



Bank Muscat SAOG

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025



**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

		<i>Unaudited</i>	<i>Audited</i>	<i>Unaudited</i>
		<i>30-Sep-2025</i>	<i>31-Dec-2024</i>	<i>30-Sep-2024</i>
	<i>Notes</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>
Assets				
Cash and balances with Central Banks		602,400	476,739	745,298
Due from banks	3	417,820	714,791	602,527
Loans and advances	4	9,043,770	8,616,285	8,684,608
Islamic financing receivables	4	1,660,724	1,621,163	1,583,375
Investments securities	5	2,603,953	2,107,980	2,172,206
Investment in associate	6	9,639	9,660	9,320
Other assets	7	137,111	277,792	182,619
Property, equipment and software		82,253	87,545	76,366
Total assets		14,557,670	13,911,955	14,056,319
Liabilities and equity				
Liabilities				
Deposits from banks	8	1,183,622	978,178	820,949
Customers' deposits	9	8,523,805	8,193,168	8,568,309
Islamic customers' deposits	9	1,575,233	1,583,900	1,541,446
Sukuk		16,665	16,842	16,602
Euro medium term notes		192,853	195,139	192,853
Other liabilities	10	468,002	430,737	450,140
Taxation		70,213	69,158	59,432
Total liabilities		12,030,393	11,467,122	11,649,731
Equity				
Equity attributable to equity holders of parent:				
Share capital	11	750,640	750,640	750,640
Share premium		156,215	156,215	156,215
General reserve		410,258	410,258	410,258
Legal reserve		183,032	183,032	160,474
Revaluation reserve		4,904	4,904	4,904
Cash flow hedge reserve		3,819	5,901	4,665
Cumulative changes in fair value		72,169	43,806	49,274
Foreign currency translation reserve		(3,527)	(3,690)	(3,483)
Retained earnings		444,447	388,447	368,321
Total equity attributable to the equity holders		2,021,957	1,939,513	1,901,268
Perpetual Tier I capital		505,320	505,320	505,320
Total equity		2,527,277	2,444,833	2,406,588
Total liabilities and equity		14,557,670	13,911,955	14,056,319
Net assets per share (in RO)		0.269	0.258	0.253
Contingent liabilities and commitments	12	1,852,562	1,811,518	1,668,060

The interim condensed consolidated financial statements were approved by the Board of Directors on 27 October 2025.
The attached notes 1 to 28 form part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

		<i>Unaudited</i> <i>-for nine months period ended-</i>		<i>Unaudited</i> <i>-for three months period ended-</i>	
	<i>Notes</i>	<i>30-Sep-2025</i> <i>RO' 000</i>	<i>30-Sep-2024</i> <i>RO' 000</i>	<i>30-Sep-2025</i> <i>RO' 000</i>	<i>30-Sep-2024</i> <i>RO' 000</i>
Interest income	13	444,171	457,055	146,531	154,152
Interest expense	14	(161,470)	(187,533)	(51,955)	(59,285)
Net interest income		282,701	269,522	94,576	94,867
Income from Islamic financing / investments	13	79,491	74,695	26,639	25,249
Distribution to depositors	14	(51,295)	(50,303)	(16,761)	(16,829)
Net income from Islamic financing		28,196	24,392	9,878	8,420
Net interest income and income from Islamic financing		310,897	293,914	104,454	103,287
Commission and fee income (net)	15	72,732	71,784	25,217	24,833
Other operating income	16	50,838	38,547	16,519	10,227
Operating income		434,467	404,245	146,190	138,347
Operating expenses					
Other operating expenses		(144,929)	(139,285)	(48,368)	(47,209)
Depreciation		(17,888)	(15,350)	(6,368)	(5,299)
		(162,817)	(154,635)	(54,736)	(52,508)
Share of results from an associate	6	431	722	205	176
Net impairment losses on financial assets	17	(43,628)	(46,120)	(13,467)	(16,161)
		(206,014)	(200,033)	(67,998)	(68,493)
Profit before taxation		228,453	204,212	78,192	69,854
Tax expense		(36,881)	(33,426)	(12,438)	(11,183)
Profit for the period		191,572	170,786	65,754	58,671
Other comprehensive (expense) / income					
Net other comprehensive (expense) / income to be reclassified to profit or loss in subsequent periods, net of tax:					
Translation of net investments in foreign operations		163	159	21	134
Change in fair value of FVOCI debt instruments		6,960	3,213	3,897	3,847
Share of other comprehensive income of an associate		(8)	5	22	(13)
Change in fair value of cash flow hedge		(2,082)	1,411	(323)	(2,495)
		5,033	4,788	3,617	1,473
Net other comprehensive (expense) / income not to be reclassified to profit or loss in subsequent periods, net of tax:					
Change in fair value of FVOCI equity instruments		21,624	4,047	5,513	(9,454)
		21,624	4,047	5,513	(9,454)
Other comprehensive income / (expense) for the period		26,657	8,835	9,130	(7,981)
Total comprehensive income for the period		218,229	179,621	74,884	50,690
Total comprehensive income for the period attributable to:					
Equity holders of Parent Company		218,229	179,621	74,884	50,690
Profit attributable to:					
Equity holders of Parent Company		191,572	170,786	65,754	58,671
Earnings per share (in RO)					
- Basic and diluted	18	0.024	0.021	0.015	0.013

Items in other comprehensive income are disclosed net of tax.

The attached notes 1 to 28 form part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

Attributable to equity holders of parent

(Unaudited)	<i>Share capital</i>	<i>Share premium</i>	<i>General reserve</i>	<i>Legal reserve</i>	<i>Revaluation reserve</i>	<i>Cash flow hedge reserve</i>	<i>Cumulative changes in fair value</i>	<i>Foreign currency translation reserve</i>	<i>Retained profits</i>	<i>Total</i>	<i>Perpetual Tier I Capital</i>	<i>Total</i>
	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>
Balance at 1 January 2025	750,640	156,215	410,258	183,032	4,904	5,901	43,806	(3,690)	388,447	1,939,513	505,320	2,444,833
Profit for the period	-	-	-	-	-	-	-	-	191,572	191,572	-	191,572
Other comprehensive (expense) income	-	-	-	-	-	(2,082)	28,576	163	-	26,657	-	26,657
Total comprehensive (expense) income	-	-	-	-	-	(2,082)	28,576	163	191,572	218,229	-	218,229
Transfer within equity upon disposal of FVOCI equity investments	-	-	-	-	-	-	(213)	-	213	-	-	-
Dividends paid (note 11)	-	-	-	-	-	-	-	-	(123,856)	(123,856)	-	(123,856)
Interest paid on Perpetual Tier 1 Capital	-	-	-	-	-	-	-	-	(11,929)	(11,929)	-	(11,929)
Balance as at 30 September 2025	750,640	156,215	410,258	183,032	4,904	3,819	72,169	(3,527)	444,447	2,021,957	505,320	2,527,277

Attributable to equity holders of parent

(Unaudited)	<i>Share capital</i>	<i>Share premium</i>	<i>General reserve</i>	<i>Legal reserve</i>	<i>Revaluation reserve</i>	<i>Cash flow hedge reserve</i>	<i>Cumulative changes in fair value</i>	<i>Foreign currency translation reserve</i>	<i>Impairment reserve / restructured loan reserve</i>	<i>Retained earnings</i>	<i>Total</i>	<i>Perpetual Tier I Capital</i>	<i>Total</i>
	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>	<i>RO' 000</i>
Balance at 1 January 2024	750,640	156,215	410,258	160,474	4,904	3,254	41,825	(3,642)	2,136	323,471	1,849,535	505,320	2,354,855
Profit for the period	-	-	-	-	-	-	-	-	-	170,786	170,786	-	170,786
Other comprehensive (expense) income	-	-	-	-	-	1,411	7,265	159	-	-	8,835	-	8,835
Total comprehensive (expense) income	-	-	-	-	-	1,411	7,265	159	-	170,786	179,621	-	179,621
Transfer within equity upon disposal of FVOCI equity investments	-	-	-	-	-	-	184	-	-	(184)	-	-	-
Dividends paid (note 11)	-	-	-	-	-	-	-	-	-	(116,349)	(116,349)	-	(116,349)
Transfer from restructured loan reserve to retained earnings	-	-	-	-	-	-	-	-	(2,136)	2,136	-	-	-
Interest paid on Perpetual Tier 1 Capital	-	-	-	-	-	-	-	-	-	(11,539)	(11,539)	-	(11,539)
Balance as at 30 September 2024	750,640	156,215	410,258	160,474	4,904	4,665	49,274	(3,483)	-	368,321	1,901,268	505,320	2,406,588

Appropriations to legal reserve is made on an annual basis.

