



بنك عُمان العربي  
OMAN ARAB BANK

**CONDENSED INTERIM FINANCIAL STATEMENTS  
AS AT AND FOR THE SIX MONTHS  
PERIOD ENDED 30 JUNE 2025**

## **OMAN ARAB BANK SAOG**

### **Condensed Interim Financial Statements As at and for the period ended 30 June 2025**

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## CHAIRMAN'S REPORT – SECOND QUARTER 2025

Dear Shareholders,

I am pleased to present to you the financial results of Oman Arab Bank SAOG (the Bank) for the second quarter ended 30 June 2025.

In Q2 2025, Oman's economic outlook remained positive, as confirmed by the IMF's recent mission. Real GDP growth reached 1.7% in 2024, with projections of 2.4% in 2025 and 3.7% in 2026—driven primarily by non-oil sectors. Inflation stayed low at 0.9% year-on-year as of April, reflecting a stable price environment. The country's fiscal discipline has yielded a surplus of 3.3% of GDP in 2024, with government debt reduced to 35.5% of GDP. The IMF also commended Oman's progress in institutional reforms, including improvements in state-owned enterprise (SOE) governance, financial transparency, and diversification into sectors such as manufacturing, renewables, and tourism.

Globally, the U.S. Federal Reserve maintained a cautious stance, holding rates at 4.25 - 4.50% while signalling possible cuts later in the year. This could ease borrowing conditions, benefiting emerging markets. However, risk such as new U.S. tariffs, geopolitical tensions, and oil price volatility remain.

For Oman Arab Bank, these developments highlight the importance of a resilient, forward-looking strategy that can navigate both external challenges while capitalizing on domestic opportunities. This includes aligning with the Sultanate's Vision 2024 by supporting economic diversification, promoting sustainable credit growth in sectors such as SMEs and renewable energy, and accelerating investment in digital financial solutions to enhance customer experience and operational agility.

Islamic banking continues to be a key driver of sector growth. The expansion of Alizz Islamic Bank's distribution network, enhancement of its products and services, investment in digital capabilities and increasing public awareness present significant growth opportunities, which the Bank is well positioned to capture.

By staying agile and focused, the bank aims to support inclusive economic development while maintaining a robust risk management framework.

## CONSOLIDATED FINANCIAL PERFORMANCE

The Bank reported a consolidated net profit after tax of RO 14.6 million for the first half of 2025, up 15% compared to RO 12.7 million for the same period in 2024.

Net interest income from conventional banking and net income from Islamic financing stood at RO 55.7 million for the six-month period ended 30 June 2025, up 13% from RO 49.3 million for the same period in 2024 due to an increase in interest and financing income by 6%.

Operating income increased by 8% to RO 68.8 million for the six-month period ended 30 June 2025 compared to RO 63.6 million for the same period in 2024, while operating expenses



increased by 5% to reach RO 37.8 million compared to RO 36.1 million for the same period in 2024. This has led to a healthy growth in operating profit which grew 12% to reach RO 30.9 million in the first half of 2025 compared to RO 27.5 million for the same period last year. Net allowances for expected credit losses recorded RO 13.5 million in the six- months period ended 30 June 2025 compared to RO 12.5 million for the same period in 2024.

Net loans and advances, including Islamic finance, grew 2% to RO 3,592 million compared to RO 3,533 million at 30 June 2024. Customer deposits reached RO 3,634 million by the end of the first half of 2025, up 3% compared to RO 3,538 million at 30 June 2024.

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

The parent company recorded a net profit after tax of RO 14.8 million in the first half of 2025, up 15% compared to RO 12.9 million for the same period in 2024. Interest income grew 4%, driven by higher investments, loans and advances, while interest expense decreased by 1% due to a favourable change in the deposit mix and increasing CASA.

Operating income reached RO 55.5 million for the six-month period ended 30 June 2025, up 10% compared to RO 50.4 million in the same period of 2024, driven by growth in net interest income by 11% and an increase in share of profit from subsidiary by 22%. Operating expenses increased by 5% to reach RO 27.8 million for the six-month period ended 30 June 2025 compared to the same period in 2024 while operating profit recorded an increase of 16%. Net allowances for expected credit losses increased by 17% to record RO 11.1 million in the first half of 2025 compared to RO 9.5 million for the same period in 2024.

Net loans and advances stood at RO 2,440 million at 30 June 2025, compared to RO 2,446 million for the same period last year. Customer deposits reached RO 2,417 million at 30 June 2025 compared to RO 2,445 million at 30 June 2024.

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

Alizz delivered strong financial performance, achieving a net profit of OMR 5.16 million in the first half of 2025 – a 22% increase compared to OMR 4.24 million recorded in the same period in 2024. Net financing receivables increased by 8% and reached RO 1,152 million at 30 June 2025 compared to RO 1,067 million for the same period last year. Customer deposits reached RO 1,217 million at 30 June 2025, up 11% compared to RO 1,093 million at 30 June 2024.

### **BUSINESS DEVELOPMENTS AND STRATEGIC INITIATIVES**

In Q2 2025, the Bank continued to innovate by offering a range of differentiated products and services, underscoring its commitment to enhancing customer experiences, supporting economic growth, drive digital innovation and advancing the development of Small and Medium-sized Enterprises (SMEs).

OAB continued to lead in digital innovation by transforming Android smartphones into fully functional payment terminals using its SoftPOS technology. This solution empowers small



businesses and merchants to accept payments on-the-go without the need for traditional POS devices. It exemplifies the bank's drive to simplify commerce and promote financial inclusion.

OAB also advanced its digital banking capabilities by enhancing its mobile app and online platforms. The enhancements included the introduction of E-Mandate for direct debits, expanded service requests such as debit and credit card replacements, and new product requests covering Fixed Deposits and Idikhar. Additional features like SMS alerts for biometric settings, OTP delivery via email, and the option to specify international transfer purposes further streamlined the digital experience. The remittance platform iSend was revamped to deliver faster, more secure transfers with competitive exchange rates. Other improvements encompassed the addition of RENNA and REDBULL as billers and the enablement of debit card renewal and replacement requests through the app.

Alizz Islamic Bank also launched its new 'Alizz X Mobile' banking application that coincides with the bank's strong belief in enhancing the digital customer experience. Alizz Islamic Bank has redesigned the new mobile banking application for seamless, secure and new way of banking. The bank prioritized intuitive design and minimal navigation layers to ensure a seamless user experience that is smarter. This includes a complete redesigned interface with secured features and a host of tools that redefine convenience and control in modern banking.

The Bank further strengthened its retail proposition through strategic launches, product enhancements, and targeted campaigns. Notably, it inaugurated its Semi-Smart Branch at City Centre Seeb, offering customers an enhanced digital experience alongside personal service. In collaboration with Oman Housing Bank (OHB), the OHB Iskan program was launched to help address the long housing loan waitlist, underscoring OAB's commitment to facilitating home ownership.

To expand its retail offering, OAB introduced the Advances Loan, a step-down interest rate product designed to offer customers higher affordability over time, and launched the Travel Loan campaign to offer flexible personal travel financing. Additionally, the Bank unveiled Idikhar, a monthly savings plan featuring competitive interest rates and flexible benefits for all account holders.

Targeted promotional campaigns and partnerships were rolled out to drive engagement and reward customer loyalty. Notable initiatives included Eid Al-Fitr and Eid Al-Adha cashback promotions, offering up to 4% cashback or OMR 20 rewards. OAB launched the "Eidiyah from OAB" cashback campaign in celebration of Eid Al-Adha. The initiative rewarded the first 250 Visa Infinite, Platinum, Gold, and Classic credit cardholders who spent a minimum of OMR 200 - locally or internationally – with RO 20 cashback. Eligible customers received the cashback directly in their card accounts within 30 days of the campaign's conclusion. The initiative reflects the Bank's commitment to sharing joy and strengthening relationships with its customers during significant cultural and religious occasions.

The Bank collaborated with Talabat to provide 50% discounts on food orders paid with OAB credit cards. To encourage credit card growth, a dedicated sales contest was held between May and July 2025, alongside a commercial credit card acquisition drive and the introduction of a 0% Easy Payment Plan with Oman International Hospital and KIMS Oman Hospital. A special offer was



also extended exclusively to Omantel staff, delivering competitive financing rates tailored to their needs.

Operational excellence and service accessibility remained a priority. Evening working hours were implemented at Shatti Qurum, Maabellah, City Centre, and Barka branches to improve customer convenience. A dedicated Housing Loans Hub opened at Al Khuwair branch. The Bank upgraded its ATM infrastructure with new CNS ATMs at Sur, Sohar, and Nizwa branches along with a new cash dispenser at Al Mouj. KYC pop-ups were activated on ATMs to streamline compliance.

Oman Arab Bank continued to play a key role in financing major government and private initiatives aligned with Oman Vision 2040, with a particular focus on critical infrastructure development projects. The bank is proud to have participated in the \$220 million financing deal for the Sohar Port and Freezone expansion project, contributing to \$160 million towards the project.

OAB reaffirmed its dedication to entrepreneurship at a recent Oman Chamber of Commerce and Industry SMEs Committee meeting, where it presented its flagship Tumouhi initiative. The program offers tailored banking solutions such as credit facilities, digital SME platforms, SoftPOS, and mobile payment tools. It also includes financial literacy programs and business management workshops designed to support the growth of small and medium enterprises.

