

# Oman Arab Bank

## Investor Presentation 2024 Results

20 April 2025



# Agenda

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

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Head office Sultan Qaboos Street  
Al Ghubra North  
Muscat , Oman  
P .O . BOX 2010-Ruwi PC 112  
Tel: +968 24797747  
Email: [contactus@oman-arababnk.com](mailto:contactus@oman-arababnk.com)



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# Operating Environment

# Sultanate of Oman - Overview



Second largest country by area in the GCC



Stable political system



Strategically placed at the entrance of the Arabian Gulf



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

## Oman Reclaims Investment-Grade Status After 7 Years, Signaling Economic Strength

**S&P Global**

- BBB-
- Stable

**FitchRatings**

- BB+
- Positive

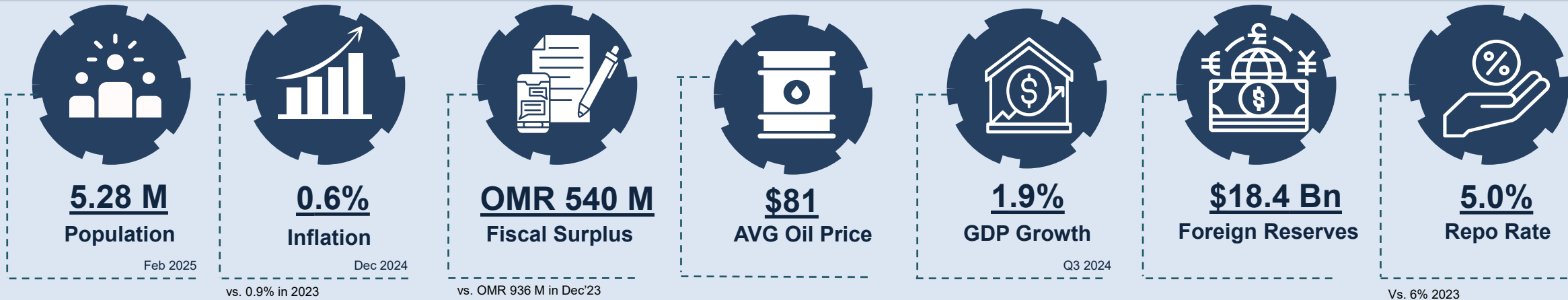
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- Ba1
- Positive

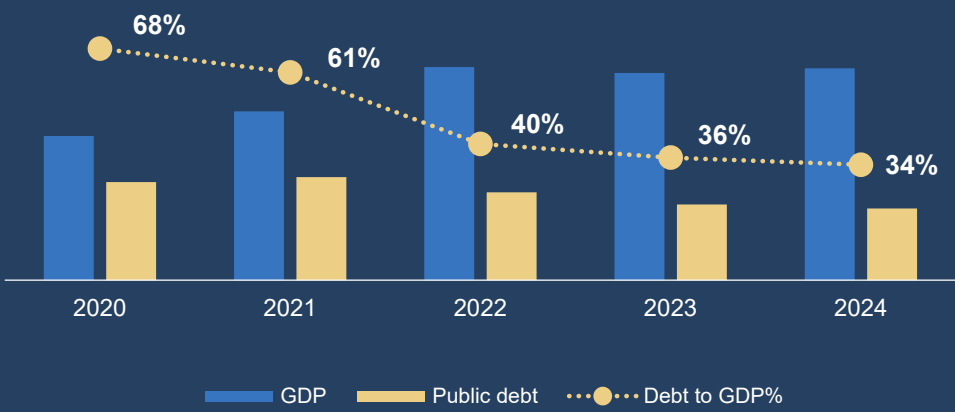
## Embracing Sustainable Growth & Diversification

- Oman is the first sovereign in the GCC to issue Sustainable Finance Framework.
- **New Banking Law:** Introduces a regulatory framework supporting FinTech solutions, digital banks, crowdfunding platforms, and open banking applications, while enhancing financial inclusion, consumer protection, transparency, and data privacy.
- Budget Surplus and Non-Oil Sector Growth – country's GDP at constant prices grew by 1.6% year-on-year, reaching OMR 37.7 billion
- Oman's economy shows resilience amid U.S Tariffs
- Streamlined procedures and strategic reforms driving **FDI** to **OMR 26.667** Billion by Q3 2024 – a **16%** increase from the previous year