The attached notes 1 to 28 form part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
Operating activities		
Profit for the period before taxation	228,453	204,212
Adjustments for :		
Depreciation	17,888	15,350
Net impairment losses on financial assets	43,628	46,120
Share of results from associates	(431)	(722)
(Profit) Loss on sale of property and equipment	11	3
(Profit) Loss on sale of investments	(7,241)	(241)
Dividend income	(19,730)	(9,240)
Operating profit before working capital changes	262,578	255,482
Due from banks	208,016	(23,014)
Loans and advances	(458,637)	(374,715)
Islamic financing receivables	(50,590)	(64,452)
Other assets	138,143	19,942
Deposits from banks	205,444	(279,140)
Customers' deposits	330,637	398,234
Islamic customers' deposits	(8,667)	273,729
Other liabilities	33,356	(26,706)
Cash from / (used in) operating activities	660,280	179,360
Income taxes paid	(35,648)	(35,821)
Net cash from / (used in) operating activities	624,632	143,539
Investing activities		
Dividend from an associate	444	296
Dividend income	19,730	9,240
Purchase of investments	(733,646)	(370,312)
Proceeds from sale of investments	564,267	78,728
Net movement in property and equipment	(12,607)	(14,419)
Net cash from / (used in) investing activities	(161,812)	(296,467)
Financing activities		
Dividends paid	(123,856)	(116,349)
Issuance of Sukuk	-	16,525
Repayment of Sukuk	-	(45,597)
Interest on Perpetual Tier I capital	(11,929)	(11,539)
Net cash from / (used in) financing activities	(135,785)	(156,960)
Net change in cash and cash equivalents	327,035	(309,888)
Cash and cash equivalents at 1 January	1,230,584	1,760,708
Cash and cash equivalents at 30 September	1,557,619	1,450,820
Cash and cash equivalent comprises of the following:		
Cash and balances with Central Banks	601,900	744,796
Treasury bills	740,616	541,423
Due from banks	215,103	164,601
	1,557,619	1,450,820

The attached notes 1 to 28 form part of these interim condensed consolidated financial statements.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025****1. LEGAL STATUS AND PRINCIPAL ACTIVITIES**

Bank Muscat SAOG (the Bank or the Parent Company) is a joint stock company incorporated in the Sultanate of Oman and is engaged in commercial and investment banking activities through a network of 198 branches (30 September 2024 : 185 branches) within the Sultanate of Oman and one branch each in Riyadh, Kingdom of Saudi Arabia and Kuwait, which is in the process of being closing down. The Bank has representative offices in Dubai, United Arab Emirates, Singapore and Tehran, Iran. The Bank operates in Oman under a banking license issued by the Central Bank of Oman (CBO) and is covered by its deposit insurance scheme. The Bank has its primary listing on the Muscat Stock Exchange.

As at 30 September 2025, the Bank operates in 5 countries (2024: 6 countries) and employed 4,441 employees (30 September 2024: 4,362 employees).

During 2013, the Parent Company inaugurated "Meethaq Islamic banking window" ("Meethaq") in the Sultanate of Oman to carry out banking and other financial activities in accordance with Islamic Shari'a rules and regulations. Meethaq operates under an Islamic banking license granted by the CBO on 13 January 2013. Meethaq's Shari'a Supervisory Board is entrusted to ensure Meethaq's adherence to Shari'a rules and principles in its transactions and activities. The principal activities of Meethaq include: accepting customer deposits; providing Shari'a compliant financing based on various Shari'a compliant modes; undertaking Shari'a compliant investment activities permitted under the CBO's Regulated Islamic Banking Services as defined in the licensing framework. Meethaq has 32 branches (September 2024 - 29 branches) in the Sultanate of Oman.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**2.1 BASIS OF PREPARATION**

The unaudited interim condensed consolidated financial statements for the nine months period ended 30 September 2025 of the Bank are prepared in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting', applicable regulations of the Central Bank of Oman (CBO) and the Financial Services Authority (FSA).

The unaudited interim condensed financial statements have been prepared on the historical cost basis, modified to include the revaluation of freehold land and buildings and the measurement at fair value of derivative financial instruments, FVOCI investment securities and investment recorded at fair value through profit or loss. The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships.

The Islamic window operation of the Parent Company; "Meethaq" uses Financial Accounting Standards ("FAS"), issued by Accounting and Auditing Organisation for Islamic Financial Institutions ("AAOIFI"), for preparation and reporting of its financial information. Meethaq's financial information is included in the results of the Bank, after adjusting financial reporting differences, if any, between AAOIFI and IFRS.

The functional currency of the Bank is the Rial Omani (RO). These unaudited interim condensed consolidated financial statements of the Bank are prepared in Rial Omani, rounded to the nearest thousands, except as indicated.

The unaudited interim condensed consolidated 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 financial statements as at 31 December 2024. In addition, results of the Bank for the period ended 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year 2025.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025****2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)****2.1 BASIS OF PREPARATION (continued)****2.2 NEW STANDARDS, IMPLEMENTATIONS AND AMENDMENTS IN EXISTING STANDARDS**

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Bank's annual consolidated 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 2025, but do not have an impact on the interim condensed consolidated financial statements of the Bank. The above amendments are effective from 1 January 2025.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
3. DUE FROM BANKS

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
At amortised cost			
Nostro balances	91,541	52,301	41,303
Inter-bank placements	174,134	534,392	398,165
Loans to banks	67,832	77,654	117,138
	333,507	664,347	556,606
At FVOCI			
Loans to banks	89,194	55,812	51,231
	422,701	720,159	607,837
Less: impairment loss allowance	(4,881)	(5,368)	(5,310)
	417,820	714,791	602,527

4. LOANS AND ADVANCES / ISLAMIC FINANCING RECEIVABLES
Loans and advances

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
At amortised cost			
Loans	4,598,529	4,264,504	4,428,779
Overdrafts and credit cards	263,637	353,003	311,363
Loans against trust receipts	242,844	184,467	176,106
Bills purchased and discounted	233,630	212,834	150,976
Other advances	220,142	210,304	219,328
Personal and housing loans	3,975,581	3,961,061	3,941,542
	9,534,363	9,186,173	9,228,094
At FVOCI			
Loans	47,692	-	-
	9,582,055	9,186,173	9,228,094
Less: impairment loss allowance	(538,285)	(569,888)	(543,486)
	9,043,770	8,616,285	8,684,608

Islamic financing receivables - at amortised cost

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
Housing finance	551,228	550,802	549,646
Corporate finance	1,141,016	1,094,190	1,053,894
Consumer finance	70,526	65,752	64,615
	1,762,770	1,710,744	1,668,155
Less: impairment loss allowance	(102,046)	(89,581)	(84,780)
	1,660,724	1,621,163	1,583,375

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
4. LOANS AND ADVANCES / ISLAMIC FINANCING RECEIVABLES (continued)

Movement in impairment loss is analysed below:

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
1 January	659,469	565,327	565,327
Impairment for credit losses	64,657	102,315	71,315
Interest reserved during the period	20,287	25,720	18,827
Recoveries from impairment for credit losses	(21,833)	(27,335)	(21,700)
Reserve interest recovered during the period	(5,477)	(4,195)	(3,412)
(Written off) / reversed during the period	(19,280)	(3,538)	(2,934)
Transfer from / (to) Memorandum portfolio	(57,534)	1,182	872
Foreign currency translation difference	43	(16)	(24)
Other movements	(1)	9	(5)
At 30 September / 31 December	640,331	659,469	628,266

At 30 September 2025, loans and advances on which contractual interest is not being accrued or has not been recognised amounted to RO 405.8 million (31 December 2024: RO 420.4 million, 30 September 2024: RO 411.0 million). Contractual interest reserved and recovery thereof is shown under net interest income and income from Islamic financing in the statement of comprehensive income.

