by line of credit	57,750	-	57,750
Letters of credit, guarantees and acceptances	28,891	6,746	35,637



# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

<b>Parent Company</b>	<b>Subsidiary</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Loans and advances	-	30,333	140,656	<b>170,989</b>
Customers' deposits	-	6,710	42,079	<b>48,789</b>
Due from banks	21,175	2,884	-	<b>24,059</b>
Other asset	-	-	-	-
Due to banks	-	7,572	-	<b>7,572</b>
Stand by line of credit	-	57,750	-	<b>57,750</b>
Letters of credit, guarantees and acceptances	-	26,908	6,546	<b>33,454</b>
31 December 2024 (Audited)	RO'000	RO'000	RO'000	RO'000
Loans and advances	-	22,000	142,067	<b>164,067</b>
Customers' deposits	-	2,572	34,244	<b>36,816</b>
Due from banks	15,400	1,976	-	<b>17,376</b>
Other asset	-	-	-	-
Due to banks	-	8,078	-	<b>8,078</b>
Stand by line of credit	-	57,750	-	<b>57,750</b>
Letters of credit, guarantees and acceptances	-	28,891	6,746	<b>35,637</b>

The statement of comprehensive income includes the following amounts in relation to the transactions with related parties:

<b>Consolidated</b>	<b>Subsidiary</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Interest and commission income	-	665	2,354	<b>3,019</b>
Interest expense	-	219	326	<b>545</b>
31 March 2024 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Interest and commission income	-	656	2,354	<b>3,010</b>
Interest expense	-	206	182	<b>388</b>

<b>Parent Company</b>	<b>Subsidiary</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
31 March 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Interest and commission income	<b>177</b>	<b>665</b>	<b>1,900</b>	<b>2,742</b>
Interest expense	-	<b>219</b>	<b>383</b>	<b>602</b>
31 March 2024 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Interest and commission income	126	656	1,914	<b>2,696</b>
Interest expense	-	206	238	<b>444</b>





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 24. CONTINGENT LIABILITIES AND COMMITMENTS

#### (a) Letters of credit and guarantees

The Bank is a party to financial instrument with off-balance sheet credit risk in the normal course of business to meet the financing needs of its customers. These financial instruments include standby letters of credit, financial guarantees to third parties, commitments to extend credit and others. The Bank's exposure to credit loss in the event of non-performance by the other party to such financial instruments is represented by the contract value or the notional amount of the instrument. However, generally the credit risk on these transactions is lower than the contract value or the notional amount.

The risk involved is essentially the same as the credit risk involved in extending loan facilities and therefore these transactions are subject to the same credit organisation, portfolio maintenance and collateral requirements for customers applying for loans and advances.

The outstanding contract value or the notional amounts of these instruments at 31 March 2025 were as follows:

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Letters of credit	183,220	195,730	83,124	105,457
Guarantees	177,167	181,309	133,192	196,714
<b>Total</b>	<b>360,387</b>	<b>377,039</b>	<b>216,316</b>	<b>302,171</b>

Letters of credit and guarantees amounting to RO 93,226 thousand (31 December 2024: 108,746 thousand) were counter guaranteed by other banks in the Parent Company. As of reporting date the subsidiary has no material letters of credit and guarantees that were counter guaranteed by other banks.

The allowances for credit losses for commitments and financial guarantees is included under note 12.

As at 31 March 2025, the unutilised commitment of facilities of RO 507,659 thousand (Consolidated), RO 449,159 thousand (Parent Company); [(31 December 2024 RO 473,847 thousand (Consolidated), RO 429,395 thousand (Parent Company))].

As at 31 March 2025, contingent liabilities include RO 5,790 thousand (Consolidated), RO 5,753 thousand (Parent Company); [31 December 2024 RO 3,746 thousand (Consolidated), RO 3,709 thousand (Parent Company)] relating to non-performing loans.



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 25. EARNINGS PER SHARE/ NET ASSETS PER SHARE

#### (a) Basic and diluted earnings per share

The basic earnings per share (EPS) is the outcome of dividing the profit for the period attributable to the ordinary shareholders by the weighted average number of shares outstanding.

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
Profit for the period	7,419	6,418	7,496	6,496
<b>Profit / (loss) for the period attributable to shareholders</b>	<b>7,419</b>	<b>6,418</b>	<b>7,496</b>	<b>6,496</b>

Weighted average number of shares outstanding during the period	1,749,541,680	1,669,410,000	1,749,541,680	1,669,410,000
Basic/Diluted earning / (loss) per share (RO)	0.004	0.004	0.004	0.004

Weighted average number of shares outstanding				
1 January 2025 to 31 March 2025				1,749,541,680
Weighted average as at 31 December 2024				1,749,541,680

The diluted EPS was equal to the basic EPS for both periods as the Bank has not issued any instruments, which would have an impact on earnings per share when exercised.

#### (b) Net assets value per share

The calculation of net assets per share is based on net assets as at 31 March 2025 attributable to ordinary shareholders of RO 166.941 million (31 December 2024: RO 166.941 million) and on 1,669,410,000 ordinary shares (31 December 2024 – 1,669,410,000 ordinary shares) being the number of shares outstanding as at 31 March 2025.