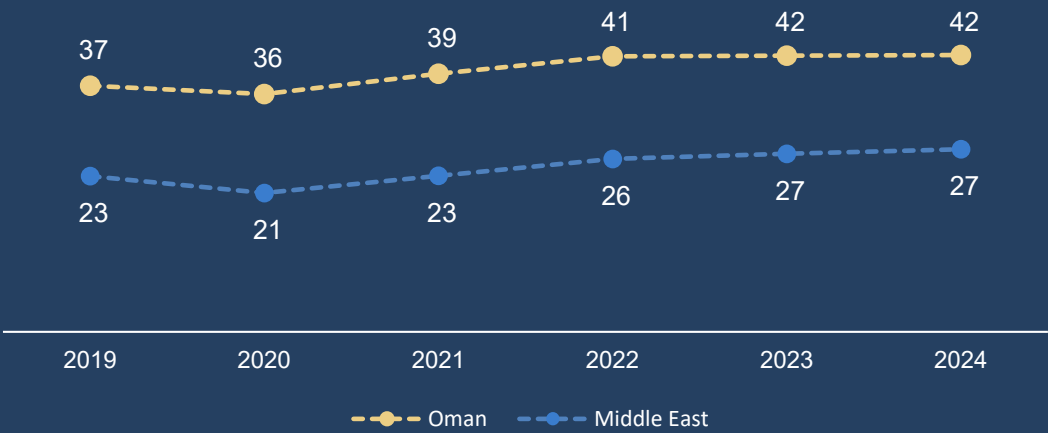
# Oman Economy



Steady Progress in Reducing Debt/GDP



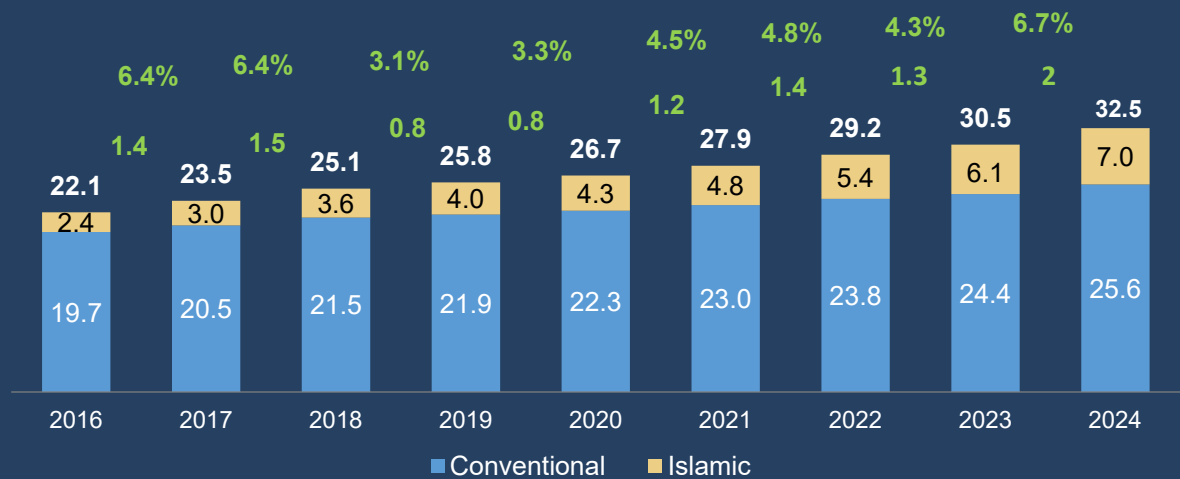
GDP per Capita



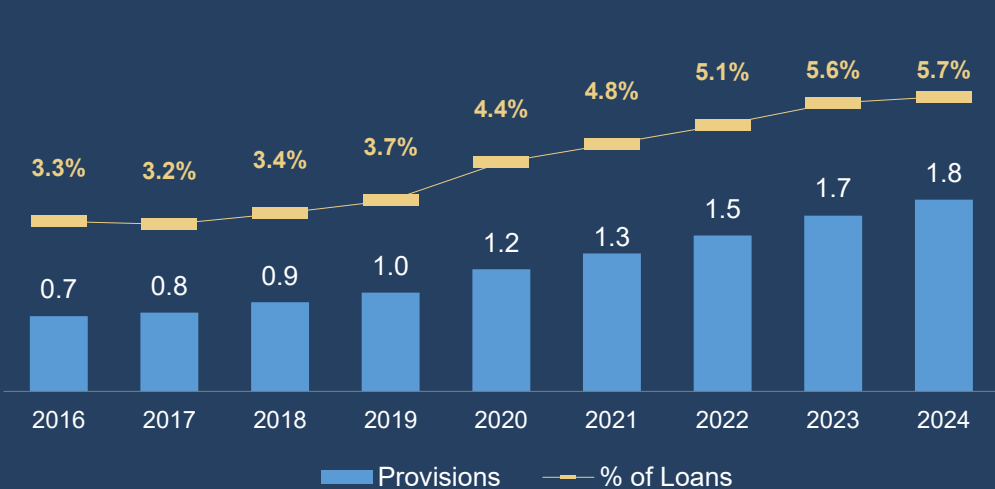
Sources: National Centre for Statistics & Information, Central Bank of Oman, MOF and IMF world economic outlook

# Banking Sector – Credit and Lending

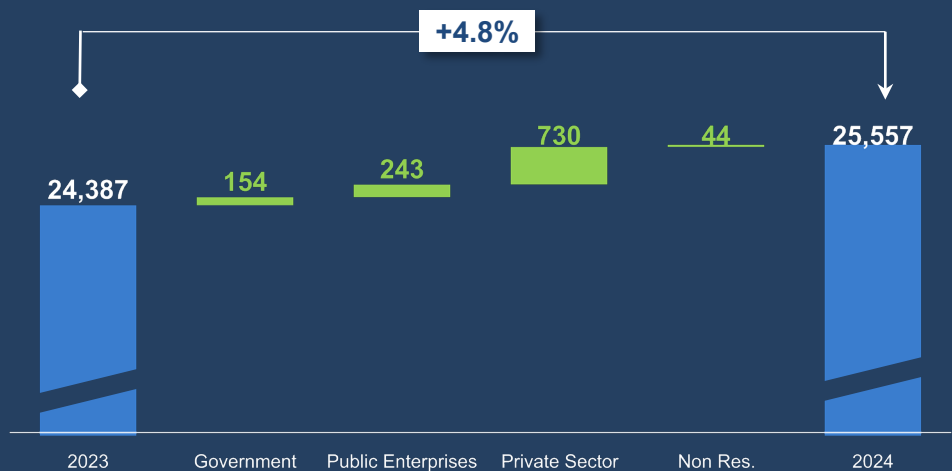
Gross Loans (OMR Bn)



