

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

National Bank of Oman SAOG ("NBO", "the Bank") was established in the Sultanate of Oman in 1973 as a joint stock company and is engaged in retail, wholesale, investment and Islamic banking services within the Sultanate of Oman, through overseas branches in the United Arab Emirates and Egypt. In Oman the Bank operates under banking license issued by the Central Bank of Oman and is covered by its deposit insurance scheme, whereas in the United Arab Emirates and in Egypt the branches operate under a commercial bank licenses given by the respective Central Banks. The Bank is in the process of closing down its operations in Egypt and has sought necessary approvals. The Bank is head quartered in Muscat, Sultanate of Oman and its registered address is PO Box 751, Ruwi, Postal Code 112, Muscat, Sultanate of Oman. The Bank's equity shares are listed on the Muscat Stock Exchange. Perpetual bonds are listed on the Euronext Dublin.

Financial Services Authority of the Sultanate of Oman requires all Public Joint Stock Companies to disclose the financials of the Parent Company in a separate column in the condensed consolidated financial interim statements vide circular E/2/2007 dated 21 January 2007.

The Bank has the following fully owned Special Purpose Vehicles ("SPV"):

Name of the entity	Country of incorporation	Activity of the subsidiary	Percentage of ownership	
			2026	2025
NBO Global Markets Cayman Limited	Cayman Islands	Financial services	100%	100%

The sizes, operations and financial statements of the above SPV are not material to the condensed consolidated financial interim statements of the Bank. Hence, financial statements of the parent company have not been provided in a separate column in these condensed consolidated financial interim statements.

2 MATERIAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements of the Bank are prepared in accordance with IFRS Accounting Standard 34, Interim Financial Reporting and the relevant disclosure requirements of the Financial Services Authority ("FSA") and should be read in conjunction with the Bank's last annual financial statements as at and for the year ended 31 December 2025 ('last annual financial statements'). They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS standards. The condensed consolidated interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards. In addition, results for the three months ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The accounting policies used in the preparation of the condensed consolidated interim financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2025.

The condensed consolidated interim financial statements are prepared in Rial Omani, rounded to the nearest thousands, except as indicated. The functional currencies of the Bank's operations are as follows:

Sultanate of Oman:	Rial Omani
United Arab Emirates:	UAE Dirham
Egypt:	US Dollar

The condensed consolidated interim financial statements are prepared under the historical cost convention, modified to include measurement of derivative financial instruments and certain investments, either through profit and loss account or through other comprehensive Income, at fair value.

2 (a) New and amended IFRS Accounting Standards adopted by the Bank

The new standards and amendments to standards that were effective for annual periods beginning from 1 January 2026 did not have any impact on these condensed consolidated interim financial statements of the Bank.

2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (continued)

2 (b) Impact of IFRS Accounting Standards issued but not yet applied by the Bank

There are certain new accounting standards and amendments to accounting standards have been published that are not mandatory for current reporting periods and have not been early adopted by the Bank. The Bank is currently assessing the impact of these new standards and amendments is set out below:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
- IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

2 (c) Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the Management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

The Bank has robust governance in place to ensure appropriateness of the IFRS 9 framework and resultant Expected Credit Loss ("ECL") estimates. Specifically, all aspects of the IFRS 9 framework are overseen by the management risk committee. The Bank reviews its individually significant loans and advances at each reporting date to assess whether an impairment loss should be recorded. Judgment by management is required in the estimation of the amount and timing of future cash flows when determining the impairment loss. In estimating these cash flows, the Bank makes judgments about the borrower's financial situation and the net realisable value of collateral. These estimates are based on assumptions about several factors and actual results may differ, resulting in future changes to the allowance. Loans and advances that have been assessed individually and found not to be impaired and all individually insignificant loans and advances are then assessed collectively, in groups of assets with similar risk characteristics, to determine whether provision should be made due to incurred loss events for which there is objective evidence but whose effects are not yet evident. The collective assessment takes account of data from the loan portfolio (such as credit quality, levels of arrears, credit utilisation, loan to collateral ratios etc.) and concentrations of risks. The Bank incorporates forward-looking information into both its assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. Based on consideration of a variety of external actual and forecast information, the bank formulates a fundamental view of the future direction of relevant economic variables as well as a reasonable range of possible scenarios. In addition, the Bank continues to review the appropriateness of ECL provisions considering changes in macroeconomic environment, risk profile as well as any actual and expected increase in credit risk.

The Bank performs historical analysis to determine key economic variables that impact credit risk across different portfolios. Macroeconomic forecasts for these economic variables are used to estimate risk parameters (PD and LGD) on a forward-looking basis for all borrowers and instruments that are in scope of IFRS 9 ECL framework. In accordance with IFRS 9 requirements, the Bank estimates these risk parameters under upside, base and downside scenarios with representative weights used to measure ECL.

From a sensitivity analysis point of view, if the pessimistic scenario was changed by +10% / - 10%, ECL change would not be material to the condensed consolidated interim financial statements.

3 CASH AND BALANCES WITH CENTRAL BANKS

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Cash	37,081	43,769	34,808
Other balances with Central Banks	301,849	190,793	320,846
Cash and cash equivalents	338,930	234,562	355,654
Capital deposit with Central Bank of Oman	-	500	500
Cash and balances with Central Banks	338,930	235,062	356,154

3 CASH AND BALANCES WITH CENTRAL BANKS (continued)

- (i) At 31 March 2026, cash and balances with Central Bank of Oman included balances amounting to nil (31 March 2025: ~~₹~~ 500,000 and 31 December 2025: ~~₹~~ 500,000) as capital deposit.
- (ii) Minimum cash reserve to be maintained with Central Bank of Oman as of 31 March 2026 is 3% (31 March and 31 December 2025 – 3%) of total deposits and for Central Bank of UAE, is 1% (31 March and 31 December 2025 – 1%) of time deposits and 14% (31 March and 31 December 2025 – 14%) of all other deposits.
- (iii) ECL on the cash and balances with Central Banks is not material and accordingly no adjustment has been accounted by the Bank. All the exposures are related to stage 1.

4 DUE FROM BANKS AND OTHER MONEY MARKET PLACEMENTS

	31/03/2026 ₹ '000	31/03/2025 ₹ '000	31/12/2025 ₹ '000
Loans and advances to Banks	52,418	34,458	45,680
Placement with Banks	178,036	217,596	255,819
Demand balances	146,282	25,012	33,146
Due from banks and other money market placement	376,736	277,066	334,645
Less: allowance for credit losses (note 22.3)	(263)	(158)	(250)
Due from banks and other money market placement	376,473	276,908	334,395

5 LOANS, ADVANCES AND ISLAMIC FINANCING ASSETS

	31/03/2026 ₹ '000	31/03/2025 ₹ '000	31/12/2025 ₹ '000
Overdrafts	89,562	85,188	83,544
Personal loans	1,560,902	1,558,175	1,562,701
Term loans, Islamic financing and others	2,819,737	2,509,761	2,681,051
Gross loans, advances and Islamic financing assets for customers	4,470,201	4,153,124	4,327,296
Less: allowance for credit losses (note 22.3)	(183,439)	(167,535)	(176,942)
Loans, advances and Islamic financing assets for customers	4,286,762	3,985,589	4,150,354

Gross loans, advances and Islamic financing assets for customers include ~~₹~~ 127 million due from related parties at 31 March 2025 (31 March 2025 – ~~₹~~ 125 million, 31 December 2025 – ~~₹~~ 125 million).

Included in above the Islamic financing asset (net of allowance for credit losses) of ~~₹~~ 396 million as at 31 March 2025 (31 March 2025 – ~~₹~~ 351 million, 31 December 2025 – ~~₹~~ 392 million).

Provided during the period/year includes contractual interest reserved for ~~₹~~ 2.30 million (31 March 2025 – ~~₹~~ 2.49 million and 31 December 2025 – ~~₹~~ 9.87 million).

