



Bank Muscat SAOG

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026



INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026

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INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

		<i>Unaudited</i> <i>31-Mar-2026</i> <i>₹ 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>₹ 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>₹ 000</i>
	<i>Notes</i>			
Assets				
Cash and balances with Central Banks		516,661	560,524	749,823
Due from banks	3	534,922	720,073	574,282
Loans and advances	4	9,495,192	9,083,751	8,897,640
Islamic financing receivables	4	1,715,669	1,658,654	1,643,787
Investments securities	5	2,812,131	2,813,695	2,231,525
Investment in associate	6	9,947	9,950	9,679
Other assets	7	211,681	195,869	174,006
Property, equipment and software		84,802	86,580	83,325
Total assets		15,381,005	15,129,096	14,364,067
Liabilities and equity				
Liabilities				
Deposits from banks	8	1,360,989	1,020,730	1,261,177
Customers' deposits	9	8,821,192	8,741,504	8,433,502
Islamic customers' deposits	9	1,670,927	1,688,777	1,569,739
Sukuk		16,597	16,826	16,597
Euro medium term notes		295,769	487,387	192,853
Other liabilities	10	557,927	499,324	428,354
Taxation		94,386	82,422	81,267
Total liabilities		12,817,787	12,536,970	11,983,489
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		208,586	208,586	183,032
Revaluation reserve		4,904	4,904	4,904
Cumulative changes in fair value		127,535	84,949	45,697
Foreign currency translation reserve		(1,818)	(1,821)	(3,706)
Cash flow hedge reserve		3,645	3,464	5,055
Retained earnings		397,933	469,611	323,163
Total equity attributable to the equity holders		2,057,898	2,086,806	1,875,258
Perpetual Tier I capital		505,320	505,320	505,320
Total equity		2,563,218	2,592,126	2,380,578
Total liabilities and equity		15,381,005	15,129,096	14,364,067
Net assets per share (in ₹)		0.274	0.278	0.250
Contingent liabilities and commitments	12	1,982,369	1,957,031	1,762,684

The interim condensed consolidated financial statements were approved by the Board of Directors on 28 April 2026.
The attached notes 1 to 28 form part of these interim condensed consolidated financial statements.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**

	Notes	Unaudited -for three months period ended-	
		31-Mar-2026 A 000	31-Mar-2025 A 000
Interest income	13	150,073	148,740
Interest expense	14	(55,152)	(55,721)
Net interest income		94,921	93,019
Income from Islamic financing / investments	13	25,939	26,484
Distribution to depositors	14	(16,719)	(17,500)
Net income from Islamic financing		9,220	8,984
Net interest income and income from Islamic financing		104,141	102,003
Commission and fee income (net)	15	23,738	23,480
Other operating income	16	17,396	15,192
Operating income		145,275	140,675
Operating expenses			
Other operating expenses		(51,957)	(49,325)
Depreciation		(5,824)	(5,708)
		(57,781)	(55,033)
Share of results from an associate	6	57	39
Net impairment losses on financial assets	17	(11,236)	(15,037)
		(68,960)	(70,031)
Profit before taxation		76,315	70,644
Tax expense		(12,370)	(12,083)
Profit for the period		63,945	58,561
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		3	(16)
Change in fair value of FVOCI debt investments		(3,880)	740
Share of other comprehensive income of an associate		(60)	(20)
Change in fair value of cash flow hedge		181	(846)
		(3,756)	(142)
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 investments		46,018	1,182
		46,018	1,182
Other comprehensive income / (expense) for the period		42,262	1,040
Total comprehensive income for the period		106,207	59,601
Total comprehensive income for the period attributable to:			
Equity holders of Parent Company		106,207	59,601
Profit attributable to:			
Equity holders of Parent Company		63,945	58,561
Earnings per share (in A)			
- Basic and diluted	18	0.009	0.008

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 THREE MONTHS PERIOD ENDED 31 MARCH 2026**

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>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>
Balance at 1 January 2026	750,640	156,215	410,258	208,586	4,904	3,464	84,949	(1,821)	469,611	2,086,806	505,320	2,592,126
Profit for the period	-	-	-	-	-	-	-	-	63,945	63,945	-	63,945
Other comprehensive (expense) income	-	-	-	-	-	181	42,078	3	-	42,262	-	42,262
Total comprehensive (expense) income	-	-	-	-	-	181	42,078	3	63,945	106,207	-	106,207
Transfer within equity upon disposal of FVOCI equity investments	-	-	-	-	-	-	508	-	(508)	-	-	-
Dividends paid (note 11)	-	-	-	-	-	-	-	-	(135,115)	(135,115)	-	(135,115)
Interest paid on Perpetual Tier 1 Capital	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	750,640	156,215	410,258	208,586	4,904	3,645	127,535	(1,818)	397,933	2,057,898	505,320	2,563,218

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 earnings</i>	<i>Total</i>	<i>Perpetual Tier I Capital</i>	<i>Total</i>
	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 000</i>	<i>oA ' 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	-	-	-	-	-	-	-	-	58,561	58,561	-	58,561
Other comprehensive (expense) income	-	-	-	-	-	(846)	1,902	(16)	-	1,040	-	1,040
Total comprehensive (expense) income	-	-	-	-	-	(846)	1,902	(16)	58,561	59,601	-	59,601
Transfer within equity upon disposal of FVOCI equity investments	-	-	-	-	-	-	(11)	-	11	-	-	-
Dividends paid (note 11)	-	-	-	-	-	-	-	-	(123,856)	(123,856)	-	(123,856)
Interest paid on Perpetual Tier 1 Capital	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	750,640	156,215	410,258	183,032	4,904	5,055	45,697	(3,706)	323,163	1,875,258	505,320	2,380,578

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 THREE MONTHS PERIOD ENDED 31 MARCH 2026