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
Shareholders' equity (RO'000)	387,086	379,498	387,282	379,617
Number of shares	1,669,410,000	1,669,410,000	1,669,410,000	1,669,410,000
<b>Net assets value per share (RO)</b>	<b>0.232</b>	<b>0.227</b>	<b>0.232</b>	<b>0.227</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Exposure at default and movement in the expected credit losses:

	Consolidated (Unaudited)							
	31-Mar-25				31-Mar-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Exposure at default</b>								
- Loans and Advances to Customers including interest receivables	2,934,388	627,584	218,047	3,780,019	2,899,176	553,574	215,566	3,668,316
- Investment Securities (Debt)	430,382	-	-	430,382	316,316	-	-	316,316
- Loan Commitments, financial guarantees and acceptances	807,263	69,254	5,790	882,307	746,358	90,640	3,517	840,515
- Due from Banks	145,482	-	-	145,482	101,489	-	-	101,489
<b>Exposure subject to ECL</b>	<b>4,317,515</b>	<b>696,838</b>	<b>223,837</b>	<b>5,238,190</b>	<b>4,063,339</b>	<b>644,214</b>	<b>219,083</b>	<b>4,926,636</b>
<b>Movement of ECL</b>								
- Loans and Advances to Customers including interest receivables	8,090	72,413	100,089	180,592	9,641	59,745	104,961	174,347
- Investment Securities (Debt)	173	-	-	173	280	-	-	280
- Loan Commitments, financial guarantees and acceptances	670	387	2,761	3,818	482	72	3,082	3,636
- Due from Banks	37	-	-	37	115	-	-	115
<b>Opening balance as at 1 January</b>	<b>8,970</b>	<b>72,800</b>	<b>102,850</b>	<b>184,620</b>	<b>10,518</b>	<b>59,817</b>	<b>108,043</b>	<b>178,378</b>
- Loans and Advances to Customers including interest receivables	(992)	(771)	1,763	-	(1,078)	(1,707)	2,785	-
- Investment Securities (Debt)	-	-	-	-	-	-	-	-
- Loan Commitments, financial guarantees and acceptances	(16)	16	-	-	(22)	22	-	-
- Due from Banks	-	-	-	-	-	-	-	-
<b>Net transfer between stages</b>	<b>(1,008)</b>	<b>(755)</b>	<b>1,763</b>	<b>-</b>	<b>(1,100)</b>	<b>(1,685)</b>	<b>2,785</b>	<b>-</b>
- Loans and Advances to Customers including interest receivables	1,650	(406)	5,817	7,061	1,166	6,158	(1,117)	6,207
- Investment Securities (Debt)	32	-	-	32	2	-	-	2
- Loan Commitments, financial guarantees and acceptances	107	(68)	43	82	(13)	44	2	33
- Due from Banks	160	-	-	160	29	-	-	29
<b>Charge for the period (net)</b>	<b>1,949</b>	<b>(474)</b>	<b>5,860</b>	<b>7,335</b>	<b>1,184</b>	<b>6,202</b>	<b>(1,115)</b>	<b>6,271</b>
<b>Write Off</b>	<b>-</b>	<b>-</b>	<b>(3,975)</b>	<b>(3,975)</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>212</b>
- Loans and Advances to Customers including interest receivables	8,748	71,236	103,694	183,678	9,729	64,196	106,841	180,766
- Investment Securities (Debt)	205	-	-	205	282	-	-	282
- Loan Commitments, financial guarantees and acceptances	761	335	2,804	3,900	447	138	3,084	3,669
- Due from Banks	197	-	-	197	144	-	-	144
<b>Closing balance as at 31 March</b>	<b>9,911</b>	<b>71,571</b>	<b>106,498</b>	<b>187,980</b>	<b>10,602</b>	<b>64,334</b>	<b>109,925</b>	<b>184,861</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(a) Exposure at default and movement in the expected credit losses:

	Parent Company (Unaudited)							
	31-Mar-25				31-Mar-24			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
<b>Exposure at default</b>								
- Loans and Advances to Customers including interest receivables	1,972,045	467,135	165,518	2,604,698	2,005,354	413,318	166,344	2,585,016
- Investment Securities (Debt)	303,264	-	-	303,264	241,168	-	-	241,168
- Loan Commitments, financial guarantees and acceptances	605,753	68,230	5,753	679,736	566,564	89,014	3,412	658,990
- Due from Banks	124,281	-	-	124,281	67,349	-	-	67,349
<b>Exposure subject to ECL</b>	<b>3,005,343</b>	<b>535,365</b>	<b>171,271</b>	<b>3,711,979</b>	<b>2,880,435</b>	<b>502,332</b>	<b>169,756</b>	<b>3,552,523</b>
<b>Movement of ECL</b>								
- Loans and Advances to Customers including interest receivables	4,831	57,522	73,435	135,788	6,886	47,966	78,700	133,552
- Investment Securities (Debt)	134	-	-	134	258	-	-	258
- Loan Commitments, financial guarantees and acceptances	440	347	2,741	3,528	305	33	3,001	3,339
- Due from Banks	30	-	-	30	94	-	-	94
<b>Opening balance as at 1 January</b>	<b>5,435</b>	<b>57,869</b>	<b>76,176</b>	<b>139,480</b>	<b>7,543</b>	<b>47,999</b>	<b>81,701</b>	<b>137,243</b>
- Loans and Advances to Customers including interest receivables	(406)	(797)	1,203	-	(460)	(1,726)	2,186	-
- Investment Securities (Debt)	-	-	-	-	-	-	-	-
- Loan Commitments, financial guarantees and acceptances	(16)	16	-	-	(22)	22	-	-
- Due from Banks	-	-	-	-	-	-	-	-
<b>Net transfer between stages</b>	<b>(422)</b>	<b>(781)</b>	<b>1,203</b>	<b>-</b>	<b>(482)</b>	<b>(1,704)</b>	<b>2,186</b>	<b>-</b>
- Loans and Advances to Customers including interest receivables	1,462	(934)	5,277	5,805	398	4,328	(611)	4,115
- Investment Securities (Debt)	2	-	-	2	(18)	-	-	(18)
- Loan Commitments, financial guarantees and acceptances	114	(65)	42	91	(53)	40	1	(12)
- Due from Banks	111	-	-	111	(10)	-	-	(10)
<b>Charge for the Period (net)</b>	<b>1,689</b>	<b>(999)</b>	<b>5,319</b>	<b>6,009</b>	<b>317</b>	<b>4,368</b>	<b>(610)</b>	<b>4,075</b>
<b>Write Off</b>	<b>-</b>	<b>-</b>	<b>(3,975)</b>	<b>(3,975)</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>212</b>
- Loans and Advances to Customers including interest receivables	5,887	55,791	75,940	137,618	6,824	50,568	80,487	137,879
- Investment Securities (Debt)	136	-	-	136	240	-	-	240
- Loan Commitments, financial guarantees and acceptances	538	298	2,783	3,619	230	95	3,002	3,327
- Due from Banks	141	-	-	141	84	-	-	84
<b>Closing balance as at 31 March</b>	<b>6,702</b>	<b>56,089</b>	<b>78,723</b>	<b>141,514</b>	<b>7,378</b>	<b>50,663</b>	<b>83,489</b>	<b>141,530</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(b) Impairment charge and provisions held:

	<b>Consolidated (Unaudited)</b>					
	<b>31-Mar-25</b>			<b>31-Mar-24</b>		
	<b>As per CBO Norms</b>	<b>As per IFRS 9</b>	<b>Difference</b>	<b>As per CBO Norms</b>	<b>As per IFRS 9</b>	<b>Difference</b>
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Impairment loss charged to profit or loss account <sup>1</sup>	7,335	7,335	-	6,271	6,271	-
Provisions required as per CBO norms/held as per IFRS 9 <sup>1</sup>	203,525	187,980	(15,545)	194,166	184,861	(9,305)
Gross NPL ratio <sup>2</sup>	5.77%	5.77%	-	5.88%	5.88%	-
Net NPL ratio <sup>2</sup>	1.40%	2.04%	-	1.38%	1.93%	-

	<b>Parent Company (Unaudited)</b>					
	<b>31-Mar-25</b>			<b>31-Mar-24</b>		
	<b>As per CBO Norms</b>	<b>As per IFRS 9</b>	<b>Difference</b>	<b>As per CBO Norms</b>	<b>As per IFRS 9</b>	<b>Difference</b>
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Impairment loss charged to profit or loss account <sup>1</sup>	6,009	6,009	-	4,075	4,075	-
Provisions required as per CBO norms/held as per IFRS 9 <sup>1</sup>	157,065	141,514	(15,551)	152,661	141,530	(11,131)
Gross NPL ratio <sup>2</sup>	6.35%	6.35%	-	6.43%	6.43%	-
Net NPL ratio <sup>2</sup>	1.52%	2.17%	-	1.38%	2.00%	-

1. Impairment loss and provisions held include unallocated provision.

2. NPL ratios are calculated on the basis of funded non-performing loans and funded exposures.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(c) Comparison of provision held as per IFRS 9 and required as per CBO guidelines:

<b>Consolidated</b>								
<b>Asset Classification as per CBO Norms</b>	<b>Asset classification as per IFRS 9</b>	<b>Gross Amount</b>	<b>Provision required as per CBO Norms</b>	<b>Provision held as per IFRS 9</b>	<b>Difference between CBO provision required and provision held</b>	<b>Reserve interest as per CBO norms</b>	<b>Net Amount as per CBO norms<sup>1</sup></b>	<b>Net Amount as per IFRS 9</b>
<b>31 March 2025 (Unaudited)</b>		<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
		(1)	(2)	(3)	(4) = (2)-(3)	(5)	(6) = (1)-(2)-(5)	(7) = (1)-(3)-(5)
Standard	Stage 1	2,934,388	34,645	8,748	25,897	-	2,899,743	2,925,640
	Stage 2	269,782	2,703	8,373	(5,670)	-	267,079	261,409
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>3,204,170</b>	<b>37,348</b>	<b>17,121</b>	<b>20,227</b>	<b>-</b>	<b>3,166,822</b>	<b>3,187,049</b>
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	357,802	38,705	62,864	(24,159)	12,842	306,255	282,096
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>357,802</b>	<b>38,705</b>	<b>62,864</b>	<b>(24,159)</b>	<b>12,842</b>	<b>306,255</b>	<b>282,096</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	17,177	4,770	6,033	(1,263)	126	12,281	11,018
	<b>Sub-total</b>	<b>17,177</b>	<b>4,770</b>	<b>6,033</b>	<b>(1,263)</b>	<b>126</b>	<b>12,281</b>	<b>11,018</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	5,836	2,501	2,157	344	250	3,085	3,429
	<b>Sub-total</b>	<b>5,836</b>	<b>2,501</b>	<b>2,157</b>	<b>344</b>	<b>250</b>	<b>3,085</b>	<b>3,429</b>
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	195,034	120,186	95,503	24,683	39,646	35,202	59,885
	<b>Sub-total</b>	<b>195,034</b>	<b>120,186</b>	<b>95,503</b>	<b>24,683</b>	<b>39,646</b>	<b>35,202</b>	<b>59,885</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,383,127	-	1,163	(1,163)	-	1,383,127	1,381,964
	Stage 2	69,254	-	334	(334)	-	69,254	68,920
	Stage 3	5,790	15	2,805	(2,790)	-	5,775	2,985
	<b>Sub-total</b>	<b>1,458,171</b>	<b>15</b>	<b>4,302</b>	<b>(4,287)</b>	<b>-</b>	<b>1,458,156</b>	<b>1,453,869</b>
<b>Total</b>	<b>Stage 1</b>	<b>4,317,515</b>	<b>34,645</b>	<b>9,911</b>	<b>24,734</b>	<b>-</b>	<b>4,282,870</b>	<b>4,307,604</b>
	<b>Stage 2</b>	<b>696,838</b>	<b>41,408</b>	<b>71,571</b>	<b>(30,163)</b>	<b>12,842</b>	<b>642,588</b>	<b>612,425</b>
	<b>Stage 3</b>	<b>223,837</b>	<b>127,472</b>	<b>106,498</b>	<b>20,974</b>	<b>40,022</b>	<b>56,343</b>	<b>77,317</b>
	<b>Total</b>	<b>5,238,190</b>	<b>203,525</b>	<b>187,980</b>	<b>15,545</b>	<b>52,864</b>	<b>4,981,801</b>	<b>4,997,346</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(c) Comparison of provision held as per IFRS 9 and required as per CBO guidelines:

<b>Consolidated</b>								
<b>Asset Classification as per CBO Norms</b>	<b>Asset classification as per IFRS 9</b>	<b>Gross Amount</b>	<b>Provision required as per CBO Norms</b>	<b>Provision held as per IFRS 9</b>	<b>Difference between CBO provision required and provision held</b>	<b>Reserve interest as per CBO norms</b>	<b>Net Amount as per CBO norms<sup>1</sup></b>	<b>Net Amount as per IFRS 9</b>
<b>31 December 2024 (Audited)</b>		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		(1)	(2)	(3)	(4) = (2)-(3)	(5)	(6) = (1)-(2)-(5)	(7) = (1)-(3)-(5)
Standard	Stage 1	2,857,570	33,990	8,090	25,900	-	2,823,580	2,849,480
	Stage 2	290,396	2,891	9,208	(6,317)	-	287,505	281,188
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	3,147,966	36,881	17,298	19,583	-	3,111,085	3,130,668
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	368,934	37,722	63,205	(25,483)	11,556	319,656	294,173
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	368,934	37,722	63,205	(25,483)	11,556	319,656	294,173
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	4,594	1,151	1,464	(313)	73	3,370	3,057
	<b>Sub-total</b>	4,594	1,151	1,464	(313)	73	3,370	3,057
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	10,880	3,138	2,591	547	422	7,320	7,867
	<b>Sub-total</b>	10,880	3,138	2,591	547	422	7,320	7,867
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	194,400	122,498	96,034	26,464	42,152	29,750	56,214
	<b>Sub-total</b>	194,400	122,498	96,034	26,464	42,152	29,750	56,214
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,299,703	-	880	(880)	-	1,299,703	1,298,823
	Stage 2	70,389	-	387	(387)	-	70,389	70,002
	Stage 3	3,746	15	2,761	(2,746)	-	3,731	985
	<b>Sub-total</b>	1,373,838	15	4,028	(4,013)	-	1,373,823	1,369,810
<b>Total</b>	<b>Stage 1</b>	4,157,273	33,990	8,970	25,020	-	4,123,283	4,148,303
	<b>Stage 2</b>	729,719	40,613	72,800	(32,187)	11,556	677,550	645,363
	<b>Stage 3</b>	213,620	126,802	102,850	23,952	42,647	44,171	68,123
	<b>Total</b>	5,100,612	201,405	184,620	16,785	54,203	4,845,004	4,861,789



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(c) Comparison of provision held as per IFRS 9 and required as per CBO guidelines:

Parent Company								
Asset Classification as per CBO Norms	Asset classification as per IFRS 9	Gross Amount RO'000	Provision required as per CBO Norms RO'000	Provision held as per IFRS 9 RO'000	Difference between CBO provision required and provision held RO'000	Reserve interest as per CBO norms RO'000	Net Amount as per CBO norms <sup>1</sup> RO'000	Net Amount as per IFRS 9 RO'000
31 March 2025 (Unaudited)		(1)	(2)	(3)	(4) = (2)-(3)	(5)	(6) = (1)-(2)-(5)	(7) = (1)-(3)-(5)
Standard	Stage 1	1,972,045	25,035	5,887	19,148	-	1,947,010	1,966,158
	Stage 2	218,442	2,204	4,649	(2,445)	-	216,238	213,793
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>2,190,487</b>	<b>27,239</b>	<b>10,536</b>	<b>16,703</b>	<b>-</b>	<b>2,163,248</b>	<b>2,179,951</b>
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	248,693	37,655	51,142	(13,487)	11,519	199,519	186,032
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>248,693</b>	<b>37,655</b>	<b>51,142</b>	<b>(13,487)</b>	<b>11,519</b>	<b>199,519</b>	<b>186,032</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	13,007	3,721	5,228	(1,507)	121	9,165	7,658
	<b>Sub-total</b>	<b>13,007</b>	<b>3,721</b>	<b>5,228</b>	<b>(1,507)</b>	<b>121</b>	<b>9,165</b>	<b>7,658</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	4,685	2,075	1,847	228	242	2,368	2,596
	<b>Sub-total</b>	<b>4,685</b>	<b>2,075</b>	<b>1,847</b>	<b>228</b>	<b>242</b>	<b>2,368</b>	<b>2,596</b>
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	147,826	86,375	68,865	17,510	35,211	26,240	43,750
	<b>Sub-total</b>	<b>147,826</b>	<b>86,375</b>	<b>68,865</b>	<b>17,510</b>	<b>35,211</b>	<b>26,240</b>	<b>43,750</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,033,298	-	815	(815)	-	1,033,298	1,032,483
	Stage 2	68,230	-	298	(298)	-	68,230	67,932
	Stage 3	5,753	-	2,783	(2,783)	-	5,753	2,970
	<b>Sub-total</b>	<b>1,107,281</b>	<b>-</b>	<b>3,896</b>	<b>(3,896)</b>	<b>-</b>	<b>1,107,281</b>	<b>1,103,385</b>
<b>Total</b>	<b>Stage 1</b>	<b>3,005,343</b>	<b>25,035</b>	<b>6,702</b>	<b>18,333</b>	<b>-</b>	<b>2,980,308</b>	<b>2,998,641</b>
	<b>Stage 2</b>	<b>535,365</b>	<b>39,859</b>	<b>56,089</b>	<b>(16,230)</b>	<b>11,519</b>	<b>483,987</b>	<b>467,757</b>
	<b>Stage 3</b>	<b>171,271</b>	<b>92,171</b>	<b>78,723</b>	<b>13,448</b>	<b>35,574</b>	<b>43,526</b>	<b>56,974</b>
	<b>Total</b>	<b>3,711,979</b>	<b>157,065</b>	<b>141,514</b>	<b>15,551</b>	<b>47,093</b>	<b>3,507,821</b>	<b>3,523,372</b>





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

(c) Comparison of provision held as per IFRS 9 and required as per CBO guidelines:

Parent Company								
Asset Classification as per CBO Norms	Asset classification as per IFRS 9	Gross Amount	Provision required as per CBO Norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held	Reserve interest as per CBO norms	Net Amount as per CBO norms <sup>1</sup>	Net Amount as per IFRS 9
31 December 2024 (Audited)		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		(1)	(2)	(3)	(4) = (2)-(3)	(5)	(6) = (1)-(2)-(5)	(7) = (1)-(3)-(5)
Standard	Stage 1	1,907,883	24,523	4,831	19,692	-	1,883,360	1,903,052
	Stage 2	237,834	2,353	5,425	(3,072)	-	235,481	232,409
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	2,145,717	26,876	10,256	16,620	-	2,118,841	2,135,461
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	268,697	36,707	52,097	(15,390)	10,239	221,751	206,361
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	268,697	36,707	52,097	(15,390)	10,239	221,751	206,361
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	2,755	673	1,101	(428)	65	2,017	1,589
	<b>Sub-total</b>	2,755	673	1,101	(428)	65	2,017	1,589
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	6,886	2,428	1,917	511	421	4,037	4,548
	<b>Sub-total</b>	6,886	2,428	1,917	511	421	4,037	4,548
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	150,917	89,595	70,417	19,178	37,781	23,541	42,719
	<b>Sub-total</b>	150,917	89,595	70,417	19,178	37,781	23,541	42,719
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	992,250	-	604	(604)	-	992,250	991,646
	Stage 2	69,123	-	347	(347)	-	69,123	68,776
	Stage 3	3,709	-	2,741	(2,741)	-	3,709	968
	<b>Sub-total</b>	1,065,082	-	3,692	(3,692)	-	1,065,082	1,061,390
<b>Total</b>	<b>Stage 1</b>	2,900,133	24,523	5,435	19,088	-	2,875,610	2,894,698
	<b>Stage 2</b>	575,654	39,060	57,869	(18,809)	10,239	526,355	507,546
	<b>Stage 3</b>	164,267	92,696	76,176	16,520	38,267	33,304	49,824
	<b>Total</b>	3,640,054	156,279	139,480	16,799	48,506	3,435,269	3,452,068

1. The CBO regulations require that the allowance for credit losses should be in accordance with IFRS 9 and if the provision requirements as per the CBO guidelines are higher than IFRS 9, the difference, net of tax, needs to be transferred to the "Impairment Reserve" as an appropriation from net profit after tax. There were no transfers to the impairment reserve during the three-month period ended in 31 March 2025.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(d) Restructured loans:

<b>Consolidated</b>								
<b>Asset Classification as per CBO Norms</b>	<b>Asset Classification as per IFRS 9</b>	<b>Gross Carrying Amount</b>	<b>Provision required as per CBO Norms</b>	<b>Provision held as per IFRS 9</b>	<b>Difference between CBO provision required and provision held</b>	<b>Reserve interest as per CBO norms</b>	<b>Net Amount as per CBO norms</b>	<b>Net Amount as per IFRS 9</b>
<b>31 March 2025 (Unaudited)</b>		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		(1)	(2)	(3)	(4) = (2)-(3)	(7)	(8)=(1)-(2)-(7)	(9)=(1)-(3)-(7)
Classified as performing	Stage 1	69,748	691	1,573	(882)	-	69,057	68,175
	Stage 2	346,355	29,917	52,839	(22,922)	10,030	306,408	283,486
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>416,103</b>	<b>30,608</b>	<b>54,412</b>	<b>(23,804)</b>	<b>10,030</b>	<b>375,465</b>	<b>351,661</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	97,074	59,484	47,891	11,593	14,752	22,838	34,431
	<b>Sub-total</b>	<b>97,074</b>	<b>59,484</b>	<b>47,891</b>	<b>11,593</b>	<b>14,752</b>	<b>22,838</b>	<b>34,431</b>
<b>Total</b>	<b>Stage 1</b>	<b>69,748</b>	<b>691</b>	<b>1,573</b>	<b>(882)</b>	<b>-</b>	<b>69,057</b>	<b>68,175</b>
	<b>Stage 2</b>	<b>346,355</b>	<b>29,917</b>	<b>52,839</b>	<b>(22,922)</b>	<b>10,030</b>	<b>306,408</b>	<b>283,486</b>
	<b>Stage 3</b>	<b>97,074</b>	<b>59,484</b>	<b>47,891</b>	<b>11,593</b>	<b>14,752</b>	<b>22,838</b>	<b>34,431</b>
	<b>Total</b>	<b>513,177</b>	<b>90,092</b>	<b>102,303</b>	<b>(12,211)</b>	<b>24,782</b>	<b>398,303</b>	<b>386,092</b>
<b>31 December 2024 (Audited)</b>								
		(1)	(2)	(3)	(4) = (2)-(3)	(7)	(8)=(1)-(2)-(7)	(9)=(1)-(3)-(7)
Classified as performing	Stage 1	39,988	409	643	(234)	-	39,579	39,345
	Stage 2	352,889	29,222	54,938	(25,716)	9,506	314,161	288,445
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>392,877</b>	<b>29,631</b>	<b>55,581</b>	<b>(25,950)</b>	<b>9,506</b>	<b>353,740</b>	<b>327,790</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	81,724	54,380	42,476	11,904	13,656	13,688	25,592
	<b>Sub-total</b>	<b>81,724</b>	<b>54,380</b>	<b>42,476</b>	<b>11,904</b>	<b>13,656</b>	<b>13,688</b>	<b>25,592</b>
<b>Total</b>	<b>Stage 1</b>	<b>39,988</b>	<b>409</b>	<b>643</b>	<b>(234)</b>	<b>-</b>	<b>39,579</b>	<b>39,345</b>
	<b>Stage 2</b>	<b>352,889</b>	<b>29,222</b>	<b>54,938</b>	<b>(25,716)</b>	<b>9,506</b>	<b>314,161</b>	<b>288,445</b>
	<b>Stage 3</b>	<b>81,724</b>	<b>54,380</b>	<b>42,476</b>	<b>11,904</b>	<b>13,656</b>	<b>13,688</b>	<b>25,592</b>
	<b>Total</b>	<b>474,601</b>	<b>84,011</b>	<b>98,057</b>	<b>(14,046)</b>	<b>23,162</b>	<b>367,428</b>	<b>353,382</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025**

**25. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**

(d) Restructured loans:

<b>Parent Company</b>								
<b>Asset Classification as per CBO Norms</b>	<b>Asset Classification as per IFRS 9</b>	<b>Gross Carrying Amount</b>	<b>Provision required as per CBO Norms</b>	<b>Provision held as per IFRS 9</b>	<b>Difference between CBO provision required and provision held</b>	<b>Reserve interest as per CBO norms</b>	<b>Net Amount as per CBO norms</b>	<b>Net Amount as per IFRS 9</b>
<b>31 March 2025 (Unaudited)</b>		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		(1)	(2)	(3)	(4) = (2)-(3)	(7)	(8)=(1)-(2)-(7)	(9)=(1)-(3)-(7)
Classified as performing	Stage 1	32,520	331	1,060	(729)	-	32,189	31,460
	Stage 2	222,300	28,728	40,508	(11,780)	8,706	184,866	173,086
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>254,820</b>	<b>29,059</b>	<b>41,568</b>	<b>(12,509)</b>	<b>8,706</b>	<b>217,055</b>	<b>204,546</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	74,005	46,515	39,328	7,187	13,342	14,148	21,335
	<b>Sub-total</b>	<b>74,005</b>	<b>46,515</b>	<b>39,328</b>	<b>7,187</b>	<b>13,342</b>	<b>14,148</b>	<b>21,335</b>
<b>Total</b>	<b>Stage 1</b>	<b>32,520</b>	<b>331</b>	<b>1,060</b>	<b>(729)</b>	<b>-</b>	<b>32,189</b>	<b>31,460</b>
	<b>Stage 2</b>	<b>222,300</b>	<b>28,728</b>	<b>40,508</b>	<b>(11,780)</b>	<b>8,706</b>	<b>184,866</b>	<b>173,086</b>
	<b>Stage 3</b>	<b>74,005</b>	<b>46,515</b>	<b>39,328</b>	<b>7,187</b>	<b>13,342</b>	<b>14,148</b>	<b>21,335</b>
	<b>Total</b>	<b>328,825</b>	<b>75,574</b>	<b>80,896</b>	<b>(5,322)</b>	<b>22,048</b>	<b>231,203</b>	<b>225,881</b>
<b>31 December 2024 (Audited)</b>		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
		(1)	(2)	(3)	(4) = (2)-(3)	(7)	(8)=(1)-(2)-(7)	(9)=(1)-(3)-(7)
Classified as performing	Stage 1	6	0	0	0	-	6	6
	Stage 2	239,554	28,073	43,106	(15,033)	8,189	203,292	188,259
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>239,560</b>	<b>28,073</b>	<b>43,106</b>	<b>(15,033)</b>	<b>8,189</b>	<b>203,298</b>	<b>188,265</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	60,833	41,723	34,131	7,592	12,335	6,775	14,367
	<b>Sub-total</b>	<b>60,833</b>	<b>41,723</b>	<b>34,131</b>	<b>7,592</b>	<b>12,335</b>	<b>6,775</b>	<b>14,367</b>
<b>Total</b>	<b>Stage 1</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>
	<b>Stage 2</b>	<b>239,554</b>	<b>28,073</b>	<b>43,106</b>	<b>(15,033)</b>	<b>8,189</b>	<b>203,292</b>	<b>188,259</b>
	<b>Stage 3</b>	<b>60,833</b>	<b>41,723</b>	<b>34,131</b>	<b>7,592</b>	<b>12,335</b>	<b>6,775</b>	<b>14,367</b>
	<b>Total</b>	<b>300,393</b>	<b>69,796</b>	<b>77,237</b>	<b>(7,441)</b>	<b>20,524</b>	<b>210,073</b>	<b>202,632</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 26. CAPITAL MANAGEMENT