Recovered/released during the period/year includes recovery of reserved interest at ~~₹~~ 0.42 million (31 March 2025 – ~~₹~~ 0.49 million and 31 December 2025 – ~~₹~~ 1.79 million).

All loans and advances require payment of interest based on agreed tenors, some at fixed rates and others at rates that re-price prior to maturity. Contractual interest reserved and recovery thereof is shown under net interest income and income from Islamic financing in the consolidated condensed interim statement of profit or loss.

As of 31 March 2025, loans and advances on which interest is not being accrued or where interest has been reserved amounted to ~~₹~~ 199 million (31 March 2025 – ~~₹~~ 190 million and 31 December 2025 – ~~₹~~ 195 million).

6 INVESTMENT SECURITIES

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
<i>Investments measured at Fair value through profit and loss (FVTPL)</i>			
Quoted investments-Oman	2,768	1,941	2,555
Quoted investments-Foreign	3,920	155	160
Unquoted investments in funds	2,759	2,660	2,805
Total FVTPL investments	9,447	4,756	5,520
<i>Investments measured at Fair value through other comprehensive income (FVOCI) - Equity</i>			
Quoted investments-Oman	114,066	49,524	66,193
Quoted investments-Foreign	43,407	52,628	30,069
Total FVOCI investments	157,473	102,152	96,262
<i>Investments measured at amortised cost</i>			
Government development bonds-Oman	326,191	283,311	306,430
Government Sukuk-Oman	39,740	32,085	39,423
Treasury Bills	97,768	97,902	63,232
Quoted investments-Oman	54,036	45,649	53,971
Quoted investments-Foreign	9,013	16,290	16,552
Total – amortised cost	526,748	475,237	479,608
Total investment securities	693,668	582,145	581,390
Less: allowance for credit losses (note 22.3)	(1,118)	(574)	(924)
Total investment securities	692,550	581,571	580,466

Details of significant investments

Details of investments exceeding 10% of the carrying value of the Bank's investment portfolio are as follows:

	Bank's portfolio %	Carrying value ₹'000
<u>31/03/2026</u>		
Government Development Bonds - Oman	53%	365,931
Treasury Bills	14%	97,768
<u>31/03/2025</u>		
Government Development Bonds - Oman	54%	315,396
Treasury Bills	17%	97,902
<u>31/12/2025</u>		
Government Development Bonds - Oman	60%	345,853
Treasury Bills	11%	63,232

In 2026 (YTD March), the Bank received dividends of ₹ 3.89 million from its FVOCI equities (YTD March 2025: ₹ 4.06 million for FVOCI equities), recorded as other operating income.

Government Sukuk – Oman, Quoted investments – Oman and Quoted investments – Foreign of ₹ 43.81 million (31 March 2025: ₹ 19.21 million and 31 December 2025: ₹ 80.65 million) are assigned as collateral against USD borrowings of ₹ 52.60 million (31 March 2025: ₹ 12.63 million and 31 December 2025: ₹ 65.23).

The Bank designated certain investments as equity securities at FVOCI. The FVOCI designation was made because the investments are expected to be held for strategic purposes rather than with a view to profit on a subsequent sale and there are no plans to dispose of these investments in the short or medium term. This designation is irrevocable.

7 OTHER ASSETS

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Customers' indebtedness for acceptances (note 11)	90,557	84,683	84,549
Less: allowance for credit losses	(55)	(74)	(62)
Net Customers' indebtedness for acceptances	90,502	84,609	84,487
Prepaid expenses and others	43,104	43,163	15,410
Positive fair value of derivatives (note 30)	10,141	11,359	8,980
	143,747	139,131	108,877

8 PROPERTY AND EQUIPMENT

	<i>Freehold land and buildings and leasehold improvements</i> ₹'000	<i>Motor vehicles, furniture and equipment</i> ₹'000	<i>Capital work in progress</i> ₹'000	<i>Right to use assets</i> ₹'000	<i>Total</i> ₹'000
Reconciliation of carrying amount:					
Balance as at 1 January 2026, net of accumulated depreciation	45,038	11,392	2,072	2,476	60,978
Additions	5	830	345	401	1,581
Transfers	101	-	(101)	-	-
Depreciation	(416)	(847)	-	(448)	(1,711)
Balance at 31 March 2026, net of accumulated depreciation	44,728	11,375	2,316	2,429	60,848
At cost	65,403	55,115	2,316	4,879	127,713
Accumulated depreciation	(20,675)	(43,740)	-	(2,450)	(66,865)
Net carrying value at 31 March 2026	44,728	11,375	2,316	2,429	60,848
Reconciliation of carrying amount:					
Balance as at 1 January 2025, net of accumulated depreciation	46,018	10,643	1,050	1,756	59,467
Additions	-	91	604	474	1,169
Disposals	-	(4)	-	-	(4)
Transfers	55	200	(255)	-	-
Depreciation	(408)	(734)	-	(459)	(1,601)
Balance at 31 March 2025, net of accumulated depreciation	45,665	10,196	1,399	1,771	59,031
At cost	65,540	53,675	1,399	3,660	124,274
Accumulated depreciation	(19,875)	(43,479)	-	(1,889)	(65,243)
Net carrying value at 31 March 2025	45,665	10,196	1,399	1,771	59,031
Reconciliation of carrying amount:					
Balance as at 1 January 2025, net of accumulated depreciation	46,018	10,643	1,050	1,756	59,467
Additions	6	2,440	3,166	2,496	8,108
Disposals	-	(58)	-	(11)	(69)
Transfers	701	1,443	(2,144)	-	-
Depreciation	(1,687)	(3,076)	-	(1,765)	(6,528)
Balance at 31 December 2025, net of accumulated depreciation	45,038	11,392	2,072	2,476	60,978
At cost	65,297	54,306	2,072	5,039	126,714
Accumulated depreciation	(20,259)	(42,914)	-	(2,563)	(65,736)
Net carrying value at 31 December 2025	45,038	11,392	2,072	2,476	60,978

9 DUE TO BANKS AND OTHER MONEY MARKET DEPOSITS

	31/03/2026	31/03/2025	31/12/2025
	₹'000	₹'000	₹'000
Borrowings	427,418	298,134	407,131
Vostro balances	8,183	19,206	7,752
	435,601	317,340	414,883

Borrowings include bank borrowings amounting to ₹ 52.60 million (31 March 2025: ₹ 12.63 million and 31 December 2025: ₹ 65.23 million) with underlying collateral in the form of Government Sukuk – Oman, Quoted investments – Oman and Quoted investments – Foreign of ₹ 43.81 million (31 March 2025: ₹ 19.21 million and 31 December 2025: ₹ 80.65 million).

10 CUSTOMERS' DEPOSITS

	31/03/2026	31/03/2025	31/12/2025
	₹'000	₹'000	₹'000
Term deposits	1,956,167	1,946,663	2,006,644
Current accounts	1,655,227	1,473,282	1,389,348
Savings accounts	654,458	586,901	613,125
	4,265,852	4,006,846	4,009,117

11 OTHER LIABILITIES

	31/03/2026	31/03/2025	31/12/2025
	₹'000	₹'000	₹'000
Liabilities under acceptances (note 7)	90,557	84,683	84,549
Other liabilities and accrued expenses	38,827	60,548	38,018
Negative fair value of derivatives (note 30)	7,828	11,696	8,131
Allowances for credit losses for loan commitments and financial guarantees (note 22.3)	6,492	3,938	6,623
Deferred tax liability (note 12)	1,801	2,383	2,006
Lease liabilities	1,714	972	1,907
	147,219	164,220	141,234

12 TAXATION

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Tax expenses			
Current tax expense for the period/year	3,693	3,019	11,519
Deferred tax	(24)	5	837
Total tax expenses for the period/year	3,669	3,024	12,356

The Bank is liable to income tax at the following rates:

	31/03/2026	31/03/2025	31/12/2025
• Sultanate of Oman (of consolidated taxable income)	15%	15%	15%
• United Arab Emirates (of taxable income)			
a. National level	9%	9%	9%
b. Emirates level	20%	20%	20%
• Egypt (of taxable income)	22.5%	22.5%	22.5%

Set out below is reconciliation between incomes tax calculated on accounting profit with income tax expense for the period:

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Accounting profit	23,135	20,105	82,563
Tax at applicable rate	3,470	3,016	12,384
Tax exempt revenues	(1,159)	(454)	(946)
Others	1,382	457	81
Total	3,693	3,019	11,519

The Bank's liabilities for taxation in the Sultanate of Oman have been assessed and agreed up to the year ended 31 December 2020. Management believes that additional taxes, if any, in respect of open tax assessments would not be significant to the Bank's consolidated financial position as at 31 March 2026.