The maturity profile of loans and advances / Islamic financing receivables was as follows

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
On demand or within one month	927,079	877,714	752,848
Two to three months	926,427	669,797	833,067
Four to twelve months	1,196,907	936,447	945,615
One to five years	3,812,504	2,593,010	2,600,227
More than five years	3,841,577	5,160,480	5,136,226
	10,704,494	10,237,448	10,267,983

5. INVESTMENT SECURITIES

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Equity investments:			
Measured as at FVTPL	194,841	27,866	26,109
Designated as at FVOCI	290,892	233,730	304,254
Equity investments	485,733	261,596	330,363
Debt investments:			
Measured at FVTPL	-	-	72,898
Measured at FVOCI	760,824	218,202	143,436
Measured at amortised cost	1,360,268	1,631,006	1,628,448
Gross debt investments	2,121,092	1,849,208	1,844,782
Less: Impairment loss allowance	(2,872)	(2,824)	(2,939)
Debt investments	2,118,220	1,846,384	1,841,843
Investment securities	2,603,953	2,107,980	2,172,206

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
5. INVESTMENT SECURITIES (continued)

As at 30 September 2025 (unaudited)	FVTPL RO' 000	FVOCI RO' 000	Amortised Cost RO' 000	Total RO' 000
Quoted equities:				
Foreign securities	163,544	196,806	-	360,350
Other services sector	-	82,646	-	82,646
Unit funds	9,160	-	-	9,160
Financial services sector	-	9,298	-	9,298
Industrial sector	-	1,090	-	1,090
	172,704	289,840	-	462,544
Unquoted equities:				
Foreign securities	18,812	-	-	18,812
Local securities	3,325	1,052	-	4,377
	22,137	1,052	-	23,189
Equity investments	194,841	290,892	-	485,733
Quoted debt:				
Government bonds	-	-	1,101,648	1,101,648
Treasury bills	-	406,120	-	406,120
Foreign bonds	-	127,811	-	127,811
Local bonds	-	121,890	29,127	151,017
	-	655,821	1,130,775	1,786,596
Unquoted debt:				
Treasury bills	-	105,003	229,493	334,496
	-	105,003	229,493	334,496
Gross debt investments	-	760,824	1,360,268	2,121,092
Less: Impairment loss allowance	-	(2,425)	(447)	(2,872)
Debt investments	-	758,399	1,359,821	2,118,220
Investment securities	194,841	1,049,291	1,359,821	2,603,953

As at 31 December 2024 (Audited)	FVTPL RO' 000	FVOCI RO' 000	Amortised Cost RO' 000	Total RO' 000
Quoted equities:				
Foreign securities	611	169,500	-	170,111
Other services sector	-	52,151	-	52,151
Unit funds	8,799	-	-	8,799
Financial services sector	-	9,773	-	9,773
Industrial sector	-	1,048	-	1,048
	9,410	232,472	-	241,882
Unquoted equities:				
Foreign securities	14,894	-	-	14,894
Local securities	3,562	1,258	-	4,820
	18,456	1,258	-	19,714
Equity investments	27,866	233,730	-	261,596
Quoted debt:				
Government bonds	-	2,354	1,110,190	1,112,544
Treasury bills	-	-	99,781	99,781
Foreign bonds	-	118,718	-	118,718
Local bonds	-	97,130	71,017	168,147
	-	218,202	1,280,988	1,499,190
Unquoted debt:				
Treasury bills	-	-	350,018	350,018
	-	-	350,018	350,018
Gross debt investments	-	218,202	1,631,006	1,849,208
Less: impairment loss allowance	-	(2,378)	(446)	(2,824)
Debt investments	-	215,824	1,630,560	1,846,384
Investment securities	27,866	449,554	1,630,560	2,107,980

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
5. INVESTMENT SECURITIES (continued)

The movement in impairment of debt investments is summarised as follows

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
At 1 January	2,824	2,350	2,350
Provided /(reversed) during the period / year	48	474	589
At 30 September / 31 December	2,872	2,824	2,939

6. INVESTMENT IN ASSOCIATE
SICO BSC (c)

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
At 1 January	9,660	8,889	8,889
Dividend received	(444)	(297)	(296)
Share of results	431	996	722
Share of other comprehensive income	(8)	72	5
At 30 September / 31 December	9,639	9,660	9,320

7. OTHER ASSETS

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>Unaudited</i>
Acceptances (note 10)	91,992	92,801	121,431
Less: impairment loss allowance	(2,040)	(1,598)	(1,798)
Net Acceptances	89,952	91,203	119,633
Other debtors and prepaid expenses	23,781	30,304	33,235
Positive fair value of derivatives	19,297	26,680	23,599
Deferred tax asset	1,192	1,370	1,940
Others	2,889	128,235	4,212
	137,111	277,792	182,619

8. DEPOSITS FROM BANKS

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Inter bank borrowings	496,372	350,591	182,310
Vostro balances	63,550	63,461	53,439
Other money market deposits	623,700	564,126	585,200
	1,183,622	978,178	820,949

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
9. CUSTOMERS' DEPOSITS
Conventional customers' deposits

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Deposit accounts	3,083,268	2,851,535	2,895,716
Savings accounts	3,229,085	3,112,239	3,085,209
Current accounts	1,687,978	1,736,252	1,654,414
Call accounts	475,271	445,197	890,339
Margin accounts	48,203	47,945	42,631
	<u>8,523,805</u>	<u>8,193,168</u>	<u>8,568,309</u>

Islamic customers' deposits

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Deposit accounts	1,050,484	993,388	944,874
Savings accounts	339,937	288,893	291,981
Current accounts	69,813	91,658	96,085
Call accounts	109,095	203,665	202,356
Margin accounts	5,904	6,296	6,150
	<u>1,575,233</u>	<u>1,583,900</u>	<u>1,541,446</u>

The maturity profile of customer's deposits (including Islamic customers' deposits) was as follows:

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
On demand or within one month	903,980	805,816	850,724
Two to three months	903,262	1,171,843	1,026,076
Four to twelve months	3,477,513	2,196,700	2,484,008
One to five years	3,506,555	4,109,006	4,127,960
More than five years	1,307,728	1,493,703	1,620,987
	<u>10,099,038</u>	<u>9,777,068</u>	<u>10,109,755</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
10. OTHER LIABILITIES

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Other liabilities and accrued expenses	235,914	198,226	184,202
Acceptances (note 7)	91,992	92,801	121,431
Impairment on financial guarantees	39,921	40,977	49,339
Impairment on undrawn commitments and unutilised limits	14,934	12,410	10,719
Lease liabilities	47,033	48,845	43,909
Negative fair value of derivatives	12,396	16,197	22,514
Unearned discount and interest	9,726	8,869	5,351
Employee end of service benefits	8,103	7,450	7,336
Deferred tax liability	7,983	4,962	5,339
	468,002	430,737	450,140

11. SHARE CAPITAL

The authorised share capital of the Bank is 8,000,000,000 shares of RO 0.100 each (31 December 2024: 8,000,000,000 of RO 0.100 each). At 30 September 2025, 7,506,397,062 shares of RO 0.100 each (31 December 2024: 7,506,397,062 shares of RO 0.100 each) have been issued and fully paid. The Bank's shares are listed in Muscat, Bahrain and London stock exchanges. Listing in London stock exchange is through Global Depository Receipts issued by the Bank.

In the Bank's annual general meeting held on 26 March 2025 the shareholders approved a dividend of 16.5% in the form of cash. Thus shareholders received cash dividend of RO 0.0165 per ordinary share of RO 0.100 each aggregating to RO 123.856 million on Bank's existing share capital.

The shareholding structure of the Bank is as follows:

Investor Name	<i>Ownership percentage %</i> <i>30-Sep-2025</i>	<i>31-Dec-24</i>
Royal Court Affairs	27.31%	27.31%
Ominvest Group	15.00%	15.00%
Muscat Overseas Group	5.63%	5.67%
Social Protection Fund	4.99%	4.99%
Pension Funds Trust Accounts	19.55%	19.64%
Others*	27.52%	27.39%
Total	100.00%	100.00%

* The other shareholdings of the Bank are widely spread.

