



**Interim condensed financial statements  
For the six months period ended  
30 June 2025**

---

**CONTENTS OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

Chairman's report	3-6
Interim condensed statement of financial position	7
Interim condensed statement of comprehensive income	8
Interim condensed statement of changes in equity	9
Interim condensed statement of cash flows	10
Notes to the interim condensed financial statements	11-28

## Chairman's Report

Dear Shareholders,

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

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

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

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

## Financial Performance

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

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

### **Highlights of Achievements**

Building on the achievements of the first quarter, the second quarter of 2025 reaffirmed ahlibank's strong position and pivotal role in driving sustainable economic growth in the Oman. The bank advanced its strategic priorities with confidence and determination, reflecting its commitment to excellence, innovation, and serving the community.

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

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

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

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

### **Corporate Social Responsibility**

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

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

### **Looking Ahead**

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

## **Acknowledgements**

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

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

Above all, with deep respect and loyalty, we reaffirm our allegiance to His Majesty Sultan Haitham bin Tarik. We remain committed to serving the Sultanate's long-term ambitions and contributing meaningfully to the progress and prosperity of the nation.



**Hamdan Ali Nasser Al Hinai**  
**Chairman**

**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2025**

Audited 31-Dec-24 US\$'000	Unaudited 30-Jun-24 US\$'000	Unaudited 30-Jun-25 US\$'000		Note	Unaudited 30-Jun-25 RO'000	Unaudited 30-Jun-24 RO'000	Audited 31-Dec-24 RO'000
<b>ASSETS</b>							
505,330	412,686	<b>568,239</b>	Cash and balances with Central Bank of Oman		<b>218,772</b>	158,884	194,552
294,366	243,244	<b>212,535</b>	Due from banks		<b>81,826</b>	93,649	113,331
894,120	785,463	<b>945,829</b>	Investment securities	6	<b>364,144</b>	302,403	344,236
7,850,078	7,285,050	<b>8,212,223</b>	Loans, advances and financing, net	5	<b>3,161,706</b>	2,804,744	3,022,280
125,808	122,057	<b>132,481</b>	Property, equipment and intangibles		<b>51,005</b>	46,992	48,436
83,358	93,688	<b>88,338</b>	Other assets		<b>34,010</b>	36,070	32,093
<b>9,753,060</b>	<b>8,942,188</b>	<b>10,159,645</b>	<b>TOTAL ASSETS</b>		<b>3,911,463</b>	3,442,742	3,754,928
<b>LIABILITIES AND EQUITY</b>							
893,327	453,909	<b>585,016</b>	Due to banks		<b>225,231</b>	174,755	343,931
7,176,019	6,784,288	<b>7,845,130</b>	Customers' deposits	7	<b>3,020,375</b>	2,611,951	2,762,767
-	50,000	-	Borrowed funds	8	-	19,250	-
32,576	23,429	<b>32,683</b>	Tax liability		<b>12,583</b>	9,020	12,542
201,738	217,664	<b>235,005</b>	Other liabilities		<b>90,477</b>	83,800	77,669
<b>8,303,660</b>	<b>7,529,290</b>	<b>8,697,834</b>	<b>TOTAL LIABILITIES</b>		<b>3,348,666</b>	2,898,776	3,196,909
<b>EQUITY</b>							
636,275	636,275	<b>636,275</b>	Share capital	10	<b>244,966</b>	244,966	244,966
124,738	113,917	<b>124,738</b>	Legal reserve		<b>48,024</b>	43,858	48,024
(4,439)	(2,956)	<b>(1,714)</b>	Fair value reserve		<b>(660)</b>	(1,138)	(1,709)
774	774	<b>774</b>	Special reserve		<b>298</b>	298	298
60,041	31,281	<b>83,301</b>	Impairment reserve		<b>32,071</b>	12,043	23,116
166,125	167,721	<b>122,634</b>	Retained earnings		<b>47,214</b>	64,573	63,958
<b>983,514</b>	<b>947,012</b>	<b>966,008</b>	<b>TOTAL NET EQUITY ATTRIBUTABLE TO THE OWNERS OF THE BANK</b>		<b>371,913</b>	364,600	378,653
465,886	465,886	<b>495,803</b>	Tier 1 subordinated bonds		<b>190,884</b>	179,366	179,366
<b>1,449,400</b>	<b>1,412,898</b>	<b>1,461,811</b>	<b>TOTAL EQUITY</b>		<b>562,797</b>	543,966	558,019
<b>9,753,060</b>	<b>8,942,188</b>	<b>10,159,645</b>	<b>TOTAL LIABILITIES AND NET EQUITY</b>		<b>3,911,463</b>	3,442,742	3,754,928
42	40	<b>41</b>	Net assets value per share (US cents/baizas)	16.2	<b>158</b>	155	161
631,482	524,117	<b>801,612</b>	Contingent liabilities and commitments	20	<b>308,621</b>	201,785	243,120

The interim condensed financial statements were approved by the Board of Directors on 29 July 2025 and signed on their behalf by:



**Hamdan Ali Nasser Al Hinai**  
Chairman



**Said Abdullah Al Hatmi**  
Chief Executive Officer

The accompanying notes 1 to 23 form an integral part of these interim condensed financial statements.

**AHLI BANK SAOG**
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

Six months period ended		Three months period ended			Three months period ended		Six months period ended		
Unaudited 30-Jun-24	Unaudited 30-Jun-25	Unaudited 30-Jun-24	Unaudited 30-Jun-25		Note	Unaudited 30-Jun-25	Unaudited 30-Jun-24	Unaudited 30-Jun-25	Unaudited 30-Jun-24
US\$ '000	US\$ '000	US\$ '000	US\$ '000			RO '000	RO '000	RO '000	RO '000
201,626	<b>204,984</b>	101,761	<b>103,868</b>	Interest income	11	<b>39,989</b>	39,178	<b>78,919</b>	77,626
#####	<b>(117,600)</b>	(62,517)	<b>(58,473)</b>	Interest expense	12	<b>(22,512)</b>	(24,069)	<b>(45,276)</b>	(47,389)
<b>78,538</b>	<b>87,384</b>	39,244	<b>45,395</b>	<b>NET INTEREST INCOME</b>		<b>17,477</b>	15,109	<b>33,643</b>	30,237
47,834	<b>57,527</b>	24,343	<b>29,179</b>	Income from Islamic financing and investments		<b>11,234</b>	9,372	<b>22,148</b>	18,416
(30,613)	<b>(34,797)</b>	(15,852)	<b>(17,906)</b>	Unrestricted investment account holders' share of profit and profit expense		<b>(6,894)</b>	(6,103)	<b>(13,397)</b>	(11,786)
17,221	<b>22,730</b>	8,491	<b>11,273</b>	<b>NET INCOME FROM ISLAMIC FINANCING AND INVESTMENTS</b>		<b>4,340</b>	3,269	<b>8,751</b>	6,630
95,759	<b>110,114</b>	47,735	<b>56,668</b>	<b>NET INTEREST INCOME AND INCOME FROM ISLAMIC FINANCING AND INVESTMENTS</b>		<b>21,817</b>	18,378	<b>42,394</b>	36,867
25,309	<b>28,021</b>	14,774	<b>14,062</b>	Fees and commission income	14	<b>5,414</b>	5,688	<b>10,788</b>	9,744
(2,506)	<b>(3,455)</b>	(1,294)	<b>(2,112)</b>	Fees and commission expense	14	<b>(813)</b>	(498)	<b>(1,330)</b>	(965)
22,803	<b>24,566</b>	13,480	<b>11,950</b>	<b>Net fees and commission income</b>		<b>4,601</b>	5,190	<b>9,458</b>	8,779
12,949	<b>14,039</b>	7,055	<b>6,751</b>	Other operating income	13	<b>2,599</b>	2,716	<b>5,405</b>	4,985
131,511	<b>148,719</b>	68,270	<b>75,369</b>	<b>OPERATING INCOME</b>		<b>29,017</b>	26,284	<b>57,257</b>	50,631
(14,730)	<b>(17,635)</b>	(6,652)	<b>(5,848)</b>	Net impairment on financial assets	15	<b>(2,251)</b>	(2,561)	<b>(6,789)</b>	(5,671)
116,781	<b>131,084</b>	61,618	<b>69,521</b>	<b>NET OPERATING INCOME</b>		<b>26,766</b>	23,723	<b>50,468</b>	44,960
(34,377)	<b>(39,343)</b>	(17,023)	<b>(19,708)</b>	Staff expenses		<b>(7,588)</b>	(6,554)	<b>(15,147)</b>	(13,235)
(5,252)	<b>(6,847)</b>	(2,735)	<b>(3,807)</b>	Depreciation & amortisation		<b>(1,466)</b>	(1,053)	<b>(2,636)</b>	(2,022)
(16,130)	<b>(17,668)</b>	(7,358)	<b>(8,443)</b>	Other operating expenses		<b>(3,250)</b>	(2,833)	<b>(6,802)</b>	(6,210)
(55,759)	<b>(63,858)</b>	(27,116)	<b>(31,958)</b>	<b>OPERATING EXPENSES</b>		<b>(12,304)</b>	(10,440)	<b>(24,585)</b>	(21,467)
61,022	<b>67,226</b>	34,502	<b>37,563</b>	<b>PROFIT BEFORE TAXATION</b>		<b>14,462</b>	13,283	<b>25,883</b>	23,493
(8,561)	<b>(9,148)</b>	(4,444)	<b>(4,698)</b>	Income Tax expense		<b>(1,809)</b>	(1,711)	<b>(3,522)</b>	(3,296)
52,461	<b>58,078</b>	30,058	<b>32,865</b>	<b>PROFIT FOR THE PERIOD</b>		<b>12,653</b>	11,572	<b>22,361</b>	20,197
				<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>					
				<i>Items that will not be reclassified to profit or loss</i>					
(3,421)	<b>1,689</b>	(1,197)	<b>5,275</b>	Equity investments at FVOCI - net changes in fair value		<b>2,031</b>	(461)	<b>650</b>	(1,317)
				<i>Items that will be reclassified to profit or loss</i>					
600	-	(696)	<b>1,125</b>	Cash flow hedge - net changes in fair value		<b>433</b>	(268)	-	231
(351)	<b>925</b>	(1,400)	<b>(1,122)</b>	Changes in fair value of FVOCI debt investments		<b>(432)</b>	(539)	<b>356</b>	(135)
(3,172)	<b>2,614</b>	(3,293)	<b>5,278</b>	<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD</b>		<b>2,032</b>	(1,268)	<b>1,006</b>	(1,221)
49,289	<b>60,692</b>	26,765	<b>38,143</b>	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>14,685</b>	10,304	<b>23,367</b>	18,976
2	<b>2</b>	1	<b>1</b>	<b>Basic earnings per share (US cents/baixas)</b>	16.1	<b>4</b>	4	<b>7</b>	6
2	<b>2</b>	1	<b>1</b>	<b>Diluted earnings per share (US cents/baixas)</b>	16.1	<b>4</b>	4	<b>6</b>	6

The accompanying notes 1 to 23 form an integral part of these interim condensed financial statements.