As part of Tumouhi, OAB launched its SME Development Training Roadshow—a two-day program held in Nizwa from June 17–18, 2025, under the patronage of H.E. Sheikh Dr. Faisal bin Ali bin Rashid Al Zidi, Wali of Manah. Designed to strengthen SME capabilities, the event focused on key areas including business strategy, financial literacy, and networking. Following successful sessions in Muscat and Sohar, this marks the third stop in the Bank's goal to engage SMEs across all regions in Oman.

Staying aligned with evolving Islamic customer needs and emerging technologies, Alizz Islamic Bank partnered with Visa, a global leader in digital payments, to enhance its Shari'a compliant card offering. The new premium debit, credit and prepaid 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 newly Visa debit cards, credit cards and prepaid cards including the first Shari'a compliant Multi-currency prepaid card in Oman.

## **AWARDS AND ACCOLADES**

In Q2 2025, the Bank received multiple awards in recognition of its forward thinking vision and ability to serve diverse customer segments. Oman Arab Bank was officially honored by the Ministry of Labor for its pivotal role in enabling digital revenue collection. The award highlighted OAB's advanced digital payment solutions that have improved government service efficiency, transparency, and user convenience.

OAB received the award for "Best Cybersecurity and Risk Management Implementation in Oman". This accolade acknowledged the Bank's strong cybersecurity framework, real-time threat detection systems, and strategic risk mitigation efforts.



Among regional awards attained by OAB is the “Best Brand in Customer Experience for Corporate Banking” award. This recognition celebrates the Bank’s continuous investment in digital innovation, service quality, and a customer-first approach that serves corporates, government entities, and SMEs.

Additionally, OAB received the “Outstanding Commitment to SME Growth and Empowerment” award, a testament to the Bank’s unwavering dedication to supporting entrepreneurs.

## **EVENTS AND PARTICIPATIONS**

The Bank achieved key milestones in retail banking during the past first half of the year, underscoring its commitment to innovation, customer experience, and digital transformation.

As the Official Banking Sponsor of the Muscat International Book Fair 2025, Oman Arab Bank introduced a fully cashless experience by deploying its innovative SoftPOS solution across all vendor stalls. Visitors were able to make secure payments using cards and smartphones, reflecting OAB’s focus on digital accessibility.

In collaboration with Dar Al Atta’a, the Bank also launched a community book donation drive, placing a collection box at the venue to gather gently used books for children across Oman.

In addition, as part of its commitment to financial literacy, Alizz Islamic Bank, in coordination with the Ministry of Finance’s National Program for Financial Sustainability and Financial Sector Development ‘Estidama’, organised a panel discussion on ‘Financial Awareness Amidst Modern Economic Challenges’ with more than 50 attendees present.

## **CORPORATE SOCIAL RESPONSIBILITY AND COMMUNITY ENGAGEMENT**

Under the banner of the Ministry of Education’s “Khazna” initiative, Oman Arab Bank launched “Money Adventures for Young Savers” in May 2025—a pioneering financial education programme targeting school-aged children. The nationwide initiative, inaugurated at Al-Ula Basic Education School in Al Ghubrah under the patronage of H.E. Majid bin Said Al Bahri, aims to reach around 3,000 students across 50 schools in its first year. Through seven interactive learning stations, the programme engages participants in age-appropriate lessons on earning, saving, smart spending, and charitable giving—emphasizing practical and experiential learning. Developed collaboratively by OAB and Ministry of Education experts, the fully Omani-designed series combines curriculum integration with engaging activities, reinforcing OAB’s dedication to nurturing a financially savvy generation in line with Vision 2040 goals.

Demonstrating its commitment to social responsibility and national pride, OAB sponsored the participation of six athletes from Special Olympics Oman at the Turin 2025 World Winter Games. Competing in snowshoeing, cross-country skiing, and short track speed skating, the athletes secured seven medals, reflecting the Bank’s strong advocacy for inclusivity and community empowerment.

As part of its ongoing commitment to community engagement and youth empowerment, Oman Arab Bank proudly sponsored the 2025 “Safar” tour—a national dialogue series held in Muscat,



Salalah, and Sohar. Featuring prominent Omani thought leaders, the sessions offered young audiences valuable insights into innovation, visionary thinking, and the goals of Oman Vision 2040. The initiative reflects OAB's role in fostering knowledge exchange and supporting sustainable national development.

The Bank has implemented several impactful Ramadan campaigns reflecting its strong social responsibility. Under initiatives like "Giving Made Easy" and "A Month of Giving and Doing," the Bank enabled donations through its app, ATMs, and collection boxes. Activities included daily charity quizzes, Iftar meals at hospitals, and Eid support for children and the elderly.

Additionally, OAB organized collection drives across branches and offices. During Ramadan and events like World Food Day, the Bank has gathered food, clothing, and essential supplies for local charities. These efforts are supported by digital donation channels, reflecting OAB's culture of giving and community care.

Aligned with its 'Alizz Cares' Program, and underscoring its commitment to fostering inclusivity, empowering communities, and enhancing the quality of life, partnered with Al Tawasul Institute for a specialised training program to empower jobseekers with hearing impairments. The programme is tailored to focus on developing their social and professional skills, providing them with the right tools that will help them communicate at the workforce. This programme aims to provide the candidates with skills, resources and confidence needed to succeed in today's dynamic job market.

## **HUMAN RESOURCES AND TALENT DEVELOPMENT**

In Q2 2025, the Talent Experience & Well-Being Department at Oman Arab Bank (OAB) led a range of initiatives focused on employee engagement, well-being, and recognition. Highlights from the quarter included vibrant events such as Eid Fuwala celebrations, a travel-themed booth, Health Week, a blood donation drive, a bowling gathering, and a ceremony honoring long-serving staff. These activities reflected the Bank's continuous efforts to foster a positive and inclusive work culture.

To promote open dialogue and strengthen leadership accessibility, the Bank continued its branch visits and the "Breakfast with the CEO" sessions. These initiatives served as platforms for transparent communication between staff and senior management, encouraging direct feedback and team connection across all levels.

Focusing on continuous learning, OAB delivered 89 training courses to 3,396 participants, covering leadership, sales, customer service, regulatory topics, and banking skills. Under the Tamakun initiative, additional specialized training was provided for staff on insurance, Iskan loans, and credit card products. A standout event during the quarter was "OAB Inspires Future Leaders" featuring Sayyed Khalid bin Hamed Al Busaidi, who addressed themes like resilience, innovation, and adaptive leadership.

Alizz Islamic Bank also celebrated the graduation of 41 participants from the fourth batch of the "Ruwad Alizz" Leadership Programme, conducted in partnership with Harvard ManageMentor. Furthermore, Alizz marked the graduation of the second cohort of the Tamkeen programme aimed



at preparing future Shari'a Supervisory Board Members and announced the enrollment of its third batch, reinforcing its commitment to cultivating future leaders in Islamic finance.

Furthermore, OAB offered 67 internships to university students and recent graduates, enabling them to gain hands-on experience and bridge the gap between academic learning and real-world work environments. On the other hand, Alizz advanced its youth and leadership development programs with the third edition of its "Manahil Alizz" training initiative, targeting 50 students from various academic fields.

Looking back on the promising progress achieved during the second quarter, we extend our heartfelt appreciation to our shareholders, customers, and employees for their continued trust and loyalty. Your continued 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

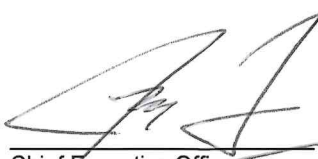
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

	Note	Consolidated		Parent Company	
		Unaudited	Audited	Unaudited	Audited
		30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
		RO'000	RO'000	RO'000	RO'000
Cash and balances with central bank	3	235,656	180,450	135,000	117,845
Due from banks	4	45,961	67,222	35,735	65,876
Loans, advances and financing to customers	5	3,592,052	3,490,871	2,439,551	2,390,677
Investment securities	6	402,757	450,320	258,378	328,419
Investment in subsidiary		-	-	140,376	135,095
Property and equipment		40,343	39,586	34,421	34,254
Intangible assets	7	6,125	6,280	-	-
Other assets	8	60,309	56,639	51,657	46,088
<b>Total assets</b>		<b>4,383,203</b>	<b>4,291,368</b>	<b>3,095,118</b>	<b>3,118,254</b>
Due to banks	9	47,021	54,599	27,974	31,293
Customer deposits	10	3,634,445	3,571,692	2,417,345	2,467,307
Borrowed funds	11	19,250	9,625	19,250	9,625
Other liabilities	12	96,768	79,543	74,483	64,965
Taxation		11,052	10,145	10,126	9,181
<b>Total liabilities</b>		<b>3,808,536</b>	<b>3,725,604</b>	<b>2,549,178</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		(691)	(1,707)	(959)	(1,975)
Impairment reserve		16,800	16,800	16,800	16,800
Retained earnings		85,763	77,876	87,316	78,275
<b>Shareholders' equity</b>		<b>388,401</b>	<b>379,498</b>	<b>389,674</b>	<b>379,617</b>
Perpetual Tier 1 capital bonds	13	186,266	186,266	156,266	156,266
<b>Total equity</b>		<b>574,667</b>	<b>565,764</b>	<b>545,940</b>	<b>535,883</b>
<b>Total equity and liabilities</b>		<b>4,383,203</b>	<b>4,291,368</b>	<b>3,095,118</b>	<b>3,118,254</b>
Net assets value per share (RO)	25 (b)	0.233	0.227	0.233	0.227
Contingent liabilities and commitments	23	327,020	377,039	184,257	238,523