The Bank's objectives of capital management are:

- To comply with the capital requirements set by the regulator i.e. the Central Bank of Oman;
- To safeguard the Bank's ability to continue as a going concern while providing adequate returns to the shareholders; and
- To maintain a strong capital base to support the development of its business.

The principal objective of the CBO capital adequacy requirements is to ensure that an adequate level of capital is maintained to withstand any losses which may result from the risks in a Bank's statement of financial position, in particular credit risk. The CBO's risk-based capital adequacy framework is consistent with the international standards of the Bank for International Settlements (BIS). The CBO requires the registered banks in the Sultanate of Oman to maintain minimum capital adequacy (CAR) of 13.5%.

The Bank's regulatory capital as per Basel III regulations is grouped into:

- Tier 1 capital, which includes ordinary share capital, share premium, reserves, retained earnings (net of proposed dividend) after deductions for goodwill, intangibles including deferred tax asset and 50% of carrying value of the investment in associates as per the regulatory adjustments that are included in equity but are treated differently for capital adequacy purposes and additional tier1 capital.
- Tier 2 capital, which includes qualifying subordinated liabilities, general loan loss impairment / ECL provision (Stage 1 and 2) and the element of the fair value reserve relating to unrealised gains on equity instruments classified as FVOCI after deductions for 50% of carrying value of investments in associates.

The qualifying Tier II cannot exceed Tier I capital, the amount of collective impairment allowances that may be included as part of Tier II capital is limited to 1.25% of the total credit risk-weighted assets. Additional incremental Stage 2 ECL as on December 31, 2022, over Stage 2 ECL as on December 31, 2019, qualifies as Tier II capital with a gradual phase-out by 2024.

The capital adequacy of the Bank is as follows:

	Consolidated		Parent Company	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Common Equity Tier 1 (CET 1)	347,192	347,282	220,805	220,902
Additional Tier 1	186,266	186,266	156,266	156,266
Tier 1 capital	533,458	533,548	377,071	377,168
Tier 2 capital	10,185	19,850	7,096	16,233
<b>Total regulatory capital</b>	<b>543,643</b>	<b>553,398</b>	<b>384,167</b>	<b>393,401</b>
Credit risk	3,069,696	3,021,083	2,128,673	2,112,194
Market risk	48,300	47,700	24,175	32,813
Operational risk	229,711	230,785	170,625	170,625
<b>Total risk weighted assets</b>	<b>3,347,707</b>	<b>3,299,568</b>	<b>2,323,473</b>	<b>2,315,632</b>
Capital adequacy ratio %	<b>16.24%</b>	16.77%	<b>16.53%</b>	16.99%
CET 1 ratio	<b>10.37%</b>	10.53%	<b>9.50%</b>	9.54%
Tier 1 Capital ratio	<b>15.94%</b>	16.17%	<b>16.23%</b>	16.29%



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 27. SEGMENT INFORMATION

The Bank mainly operates in only one geographical location, the Sultanate of Oman. The Bank has, however, earned interest income and incurred interest expenses on account of money market placements and borrowings with banks outside the Sultanate of Oman as of 31 March 2024.

For management purposes, the conventional operations of the Bank are organised into four operating segments based on products and services. In addition, Islamic banking services are offered through Alizz Islamic Bank. The operating segments are as follows:

Retail banking	Individual personal loan, overdraft, credit card and funds transfer facilities.
Corporate banking	Loans and other credit facilities for corporate and institutional customers.
Treasury	Bonds, placements, bank borrowings, foreign exchange.
Others	Other central functions and Head office.
Islamic Banking	Sharia' compliant Islamic banking products and services including Ijarah, Murabaha, Mudarbah and Diminishing Musharakah.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss, which in certain respects is measured differently from operating profit or loss in the financial statements. The costs incurred by the central functions are managed on a group basis and are not allocated to operating segments.

Cash and balances with the Central Bank of Oman, Certificate of Deposits, due from banks, property and equipment and other assets are unallocated assets. No revenue from transactions with a single external customer or counterparty amounted to 10% or more of the Bank's total revenue in 2025 or 2024.