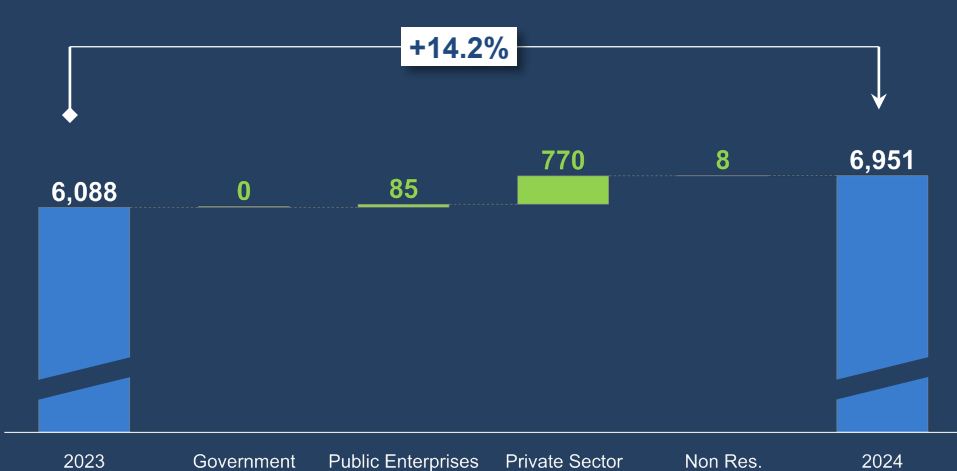
Provisions (OMR Bn) & Coverage



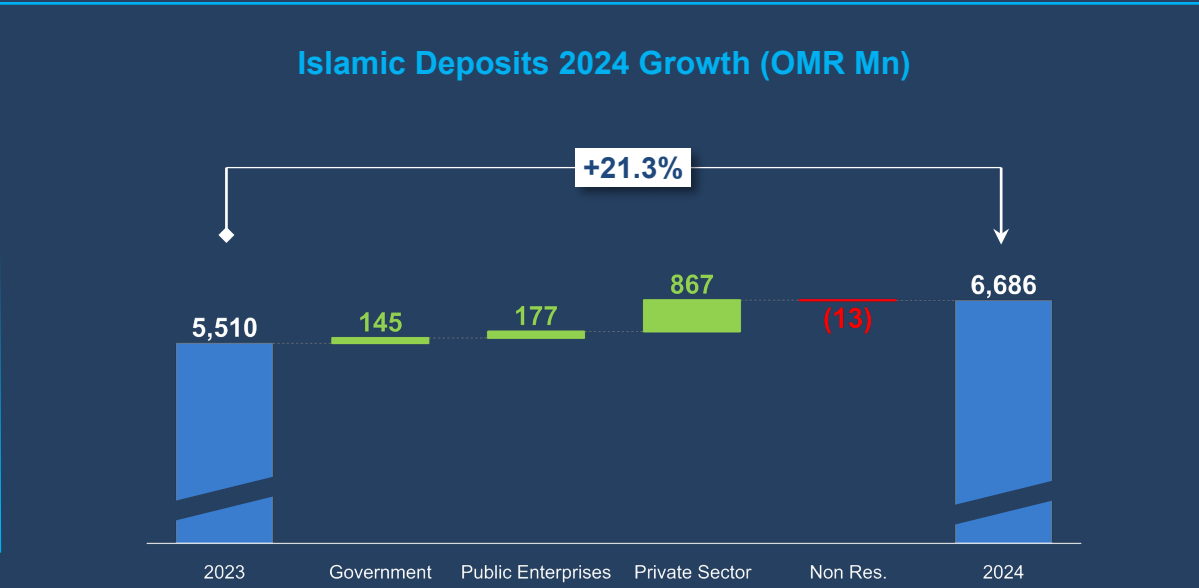
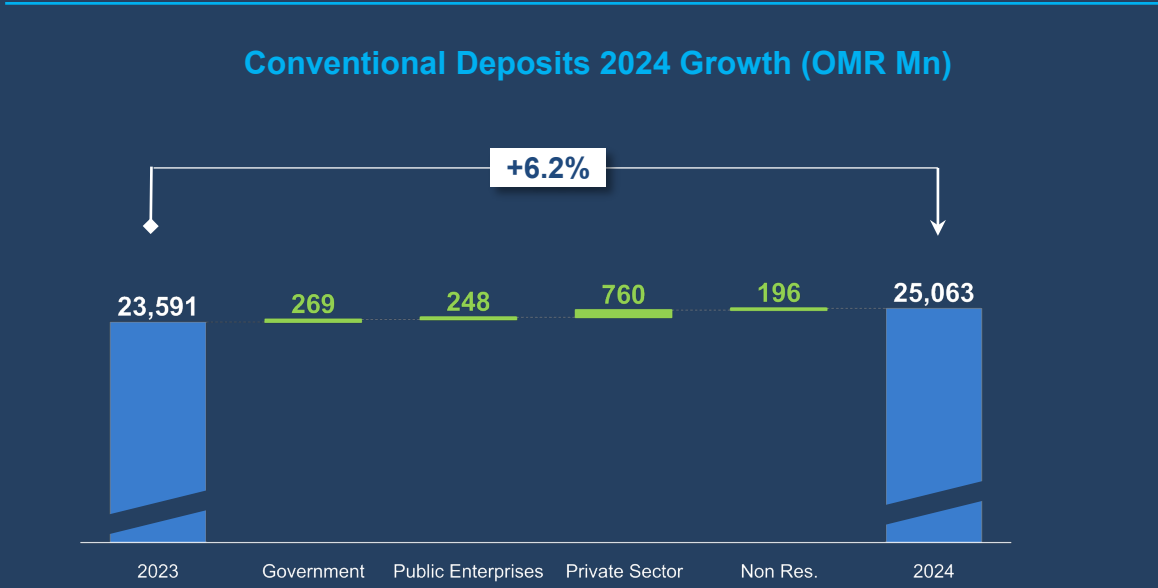
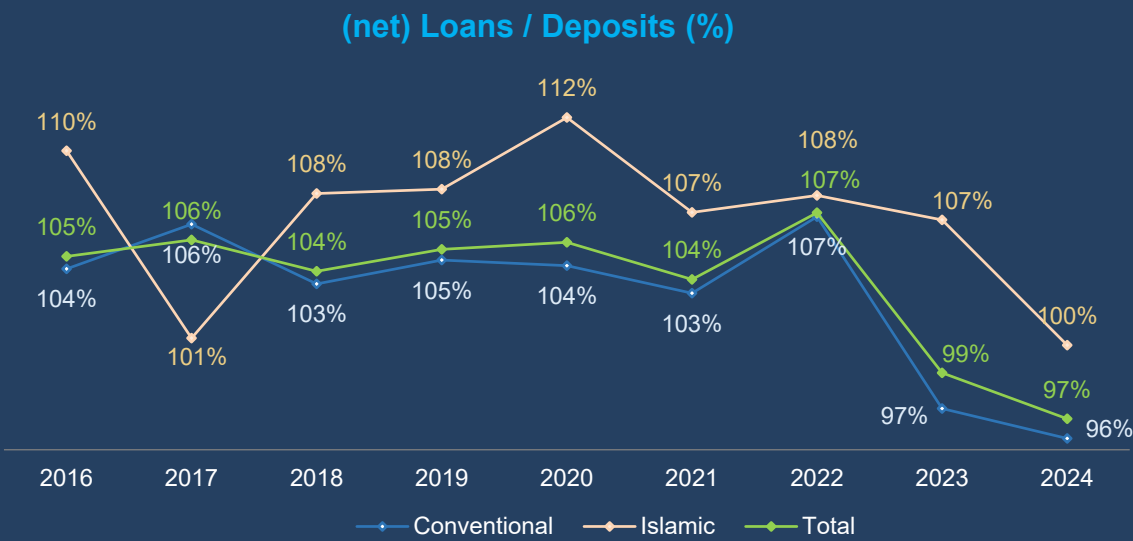
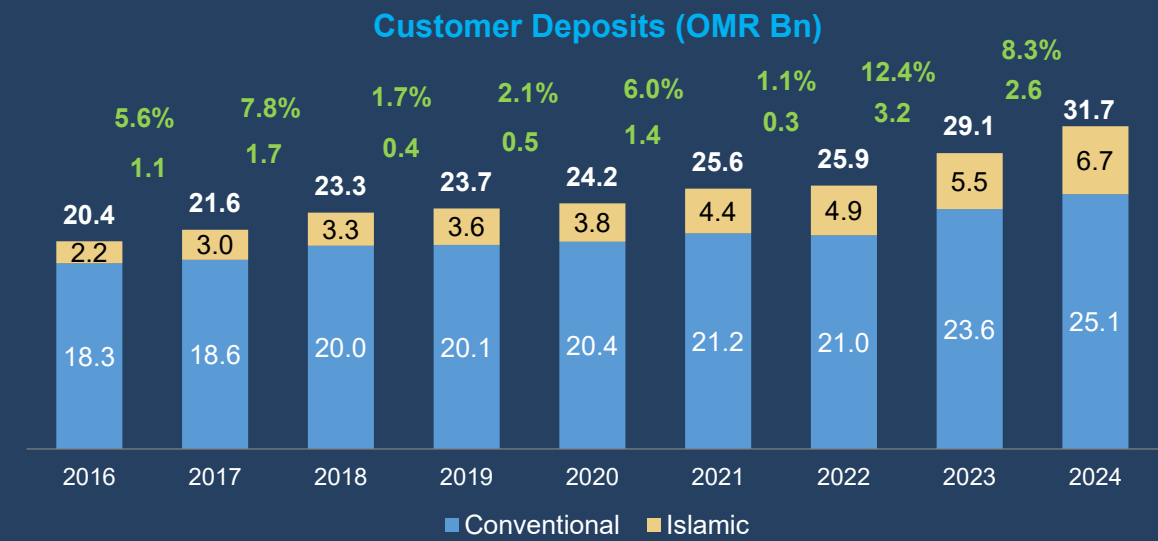
Conventional Loans 2024 Growth (OMR Mn)