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷼ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷼ ' 000</i>
Operating activities		
Profit for the period before taxation	76,315	70,644
Adjustments for :		
Depreciation	5,824	5,708
Net impairment losses on financial assets	11,236	15,037
Share of results from associates	(57)	(39)
(Profit) Loss on sale of property and equipment	-	3
(Profit) Loss on sale of investments	(225)	(4)
Dividend income	(7,461)	(7,942)
Operating profit before working capital changes	85,632	83,407
Due from banks	139,837	217,184
Loans and advances	(428,697)	(291,670)
Islamic financing receivables	(54,041)	(26,013)
Other assets	(15,811)	103,638
Deposits from banks	340,259	282,999
Customers' deposits	79,688	240,334
Islamic customers' deposits	(17,850)	(14,161)
Other liabilities	64,003	(6,842)
Cash from operations	193,020	588,876
Income taxes paid	(595)	-
Net cash from operating activities	192,425	588,876
Investing activities		
Dividend from an associate	-	-
Dividend income	7,461	7,942
Purchase of investments	(204,859)	(364,351)
Proceeds from sale of investments	317,159	201,667
Net movement in property and equipment	(4,046)	(1,491)
Net cash from / (used in) investing activities	115,715	(156,233)
Financing activities		
Dividends paid	(135,115)	(123,856)
Repayment of Euro medium term notes	(192,500)	-
Net cash used in financing activities	(327,615)	(123,856)
Net change in cash and cash equivalents	(19,475)	308,787
Cash and cash equivalents at 1 January	1,327,018	1,230,584
Cash and cash equivalents at 31 March	1,307,543	1,539,371
Cash and cash equivalent comprises of the following:		
Cash and balances with Central Banks	516,161	749,323
Treasury bills	701,077	408,870
Due from banks	90,305	381,178
	1,307,543	1,539,371

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 THREE MONTHS PERIOD ENDED 31 MARCH 2026****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 200 branches including services centers (31 March 2025: 191 branches) within the Sultanate of Oman and one branch in Riyadh, Kingdom of Saudi Arabia. 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. The address of the Group is Bank Muscat Head Office, Building No. 120/4 Block No. 311, Street No. 62, Airport Heights - Seeb, Muscat, Oman.

As at 31 March 2026, the Bank operates in 5 countries (31 March 2025: 6 countries) and employed 4,470 employees (31 March 2025: 4,387 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 (31 March 2025 - 32 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 31 March 2026 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 ("ر.ع."). These unaudited interim condensed consolidated financial statements of the Bank are prepared in Rial Omani ("ر.ع."), rounded to the nearest thousand, 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 2025. In addition, results of the Bank for the period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year 2026.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026****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 2025, except for the adoption of new standards effective as of 1 January 2026. 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 2026, but do not have an impact on the interim condensed consolidated financial statements of the Bank. The above amendments are effective from 1 January 2026.

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
3. DUE FROM BANKS

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ ' 000</i>
At amortised cost			
Nostro balances	48,248	43,055	120,883
Inter-bank placements	327,040	551,043	278,556
Loans to banks	50,879	51,221	92,948
	426,167	645,319	492,387
At FVOCI			
Loans to banks	114,126	80,000	87,220
	540,293	725,319	579,607
Less: impairment loss allowance	(5,371)	(5,246)	(5,325)
	534,922	720,073	574,282

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

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ ' 000</i>
Loans	5,040,390	4,608,945	4,491,165
Overdrafts and credit cards	306,164	299,894	365,559
Loans against trust receipts	269,245	227,836	225,558
Bills purchased and discounted	226,065	230,074	244,273
Other advances	227,193	265,744	208,700
Personal and housing loans	3,983,209	3,993,167	3,947,666
	10,052,266	9,625,660	9,482,921
Less: impairment loss allowance	(557,074)	(541,909)	(585,281)
	9,495,192	9,083,751	8,897,640

Islamic financing receivables

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ ' 000</i>
Housing finance	548,244	550,081	551,124
Corporate finance	1,202,203	1,142,189	1,119,315
Consumer finance	74,268	72,552	66,752
	1,824,715	1,764,822	1,737,191
Less: impairment loss allowance	(109,046)	(106,168)	(93,404)
	1,715,669	1,658,654	1,643,787



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**

4. LOANS AND ADVANCES / ISLAMIC FINANCING RECEIVABLES (continued)

Movement in impairment loss is analysed below:

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷮' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷮' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷮' 000</i>
1 January	648,077	659,469	659,469
Impairment for credit losses	22,240	75,321	20,193
Interest reserved during the period	5,074	22,874	6,756
Recoveries from impairment for credit losses	(7,278)	(26,611)	(6,140)
Reserve interest recovered during the period	(1,593)	(5,763)	(1,824)
(Written off) / reversed during the period	(415)	(19,743)	151
Transfer from / (to) Memorandum portfolio	8	(57,475)	87
Foreign currency translation difference	9	6	(5)
Other movements	(2)	(1)	(2)
At 31 March / 31 December	666,120	648,077	678,685

At 31 March 2026, loans and advances on which contractual interest is not being accrued or has not been recognised amounted to ﷮ 419.1 million (31 December 2025: ﷮ 411.9 million, 31 March 2025: ﷮ 423.0 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>31-Mar-2026</i> <i>﷮' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷮' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷮' 000</i>
On demand or within one month	1,005,151	868,777	907,113
Two to three months	957,863	868,081	931,986
Four to twelve months	1,085,534	1,337,232	937,493
One to five years	3,474,241	4,062,533	2,615,844
More than five years	4,688,072	3,605,782	5,148,991
	11,210,861	10,742,405	10,541,427

5. INVESTMENT SECURITIES

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷮' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷮' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷮' 000</i>
Equity investments:			
Measured as at FVTPL	229,893	210,337	171,785
Designated as at FVOCI	366,742	321,558	257,615
Equity investments	596,635	531,895	429,400
Debt investments:			
Measured at FVOCI	642,260	746,001	241,019
Measured at amortised cost	1,577,371	1,538,729	1,564,067
Gross debt investments	2,219,631	2,284,730	1,805,086
Less: Impairment loss allowance	(4,135)	(2,930)	(2,961)
Debt investments	2,215,496	2,281,800	1,802,125
Investment securities	2,812,131	2,813,695	2,231,525

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
5. INVESTMENT SECURITIES (continued)

As at 31 March 2026 (unaudited)	FVTPL ₹ ' 000	FVOCI ₹ ' 000	Amortised Cost ₹ ' 000	Total ₹ ' 000
Quoted equities:				
Foreign securities	198,670	191,467	-	390,137
Other services sector	-	162,009	-	162,009
Unit funds	8,886	-	-	8,886
Financial services sector	-	10,907	-	10,907
Industrial sector	-	1,333	-	1,333
	207,556	365,716	-	573,272
Unquoted equities:				
Foreign securities	19,036	-	-	19,036
Local securities	3,301	1,026	-	4,327
	22,337	1,026	-	23,363
Equity investments	229,893	366,742	-	596,635
Quoted debt:				
Government bonds	-	-	1,198,649	1,198,649
Treasury bills	-	351,595	26,001	377,596
Foreign bonds	-	144,874	-	144,874
Local bonds	-	145,791	29,240	175,031
	-	642,260	1,253,890	1,896,150
Unquoted debt:				
Treasury bills	-	-	323,481	323,481
	-	-	323,481	323,481
Gross debt investments	-	642,260	1,577,371	2,219,631
Less: Impairment loss allowance	-	(2,464)	(1,671)	(4,135)
Debt investments	-	639,796	1,575,700	2,215,496
Investment securities	229,893	1,006,538	1,575,700	2,812,131