The tax assessments of the Egypt operations in respect of the different taxes applicable are at different stages of completion with the respective tax authorities. The Bank's liability in respect of its branches in UAE has been agreed with the tax authorities up to 31 December 2023.

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Income tax liability			
Through comprehensive income	3,693	3,019	11,519
Through prior years	25,934	19,112	11,857
Through retained earnings	-	-	2,608
	29,627	22,131	25,984

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Recognised deferred tax liability			
Deferred tax liabilities are attributable to the following:			
Deductible temporary differences relating to provisions	1,984	1,177	2,009
FVOCI investments	(183)	1,206	(3)
	1,801	2,383	2,006

Movement of deferred tax liability

	31/03/2026 ₹'000	31/03/2025 ₹'000	31/12/2025 ₹'000
Balance at the beginning of the period/year	2,006	2,169	2,169
(Released)/ provided during the period/year	(24)	5	837
Tax effect of movement in FVOCI investments	(181)	209	(1,000)
	1,801	2,383	2,006

13 OTHER RESERVES

	<i>FVOCI reserve ₹'000</i>	<i>Impairment Reserve ₹'000</i>	<i>Total ₹'000</i>
At 1 January 2026	5,900	14,822	20,722
Net movement on FVOCI	18,413	-	18,413
Tax effect of net results on FVOCI	181	-	181
At 31 March 2026	24,494	14,822	39,316
At 31 March 2025	(6,596)	18,851	12,255
At 31 December 2025	5,900	14,822	20,722

The impairment reserve represents excess of impairment allowance (net of tax) calculated as per CBO norms and IFRS 9. The reserve is not available for distribution to the shareholders.

14 TIER 1 PERPETUAL BOND

The Bank has issued Perpetual Tier 1 Capital Securities (the "Tier 1 Securities") with details mentioned in the table below. The Tier 1 Securities constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The key features of the instruments are as follows:

- No fixed date of maturity.
- Payment of interest and/or capital is solely at the discretion of the Bank.
- The instruments are deeply subordinated and rank just above the ordinary shareholders
- These securities also allow the Bank to write-down (in whole or in part) any amounts due to the holders in the event of non-viability with the approval of the Central Bank of Oman.

The determination of equity classification of these instruments requires significant judgement as certain clauses, particularly the "Events of Default", require interpretation. The Directors, after factoring in the clauses relating to the write-down, non-payment and subordination in the instrument offering document, consider that the Bank will not reach the point of insolvency before a write-down is affected due to a non-viability event. Accordingly, such clauses were assessed by the Directors as not being genuine for the purpose of determining the debt vs equity classification. The Directors have considered appropriate independent legal advice in forming their judgement around this matter.

Issuance Month/Year	Issued Amount	Coupon Rate
April 2021*	USD 300 million (₹ 115.5 million)	Fixed interest rate of 8.00% with a reset after 5 years
November 2022	USD 134.11 million (₹ 51.63 million)	Fixed interest rate of 6.75% with a reset after 5 years
October 2024	USD 150.40 million (₹ 57.90 million)	Fixed interest rate of 6.75% with a reset after 5 years
November 2025	USD 450 million (₹ 173.3 million)	Fixed interest rate of 6.63% with a reset after 5 years

These securities form part of Tier 1 Capital of the Bank and comply with Basel-III and Central Bank of Oman regulations (BM 1114).

* Subsequent to the reporting period, the bank excised its call option, resulting in full redemption of the outstanding securities.

15 CONTINGENT LIABILITIES AND COMMITMENTS

	31/03/2026	31/03/2025	31/12/2025
	₹'000	₹'000	₹'000
Guarantees	361,645	284,503	331,864
Documentary letters of credit	50,073	63,531	67,122
Undrawn commitment to lend	94,900	167,341	107,086
	506,618	515,375	506,072

- (i) The allowances for credit losses for commitments and financial guarantees amounts to ₹ 6.49 million (31 March 2025 – ₹ 3.94 million and 31 December 2025 – ₹ 6.62 million) and is included under note 11.
- (ii) Guarantees include ₹ 4.46 million (31 March 2025 – ₹ 4.92 million and 31 December 2025 – ₹ 4.46 million) relating to non-performing loans.

16 INTEREST INCOME

	3 months ended	3 months ended
	31/03/2026	31/03/2025
	₹'000	₹'000
Interest from customers	52,715	51,786
Interest from banks	2,208	3,072
Interest from investments	6,087	5,642
	61,010	60,500

17 INTEREST EXPENSE

	3 months ended	3 months ended
	31/03/2026	31/03/2025
	₹'000	₹'000
Interest to customer	30,319	32,915
Interest to banks	3,654	3,372
	33,973	36,287

18 FEE AND COMMISSION INCOME

	3 months ended	3 months ended
	31/03/2026	31/03/2025
	₹'000	₹'000
Fee and commission income	9,850	9,950
Less: fee and commission expenses	(4,398)	(3,515)
Net fee and commission income	5,452	6,435

The disaggregation of fee and commission income is provided under note 28.

19 OTHER OPERATING INCOME

	3 months ended	3 months ended
	31/03/2026	31/03/2025
	₹'000	₹'000
Income from investment securities	7,902	4,024
Net gains from foreign exchange dealings	2,252	2,376
Miscellaneous income	1,123	1,236
	11,277	7,636

20 STAFF COST

	3 months ended 31/03/2026 S'000	3 months ended 31/03/2025 S'000
Employees' salaries	7,380	7,251
Contribution to social insurance schemes	673	735
Other staff costs	2,621	2,309
	10,674	10,295

The Bank employed 1,416 employees as of 31 March 2026 (31 March 2025 – 1,423).

21 OTHER OPERATING EXPENSES

	3 months ended 31/03/2026 S'000	3 months ended 31/03/2025 S'000
Establishment costs	931	919
Operating and administration expenses	4,092	3,293
Directors' remuneration and sitting fees	115	112
	5,138	4,324

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS**22.1 Comparison of impairment provisions in accordance with IFRS 9 and regulatory provision under Central Bank of Oman's (CBO) requirement:****Impairment charge and provision held as of 31 March 2026**

	Amounts in ₹ '000		
	As per CBO Norms	As per IFRS 9	Difference
Impairment Loss charged to profit and loss	-	5,584	NA
Provisions required as per CBO norms/ held as per IFRS 9	214,241	191,367	(22,874)
Gross non-performing loan ratio (percentage)	-	4.5	-
Net non-performing loan ratio (percentage)	-	3.7	-