Islamic Financing 2024 Growth (OMR Mn)



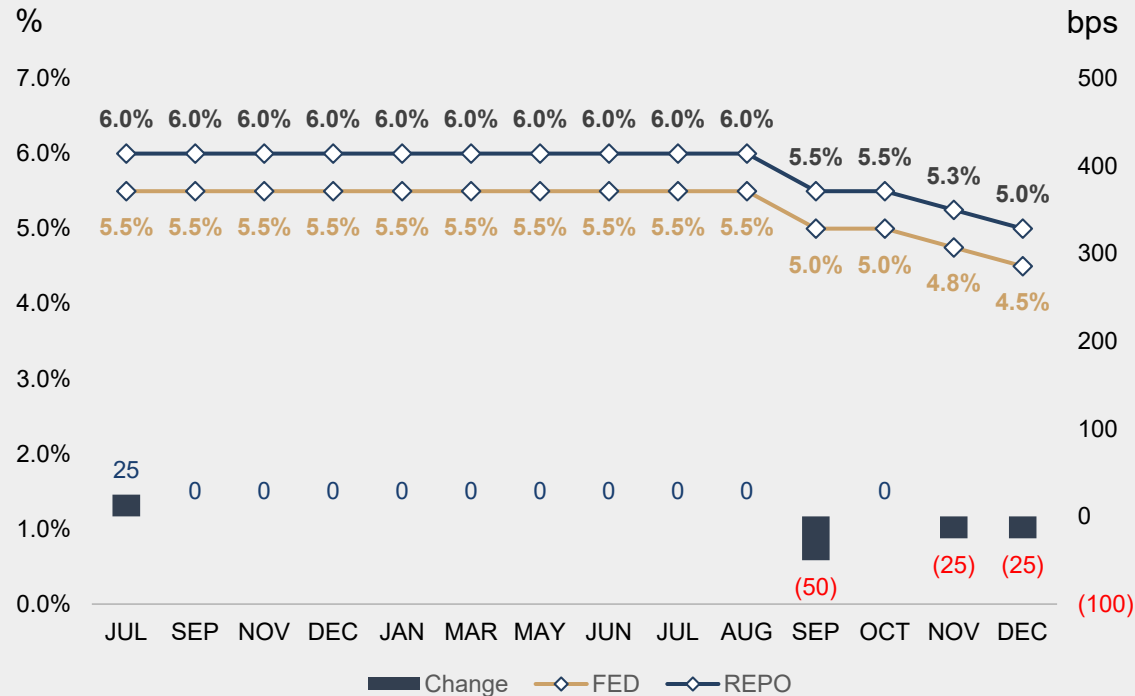
# Banking Sector – Customer Deposits



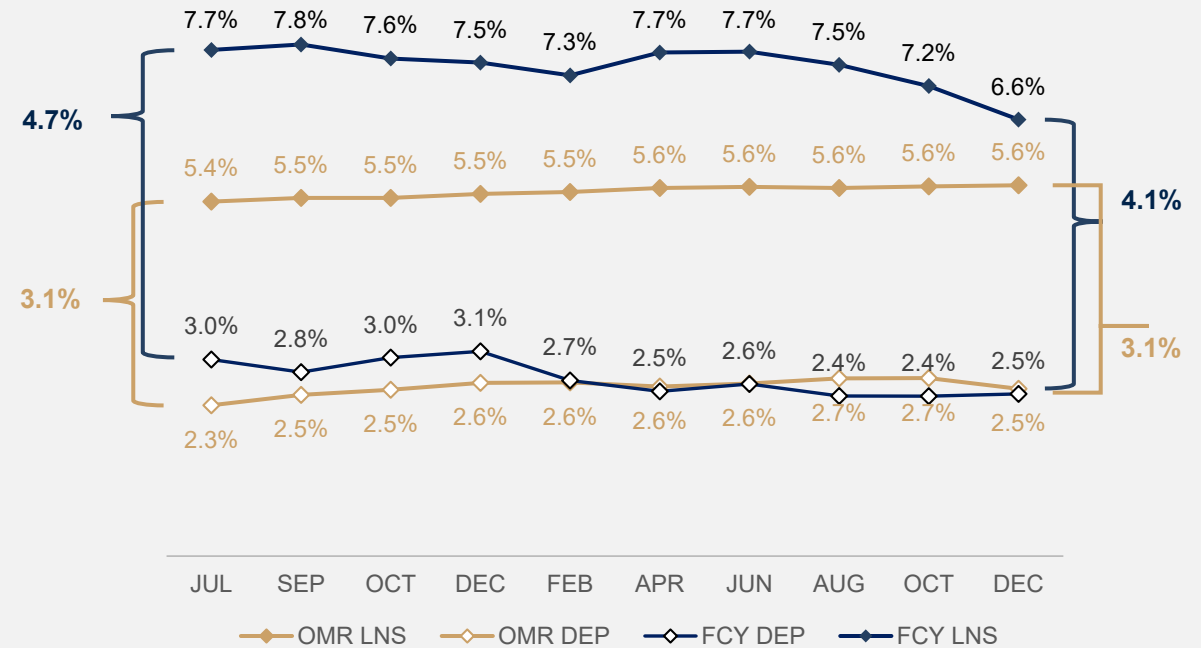


# Fed Executes Three Consecutive Rate Cuts to End 2024 Amid Economic Slowdown

## FED and CBO policy rate evolution



## Oman loan and deposit rates (industry average)



# Oman Arab Bank Overview



بنك عُمان العربي  
OMAN ARAB BANK

# We are Supported by Strong Shareholders



OMINVEST

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

Diversified portfolio into :

Banking

Private Equity

Real Estate

Education

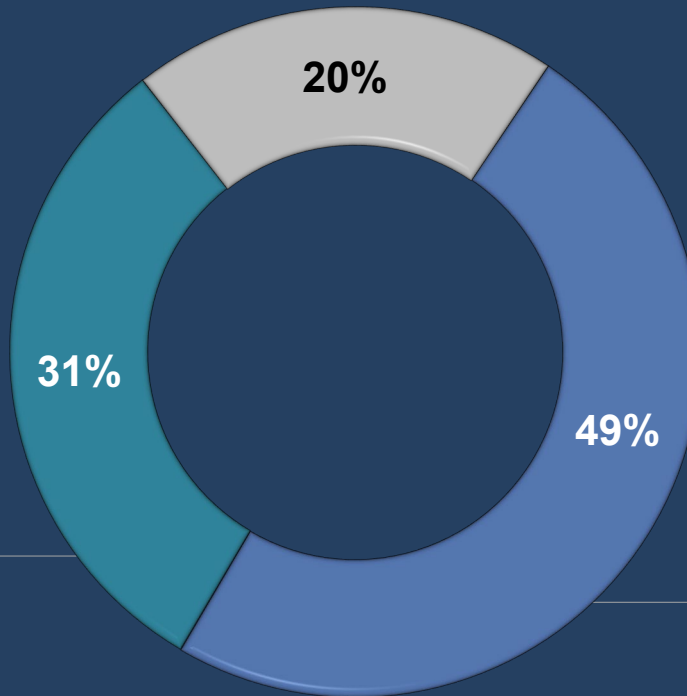
Leasing

Insurance

Investment Banking

**\$ 0.58Bn**

Market Cap (USD)



■ Arab Bank Group ■ OMINVEST ■ Others



One of the largest financial institutions in the Middle East

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

**\$12.1Bn**  
Total Equity

**\$4.1Bn**  
Market Cap (USD)



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

# and Guided by Team of Experts



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

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



**Ms. Randa Sadik**  
**Deputy Chairman**

Chief Executive Officer – Arab Bank, Chairwoman – Jordan Capital and Investment Fund Company Chairwoman – Al Arabia Finance Holdings Lebanon



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

Chief Executive Officer - OMINVEST Chairman – Ubhar Capital Chairman – Oman Real Estate Investment and Services LLC Deputy Chairman - Jabreen Capital “Second Best CEO in Arab Banking World” - Forbes Magazine, November 2012.