<b>Consolidated</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>31 March 2025 (Unaudited)</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>	<b>RO'000</b>
Net interest income	6,124	14,489	77	-	-	<b>20,690</b>
Net income from Islamic financing	-	-	-	-	7,800	<b>7,800</b>
Net fees, commission and other operating income	2,391	1,937	981	-	1,348	<b>6,657</b>
Share of Profit from Subsidiary	-	-	-	-	-	<b>-</b>
<b>Total operating income</b>	<b>8,515</b>	<b>16,426</b>	<b>1,058</b>	<b>-</b>	<b>9,148</b>	<b>35,147</b>
Operating expenses	(8,180)	(5,326)	(407)	(78)	(4,972)	<b>(18,963)</b>
Net allowances for credit losses	(200)	(5,696)	(113)	-	(1,326)	<b>(7,335)</b>
Tax expenses	(22)	(881)	(88)	-	(439)	<b>(1,430)</b>
<b>Profit / (Loss) for the period</b>	<b>113</b>	<b>4,523</b>	<b>450</b>	<b>(78)</b>	<b>2,411</b>	<b>7,419</b>
Assets	838,448	1,581,539	516,685	83,188	1,354,992	<b>4,374,852</b>
Liabilities	745,975	1,772,442	8,574	80,606	1,193,903	<b>3,801,500</b>





## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 27. SEGMENT INFORMATION

<b>Consolidated</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>31 March 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	6,503	10,189	734	-	-	17,426
Net income from Islamic financing	-	-	-	-	6,215	6,215
Net fees, commission and other operating income	2,048	2,767	570	-	3,217	8,601
Share of Profit from Subsidiary	-	-	-	-	-	-
<b>Total operating income</b>	8,551	12,955	1,304	-	9,432	32,242
Operating expenses	(7,990)	(5,080)	(430)	(78)	(4,731)	(18,309)
Net allowances for credit losses	(510)	(3,592)	27	-	(2,196)	(6,271)
Tax expenses	(8)	(701)	(168)	-	(367)	(1,244)
<b>Profit / (Loss) for the period</b>	43	3,582	733	(78)	2,138	6,418
Assets	836,445	1,567,266	402,892	77,972	1,217,085	4,101,660
Liabilities	715,914	1,632,150	72,900	61,289	1,096,188	3,578,441

<b>Parent Company</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>31 March 2025 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	6,124	14,489	254	-	-	20,867
Net income from Islamic financing	-	-	-	-	-	-
Net fees, commission and other operating income	2,391	1,937	804	-	-	5,132
Share of Profit from Subsidiary	-	-	-	2,410	-	2,410
<b>Total operating income</b>	8,515	16,426	1,058	2,410	-	28,409
Operating expenses	(8,180)	(5,326)	(407)	-	-	(13,913)
Net allowances for credit losses	(200)	(5,696)	(113)	-	-	(6,009)
Tax expenses	(22)	(881)	(88)	-	-	(991)
<b>Profit / (Loss) for the period</b>	113	4,523	450	2,410	-	7,496
Assets	838,448	1,581,539	537,860	214,473	-	3,172,320
Liabilities	745,975	1,772,442	29,749	80,606	-	2,628,772

<b>Parent Company</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>31 March 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	6,503	10,189	860	-	-	17,552
Net fees, commission and other operating income	-	-	-	-	-	-
Share of Profit from Subsidiary	2,048	2,766	570	-	-	5,384
<b>Total operating income</b>	8,551	12,955	1,430	2,012	-	24,948
Operating expenses	(7,990)	(5,080)	(430)	-	-	(13,500)
Net allowances for credit losses	(510)	(3,592)	27	-	-	(4,075)
Tax expenses	(8)	(701)	(168)	-	-	(877)
<b>Profit / (Loss) for the period</b>	43	3,582	859	2,012	-	6,496
Assets	836,445	1,567,266	402,892	198,730	-	3,005,333
Liabilities	715,914	1,632,150	72,900	61,290	-	2,482,254



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2025

### 28. PRIOR YEARS ADJUSTMENTS

The Bank has voluntarily changed its accounting policy regarding the investment in its subsidiary in the parent company financial statements. Specifically, the Bank has shifted from the cost method to the equity method of accounting in June 2024. This change only affects the separate financial statements of the Bank published prior to June 2024 and no restatement disclosure is required for the figures reported from June 2024 and onwards. The Bank believes that this new accounting policy will provide a more complete and accurate representation of its performance and the economic interest that the Parent has in its subsidiary. The effects of change in policy has been made by restating each of the affected financial statement line items in the separate financial statements for the prior periods, as follows:

<b>Statement of comprehensive income For the three months period ended 31 March 2024</b>	<b>Originally reported</b>	<b>Effect of prior years' adjustments</b>	<b>As Restated</b>
	RO' 000	RO' 000	RO' 000
Share of results of subsidiary	-	2,012	2,012
<b>Profit before income tax</b>	5,361	2,012	7,373
<b>Profit for the year</b>	4,484	2,012	6,496
Share of OCI from subsidiary	-	(33)	(33)
Other comprehensive income / (expense) for the year	(142)	(33)	(175)
<b>Total comprehensive income for the year</b>	4,342	1,979	6,321

### 29. COMPARATIVE FIGURES

Certain comparative figures for 2024 have been reclassified to conform to the presentation for the current period. During the period, the group modified the classification of interest receivable on loans from other assets to gross loans and interest payable on deposits from other liabilities to customer deposits. Following reclassification has been made in these financial statements.

<b>Reclassified items</b>	<b>Consolidated</b>	<b>Parent Company</b>	<b>Previous year classification</b>	<b>Current year classification</b>
	RO' 000	RO' 000		
Interest receivables on loans	44,177	17,650	Other assets	Loans, advances and financing to customers
Interest payable on deposits	43,070	31,457	Other liabilities	Customers deposits

### 30. SUBSEQUENT EVENTS

No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorisation of these financial statements.