**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

	Share capital	Legal reserve	Fair value reserve	Special reserve	Impairment reserve	Retained earnings	Total	Tier 1 subordinated bonds	Total equity
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
<b>Balance at 1 January 2025</b>	<b>244,966</b>	<b>48,024</b>	<b>(1,709)</b>	<b>298</b>	<b>23,116</b>	<b>63,958</b>	<b>378,653</b>	<b>179,366</b>	<b>558,019</b>
Profit for the period	-	-	-	-	-	22,361	22,361	-	22,361
Other comprehensive income, net of tax	-	-	1,006	-	-	-	1,006	-	1,006
<b>Total comprehensive income</b>	-	-	<b>1,006</b>	-	-	<b>22,361</b>	<b>23,367</b>	-	<b>23,367</b>
Transfer to Impairment Reserve	-	-	-	-	8,955	(8,955)	-	-	-
Interest paid on Tier 1 subordinated bonds	-	-	-	-	-	(6,611)	(6,611)	-	(6,611)
Loss on sale of equity investments at FVOCI	-	-	43	-	-	(43)	-	-	-
<b>Transactions with owners recognised directly in equity</b>									
Cash dividends paid	-	-	-	-	-	(11,748)	(11,748)	-	(11,748)
Issuance of Mandatory Convertible Bonds	-	-	-	-	-	(11,748)	(11,748)	11,518	(230)
<b>Balance at 30 June 2025 (RO'000) (unaudited)</b>	<b>244,966</b>	<b>48,024</b>	<b>(660)</b>	<b>298</b>	<b>32,071</b>	<b>47,214</b>	<b>371,913</b>	<b>190,884</b>	<b>562,797</b>
<b>Balance at 30 June 2025 (US\$ '000) (unaudited)</b>	<b>636,275</b>	<b>124,738</b>	<b>(1,714)</b>	<b>774</b>	<b>83,301</b>	<b>122,634</b>	<b>966,008</b>	<b>495,803</b>	<b>1,461,811</b>

	Share capital	Legal reserve	Fair value reserve	Special reserve	Impairment reserve	Retained earnings	Total	Tier 1 subordinated bonds	Total equity
	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
<i>Balance at 1 January 2024</i>	<i>244,966</i>	<i>43,858</i>	<i>230</i>	<i>298</i>	<i>10,867</i>	<i>72,175</i>	<i>372,394</i>	<i>149,000</i>	<i>521,394</i>
Profit for the period	-	-	-	-	-	20,197	20,197	-	20,197
Other comprehensive expense, net of tax	-	-	(1,221)	-	-	-	(1,221)	-	(1,221)
<b>Total comprehensive income</b>	-	-	<b>(1,221)</b>	-	-	<b>20,197</b>	<b>18,976</b>	-	<b>18,976</b>
Transfer to impairment reserve	-	-	-	-	1,176	(1,176)	-	-	-
Interest paid on Tier 1 subordinated bonds	-	-	-	-	-	(5,622)	(5,622)	-	(5,622)
Gain on sale of equity investments at FVOCI	-	-	(147)	-	-	147	-	-	-
<b>Transactions with owners recognised directly in equity</b>									
Cash dividends paid	-	-	-	-	-	(10,574)	(10,574)	-	(10,574)
Issuance of Mandatory Convertible Bonds	-	-	-	-	-	(10,574)	(10,574)	10,366	(208)
Issue of Tier 1 subordinated bonds	-	-	-	-	-	-	-	40,000	40,000
Redemption of Tier 1 subordinated bonds	-	-	-	-	-	-	-	(20,000)	(20,000)
<i>Balance at 30 June 2024 (RO '000) (unaudited)</i>	<i>244,966</i>	<i>43,858</i>	<i>(1,138)</i>	<i>298</i>	<i>12,043</i>	<i>64,573</i>	<i>364,600</i>	<i>179,366</i>	<i>543,966</i>
<i>Balance at 30 June 2024 (US\$ '000) (unaudited)</i>	<i>636,275</i>	<i>113,917</i>	<i>(2,956)</i>	<i>774</i>	<i>31,281</i>	<i>167,721</i>	<i>947,012</i>	<i>465,886</i>	<i>1,412,898</i>
<i>Balance at 1 July 2024</i>	<i>244,966</i>	<i>43,858</i>	<i>(1,138)</i>	<i>298</i>	<i>12,043</i>	<i>64,573</i>	<i>364,600</i>	<i>179,366</i>	<i>543,966</i>
Profit for the period	-	-	-	-	-	21,465	21,465	-	21,465
Other comprehensive expense, net of tax	-	-	(814)	-	-	-	(814)	-	(814)
<b>Total comprehensive income</b>	-	-	<b>(814)</b>	-	-	<b>21,465</b>	<b>20,651</b>	-	<b>20,651</b>
Transfer to legal reserve	-	4,166	-	-	-	(4,166)	-	-	-
Transfer to impairment reserve	-	-	-	-	11,073	(11,073)	-	-	-
Loss on sale of equity investments at FVOCI	-	-	243	-	-	(243)	-	-	-
Interest paid on Tier 1 subordinated bonds	-	-	-	-	-	(6,598)	(6,598)	-	(6,598)
<i>Balance at 31 December 2024 (RO '000) (audited)</i>	<i>244,966</i>	<i>48,024</i>	<i>(1,709)</i>	<i>298</i>	<i>23,116</i>	<i>63,958</i>	<i>378,653</i>	<i>179,366</i>	<i>558,019</i>
<i>Balance at 31 December 2024 (US\$ '000) (audited)</i>	<i>636,275</i>	<i>124,738</i>	<i>(4,439)</i>	<i>774</i>	<i>60,041</i>	<i>166,125</i>	<i>983,514</i>	<i>465,886</i>	<i>1,449,400</i>

Appropriation to legal reserve is made on an annual basis.

The accompanying notes 1 to 23 form an integral part of these interim condensed financial statements.

**AHLI BANK SAOG**
**INTERIM CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

Unaudited 30-Jun-24 US\$ '000	Unaudited 30-Jun-25 US\$ '000		Unaudited 30-Jun-25 RO '000	Unaudited 30-Jun-24 RO '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
61,022	<b>67,229</b>	<b>Profit before taxation</b>	<b>25,883</b>	23,493
<b>Adjustments for:</b>				
5,252	<b>6,847</b>	Depreciation and amortisation	<b>2,636</b>	2,022
14,730	<b>17,634</b>	Net impairment on financial assets	<b>6,789</b>	5,671
265	<b>369</b>	End of service benefits provision	<b>142</b>	102
317	<b>(3,540)</b>	Net (gain)/loss on investments	<b>(1,363)</b>	122
81,586	<b>88,539</b>	<b>Operating profit before working capital changes</b>	<b>34,087</b>	31,410
-	<b>(20,769)</b>	Increase in due from banks	<b>(7,996)</b>	-
(301,961)	<b>(379,779)</b>	Increase in loans & advances and financing	<b>(146,215)</b>	(116,255)
(42,842)	<b>(4,979)</b>	Increase in other assets	<b>(1,917)</b>	(16,494)
(28,691)	<b>(308,312)</b>	Decrease in due to banks	<b>(118,700)</b>	(11,046)
353,987	<b>669,112</b>	Increase in customers' deposits	<b>257,608</b>	136,285
(1,654)	<b>31,975</b>	Increase in other liabilities	<b>12,311</b>	(637)
60,425	<b>75,787</b>	<b>Cash generated from operations</b>	<b>29,178</b>	23,263
(18,488)	<b>(10,416)</b>	Tax paid	<b>(4,010)</b>	(7,118)
(45)	<b>(327)</b>	End of service benefits paid	<b>(126)</b>	(17)
41,892	<b>65,044</b>	<b>Net cash generated from operating activities</b>	<b>25,042</b>	16,128
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
(1,340)	<b>(43,568)</b>	Increase in investment, net	<b>(16,773)</b>	(516)
(20,476)	<b>(13,519)</b>	Net Purchase of property and equipment	<b>(5,205)</b>	(7,883)
(21,816)	<b>(57,087)</b>	<b>Net cash used in investing activities</b>	<b>(21,978)</b>	(8,399)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
(50,000)	-	- Decrease in borrowed funds	-	(19,250)
(14,603)	<b>(17,171)</b>	Interest paid on Tier 1 subordinated bonds	<b>(6,611)</b>	(5,622)
(51,948)	-	- Call back of AT-1 bonds	-	(20,000)
103,896	-	- Issue of AT-1 bonds	-	40,000
(27,465)	<b>(30,514)</b>	Dividends paid	<b>(11,748)</b>	(10,574)
(40,120)	<b>(47,685)</b>	<b>Net cash used in financing activities</b>	<b>(18,359)</b>	(15,446)
(20,044)	<b>(39,728)</b>	<b>Net change in cash and cash equivalents</b>	<b>(15,295)</b>	(7,717)
575,611	<b>798,369</b>	Cash and cash equivalents at 1 January	<b>307,372</b>	221,610
555,567	<b>758,641</b>	<b>Cash and cash equivalents at 30 June</b>	<b>292,077</b>	213,893

**Cash and cash equivalent comprises of the following:**

30-Jun-24 US\$ '000	30-Jun-25 US\$ '000		30-Jun-25 RO '000	30-Jun-24 RO '000
411,323	<b>566,875</b>	Cash and current balances with Central Bank of Oman	<b>218,247</b>	158,359
144,244	<b>191,766</b>	Due from banks	<b>73,830</b>	55,534
555,567	<b>758,641</b>		<b>292,077</b>	213,893

**Reconciliation of liabilities arising from financing activities**

30-Jun-24 US\$ '000	30-Jun-25 US\$ '000		30-Jun-25 RO '000	30-Jun-24 RO '000
<b>Borrowed funds</b>				
100,000	-	- Balance at beginning of the period	-	38,500
(50,000)	-	- Cash flows	-	(19,250)
50,000	-	- Balance at end of the period	-	19,250

The accompanying notes 1 to 23 form an integral part of these interim condensed financial statements.