12. CONTINGENT LIABILITIES

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
CONTINGENT LIABILITIES			
Letters of credit	500,811	517,178	440,483
Guarantees	1,351,751	1,294,340	1,227,577
	1,852,562	1,811,518	1,668,060
COMMITMENTS			
Irrevocable credit commitments	245,598	258,572	214,954
Purchase of property and equipment	3,064	1,543	2,559
Partly paid shares	7,009	8,114	7,567
	255,671	268,229	225,080

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
13. INTEREST INCOME / INCOME ON ISLAMIC FINANCING / INVESTMENT

	Unaudited -for nine months period ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024	Unaudited -for three months ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024
	RO' 000	RO' 000	RO' 000	RO' 000
Loans and advances	366,974	368,704	122,118	125,286
Due from banks	22,950	33,766	6,119	9,455
Investments	54,247	54,585	18,294	19,411
	444,171	457,055	146,531	154,152
Islamic financing receivables	68,839	65,953	23,312	22,160
Islamic due from banks	693	1,550	67	180
Islamic investment	9,959	7,192	3,260	2,909
	79,491	74,695	26,639	25,249
	523,662	531,750	173,170	179,401

14. INTEREST EXPENSE / DISTRIBUTION TO DEPOSITORS

	Unaudited -for nine months period ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024	Unaudited -for three months ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024
	RO' 000	RO' 000	RO' 000	RO' 000
Customers' deposits	119,798	144,852	36,848	46,367
Bank borrowings	34,699	35,708	12,783	10,594
Euro medium term notes	6,973	6,973	2,324	2,324
	161,470	187,533	51,955	59,285
Islamic customers' deposits	46,124	37,327	15,403	13,912
Sukuk	695	1,452	239	239
Islamic bank borrowings	4,476	11,524	1,119	2,678
	51,295	50,303	16,761	16,829
	212,765	237,836	68,716	76,114

15. COMMISSION AND FEES INCOME (NET)

	Unaudited -for nine months period ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024	Unaudited -for three months ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024
	RO' 000	RO' 000	RO' 000	RO' 000
Fees and commission income	102,776	94,211	35,566	32,338
Fees and commission expense	(30,044)	(22,427)	(10,349)	(7,505)
	72,732	71,784	25,217	24,833

16. OTHER OPERATING INCOME

	Unaudited -for nine months period ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024	Unaudited -for three months ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024
	RO' 000	RO' 000	RO' 000	RO' 000
Foreign exchange	23,742	28,901	8,621	8,879
Changes in fair value of financial assets	6,146	(707)	2,509	(757)
Net realised gain (loss) on sale of fair value investments	1,095	948	770	160
Dividend income	19,730	9,240	4,524	1,889
Other income	125	165	95	56
	50,838	38,547	16,519	10,227

Dividend income recognised on FVOCI investments during the period ended 30 September 2025 is RO 11,857 thousands. (30 September 2024: RO 9,067 thousands), out of which RO 322 thousands (30 September 2024: RO 248 thousands) pertains to investments sold during this period.

17. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Unaudited -for nine months period ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024	Unaudited -for three months ended- 30-Sep-2025	Unaudited period ended- 30-Sep-2024
	RO' 000	RO' 000	RO' 000	RO' 000
(Impairment) / reversal of impairment for credit losses:				
- Cash and Central bank balances	-	2	-	-
- Due from banks	488	(599)	470	(177)
- Loans and advances to customers	(64,657)	(71,315)	(19,844)	(26,994)
- Financial guarantees	1,078	4,156	(171)	695
- Acceptances	(441)	(273)	(523)	(655)
- Loan commitments / unutilised limits	(2,524)	(523)	(2,995)	2,679
- Investments	(48)	(589)	629	(7)
	(66,104)	(69,141)	(22,434)	(24,459)
Recoveries from impairment for credit losses	21,833	21,700	8,834	7,679
Recoveries from loans previously written off	643	1,321	133	619
	22,476	23,021	8,967	8,298
	(43,628)	(46,120)	(13,467)	(16,161)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

18. RELATED PARTY TRANSACTIONS

In the ordinary course of business, the Group conducts transactions with certain of its directors, shareholders, senior management and companies in which they have a significant interest. The Group engages in transactions with related parties only on arm's length terms and in accordance with relevant laws and regulations. Terms of these transactions are approved by the Bank's Board and Management, where applicable. The balances in respect of related parties included in the consolidated statement of financial position as at the reporting date are as follows:

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
a) Directors and senior management			
Loans and advances	346	526	330
Current, deposit and other accounts	3,136	3,103	3,554
b) Major shareholders and others			
Loans and advances (gross)			
- Shareholders holding 20% or more interest in the Bank and their related entities	31,640	31,806	30,118
- Other related parties	69,575	116,269	113,631
	<u>101,215</u>	<u>148,075</u>	<u>143,749</u>
Current, deposit and other accounts			
- Shareholders holding 20% or more interest in the Bank and their related entities	35,727	10,938	19,312
- Other related parties	30,317	32,593	31,542
	<u>66,044</u>	<u>43,531</u>	<u>50,854</u>
Customers' liabilities under documentary credits, guarantees and other commitments			
- Shareholders holding 20% or more interest in the Bank and their related entities	-	-	-
- Other related parties	4,881	5,030	5,761
	<u>4,881</u>	<u>5,030</u>	<u>5,761</u>

The income and expenses in respect of related parties included in the interim condensed consolidated financial statements are as follows:

	<i>Unaudited -for nine months period ended- 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>	<i>Unaudited -for three months period ended- 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
a) Directors and senior management				
Interest income	14	19	4	4
Interest expenditure	75	87	22	28
b) Major shareholders and others				
Interest income				
- Shareholders holding 20% or more interest in the Bank and their related entities	707	1,230	258	411
- Other related parties	3,903	5,287	963	1,625
	<u>4,610</u>	<u>6,517</u>	<u>1,221</u>	<u>2,036</u>
Interest expenditure				
- Shareholders holding 20% or more interest in the Bank and their related entities	194	184	55	69
- Other related parties	808	697	223	194
	<u>1,002</u>	<u>881</u>	<u>278</u>	<u>263</u>

Loans, advances or receivables and non-funded exposure due from related parties or holders of 10 percent or more of Banks shares, or their family members, less all provisions and write-offs, is further analysed as follows:

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
Royal Court Affairs	31,640	31,806	30,118
Omnivest Group	38,132	79,118	81,129
HE Sheikh Mustahail Ahmed Al Mashani Group Companies	36,517	42,372	38,450
Others	153	335	143
	<u>106,442</u>	<u>153,631</u>	<u>149,840</u>

Items of expense which were paid to related parties or holders of 10 percent or more of the bank's shares, or their family members, during the period can be further analysed as follows:

	<i>Unaudited -for nine months period ended- 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>	<i>Unaudited -for three months period ended- 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
Royal Court Affairs	194	184	55	69
Omnivest Group	568	438	145	124
HE Sheikh Mustahail Al Mashani Group Companies	240	258	79	69
Others	75	88	21	29
	<u>1,077</u>	<u>968</u>	<u>300</u>	<u>291</u>

Directors remuneration and sitting fees during the period ended 30 September 2025 is RO 289 thousands (30 September 2024: RO 288 thousands)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
19. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to ordinary shareholders (after adjusting for interest on perpetual tier I capital) for the period by the weighted average number of ordinary shares outstanding during the period as follows:

	<i>Unaudited -for nine months period ended- 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>	<i>Unaudited for three months period ended 30-Sep-2025 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
Profit for the period	191,572	170,786	125,818	112,115
Less: interest on Perpetual Tier I capital	(11,929)	(11,539)	(11,929)	(11,539)
Profit attributable to ordinary shareholders of parent company for basic earnings per share (RO 000's)	179,643	159,247	113,889	100,576
	7,506,397	7,506,397	7,506,397	7,506,397
Basic earnings per share (RO)	0.024	0.021	0.015	0.013

There are no instruments that are dilutive in nature, hence the basic and diluted earnings per share are same for both the periods. Interest on Perpetual Tier I capital is adjusted in computation of earnings per share on payment basis.

