

Chairman Report for Q3 2025

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present the Bank Muscat's performance results for the nine-month period ending 30th September 2025. The Bank continued to achieve solid financial performance across diverse business segments, further reinforcing its position as the leading financial services provider in the Sultanate of Oman.

Financial Review

The Bank posted a net profit of RO 191.57 million for the period compared to RO 170.79 million reported during the same period in 2024, an increase of 12.2 per cent.

Net Interest Income from Conventional Banking and Net Income from Islamic Financing stood at RO 310.9 million for the nine months period ended 30 September 2025 compared to RO 293.91 million for the same period in 2024, an increase of 5.8 per cent.

Non-interest income was RO 123.57 million for the nine months period ended 30 September 2025 as compared to RO 110.33 million for the same period in 2024, an increase of 12.0 per cent mainly due to growth in business volumes and higher investment income.

Operating expenses for the nine months period ended 30 September 2025 was RO 162.82 million as compared to RO 154.64 million for the same period in 2024, an increase of 5.3 per cent.

Net impairment losses on financial assets for the nine months period ended 30 September 2025 was RO 43.63 million as against RO 46.12 million for the same period in 2024.

Net Loans and advances including Islamic financing receivables increased by 4.2 per cent to RO 10,704 million as against RO 10,268 million as at 30 September 2024.

Customer deposits including Islamic Customer deposits stood at RO 10,099 million as against RO 10,110 million as at 30 September 2024.

Strategic Initiatives & Key Developments

Bank Muscat successfully issued US \$750 million in five-year international bonds under its US \$2 billion Euro Medium-Term Note Programme. Executed with precise timing and operational efficiency, the issuance achieved one of the lowest pricing spreads recorded for any public issuance from Oman in recent years. Despite the competitive pricing of 4.846% per annum, the issuance attracted over three times oversubscription, with robust demand from a globally diversified base of regional and international investors. This

exceptional outcome reflects the investor confidence in the Bank’s solid credit fundamentals, prudent financial management, and enduring market leadership, underscoring its position as a trusted and influential financial institution in the region.

To remain at the forefront of the latest digital transformation trends, the Bank enhanced its Internet Banking and Mobile Banking platforms to offer a wide suite of digital solutions and services that align with evolving customer needs. Customers may now access over 100 services available around the clock on the platforms without a need to visit a branch. As part of its financial inclusion strategy, the Bank launched the Hisaby for basic banking and transfers with the aim to meet the needs of specific customer segment. This customized solution provides customers access to a range of banking services through more than 30 specialized centers, reaffirming the Bank’s commitment to meeting the needs of all customer segments and strengthening its position as a trusted financial partner.

Performance across the Bank’s payments and card segments remained exceptional. During the third quarter of 2025, a key highlight was Bank Muscat achieving the highest monthly transaction volumes, with the Point of Sale (POS) transactions having increased by 36% compared to the same period in 2024. The Bank also continued to lead with excellence and a forward-looking strategy across all operational segments, expanding its efforts in digital transformation and customer engagement.

In pursuit of operational excellence and digital advancement, Bank Muscat enhanced its API banking services, expanding options for corporate customers, particularly finance companies, to streamline and manage their collections. As a key enabler of Oman’s economic diversification, the Bank provided financing to several government-related entities, underscoring its pivotal role as a trusted partner in advancing national development priorities.

The Bank, enabled by its deep sectoral expertise, innovative structuring capabilities and sound due diligence techniques, has been catering to the long-term financing requirements of various projects in the Sultanate. During the quarter, the Bank was mandated to arrange credit facilities to support the new developments in the logistics industry and the renewable energy sector.

Bank Muscat maintained its leading position in the investment domain, achieving significant progress across investment banking, asset management, private equity, and international financing. The Bank continued to provide specialized financial advisory services to government-related entities and major private-sector corporations.

In Asset Management, the Bank delivered remarkable results during the reporting period, with assets under management rising to RO 1.48 billion (US \$3.85 billion), marking 18.3% annual growth despite global market challenges. The Bank Muscat Money Market Fund exceeded RO 200 million in assets, delivering an annualized return of 4.68% as of the end of September. Under the Izdiyar Real Estate Fund, the Bank also successfully concluded the sale of a prime property in Dubai and distributed the first Interim dividends to the Tharwa Fund unit holders, in line with the Fund’s objective of generating consistent returns for investors.

Meethaq Islamic Banking continued to consolidate its leadership in Oman’s Islamic finance sector through offering Sharia-compliant solutions, and played a prominent role as a strategic partner in the 3rd Zakat Conference & Exhibition held in Salalah. Furthermore, Meethaq strengthened community engagement through various outreach initiatives to promote awareness of its products and services.

CSR & Sustainability

Bank Muscat continued to demonstrate deep-rooted commitment to community development, youth empowerment, and sustainability. The Bank’s initiatives during the period reflected its holistic approach to excellence, balancing economic growth with meaningful social impact. Under the flagship Green Sports Programme, the Bank announced 20 winning teams for this year’s edition, celebrating young sport teams across the Sultanate. Notably, the Bank inaugurated the first community sports project in Kumzar, the Governorate of Musandam, demonstrating its dedication to enhancing sports infrastructure and encouraging youth participation across Oman.

The Bank’s Maliyat Academy Programme continued its remarkable progress, with the number of student beneficiaries surpassing 70,000 from schools across the Sultanate. This achievement underscores the Bank’s pioneering role in promoting financial literacy and empowering the next generation with essential knowledge and skills for a financially secure future.

As part of the Al Wathba Academy Programme, the Bank signed a strategic cooperation agreement with the Youth Development Fund Sharakah to deliver specialized training for 30 participants comprising established SMEs and entrepreneurs. The initiative aims to equip participants with financial and managerial skills to grow their enterprises and contribute to Oman’s economic progress. Further demonstrating its social commitment, the Bank provided advanced diagnostic support for cancer patients at Khoula

Hospital, enhancing the hospital’s medical and technological capabilities. Additionally, the Bank continued to implement several annual community initiatives, including the Tadamun Programme, which provides assistance to low-income families in collaboration with the Ministry of Social Development.

Awards and Accolades

In recognition of its leadership and outstanding contributions across various fields, Bank Muscat received numerous prestigious local, regional, and international awards, including the Best Bank in Oman and Best Digital Bank in Oman awards from Global Finance the Best Private Bank in Oman award from The Banker, the Best Bank for SME in Oman from MEED, Innovation in Financial Technology award from Middle East Technology Awards 2025, the Gold Award for Innovation in Corporate Banking from Infosys Finacle Awards, the Best Investment Bank in Oman award from Euromoney, and the Best Performing Large-Cap Company from AIWA.

Meethaq was honored with multiple recognitions, including the Best Digital Islamic Bank in Oman from Global Finance, Market Leadership Award in Islamic Banking from Global Islamic Finance, and the Best Islamic Banking Application from The Arabian Stories.

In Conclusion

On behalf of the Board of Directors, I take this opportunity to thank our shareholders for the trust reposed in the Bank. The Board of Directors welcomes the measures taken by the Central Bank of Oman and the Financial Services Authority to support the financial market in the Sultanate of Oman. We express our sincere gratitude and appreciation to His Majesty Sultan Haitham Bin Tarik for his vision and guidance.

Khalid Bin Mustahail Al Mashani