

Chairman’s Report

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the unaudited interim financial statements of ahlibank for the six months period ended 30 June, 2025.

As we reflect on the first half of 2025, the Sultanate of Oman continues to demonstrate resilience and adaptability amidst a complex global economic environment. Despite OPEC+ production cuts moderating hydrocarbon output, the Sultanate has maintained growth momentum, led by robust expansion across non-oil sectors including manufacturing, logistics, renewable energy, and tourism. According to the International Monetary Fund, Oman’s economy is projected to grow by 2.4% in 2025, reflecting the continued progress of the Sultanate’s diversification agenda, supported by steady public investment, fiscal reforms, and structural measures that enhance resilience, broaden economic participation, and attract foreign investment.

While external headwinds persist, Oman’s contained inflation, strong financial sector, and prudent macroeconomic stewardship continue to anchor economic stability. Within this constructive backdrop, the banking sector remains a central pillar of Oman’s growth trajectory. As of May 2025, total outstanding credit expanded by 8.0% year-on-year to RO 33.6 billion, while deposits rose by 7.9% to RO 32.3 billion. The Islamic banking segment also remained a key contributor, with total assets increasing by 17.5% to RO 9.0 billion. These positive trends underscore the sector’s resilience and growing capacity to support both public and private sector investment across diversified industries.

Building on this sectoral momentum, ahlibank has continued to execute on its strategic priorities through active participation in capital markets, financing national strategic projects, expanding digital capabilities, and supporting the growth of SMEs - reinforcing its role as a key enabler of Oman’s evolving economic landscape.

Financial Performance

	30-Jun-25	30-Jun-24	Growth %
	RO Million		
Net Loans, Advances & Financing	3,161.7	2,804.7	12.7%
Total Assets	3,911.5	3,442.7	13.6%
Customers' Deposits	3,020.4	2,612.0	15.6%
Equity	562.8	544.0	3.5%
Operating Income	57.26	50.63	13.1%
Operating Expenses	24.60	21.47	14.6%
Profit for the Period	22.36	20.20	10.7%

The Bank’s net loans, advances and financing as at June 30, 2025 grew by 12.7% to reach RO 3,161.7 million. Total assets recorded a 13.6% rise, to RO 3,911.5 million as of the end of H1 2025. Customer deposits as at June 30, 2025 increased by 15.6% to reach RO 3,020.4 million. Operating income increased by 13.1% to reach RO 57.26 million for the six-months period ended 30 June 2025, and operating expenses increased by 14.6% to reach RO 24.60 million. Profit for the period increased by 10.7% to reach RO 22.36 million for the six-months period ended 30 June 2025.

Highlights of Achievements

Building on the achievements of the first quarter, the second quarter of 2025 reaffirmed ahlibank’s strong position and pivotal role in driving sustainable

economic growth in the Oman. The bank advanced its strategic priorities with confidence and determination, reflecting its commitment to excellence, innovation, and serving the community.

During the quarter, ahlibank played a key role in financing major renewable energy projects, supporting the Sultanate's Net Zero 2050 targets and reinforcing its contribution to national sustainability goals. The bank further strengthened its leadership in capital markets by successfully leading a landmark sovereign sukuk issuance, which was oversubscribed by 2.6 times, reflecting strong investor confidence. The bank further demonstrated its debt capital market capabilities by managing a senior bond issuance in the private sector, the first such offering by a Finance and Leasing Company in recent years, underscoring its expertise in structuring complex transactions and facilitating corporate capital raising.

Building on its successful role as financial advisor for major environmental projects, ahlibank continued its momentum in the second quarter by advising on one of the largest initiatives in the mining sector. This reflects the bank's ability to deliver specialised advisory solutions across key industries. During the quarter, the bank facilitated financial closure for a significant mining project involving copper and gold development, with financing exceeding RO 100 million. This underscores ahlibank's expertise in structuring and supporting large-scale projects aligned with Oman's economic diversification objectives.

In line with its digital transformation strategy, the bank launched innovative solutions to enhance customer convenience, including initiatives to promote financial literacy among youth and improve automated payment services. Extending its support for entrepreneurship and small business growth, the bank introduced tailored financial solutions for micro businesses and SMEs, earning recognition as Oman's Best Bank for SMEs.

The bank also remained deeply committed to human capital development, marked by the graduation of the latest cohort of its flagship HIMAM program, which continues to build national talent and strengthen Oman's future workforce.

Corporate Social Responsibility

ahlibank reaffirms its commitment to social responsibility through strategic steps aimed at enhancing its sustainable impact, expanding its initiatives to support financial inclusion and empower all segments of society, in alignment with Oman Vision 2040 and its national goals.

In alignment with its inclusive and impact-driven approach, ahlibank supported individuals with visual impairments by equipping the Omar Bin Al-Khattab Institute for the Blind with state-of-the-art smart interactive whiteboards, enhancing classroom engagement, fostering independence, and strengthening digital competencies among both students and educators. In addition, ahlibank furthered its partnership with Al Noor Association for the Blind, sponsoring specialized training programs in project management and financial literacy. With over 100 participants across the Sultanate, the initiative combined practical skills development with advanced educational tools specifically tailored to the needs of visually impaired learners. Through these efforts, the bank reaffirms its commitment to empowering communities toward sustainable economic independence.

Looking Ahead

As the year progresses, ahlibank remains focused on strengthening its resilience, deepening client relationships, and expanding its advisory and financing solutions to support Oman's economic development. Alongside delivering financial performance, the bank remains committed to empowering national talent, fostering inclusive growth, and building strong community partnerships. With disciplined management and a clear strategic direction, ahlibank is well-positioned to capture emerging opportunities and contribute to the Sultanate's long-term prosperity.

Acknowledgements

On behalf of the Board of Directors, I extend my sincere appreciation to our shareholders for their continued trust, our customers for their continued loyalty, and to our partners for their steadfast collaboration. It is through their unwavering support that we remain focused on pursuing sustainable growth, strengthening our foundations, and delivering lasting value.

We also extend our heartfelt thanks to the Executive Management and all ahlibank employees, whose dedication remains one of the key forces behind the Bank's growth.

Above all, with deep respect and loyalty, we reaffirm our allegiance to His Majesty Sultan Haitham bin Tarik. We remain committed to serving the Sultanate's

long-term ambitions and contributing meaningfully to the progress and prosperity of the nation.

Hamdan Ali Nasser Al Hinai

Chairman