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

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



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

Vice Chairman & Managing Director - W. J. Towell LLC, Vice Chairman and Member of the Executive Committee and Audit Committee at Muscat Stock Exchange. Member of Young Presidents' Organization (YPO).



**Dr. Hani Qaddumii**  
**Director**

Founder and Chairman – SPETCO International Petroleum Company, Board Member in Arab Bank, Vice Chairman – Arab Fund for Arts and Culture, Founder and Director – Hani Qaddumi Scholarship Foundation.



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

Board and Audit Committee Member – TradeXBank, Switzerland, Board Member and Chairman of Audit Committee – Ubhar Capital, Oman, Board Member – AB Fund Managers, Guernsey, CEO of Arab Bank (Switzerland) 2009-2017.



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

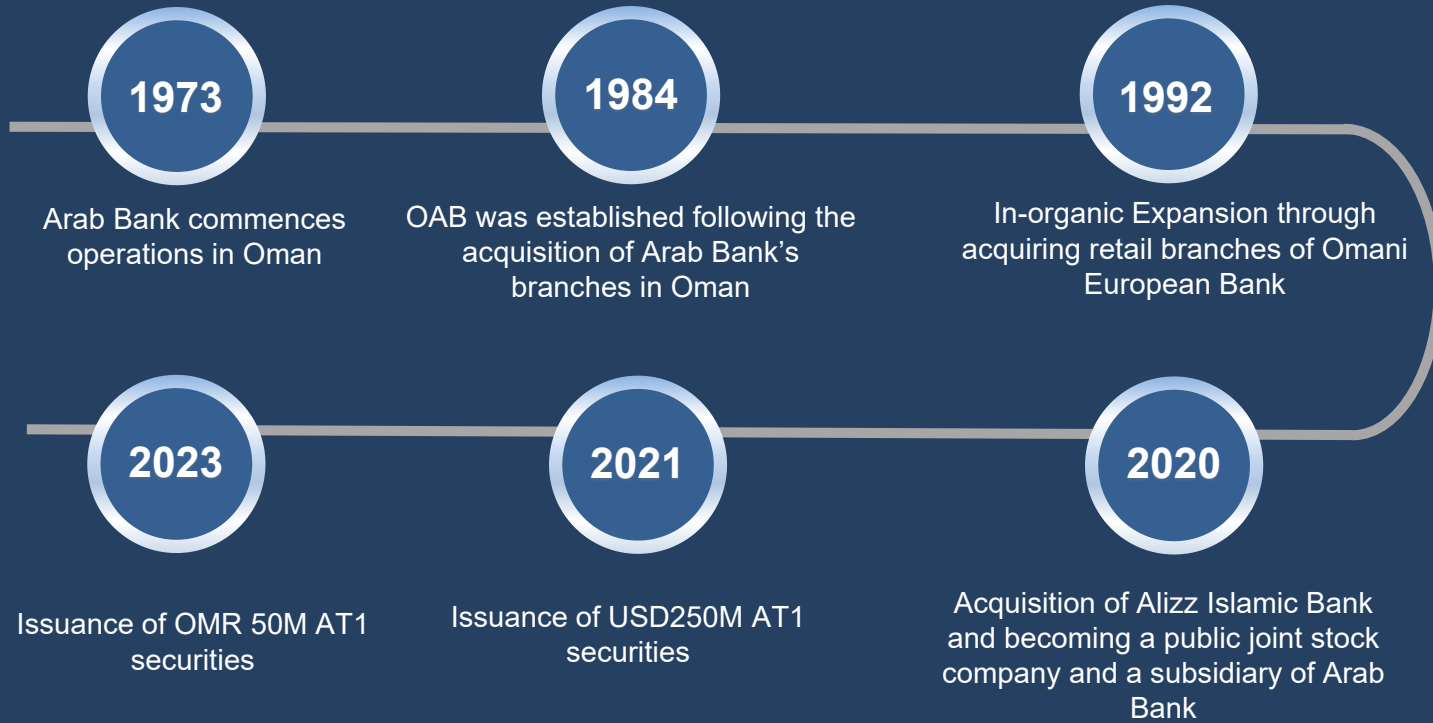
Executive Vice President and Head of Credit Division - Arab Bank, Deputy Chairman – Arab National Bank – KSA, Arab Bank – Syria , T-Bank Turkey, Chairman – Arab National Leasing Company



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

Vice President , Financial Services at Mubadala Investment Company.

# Journey to success : expanding our presence and achievements



STP Excellence Award – BNY Mellon



OER Business Award  
OER HR Award

## Today



Branches

18	Islamic
50	Conventional
68	Consolidated



Number of Employees  
1,449

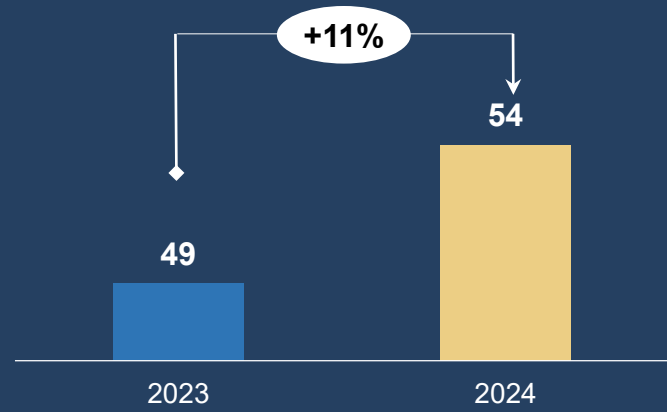


The image features a dark blue background with abstract, wavy, light blue lines that create a sense of movement and depth. The lines are composed of many thin, parallel strokes that curve and flow across the frame. Centered on the left side of the image is the text "Financial Performance" in a clean, white, sans-serif font.