The financial statements were authorised on 12 August 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 30 JUNE 2025**

	Note	Consolidated (Unaudited)			
		Six months ended		Three months ended	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		RO'000	RO'000	RO'000	RO'000
Interest income	14	82,266	79,071	39,869	40,797
Interest expense	15	(42,211)	(42,788)	(20,504)	(21,940)
<b>Net interest income</b>		<b>40,055</b>	<b>36,283</b>	<b>19,365</b>	<b>18,857</b>
Income from Islamic financing and investing activities		37,006	33,242	18,827	16,907
Profit paid on participatory deposits and banks		(21,326)	(20,220)	(10,947)	(10,100)
<b>Net income from Islamic financing and investing activities</b>	16	<b>15,680</b>	<b>13,022</b>	<b>7,880</b>	<b>6,807</b>
Net fee and commission income	17	9,607	9,972	4,585	4,377
Net income from investment securities	18	605	222	322	118
Other operating income	19	2,810	4,114	1,458	1,212
<b>Total income</b>		<b>68,757</b>	<b>63,613</b>	<b>33,610</b>	<b>31,371</b>
Operating expenses	20	(37,840)	(36,115)	(18,877)	(17,806)
Net allowances for credit losses		(13,527)	(12,469)	(6,192)	(6,198)
<b>Profit before tax</b>		<b>17,390</b>	<b>15,029</b>	<b>8,541</b>	<b>7,367</b>
Income tax expense		(2,790)	(2,325)	(1,360)	(1,081)
<b>Net Profit for the period</b>		<b>14,600</b>	<b>12,704</b>	<b>7,181</b>	<b>6,286</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		(82)	88	344	85
Items that are or may be reclassified to profit or loss in the subsequent periods					
- Debt investment at FVOCI – net change in fair value		1,071	(275)	476	(77)
<b>Other comprehensive income / (loss) for the period</b>		<b>989</b>	<b>(187)</b>	<b>820</b>	<b>8</b>
<b>Total comprehensive income for the period – net of tax</b>		<b>15,589</b>	<b>12,517</b>	<b>8,001</b>	<b>6,294</b>
<b>Earnings per share:</b>					
Basic and diluted (RO)	25 (a)	0.005	0.004	0.0003	0.001

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 30 JUNE 2025**

	Note	Parent (Unaudited)			
		Six months ended		Three months ended	
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		RO'000	RO'000	RO'000	RO'000
Interest income	14	82,531	79,244	39,957	40,844
Interest expense	15	(42,211)	(42,788)	(20,504)	(21,940)
<b>Net interest income</b>		<b>40,320</b>	<b>36,456</b>	<b>19,453</b>	<b>18,904</b>
Net fee and commission income	17	7,376	7,711	3,500	3,322
Net income from investment securities	18	443	146	251	71
Other operating income	19	2,190	1,875	1,126	955
Share of profit from subsidiary		5,162	4,243	2,752	2,231
<b>Total income</b>		<b>55,491</b>	<b>50,431</b>	<b>27,082</b>	<b>25,483</b>
Operating expenses	20	(27,779)	(26,490)	(13,866)	(12,990)
Net allowances for credit losses		(11,068)	(9,488)	(5,059)	(5,413)
<b>Profit before tax</b>		<b>16,644</b>	<b>14,453</b>	<b>8,157</b>	<b>7,080</b>
Income tax expense		(1,889)	(1,594)	(898)	(717)
<b>Net Profit for the period</b>		<b>14,755</b>	<b>12,859</b>	<b>7,259</b>	<b>6,363</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		(119)	85	178	82
Items that are or may be reclassified to profit or loss in the subsequent periods					
- Debt investment at FVOCI – net change in fair value		1,017	(292)	532	(127)
Share of OCI from subsidiary		118	20	137	53
<b>Other comprehensive income / (loss) for the period</b>		<b>1,016</b>	<b>(187)</b>	<b>847</b>	<b>8</b>
<b>Total comprehensive income for the period – net of tax</b>		<b>15,771</b>	<b>12,672</b>	<b>8,106</b>	<b>6,371</b>
<b>Earnings per share:</b>					
Basic and diluted (RO)	25 (a)	0.005	0.004	0.001	0.001

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 30 JUNE 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	-	-	-	-	-	-	-	12,704	12,704	-	12,704
Unrealised loss on FVOCI investments	-	-	-	-	-	(187)	-	-	(187)	-	(187)
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(187)</b>	<b>-</b>	<b>12,704</b>	<b>12,517</b>	<b>-</b>	<b>12,517</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	(5,424)	(5,424)	-	(5,424)
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
<b>At 30 June 2024</b>	<b>166,941</b>	<b>36,565</b>	<b>50,551</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,262)</b>	<b>9,130</b>	<b>86,497</b>	<b>377,819</b>	<b>146,250</b>	<b>524,069</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	-	-	-	-	-	-	-	14,600	14,600	-	14,600
Unrealised gain on FVOCI investments	-	-	-	-	-	989	-	-	989	-	989
Realised loss on FVOCI investments	-	-	-	-	-	27	-	(27)	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,016</b>	<b>-</b>	<b>14,573</b>	<b>15,589</b>	<b>-</b>	<b>15,589</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	(6,686)	(6,686)	-	(6,686)
<b>At 30 June 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,626</b>	<b>25,560</b>	<b>3,837</b>	<b>(691)</b>	<b>16,800</b>	<b>85,763</b>	<b>388,401</b>	<b>186,266</b>	<b>574,667</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 30 JUNE 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
Parent Company (Unaudited)	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>48,707</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,198)</b>	<b>9,130</b>	<b>62,819</b>	<b>352,361</b>	<b>146,250</b>	<b>498,611</b>
Impact of change in accounting policy	-	-	-	-	-	(145)	-	18,292	18,147	-	18,147
<b>Restated balance at 1 January 2024</b>	<b>166,941</b>	<b>36,565</b>	<b>48,707</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,343)</b>	<b>9,130</b>	<b>81,111</b>	<b>370,508</b>	<b>146,250</b>	<b>516,758</b>
Net Profit for the period	-	-	-	-	-	-	-	12,859	12,859	-	12,859
Unrealised loss on FVOCI investments	-	-	-	-	-	(187)	-	-	(187)	-	(187)
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(187)</b>	<b>-</b>	<b>12,859</b>	<b>12,672</b>	<b>-</b>	<b>12,672</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	(5,424)	(5,424)	-	(5,424)
<b>At 30 June 2024</b>	<b>166,941</b>	<b>36,565</b>	<b>48,707</b>	<b>25,560</b>	<b>3,837</b>	<b>(1,530)</b>	<b>9,130</b>	<b>88,546</b>	<b>377,756</b>	<b>146,250</b>	<b>524,006</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
Parent Company (Unaudited)	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	-	-	-	-	-	-	-	14,755	14,755	-	14,755
Unrealised loss on FVOCI investments	-	-	-	-	-	1,016	-	-	1,016	-	1,016
Realised loss on FVOCI investments	-	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,016</b>	<b>-</b>	<b>14,755</b>	<b>15,771</b>	<b>-</b>	<b>15,771</b>
Additional Tier 1 capital bonds	-	-	-	-	-	-	-	-	-	-	-
Interest on Perpetual Tier 1 capital bonds	-	-	-	-	-	-	-	(5,714)	(5,714)	-	(5,714)
<b>At 30 June 2025</b>	<b>166,941</b>	<b>36,565</b>	<b>53,614</b>	<b>25,560</b>	<b>3,837</b>	<b>(959)</b>	<b>16,800</b>	<b>87,316</b>	<b>389,674</b>	<b>156,266</b>	<b>545,940</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 30 JUNE 2025**