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

Ahli Bank SAOG (the Bank) is a joint stock company incorporated in the Sultanate of Oman and is engaged in the commercial banking activities through a network of 26 conventional and 26 Islamic totalling to 52 branches (December 2024 - 49 branches). The registered address of the Bank is PO Box 545, Mina Al Fahal, Postal Code 116, Sultanate of Oman.

The Bank employed 1058 employees as at 30 June 2025 compared to 945 as at 30 June 2024 and 983 as at 31 December 2024

On 7 April 2025, the Board of Directors of Ahli Bank SAOG, received a Letter of Intent from the Board of Directors of Sohar International Bank SAOG, expressing interest in a potential merger between the two banks which was accepted by the Board of Directors of ahlilbank through their meeting on 10 April 2025. Further on 22 June 2025, the Bank announced that the merger discussions with Sohar International Bank has been postponed until further notice due to non-receipt of necessary regulatory approval.

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

The unaudited interim condensed financial statements for the six month period ended 30 June 2025 of the Bank are prepared in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting', applicable regulations of the Central Bank of Oman (CBO) and the disclosure requirements set out in the Rules and Disclosure and Proformas issued by the Financial Services Authority (FSA) formerly Capital Market Authority (CMA).

The unaudited interim condensed 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 six month period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year 2025.

The accounting policies applied in these interim condensed financial statements are the same as those applied in the annual financial statements for the year ended 31 December 2024.

The unaudited interim condensed financial statements are prepared under the historical cost convention as modified for the measurement at fair value of derivatives and investment securities other than those measured at amortised cost.

The functional and presentation currency of the Bank is the Rial Omani (RO). These unaudited interim condensed financial statements of the Bank are prepared in RO. Certain figures are also presented in US dollars (US\$) for information purposes as a supplementary information only, using the exchange rate of RO 0.385 = US\$ 1.00.

**3. CHANGES IN ACCOUNTING POLICIES**

During the period ended June 30, 2025, there were no changes in accounting policies. The accounting policies have been disclosed in Note 3 of the financial statements for the year ended December 31, 2024.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT**

In preparing these interim condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

**I. Credit risk management**

The Bank's existing credit risk management practices are disclosed in note 35.1 to the financial statements for the year ended 31 December 2024. There are no changes as compared to last year.

For computation of ECL, the Bank is using scenario weightages and incorporated in the ECL model i.e., Good, bad and base with weightage of 25%, 25% and 50% respectively.

The overall impact of judgmental overlays on the ECL is shown below:

30-Jun-25			30-Jun-25		
ECL without overlays US\$ '000	ECL with Overlays US\$ '000		ECL without overlays RO'000	ECL with Overlays RO'000	
237,676	259,637	Corporate	91,505	99,960	
30,298	30,298	Retail	11,665	11,665	
<b>267,974</b>	<b>289,935</b>	<b>Total</b>	<b>103,170</b>	<b>111,625</b>	

**Sensitivity analysis - ECL:**

The following table shows a comparison of the Bank's allowances for credit losses on non-impaired financial assets (Stages 1 and 2) under IFRS 9 based on the probability weightings of three scenarios with allowances for credit losses resulting from simulations of each scenario weighted at 100%.

30-Jun-25			30-Jun-25		
Impact on ECL US\$ '000	ECL US\$ '000	Particulars	ECL RO'000	Impact on ECL RO'000	
	94,792	ECL on non impaired financial assets under IFRS 9	36,495		
(13,236)	81,556	Good scenario - 100% weighted	31,399	(5,096)	
(1,319)	93,473	Base scenario - 100% weighted	35,987	(508)	
13,034	107,826	Bad scenario - 100% weighted	41,513	5,018	

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT (continued)**
**Sensitivity analysis - ECL (continued)**

31-Dec-24			31-Dec-24	
Impact on ECL	ECL	Particulars	ECL	Impact on ECL
US\$ '000	US\$ '000		RO'000	RO'000
	92,468	ECL on non impaired financial assets under IFRS 9	35,600	
(8,618)	83,849	Good scenario - 100% weighted	32,282	(3,318)
382	92,849	Base scenario - 100% weighted	35,747	147
7,852	100,319	Bad scenario - 100% weighted	38,623	3,023
30-Jun-24			30-Jun-24	
Impact on ECL	ECL	Particulars	ECL	Impact on ECL
US\$ '000	US\$ '000		RO'000	RO'000
	87,327	ECL on non impaired financial assets under IFRS 9	33,621	
(14,158)	73,169	Good scenario - 100% weighted	28,170	(5,451)
161	87,488	Base scenario - 100% weighted	33,683	62
13,834	101,161	Bad scenario - 100% weighted	38,947	5,326

**5. LOANS, ADVANCES AND FINANCING, NET**

Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
31-Dec-24	30-Jun-24	30-Jun-25	30-Jun-25	30-Jun-24	31-Dec-24
US\$ '000	US\$ '000	US\$ '000	RO'000	RO'000	RO'000
<b>Conventional Banking</b>					
4,671,496	4,390,174	<b>4,798,031</b>	<b>1,847,242</b>	1,690,217	1,798,526
1,703,395	1,604,247	<b>1,846,130</b>	<b>710,760</b>	617,635	655,807
6,374,891	5,994,421	<b>6,644,161</b>	<b>2,558,002</b>	2,307,852	2,454,333
<b>Islamic Banking</b>					
1,243,218	1,124,000	<b>1,299,958</b>	<b>500,484</b>	432,740	478,639
496,696	451,494	<b>558,039</b>	<b>214,845</b>	173,825	191,228
1,739,914	1,575,494	<b>1,857,997</b>	<b>715,329</b>	606,565	669,867
8,114,805	7,569,915	<b>8,502,158</b>	<b>3,273,331</b>	2,914,417	3,124,200
(264,727)	(284,865)	<b>(289,935)</b>	<b>(111,625)</b>	(109,673)	(101,920)
7,850,078	7,285,050	<b>8,212,223</b>	<b>3,161,706</b>	2,804,744	3,022,280

The interest rate bands of gross loans & advances and financing are as follows:

Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
31-Dec-24	30-Jun-24	30-Jun-25	30-Jun-25	30-Jun-24	31-Dec-24
US\$ '000	US\$ '000	US\$ '000	RO'000	RO'000	RO'000
1,082,595	1,127,995	<b>1,206,618</b>	<b>464,548</b>	434,278	416,799
5,990,293	5,264,704	<b>6,495,595</b>	<b>2,500,804</b>	2,026,911	2,306,263
1,029,311	1,133,325	<b>781,088</b>	<b>300,719</b>	436,330	396,285
12,606	43,891	<b>18,857</b>	<b>7,260</b>	16,898	4,853
8,114,805	7,569,915	<b>8,502,158</b>	<b>3,273,331</b>	2,914,417	3,124,200

The analysis of net loans & advances and financing based on the residual maturity date is as below:

Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
31-Dec-24	30-Jun-24	30-Jun-25	30-Jun-25	30-Jun-24	31-Dec-24
US\$ '000	US\$ '000	US\$ '000	RO'000	RO'000	RO'000
2,015,294	1,764,157	<b>1,957,449</b>	<b>753,618</b>	679,200	775,888
353,827	262,673	<b>405,543</b>	<b>156,134</b>	101,129	136,223
539,669	569,561	<b>616,904</b>	<b>237,508</b>	219,281	207,773
4,941,288	4,688,659	<b>5,232,327</b>	<b>2,014,446</b>	1,805,134	1,902,396
7,850,078	7,285,050	<b>8,212,223</b>	<b>3,161,706</b>	2,804,744	3,022,280

**AHLI BANK SAOG**
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**5. LOANS & ADVANCES AND FINANCING, NET (CONTINUED)**
**5.1 ECL Exposure/Impairment allowance of financial assets and off balance sheet**

The following tables contain an analysis of stage wise risk exposure/reconciliation of loss allowance from the opening to the closing balance of financial assets and off balance sheet items by class of financial instruments.

**a) Exposure subject to ECL**

	30-Jun-25					30-Jun-24					31-Dec-24				
	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000
Due from banks (including balances with CBO)	281,126	174	-	<b>281,300</b>	<b>730,649</b>	230,835	-	-	230,835	599,571	288,965	4	-	288,969	750,567
Loans, advances and financing	2,652,471	480,709	140,151	<b>3,273,331</b>	<b>8,502,158</b>	2,301,910	492,527	119,980	2,914,417	7,569,915	2,528,941	465,852	129,407	3,124,200	8,114,805
Investment securities (excluding equity investments)	64,046	-	-	<b>64,046</b>	<b>166,353</b>	243,525	-	-	243,525	632,533	62,770	-	-	62,770	163,039
Other assets	8,292	7,606	-	<b>15,898</b>	<b>41,294</b>	5,782	10,309	-	16,091	41,795	9,769	6,338	-	16,107	41,837
Loan commitments and financial guarantees	257,023	48,078	686	<b>305,787</b>	<b>794,252</b>	157,807	41,286	867	199,960	519,376	189,211	48,371	1,052	238,634	619,829

**b) Movement in impairment allowance and provision**

	30-Jun-25					30-Jun-24					31-Dec-24				
	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000
<b>Opening balance</b>															
Due from banks (including balances with CBO)	14	-	-	<b>14</b>	<b>36</b>	77	-	-	77	200	77	-	-	77	200
Loans, advances and financing	3,665	30,571	67,684	<b>101,920</b>	<b>264,727</b>	6,122	26,192	75,037	107,351	278,834	6,124	26,191	75,036	107,351	278,834
Investment securities (excluding equity investments)	62	-	-	<b>62</b>	<b>161</b>	76	-	-	76	197	76	-	-	76	197
Other assets	10	43	-	<b>53</b>	<b>138</b>	32	12	-	44	114	32	12	-	44	114
Loan commitments and financial guarantees	181	1,054	240	<b>1,475</b>	<b>3,829</b>	309	1,357	39	1,705	4,428	309	1,357	39	1,705	4,426
<b>Net transfer between stages</b>															
Due from banks	(2)	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans, advances and financing	2,429	(1,506)	(923)	-	-	856	(1,658)	802	-	-	4,853	(3,723)	(1,130)	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	(3)	3	-	-	-
Loan commitments and financial guarantees	(5)	(4)	9	-	-	(292)	292	-	-	-	(208)	208	-	-	-

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**5. LOANS & ADVANCES AND FINANCING, NET (CONTINUED)**
**5.1 ECL Exposure/Impairment allowance of financial assets and off balance sheet (Continued)**
**b) Movement in impairment allowance and provision (continued)**