As at 31 December 2025 (Audited)	FVTPL ₹ ' 000	FVOCI ₹ ' 000	Amortised Cost ₹ ' 000	Total ₹ ' 000
Quoted equities:				
Foreign securities	178,230	198,985	-	377,215
Other services sector	-	110,730	-	110,730
Unit funds	9,445	-	-	9,445
Financial services sector	-	9,683	-	9,683
Industrial sector	-	1,138	-	1,138
	187,675	320,536	-	508,211
Unquoted equities:				
Foreign securities	19,365	1,022	-	20,387
Local securities	3,297	-	-	3,297
	22,662	1,022	-	23,684
Equity investments	210,337	321,558	-	531,895
Quoted debt:				
Government bonds	-	-	1,147,872	1,147,872
Treasury bills	-	424,470	-	424,470
Foreign bonds	-	173,945	-	173,945
Local bonds	-	147,586	28,827	176,413
	-	746,001	1,176,699	1,922,700
Unquoted debt:				
Treasury bills	-	-	362,030	362,030
	-	-	362,030	362,030
Gross debt investments	-	746,001	1,538,729	2,284,730
Less: impairment loss allowance	-	(2,457)	(473)	(2,930)
Debt investments	-	743,544	1,538,256	2,281,800
Investment securities	210,337	1,065,102	1,538,256	2,813,695

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
5. INVESTMENT SECURITIES (continued)

The movement in impairment of debt investments is summarised as follows

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
At 1 January	2,930	2,824	2,824
Provided /(reversed) during the period / year	1,204	106	136
Exchange difference / others	1	-	1
At 31 March / 31 December	<u>4,135</u>	<u>2,930</u>	<u>2,961</u>

6. INVESTMENT IN ASSOCIATE
SICO BSC (c)

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
At 1 January	9,950	9,660	9,660
Dividend received	-	(444)	-
Share of results	57	721	39
Share of other comprehensive income	(60)	13	(20)
At 31 March / 31 December	<u>9,947</u>	<u>9,950</u>	<u>9,679</u>

7. OTHER ASSETS

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
Acceptances (note 10)	144,512	128,743	116,125
Less: impairment loss allowance	(1,958)	(1,586)	(911)
Net Acceptances	142,554	127,157	115,214
Other debtors and prepaid expenses	38,679	36,419	32,997
Fair value gains on derivatives	24,121	27,738	21,334
Deferred tax asset	2,181	1,994	1,396
Others	4,146	2,561	3,065
	<u>211,681</u>	<u>195,869</u>	<u>174,006</u>

8. DEPOSITS FROM BANKS

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
Inter bank borrowings	574,024	236,446	602,472
Vostro balances	67,034	69,030	102,380
Other money market deposits	719,931	715,254	556,325
	<u>1,360,989</u>	<u>1,020,730</u>	<u>1,261,177</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
9. CUSTOMERS' DEPOSITS
Conventional customers' deposits

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷼ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷼ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷼ ' 000</i>
Deposit accounts	2,822,009	3,249,960	2,864,126
Savings accounts	3,372,307	3,274,575	3,325,267
Current accounts	1,870,046	1,782,622	1,656,059
Call accounts	708,165	385,330	539,133
Margin accounts	48,665	49,017	48,917
	<u>8,821,192</u>	<u>8,741,504</u>	<u>8,433,502</u>

Islamic customers' deposits

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷼ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷼ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷼ ' 000</i>
Deposit accounts	1,111,035	1,181,207	995,150
Savings accounts	384,145	348,970	315,905
Current accounts	86,774	64,605	94,429
Call accounts	82,408	88,589	157,661
Margin accounts	6,565	5,406	6,594
	<u>1,670,927</u>	<u>1,688,777</u>	<u>1,569,739</u>

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

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>﷼ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>﷼ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>﷼ ' 000</i>
On demand or within one month	1,022,934	1,015,186	820,925
Two to three months	960,777	1,266,640	1,134,840
Four to twelve months	3,434,034	3,241,462	2,529,372
One to five years	3,346,742	3,355,960	3,937,336
More than five years	1,727,632	1,551,033	1,580,768
	<u>10,492,119</u>	<u>10,430,281</u>	<u>10,003,241</u>

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
10. OTHER LIABILITIES

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷵ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷵ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷵ ' 000</i>
Other liabilities and accrued expenses	261,544	200,942	169,133
Acceptances (note 7)	144,512	128,743	116,125
Impairment on financial guarantees	46,143	51,593	42,092
Impairment on undrawn commitments and unutilised limits	15,753	15,044	13,222
Lease liabilities	49,976	50,824	48,130
Fair value losses on derivatives	14,864	18,349	16,661
Unearned discount and interest	7,978	15,360	9,708
Employee end of service benefits	8,485	8,291	7,663
Deferred tax liability	8,672	10,178	5,620
	557,927	499,324	428,354

11. SHARE CAPITAL

The authorised share capital of the Bank is 12,000,000,000 shares of ﷵ 0.100 each (31 December 2025: 8,000,000,000 shares of ﷵ 0.100 each). At 31 March 2026, 7,506,397,062 shares of ﷵ 0.100 each (31 December 2025: 7,506,397,062 shares of ﷵ 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 17 March 2026 the shareholders approved a dividend of 18.0% in the form of cash. Thus shareholders received cash dividend of ﷵ 0.018 per ordinary share of ﷵ 0.100 each aggregating to ﷵ 135.115 million on Bank's existing share capital.

The shareholding structure of the Bank is as follows:

<i>Investor Name</i>	<i>Ownership percentage %</i>	
	<i>31-Mar-2026</i>	<i>31-Dec-2025</i>
Royal Court Affairs	27.31%	27.31%
Ominvest Group	15.00%	15.00%
Muscat Overseas Group	5.63%	5.63%
Social Protection Fund	4.99%	4.99%
Pension Funds Trust Accounts	19.55%	19.55%
Others*	27.52%	27.52%
Total	100.00%	100.00%

* The other shareholdings of the Bank are widely spread.