	Notes	Consolidated		Parent Company	
		Unaudited	Unaudited	Unaudited	Unaudited
		30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
		RO'000	RO'000	RO'000	RO'000
<b><u>Operating activities:</u></b>					
Profit before tax		17,390	15,029	16,644	14,453
Adjustments:					
Share of profit from Subsidiary		-	-	(5,162)	(4,243)
Depreciation	20	4,578	4,825	3,518	3,750
Amortization	20	155	155	-	-
Net impairment for credit losses		13,527	12,469	11,068	9,488
Dividend income	18	(573)	(215)	(429)	(144)
Loss on sale of property and equipment		(12)	-	(12)	-
Profit on sale of amortised cost investments		(18)	-	-	-
Changes in fair value of financial assets at FVTPL	18	(14)	(2)	(14)	(2)
<b>Operating cashflow before working capital changes</b>		<b>35,033</b>	<b>32,261</b>	<b>25,613</b>	<b>23,302</b>
Loans, advances and financing to customers		(106,031)	(221,659)	(51,285)	(149,300)
Due from banks		(7,732)	(5,000)	-	10,400
Due to banks		(7,579)	59,956	(3,319)	54,153
Other assets		1,269	(18,274)	(631)	(14,518)
Customer deposits		62,752	138,346	(49,962)	68,499
Other liabilities		11,781	6,302	3,955	11,601
<b>Cash generated from / (used in) operation activities</b>		<b>(10,507)</b>	<b>(8,068)</b>	<b>(75,629)</b>	<b>4,137</b>
Tax paid		(2,001)	-	(944)	-
<b>Net cash from operating activities</b>		<b>(12,508)</b>	<b>(8,068)</b>	<b>(76,573)</b>	<b>4,137</b>
<b><u>Investing activities:</u></b>					
Purchase of investments		(109,611)	(29,195)	(16,707)	(8,385)
Proceeds from sale/maturities of investments		92,930	27,920	22,388	9,000
Purchase of property and equipment		(3,792)	(1,838)	(2,142)	(1,384)
Proceeds from sale of property and equipment		-	5	-	5
Dividend Income	18	573	215	429	144
<b>Net cash from / (used in) investing activities</b>		<b>(19,900)</b>	<b>(2,893)</b>	<b>3,968</b>	<b>(620)</b>
<b><u>Financing activities:</u></b>					
Perpetual Tier 1 capital bonds repayment		(6,686)	(5,424)	(5,714)	(5,424)
Borrowed funds		-	-	-	-
Additional Tier 1 cost		-	-	-	-
<b>Net cash used in financing activities</b>		<b>(6,686)</b>	<b>(5,424)</b>	<b>(5,714)</b>	<b>(5,424)</b>
Net increase / (decrease) in cash and cash equivalents		(39,094)	(16,385)	(78,319)	(1,907)
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>	21	<b>288,315</b>	<b>264,411</b>	<b>185,657</b>	<b>191,040</b>
<b><u>Operational cash flows from interest</u></b>					
Interest and financing income received		123,638	104,442	88,505	74,649
Interest and profit paid		(60,135)	(58,962)	(39,738)	(38,547)

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 SIX MONTHS PERIOD ENDED 30 JUNE 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 30 June 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 2024. In addition, results of the Bank for the period ended 30 June 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 SIX MONTHS PERIOD ENDED 30 JUNE 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.

#### 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
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Cash in hand	21,798	28,780	16,646	22,762
Balances with the Central Bank of Oman:				
- Clearing account	145,669	79,715	71,865	42,133
- Placements	67,164	70,930	45,989	52,450
- Capital deposit	1,025	1,025	500	500
<b>Total</b>	<b>235,656</b>	<b>180,450</b>	<b>135,000</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 30 June 2025 (30 June 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 are 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 SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 4. DUE FROM BANKS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Placements	30,391	40,575	22,659	42,499
Current accounts	15,632	26,684	13,105	23,407
<b>Due from banks and other money market placements</b>	<b>46,023</b>	<b>67,259</b>	<b>35,764</b>	<b>65,906</b>
Less: allowance for credit losses	(62)	(37)	(29)	(30)
<b>Total</b>	<b>45,961</b>	<b>67,222</b>	<b>35,735</b>	<b>65,876</b>

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

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-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	25	(78)	(1)	(64)
<b>Balance at the end of the period</b>	<b>62</b>	<b>37</b>	<b>29</b>	<b>30</b>

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

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Term loans	1,630,033	1,559,044	1,630,033	1,559,044
Overdrafts	124,642	122,703	124,642	122,703
Bills discounted	17,120	20,038	17,120	20,038
Islamic finance	686,412	664,694	-	-
<b>Corporate loans</b>	<b>2,458,207</b>	<b>2,366,479</b>	<b>1,771,795</b>	<b>1,701,785</b>
Consumer loans	458,402	464,313	458,402	464,313
Mortgage loans	381,539	389,193	381,539	389,193
Overdrafts	6,306	6,493	6,306	6,493
Credit cards	13,299	13,187	13,299	13,187
Islamic finance	519,331	486,001	-	-
<b>Retail loans</b>	<b>1,378,877</b>	<b>1,359,187</b>	<b>859,546</b>	<b>873,186</b>
<b>Gross loans, advances and financing to customers</b>	<b>3,837,084</b>	<b>3,725,666</b>	<b>2,631,341</b>	<b>2,574,971</b>
Allowance for credit losses	189,402	180,592	142,271	135,788
Contractual interest not recognised	55,630	54,203	49,519	48,506
<b>Less: allowance for credit losses and suspended interest</b>	<b>(245,032)</b>	<b>(234,795)</b>	<b>(191,790)</b>	<b>(184,294)</b>
<b>Net loans, advances and financing to customers</b>	<b>3,592,052</b>	<b>3,490,871</b>	<b>2,439,551</b>	<b>2,390,677</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 5. LOANS, ADVANCES AND FINANCING TO CUSTOMERS (CONTINUED)

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	16,731	9,489	26,220
Amounts written off and net transfer from / (to) memorandum portfolio	(4,484)	(3,949)	(8,433)
Amounts released / recovered during the period	(3,437)	(4,113)	(7,550)
<b>Balance at 30 June 2025</b>	<b>189,402</b>	<b>55,630</b>	<b>245,032</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	17,154	10,890	28,044
Amounts written off and net transfer from / (to) memorandum portfolio	343	(926)	(583)
Amounts released / recovered during the period	(4,823)	(1,762)	(6,585)
<b>Balance at 30 June 2024</b>	<b>187,021</b>	<b>52,117</b>	<b>239,138</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	14,061	9,075	23,136
Amounts written off and net transfer from / (to) memorandum portfolio	(4,484)	(3,949)	(8,433)
Amounts released / recovered during the period	(3,094)	(4,113)	(7,207)
<b>Balance at 30 June 2025</b>	<b>142,271</b>	<b>49,519</b>	<b>191,790</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	13,825	9,617	23,442
Amounts written off and net transfer from / (to) memorandum portfolio	343	(926)	(583)
Amounts released / recovered during the period	(4,428)	(1,762)	(6,190)
<b>Balance at 30 June 2024</b>	<b>143,292</b>	<b>46,663</b>	<b>189,955</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 5. LOANS, ADVANCES AND FINANCING TO CUSTOMERS (CONTINUED)

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO' 000	RO' 000	RO' 000	RO' 000
Performing loans, advances and financings	3,617,667	3,515,792	2,465,179	2,414,413
Allowance for the credit losses on performing loans	98,060	92,059	77,246	72,592
Non-performing loans, advances and financings on which interest was not accrued	219,417	209,874	166,162	160,558
Allowance for the credit losses on non-performing loans	146,972	142,736	114,544	111,702

The analysis of the Islamic financing activities is as follows:

	Corporate	Retail	Total
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000
Musharaka	389,672	341,775	731,447
Murabaha	79,074	77,857	156,931
Ijarah Muntahia Bittamleek	51,660	93,171	144,831
Wakala	165,985	3,887	169,872
Others	21	2,641	2,662
<b>Balance at 30 June 2025</b>	<b>686,412</b>	<b>519,331</b>	<b>1,205,743</b>
31 December 2024 (Audited)			
Musharaka	352,756	306,906	659,662
Murabaha	75,484	75,797	151,281
Ijarah Muntahia Bittamleek	51,465	98,456	149,921
Wakala	184,903	2,014	186,917
Others	86	2,828	2,914
<b>Balance at 31 December 2024</b>	<b>664,694</b>	<b>486,001</b>	<b>1,150,695</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 6. INVESTMENT SECURITIES

	Consolidated		Parent Company	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
- Banking and investment sector	251	261	251	261
Quoted investments – Oman	251	261	251	261
- Banking and investment sector	234	210	234	210
Quoted investments – Foreign	234	210	234	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	1,231	1,126	1,231	1,126
- Oil & gas	4,984	4,305	3,270	3,433
- Service sector	3,146	2,227	2,459	594
Quoted investments – Oman	11,442	9,739	9,041	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	11,636	9,933	9,235	7,428
- Government Sukuk	105,006	96,435	8,000	8,000
- Government Development Bonds (GDBs)	42,428	38,238	42,428	38,238
- Corporate Bonds	71,719	57,442	26,688	26,442
Debt investments measured at FVOCI	219,153	192,115	77,116	72,680
<b>Investments measured at FVOCI</b>	<b>230,789</b>	<b>202,048</b>	<b>86,351</b>	<b>80,108</b>
- Government Development Bonds (GDBs)	125,354	133,147	125,354	133,147
- Government Sukuk	18,321	21,475	18,321	21,475
- T-bills	15,393	80,725	15,393	80,725
- Corporate Bonds	12,606	12,627	12,606	12,627
<b>Investments measured at amortized cost</b>	<b>171,674</b>	<b>247,974</b>	<b>171,674</b>	<b>247,974</b>
<b>Total financial investments</b>	<b>402,948</b>	<b>450,493</b>	<b>258,510</b>	<b>328,553</b>
Less: allowance for credit losses	(191)	(173)	(132)	(134)
<b>Net financial investments</b>	<b>402,757</b>	<b>450,320</b>	<b>258,378</b>	<b>328,419</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 6. INVESTMENT SECURITIES (CONTINUED)