	30-Jun-25					30-Jun-24					31-Dec-24				
	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000	Stage 1 RO '000	Stage 2 RO '000	Stage 3 RO '000	Total RO '000	Total US\$ '000
<b>Charge for the period (net)</b>															
Due from banks (including balances with CBO)	13	6	-	19	49	33	-	-	33	86	(63)	-	-	(63)	(163)
Loans, advances and financing	(2,541)	2,540	9,706	9,705	25,208	(1,269)	1,911	8,252	8,894	23,101	(7,312)	8,103	(6,222)	(5,431)	(14,107)
Investment securities (excluding equity investments)	-	-	-	-	-	(4)	-	-	(4)	(10)	(14)	-	-	(14)	(36)
Other assets	(8)	12	-	4	10	(26)	1	-	(25)	(65)	(19)	28	-	9	23
Loan commitments and financial guarantees	26	(67)	(78)	(119)	(309)	132	(532)	165	(235)	(610)	80	(511)	201	(230)	(597)
Written off during the year	-	-	-	-	-	-	-	(6,572)	(6,572)	(17,070)	-	-	-	-	-
<b>Closing balance</b>															
Due from banks(including balances with CBO)	25	8	-	33	86	110	-	-	110	286	14	-	-	14	37
Loans, advances and financing	3,553	31,605	76,467	111,625	289,935	5,709	26,445	77,519	109,673	284,865	3,665	30,571	67,684	101,920	264,727
Investment securities (excluding equity investments)	62	-	-	62	161	72	-	-	72	187	62	-	-	62	161
Other assets	2	55	-	57	148	6	13	-	19	49	10	43	-	53	137
Loan commitments and financial guarantees	202	983	171	1,356	3,520	149	1,117	204	1,470	3,818	181	1,054	240	1,475	3,829

**AHLI BANK SAOG**
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**5. LOANS & ADVANCES AND FINANCING, NET (CONTINUED)**
**5.2 Comparison of provision held as per IFRS 9 and required as per CBO norms as at June 30, 2025**

In accordance with CBO circular BM 1149 Banks should continue to maintain and update the risk classification (i.e. standard, special mention, substandard, etc.) of accounts as per CBO norms, including those on restructuring of loan accounts for regulatory reporting purposes.

Disclosure requirements containing the risk classification-wise gross and net amount outstanding, provision required as per CBO norms, allowance made as per IFRS 9, interest recognised as per IFRS 9 and reserve interest required as per CBO are given below based on CBO circular BM 1149.

Asset classification as per CBO norms	Asset classification as per IFRS 9	Gross amount	Provision required as per CBO Norms**	Reserve interest as per CBO norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held		Net amount as per CBO norms*	Net amount as per IFRS 9
						RO '000	RO '000		
(1)	(2)	(3)	(4)	(5)	(6)	(7)=(4)+(5)-(6)	(8)=(3)-(4)-(5)	(9) = (3)-(6)	
Standard	Stage 1	2,652,471	29,985	-	3,553	26,432	2,622,486	2,648,918	
	Stage 2	213,591	2,415	-	5,545	(3,130)	211,176	208,046	
	Stage 3	-	-	-	-	-	-	-	
<b>Subtotal</b>		<b>2,866,062</b>	<b>32,400</b>	<b>-</b>	<b>9,098</b>	<b>23,302</b>	<b>2,833,662</b>	<b>2,856,964</b>	
Special Mention	Stage 1	-	-	-	-	-	-	-	
	Stage 2	267,118	3,020	273	26,060	(22,767)	263,825	241,058	
	Stage 3	-	-	-	-	-	-	-	
<b>Subtotal</b>		<b>267,118</b>	<b>3,020</b>	<b>273</b>	<b>26,060</b>	<b>(22,767)</b>	<b>263,825</b>	<b>241,058</b>	
Substandard	Stage 1	-	-	-	-	-	-	-	
	Stage 2	-	-	-	-	-	-	-	
	Stage 3	3,456	834	120	1,433	(479)	2,502	2,023	
<b>Subtotal</b>		<b>3,456</b>	<b>834</b>	<b>120</b>	<b>1,433</b>	<b>(479)</b>	<b>2,502</b>	<b>2,023</b>	
Doubtful	Stage 1	-	-	-	-	-	-	-	
	Stage 2	-	-	-	-	-	-	-	
	Stage 3	10,149	2,900	1,063	3,752	211	6,186	6,397	
<b>Subtotal</b>		<b>10,149</b>	<b>2,900</b>	<b>1,063</b>	<b>3,752</b>	<b>211</b>	<b>6,186</b>	<b>6,397</b>	
Loss	Stage 1	-	-	-	-	-	-	-	
	Stage 2	-	-	-	-	-	-	-	
	Stage 3	126,546	93,131	17,263	71,282	39,112	16,152	55,264	
<b>Subtotal</b>		<b>126,546</b>	<b>93,131</b>	<b>17,263</b>	<b>71,282</b>	<b>39,112</b>	<b>16,152</b>	<b>55,264</b>	
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	610,487	-	-	291	(291)	610,487	610,196	
	Stage 2	55,858	-	-	1,046	(1,046)	55,858	54,812	
	Stage 3	686	-	-	171	(171)	686	515	
<b>Subtotal</b>		<b>667,031</b>	<b>-</b>	<b>-</b>	<b>1,508</b>	<b>(1,508)</b>	<b>667,031</b>	<b>665,523</b>	
<b>Total</b>	<b>Stage 1</b>	<b>3,262,958</b>	<b>29,985</b>	<b>-</b>	<b>3,844</b>	<b>26,141</b>	<b>3,232,973</b>	<b>3,259,114</b>	
	<b>Stage 2</b>	<b>536,567</b>	<b>5,435</b>	<b>273</b>	<b>32,651</b>	<b>(26,943)</b>	<b>530,859</b>	<b>503,916</b>	
	<b>Stage 3</b>	<b>140,837</b>	<b>96,865</b>	<b>18,446</b>	<b>76,638</b>	<b>38,673</b>	<b>25,526</b>	<b>64,199</b>	
	<b>Total in RO</b>	<b>3,940,362</b>	<b>132,285</b>	<b>18,719</b>	<b>113,133</b>	<b>37,871</b>	<b>3,789,358</b>	<b>3,827,229</b>	
	<b>Total in US\$ '000</b>	<b>10,234,706</b>	<b>343,597</b>	<b>48,621</b>	<b>293,850</b>	<b>98,368</b>	<b>9,842,488</b>	<b>9,940,856</b>	

Other items disclosed above includes exposure outstanding and respective provisions held against due from banks, investments, other assets, loan commitments and financial guarantees

**AHLI BANK SAOG**
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025  
5. LOANS & ADVANCES AND FINANCING, NET (CONTINUED)**
**5.2 Comparison of provision held as per IFRS 9 and required as per CBO norms (Continued)**
**Restructured loans**

Asset classification as per CBO Norms	Asset classification as per IFRS 9	Gross carrying amount	Provision required as per CBO Norms**	Reserve interest as per CBO norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held	Net Carrying Amount as per CBO norms*	Net Carrying Amount as per IFRS 9
(1)	(2)	RO '000 (3)	RO '000 (4)	RO '000 (5)	RO '000 (6)	RO '000 (7)=(4)+(5)-(6)	RO '000 (8)=(3)-(4)-(5)	RO '000 (8) = (3)-(6)
Classified as performing	Stage 1	36,875	384	-	496	(112)	36,491	36,379
	Stage 2	301,382	3,014	-	19,766	(16,752)	298,368	281,616
	Stage 3	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>338,257</b>	<b>3,398</b>	<b>-</b>	<b>20,262</b>	<b>(16,864)</b>	<b>334,859</b>	<b>317,995</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	36,030	28,068	2,328	17,264	13,132	5,634	18,766
<b>Sub total</b>		<b>36,030</b>	<b>28,068</b>	<b>2,328</b>	<b>17,264</b>	<b>13,132</b>	<b>5,634</b>	<b>18,766</b>
<b>Total</b>	<b>Stage 1</b>	<b>36,875</b>	<b>384</b>	<b>-</b>	<b>496</b>	<b>(112)</b>	<b>36,491</b>	<b>36,379</b>
	<b>Stage 2</b>	<b>301,382</b>	<b>3,014</b>	<b>-</b>	<b>19,766</b>	<b>(16,752)</b>	<b>298,368</b>	<b>281,616</b>
	<b>Stage 3</b>	<b>36,030</b>	<b>28,068</b>	<b>2,328</b>	<b>17,264</b>	<b>13,132</b>	<b>5,634</b>	<b>18,766</b>
	<b>Total in RO</b>	<b>374,287</b>	<b>31,466</b>	<b>2,328</b>	<b>37,526</b>	<b>(3,732)</b>	<b>340,493</b>	<b>336,761</b>
	<b>Total in US\$ '000</b>	<b>972,174</b>	<b>81,730</b>	<b>6,047</b>	<b>97,470</b>	<b>(9,694)</b>	<b>884,397</b>	<b>874,704</b>

\*Net of provisions and reserve interest as per CBO norms

\*\*In accordance with CBO requirements, where the aggregate provision on portfolio and specific basis computed as per CBO norms is higher than the impairment allowance computed under IFRS 9, the difference, net of the impact of taxation, is transferred to an impairment reserve as an appropriation from the retained earnings.

**5.3 Impairment charge and provisions held**

	As per CBO Norms	As per IFRS 9	Difference
Impairment loss charged to profit and loss account	6,789	6,789	-
Provisions required as per CBO norms/ held as per IFRS 9*	151,004	113,133	37,871
Gross NPL ratio (percentage)	4.28%	4.28%	-
Net NPL ratio (percentage)	0.76%	1.94%	-1.18%

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**5 LOANS & ADVANCES AND FINANCING, NET (continued)**

In accordance with CBO circular BM 1149 Banks should continue to maintain and update the risk classification (i.e. standard, special mention, substandard, etc.) of accounts as per the extant CBO norms, including those on restructuring of loan accounts for the regulatory reporting purposes.

**5.2 Comparison of provision held as per IFRS 9 and required as per CBO norms as at 31 December 2024:**

Disclosure requirements for the year ended 31 December 2024, containing the risk classification-wise gross and net amount outstanding, provision required as per CBO norms, allowance made as per IFRS 9, interest recognised as per IFRS 9 and reserve interest required as per CBO are given below based on CBO circular BM 1149.