12. CONTINGENT LIABILITIES

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷵ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷵ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷵ ' 000</i>
CONTINGENT LIABILITIES			
Letters of credit	470,877	510,245	427,391
Guarantees	1,511,492	1,446,786	1,335,293
	1,982,369	1,957,031	1,762,684
COMMITMENTS			
Irrevocable credit commitments	515,800	377,111	268,104
Purchase of property and equipment	2,577	6,925	5,168
Partly paid shares	6,322	8,315	7,440
	524,699	392,351	280,712

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
13. INTEREST INCOME / INCOME ON ISLAMIC FINANCING / INVESTMENT

	Unaudited -for three months 31-Mar-2026 Omani Rial '000	Unaudited period ended- 31-Mar-2025 Omani Rial '000
Loans and advances	122,475	121,265
Due from banks	7,620	9,156
Investments	19,978	18,319
	150,073	148,740
Islamic financing receivables	22,515	22,636
Islamic due from banks	619	399
Islamic investment	2,805	3,449
	25,939	26,484
	176,012	175,224

14. INTEREST EXPENSE / DISTRIBUTION TO DEPOSITORS

	Unaudited -for three months 31-Mar-2026 Omani Rial '000	Unaudited period ended- 31-Mar-2025 Omani Rial '000
Customers' deposits	38,256	42,151
Bank borrowings	11,416	11,246
Euro medium term notes	5,480	2,324
	55,152	55,721
Islamic customers' deposits	15,606	15,387
Sukuk	242	226
Islamic bank borrowings	871	1,887
	16,719	17,500
	71,871	73,221

15. COMMISSION AND FEES INCOME (NET)

	Unaudited -for three months 31-Mar-2026 Omani Rial '000	Unaudited period ended- 31-Mar-2025 Omani Rial '000
Fees and commission income	36,778	32,497
Fees and commission expense	(13,040)	(9,017)
	23,738	23,480

16. OTHER OPERATING INCOME

	Unaudited -for three months 31-Mar-2026 Omani Rial '000	Unaudited period ended- 31-Mar-2025 Omani Rial '000
Foreign exchange	9,678	7,140
Changes in fair value of financial assets	221	(216)
Net realised gain (loss) on sale of fair value investments	4	220
Dividend income	7,461	7,942
Other income	32	106
	17,396	15,192

Dividend income recognised on FVOCI investments during the period ended 31 March 2026 is Omani Rial 4,356 thousands.

(31 March 2025: Omani Rial 3,181 thousands), out of which Omani Rial Nil (31 March 2025: Omani Rial 22 thousands) pertains to investments during this period.

17. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	Unaudited -for three months 31-Mar-2026 Omani Rial '000	Unaudited period ended- 31-Mar-2025 Omani Rial '000
(Impairment) / reversal of impairment for credit losses:		
- Cash and Central bank balances	-	-
- Due from banks	(125)	43
- Loans and advances to customers	(22,240)	(20,193)
- Financial guarantees	5,455	(1,117)
- Acceptances	(372)	688
- Loan commitments / unutilised limits	(708)	(811)
- Investments	(1,204)	(136)
	(19,194)	(21,526)
Recoveries from impairment for credit losses	7,278	6,140
Recoveries from loans previously written off	680	349
	7,958	6,489
	(11,236)	(15,037)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
a) Directors and senior management			
Loans and advances	447	491	421
Current, deposit and other accounts	5,926	2,747	3,687
b) Major shareholders and others			
Loans and advances (gross)			
- Shareholders holding 20% or more interest in the Bank and their related entities	43,529	36,925	31,879
- Other related parties	71,163	72,437	114,895
	<u>114,692</u>	<u>109,362</u>	<u>146,774</u>
Current, deposit and other accounts			
- Shareholders holding 20% or more interest in the Bank and their related entities	44,923	8,537	16,734
- Other related parties	27,474	31,948	32,512
	<u>72,397</u>	<u>40,485</u>	<u>49,246</u>
Customers' liabilities under documentary credits, guarantees and other commitments			
- Shareholders holding 20% or more interest in the Bank and their related entities	2,022	9,327	-
- Other related parties	5,347	5,125	5,154
	<u>7,369</u>	<u>14,452</u>	<u>5,154</u>

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

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
a) Directors and senior management		
Interest income	5	6
Interest expenditure	26	28
b) Major shareholders and others		
Interest income		
- Shareholders holding 20% or more interest in the Bank and their related entities	384	266
- Other related parties	825	1,485
	<u>1,209</u>	<u>1,751</u>
Interest expenditure		
- Shareholders holding 20% or more interest in the Bank and their related entities	15	31
- Other related parties	206	292
	<u>221</u>	<u>323</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</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
Royal Court Affairs	45,551	46,252	31,879
Omnivest Group	34,435	36,124	77,742
HE Sheikh Mustahail Ahmed Al Mashani Group Companies	42,270	41,628	42,494
Others	252	301	234
	<u>122,508</u>	<u>124,305</u>	<u>152,349</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</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
Royal Court Affairs	15	31
Omnivest Group	147	212
HE Sheikh Mustahail Al Mashani Group Companies	59	80
Others	26	28
	<u>247</u>	<u>351</u>

Directors remuneration and sitting fees during the period ended 31 March 2026 is ﷲ 87 thousands (31 March 2025: ﷲ 93 thousands)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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 three months period ended</i>	<i>Unaudited</i>
	<i>31-Mar-2026</i>	<i>31-Mar-2025</i>
	<i>﷮' 000</i>	<i>﷮' 000</i>
Profit for the period	63,945	58,561
Less: interest on Perpetual Tier I capital	-	-
Profit attributable to ordinary shareholders of parent company	63,945	58,561
for basic earnings per share (﷮' 000's)	7,506,397	7,506,397
Basic earnings per share (﷮)	0.009	0.008

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 31 March 2026 (unaudited)	<i>Positive fair value</i>	<i>Negative fair value</i>	<i>Notional total</i>	<i>Notional amounts by term to maturity</i>		
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>within 3 months</i>	<i>4-12 months</i>	<i>> 12 months</i>
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>
Cash flow hedge	4,289	-	288,750	-	-	288,750
Interest rate swaps	7,042	6,942	300,900	-	36,727	264,173
Commodities purchase contracts	4,697	2,144	106,036	73,713	29,206	3,117
Commodities sale contracts	2,184	4,637	106,036	73,713	29,206	3,117
Forward purchase contracts	297	617	1,828,544	1,022,693	487,535	318,316
Forward sales contracts	5,612	524	1,822,757	1,017,276	487,281	318,200
Total	24,121	14,864	4,453,023	2,187,395	1,069,955	1,195,673