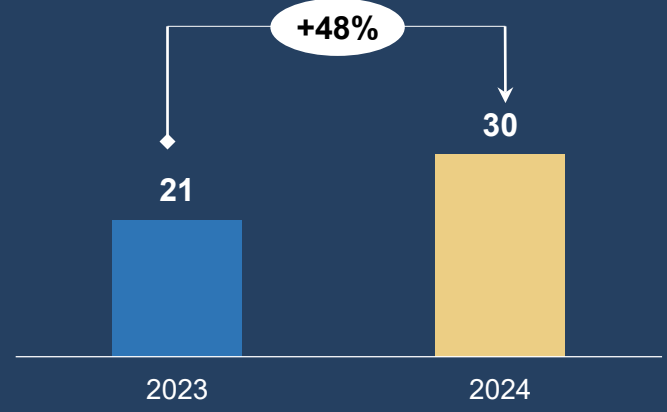
# Financial Performance

# Resilient Growth, Enhanced Profitability and Balanced Portfolio Management

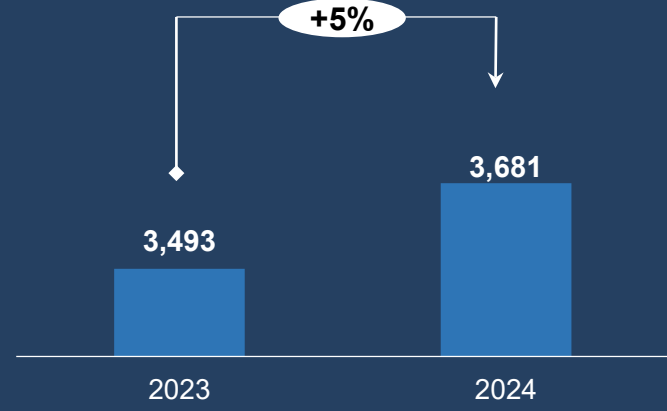
Operating Profit (OMR Mn)



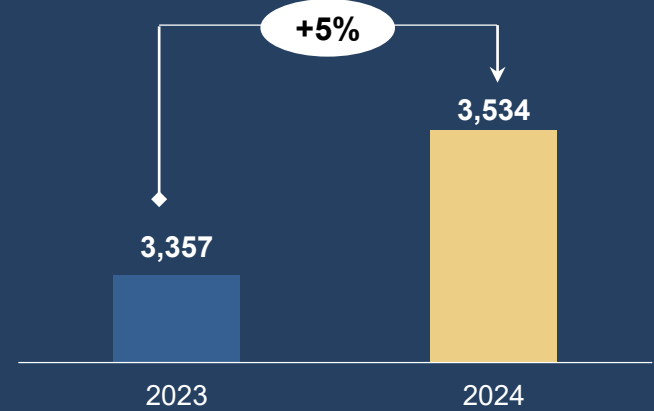
Net Profit (OMR Mn)



Gross Loans & Advances (OMR Mn)

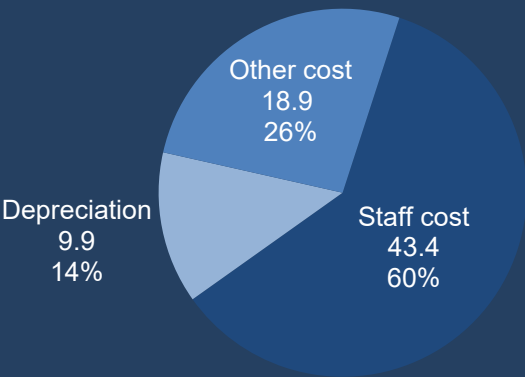


Customer Deposits (OMR Mn)



# Leading to an improvement in Return on Equity

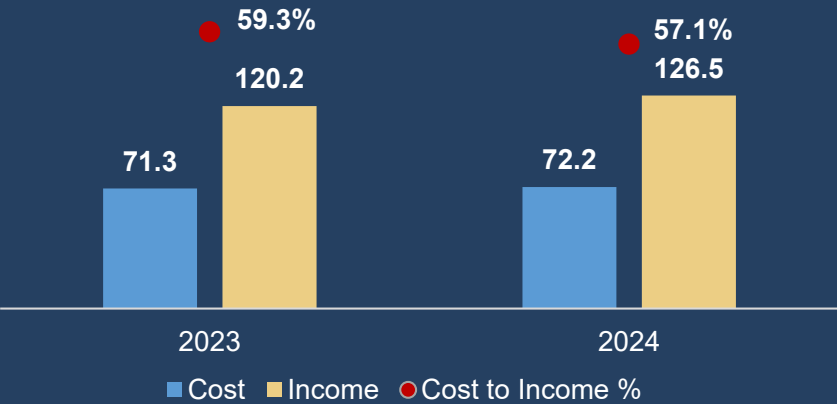
Cost Base (OMR Mn)



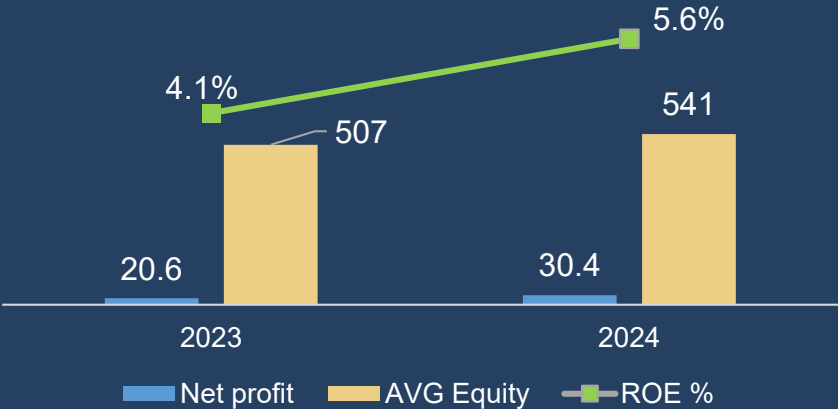
Cost Movement (OMR Mn)



Cost / Income (%)



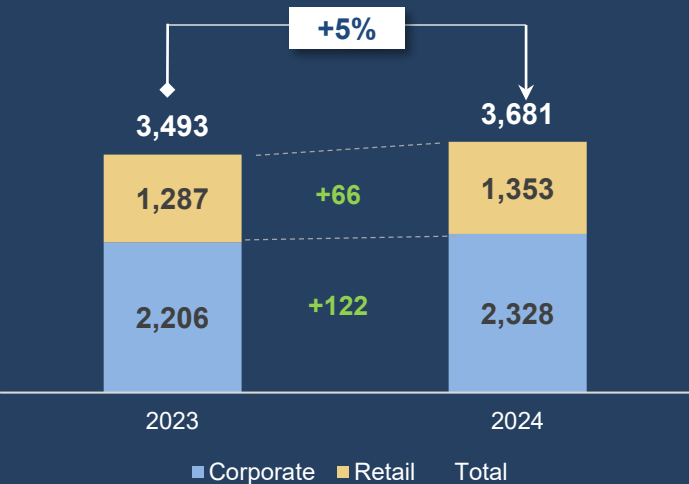
Return on Equity (%)<sup>1</sup>



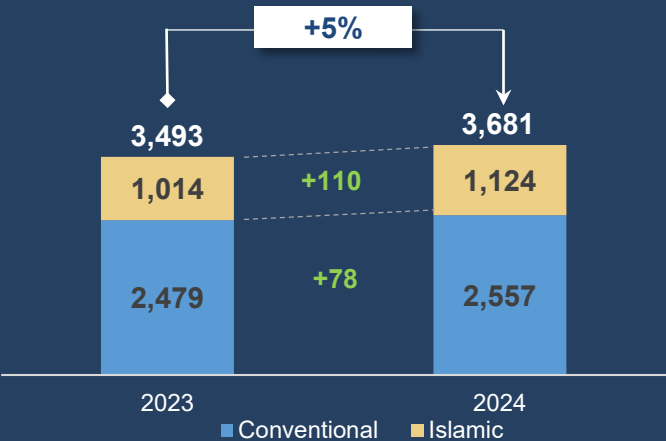
1. Net profit / average equity. On an adjusted basis (including the impact of perpetual bonds), ROE would have been 2.7% in 2024 vs. 5.2% in 2023.