Asset classification as per CBO norms	Asset classification as per IFRS 9	Gross amount	Provision required as per CBO norms	Reserve interest as per CBO norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held	Net amount as per CBO norms*	Net amount as per IFRS 9
		RO '000	RO '000	RO '000	RO '000	RO '000	RO '000	RO '000
(1)	(2)	(3)	(4)	(5)	(6)	(7) = (4)+(5)-(6)	(8)=(3)-(4)-(5)	(9) = (3)-(6)
Standard	Stage 1	2,528,941	28,538	-	3,665	24,873	2,500,403	2,525,276
	Stage 2	191,285	2,158	-	5,480	(3,322)	189,127	185,805
	Stage 3	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>2,720,226</b>	<b>30,696</b>	<b>-</b>	<b>9,145</b>	<b>21,551</b>	<b>2,689,530</b>	<b>2,711,081</b>
Special Mention	Stage 1	-	-	-	-	-	-	-
	Stage 2	274,567	3,098	-	25,091	(21,993)	271,469	249,476
	Stage 3	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>274,567</b>	<b>3,098</b>	<b>-</b>	<b>25,091</b>	<b>(21,993)</b>	<b>271,469</b>	<b>249,476</b>
Substandard	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	1,270	531	35	580	(14)	739	690
<b>Subtotal</b>		<b>1,270</b>	<b>531</b>	<b>35</b>	<b>580</b>	<b>(14)</b>	<b>739</b>	<b>690</b>
Doubtful	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	33,975	15,358	1,455	15,372	1,441	18,617	18,603
<b>Subtotal</b>		<b>33,975</b>	<b>15,358</b>	<b>1,455</b>	<b>15,372</b>	<b>1,441</b>	<b>18,617</b>	<b>18,603</b>
Loss	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	94,162	65,649	13,449	51,732	27,366	28,513	42,430
<b>Subtotal</b>		<b>94,162</b>	<b>65,649</b>	<b>13,449</b>	<b>51,732</b>	<b>27,366</b>	<b>28,513</b>	<b>42,430</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	550,715	-	-	267	(267)	550,715	550,448
	Stage 2	54,713	-	-	1,097	(1,097)	54,713	53,616
	Stage 3	1,052	-	-	240	(240)	1,052	812
<b>Subtotal</b>		<b>606,480</b>	<b>-</b>	<b>-</b>	<b>1,604</b>	<b>(1,604)</b>	<b>606,480</b>	<b>604,876</b>
<b>Total</b>	<b>Stage 1</b>	<b>3,079,656</b>	<b>28,538</b>	<b>-</b>	<b>3,932</b>	<b>24,606</b>	<b>3,051,118</b>	<b>3,075,724</b>
	<b>Stage 2</b>	<b>520,565</b>	<b>5,256</b>	<b>-</b>	<b>31,668</b>	<b>(26,412)</b>	<b>515,309</b>	<b>488,897</b>
	<b>Stage 3</b>	<b>130,459</b>	<b>81,538</b>	<b>14,939</b>	<b>67,924</b>	<b>28,553</b>	<b>48,921</b>	<b>62,535</b>
	<b>Total</b>	<b>3,730,680</b>	<b>115,332</b>	<b>14,939</b>	<b>103,524</b>	<b>26,747</b>	<b>3,615,348</b>	<b>3,627,156</b>
<b>Total (US \$'000)</b>		<b>9,690,077</b>	<b>299,564</b>	<b>38,803</b>	<b>268,891</b>	<b>69,475</b>	<b>9,390,513</b>	<b>9,421,186</b>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**5 LOANS & ADVANCES AND FINANCING, NET (continued)**
**5.2 Restructured loans**

Asset classification as per CBO norms	Asset classification as per IFRS 9	Gross carrying amount	Provision required as per CBO norms	Reserve interest as per CBO norms	Provision held as per IFRS 9	Difference between CBO provision required and provision held	Net Carrying amount as per CBO norms*	Net carrying amount as per IFRS 9
(1)	(2)	RO '000 (3)	RO '000 (4)	RO '000 (5)	RO '000 (6)	RO '000 (7) = (4)+(5)-(6)	RO '000 (8)=(3)-(4)-(5)	RO '000 (9) = (3)-(6)
	Stage 1	6,510	42	-	74	(32)	6,468	6,436
Classified as performing	Stage 2	284,154	1,700	-	19,095	(17,395)	282,454	265,059
	Stage 3	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>290,664</b>	<b>1,742</b>	<b>-</b>	<b>19,169</b>	<b>(17,427)</b>	<b>288,922</b>	<b>271,495</b>
Classified as non-performing	Stage 1	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-
	Stage 3	4,057	3,323	82	3,154	251	734	903
<b>Sub total</b>		<b>4,057</b>	<b>3,323</b>	<b>82</b>	<b>3,154</b>	<b>251</b>	<b>734</b>	<b>903</b>
<b>Total</b>	<b>Stage 1</b>	<b>6,510</b>	<b>42</b>	<b>-</b>	<b>74</b>	<b>(32)</b>	<b>6,468</b>	<b>6,436</b>
	<b>Stage 2</b>	<b>284,154</b>	<b>1,700</b>	<b>-</b>	<b>19,095</b>	<b>(17,395)</b>	<b>282,454</b>	<b>265,059</b>
	<b>Stage 3</b>	<b>4,057</b>	<b>3,323</b>	<b>82</b>	<b>3,154</b>	<b>251</b>	<b>734</b>	<b>903</b>
	<b>Total</b>	<b>294,721</b>	<b>5,065</b>	<b>82</b>	<b>22,323</b>	<b>(17,176)</b>	<b>289,656</b>	<b>272,398</b>
	<b>Total (US \$'000)</b>	<b>765,509</b>	<b>13,155</b>	<b>213</b>	<b>57,983</b>	<b>(44,615)</b>	<b>752,354</b>	<b>707,526</b>

\*Net of provisions and reserve interest as per CBO norms

**5.3 Impairment charge and provisions held**

	As per CBO norms	As per IFRS 9	Difference
Impairment loss charged to profit and loss account	13,428	13,428	-
Provisions required as per CBO norms/ held as per IFRS 9	115,332	103,524	26,747
Gross NPL ratio (percentage)	4.14%	4.14%	-
Net NPL ratio (percentage)	1.05%	1.96%	-0.91%

**Impairment reserve:**

\*\*In accordance with CBO requirements, where the aggregate provision on portfolio and specific basis computed as per CBO norms is higher than the impairment allowance computed under IFRS 9, the difference, net of the impact of taxation, is transferred to an impairment reserve as an appropriation from the retained earnings.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**6. INVESTMENT SECURITIES**

Audited 31-Dec-24	Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
US\$ '000	US\$ '000	US\$ '000		RO '000	RO '000	RO '000
			<b>Equity investments:</b>			
46,182	41,920	<b>55,932</b>	Measured at FVTPL	<b>21,534</b>	16,139	17,780
146,804	111,010	<b>154,255</b>	Designated at FVOCI	<b>59,388</b>	42,739	56,519
192,986	152,930	<b>210,187</b>	<b>Total Equity investments</b>	<b>80,922</b>	58,878	74,299
			<b>Debt investments:</b>			
538,095	469,878	<b>569,289</b>	Measured at FVTPL	<b>219,176</b>	180,903	207,167
163,039	162,655	<b>166,353</b>	Designated at FVOCI	<b>64,046</b>	62,622	62,770
701,134	632,533	<b>735,642</b>	<b>Total Debt investments</b>	<b>283,222</b>	243,525	269,937
894,120	785,463	<b>945,829</b>	<b>Total investment securities</b>	<b>364,144</b>	302,403	344,236

The table below summarises the concentration of investments by various sectors.

Audited 31-Dec-24	Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
US\$ '000	US\$ '000	US\$ '000		RO '000	RO '000	RO '000
			<b>Equity investments:</b>			
			Measured at FVTPL			
			<b>Quoted investments - Oman</b>			
4,904	4,886	<b>4,965</b>	Banking and investment sector	<b>1,912</b>	1,881	1,888
-	-	<b>1,619</b>	Manufacturing	<b>623</b>	-	-
4,904	4,886	<b>6,584</b>		<b>2,535</b>	1,881	1,888
			<b>Designated at FVTPL</b>			
			<b>Quoted investments - Foreign</b>			
29,981	30,595	<b>30,365</b>	Banking and investment sector	<b>11,690</b>	11,779	11,543
4,593	5,987	<b>6,016</b>	Service sector	<b>2,316</b>	2,305	1,768
410	452	<b>1,412</b>	Manufacturing	<b>544</b>	174	158
34,984	37,034	<b>37,793</b>		<b>14,550</b>	14,258	13,469
			<b>Designated at FVTPL</b>			
			<b>Unquoted investments - Oman</b>			
6,294	-	<b>11,555</b>	Banking and investment sector	<b>4,449</b>	-	2,423
6,294	-	<b>11,555</b>		<b>4,449</b>	-	2,423
			<b>Designated at FVOCI</b>			
			<b>Quoted investments - Oman</b>			
59,535	27,291	<b>61,533</b>	Manufacturing	<b>23,690</b>	10,507	22,922
36,735	42,859	<b>32,449</b>	Banking and investment sector	<b>12,493</b>	16,501	14,142
4,039	4,229	<b>16,530</b>	Service sector	<b>6,364</b>	1,628	1,555
100,309	74,379	<b>110,512</b>		<b>42,547</b>	28,636	38,619
			<b>Designated at FVOCI</b>			
			<b>Quoted investments - Foreign</b>			
12,530	12,254	<b>14,294</b>	Banking and investment sector	<b>5,503</b>	4,718	4,824
7,589	7,343	<b>8,102</b>	Service sector	<b>3,119</b>	2,827	2,922
2,812	3,008	<b>2,700</b>	Manufacturing	<b>1,040</b>	1,158	1,082
1,953	1,247	<b>2,026</b>	Real Estate	<b>780</b>	480	752
24,884	23,852	<b>27,122</b>		<b>10,442</b>	9,183	9,580
			<b>Designated at FVOCI</b>			
			<b>Unquoted investments - Oman</b>			
12,780	12,779	<b>11,150</b>	Manufacturing	<b>4,293</b>	4,920	4,920
6,887	-	<b>2,681</b>	Banking and investment sector	<b>1,032</b>	-	2,652
1,271	-	<b>1,271</b>	Service sector	<b>489</b>	-	489
20,938	12,779	<b>15,102</b>		<b>5,814</b>	4,920	8,061
			<b>Designated at FVOCI</b>			
			<b>Unquoted investments - Foreign</b>			
673	-	<b>1,519</b>	Banking and investment sector	<b>585</b>	-	259
673	-	<b>1,519</b>		<b>585</b>	-	259
192,986	152,930	<b>210,187</b>	<b>Total - Equity investments</b>	<b>80,922</b>	58,878	74,299