As at 31 December 2025 (audited)	<i>Positive fair value</i>	<i>Negative fair value</i>	<i>Notional total</i>	<i>Notional amounts by term to maturity</i>		
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>Within 3 months</i>	<i>4-12 months</i>	<i>> 12 months</i>
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>
Cash flow hedge	4,075	-	288,750	-	-	288,750
Interest rate swaps	6,881	6,779	306,036	-	40,066	265,970
Commodities purchase contracts	4,147	107	85,970	32,135	53,835	-
Commodities sale contracts	113	4,114	85,970	32,135	53,835	-
Forward purchase contracts	5,507	742	1,965,781	1,120,326	507,437	338,018
Forward sales contracts	7,015	6,607	1,960,214	1,115,195	507,142	337,877
Total	27,738	18,349	4,692,721	2,299,791	1,162,315	1,230,615

As at 31 March 2025 (unaudited)	<i>Positive fair value</i>	<i>Negative fair value</i>	<i>Notional total</i>	<i>Notional amounts by term to maturity</i>		
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>Within 3 months</i>	<i>4-12 months</i>	<i>> 12 months</i>
	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>	<i>﷮' 000</i>
Cash flow hedge	5,947	-	288,750	-	-	288,750
Interest rate swaps	9,926	9,822	337,833	-	3,415	334,418
Commodities purchase contracts	1,860	912	63,287	33,086	29,824	377
Commodities sale contracts	934	1,818	63,287	33,086	29,824	377
Forward purchase contracts	438	765	1,016,237	232,281	581,034	202,922
Forward sales contracts	2,229	3,344	1,016,333	233,685	580,066	202,582
Total	21,334	16,661	2,785,727	532,138	1,224,163	1,029,426

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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> 31-Mar-2025 <i>₹ ' 000</i>	<i>Unaudited</i> 31-Mar-2025 <i>₹ ' 000</i>	<i>Unaudited</i> 31-Mar-2025 <i>₹ ' 000</i>	<i>Unaudited</i> 31-Mar-2026 <i>₹ ' 000</i>	<i>Unaudited</i> 31-Mar-2026 <i>₹ ' 000</i>	<i>Unaudited</i> 31-Mar-2026 <i>₹ ' 000</i>
<i>Total</i>	<i>International</i>	<i>Oman</i>	<i>Oman</i>	<i>International</i>	<i>Total</i>
148,740	2,814	145,926	146,661	3,412	150,073
(55,721)	(1,387)	(54,334)	(52,927)	(2,225)	(55,152)
26,484	-	26,484	25,939	-	25,939
(17,500)	-	(17,500)	(16,719)	-	(16,719)
23,480	642	22,838	23,301	437	23,738
15,192	129	15,063	15,505	1,891	17,396
140,675	2,198	138,477	141,760	3,515	145,275
Operating expenses					
(49,325)	(1,003)	(48,322)	(50,940)	(1,017)	(51,957)
(5,708)	(142)	(5,566)	(5,727)	(97)	(5,824)
(55,033)	(1,145)	(53,888)	(56,667)	(1,114)	(57,781)
39	39	-	-	57	57
(15,037)	12	(15,049)	(11,236)	-	(11,236)
(12,083)	(205)	(11,878)	(11,975)	(395)	(12,370)
(82,114)	(1,299)	(80,815)	(79,878)	(1,452)	(81,330)
58,561	899	57,662	61,882	2,063	63,945
Profit (Loss) for the period					
Other information					
14,364,067	457,794	13,906,273	14,838,252	542,753	15,381,005
11,983,489	162,351	11,821,138	12,597,447	220,340	12,817,787

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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:

31 March 2026 (unaudited)	Corporate banking س.م ' 000	Consumer banking س.م ' 000	Wholesale banking س.م ' 000	International banking* س.م ' 000	Subtotal س.م ' 000	Islamic banking س.م ' 000	Total س.م ' 000
Segment revenue							
Net interest income	33,182	49,080	11,472	1,187	94,921	-	94,921
Net income from Islamic financing					-	9,220	9,220
Commission, fees and other income	6,668	15,678	14,100	2,328	38,774	2,360	41,134
Operating income	39,850	64,758	25,572	3,515	133,695	11,580	145,275
Segment costs							
Operating expenses	(10,589)	(36,171)	(5,187)	(1,607)	(53,554)	(4,227)	(57,781)
Share of income from associate	-	-	-	57	57	-	57
Impairment (net)	(4,112)	(3,335)	(98)	-	(7,545)	(3,691)	(11,236)
Tax expense	(4,090)	(4,106)	(3,299)	(324)	(11,819)	(551)	(12,370)
	(18,791)	(43,612)	(8,584)	(1,874)	(72,861)	(8,469)	(81,330)
Segment profit for the period	21,059	21,146	16,988	1,641	60,834	3,111	63,945
Segment assets	5,379,888	4,204,363	3,148,345	542,753	13,275,349	2,105,656	15,381,005
Segment liabilities	4,440,246	4,716,596	1,593,393	220,340	10,970,575	1,847,212	12,817,787

31 March 2025 (unaudited)	Corporate banking س.م ' 000	Consumer banking س.م ' 000	Wholesale banking س.م ' 000	International banking* س.م ' 000	Subtotal س.م ' 000	Islamic banking س.م ' 000	Total س.م ' 000
Segment revenue							
Net interest income	34,857	44,741	11,858	1,563	93,019	-	93,019
Net income from Islamic financing					-	8,984	8,984
Commission, fees and other income	5,565	16,476	13,818	769	36,628	2,044	38,672
Operating income	40,422	61,217	25,676	2,332	129,647	11,028	140,675
Segment costs							
Operating expenses	(9,864)	(34,791)	(4,696)	(1,640)	(50,991)	(4,042)	(55,033)
Share of income from associate	-	-	-	39	39	-	39
Impairment (net)	(6,520)	(4,728)	(36)	22	(11,262)	(3,775)	(15,037)
Tax expense	(4,107)	(3,708)	(3,579)	(205)	(11,599)	(484)	(12,083)
	(20,491)	(43,227)	(8,311)	(1,784)	(73,813)	(8,301)	(82,114)
Segment profit for the period	19,931	17,990	17,365	548	55,834	2,727	58,561
Segment assets	4,799,365	4,199,489	3,030,885	301,811	12,331,550	2,032,517	14,364,067
Segment liabilities	4,202,984	4,500,556	1,292,065	183,448	10,179,053	1,804,436	11,983,489

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

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
22. ASSET LIABILITY MATURITY

The asset and liability maturity profile was as follows:

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>₹ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>₹ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>₹ ' 000</i>
ASSETS			
On demand or within one month	2,656,737	2,515,028	2,443,811
Two to three months	1,234,691	1,314,611	1,361,584
Four to twelve months	1,741,853	2,017,715	1,349,252
One to five years	4,597,208	5,151,616	3,716,814
More than five years	5,150,516	4,130,126	5,492,606
	15,381,005	15,129,096	14,364,067
LIABILITIES AND EQUITY			
On demand or within one month	1,803,343	1,407,420	1,493,324
Two to three months	1,160,327	1,682,304	1,371,027
Four to twelve months	3,790,953	3,494,209	3,194,809
One to five years	4,334,305	4,400,743	4,339,695
More than five years	4,292,077	4,144,420	3,965,212
	15,381,005	15,129,096	14,364,067
MISMATCH			
On demand or within one month	853,394	1,107,608	950,487
Two to three months	74,364	(367,693)	(9,443)
Four to twelve months	(2,049,100)	(1,476,494)	(1,845,557)
One to five years	262,903	750,873	(622,881)
More than five years	858,439	(14,294)	1,527,394
	-	-	-

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>31-Mar-2026</i> <i>₹ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>₹ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>₹ ' 000</i>
Common Equity Tier I capital	1,807,002	1,807,695	1,703,704
Perpetual Tier I capital	505,320	505,320	505,320
Tier I capital	2,312,322	2,313,015	2,209,024
Tier II capital	90,817	68,863	60,836
Total regulatory capital	2,403,139	2,381,878	2,269,860
Total risk weighted assets	12,543,129	12,114,088	11,938,813
Of which: Credit risk weighted assets	10,954,867	10,372,302	10,299,764
Of which: Market risk weighted assets	561,331	714,855	679,321
Of which: Operational risk weighted assets	1,026,931	1,026,931	959,728
Capital ratios :			
Common Equity Tier 1	14.41%	14.92%	14.27%
Tier 1	18.43%	19.09%	18.50%
Total capital	19.16%	19.66%	19.01%

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>31-Mar-2026</i> <i>₹ ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>₹ ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>₹ ' 000</i>
LCR	148%	226%	178%
NSFR	112%	115%	115%

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
1 Total consolidated assets as per published financial statements	15,381,005	15,129,096	14,364,067
2 Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	(42,681)	(42,681)	(42,410)
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	106,117	114,633	70,411
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)	1,118,250	1,038,179	1,068,621
7 Other adjustments	-	-	-
8 Leverage ratio exposure	16,562,691	16,239,227	15,460,689

Table 2: Leverage ratio common disclosure template

	<i>Unaudited</i> <i>31-Mar-2026</i> <i>ﷲ' 000</i>	<i>Audited</i> <i>31-Dec-2025</i> <i>ﷲ' 000</i>	<i>Unaudited</i> <i>31-Mar-2025</i> <i>ﷲ' 000</i>
1 On-balance sheet items (excluding derivatives and SFTs, but including collateral)	15,381,005	15,129,096	14,364,067
2 (Asset amounts deducted in determining Basel III Tier 1 capital)	(42,681)	(42,681)	(42,410)
3 Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)	15,338,324	15,086,415	14,321,657
Derivative Exposures			
4 Replacement cost associated with all derivatives transactions (i.e., net of eligible cash variation margin)	23,856	27,745	20,653
5 Add-on amounts for PFE associated with all derivatives transactions	82,261	86,888	49,758
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	-	-	-
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)	106,117	114,633	70,411
Securities financing transaction exposures			
12 Gross SFT assets (with no recognition of netting), after adjusting for sale	-	-	-
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	2,504,492	2,341,066	2,154,353
18 (Adjustments for conversion to credit equivalent amounts)	(1,386,241)	(1,302,887)	(1,085,732)
19 Off-balance sheet items (sum of lines 17 and 18)	1,118,251	1,038,179	1,068,621
Capital and total exposures			
20 Tier 1 capital	2,312,322	2,313,015	2,209,024
21 Total exposures (sum of lines 3, 11, 16 and 19)	16,562,692	16,239,227	15,460,689
Leverage Ratio			
22 Basel III leverage ratio (%)	13.96%	14.24%	14.29%

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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:

’000

31 March 2026	Stage 1	Stage 2	Stage 3	Total
Gross exposure				
Central Bank balances	293,905	-	-	293,905
Due from Banks	539,303	990	-	540,293
Loans and advances / Islamic financing receivables	10,033,429	1,424,482	419,070	11,876,981
Investment Securities at FVOCI	642,200	60	-	642,260
Investment Securities at amortized Cost	1,571,628	5,743	-	1,577,371
Total funded gross exposure	13,080,465	1,431,275	419,070	14,930,810
Financial guarantee contracts	1,443,951	518,467	19,951	1,982,369
Acceptances	110,507	33,889	116	144,512
Loan Commitment/Unutilised limits	2,317,145	480,328	-	2,797,473
Total non-funded gross exposure	3,871,603	1,032,684	20,067	4,924,354
Total gross exposure	16,952,068	2,463,959	439,137	19,855,164
Impairment				
Due from Banks	5,366	5	-	5,371
Loans and advances / Islamic financing receivables	34,932	263,753	367,435	666,120
Investment Securities at FVOCI	2,462	2	-	2,464
Investment Securities at amortized Cost	420	1,251	-	1,671
Total funded impairment	43,180	265,011	367,435	675,626
Financial guarantee contracts	5,247	22,003	18,893	46,143
Acceptances	467	1,424	67	1,958
Loan Commitment/Unutilised limits	7,222	8,531	-	15,753
Total non-funded impairment	12,936	31,958	18,960	63,854
Total impairment	56,116	296,969	386,395	739,480
Net exposure				
Central Bank balances	293,905	-	-	293,905
Due from Banks	533,937	985	-	534,922
Loans and advances / Islamic financing receivables	9,998,497	1,160,729	51,635	11,210,861
Investment Securities at FVOCI	639,738	58	-	639,796
Investment Securities at amortized Cost	1,571,208	4,492	-	1,575,700
Total funded net exposure	13,037,285	1,166,264	51,635	14,255,184
Financial guarantee contracts	1,438,704	496,464	1,058	1,936,226
Acceptances	110,040	32,465	49	142,554
Loan Commitment/Unutilised limits	2,309,923	471,797	-	2,781,720
Total net non-funded exposure	3,858,667	1,000,726	1,107	4,860,500
Total net exposure	16,895,952	2,166,990	52,742	19,115,684

Stage 1: 85.4% of gross exposure in scope for IFRS 9. This Stage and has not experienced a significant increase in credit risk since origination.