20. DERIVATIVES

As at 30 September 2025 (unaudited)	<i>Positive fair value RO' 000</i>	<i>Negative fair value RO' 000</i>	<i>Notional total RO' 000</i>	<i>Notional amounts by term to maturity</i>		
				<i>within 3 months RO' 000</i>	<i>4-12 months RO' 000</i>	<i>> 12 months RO' 000</i>
Cash flow hedge	4,493	-	288,750	-	-	288,750
Interest rate swaps	8,055	7,950	316,024	-	43,405	272,619
Commodities purchase contracts	3,325	55	73,095	50,924	22,053	118
Commodities sale contracts	64	3,271	73,096	50,924	22,053	119
Forward purchase contracts	660	295	1,644,404	954,169	382,942	307,293
Forward sales contracts	2,700	825	1,640,672	950,799	382,572	307,301
Total	19,297	12,396	4,036,041	2,006,816	853,025	1,176,200

As at 31 December 2024 (audited)	<i>Positive fair value RO' 000</i>	<i>Negative fair value RO' 000</i>	<i>Notional total RO' 000</i>	<i>Notional amounts by term to maturity</i>		
				<i>Within 3 months RO' 000</i>	<i>4-12 months RO' 000</i>	<i>> 12 months RO' 000</i>
Cash flow hedge	6,943	-	288,750	-	-	288,750
Interest rate swaps	10,508	10,391	365,902	-	25,052	340,850
Commodities purchase contracts	856	2,564	89,770	50,381	38,216	1,173
Commodities sale contracts	2,607	826	89,771	50,382	38,216	1,173
Forward purchase contracts	7	2,332	1,028,911	203,598	521,074	304,239
Forward sales contracts	5,759	84	1,024,664	200,310	520,887	303,467
Total	26,680	16,197	2,887,768	504,671	1,143,445	1,239,652

As at 30 September 2024 (unaudited)	<i>Positive fair value RO' 000</i>	<i>Negative fair value RO' 000</i>	<i>Notional total RO' 000</i>	<i>Notional amounts by term to maturity</i>		
				<i>Within 3 months RO' 000</i>	<i>4-12 months RO' 000</i>	<i>> 12 months RO' 000</i>
Cash flow hedge	5,488	-	288,750	-	-	288,750
Interest rate swaps	10,451	10,326	377,872	-	449	377,423
Commodities purchase contracts	5,514	258	91,336	76,628	8,003	6,705
Commodities sale contracts	269	5,428	91,338	76,629	8,004	6,705
Forward purchase contracts	1,175	374	1,195,855	685,966	191,866	318,023
Forward sales contracts	702	6,128	1,199,273	690,392	191,706	317,175
Total	23,599	22,514	3,244,424	1,529,615	400,028	1,314,781

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
21. SEGMENTAL INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive committee that are used to make strategic decisions. The committee considers the business from both a geographic and product perspective. Geographically, management considers the performance of whole bank in Oman and International markets. The Oman market is further segregated into corporate, consumer, wholesale and Islamic banking as all of these business lines are located in Oman. Segment information in respect of geographical locations is as follows:

<i>Unaudited</i> 30-Sep-2024 <i>RO' 000</i>	<i>Unaudited</i> 30-Sep-2024 <i>RO' 000</i>	<i>Unaudited</i> 30-Sep-2024 <i>RO' 000</i>		<i>Unaudited</i> 30-Sep-2025 <i>RO' 000</i>	<i>Unaudited</i> 30-Sep-2025 <i>RO' 000</i>	<i>Unaudited</i> 30-Sep-2025 <i>RO' 000</i>
<i>Total</i>	<i>International</i>	<i>Oman</i>		<i>Oman</i>	<i>International</i>	<i>Total</i>
457,055	11,053	446,002	Interest income	435,158	9,013	444,171
(187,533)	(6,828)	(180,705)	Interest expense	(156,507)	(4,963)	(161,470)
74,695	-	74,695	Income from Islamic financing	79,491	-	79,491
(50,303)	-	(50,303)	Distribution to depositors	(51,295)	-	(51,295)
71,784	1,508	70,276	Commission and fee income (net)	70,953	1,779	72,732
38,547	3,310	35,237	Other operating income	35,968	14,870	50,838
404,245	9,043	395,202		413,768	20,699	434,467
			Operating expenses			
(139,285)	(2,798)	(136,487)	Other operating expenses	(142,172)	(2,757)	(144,929)
(15,350)	(198)	(15,152)	Depreciation	(17,548)	(340)	(17,888)
(154,635)	(2,996)	(151,639)		(159,720)	(3,097)	(162,817)
722	722	-	Share of income from an associate	-	431	431
(46,120)	1,849	(47,969)	Net impairment losses on financial assets	(44,089)	461	(43,628)
(33,426)	(842)	(32,584)	Tax expense	(33,852)	(3,029)	(36,881)
(233,459)	(1,267)	(232,192)		(237,661)	(5,234)	(242,895)
170,786	7,776	163,010	Profit (Loss) for the period	176,107	15,465	191,572
			Other information			
14,056,319	446,480	13,609,839	Total assets	14,035,357	522,313	14,557,670
11,649,731	203,062	11,446,669	Total liabilities	11,828,747	201,646	12,030,393

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
21. SEGMENTAL INFORMATION (continued)

The Bank reports the segment information by the following business segments Corporate, Consumer, Wholesale, International and Islamic banking. The following table shows the distribution of the Bank's operating income, net profit and total assets by business segments:

30 September 2025 (unaudited)	Corporate banking RO '000	Consumer banking RO '000	Wholesale banking RO '000	International banking* RO '000	Subtotal RO '000	Islamic banking RO '000	Total RO '000
Segment revenue							
Net interest income	102,719	139,213	36,709	4,060	282,701	-	282,701
Net income from Islamic financing					-	28,196	28,196
Commission, fees and other income	19,474	50,010	31,896	16,642	118,022	5,548	123,570
Operating income	122,193	189,223	68,605	20,702	400,723	33,744	434,467
Segment costs							
Operating expenses	(28,902)	(102,945)	(14,289)	(4,426)	(150,562)	(12,255)	(162,817)
Share of income from associate	-	-	-	431	431	-	431
Impairment (net)	(21,843)	(10,888)	126	461	(32,144)	(11,484)	(43,628)
Tax expense	(11,561)	(12,200)	(8,810)	(2,808)	(35,379)	(1,502)	(36,881)
	(62,306)	(126,033)	(22,973)	(6,342)	(217,654)	(25,241)	(242,895)
Segment profit for the period	59,887	63,190	45,632	14,360	183,069	8,503	191,572
Segment assets	4,830,572	4,153,436	3,033,438	522,314	12,539,760	2,017,910	14,557,670
Segment liabilities	4,360,549	4,477,028	1,211,636	201,655	10,250,868	1,779,525	12,030,393

30 September 2024 (unaudited)	Corporate banking RO '000	Consumer banking RO '000	Wholesale banking RO '000	International banking* RO '000	Subtotal RO '000	Islamic banking RO '000	Total RO '000
Segment revenue							
Net interest income	103,974	129,675	31,655	4,218	269,522	-	269,522
Net income from Islamic financing	-	-	-	-	-	24,392	24,392
Commission, fees and other income	16,095	51,863	33,800	4,823	106,581	3,750	110,331
Operating income	120,069	181,538	65,455	9,041	376,103	28,142	404,245
Segment costs							
Operating expenses	(27,565)	(98,252)	(13,287)	(4,248)	(143,352)	(11,283)	(154,635)
Share of income from associate	-	-	-	722	722	-	722
Impairment (net)	(27,719)	(10,324)	(745)	1,853	(36,935)	(9,185)	(46,120)
Tax expense	(10,825)	(12,193)	(8,593)	(842)	(32,453)	(973)	(33,426)
	(66,109)	(120,769)	(22,625)	(2,515)	(212,018)	(21,441)	(233,459)
Segment profit for the period	53,960	60,769	42,830	6,526	164,085	6,701	170,786
Segment assets	4,627,921	4,150,984	3,045,040	321,194	12,145,139	1,911,180	14,056,319
Segment liabilities	4,461,254	4,226,496	1,066,726	208,946	9,963,422	1,686,309	11,649,731

Note: * International banking includes overseas operations and cost allocations from Oman operations

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
22. ASSET LIABILITY MATURITY

The asset and liability maturity profile was as follows:

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
ASSETS			
On demand or within one month	2,420,225	2,213,494	2,151,018
Two to three months	1,437,506	1,196,781	1,256,590
Four to twelve months	1,515,630	1,493,064	1,628,793
One to five years	4,972,338	3,520,679	3,598,192
More than five years	4,211,971	5,487,937	5,421,726
	14,557,670	13,911,955	14,056,319
LIABILITIES AND EQUITY			
On demand or within one month	1,517,443	1,305,516	1,252,884
Two to three months	1,075,101	1,406,066	1,180,480
Four to twelve months	3,903,382	2,476,022	2,727,169
One to five years	4,217,788	4,781,784	4,865,479
More than five years	3,843,956	3,942,567	4,030,307
	14,557,670	13,911,955	14,056,319
MISMATCH			
On demand or within one month	902,782	907,978	898,134
Two to three months	362,405	(209,285)	76,110
Four to twelve months	(2,387,752)	(982,958)	(1,098,376)
One to five years	754,550	(1,261,105)	(1,267,287)
More than five years	368,015	1,545,370	1,391,419
	-	-	-

Mismatch represents difference between assets and liabilities for each maturity band.