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**6. INVESTMENT SECURITIES (continued)**

Audited 31-Dec-24	Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
US\$ '000	US\$ '000	US\$ '000		RO '000	RO '000	RO '000
			<b>Debt investments:</b>			
			<b>Designated at FVTPL</b>			
377,808	343,236	<b>372,161</b>	Government development bonds	<b>143,282</b>	132,146	145,456
2,594	-	-	Government bonds	-	-	999
157,693	126,642	<b>197,128</b>	Government sukuks	<b>75,894</b>	48,757	60,712
538,095	469,878	<b>569,289</b>	<b>Total</b>	<b>219,176</b>	180,903	207,167
			<b>Designated at FVOCI</b>			
			<b>Quoted investments - Oman</b>			
77,151	81,107	<b>57,578</b>	Government bonds	<b>22,167</b>	31,226	29,703
46,918	43,974	<b>50,713</b>	Services	<b>19,524</b>	16,930	18,063
7,200	6,610	<b>11,652</b>	Manufacturing	<b>4,486</b>	2,545	2,772
2,608	-	<b>12,004</b>	Banking and investment	<b>4,622</b>	-	1,004
2,190	4,252	<b>5,239</b>	Government sukuks	<b>2,017</b>	1,637	843
136,067	135,943	<b>137,186</b>	<b>Total</b>	<b>52,816</b>	52,338	52,385
			<b>Designated at FVOCI</b>			
			<b>Quoted investments - Foreign</b>			
26,972	26,712	<b>29,167</b>	Banking and investment	<b>11,230</b>	10,284	10,385
26,972	26,712	<b>29,167</b>	<b>Total - Debt Investments</b>	<b>11,230</b>	10,284	10,385
701,134	632,533	<b>735,642</b>	<b>Total - Debt Investments</b>	<b>283,222</b>	243,525	269,937
894,120	785,463	<b>945,829</b>	<b>Total Investments</b>	<b>364,144</b>	302,403	344,236

**7. CUSTOMERS' DEPOSITS**

Customers' deposits can be analysed as follows:

Audited 31-Dec-24	Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
US\$ '000	US\$ '000	US\$ '000		RO '000	RO '000	RO '000
			<b>Conventional Banking</b>			
2,865,684	2,834,101	<b>3,318,112</b>	Time deposits	<b>1,277,473</b>	1,091,129	1,103,288
1,760,377	1,581,169	<b>1,526,873</b>	Demand deposits	<b>587,846</b>	608,750	677,745
736,592	654,491	<b>878,797</b>	Savings deposits	<b>338,337</b>	251,979	283,588
5,362,653	5,069,761	<b>5,723,782</b>	<b>Total</b>	<b>2,203,656</b>	1,951,858	2,064,621
			<b>Islamic Banking</b>			
797,792	885,094	<b>829,279</b>	Time deposits	<b>319,272</b>	340,761	307,150
550,616	407,574	<b>812,054</b>	Demand deposits	<b>312,641</b>	156,916	211,987
464,958	421,859	<b>480,015</b>	Savings deposits	<b>184,806</b>	162,416	179,009
1,813,366	1,714,527	<b>2,121,348</b>	<b>Total</b>	<b>816,719</b>	660,093	698,146
7,176,019	6,784,288	<b>7,845,130</b>	<b>Total</b>	<b>3,020,375</b>	2,611,951	2,762,767

The analysis of customer deposits based on the residual maturity date is as

				Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
				RO '000	RO '000	RO '000
5,227,166	4,548,638	<b>5,194,104</b>	0-6 Months	<b>1,999,730</b>	1,751,226	2,012,459
1,021,949	1,146,652	<b>1,891,249</b>	6-12 months	<b>728,131</b>	441,461	393,450
897,311	1,058,634	<b>705,008</b>	1-3 years	<b>271,428</b>	407,574	345,465
29,593	30,364	<b>54,769</b>	3 years and above	<b>21,086</b>	11,690	11,393
7,176,019	6,784,288	<b>7,845,130</b>	<b>Total</b>	<b>3,020,375</b>	2,611,951	2,762,767

Interest rate bands of deposits is as follows:

				Unaudited 30-Jun-25	Unaudited 30-Jun-24	Audited 31-Dec-24
				RO '000	RO '000	RO '000
1,519,366	1,482,016	<b>1,562,941</b>	0-2%	<b>601,732</b>	570,576	584,956
866,449	703,262	<b>1,199,202</b>	2-4%	<b>461,693</b>	270,756	333,583
4,575,918	4,011,563	<b>5,005,065</b>	4-6%	<b>1,926,950</b>	1,544,452	1,761,728
214,286	587,447	<b>77,922</b>	6-7%	<b>30,000</b>	226,167	82,500
7,176,019	6,784,288	<b>7,845,130</b>	<b>Total</b>	<b>3,020,375</b>	2,611,951	2,762,767

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**8. BORROWED FUNDS**

Borrowed funds includes unsecured US Dollar (USD) borrowing from foreign financial institutions. The financial covenants for this borrowing include the requirement for a minimum capital adequacy ratio and other covenants to be maintained by the Bank which have been complied with during the period. The Borrowed Funds were NIL both for period ended June 30, 2025 and December 31, 2024

**9. RELATED PARTY TRANSACTIONS**

The Bank enters into transactions with major shareholders, directors, senior management and their related entities in the ordinary course of business at commercial terms as approved by the board

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

Audited 31-Dec-24 US\$'000	Unaudited 30-Jun-24 US\$'000	Unaudited 30-Jun-25 US\$'000		Unaudited 30-Jun-25 RO'000	Unaudited 30-Jun-24 RO'000	Audited 31-Dec-24 RO'000
<b>Directors and senior management</b>						
5,499	6,423	5,623	Loans, advances and financing, net	2,165	2,473	2,117
7,694	7,497	9,548	Customers' deposits	3,676	2,886	2,962
<b>Major shareholders, it's parent company &amp; it's subsidiaries</b>						
3,055	2,961	1,769	Due from banks	681	1,140	1,176
997	1,366	-	Other assets	-	526	384
2,184	3,068	3,553	- Fair value of swaps	-	-	-
			Due to banks	1,368	1,181	841
<b>Bank's investment fund</b>						
688	410	764	Investments securities	294	158	265

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

Audited 31-Dec-24 US\$'000	Unaudited 30-Jun-24 US\$'000	Unaudited 30-Jun-25 US\$'000		Unaudited 30-Jun-25 RO'000	Unaudited 30-Jun-24 RO'000	Audited 31-Dec-24 RO'000
<b>Directors and senior management</b>						
517	171	268	Interest and profit income	103	66	199
309	156	177	Interest and profit expense	68	60	119
779	-	-	- Board remuneration proposed	-	-	300
105	48	70	Board sitting fees	27	19	41
80	26	40	Shariah supervisory board expenses	15	10	31
<b>Major shareholders, it's parent company and it's subsidiaries</b>						
1,678	(1,309)	-	(loss)/gain on fair value of interest rate swaps	-	(504)	646
-	38	3	Gain on forward foreign exchange contracts	1	14	-

As at 30 June, 2025, guarantees were issued to beneficiaries on behalf of related party amounting to RO 0.110 million equivalent to US\$ 0.29 million (31 December 2024: RO 0.118 million equivalent to US\$ 0.31 million)

Compensation of the key management personnel for the six months period ended 30 June 2025 was RO 1.380 million equivalent to US\$ 3.58 million (30 June 2024: RO 1.155 million equivalent to US\$ 3.00 million).

**10. SHARE CAPITAL**

The authorised share capital of the Bank is 5,000,000,000 shares of 100 baizas each (31 December 2024 and 30 June 2024: 5,000,000,000 shares of 100 baizas each) out of which 2,349,657,466 shares are issued and fully paid up - 1,949,657,466 shares at 100 baiza per share and 400,000,000 shares at 125 baiza (31 December 2024: 2,349,657,466 shares and 30 June 2024: 1,949,657,466 shares).

During April 2024, the Bank had issued 103,661,359 mandatory convertible bonds (MCBs) at a price of 102 baizas (including issue expenses of 2 baizas per MCB) which was approved by the Central Bank of Oman, Board of Directors and shareholders of the Bank at the Annual General Meeting. The MCBs will bear an annual coupon of 6% payable semi-annually. The MCBs will be mandatorily converted into New Ordinary Shares on the second anniversary of the Issue Date, at the fixed contractual conversion price of 145 baizas per New Ordinary Share. During April 2025, 115,179,287 MCBs were further issued on the same terms which will be converted into New Ordinary Shares in April 2027.

During June 2024, the Bank exercised the call option for RO 20 million Tier I Subordinated bonds which became due on 13 June 2024. This was subsequently replaced with an additional issue of RO 40 million which were pursuant to the CBO's Basel III regulation. They are redeemable by the Bank at its sole discretion on 27 June 2029 (the "First Call Date") or on any interest payment date thereafter subject to the prior consent of CBO.

Royal Court Affairs, Al Hosn Investment Company SAOC and Social Protection Fund are the shareholders who own 10% or more of the Bank's shares. As at June 30, 2025, shareholding of Royal Court Affairs was 411,190,048 shares equivalent to 17.50% (31 December 2024: NIL), Al Hosn Investment Company SAOC was 357,076,325 shares equivalent to 15.20% (31 December 2024: 357,076,325 shares equivalent to 15.20%) and Social Protection Fund was 248,679,891 shares equivalent to 10.58% (31 December 2024: 256,491,550 shares equivalent to 10.92%).