Stage 2: 12.4% 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: 2.2% 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 THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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:

'000

<i>31-Dec-25</i>	Stage 1	Stage 2	Stage 3	Total
Gross exposure				
Central Bank balances	390,029	-	-	390,029
Due from Banks	723,646	1,673	-	725,319
Loans and advances / Islamic financing receivables	9,568,878	1,409,746	411,858	11,390,482
Investment Securities at FVOCI	746,001	-	-	746,001
Investment Securities at amortized Cost	1,532,999	5,730	-	1,538,729
Total funded gross exposure	12,961,553	1,417,149	411,858	14,790,560
Financial guarantee contracts	1,380,304	556,327	20,400	1,957,031
Acceptances	103,885	24,780	78	128,743
Loan Commitment/Unutilised limits	2,416,045	446,100	-	2,862,145
Total non-funded gross exposure	3,900,234	1,027,207	20,478	4,947,919
Total gross exposure	16,861,787	2,444,356	432,336	19,738,479
Impairment				
Due from Banks	5,238	8	-	5,246
Loans and advances / Islamic financing receivables	34,954	254,001	359,122	648,077
Investment Securities at FVOCI	2,457	-	-	2,457
Investment Securities at amortized Cost	403	70	-	473
Total funded impairment	43,052	254,079	359,122	656,253
Financial guarantee contracts	5,103	27,064	19,426	51,593
Acceptances	489	1,040	57	1,586
Loan Commitment/Unutilised limits	6,844	8,200	-	15,044
Total non-funded impairment	12,436	36,304	19,483	68,223
Total impairment	55,488	290,383	378,605	724,476
Net exposure				
Central Bank balances	390,029	-	-	390,029
Due from Banks	718,408	1,665	-	720,073
Loans and advances / Islamic financing receivables	9,533,924	1,155,745	52,736	10,742,405
Investment Securities at FVOCI	743,544	-	-	743,544
Investment Securities at amortized Cost	1,532,596	5,660	-	1,538,256
Total funded net exposure	12,918,501	1,163,070	52,736	14,134,307
Financial guarantee contracts	1,375,201	529,263	974	1,905,438
Acceptances	103,396	23,740	21	127,157
Loan Commitment/Unutilised limits	2,409,201	437,900	-	2,847,101
Total net non-funded exposure	3,887,798	990,903	995	4,879,696
Total net exposure	16,806,299	2,153,973	53,731	19,014,003

Stage 1: 85.4% of gross exposure in scope for IFRS 9. This Stage 1 and has not experienced a significant increase in credit risk since origination.

Stage 2: 12.4% 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: 2.2% 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 THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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

₹ '000

<i>As at 31 March 2026 (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)*	11,236	11,236	-
Provisions required as per CBO norms / held as per IFRS 9 *	543,345	739,480	(196,135)
Gross NPL ratio **	3.53%	3.53%	-
Net NPL ratio **	0.33%	0.28%	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

₹ '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	10,572,732	147,402	-	40,298	107,104	10,532,434	-
	Stage 2	1,009,547	10,192	-	178,934	(168,742)	830,613	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	11,582,279	157,594	-	219,232	(61,638)	11,363,047	-
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	415,925	4,511	-	84,824	(80,313)	331,101	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	415,925	4,511	-	84,824	(80,313)	331,101	-
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	19,467	4,784	329	5,113	-	14,354	-
	Sub total	19,467	4,784	329	5,113	-	14,354	-
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	22,026	9,729	1,418	16,302	(5,155)	5,724	-
	Sub total	22,026	9,729	1,418	16,302	(5,155)	5,724	-
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	397,644	298,241	66,739	364,980	-	32,664	-
	Sub total	397,644	298,241	66,739	364,980	-	32,664	-
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	6,379,336	-	-	15,818	(15,818)	6,363,518	-
	Stage 2	1,038,487	-	-	33,211	(33,211)	1,005,276	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	7,417,823	-	-	49,029	(49,029)	7,368,794	-
Total	Stage 1	16,952,068	147,402	-	56,116	91,286	16,895,952	-
	Stage 2	2,463,959	14,703	-	296,969	(282,266)	2,166,990	-
	Stage 3	439,137	312,754	68,486	386,395	(5,155)	52,742	-
	Total	19,855,164	474,859	68,486	739,480	(196,135)	19,115,684	-

c. Restructured loans

₹ '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	57,398	574	-	8,540	(7,966)	48,858	-
	Stage 3	-	-	-	-	-	-	-
	Sub total	57,398	574	-	8,540	(7,966)	48,858	-
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	94,720	71,298	11,717	83,015	-	11,705	-
	Sub total	94,720	71,298	11,717	83,015	-	11,705	-
Total	Stage 1	-	-	-	-	-	-	-
	Stage 2	57,398	574	-	8,540	(7,966)	48,858	-
	Stage 3	94,720	71,298	11,717	83,015	-	11,705	-
	Total	152,118	71,872	11,717	91,555	(7,966)	60,563	-

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 ₹ 681.601 million (Stage 1: ₹ 51.421 million, Stage 2: ₹ 512.274 million and Stage 3: ₹ 117.906 million) with an impairment allowance (incl. overlays) of ₹ 222.219 million (Stage 1: ₹ 5.63 million, Stage 2: ₹ 109.262 million, Stage 3: ₹ 107.327 million).

**NOTES TO THE INTERIM NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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

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<i>As at 31 December 2025 (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 *	530,798	724,476	(193,678)
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

'000

<i>Asset classification as per CBO norms As at 31 December 2025</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 (7) = (4)+(5)-(6)</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-(6)	(9)
Standard	Stage 1	10,292,524	142,773	-	40,192	102,581	10,252,332	-
	Stage 2	1,037,391	10,465	-	176,267	(165,802)	861,124	-
	Stage 3	-	-	-	-	-	-	-
		11,329,915	153,238	-	216,459	(63,221)	11,113,456	-
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	374,028	4,083	-	77,742	(73,659)	296,286	-
	Stage 3	-	-	-	-	-	-	-
		374,028	4,083	-	77,742	(73,659)	296,286	-
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	18,994	4,670	312	4,982	-	14,012	-
		18,994	4,670	312	4,982	-	14,012	-
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	21,123	9,372	1,219	15,721	(5,130)	5,402	-
		21,123	9,372	1,219	15,721	(5,130)	5,402	-
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	392,219	296,085	61,819	357,902	2	34,317	-
		392,219	296,085	61,819	357,902	2	34,317	-
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	6,569,263	-	-	15,296	(15,296)	6,553,967	-
	Stage 2	1,032,937	-	-	36,374	(36,374)	996,563	-
	Stage 3	-	-	-	-	-	-	-
		7,602,200	-	-	51,670	(51,670)	7,550,530	-
Total	Stage 1	16,861,787	142,773	-	55,488	87,285	16,806,299	-
	Stage 2	2,444,356	14,548	-	290,383	(275,835)	2,153,973	-
	Stage 3	432,336	310,127	63,350	378,605	(5,128)	53,731	-
		19,738,479	467,448	63,350	724,476	(193,678)	19,014,003	-