# We acquired ≈ 9.3 % of new credit in Oman during 2024

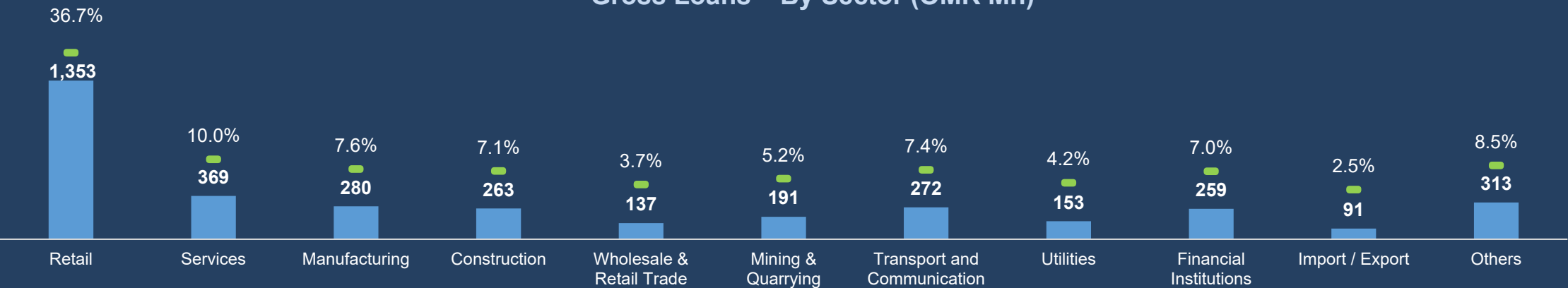
Gross Loans – By Segment (OMR Mn)



Gross Loans – By Type (OMR Mn)

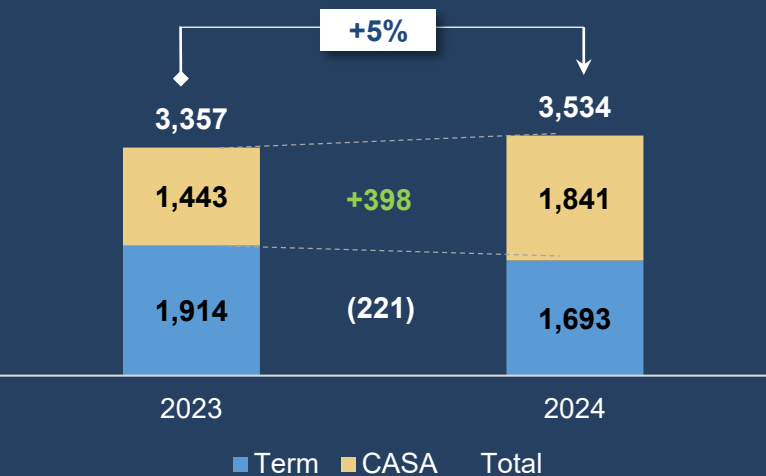


Gross Loans – By Sector (OMR Mn)

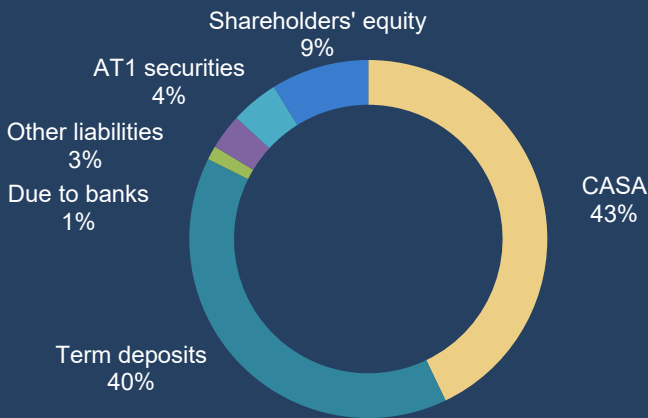
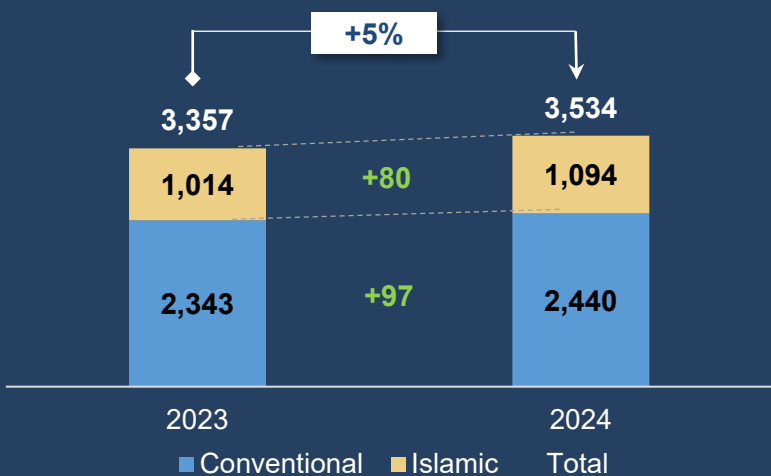


# Strong liquidity, balanced funding, and steady deposit growth

Customer Deposits – By Product (OMR M)



Customer Deposits – By Type (OMR M)