23. CAPITAL ADEQUACY

The following table sets out the capital adequacy position of the Bank as per Basel III regulatory requirements

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
Common Equity Tier I capital	1,699,009	1,706,821	1,613,077
Perpetual Tier I capital	505,320	505,320	505,320
Tier I capital	2,204,329	2,212,141	2,118,397
Tier II capital	64,038	90,875	88,105
Total regulatory capital	2,268,367	2,303,016	2,206,502
Total risk weighted assets	11,800,726	11,504,174	11,240,301
Of which: Credit risk weighted assets	10,074,751	10,044,480	10,108,540
Of which: Market risk weighted assets	766,247	499,966	226,929
Of which: Operational risk weighted assets	959,728	959,728	904,832
Capital ratios :			
Common Equity Tier 1	14.40%	14.84%	14.35%
Tier 1	18.68%	19.23%	18.85%
Total capital	19.22%	20.02%	19.63%

24. LIQUIDITY

The following table sets out the Liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) of the Bank:

	<i>Unaudited</i> <i>30-Sep-2025</i> <i>RO' 000</i>	<i>Audited</i> <i>31-Dec-2024</i> <i>RO' 000</i>	<i>Unaudited</i> <i>30-Sep-2024</i> <i>RO' 000</i>
LCR	184%	190%	191%
NSFR	114%	117%	120%

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
25 LEVERAGE RATIO

Under its Basel III guidelines, Basel Committee for Banking Supervision (BCBS) introduced a non-risk sensitive Leverage Ratio to address excessive build-up of on and off-balance sheet exposures, which was the root cause of the Financial/Credit crisis of 2008. The ratio is calculated by dividing the Tier I capital of the bank by the Bank's total assets (sum of all on and off-balance sheet assets). Being a DSIB the Bank is required to maintain a higher Leverage ratio of 5% considering the systemic importance.

Table 1: Summary comparison of accounting assets vs leverage ratio exposure measure as at the reporting dates:

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
1 Total consolidated assets as per published financial statements	14,557,670	13,911,955	14,056,319
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(42,366)	(42,398)	(49,631)
3 Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-	-	-
4 Adjustments for derivative financial instruments	93,150	97,731	108,573
5 Adjustment for securities financing transactions (i.e., repos and similar secured lending)	-	-	-
6 Adjustment for off-balance sheet items (i.e., conversion to credit equivalent amounts of off-balance sheet exposures)	986,089	1,038,521	991,635
7 Other adjustments	-	-	-
8 Leverage ratio exposure	15,594,543	15,005,809	15,106,896

Table 2: Leverage ratio common disclosure template

	<i>Unaudited 30-Sep-2025 RO' 000</i>	<i>Audited 31-Dec-2024 RO' 000</i>	<i>Unaudited 30-Sep-2024 RO' 000</i>
1 On-balance sheet items (excluding derivatives and SFTs, but including collateral)	14,557,670	13,911,955	14,056,319
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(42,366)	(42,398)	(49,631)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	14,515,304	13,869,557	14,006,688
Derivative Exposures			
4 Replacement cost associated with all derivatives transactions (i.e., net of eligible cash variation margin)	19,132	26,186	23,690
5 Add-on amounts for PFE associated with all derivatives transactions	74,018	71,545	84,883
6 Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-	-	-
7 (Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-	-	-
8 (Exempted CCP leg of client-cleared trade exposures)	-	-	-
9 Adjusted effective notional amount of written credit derivatives	-	-	-
10 (Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-	-
11 Total derivative exposures (sum of lines 4 to 10)	93,150	97,731	108,573
Securities financing transaction exposures			
12 Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-	-	-
13 (Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-	-
14 CCR exposure for SFT assets	-	-	-
15 Agent transaction exposures	-	-	-
16 Total securities financing transaction exposures (sum of lines 12 to 15)	-	-	-
Other Off-balance sheet exposures			
17 Off-balance sheet exposure at gross notional amount	2,105,168	2,171,005	2,012,719
18 (Adjustments for conversion to credit equivalent amounts)	(1,119,078)	(1,132,484)	(1,021,084)
19 Off-balance sheet items (sum of lines 17 and 18)	986,090	1,038,521	991,635
Capital and total exposures			
20 Tier 1 capital	2,204,329	2,212,141	2,118,397
21 Total exposures (sum of lines 3, 11, 16 and 19)	15,594,544	15,005,809	15,106,896
Leverage Ratio			
22 Basel III leverage ratio (%)	14.1%	14.7%	14.0%

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
26. CREDIT QUALITY ANALYSIS
26.1 Financial instruments by stages

The following table discloses the stage-wise gross exposure, impairment and net exposure of only those financial assets that are tested for impairment under IFRS 9:

RO'000

30 September 2025	Stage 1	Stage 2	Stage 3	Total
Gross exposure				
Central Bank balances	410,341	-	-	410,341
Due from Banks	421,939	762	-	422,701
Loans and advances / Islamic financing receivables	9,479,740	1,459,276	405,809	11,344,825
Investment Securities at FVOCI	760,824	-	-	760,824
Investment Securities at amortized Cost	1,354,618	5,650	-	1,360,268
Total funded gross exposure	12,427,462	1,465,688	405,809	14,298,959
Financial guarantee contracts	1,362,779	469,987	19,796	1,852,562
Acceptances	70,494	21,402	96	91,992
Loan Commitment/Unutilised limits	2,236,775	314,124	-	2,550,899
Total non-funded gross exposure	3,670,048	805,513	19,892	4,495,453
Total gross exposure	16,097,510	2,271,201	425,701	18,794,412
Impairment				
Due from Banks	4,877	4	-	4,881
Loans and advances / Islamic financing receivables	36,942	252,851	350,538	640,331
Investment Securities at FVOCI	2,425	-	-	2,425
Investment Securities at amortized Cost	380	67	-	447
Total funded impairment	44,624	252,922	350,538	648,084
Financial guarantee contracts	4,871	16,056	18,994	39,921
Acceptances	761	1,218	61	2,040
Loan Commitment/Unutilised limits	7,289	7,645	-	14,934
Total non-funded impairment	12,921	24,919	19,055	56,895
Total impairment	57,545	277,841	369,593	704,979
Net exposure				
Central Bank balances	410,341	-	-	410,341
Due from Banks	417,062	758	-	417,820
Loans and advances / Islamic financing receivables	9,442,798	1,206,425	55,271	10,704,494
Investment Securities at FVOCI	758,399	-	-	758,399
Investment Securities at amortized Cost	1,354,238	5,583	-	1,359,821
Total funded net exposure	12,382,838	1,212,766	55,271	13,650,875
Financial guarantee contracts	1,357,908	453,931	802	1,812,641
Acceptances	69,733	20,184	35	89,952
Loan Commitment/Unutilised limits	2,229,486	306,479	-	2,535,965
Total net non-funded exposure	3,657,127	780,594	837	4,438,558
Total net exposure	16,039,965	1,993,360	56,108	18,089,433

Stage 1: 85.7% of gross exposure in scope for IFRS 9 is in Stage 1 and has not experienced a significant increase in credit risk since origination.

Stage 2: 12.1% of gross exposure is in Stage 2 and has seen an increase in credit risk since origination. These assets are the key driver of increase in impairment allowances under IFRS9.

Stage 3: 2.3% of gross exposure is in Stage 3 which is credit impaired including defaulted assets and some forbearance assets.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
26. CREDIT QUALITY ANALYSIS (continued)
26.1 Financial instruments by stages

The following table discloses the stage-wise gross exposure, impairment and net exposure of only those financial assets that are tested for impairment under IFRS 9:

RO'000

<i>31-Dec-24</i>	Stage 1	Stage 2	Stage 3	Total
Gross exposure				
Central Bank balances	258,757	-	-	258,757
Due from Banks	719,145	1,014	-	720,159
Loans and advances / Islamic financing receivables	8,893,107	1,583,378	420,432	10,896,917
Investment Securities at FVOCI	218,148	54	-	218,202
Investment Securities at amortized Cost	1,625,644	5,362	-	1,631,006
Total funded gross exposure	11,714,801	1,589,808	420,432	13,725,041
Financial guarantee contracts	1,329,262	458,924	23,332	1,811,518
Acceptances	69,209	23,533	59	92,801
Loan Commitment/Unutilised limits	2,416,924	467,253	-	2,884,177
Total non-funded gross exposure	3,815,395	949,710	23,391	4,788,496
Total gross exposure	15,530,196	2,539,518	443,823	18,513,537
Impairment				
Due from Banks	5,357	11	-	5,368
Loans and advances / Islamic financing receivables	33,083	269,788	356,598	659,469
Investment Securities at FVOCI	2,378	-	-	2,378
Investment Securities at amortized Cost	357	89	-	446
Total funded impairment	41,175	269,888	356,598	667,661
Financial guarantee contracts	4,243	14,780	21,954	40,977
Acceptances	501	1,045	52	1,598
Loan Commitment/Unutilised limits	4,930	7,480	-	12,410
Total non-funded impairment	9,674	23,305	22,006	54,985
Total impairment	50,849	293,193	378,604	722,646
Net exposure				
Central Bank balances	258,757	-	-	258,757
Due from Banks	713,788	1,003	-	714,791
Loans and advances / Islamic financing receivables	8,860,024	1,313,590	63,834	10,237,448
Investment Securities at FVOCI	215,770	54	-	215,824
Investment Securities at amortized Cost	1,625,287	5,273	-	1,630,560
Total funded net exposure	11,673,626	1,319,920	63,834	13,057,380
Financial guarantee contracts	1,325,019	444,144	1,378	1,770,541
Acceptances	68,708	22,488	7	91,203
Loan Commitment/Unutilised limits	2,411,994	459,773	-	2,871,767
Total net non-funded exposure	3,805,721	926,405	1,385	4,733,511
Total net exposure	15,479,347	2,246,325	65,219	17,790,891

Stage 1: 83.9% of gross exposure in scope for IFRS 9 is in Stage 1 and has not experienced a significant increase in credit risk since origination.

Stage 2: 13.7% of gross exposure is in Stage 2 and has seen an increase in credit risk since origination. These assets are the key driver of increase in impairment allowances under IFRS9.

Stage 3: 2.4% of gross exposure is in Stage 3 which is credit impaired including defaulted assets and some forbearance assets.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
26. CREDIT QUALITY ANALYSIS (continued)
26.2 COMPARISON OF IFRS 9 WITH CENTRAL BANK OF OMAN (CBO) NORMS

The following tables are as per the requirements of CBO circular BM 1149:

a. Impairment charge and provisions held

RO '000

<i>As at 30 September 2025 (Unaudited)</i>	<i>As per CBO norms</i>	<i>As per IFRS 9</i>	<i>Difference</i>
Impairment loss charged to statement of comprehensive income (net of recoveries)*	43,628	43,628	-
Provisions required as per CBO norms / held as per IFRS 9 *	520,262	704,979	(184,717)
Gross NPL ratio **	3.58%	3.58%	-
Net NPL ratio **	0.38%	0.33%	0.05%

* Note: Impairment loss and provisions held above includes unallocated provision created by the bank

** NPL ratios are calculated on the basis of funded non performing loans and funded exposures

b. Comparison of provision held as per IFRS 9 and required as per CBO norms

RO '000

<i>Asset classification as per CBO norms</i>	<i>Asset classification as per IFRS 9</i>	<i>Gross amount</i>	<i>Provision as per CBO norms</i>	<i>Reserve interest as per CBO norms</i>	<i>Provision as per IFRS 9</i>	<i>Difference</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7) = (4)+(5)-(6)	(8) = (3)-(6)	(9)
Standard	Stage 1	9,901,679	141,471	-	41,819	99,652	9,859,860	-
	Stage 2	1,058,783	10,757	-	189,087	(178,330)	869,696	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	10,960,462	152,228	-	230,906	(78,678)	10,729,556	-
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	401,255	4,341	-	63,768	(59,427)	337,487	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	401,255	4,341	-	63,768	(59,427)	337,487	-
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	20,604	5,054	384	5,438	-	15,166	-
	Sub total	20,604	5,054	384	5,438	-	15,166	-
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	20,130	8,673	1,146	15,719	(5,900)	4,411	-
	Sub total	20,130	8,673	1,146	15,719	(5,900)	4,411	-
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	384,967	289,313	59,123	348,436	-	36,531	-
	Sub total	384,967	289,313	59,123	348,436	-	36,531	-
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	6,195,831	-	-	15,726	(15,726)	6,180,105	-
	Stage 2	811,163	-	-	24,986	(24,986)	786,177	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	7,006,994	-	-	40,712	(40,712)	6,966,282	-
Total	Stage 1	16,097,510	141,471	-	57,545	83,926	16,039,965	-
	Stage 2	2,271,201	15,098	-	277,841	(262,743)	1,993,360	-
	Stage 3	425,701	303,040	60,653	369,593	(5,900)	56,108	-
	Total	18,794,412	459,609	60,653	704,979	(184,717)	18,089,433	-

c. Restructured loans

RO '000

<i>Asset classification as per CBO norms</i>	<i>Asset classification as per IFRS 9</i>	<i>Gross amount</i>	<i>Provision as per CBO norms*</i>	<i>Reserve interest as per CBO norms</i>	<i>Provision as per IFRS 9</i>	<i>Difference</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
(1)	(2)	(3)	(4)	(5)	(6)	(4)+(5)-(6)	(8) = (3)-(6)	(9)
Classified as performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	58,449	584	-	6,917	(6,333)	51,532	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	58,449	584	-	6,917	(6,333)	51,532	-
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	98,221	72,395	11,645	84,507	(467)	13,714	-
	Sub total	98,221	72,395	11,645	84,507	(467)	13,714	-
Total	Stage 1	-	-	-	-	-	-	-
	Stage 2	58,449	584	-	6,917	(6,333)	51,532	-
	Stage 3	98,221	72,395	11,645	84,507	(467)	13,714	-
	Total	156,670	72,979	11,645	91,424	(6,800)	65,246	-

In addition to the above, the loan outstanding of customers whose credit facilities were rescheduled as per the COVID19 guidelines of Central Bank of Oman amounted to RO 726.598 million (Stage 1: RO 74.25 million, Stage 2: RO 537.141 million and Stage 3: RO 115.207 million) with an impairment allowance (incl. overlays) of RO 203.521 million (Stage 1: RO 6.255 million, Stage 2: RO 94.044 million, Stage 3: RO 103.222 million).

This Document is classified as **Official**

**NOTES TO THE INTERIM NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
26. CREDIT QUALITY ANALYSIS (continued)
26.2 COMPARISON OF IFRS 9 WITH CENTRAL BANK OF OMAN (CBO) NORMS

The following tables are as per the requirements of CBO circular BM 1149:

a. Impairment charge and provisions held

RO '000

<i>As at 31 December 2024 (Audited)</i>	<i>As per CBO norms</i>	<i>As per IFRS 9</i>	<i>Difference</i>
Impairment loss charged to statement of comprehensive income (net of recoveries)*	64,406	64,406	-
Provisions required as per CBO norms / held as per IFRS 9 *	531,509	722,646	(191,137)
Gross NPL ratio **	3.86%	3.86%	-
Net NPL ratio **	0.65%	0.61%	0.04%

* Note: Impairment loss and provisions held above includes unallocated provision created by the Bank

** NPL ratios are calculated on the basis of funded non performing loans and funded exposures

b. Comparison of provision held as per IFRS 9 and required as per CBO norms

RO '000

<i>Asset classification as per CBO norms As at 31 December 2024</i>	<i>Asset classification as per IFRS 9</i>	<i>Gross amount</i>	<i>Provision as per CBO norms</i>	<i>Reserve interest as per CBO norms</i>	<i>Provision as per IFRS 9</i>	<i>Difference</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7) = (4)+(5)-(6)</i>	<i>(8) = (3)-(6)</i>	<i>(9)</i>
Standard	Stage 1	9,612,252	135,259	-	38,440	96,819	9,573,812	-
	Stage 2	1,218,718	12,278	-	172,058	(159,780)	1,046,660	-
	Stage 3	-	-	-	-	-	-	-
		10,830,970	147,537	-	210,498	(62,961)	10,620,472	-
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	365,674	8,477	1,222	97,741	(88,042)	267,933	-
	Stage 3	-	-	-	-	-	-	-
		365,674	8,477	1,222	97,741	(88,042)	267,933	-
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	20,987	5,049	789	5,838	-	15,149	-
		20,987	5,049	789	5,838	-	15,149	-
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	28,079	12,534	1,318	18,184	(4,332)	9,895	-
		28,079	12,534	1,318	18,184	(4,332)	9,895	-
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	394,757	278,198	76,385	354,582	1	40,175	-
		394,757	278,198	76,385	354,582	1	40,175	-
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	5,917,944	-	-	12,409	(12,409)	5,905,535	-
	Stage 2	955,126	-	-	23,394	(23,394)	931,732	-
	Stage 3	-	-	-	-	-	-	-
		6,873,070	-	-	35,803	(35,803)	6,837,267	-
Total	Stage 1	15,530,196	135,259	-	50,849	84,410	15,479,347	-
	Stage 2	2,539,518	20,755	1,222	293,193	(271,216)	2,246,325	-
	Stage 3	443,823	295,781	78,492	378,604	(4,331)	65,219	-
		18,513,537	451,795	79,714	722,646	(191,137)	17,790,891	-