Mapping of IFRS 9 and CBO norms as of 31 March 2026

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Amounts in ₹ '000					
		Gross Amount	Provision required as per CBO Norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held under IFRS 9	Net Amount as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)+(8)	(7) = (3)-(5)	(8)
Standard	Stage 1	3,797,292	48,018	10,068	37,950	3,787,224	-
	Stage 2	278,604	3,139	8,881	(5,742)	269,723	-
	Stage 3	-	-	-	-	-	-
Subtotal		4,075,896	51,157	18,949	32,208	4,056,947	-
Special Mention	Stage 1	-	-	-	-	-	-
	Stage 2	195,097	1,980	28,221	(26,241)	166,876	-
	Stage 3	-	-	-	-	-	-
Subtotal		195,097	1,980	28,221	(26,241)	166,876	-
Substandard	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	8,084	2,006	4,399	(2,242)	3,685	151
Subtotal		8,084	2,006	4,399	(2,242)	3,685	151
Doubtful	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	12,027	5,178	4,398	1,267	7,629	487
Subtotal		12,027	5,178	4,398	1,267	7,629	487
Loss	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	179,097	118,640	127,472	25,810	51,625	34,642
Subtotal		179,097	118,640	127,472	25,810	51,625	34,642
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,615,144	-	2,112	(2,112)	1,613,032	-
	Stage 2	182,892	-	1,603	(1,603)	181,289	-
	Stage 3	4,472	-	4,213	(4,213)	259	-
Subtotal		1,802,508	-	7,928	(7,928)	1,794,580	-
Total	Stage 1	5,412,436	48,018	12,180	35,838	5,400,256	-
	Stage 2	656,593	5,119	38,705	(33,586)	617,888	-
	Stage 3	203,680	125,824	140,482	20,622	63,198	35,280
	Total	6,272,709	178,961	191,367	22,874	6,081,342	35,280

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)**22.1 Comparison of impairment provisions in accordance with IFRS 9 and regulatory provision under Central Bank of Oman's (CBO) requirement (continued):**

Impairment charge and provision held as of 31 March 2025

	Amounts in  '000		
	As per CBO Norms	As per IFRS 9	Difference
Impairment Loss charged to profit and loss	-	3,809	NA
Provisions required as per CBO norms/ held as per IFRS 9	194,457	172,279	(22,178)
Gross non-performing loan ratio (percentage)	-	4.6	-
Net non-performing loan ratio (percentage)	-	3.9	-

Mapping of IFRS 9 and CBO norms as of 31 March 2025

Asset Classification as per CBO Norms	Amounts in  '000						
	Asset Classification as per IFRS 9	Gross Amount	Provision required as per CBO Norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held under IFRS 9	Net Amount as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)+(8)	(7) = (3)-(5)	(8)
Standard	Stage 1	3,422,627	43,833	9,749	34,084	3,412,878	-
	Stage 2	359,068	3,911	6,649	(2,738)	352,419	-
	Stage 3	-	-	-	-	-	-
	Subtotal	3,781,695	47,744	16,398	31,346	3,765,297	-
Special Mention	Stage 1	-	-	-	-	-	-
	Stage 2	181,461	1,924	28,015	(26,091)	153,446	-
	Stage 3	-	-	-	-	-	-
	Subtotal	181,461	1,924	28,015	(26,091)	153,446	-
Substandard	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	4,957	1,326	1,390	7	3,567	71
	Subtotal	4,957	1,326	1,390	7	3,567	71
Doubtful	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	50,468	22,302	35,512	(9,054)	14,956	4,156
	Subtotal	50,468	22,302	35,512	(9,054)	14,956	4,156
Loss	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	134,543	92,985	86,220	30,714	48,323	23,949
	Subtotal	134,543	92,985	86,220	30,714	48,323	23,949
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	1,291,558	-	1,065	(1,065)	1,290,493	-
	Stage 2	246,673	-	2,448	(2,448)	244,225	-
	Stage 3	4,923	-	1,231	(1,231)	3,692	-
	Subtotal	1,543,154	-	4,744	(4,744)	1,538,410	-
Total	Stage 1	4,714,185	43,833	10,814	33,019	4,703,371	-
	Stage 2	787,202	5,835	37,112	(31,277)	750,090	-
	Stage 3	194,891	116,613	124,353	20,436	70,538	28,176
	Total	5,696,278	166,281	172,279	22,178	5,523,999	28,176

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)**22.2 Comparison of impairment provisions in accordance with IFRS 9 and regulatory provision under Central Bank of Oman's (CBO) requirement:****Restructured loans as at 31 March 2026**

Amounts in ₹ '000							
Asset classification as per CBO's Norms	Asset classification as per IFRS 9	Gross carrying amount	Provision required as per CBO's norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held under IFRS 9	Net carrying amount as per IFRS 9	Reserve interest as per CBO's norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)+(8)	(7) = (3)-(5)	(8)
Classified as performing	Stage 1	-	-	-	-	-	-
	Stage 2	185,749	1,887	27,466	(25,579)	158,283	-
	Stage 3	-	-	-	-	-	-
	Subtotal	185,749	1,887	27,466	(25,579)	158,283	-
Classified as non-performing	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	62,010	48,092	54,307	4,872	7,703	11,087
	Sub total	62,010	48,092	54,307	4,872	7,703	11,087
Total	Stage 1	-	-	-	-	-	-
	Stage 2	185,749	1,887	27,466	(25,579)	158,283	-
	Stage 3	62,010	48,092	54,307	4,872	7,703	11,087
	Total	247,759	49,979	81,773	(20,707)	165,986	11,087

Restructured loans as at 31 March 2025

Amounts in ₹ '000							
Asset classification as per CBO's Norms	Asset classification as per IFRS 9	Gross carrying amount	Provision required as per CBO's norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held under IFRS 9	Net carrying amount as per IFRS 9	Reserve interest as per CBO's norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)+(8)	(7) = (3)-(5)	(8)
Classified as performing	Stage 1	-	-	-	-	-	-
	Stage 2	201,095	2,035	26,404	(24,369)	174,691	-
	Stage 3	-	-	-	-	-	-
	Subtotal	201,095	2,035	26,404	(24,369)	174,691	-
Classified as non-performing	Stage 1	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-
	Stage 3	59,176	37,088	41,165	724	18,011	4,801
	Sub total	59,176	37,088	41,165	724	18,011	4,801
Total	Stage 1	-	-	-	-	-	-
	Stage 2	201,095	2,035	26,404	(24,369)	174,691	-
	Stage 3	59,176	37,088	41,165	724	18,011	4,801
	Total	260,271	39,123	67,569	(23,645)	192,702	4,801

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

22.3 Movement in Expected credit losses (ECL)

As at 31 March 2026	Stage 1	Stage 2	Stage 3	Total
	₹' 000	₹' 000	₹' 000	₹' 000
Exposure subject to ECL				
- Central bank balances	301,849	-	-	301,849
- Due from banks and other money market placements	376,736	-	-	376,736
- Loans, advances and Islamic financing assets	3,797,292	473,701	199,208	4,470,201
- Investment securities (debt)	526,748	-	-	526,748
- Acceptances	47,086	43,471	-	90,557
- Contingent liabilities and commitments	362,725	139,421	4,472	506,618
	5,412,436	656,593	203,680	6,272,709
Opening Balance - as at 1 January 2026				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	250	-	-	250
- Loans, advances and Islamic financing assets	8,972	35,216	132,754	176,942
- Investment securities (debt)	924	-	-	924
- Acceptances	14	48	-	62
- Contingent liabilities and commitments	728	1,707	4,188	6,623
	10,888	36,971	136,942	184,801
Net transfer between stages				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	-	-	-	-
- Loans, advances and Islamic financing assets	1,439	(63,528)	62,089	-
- Investment securities (debt)	-	-	-	-
- Acceptances	(3)	3	-	-
- Contingent liabilities and commitments	34	(34)	-	-
	1,470	(63,559)	62,089	-
Charge / (release) for the period (net)				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	13	-	-	13
- Loans, advances and Islamic financing assets	(343)	65,414	(56,757)	8,314
- Investment securities (debt)	194	-	-	194
- Acceptances	7	(14)	-	(7)
- Contingent liabilities and commitments	(49)	(107)	25	(131)
	(178)	65,293	(56,732)	8,383
Write off for the period				
- Loans, advances and Islamic financing assets	-	-	(1,817)	(1,817)
	-	-	(1,817)	(1,817)
Closing Balance - as at 31 March 2026				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	263	-	-	263
- Loans, advances and Islamic financing assets	10,068	37,102	136,269	183,439
- Investment securities (debt)	1,118	-	-	1,118
- Acceptances	18	37	-	55
- Contingent liabilities and commitments	713	1,566	4,213	6,492
	12,180	38,705	140,482	191,367