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>
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Investment measured at FVTPL	485	-	-	485
Equity investment measured at FVOCI	11,442	-	194	11,636
Debt investments measured at FVOCI	77,116	142,037	-	219,153

<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
Investment measured at FVTPL	471	-	-	471
Equity investment measured at FVOCI	9,739	-	194	9,933
Debt investments measured at FVOCI	109,104	83,011	-	192,115

<b>Parent Company</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Investment measured at FVTPL	485	-	-	485
Equity investment measured at FVOCI	9,041	-	194	9,235
Debt investments measured at FVOCI	77,116	-	-	77,116

<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
Investment measured at FVTPL	471	-	-	471
Equity investment measured at FVOCI	7,234	-	194	7,428
Debt investments measured at FVOCI	72,680	-	-	72,680



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 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
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Customers' indebtedness against acceptances	15,751	15,604	15,751	15,604
Fees receivable	1,784	1,722	1,784	1,722
Interest receivable	4,286	4,264	3,035	3,151
Prepayments	3,939	3,533	3,333	2,511
Reposessed collateral	3,154	4,822	2,641	3,825
Positive fair value of derivatives	10,954	6,016	10,954	6,016
Others	20,441	20,678	14,159	13,259
<b>Total</b>	<b>60,309</b>	<b>56,639</b>	<b>51,657</b>	<b>46,088</b>

### 9. DUE TO BANKS

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Current accounts	12,918	14,207	12,383	14,146
Borrowings	34,103	40,392	15,591	17,147
<b>Total</b>	<b>47,021</b>	<b>54,599</b>	<b>27,974</b>	<b>31,293</b>

### 10. CUSTOMER DEPOSITS

	Consolidated		Parent Company	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Term deposits	1,663,603	1,729,631	1,125,876	1,243,587
Demand and call accounts	1,335,497	1,255,704	840,785	817,545
Saving accounts	635,345	586,357	450,684	406,175
<b>Total</b>	<b>3,634,445</b>	<b>3,571,692</b>	<b>2,417,345</b>	<b>2,467,307</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 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
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Liabilities against acceptances	15,751	15,604	15,751	15,604
Interest payable	376	391	308	323
Accrued expenses and other payables	27,575	29,183	25,605	25,600
Cheques and trade settlement payable	7,550	4,854	5,079	2,945
Staff end of service benefits	1,338	1,304	892	825
Interest and commission received in advance	6,389	4,785	6,389	4,785
Negative fair value of derivatives	11,369	5,987	11,369	5,987
Deferred tax liability	165	283	165	165
Provision for loan commitments, financial guarantees and acceptances	4,008	3,818	3,632	3,528
Others	14,971	6,157	13	-
Lease liabilities	7,276	7,177	5,280	5,203
<b>Total</b>	<b>96,768</b>	<b>79,543</b>	<b>74,483</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 SIX MONTHS PERIOD ENDED 30 JUNE 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 (Unaudited)				Parent Company (Unaudited)			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Loans and advances	72,641	70,145	35,283	36,316	72,641	70,145	35,283	36,316
Investment securities	7,352	6,678	3,679	3,356	7,352	6,678	3,679	3,356
Placements with banks	2,273	2,248	907	1,125	2,538	2,421	995	1,172
<b>Total</b>	<b>82,266</b>	<b>79,071</b>	<b>39,869</b>	<b>40,797</b>	<b>82,531</b>	<b>79,244</b>	<b>39,957</b>	<b>40,844</b>

### 15. INTEREST EXPENSE

	Consolidated (Unaudited)				Parent Company (Unaudited)			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Customer deposits	40,683	41,390	19,820	21,225	40,683	41,390	19,820	21,225
Bank borrowings	1,424	1,276	630	655	1,424	1,276	630	655
Interest cost on lease liabilities	104	122	54	60	104	122	54	60
<b>Total</b>	<b>42,211</b>	<b>42,788</b>	<b>20,504</b>	<b>21,940</b>	<b>42,211</b>	<b>42,788</b>	<b>20,504</b>	<b>21,940</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 16. NET INCOME FROM ISLAMIC FINANCING

	Consolidated (Unaudited)				Parent Company (Unaudited)			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Income from Islamic financing and investing activities								
Islamic financing receivables	33,015	30,481	16,781	15,580	-	-	-	-
Islamic due from banks	711	870	343	358	-	-	-	-
Islamic investment	3,280	1,891	1,703	969	-	-	-	-
<b>Total income from Islamic financing</b>	<b>37,006</b>	<b>33,242</b>	<b>18,827</b>	<b>16,907</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Profit paid on participatory deposits and banks								
Islamic customers' deposits	20,600	19,723	10,605	9,759	-	-	-	-
Islamic bank borrowings	726	497	342	341	-	-	-	-
<b>Total expense from Islamic financing</b>	<b>21,326</b>	<b>20,220</b>	<b>10,947</b>	<b>10,100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Income from Islamic financing and investing activities</b>	<b>15,680</b>	<b>13,022</b>	<b>7,880</b>	<b>6,807</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 17. NET FEE AND COMMISSION INCOME

	Consolidated				Parent Company			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Fee and commission income	16,107	15,484	8,057	7,287	13,412	12,846	6,741	6,029
Fee and commission expense	(6,500)	(5,512)	(3,472)	(2,910)	(6,036)	(5,135)	(3,241)	(2,707)
<b>Total</b>	<b>9,607</b>	<b>9,972</b>	<b>4,585</b>	<b>4,377</b>	<b>7,376</b>	<b>7,711</b>	<b>3,500</b>	<b>3,322</b>

### 18. NET INCOME FROM INVESTMENT SECURITIES

	Consolidated				Parent Company			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Fair value changes	14	2	-	(30)	14	2	-	(30)
Profit on sale of amortized cost investments	18	5	18	-	-	-	-	-
Dividend income	573	215	304	148	429	144	251	101
<b>Total</b>	<b>605</b>	<b>222</b>	<b>322</b>	<b>118</b>	<b>443</b>	<b>146</b>	<b>251</b>	<b>71</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 19. OTHER OPERATING INCOME

	Consolidated				Parent Company			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Exchange income	2,562	2,404	1,307	1,210	1,942	1,872	975	953
Other income	248	1,710	151	2	248	3	151	2
<b>Total</b>	<b>2,810</b>	<b>4,114</b>	<b>1,458</b>	<b>1,212</b>	<b>2,190</b>	<b>1,875</b>	<b>1,126</b>	<b>955</b>

### 20. OPERATING EXPENSES

	Consolidated				Parent Company			
	Six months ended		Three months ended		Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Staff costs	22,924	21,730	11,463	10,821	15,948	15,074	7,959	7,437
Other operating expenses	9,983	9,253	4,787	4,461	8,163	7,564	4,048	3,680
Depreciation	4,578	4,825	2,450	2,371	3,518	3,750	1,784	1,822
Amortization	155	155	77	77	-	-	-	-
Directors' remuneration	200	152	100	76	150	102	75	51
<b>Total</b>	<b>37,840</b>	<b>36,115</b>	<b>18,877</b>	<b>17,806</b>	<b>27,779</b>	<b>26,490</b>	<b>13,866</b>	<b>12,990</b>

### 21. CASH AND CASH EQUIVALENTS

	Consolidated		Parent Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000
Cash and balances with the Central Bank of Oman (CBO) (note 3)	235,656	171,124	135,000	119,971
Due from banks (note 4)	38,291	94,312	35,764	71,569
T.bills	15,393	-	15,393	-
Restricted deposits included under balances with the CBO	(1,025)	(1,025)	(500)	(500)
<b>Total</b>	<b>288,315</b>	<b>264,411</b>	<b>185,657</b>	<b>191,040</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 22. ASSETS LIABILITIES GAP

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

Consolidated	Assets	Liabilities	Gap	Cumulative Gap
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
0-3 months	473,148	472,164	984	984
3-12 months	615,472	929,086	(313,614)	(312,630)
1-5 years	1,143,400	243,720	899,680	587,050
More than 5 years	1,685,158	62,170	1,622,988	2,210,038
Not tied to maturity	466,025	2,101,396	(1,635,371)	574,667
<b>Total</b>	<b>4,383,203</b>	<b>3,808,536</b>	<b>574,667</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>	

Parent Company	Assets	Liabilities	Gap	Cumulative Gap
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
0-3 months	317,359	401,052	(83,693)	(83,693)
3-12 months	462,591	624,427	(161,836)	(245,529)
1-5 years	769,576	73,906	695,670	450,141
More than 5 years	1,073,012	62,170	1,010,842	1,460,983
Not tied to maturity	472,580	1,387,623	(915,043)	545,940
<b>Total</b>	<b>3,095,118</b>	<b>2,549,178</b>	<b>545,940</b>	
<b>31 December 2024 (Audited)</b>	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 30 June 2025, the cost of technical and administrative services provided by Arab Bank Plc amounted to RO 43,800 (30 June 2024: RO 38,112).