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**11. INTEREST INCOME**

Interest bearing assets earned interest at an overall annualised rate of 5.88% for six months period ended 30 June 2025 (30 June 2024 - 6.08%)

Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24
US\$ '000	US\$ '000		RO '000	RO '000
185,314	<b>185,914</b>	Loans and advances	<b>71,577</b>	71,346
13,844	<b>17,974</b>	Investments	<b>6,920</b>	5,330
2,468	<b>1,096</b>	Due from banks	<b>422</b>	950
<u>201,626</u>	<u><b>204,984</b></u>		<u><b>78,919</b></u>	<u>77,626</u>

**12. INTEREST EXPENSE**

The average annualised cost of funds for six months period ended 30 June 2025 is 3.99% (30 June 2024: 4.35%)

Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24
US\$ '000	US\$ '000		RO '000	RO '000
72,127	<b>72,977</b>	Time deposits	<b>28,096</b>	27,769
33,236	<b>35,184</b>	Demand and saving deposits	<b>13,546</b>	12,796
1,977	<b>2,844</b>	Borrowings	<b>1,095</b>	761
15,748	<b>6,595</b>	Inter-bank deposits	<b>2,539</b>	6,063
<u>123,088</u>	<u><b>117,600</b></u>		<u><b>45,276</b></u>	<u>47,389</u>

**13. OTHER OPERATING INCOME**

Unaudited 30-Jun-24	Unaudited 30-Jun-25		Unaudited 30-Jun-25	Unaudited 30-Jun-24
US\$ '000	US\$ '000		RO '000	RO '000
(156)	<b>(65)</b>	Loss on sale of investments, net	<b>(25)</b>	(60)
8,151	<b>4,465</b>	Foreign exchange gain, net	<b>1,719</b>	3,138
5,112	<b>6,034</b>	Dividend income	<b>2,323</b>	1,968
(161)	<b>3,605</b>	Unrealized gains/(loss) on FVTPL investments	<b>1,388</b>	(62)
3	-	Other income	-	1
<u>12,949</u>	<u><b>14,039</b></u>		<u><b>5,405</b></u>	<u>4,985</u>

**14. DISAGGREGATION OF FEE AND COMMISSION INCOME**

IFRS 15 requires the disclosure of disaggregated revenue earned from contracts with customers for major products / service lines. The below table provides disaggregation of fees and other income & commission with the Bank's reportable segments:

Particulars	30-Jun-25			30-Jun-24		
	Retail banking RO '000	Wholesale banking, treasury and investment banking RO '000	Total RO '000	Retail banking RO '000	Wholesale banking, treasury and investment banking RO '000	Total RO '000
<b>Disaggregated income</b>						
Service charges	717	500	1,217	819	401	1,220
Fees income	2,603	5,949	8,552	1,496	6,171	7,667
Commission income	34	985	1,019	93	764	857
Total fee and commission	<b>3,354</b>	<b>7,434</b>	<b>10,788</b>	2,408	7,336	9,744
Fee expense	(1,330)	-	(1,330)	(965)	-	(965)
Fee and commission, net	<b>2,024</b>	<b>7,434</b>	<b>9,458</b>	1,443	7,336	8,779
	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>	<b>US\$'000</b>
<b>Disaggregated income</b>						
Service charges	1,862	1,299	3,161	2,127	1,042	3,169
Fees income	6,761	15,453	22,214	3,886	16,028	19,914
Commission	88	2,558	2,646	242	1,984	2,226
Total fee and commission	<b>8,711</b>	<b>19,310</b>	<b>28,021</b>	6,255	19,054	25,309
Fee expense	(3,455)	-	(3,455)	(2,506)	-	(2,506)
Fee and commission, net	<b>5,256</b>	<b>19,310</b>	<b>24,566</b>	3,749	19,054	22,803

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**15. NET IMPAIRMENT ON FINANCIAL ASSETS**

Unaudited 30-Jun-24 US\$ '000	Unaudited 30-Jun-25 US\$ '000		Unaudited 30-Jun-25 RO '000	Unaudited 30-Jun-24 RO '000
		Net Impairment charge		
86	49	Due from banks	19	33
23,101	25,208	Loans & advances and financing	9,705	8,894
(10)	-	Investment securities	-	(4)
(65)	10	Other assets	4	(25)
(610)	(309)	Loan commitments and financial guarantees	(119)	(235)
-	2,496	Loans written off	960	-
(419)	-	Recovery of loans written off earlier	-	(161)
22,083	27,454		10,569	8,502
(7,353)	(9,819)	Less: Interest reserved during the period	(3,780)	(2,831)
14,730	17,635		6,789	5,671

**16. BASIC AND DILUTED EARNINGS / NET ASSETS VALUE PER SHARE**

**16.1 BASIC AND DILUTED EARNINGS PER SHARE**

Audited 31-Dec-24 US\$ '000	Unaudited 30-Jun-24 US\$ '000	Unaudited 30-Jun-25 US\$ '000		Unaudited 30-Jun-25 RO '000	Unaudited 30-Jun-24 RO '000	Audited 31-Dec-24 RO '000
108,210	52,461	58,078	Profit for the period	22,361	20,197	41,662
(31,741)	(14,603)	(17,171)	Less: AT1 interest paid during the year	(6,611)	(5,622)	(12,220)
76,469	37,858	40,907	<b>Profit attributable to equity shareholders</b>	15,750	14,575	29,442
2,349,657	2,349,657	2,349,657	Weighted average number of outstanding shares during the period for Basic EPS (in 000's)	2,349,657	2,349,657	2,349,657
2,453,319	2,453,319	2,453,319	Weighted average number of outstanding shares during the period for diluted EPS (in 000's)	2,453,319	2,453,319	2,453,319
3	2	2	Basic Earnings per share (cents/baizas)	7	6	13
3	2	2	Diluted Earnings per share (cents/baizas)	6	6	12

**16.2 NET ASSETS VALUE PER SHARE**

Audited 31-Dec-24 US\$ '000	Unaudited 30-Jun-24 US\$ '000	Unaudited 30-Jun-25 US\$ '000		Unaudited 30-Jun-25 RO '000	Unaudited 30-Jun-24 RO '000	Audited 31-Dec-24 RO '000
983,514	947,012	966,008	Net assets	371,913	364,600	378,653
2,349,657	2,349,657	2,349,657	Issued and paid up shares (in'000)	2,349,657	2,349,657	2,349,657
42	40	41	Net assets value per share (cents/baizas)	158	155	161

**AHLI BANK SAOG**
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**17. SEGMENT INFORMATION**

Transactions between segments are conducted at estimated market rates on an arm's length basis. Interest is charged/credited to business segments based on pool rate, which approximates the cost of the funds.

Segment information is as follows:

	30-Jun-25			30-Jun-24			31-Dec-24		
	Retail banking RO '000	Wholesale banking, treasury & investment RO '000	Total RO '000	Retail banking RO '000	Wholesale banking, treasury & investment RO '000	Total RO '000	Retail banking RO '000	Wholesale banking, treasury & investment RO '000	Total RO '000
Net interest income	11,923	21,720	33,643	11,887	18,350	30,237	24,070	34,129	58,199
Net income from islamic financing and investments	3,964	4,787	8,751	4,286	2,344	6,630	9,360	6,343	15,703
<b>Net interest income and income from islamic financing and investments</b>	<b>15,887</b>	<b>26,507</b>	<b>42,394</b>	16,173	20,694	36,867	33,430	40,472	73,902
Other operating income	2,282	12,581	14,863	1,767	11,997	13,764	3,576	30,827	34,403
<b>Net operating income</b>	<b>18,169</b>	<b>39,088</b>	<b>57,257</b>	17,940	32,691	50,631	37,006	71,299	108,305
<b>Segment assets</b>	<b>922,949</b>	<b>2,988,514</b>	<b>3,911,463</b>	783,662	2,659,080	3,442,742	844,515	2,910,413	3,754,928
<b>Segment liabilities</b>	<b>1,378,973</b>	<b>1,969,693</b>	<b>3,348,666</b>	1,218,566	1,680,002	2,898,568	1,266,182	1,930,727	3,196,909
	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>
Net interest income	30,970	56,414	87,384	30,876	47,662	78,538	62,520	88,646	151,166
Net income from islamic financing and investments	10,297	12,433	22,730	11,132	6,089	17,221	24,312	16,474	40,786
<b>Net interest income and income from islamic financing and investments</b>	<b>41,267</b>	<b>68,847</b>	<b>110,114</b>	42,008	53,751	95,759	86,832	105,120	191,952
Other operating income	5,928	32,677	38,605	4,590	31,162	35,752	9,288	80,069	89,357
<b>Net operating income</b>	<b>47,195</b>	<b>101,524</b>	<b>148,719</b>	46,598	84,913	131,511	96,120	185,189	281,309
<b>Segment assets</b>	<b>2,397,271</b>	<b>7,762,374</b>	<b>10,159,645</b>	2,035,485	6,906,703	8,942,188	2,193,546	7,559,514	9,753,060
<b>Segment liabilities</b>	<b>3,581,747</b>	<b>5,116,087</b>	<b>8,697,834</b>	3,165,108	4,363,642	7,528,750	3,288,784	5,014,876	8,303,660

**18. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The fair value of financial assets and financial liabilities, other than those disclosed in the table below, approximate their carrying values.

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 repriced 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.

The Bank measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1 - Quoted prices (unadjusted) in active markets.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table contains analysis of financial instruments measured at fair value at the reporting date:

	30-Jun-25				30-Jun-24				31-Dec-24			
	Level 1 RO '000	Level 2 RO '000	Level 3 RO '000	Total RO '000	Level 1 RO '000	Level 2 RO '000	Level 3 RO '000	Total RO '000	Level 1 RO '000	Level 2 RO '000	Level 3 RO '000	Total RO '000
<b>Financial assets:</b>												
Investments at FVTPL	6,267	234,443	-	240,710	16,139	180,903	-	197,042	3,099	221,848	-	224,947
Investments at FVOCI	45,071	73,581	4,782	123,434	96,259	4,182	4,920	105,361	33,254	80,626	5,409	119,289
<i>Derivative financial instruments</i>												
Interest rate swaps	-	64	-	64	-	1,650	-	1,650	-	1,947	-	1,947
Forward foreign exchange contracts	242	-	-	242	1,140	-	-	1,140	1,575	-	-	1,575
	<b>51,580</b>	<b>308,088</b>	<b>4,782</b>	<b>364,450</b>	<b>113,538</b>	<b>186,735</b>	<b>4,920</b>	<b>305,193</b>	<b>37,928</b>	<b>304,421</b>	<b>5,409</b>	<b>347,758</b>
<b>Financial liabilities</b>												
<i>Derivative financial instruments</i>												
Interest rate swaps	-	30	-	30	-	421	-	421	-	117	-	117
Forward foreign exchange contracts	837	-	-	837	538	-	-	538	63	-	-	63
	<b>837</b>	<b>30</b>	<b>-</b>	<b>867</b>	<b>538</b>	<b>421</b>	<b>-</b>	<b>960</b>	<b>63</b>	<b>117</b>	<b>-</b>	<b>180</b>
<b>Financial assets:</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>		<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>	<b>US\$ '000</b>
Investments at FVTPL	16,279	608,942	-	625,221	41,920	469,878	-	511,798	8,049	576,228	-	584,277
Investments at FVOCI	117,068	191,119	12,421	320,608	250,022	10,863	12,780	273,665	86,374	209,419	14,050	309,843
<i>Derivative financial instruments</i>												
Interest rate swaps	-	166	-	166	-	4,285	-	4,285	-	5,058	-	5,058
Forward foreign exchange contracts	629	-	-	629	2,960	-	-	2,960	4,091	-	-	4,091
	<b>133,976</b>	<b>800,227</b>	<b>12,421</b>	<b>946,624</b>	<b>294,902</b>	<b>485,026</b>	<b>12,780</b>	<b>792,708</b>	<b>98,514</b>	<b>790,705</b>	<b>14,050</b>	<b>903,269</b>
<b>Financial liabilities</b>												
<i>Derivative financial instruments</i>												
Interest rate swaps	-	79	-	79	-	1,094	-	1,094	-	304	-	304
Forward foreign exchange contracts	2,174	-	-	2,174	1,399	-	-	1,399	164	-	-	164
	<b>2,174</b>	<b>79</b>	<b>-</b>	<b>2,253</b>	<b>1,399</b>	<b>1,094</b>	<b>-</b>	<b>2,493</b>	<b>164</b>	<b>304</b>	<b>-</b>	<b>468</b>

There are no transfers of fair value measurement between Level 1, 2 and 3 during the period.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

**19. DERIVATIVES**

**Derivative product types**

Swaps are contractual agreements between two parties to exchange interest based on a specific notional amount. For interest rate swaps, counterparties generally exchange fixed and floating rate interest payments based on a notional value in a single currency.