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

22.3 Movement in Expected credit losses (ECL) (continued)

As at 31 March 2025	Stage 1	Stage 2	Stage 3	Total
	₹' 000	₹' 000	₹' 000	₹' 000
Exposure subject to ECL				
- Central bank balances	190,793	-	-	190,793
- Due from banks and other money market placements	277,066	-	-	277,066
- Loans, advances and Islamic financing assets	3,422,627	540,529	189,968	4,153,124
- Investment securities (debt)	475,237	-	-	475,237
- Acceptances	21,289	63,394	-	84,683
- Contingent liabilities and commitments	327,173	183,279	4,923	515,375
	4,714,185	787,202	194,891	5,696,278
Opening Balance - as at 1 January 2025				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	106	-	-	106
- Loans, advances and Islamic financing assets	10,573	32,716	121,270	164,559
- Investment securities (debt)	559	-	-	559
- Acceptances	93	127	-	220
- Contingent liabilities and commitments	325	2,491	1,231	4,047
	11,656	35,334	122,501	169,491
Net transfer between stages				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	-	-	-	-
- Loans, advances and Islamic financing assets	(161)	(26,618)	26,779	-
- Investment securities (debt)	-	-	-	-
- Acceptances	-	-	-	-
- Contingent liabilities and commitments	63	(63)	-	-
	(98)	(26,681)	26,779	-
Charge / (release) for the period (net)				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	52	-	-	52
- Loans, advances and Islamic financing assets	(663)	28,566	(20,539)	7,364
- Investment securities (debt)	15	-	-	15
- Acceptances	(80)	(66)	-	(146)
- Contingent liabilities and commitments	(68)	(41)	-	(109)
	(744)	28,459	(20,539)	7,176
Write off for the period				
- Loans, advances and Islamic financing assets	-	-	(4,388)	(4,388)
	-	-	(4,388)	(4,388)
Closing Balance - as at 31 March 2025				
- Central bank balances	-	-	-	-
- Due from banks and other money market placements	158	-	-	158
- Loans, advances and Islamic financing assets	9,749	34,664	123,122	167,535
- Investment securities (debt)	574	-	-	574
- Acceptances	13	61	-	74
- Contingent liabilities and commitments	320	2,387	1,231	3,938
	10,814	37,112	124,353	172,279

22 CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)**22.4 Movement in loans**

As at 31 March 2026	Stage 1	Stage 2	Stage 3	Total
	₹' 000	₹' 000	₹' 000	₹' 000
Exposure subject to ECL				
Opening Balance - as at 1 January 2026	3,549,929	582,483	194,884	4,327,296
Transfer to stage 1	68,790	(68,790)	-	-
Transfer to stage 2	(3,441)	3,474	(33)	-
Transfer to stage 3	(576)	(6,961)	7,537	-
New loans, advances and Islamic financing assets	558,729	23,237	-	581,966
Recovery of loans, advances and Islamic financing assets	(376,139)	(59,742)	(1,363)	(437,244)
Write off for the period	-	-	(1,817)	(1,817)
Closing Balance - as at 31 March 2026	3,797,292	473,701	199,208	4,470,201

As at 31 March 2025	Stage 1	Stage 2	Stage 3	Total
	₹' 000	₹' 000	₹' 000	₹' 000
Exposure subject to ECL				
Opening Balance - as at 1 January 2025	3,342,348	557,782	190,576	4,090,706
Transfer to stage 1	4,859	(4,823)	(36)	-
Transfer to stage 2	(19,502)	19,650	(148)	-
Transfer to stage 3	(795)	(3,682)	4,477	-
New loans, advances and Islamic financing assets	242,086	47,521	-	289,607
Recovery of loans, advances and Islamic financing assets	(146,369)	(75,919)	(513)	(222,801)
Write off for the period	-	-	(4,388)	(4,388)
Closing Balance - as at 31 March 2025	3,422,627	540,529	189,968	4,153,124

22.5 Total impairment losses on financial instruments (net)

	3 months ended 31/03/2026 ₹'000	3 months ended 31/03/2025 ₹'000
Impairment of allowances for credit losses:		
Due from banks and other money market placements	(13)	(52)
Loans, advances and Islamic financing assets	(7,370)	(6,112)
Investment securities (debt)	(194)	(15)
Acceptances	7	146
Contingent liabilities and commitments	131	109
Total	(7,439)	(5,924)
Recoveries and releases from:		
Provision for credit losses	937	746
Loans, advances and Islamic financing assets written off	918	1,369
Total	1,855	2,115
Net Impairment losses	(5,584)	(3,809)

23 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period after interest on perpetual tier 1 capital, by the weighted average number of shares outstanding during the period as follows:

	3 months ended 31/03/2026	3 months ended 31/03/2025
Net profit after tax (₹'000s)	19,466	17,081
Weighted average number of shares outstanding during the period (in '000s)	1,625,946	1,625,946
Basic earnings per share (₹)	0.012	0.011

There are no instruments that are dilutive in nature, hence the basic and diluted earnings per share are same for both the period.

24 ASSETS/ LIABILITIES MISMATCH

The residual maturity behavioral of the assets, liabilities and equity at 31 March 2026 is as follows:

	<i>On demand within 3 months Omani Rial '000</i>	<i>3 to 12 months Omani Rial '000</i>	<i>Subtotal less than 12 months Omani Rial '000</i>	<i>1 to 5 years Omani Rial '000</i>	<i>Over 5 years Omani Rial '000</i>	<i>Subtotal over 12 months Omani Rial '000</i>	<i>Total Omani Rial '000</i>
Cash and balances with Central Banks	202,227	58,014	260,241	54,905	23,784	78,689	338,930
Due from Banks and other money market placements	326,884	28,414	355,298	21,175	-	21,175	376,473
Loans, advances and Islamic financing assets	361,173	359,408	720,581	1,560,461	2,005,720	3,566,181	4,286,762
Investment securities	270,181	26,621	296,802	278,513	117,235	395,748	692,550
Other assets	138,136	5,611	143,747	-	-	-	143,747
Property and equipment	-	-	-	-	60,848	60,848	60,848
Total assets	1,298,601	478,068	1,776,669	1,915,054	2,207,587	4,122,641	5,899,310
Future interest cash inflows	66,126	173,212	239,338	676,344	296,248	972,592	1,211,930
Due to Banks and other money market deposits	175,105	202,746	377,851	57,750	-	57,750	435,601
Customers' deposits	895,067	1,574,331	2,469,398	1,182,913	613,541	1,796,454	4,265,852
Other liabilities	143,773	1,527	145,300	60	1,859	1,919	147,219
Taxation	29,627	-	29,627	-	-	-	29,627
Shareholders' equity	-	-	-	-	622,724	622,724	622,724
Tier 1 perpetual bonds	-	-	-	-	398,287	398,287	398,287
Total liabilities and shareholders' equity	1,243,572	1,778,604	3,022,176	1,240,723	1,636,411	2,877,134	5,899,310
Future interest cash outflows	43,714	92,930	136,644	282,868	122,838	405,706	542,350
Total liquidity gap (total assets – total liabilities and shareholders' equity)	55,029	(1,300,536)	(1,245,507)	674,331	571,176	1,245,507	-

24 ASSETS/ LIABILITIES MISMATCH (continued)

The residual maturity behavioral of the assets, liabilities and equity at 31 March 2025 is as follows:

	<i>On demand within 3 months Omani Rial '000</i>	<i>3 to 12 months Omani Rial '000</i>	<i>Subtotal less than 12 months Omani Rial '000</i>	<i>1 to 5 years Omani Rial '000</i>	<i>Over 5 years Omani Rial '000</i>	<i>Subtotal over 12 months Omani Rial '000</i>	<i>Total Omani Rial '000</i>
Cash and balances with Central Banks	132,040	31,844	163,884	45,884	25,294	71,178	235,062
Due from Banks and other money market placements	190,283	73,150	263,433	7,700	5,775	13,475	276,908
Loans, advances and Islamic financing assets	383,024	233,894	616,918	1,357,316	2,011,355	3,368,671	3,985,589
Investment securities	207,416	42,340	249,756	280,441	51,374	331,815	581,571
Other assets	134,178	4,953	139,131	-	-	-	139,131
Property and equipment	-	-	-	-	59,031	59,031	59,031
Total assets	1,046,941	386,181	1,433,122	1,691,341	2,152,829	3,844,170	5,277,292
Future interest cash inflows	59,299	158,640	217,939	646,099	301,246	947,345	1,165,284
Due to Banks and other money market deposits	132,179	19,250	151,429	165,911	-	165,911	317,340
Customers' deposits	707,184	1,039,675	1,746,859	1,473,192	786,795	2,259,987	4,006,846
Other liabilities	161,884	1,312	163,196	52	972	1,024	164,220
Taxation	22,131	-	22,131	-	-	-	22,131
Shareholders' equity	-	-	-	-	541,718	541,718	541,718
Tier 1 perpetual bonds	-	-	-	-	225,037	225,037	225,037
Total liabilities and shareholders' equity	1,023,378	1,060,237	2,083,615	1,639,155	1,554,522	3,193,677	5,277,292
Future interest cash outflows	41,165	96,401	137,566	309,348	114,943	424,291	561,857
Total liquidity gap (total assets – total liabilities and shareholder's equity)	23,563	(674,056)	(650,493)	52,186	598,307	650,493	-

24 ASSETS/ LIABILITIES MISMATCH (continued)

The residual maturity behavioral of the assets, liabilities and equity at 31 December 2025 is as follows:

	<i>On demand within 3 months Omani Rial '000</i>	<i>3 to 12 months Omani Rial '000</i>	<i>Subtotal Less than 12 months Omani Rial '000</i>	<i>1 to 5 years Omani Rial '000</i>	<i>Over 5 years Omani Rial '000</i>	<i>Subtotal Over 12 months Omani Rial '000</i>	<i>Total Omani Rial '000</i>
Cash and balances with Central Banks	192,385	56,856	249,241	75,092	31,821	106,913	356,154
Due from banks and other money market placements	235,758	36,056	271,814	62,581	-	62,581	334,395
Loans, advances and Islamic financing assets	327,989	375,962	703,951	1,552,087	1,894,316	3,446,403	4,150,354
Investment securities	183,183	35,526	218,709	256,303	105,454	361,757	580,466
Other assets	104,685	4,192	108,877	-	-	-	108,877
Property and equipment	-	-	-	-	60,978	60,978	60,978
Total assets	1,044,000	508,592	1,552,592	1,946,063	2,092,569	4,038,632	5,591,224
Future interest cash inflows	66,521	175,248	241,769	672,639	288,353	960,992	1,202,761
Due to banks and other money market deposits	228,995	160,863	389,858	25,025	-	25,025	414,883
Customers' deposits	696,101	1,228,476	1,924,577	1,323,320	761,220	2,084,540	4,009,117
Other liabilities	135,063	5,060	140,123	64	1,047	1,111	141,234
Taxation	25,984	-	25,984	-	-	-	25,984
Shareholders' equity	-	-	-	-	601,719	601,719	601,719
Tier 1 perpetual bonds	-	-	-	-	398,287	398,287	398,287
Total liabilities and shareholders' equity	1,086,143	1,394,399	2,480,542	1,348,409	1,762,273	3,110,682	5,591,224
Future interest cash outflows	43,217	96,927	140,144	317,474	138,076	455,550	595,694
Total liquidity gap (total assets – total liabilities and shareholders' equity)	(42,143)	(885,807)	(927,950)	597,654	330,296	927,950	-

24 ASSETS/ LIABILITIES MISMATCH (continued)

The tables below analyses the Bank's financial liabilities into relevant maturity groupings based on their contractual maturities. Where there are no contractual maturities, the balances are considered as "Due on demand".

	<i>On demand within 3 months O'000</i>	<i>3 to 12 months O'000</i>	<i>Subtotal less than 12 months O'000</i>	<i>1 to 5 years O'000</i>	<i>Over 5 years O'000</i>	<i>Subtotal over 12 months O'000</i>	<i>Total O'000</i>
31 March 2026							
Customers' deposits	2,678,206	1,184,980	3,863,186	402,666	-	402,666	4,265,852
Due to Banks and other money market deposits	175,105	202,746	377,851	57,750	-	57,750	435,601
Other liabilities	143,773	1,527	145,300	60	1,859	1,919	147,219
Future interest cash outflows	43,714	92,930	136,644	282,868	122,838	405,706	542,350
Contingent liabilities	506,618	-	506,618	-	-	-	506,618
31 March 2025							
Customers' deposits	2,304,563	796,237	3,100,800	906,008	38	906,046	4,006,846
Due to Banks and other money market deposits	132,179	19,250	151,429	165,911	-	165,911	317,340
Other liabilities	161,884	1,312	163,196	52	972	1,024	164,220
Future interest cash outflows	41,165	96,401	137,566	309,348	114,943	424,291	561,857
Contingent liabilities	348,034	-	348,034	-	-	-	348,034
31 December 2025							
Customers' deposits	2,279,105	977,417	3,256,522	752,595	-	752,595	4,009,117
Due to Banks and other money market deposits	228,995	160,863	389,858	25,025	-	25,025	414,883
Other liabilities	135,063	5,060	140,123	64	1,047	1,111	141,234
Future interest cash outflows	43,219	96,927	140,146	317,474	138,076	455,550	595,696
Contingent liabilities	506,072	-	506,072	-	-	-	506,072

25 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties comprise principal shareholders, directors and key management personnel of the Bank. Key management personnel comprise those individuals of the Bank who are involved in the strategic planning and decision making of the Bank. The terms of these transactions are approved by the Bank's management and are made on terms agreed by the Board of Directors.

In the ordinary course of business, the Bank conducts transactions with certain of its directors, shareholders, senior management and companies over which they have significant interest. The Bank engages in transactions with related parties at 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.

Principal shareholders of the Bank includes those shareholders' who exercises significant influence on the Bank and their close family members. Other related parties include transactions with key management personnel, directors and transactions with those entities which are controlled by either the principal shareholders or key management personnel or directors of the Bank.

The aggregate amounts of balances with such related parties are as follows:

	31/03/2026			31/12/2025		
	<i>Principal shareholder</i>	<i>Others</i>	<i>Total</i>	<i>Principal shareholder</i>	<i>Others</i>	<i>Total</i>
	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>
Loans, advances and Islamic financing assets	-	127,441	127,441	-	124,728	124,728
Customers' deposits	345	41,978	42,323	341	40,863	41,204
Due from banks	216	-	216	218	-	218
Due to banks	309	-	309	145	-	145
Letters of credit, guarantees and acceptances	1,181	10,017	11,198	954	4,618	5,572
Investments	2,784	1,204	3,988	2,831	1,174	4,005

The statement of comprehensive income includes the following amounts in relation to transactions with related parties:

	31/03/2026			31/03/2025		
	<i>Principal shareholder</i>	<i>Others</i>	<i>Total</i>	<i>Principal shareholder</i>	<i>Others</i>	<i>Total</i>
	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>	<i>₹'000</i>
Interest income	-	1,626	1,626	11	1,280	1,291
Commission income	1	89	90	-	67	67
Interest expense	-	212	212	-	291	291
Other expenses	-	380	380	-	1,645	1,645

Details regarding senior management are set out below:

The Bank considers the personnel of Management Executive Committee to be key management personnel for the purposes of IAS 24 'Related Party Disclosures.'