c. Restructured loans

<i>Asset classification as per CBO norms as at 31 December 2024</i>	<i>Asset classification as per IFRS 9</i>	<i>Gross amount</i>	<i>Provision as per CBO norms</i>	<i>Reserve interest as per CBO norms</i>	<i>Provision as per IFRS 9</i>	<i>Difference</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>	<i>(4)</i>	<i>(5)</i>	<i>(6)</i>	<i>(7) = (4)+(5)-(6)</i>	<i>(8) = (3)-(6)</i>	<i>(9)</i>
Classified as performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	62,113	621	-	6,288	(5,667)	55,825	-
	Stage 3	-	-	-	-	-	-	-
		62,113	621	-	6,288	(5,667)	55,825	-
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	103,918	68,685	12,028	85,026	(4,313)	18,892	-
		103,918	68,685	12,028	85,026	(4,313)	18,892	-
Total	Stage 1	-	-	-	-	-	-	-
	Stage 2	62,113	621	-	6,288	(5,667)	55,825	-
	Stage 3	103,918	68,685	12,028	85,026	(4,313)	18,892	-
		166,031	69,306	12,028	91,314	(9,980)	74,717	-

In addition to the above, the loan outstanding of customers whose credit facilities were rescheduled as per the COVID19 guidelines of Central Bank of Oman amounted to RO 814.071 million (Stage 1: RO 90.919 million, Stage 2: RO 655.995 million and Stage 3: RO 67.157 million) with an impairment allowance of RO 184.233 million (Stage 1: RO 4.282 million, Stage 2: RO 126.345 million and Stage 3: RO 53.606 million).

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
27. FAIR VALUE INFORMATION

Based on the valuation methodology outlined below, the fair values of all on-balance sheet financial instruments at reporting dates are considered by the Board and Management not to be materially different to their book values:

As of 30 September 2025 (Unaudited)	Designated as at FVTPL RO' 000	Designated as at FVOCI RO' 000	Amortised cost RO' 000	Total carrying value RO' 000	Fair value RO' 000	Level
Cash and balances with Central Banks	-	-	602,400	602,400	602,400	3
Due from banks	-	89,194	328,626	417,820	413,922	2,3
Loans and advances and Islamic financing receivables	-	47,692	10,656,802	10,704,494	10,400,111	3
Investment securities	194,841	1,049,291	1,359,821	2,603,953	2,606,388	1,2,3
Positive fair value of derivatives	19,297	-	-	19,297	19,297	2
	214,138	1,186,177	12,947,649	14,347,964	14,042,119	
Deposits from banks	-	-	1,183,622	1,183,622	1,197,768	3
Customers' deposits and Islamic customer deposits	-	-	10,099,038	10,099,038	10,395,390	3
Sukuk	-	-	16,665	16,665	16,996	1
Euro medium term notes	-	-	192,853	192,853	195,206	1
Negative fair value of derivatives	12,396	-	-	12,396	12,396	2
	12,396	-	11,492,178	11,504,574	11,817,756	

As of 31 December 2024 (Audited)	Designated as at FVTPL RO' 000	Designated as at FVOCI RO' 000	Amortised cost RO' 000	Total carrying value RO' 000	Fair value RO' 000	Level
Cash and balances with Central Banks	-	-	476,739	476,739	476,739	3
Due from banks	-	55,812	658,979	714,791	725,753	2,3
Loans and advances and Islamic financing receivables	-	-	10,237,448	10,237,448	9,989,651	3
Investment securities	27,866	449,554	1,630,560	2,107,980	2,109,880	1,2,3
Positive fair value of derivatives	26,680	-	-	26,680	26,680	2
	54,546	505,366	13,003,726	13,563,638	13,328,703	
Deposits from banks	-	-	978,178	978,178	989,687	3
Customers' deposits and Islamic customer deposits	-	-	9,777,068	9,777,068	10,037,515	3
Sukuk	-	-	16,842	16,842	16,842	1
Euro medium term notes	-	-	195,139	195,139	201,314	1
Negative fair value of derivatives	16,197	-	-	16,197	16,197	2
	16,197	-	10,967,227	10,983,424	11,261,555	

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**
27. FAIR VALUE INFORMATION (continued)

The following table presents the Bank's assets and liabilities that are measured at fair value at the reporting dates:

<i>As of 30 September 2025</i>	<i>Level 1 RO'000</i>	<i>Level 2 RO'000</i>	<i>Level 3 RO'000</i>	<i>Total RO'000</i>
Assets				
Derivatives	-	19,297	-	19,297
FVOCI Due from banks	-	89,194	-	89,194
FVOCI Loans and advances and Islamic financing receivables	-	47,692	-	47,692
FVTPL Equity	172,704	-	22,137	194,841
FVTPL Debt	-	-	-	-
FVOCI Equity	289,840	-	1,052	290,892
FVOCI Debt	653,396	-	105,003	758,399
Total Assets	1,115,940	156,183	128,192	1,400,315
Liabilities				
Derivatives	-	12,396	-	12,396
<i>As of 31 December 2024</i>	<i>Level 1 RO'000</i>	<i>Level 2 RO'000</i>	<i>Level 3 RO'000</i>	<i>Total RO'000</i>
Assets				
Derivatives	-	26,680	-	26,680
FVOCI Due from banks	-	55,812	-	55,812
FVTPL Equity	9,410	-	18,456	27,866
FVOCI Equity	232,472	-	1,258	233,730
FVOCI Debt	215,824	-	-	215,824
Total Assets	457,706	82,492	19,714	559,912
Liabilities				
Derivatives	-	16,197	-	16,197

The following table demonstrate the movement of the Bank's level 3 investments:

<i>As of 30 September 2025 (Unaudited)</i>	<i>FVOCI Equity RO'000</i>	<i>FVTPL Equity RO'000</i>	<i>Total RO'000</i>
At 1 January 2025	1,258	18,456	19,714
Realised gain on sale	-	890	890
Gain (loss) from change in fair value	(206)	42	(164)
Additions	-	4,767	4,767
Disposals and redemption	-	(2,047)	(2,047)
Exchange differences	-	29	29
	1,052	22,137	23,189
<i>As of 31 December 2024 (Audited)</i>	<i>FVOCI Equity RO'000</i>	<i>FVTPL Equity RO'000</i>	<i>Total RO'000</i>
At 1 January	1,546	15,154	16,700
Realised gain on sale	-	1,392	1,392
Gain (loss) from change in fair value	(288)	(154)	(442)
Additions	-	4,653	4,653
Disposals and redemption	-	(2,513)	(2,513)
Exchange differences	-	(76)	(76)
	1,258	18,456	19,714

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2025**

27. FAIR VALUE INFORMATION (continued)

As of 30 September 2025, 9% (31 December 2024: 11%) of the level 3 equity securities were valued on the basis of fair valuation carried out in accordance with appropriate valuation techniques based on income approach (discounting of cash flows), market approach (using prices or other relevant information generated by market transactions of identical or similar entities), cost approach or a combination thereof. Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, using the best information available in the circumstances. These might include banks own data and would consider all information about market participant assumptions that is reasonably available.

As of 30 September 2025, 91% (31 December 2024: 89%) of the level 3 equity securities were valued on the basis of latest available capital accounts statements of the investee companies received from independent fund managers as at 30 June 2025 or at a later date and adjusted for subsequent cash flows till 30 September 2025 or based on net asset values received from independent fund managers as at 30 June 2025 or at a later date.

The debt investments were valued on fair value basis. Valuation is based on Risk adjusted discount rate (yield) considering a reasonable range of estimates. A significant decrease in the credit quality would result in a lower fair value with significant increase in the spread above the risk-free rate and vice-versa. The Bank holds adequate provisioning on the above investments as of the reporting date.

There are no transfers of securities between Level 1, 2 and 3 during the period. Further, there is no change in the techniques used for fair valuation of level 3 securities during the period.

28. Comparative figures

No material corresponding figures for 2024 included for comparative purposes were reclassified.