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 23. RELATED PARTY TRANSACTIONS (CONTINUED)

#### (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:

<b>Consolidated</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000
Loans and advances	28,678	166,201	<b>194,879</b>
Customers' deposits	867	44,775	<b>45,642</b>
Due from banks	16,046	33	<b>16,079</b>
Other assets	-	-	-
Due to banks	7,292	-	<b>7,292</b>
Stand by line of credit	-	-	-
Letters of credit, guarantees and acceptances	22,005	6,431	<b>28,436</b>
31 December 2024 (Audited)	RO'000	RO'000	RO'000
Loans and advances	22,000	174,301	<b>196,301</b>
Customers' deposits	2,572	38,562	<b>41,134</b>
Due from banks	1,976	18	<b>1,994</b>
Other assets	-	-	-
Due to banks	23,478	-	<b>23,478</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>

<b>Parent Company</b>	<b>Subsidiary</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
30 June 2025 (Unaudited)	RO'000	RO'000	RO'000	RO'000
Loans and advances	-	28,678	132,454	<b>161,132</b>
Customers' deposits	-	867	40,079	<b>40,946</b>
Due from banks	-	16,046	-	<b>16,046</b>
Other asset	-	-	-	-
Due to banks	-	7,292	-	<b>7,292</b>
Stand by line of credit	-	-	-	-
Letters of credit, guarantees and acceptances	-	22,005	6,431	<b>28,436</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>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 23. RELATED PARTY TRANSACTIONS (CONTINUED)

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>
<b>30 June 2025 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000
Interest and commission income	-	1,243	4,354	<b>5,597</b>
Interest expense	-	348	703	<b>1,051</b>
<b>30 June 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000
Interest and commission income	-	1,187	4,906	<b>6,093</b>
Interest expense	-	515	523	<b>1,038</b>

<b>Parent Company</b>	<b>Subsidiary</b>	<b>Major shareholders</b>	<b>Others</b>	<b>Total</b>
<b>30 June 2025 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000
Interest and commission income	265	1,243	3,900	<b>5,408</b>
Interest expense	-	348	760	<b>1,108</b>
<b>30 June 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000
Interest and commission income	173	1,187	3,949	<b>5,309</b>
Interest expense	-	515	407	<b>922</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 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 30 June 2025 were as follows:

	Consolidated		Parent Company	
	Unaudited	Audited	Unaudited	Audited
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Letters of credit	144,744	195,730	51,040	100,496
Guarantees	182,276	181,309	133,217	138,027
<b>Total</b>	<b>327,020</b>	<b>377,039</b>	<b>184,257</b>	<b>238,523</b>

Letters of credit and guarantees amounting to RO 57,511 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 30 June 2025, the unutilised commitment of facilities of RO 564,298 thousand (Consolidated), RO 505,879 thousand (Parent Company); [(31 December 2024 RO 473,847 thousand (Consolidated), RO 424,395 thousand (Parent Company))].

As at 30 June 2025, contingent liabilities include RO 5,748 thousand (Consolidated), RO 5,724 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 SIX MONTHS PERIOD ENDED 30 JUNE 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 (Unaudited)			
	Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000
Profit for the period	14,600	12,704	7,181	6,286
Less: Interest distribution of Perpetual Tier 1 capital bonds	(6,686)	(5,424)	(6,686)	(5,424)
<b>Profit for the period attributable to shareholders</b>	<b>7,914</b>	<b>7,280</b>	<b>495</b>	<b>862</b>
Weighted average number of shares outstanding during the period	1,749,541,680	1,669,410,000	1,749,541,680	1,669,410,001
Basic earnings per share (RO)	0.005	0.004	0.0003	0.001
	Parent Company (Unaudited)			
	Six months ended		Three months ended	
	30-Jun-25	30-Jun-24	30-Jun-25	30-Jun-24
	RO'000	RO'000	RO'000	RO'000
Profit for the period	14,755	12,859	7,259	6,363
Less: Interest distribution of Perpetual Tier 1 capital bonds	(5,714)	(5,424)	(5,714)	(5,424)
<b>Profit for the period attributable to shareholders</b>	<b>9,041</b>	<b>7,435</b>	<b>1,545</b>	<b>939</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 earnings per share (RO)	0.005	0.004	0.001	0.001
Weighted average number of shares outstanding				
1 January 2025 to 30 June 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 30 June 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 30 June 2025.

	Consolidated		Parent Company	
	Unaudited 30-Jun-25	Audited 31-Dec-24	Unaudited 30-Jun-25	Audited 31-Dec-24
Shareholders' equity (RO'000)	388,401	379,498	389,674	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>0.233</b>	<b>0.227</b>	<b>0.233</b>	<b>0.227</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

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

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

	Consolidated (Unaudited)							
	30-Jun-25				30-Jun-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	2,937,532	680,135	219,417	<b>3,837,084</b>	2,997,539	553,674	220,764	<b>3,771,977</b>
- Investment Securities (Debt)	390,827	-	-	<b>390,827</b>	319,073	-	-	<b>319,073</b>
- Loan Commitments, financial guarantees and acceptances	820,765	80,556	5,748	<b>907,069</b>	778,766	89,390	3,519	<b>871,675</b>
- Due from Banks	46,023	-	-	<b>46,023</b>	103,162	-	-	<b>103,162</b>
<b>Exposure subject to ECL</b>	<b>4,195,147</b>	<b>760,691</b>	<b>225,165</b>	<b>5,181,003</b>	<b>4,198,540</b>	<b>643,064</b>	<b>224,283</b>	<b>5,065,887</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	<b>174,347</b>
- Investment Securities (Debt)	173	-	-	173	280	-	-	<b>280</b>
- Loan Commitments, financial guarantees and acceptances	670	387	2,761	3,818	482	72	3,082	<b>3,636</b>
- Due from Banks	37	-	-	37	115	-	-	<b>115</b>
<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	347	(2,845)	2,498	-	(1,707)	(2,254)	3,961	-
- Investment Securities (Debt)	-	-	-	-	-	-	-	-
- Loan Commitments, financial guarantees and acceptances	(23)	23	-	-	(21)	21	-	-
- Due from Banks	-	-	-	-	-	-	-	-
<b>Net transfer between stages</b>	<b>324</b>	<b>(2,822)</b>	<b>2,498</b>	<b>-</b>	<b>(1,728)</b>	<b>(2,233)</b>	<b>3,961</b>	<b>-</b>
- Loans and Advances to Customers including interest receivables	(938)	7,209	7,023	13,294	1,997	10,857	(523)	<b>12,331</b>
- Investment Securities (Debt)	18	-	-	18	56	-	-	<b>56</b>
- Loan Commitments, financial guarantees and acceptances	193	(56)	53	190	102	(12)	-	<b>90</b>
- Due from Banks	25	-	-	25	(8)	-	-	<b>(8)</b>
<b>Charge for the period (net)</b>	<b>(702)</b>	<b>7,153</b>	<b>7,076</b>	<b>13,527</b>	<b>2,147</b>	<b>10,845</b>	<b>(523)</b>	<b>12,469</b>
<b>Write Off</b>	<b>-</b>	<b>-</b>	<b>(4,484)</b>	<b>(4,484)</b>	<b>-</b>	<b>-</b>	<b>343</b>	<b>343</b>
- Loans and Advances to Customers including interest receivables	7,499	76,777	105,126	189,402	9,931	68,348	108,742	<b>187,021</b>
- Investment Securities (Debt)	191	-	-	191	336	-	-	<b>336</b>
- Loan Commitments, financial guarantees and acceptances	840	354	2,814	4,008	563	81	3,082	<b>3,726</b>
- Due from Banks	62	-	-	62	107	-	-	<b>107</b>
<b>Closing balance as at 30 June</b>	<b>8,592</b>	<b>77,131</b>	<b>107,940</b>	<b>193,663</b>	<b>10,937</b>	<b>68,429</b>	<b>111,824</b>	<b>191,190</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

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

	Parent Company (Unaudited)							
	30-Jun-25				30-Jun-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	1,955,191	509,988	166,162	2,631,341	2,075,075	411,750	169,239	2,656,064
- Investment Securities (Debt)	248,790	-	-	248,790	246,034	-	-	246,034
- Loan Commitments, financial guarantees and acceptances	620,390	79,773	5,724	705,887	550,766	88,351	3,409	642,526
- Due from Banks	35,764	-	-	35,764	76,569	-	-	76,569
<b>Exposure subject to ECL</b>	<b>2,860,135</b>	<b>589,761</b>	<b>171,886</b>	<b>3,621,782</b>	<b>2,948,444</b>	<b>500,101</b>	<b>172,648</b>	<b>3,621,193</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	1,061	(2,871)	1,810	-	(900)	(1,991)	2,891	-
- Investment Securities (Debt)	-	-	-	-	-	-	-	-
- Loan Commitments, financial guarantees and acceptances	(23)	23	-	-	(24)	24	-	-
- Due from Banks	-	-	-	-	-	-	-	-
<b>Net transfer between stages</b>	<b>1,038</b>	<b>(2,848)</b>	<b>1,810</b>	<b>-</b>	<b>(924)</b>	<b>(1,967)</b>	<b>2,891</b>	<b>-</b>
- Loans and Advances to Customers including interest receivables	(969)	5,505	6,431	10,967	889	8,636	(128)	9,397
- Investment Securities (Debt)	(2)	-	-	(2)	21	-	-	21
- Loan Commitments, financial guarantees and acceptances	83	(36)	57	104	114	(9)	(2)	103
- Due from Banks	(1)	-	-	(1)	(33)	-	-	(33)
<b>Charge for the Period (net)</b>	<b>(889)</b>	<b>5,469</b>	<b>6,488</b>	<b>11,068</b>	<b>991</b>	<b>8,627</b>	<b>(130)</b>	<b>9,488</b>
<b>Write Off</b>	<b>-</b>	<b>-</b>	<b>(4,484)</b>	<b>(4,484)</b>	<b>-</b>	<b>-</b>	<b>343</b>	<b>343</b>
- Loans and Advances to Customers including interest receivables	4,923	60,156	77,192	142,271	6,875	54,611	81,806	143,292
- Investment Securities (Debt)	132	-	-	132	279	-	-	279
- Loan Commitments, financial guarantees and acceptances	500	334	2,798	3,632	395	48	2,999	3,442
- Due from Banks	29	-	-	29	61	-	-	61
<b>Closing balance as at 30 June</b>	<b>5,584</b>	<b>60,490</b>	<b>79,990</b>	<b>146,064</b>	<b>7,610</b>	<b>54,659</b>	<b>84,805</b>	<b>147,074</b>