The balances in respect of these related parties included in the statement of financial position as at the reporting date are as follows:

	31/03/2026	31/12/2025
	<i>₹'000</i>	<i>₹'000</i>
Loans, advances and Islamic financing assets	575	458
Customers' deposits	2,134	1,642

25 RELATED PARTY TRANSACTIONS (continued)

The income and expenses in respect of these related parties included in the financial statement are as follows:

	3 months ended 31/03/2026 Omani Rial '000	3 months ended 31/03/2025 Omani Rial '000
Interest Income	7	9
Interest Expense	18	18
Salaries and other short-term benefits	2,104	2,196
Post-employment benefits	95	70

26 SHAREHOLDERS

The shareholders of the Bank who own 10% or more of the Bank's shares, based on information obtained from Muscat Clearing and Depository.

	31/03/2026	31/03/2025	31/12/2025
Number of shares held ('000)			
The Commercial Bank of Qatar	567,453	567,453	567,453
Suhail Salim Abdullah Al Mukhaini Bahwan	239,805	239,805	239,805
% of shareholding			
The Commercial Bank of Qatar	34.90%	34.90%	34.90%
Suhail Salim Abdullah Al Mukhaini Bahwan	14.75%	14.75%	14.75%

The percentage shareholding is calculated based on the total shares of the Bank outstanding at the reporting date.

27 CAPITAL ADEQUACY

The risk asset ratio calculated in accordance with the capital adequacy guidelines of the Bank for International Settlement is as follows:

	31/03/2026 Omani Rial '000	31/03/2025 Omani Rial '000	31/12/2025 Omani Rial '000
Capital base			
Common equity Tier 1	559,219	495,021	559,107
Eligible additional Tier 1 - capital	282,787	225,037	398,287
Tier 2 capital	25,242	16,174	15,711
Total capital base	867,248	736,232	973,105
Risk weighted assets			
Credit risk	4,546,810	3,986,232	4,346,825
Operational risk	287,929	272,144	287,929
Market risk	110,550	126,438	127,638
Total risk weighted assets	4,945,289	4,384,814	4,762,392
Common Equity Tier 1 Ratio	11.3%	11.3%	11.7%
Tier 1 Ratio	17.0%	16.4%	20.1%
Risk asset ratio (Basel II norms)	17.5%	16.8%	20.4%

28 SEGMENT REPORTING

For management purposes, the Bank is organised into five operating segments based on business units and are as follows:

- Retail Banking offers various products and facilities to individual retail and high net-worth customers to meet everyday banking needs. This includes asset products like personal loans, housing loan, credit cards and term loans and liability products like savings account, current account and term deposits.
- Wholesale Banking delivers a variety of products and services to Corporate, Government and Financial Institutions, that include lending, accepting deposits, trade finance, treasury and foreign exchange. It also includes investment Banking which offers investment products such as asset management, corporate advisory and brokerage services to retail customers and institutional clients.
- International operations include UAE and Egypt operations.
- Islamic Banking offers various products as per Shari'a principles.
- Funding Center – The Funding center is responsible for balancing and managing the liquidity of funds within the Bank. It acts as repository of funds by allocating funds transfer pricing to various business units for performance management purposes. The department also handles the Bank's investments in securities, asset/liability management and cash instruments.

Management monitors the operating results of these segments separately for the purpose of making decisions about resource allocation and performance assessment. The costs incurred by the support functions are allocated to operating segments for performance measurement purposes.

Segment information by business line is as follows:

	Retail Banking ₹'000	Wholesale Banking ₹'000	International Banking ₹'000	Islamic Banking ₹'000	Funding center ₹'000	Total ₹'000
31 March 2026						
<i>Operating income</i>	14,634	21,666	1,795	3,417	4,730	46,242
<i>Net profit</i>	4,442	9,622	282	942	4,178	19,466
<i>Total assets</i>	1,504,635	2,923,361	307,536	524,445	639,333	5,899,310
31 March 2025						
<i>Operating income</i>	14,633	18,670	1,708	2,695	2,428	40,134
<i>Net profit</i>	3,471	9,429	403	1,606	2,172	17,081
<i>Total assets</i>	1,496,187	2,667,704	215,511	496,325	401,565	5,277,292

Disaggregated revenues

IFRS 15 requires the disclosure of disaggregated revenue from contracts with customers for major products / service lines. The below table provides disaggregation of commission and fee income (net) into revenues within Bank's reportable segments. Contract revenue is further segregated based on the products and services:

31 March 2026	Retail ₹'000	Wholesale ₹'000	International ₹'000	Islamic ₹'000	Total ₹'000
Transactional	2,017	-	-	30	2,047
Trade Income	8	800	78	33	919
Account Services	18	221	(3)	(3)	233
Underwriting & Syndication	137	1,141	166	133	1,577
Investment banking	-	676	-	-	676
Total	2,180	2,838	241	193	5,452

28 SEGMENT REPORTING (continued)**Disaggregated revenues (continued)**

31 March 2025	Retail Omani'000	Wholesale Omani'000	International Omani'000	Islamic Omani'000	Total Omani'000
Transactional	2,625	-	1	(15)	2,611
Trade Income	20	593	67	16	696
Account Services	5	372	(4)	11	384
Underwriting & Syndication	155	1,901	61	406	2,523
Investment banking	-	221	-	-	221
Total	2,805	3,087	125	418	6,435

For management purposes the Bank also reports the segment information of its operations by the following geographical locations:

- i) Oman
- ii) United Arab Emirates (UAE)
- iii) Egypt

Transactions between the above segments are conducted at estimated market rates on an arm's length basis. Segment information by geography is as follows:

For the period ended 31 March 2026	Oman Omani'000	UAE Omani'000	Egypt Omani'000	Total Omani'000
Net interest income and income from Islamic financing and Investment activities	28,213	1,300	-	29,513
Fees, Commission and other operating income	16,234	537	(42)	16,729
Operating income/(loss)	44,447	1,837	(42)	46,242
Operating expenses	(16,902)	(614)	(7)	(17,523)
Operating profit/(loss)	27,545	1,223	(49)	28,719
Impairment losses (net) and taxation	(9,118)	(143)	8	(9,253)
Segment profit/(loss) for the period	18,427	1,080	(41)	19,466

Other information

Segment assets	5,591,774	307,424	112	5,899,310
-----------------------	------------------	----------------	------------	------------------

For the period ended 31 March 2025	Oman Omani'000	UAE Omani'000	Egypt Omani'000	Total Omani'000
Net interest income and income from Islamic financing and Investment activities	25,165	899	(1)	26,063
Fees, Commission and other operating income	13,261	807	3	14,071
Operating income/(loss)	38,426	1,706	2	40,134
Operating expenses	(15,597)	(612)	(11)	(16,220)
Operating profit/(loss)	22,829	1,094	(9)	23,914
Impairment losses (net) and taxation	(6,683)	(150)	-	(6,833)
Segment profit/(loss) for the period	16,146	944	(9)	17,081

Other information

Segment assets	5,061,781	214,883	628	5,277,292
-----------------------	------------------	----------------	------------	------------------

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

Based on the valuation methodology outlined below, the fair values of all financial instruments at 31 March 2026, 31 March 2025 and 31 December 2025 are considered by the Management not to be materially different to their book values.

Estimation of fair values

The following summarises the major methods and assumptions used in estimating the fair values of assets and liabilities:

1. Loans, advances and Islamic financing assets

Fair value is calculated based on discounted expected future principal and interest cash flows. Loan repayments are assumed to occur at contractual repayment dates, where applicable. For loans that do not have fixed repayment dates or that are subject to prepayment risk, repayments are estimated based on experience in previous periods when interest rates were at levels similar to current levels, adjusted for any differences in interest rate outlook. Expected future cash flows are estimated considering credit risk and any indication of impairment. Expected future cash flows for homogeneous categories of loans are estimated on a portfolio basis and discounted at current rates offered for similar loans to new borrowers with similar credit profiles. The estimated fair values of loans reflect changes in credit status since the loans were made and changes in interest rates in the case of fixed rate loans.