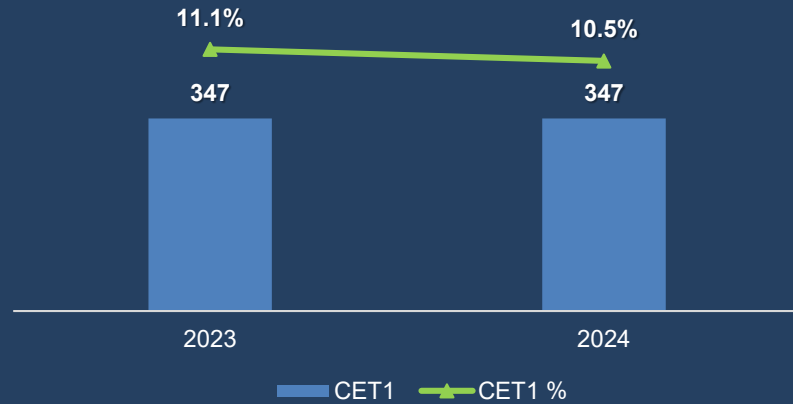
Liquidity Positions – 2024



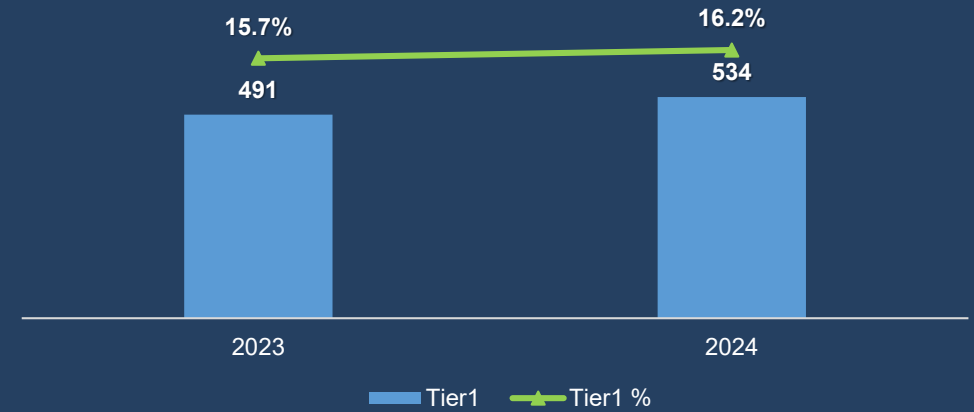


# With an efficient utilization of our capital

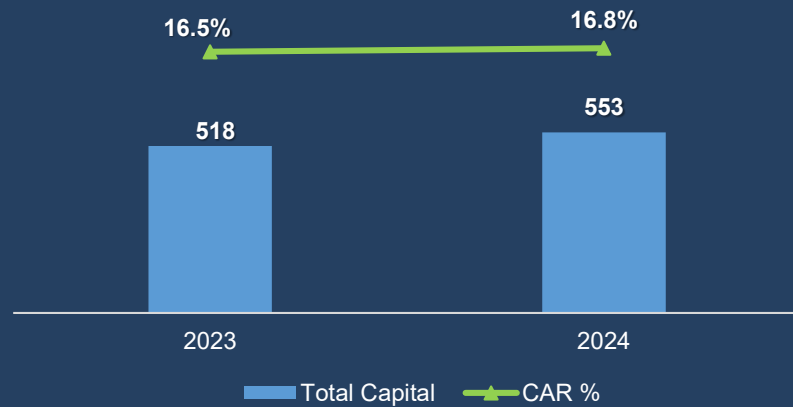
## CET 1 Capital (OMR Mn)



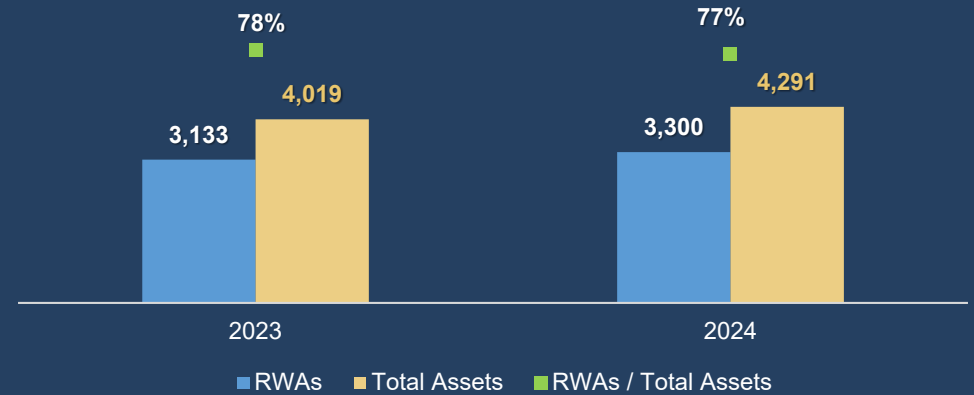
## Tier 1 Capital (OMR Mn)



## Total Capital (OMR Mn)



## Risk Weighted Asset (OMR Mn)



# Appendices

# Balance Sheet Summary

	Parent				Consolidated			
	2024	2023	VAR	Growth	2024	2023	VAR	Growth
ASSETS								
Cash and balances with Central Bank	118	85	33	39%	180	152	29	19%
Due from banks	66	124	(58)	-47%	67	130	(63)	-48%
Loans, advances and financing to customers - net	2,373	2,306	67	3%	3,447	3,275	172	5%
Investment on subsidiary	135	125	10	0%	0	0	-	-
Investment securities	328	254	75	29%	450	327	124	38%
Intangibles	0	0	0	-	6	7	(0)	0%
Property and equipment	34	37	(3)	-8%	40	43	(4)	-8%
Other assets	64	54	10	18%	101	86	14	17%
TOTAL ASSETS	3,118	2,985	133	4%	4,291	4,019	272	7%
LIABILITIES								
Due to banks	31	32	(1)	-3%	55	32	22	69%
Customer deposits	2,440	2,344	97	4%	3,534	3,357	177	5%
Other liabilities	111	92	19	20%	137	112	24	22%
TOTAL LIABILITIES	2,582	2,468	114	5%	3,726	3,502	224	6%
EQUITY								
Total Shareholders' Equity	380	371	9	2%	379	371	9	2%
Perpetual Tier 1 capital securities	156	146	10	7%	186	146	40	27%
TOTAL EQUITY	536	517	19	4%	566	517	49	9%
TOTAL EQUITY AND LIABILITIES	3,118	2,985	133	4%	4,291	4,019	272	7%

# Profit and Loss Summary

	Parent				Consolidated			
	2024	2023	VAR	Growth	2024	2023	VAR	Growth
Interest income	162.2	146.1	16.1	11%	162.5	145.7	16.8	11%
Interest expense	(90.1)	(75.0)	(15.1)	-20%	(90.1)	(75.0)	(15.1)	-20%
Net interest income	72.1	71.1	1.0	1%	72.4	70.7	1.7	2%
Net income from Islamic financing	0.0	0.0	0.0	-	27.1	26.2	0.9	4%
Net fee & commission income	15.2	14.4	0.8	6%	19.8	18.9	0.9	5%
Net income from investment securities	0.4	0.2	0.2	88%	0.6	0.3	0.3	102%
Other operating income	13.8	11.2	2.5	23%	6.6	4.1	2.5	59%
OPERATING INCOME	101.4	96.9	4.6	5%	126.5	120.2	6.2	5%
OPERATING EXPENSES	(52.6)	(52.9)	0.3	1%	(72.2)	(71.3)	(0.9)	-1%
OPERATING PROFIT	48.9	44.0	4.9	11%	54.3	49.0	5.3	11%
Net allowance for credit losses	(14.1)	(21.8)	7.7	35%	(18.1)	(24.7)	6.6	27%
PROFIT BEFORE TAX	34.7	22.2	12.6	57%	36.1	24.2	11.9	49%
Income tax expense	(4.0)	(2.4)	(1.6)	-69%	(5.7)	(3.7)	(2.0)	-55%
NET PROFIT	30.7	19.8	10.9	55%	30.4	20.6	9.9	48%



Q & A