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(b) Impairment charge and provisions held:

	<b>Consolidated (Unaudited)</b>					
	<b>30-Jun-25</b>			<b>30-Jun-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>	13,527	13,527	-	12,469	12,469	-
Provisions required as per CBO norms/held as per IFRS 9 <sup>1</sup>	208,940	193,663	(15,277)	202,036	191,190	(10,846)
Gross NPL ratio <sup>2</sup>	5.72%	5.72%		5.93%	5.93%	
Net NPL ratio <sup>2</sup>	1.26%	1.96%		1.36%	1.97%	

	<b>Parent Company (Unaudited)</b>					
	<b>30-Jun-25</b>			<b>30-Jun-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>	11,068	11,068	-	9,488	9,488	-
Provisions required as per CBO norms/held as per IFRS 9 <sup>1</sup>	161,504	146,064	(15,440)	159,060	147,074	(11,986)
Gross NPL ratio <sup>2</sup>	6.31%	6.31%		6.42%	6.42%	
Net NPL ratio <sup>2</sup>	1.33%	2.05%		1.34%	1.99%	

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 SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(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>30 June 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	2,935,876	34,775	7,433	27,342	-	2,901,101	2,928,443
	Stage 2	304,081	3,083	7,993	(4,910)	-	300,998	296,088
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>3,239,957</b>	<b>37,858</b>	<b>15,426</b>	<b>22,432</b>	<b>-</b>	<b>3,202,099</b>	<b>3,224,531</b>
Special Mention	Stage 1	1,656	8	65	(57)	-	1,648	1,591
	Stage 2	376,054	39,665	68,785	(29,120)	13,784	322,605	293,485
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>377,710</b>	<b>39,673</b>	<b>68,850</b>	<b>(29,177)</b>	<b>13,784</b>	<b>324,253</b>	<b>295,076</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	12,873	3,697	5,284	(1,587)	104	9,072	7,485
	<b>Sub-total</b>	<b>12,873</b>	<b>3,697</b>	<b>5,284</b>	<b>(1,587)</b>	<b>104</b>	<b>9,072</b>	<b>7,485</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	8,627	3,049	2,261	788	323	5,255	6,043
	<b>Sub-total</b>	<b>8,627</b>	<b>3,049</b>	<b>2,261</b>	<b>788</b>	<b>323</b>	<b>5,255</b>	<b>6,043</b>
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	197,917	124,653	97,581	27,072	41,419	31,845	58,917
	<b>Sub-total</b>	<b>197,917</b>	<b>124,653</b>	<b>97,581</b>	<b>27,072</b>	<b>41,419</b>	<b>31,845</b>	<b>58,917</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,257,615	-	1,094	(1,094)	-	1,257,615	1,256,521
	Stage 2	80,556	-	353	(353)	-	80,556	80,203
	Stage 3	5,748	10	2,814	(2,804)	-	5,738	2,934
	<b>Sub-total</b>	<b>1,343,919</b>	<b>10</b>	<b>4,261</b>	<b>(4,251)</b>	<b>-</b>	<b>1,343,909</b>	<b>1,339,658</b>
<b>Total</b>	Stage 1	4,195,147	34,783	8,592	26,191	-	4,160,364	4,186,555
	Stage 2	760,691	42,748	77,131	(34,383)	13,784	704,159	669,776
	Stage 3	225,165	131,409	107,940	23,469	41,846	51,910	75,379
	<b>Total</b>	<b>5,181,003</b>	<b>208,940</b>	<b>193,663</b>	<b>15,277</b>	<b>55,630</b>	<b>4,916,433</b>	<b>4,931,710</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(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>	Stage 1	4,157,273	33,990	8,970	25,020	-	4,123,283	4,148,303
	Stage 2	729,719	40,613	72,800	(32,187)	11,556	677,550	645,363
	Stage 3	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 SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(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
30 June 2025 (Unaudited)		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	1,953,535	24,840	4,858	19,982	-	1,928,695	1,948,677
	Stage 2	259,803	2,644	4,982	(2,338)	-	257,159	254,821
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>2,213,338</b>	<b>27,484</b>	<b>9,840</b>	<b>17,644</b>	<b>-</b>	<b>2,185,854</b>	<b>2,203,498</b>
Special Mention	Stage 1	1,656	8	65	(57)	-	1,648	1,591
	Stage 2	250,185	38,458	55,174	(16,716)	12,167	199,560	182,844
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>251,841</b>	<b>38,466</b>	<b>55,239</b>	<b>(16,773)</b>	<b>12,167</b>	<b>201,208</b>	<b>184,435</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	10,903	3,203	4,783	(1,580)	104	7,596	6,016
	<b>Sub-total</b>	<b>10,903</b>	<b>3,203</b>	<b>4,783</b>	<b>(1,580)</b>	<b>104</b>	<b>7,596</b>	<b>6,016</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	5,730	2,202	1,765	437	314	3,214	3,651
	<b>Sub-total</b>	<b>5,730</b>	<b>2,202</b>	<b>1,765</b>	<b>437</b>	<b>314</b>	<b>3,214</b>	<b>3,651</b>
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	149,529	90,149	70,644	19,505	36,934	22,446	41,951
	<b>Sub-total</b>	<b>149,529</b>	<b>90,149</b>	<b>70,644</b>	<b>19,505</b>	<b>36,934</b>	<b>22,446</b>	<b>41,951</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	904,944	-	661	(661)	-	904,944	904,283
	Stage 2	79,773	-	334	(334)	-	79,773	79,439
	Stage 3	5,724	-	2,798	(2,798)	-	5,724	2,926
	<b>Sub-total</b>	<b>990,441</b>	<b>-</b>	<b>3,793</b>	<b>(3,793)</b>	<b>-</b>	<b>990,441</b>	<b>986,648</b>
<b>Total</b>	Stage 1	2,860,135	24,848	5,584	19,264	-	2,835,287	2,854,551
	Stage 2	589,761	41,102	60,490	(19,388)	12,167	536,492	517,104
	Stage 3	171,886	95,554	79,990	15,564	37,352	38,980	54,544
	<b>Total</b>	<b>3,621,782</b>	<b>161,504</b>	<b>146,064</b>	<b>15,440</b>	<b>49,519</b>	<b>3,410,759</b>	<b>3,426,199</b>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(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>	<b>2,145,717</b>	<b>26,876</b>	<b>10,256</b>	<b>16,620</b>	<b>-</b>	<b>2,118,841</b>	<b>2,135,461</b>
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>	<b>268,697</b>	<b>36,707</b>	<b>52,097</b>	<b>(15,390)</b>	<b>10,239</b>	<b>221,751</b>	<b>206,361</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	2,755	673	1,101	(428)	65	2,017	1,589
	<b>Sub-total</b>	<b>2,755</b>	<b>673</b>	<b>1,101</b>	<b>(428)</b>	<b>65</b>	<b>2,017</b>	<b>1,589</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	6,886	2,428	1,917	511	421	4,037	4,548
	<b>Sub-total</b>	<b>6,886</b>	<b>2,428</b>	<b>1,917</b>	<b>511</b>	<b>421</b>	<b>4,037</b>	<b>4,548</b>
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>	<b>150,917</b>	<b>89,595</b>	<b>70,417</b>	<b>19,178</b>	<b>37,781</b>	<b>23,541</b>	<b>42,719</b>
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>	<b>1,065,082</b>	<b>-</b>	<b>3,692</b>	<b>(3,692)</b>	<b>-</b>	<b>1,065,082</b>	<b>1,061,390</b>
<b>Total</b>	Stage 1	2,900,133	24,523	5,435	19,088	-	2,875,610	2,894,698
	Stage 2	575,654	39,060	57,869	(18,809)	10,239	526,355	507,546
	Stage 3	164,267	92,696	76,176	16,520	38,267	33,304	49,824
	<b>Total</b>	<b>3,640,054</b>	<b>156,279</b>	<b>139,480</b>	<b>16,799</b>	<b>48,506</b>	<b>3,435,269</b>	<b>3,452,068</b>