2. Investments

Fair value is based on quoted market prices at the reporting date without any deduction for transaction costs. If a quoted market price is not available, fair value is estimated based on discounted cash flow and other valuation techniques.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate is a market-related rate for a similar instrument at the reporting date.

3. Current account balances due to and due from Banks

The carrying amount of current account balances due to and from Banks was considered to be a reasonable estimate of fair value due to their short term nature.

4. Bank and customer deposits

For demand deposits and deposits with no defined maturities, fair value is taken to be the amount payable on demand at the reporting date. The estimated fair value of fixed-maturity deposits, including certificates of deposit, is based on discounted cash flows using rates currently offered for deposits of similar remaining maturities. The value of long-term relationships with depositors is not taken into account in estimating fair values.

5. Other financial instruments

No fair value adjustment is made with respect to credit-related off-balance sheet financial instruments, which include commitments to extend credit, standby letters of credit and guarantees, as the related future income streams materially reflect contractual fees and commissions actually charged at the reporting date for agreements of similar credit standing and maturity.

Foreign exchange contracts are valued based on market prices. The market value adjustments in respect of foreign exchange contracts are included in other assets and other liabilities.

The fair values of financial instruments that are traded in active markets are based on quoted market prices. Other unquoted equities are valued based on information provided by fund managers, investee financial information and current purchase prices. Industry standard valuation models are used to calculate the expected future value of payments by product, which is discounted back to a present value. The model's interest rate inputs are benchmark and active quoted interest rates in the swap, bond and futures markets. Interest rate volatilities are sourced from brokers and consensus data providers. If consensus prices are not available, these are classified as Level 3 instruments.

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

29 FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**Valuation models**

Level 1: inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The following table shows an analysis of financial instruments other than derivatives instruments recorded at fair value by level of the fair value hierarchy:

	<i>Level 1</i> <i>₹'000</i>	<i>Level 2</i> <i>₹'000</i>	<i>Total</i> <i>₹'000</i>
31 March 2026			
Investment measured at FVTPL			
Quoted equities	6,688	-	6,688
Unquoted equities	-	2,759	2,759
Total	6,688	2,759	9,447
Investment measured at FVOCI			
Quoted equities	157,473	-	157,473
Total	157,473	-	157,473
TOTAL FINANCIAL ASSETS	164,161	2,759	166,920
31 March 2025			
Investment measured at FVTPL			
Quoted equities	2,096	-	2,096
Unquoted equities	-	2,660	2,660
Total	2,096	2,660	4,756
Investment measured at FVOCI			
Quoted equities	102,152	-	102,152
Total	102,152	-	102,152
TOTAL FINANCIAL ASSETS	104,248	2,660	106,908
31 December 2025			
Investment measured at FVTPL			
Quoted equities	2,715	-	2,715
Unquoted equities	-	2,805	2,805
Total	2,715	2,805	5,520
Investment measured at FVOCI			
Quoted equities	96,262	-	96,262
Total	96,262	-	96,262
TOTAL FINANCIAL ASSETS	98,977	2,805	101,782

The Bank's primary medium and long-term financial liabilities are the borrowed funds and subordinated liabilities. The fair values of these financial liabilities not materially different from their carrying values, since these liabilities are reprised at intervals of three or six months, depending on the terms and conditions of the instrument and the resultant applicable margins approximate the current spreads that would apply for borrowings with similar maturities.

Derivative financial instrument at level 2 are valued based on counter party valuation, quoted forward rates and yield curves (see note 30). There are no transfers between levels of fair value measurement hierarchy during the period ended on 31 March 2026, 31 March 2025 and year ended 31 December 2025.

30 DERIVATIVES

	Positive fair value (Note 7) £'000	Negative fair value (Note 11) £'000	Notional amount total £'000	Notional amounts by term to maturity		
				Within 3 months £'000	3 – 12 months £'000	Above 1 Year £'000
31 March 2026						
Interest rate swaps	7,748	(7,748)	751,635	30,556	53,824	667,255
Forward foreign exchange purchase contracts	19	(55)	410,215	257,844	142,738	9,633
Forward foreign exchange sales contracts	2,374	(25)	410,214	257,844	142,737	9,633
Total	10,141	(7,828)	1,572,064	546,244	339,299	686,521
31 March 2025						
Interest rate swaps	11,029	(11,029)	415,507	8,782	36,177	370,548
Forward foreign exchange purchase contracts	62	(5)	323,492	136,323	160,772	26,397
Forward foreign exchange sales contracts	268	(662)	323,492	136,404	160,714	26,374
Total	11,359	(11,696)	1,062,491	281,509	357,663	423,319
31 December 2025						
Interest rate swaps	8,100	(8,100)	758,217	21,548	62,891	673,778
Forward foreign exchange purchase contracts	6	(13)	375,229	240,358	125,251	9,620
Forward foreign exchange sales contracts	874	(18)	375,229	240,476	125,133	9,620
Total	8,980	(8,131)	1,508,675	502,382	313,275	693,018

Derivatives are valued at level 2 based on quoted forward rates.

31 LIQUIDITY COVERAGE RATIO

The Liquidity coverage ratio (LCR) is a short time ratio designed to increase resilience against a liquidity shortage of up to 30 days. The LCR is computed as per CBO requirement under the circular BM1127 (BASEL III: Framework on Liquidity coverage ratio and LCR disclosure standards). It is applicable from January 1, 2015 with a minimum ratio of 60% and increasing by 10% every year thereafter till it reaches a minimum required level of 100% on 1 January, 2020.

	March 2026		March 2025		December 2025	
	Total Unweighted Value (average) ₹'000	Total Weighted Value (average) ₹'000	Total Unweighted Value (average) ₹'000	Total Weighted Value (average) ₹'000	Total Unweighted Value (average) ₹'000	Total Weighted Value (average) ₹'000
High quality liquid assets						
Total High Quality Liquid Assets (HQLA)	-	736,911	-	665,625	-	693,805
Cash outflows						
Stable deposits	394,791	11,844	394,744	11,842	408,255	12,248
Less stable deposits	392,978	39,298	307,434	30,743	353,625	35,363
Retail deposits and deposits from small business customers	787,769	51,142	702,178	42,585	761,880	47,611
Unsecured wholesale funding, of which:						
Operational deposits (all counterparties) and deposits in networks of cooperative banks	1,688,981	683,067	1,593,294	596,254	1,609,148	661,382
Additional requirements, of which:						
Credit and liquidity facilities	74,697	7,470	20,632	2,063	40,908	4,091
Other contractual funding obligations	30,074	1,504	18,330	917	17,522	876
Other contingent funding obligations	706,554	215,408	543,132	137,942	634,090	177,079
Total cash outflows	3,288,075	958,591	2,877,566	779,761	3,063,548	891,039
Cash inflows						
Inflows from fully performing exposures	364,706	288,634	342,437	262,592	354,764	281,414
Other cash inflows	201,644	201,644	166,058	166,058	175,357	175,357
Total cash inflows	566,350	490,278	508,495	428,650	530,121	456,771
Total high quality liquid assets	-	736,911	-	665,625	-	693,805
Total net cash outflows	-	468,313	-	351,111	-	434,268
Liquidity coverage ratio (%)	-	157.35	-	189.58	-	159.76

The following tables set out the net stable funding ratio (NSFR) and leverage ratio of the bank:

	31/03/2026 %	31/03/2025 %	31/12/2025 %
NSFR	124.68	114.46	130.33
Leverage ratio	13.19	12.90	15.71