c. Restructured loans

<i>Asset classification as per CBO norms as at 31 December 2025</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</i>	<i>Provision as per IFRS 9</i>	<i>Difference (7) = (4)+(5)-(6)</i>	<i>Net carrying amount</i>	<i>Interest recognised as per IFRS 9</i>
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) = (3)-(6)	(9)
Classified as performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	49,909	499	-	6,855	(6,356)	43,054	-
	Stage 3	-	-	-	-	-	-	-
		49,909	499	-	6,855	(6,356)	43,054	-
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	94,025	70,152	11,362	81,514	-	12,511	-
		94,025	70,152	11,362	81,514	-	12,511	-
Total	Stage 1	-	-	-	-	-	-	-
	Stage 2	49,909	499	-	6,855	(6,356)	43,054	-
	Stage 3	94,025	70,152	11,362	81,514	-	12,511	-
		143,934	70,651	11,362	88,369	(6,356)	55,565	-

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 697.678 million (Stage 1: 68.765 million, Stage 2: 512.49 million and Stage 3: 116.423 million) with an impairment allowance of

212.239 million (Stage 1: 5.236 million, Stage 2: 103.647 million and Stage 3: 103.356 million)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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 31 March 2026 (Unaudited)	Designated as at FVTPL AED ' 000	Designated as at FVOCI AED ' 000	Amortised cost AED ' 000	Total carrying value AED ' 000	Fair value AED ' 000	Level
Cash and balances with Central Banks	-	-	516,661	516,661	516,661	3
Due from banks	-	114,126	420,796	534,922	533,092	2,3
Loans and advances and Islamic financing receivables	-	-	11,210,861	11,210,861	11,080,925	3
Investment securities	229,893	1,006,538	1,575,700	2,812,131	2,816,058	1,2,3
Fair value gains on derivatives	24,121	-	-	24,121	24,121	2
	254,014	1,120,664	13,724,018	15,098,696	14,970,856	
Deposits from banks	-	-	1,360,989	1,360,989	1,363,746	3
Customers' deposits and Islamic customer deposits	-	-	10,492,119	10,492,119	10,781,450	3
Sukuk	-	-	16,597	16,597	16,928	1
Euro medium term notes	-	-	295,769	295,769	314,793	1
Fair value losses on derivatives	14,864	-	-	14,864	14,864	2
	14,864	-	12,165,474	12,180,338	12,491,781	

As of 31 December 2025 (Audited)	Designated as at FVTPL AED ' 000	Designated as at FVOCI AED ' 000	Amortised cost AED ' 000	Total carrying value AED ' 000	Fair value AED ' 000	Level
Cash and balances with Central Banks	-	-	560,524	560,524	560,524	3
Due from banks	-	79,653	640,420	720,073	719,737	2,3
Loans and advances and Islamic financing receivables	-	-	10,742,405	10,742,405	10,543,735	3
Investment securities	210,337	1,065,102	1,538,256	2,813,695	2,816,028	1,2,3
Positive fair value of derivatives	27,738	-	-	27,738	27,738	2
	238,075	1,144,755	13,481,605	14,864,435	14,667,762	
Deposits from banks	-	-	1,020,730	1,020,730	1,027,804	3
Customers' deposits and Islamic customer deposits	-	-	10,430,281	10,430,281	10,745,405	3
Sukuk	-	-	16,826	16,826	16,826	1
Euro medium term notes	-	-	487,387	487,387	514,753	1
Negative fair value of derivatives	18,349	-	-	18,349	18,349	2
	18,349	-	11,955,224	11,973,573	12,323,137	

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**
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:

As of 31 March 2026	Level 1	Level 2	Level 3	Total
	ﺃ' 000	ﺃ' 000	ﺃ' 000	ﺃ' 000
Assets				
Derivatives	-	24,121	-	24,121
FVOCI Due from banks	-	114,126	-	114,126
FVOCI Loans and advances and Islamic financing receivables	-	-	-	-
FVTPL Equity	207,556	-	22,337	229,893
FVTPL Debt	-	-	-	-
FVOCI Equity	365,716	-	1,026	366,742
FVOCI Debt	639,796	-	-	639,796
Total Assets	1,213,068	138,247	23,363	1,374,678
Liabilities				
Derivatives	-	14,864	-	14,864
As of 31 December 2025	Level 1	Level 2	Level 3	Total
	ﺃ' 000	ﺃ' 000	ﺃ' 000	ﺃ' 000
Assets				
Derivatives	-	27,738	-	27,738
FVOCI Due from banks	-	79,653	-	79,653
FVTPL Equity	187,675	-	22,662	210,337
FVOCI Equity	320,536	-	1,022	321,558
FVOCI Debt	743,544	-	-	743,544
Total Assets	1,251,755	107,391	23,684	1,382,830
Liabilities				
Derivatives	-	18,349	-	18,349

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

At 1 January 2025	1,022	22,662	23,684
Realised gain on sale	-	-	-
Gain (loss) from change in fair value	4	4	8
Additions	-	183	183
Disposals and redemption	-	(533)	(533)
Exchange differences	-	21	21
	1,026	22,337	23,363

As of 31 December 2025	FVOCI Equity	FVTPL Equity	Total
(Audited)	ﺃ' 000	ﺃ' 000	ﺃ' 000
At 1 January	1,258	18,456	19,714
Realised gain on sale	-	1,019	1,019
Gain (loss) from change in fair value	(236)	(8)	(244)
Additions	-	5,513	5,513
Disposals and redemption	-	(2,338)	(2,338)
Exchange differences	-	20	20
	1,022	22,662	23,684

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2026**

27. FAIR VALUE INFORMATION (continued)

As of 31 March 2026, 9% (31 December 2025: 9%) 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 31 March 2026, 91% (31 December 2025: 91%) 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 31 December 2025 or at a later date and adjusted for subsequent cash flows till 31 March 2026 or based on net asset values received from independent fund managers as at 31 December 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 2025 included for comparative purposes were reclassified.