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 six-month period ended in 30 June 2025.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(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>30 June 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	30,730	298	285	13	-	30,432	30,445
	Stage 2	388,752	31,247	56,182	(24,935)	10,834	346,671	321,736
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>419,482</b>	<b>31,545</b>	<b>56,467</b>	<b>(24,922)</b>	<b>10,834</b>	<b>377,103</b>	<b>352,181</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	96,864	62,024	49,814	12,210	15,805	19,035	31,245
	<b>Sub-total</b>	<b>96,864</b>	<b>62,024</b>	<b>49,814</b>	<b>12,210</b>	<b>15,805</b>	<b>19,035</b>	<b>31,245</b>
<b>Total</b>	Stage 1	30,730	298	285	13	-	30,432	30,445
	Stage 2	388,752	31,247	56,182	(24,935)	10,834	346,671	321,736
	Stage 3	96,864	62,024	49,814	12,210	15,805	19,035	31,245
	<b>Total</b>	<b>516,346</b>	<b>93,569</b>	<b>106,281</b>	<b>(12,712)</b>	<b>26,639</b>	<b>396,138</b>	<b>383,426</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>	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	81,724	54,380	42,476	11,904	13,656	13,688	25,592
	<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 SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**26. CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)**

(d) Restructured loans:

Parent Company								
Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying 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	Net Amount as per IFRS 9
30 June 2025 (Unaudited)		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	1,655	8	65	(57)	-	1,647	1,590
	Stage 2	254,126	29,955	42,406	(12,451)	9,218	214,953	202,502
	Stage 3	-	-	-	-	-	-	-
	<b>Sub-total</b>	<b>255,781</b>	<b>29,963</b>	<b>42,471</b>	<b>(12,508)</b>	<b>9,218</b>	<b>216,600</b>	<b>204,092</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	73,518	48,416	41,037	7,379	14,316	10,786	18,165
	<b>Sub-total</b>	<b>73,518</b>	<b>48,416</b>	<b>41,037</b>	<b>7,379</b>	<b>14,316</b>	<b>10,786</b>	<b>18,165</b>
<b>Total</b>	Stage 1	1,655	8	65	(57)	-	1,647	1,590
	Stage 2	254,126	29,955	42,406	(12,451)	9,218	214,953	202,502
	Stage 3	73,518	48,416	41,037	7,379	14,316	10,786	18,165
	<b>Total</b>	<b>329,299</b>	<b>78,379</b>	<b>83,508</b>	<b>(5,129)</b>	<b>23,534</b>	<b>227,386</b>	<b>222,257</b>
31 December 2024 (Audited)		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>	Stage 1	6	-	-	-	-	6	6
	Stage 2	239,554	28,073	43,106	(15,033)	8,189	203,292	188,259
	Stage 3	60,833	41,723	34,131	7,592	12,335	6,775	14,367
	<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 SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 27. 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	
	30-Jun-25	31-Dec-24	30-Jun-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Common Equity Tier 1 (CET 1)	347,685	347,282	221,147	220,902
Additional Tier 1	186,266	186,266	156,266	156,266
Tier 1 capital	533,951	533,548	377,413	377,168
Tier 2 capital	9,219	19,850	6,205	16,233
<b>Total regulatory capital</b>	<b>543,170</b>	<b>553,398</b>	<b>383,618</b>	<b>393,401</b>
Credit risk	3,053,474	3,021,083	2,114,137	2,112,194
Market risk	36,225	47,700	19,825	32,813
Operational risk	229,711	230,785	170,625	170,625
<b>Total risk weighted assets</b>	<b>3,319,410</b>	<b>3,299,568</b>	<b>2,304,587</b>	<b>2,315,632</b>
Capital adequacy ratio %	<b>16.36%</b>	16.77%	<b>16.65%</b>	16.99%
CET 1 ratio	<b>10.47%</b>	10.53%	<b>9.60%</b>	9.54%
Tier 1 Capital ratio	<b>16.09%</b>	16.17%	<b>16.38%</b>	16.29%



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 28. 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 30 June 2025.

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 30 June 2025 (Unaudited)</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	12,721	26,880	454	-	-	40,055
Net income from Islamic financing	-	-	-	-	15,680	15,680
Net fees, commission and other operating income	4,337	4,004	1,934	-	2,748	13,023
<b>Total operating income</b>	<b>17,058</b>	<b>30,884</b>	<b>2,388</b>	<b>-</b>	<b>18,428</b>	<b>68,758</b>
Operating expenses	(16,337)	(10,660)	(782)	(155)	(9,906)	(37,840)
Net allowances for credit losses	(55)	(11,012)	(1)	-	(2,459)	(13,527)
Tax expenses	(109)	(1,516)	(264)	-	(901)	(2,790)
<b>Profit / (Loss) for the period</b>	<b>557</b>	<b>7,696</b>	<b>1,341</b>	<b>(155)</b>	<b>5,162</b>	<b>14,601</b>
Assets	836,886	1,602,665	440,067	81,249	1,422,336	4,383,203
Liabilities	758,446	1,658,899	39,343	92,490	1,259,358	3,808,536



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 28. SEGMENT INFORMATION (CONTINUED)

<b>Consolidated</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>30 June 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	13,106	21,693	1,484	-	-	<b>36,283</b>
Net income from Islamic financing	-	-	-	-	13,022	<b>13,022</b>
Net fees, commission and other operating income	3,829	4,737	1,339	-	4,403	<b>14,308</b>
<b>Total operating income</b>	<b>16,935</b>	<b>26,430</b>	<b>2,823</b>	<b>-</b>	<b>17,425</b>	<b>63,613</b>
Operating expenses	(15,805)	(9,849)	(836)	(155)	(9,470)	<b>(36,115)</b>
Net allowances for credit losses	(68)	(9,432)	12	-	(2,981)	<b>(12,469)</b>
Tax expenses	(166)	(1,116)	(312)	-	(731)	<b>(2,325)</b>
<b>Profit / (Loss) for the period</b>	<b>896</b>	<b>6,033</b>	<b>1,687</b>	<b>(155)</b>	<b>4,243</b>	<b>12,704</b>
Assets	842,584	1,603,481	600,164	152,089	1,035,443	<b>4,233,761</b>
Liabilities	707,450	1,704,668	92,184	121,745	1,083,645	<b>3,709,692</b>

<b>Parent Company</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>30 June 2025 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	12,721	26,880	719	-	-	<b>40,320</b>
Net income from Islamic financing	-	-	-	-	-	<b>-</b>
Net fees, commission and other operating income	4,337	4,004	1,669	-	-	<b>10,010</b>
Share of Profit from Subsidiary	-	-	-	5,162	-	<b>5,162</b>
<b>Total operating income</b>	<b>17,058</b>	<b>30,884</b>	<b>2,388</b>	<b>5,162</b>	<b>-</b>	<b>55,492</b>
Operating expenses	(16,337)	(10,660)	(782)	-	-	<b>(27,779)</b>
Net allowances for credit losses	(55)	(11,012)	(1)	-	-	<b>(11,068)</b>
Tax expenses	(109)	(1,516)	(264)	-	-	<b>(1,889)</b>
<b>Profit / (Loss) for the period</b>	<b>557</b>	<b>7,696</b>	<b>1,341</b>	<b>5,162</b>	<b>-</b>	<b>14,756</b>
Assets	836,886	1,602,665	440,067	215,500	-	<b>3,095,118</b>
Liabilities	758,446	1,658,899	39,343	92,490	-	<b>2,549,178</b>

<b>Parent Company</b>	<b>Retail</b>	<b>Corporate</b>	<b>Treasury</b>	<b>Others</b>	<b>Islamic Banking</b>	<b>Total</b>
<b>30 June 2024 (Unaudited)</b>	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Net interest income	13,106	21,693	1,657	-	-	<b>36,456</b>
Net fees, commission and other operating income	3,829	4,737	1,166	-	-	<b>9,732</b>
Share of Profit from Subsidiary	-	-	-	4,243	-	<b>4,243</b>
<b>Total operating income</b>	<b>16,935</b>	<b>26,430</b>	<b>2,823</b>	<b>4,243</b>	<b>-</b>	<b>50,431</b>
Operating expenses	(15,805)	(9,849)	(836)	-	-	<b>(26,490)</b>
Net allowances for credit losses	(68)	(9,432)	12	-	-	<b>(9,488)</b>
Tax expenses	(166)	(1,116)	(312)	-	-	<b>(1,594)</b>
<b>Profit / (Loss) for the period</b>	<b>896</b>	<b>6,033</b>	<b>1,687</b>	<b>4,243</b>	<b>-</b>	<b>12,859</b>
Assets	842,584	1,603,481	577,751	104,394	-	<b>3,128,210</b>
Liabilities	707,450	1,704,668	86,381	105,705	-	<b>2,604,204</b>



## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025

### 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.

Reclassified items	Consolidated	Parent Company	Previous year classification	Current year classification
	RO' 000	RO' 000		
Interest receivables on loans	44,177	17,424	Other assets	Loans, advances and financing to customers
Interest payable on deposits	37,356	27,150	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.