Forward contracts are contractual agreements to either buy or sell a specified currency, commodity or financial instrument at a specific price and date in the future. Forward contracts are customised contracts transacted over the counter.

**Derivatives held for hedging purposes**

Fixed interest rates on principal amount of loans and investments are normally hedged using interest rate swaps whose repayments dates are the same as of hedge item. These contracts are designated as fair value hedges.

**Derivatives held for risk management purposes**

The Bank has entered into interest rate swaps and forward contracts for risk management purposes which are usually not closed out prior to contractual maturity. The Bank ensures that its exposure is kept to acceptable level by buying and selling of foreign currencies in forward market when necessary to address short term imbalances.

The table below shows the assets and liabilities fair values of derivative financial instruments, together with the notional cash flows analysed by the term of their maturity.

	<b>Assets</b>	<b>Liabilities</b>	<b>Notional cash flows</b>
<b>At 30 June 2025</b>	<b>RO '000</b>	<b>RO '000</b>	<b>RO '000</b>
<b>Derivatives for hedging:</b>			
Interest rate swaps	<b>64</b>	<b>30</b>	<b>17,710</b>
<b>Derivatives:</b>			
Forward purchase contracts	<b>115</b>	<b>17</b>	<b>111,988</b>
Forward sales contracts	<b>93</b>	<b>820</b>	<b>111,988</b>
<b>Derivatives for hedging:</b>	<b>US\$ 000</b>	<b>US\$ 000</b>	<b>US\$ 000</b>
Interest rate swaps	<b>166</b>	<b>79</b>	<b>46,000</b>
<b>Derivatives:</b>			
Forward purchase contracts	<b>299</b>	<b>44</b>	<b>290,878</b>
Forward sales contracts	<b>242</b>	<b>2,130</b>	<b>290,878</b>
At 30 June 2024	RO '000	RO '000	RO '000
<i>Derivatives for hedging:</i>			
Interest rate swaps	1,650	421	132,604
<i>Derivatives:</i>			
Forward purchase contracts	-	538	305,882
Forward sales contracts	1,140	-	305,157
<i>Derivatives for hedging:</i>	US\$ 000	US\$ 000	US\$ 000
Interest rate swaps	4,285	1,094	344,426
<i>Derivatives:</i>			
Forward purchase contracts	-	1,399	794,499
Forward sales contracts	2,960	-	792,616
At 31 December 2024	RO '000	RO '000	RO '000
<i>Derivatives for hedging:</i>			
Interest rate swaps	1,947	117	50,204
<i>Derivatives:</i>			
Forward purchase contracts	1,459	17	118,073
Forward sales contracts	116	46	118,073
<i>Derivatives for hedging:</i>	US\$ 000	US\$ 000	US\$ 000
Interest rate swaps	5,058	304	130,400
<i>Derivatives:</i>			
Forward purchase contracts	3,790	44	306,684
Forward sales contracts	301	120	306,684

Fair values are included under other assets where positive and other liabilities where negative.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**20. CONTINGENT LIABILITIES AND COMMITMENTS**

Audited 31-Dec-24 US\$ '000	Unaudited 30-Jun-24 US\$ '000	Unaudited <b>30-Jun-25</b> <b>US\$ '000</b>		Unaudited <b>30-Jun-25</b> <b>RO '000</b>	Unaudited 30-Jun-24 RO '000	Audited 31-Dec-24 RO '000
332,943	310,073	<b>352,909</b>	Financial guarantees	<b>135,870</b>	119,378	128,183
160,099	114,231	<b>126,639</b>	Letters of credit	<b>48,756</b>	43,979	61,638
126,787	95,070	<b>314,704</b>	Loan commitments	<b>121,161</b>	36,602	48,813
11,653	4,743	<b>7,360</b>	Capital commitments	<b>2,834</b>	1,826	4,486
<b>631,482</b>	<b>524,117</b>	<b>801,612</b>		<b>308,621</b>	201,785	243,120

**21. ASSETS AND LIABILITIES MATURITY**

As at 30 June 2025	Upto 3 months RO '000	Above 3 months to 12 months RO '000	Above 1 year to 5 years RO '000	More than 5 years RO '000	Total RO '000
<b>Assets</b>	<b>1,186,029</b>	<b>313,930</b>	<b>970,041</b>	<b>1,441,462</b>	<b>3,911,463</b>
<b>Liabilities and equity</b>	<b>(945,532)</b>	<b>(1,247,144)</b>	<b>(546,318)</b>	<b>(1,172,469)</b>	<b>(3,911,463)</b>
<b>Net liquidity gap</b>	<b>240,498</b>	<b>(933,214)</b>	<b>423,723</b>	<b>268,993</b>	<b>-</b>
<b>Net liquidity gap in US\$ '000</b>	<b>624,669</b>	<b>(2,423,931)</b>	<b>1,100,580</b>	<b>698,682</b>	<b>-</b>

As at 30 June 2024	Upto 3 months RO '000	Above 3 months to 12 months RO '000	Above 1 year to 5 years RO '000	More than 5 years RO '000	Total RO '000
Assets	1,087,813	329,383	586,451	1,439,095	3,442,742
Liabilities and equity	(690,046)	(1,028,900)	(559,786)	(1,164,010)	(3,442,742)
Net liquidity gap	397,767	(699,517)	26,665	275,085	-
Net liquidity gap in US\$ '000	1,033,160	(1,816,927)	69,261	714,505	-
As at 31 December 2024	Upto 3 months RO '000	Above 3 months to 12 months RO '000	Above 1 year to 5 years RO '000	More than 5 years RO '000	Total RO '000
Assets	1,278,438	292,077	858,644	1,325,769	3,754,928
Liabilities and equity	(1,024,653)	(1,020,058)	(565,775)	(1,144,442)	(3,754,928)
Net liquidity gap	253,785	(727,981)	292,869	181,327	-
Net liquidity gap in US\$ '000	659,181	(1,890,860)	760,698	470,981	-

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**
**22. CAPITAL MANAGEMENT**

The risk asset ratio is calculated in accordance with the capital adequacy guidelines of the Basel Committee on Banking Supervision and CBO Circulars BM 1009 'Guidelines on Basel II' and BM 1114 'Regulatory Capital and Composition of Capital Disclosure requirements under Basel III' effective from 31 December 2014. CBO through its circular SDD/CBS/CB/2024/108 dated June 26, 2024 restored the capital conservation buffer to 2.5%. Accordingly, the minimum capital adequacy ratio requirement for the year is 13.5% including capital conservation buffer of 2.5% (31 December 2024: 12.25% including capital conservation buffer of 1.25%). The capital adequacy ratio working is as follows:

The following table sets out the capital adequacy position

	<b>Unaudited 30-Jun-25</b>	Unaudited 30-Jun-24	Audited 31-Dec-24
	RO '000	RO '000	RO '000
Common Equity Tier 1 (CET1)	<b>320,344</b>	331,606	334,090
Additional Tier 1	<b>190,884</b>	179,366	179,366
Tier 1	<b>511,228</b>	510,972	513,456
Tier 2	<b>5,146</b>	8,895	7,752
<b>Total regulatory capital</b>	<b>516,374</b>	519,867	521,208
<b>Risk weighted assets</b>			
Credit risk	<b>2,938,619</b>	2,854,340	3,024,407
Market risk	<b>194,010</b>	109,678	189,824
Operational risk	<b>185,130</b>	174,724	174,724
<b>Total risk weighted assets</b>	<b>3,317,759</b>	3,138,742	3,388,955
<b>Capital adequacy ratio</b>			
CET1 capital expressed as a percentage of total risk-weighted assets	<b>9.66%</b>	10.56%	9.86%
Total tier I capital expressed as a percentage of total risk-weighted assets	<b>15.41%</b>	16.28%	15.15%
Tier II capital expressed as a percentage of total risk-weighted assets	<b>0.15%</b>	0.28%	0.23%
Total regulatory capital expressed as a percentage of total risk-weighted assets	<b>15.56%</b>	16.56%	15.38%
	<b>Unaudited 30-Jun-24</b>	Unaudited 30-Jun-23	Audited 31-Dec-23
	US\$ '000	US\$ '000	US\$ '000
Common Equity Tier 1 (CET1)	<b>832,062</b>	861,314	867,767
Additional Tier 1	<b>495,803</b>	465,886	465,886
Tier 1	<b>1,327,865</b>	1,327,200	1,333,653
Tier 2	<b>13,365</b>	23,104	20,134
<b>Total regulatory capital</b>	<b>1,341,230</b>	1,350,304	1,353,787
<b>Risk weighted assets</b>			
Credit risk	<b>7,632,777</b>	7,413,870	7,855,604
Market risk	<b>503,922</b>	284,877	493,050
Operational risk	<b>480,857</b>	453,828	453,828
<b>Total risk weighted assets</b>	<b>8,617,556</b>	8,152,575	8,802,482
<b>Capital adequacy ratio</b>			
CET1 capital expressed as a percentage of total risk-weighted assets	<b>9.66%</b>	10.56%	9.86%
Total tier I capital expressed as a percentage of total risk-weighted assets	<b>15.41%</b>	16.28%	15.15%
Tier II capital expressed as a percentage of total risk-weighted assets	<b>0.15%</b>	0.28%	0.23%
Total regulatory capital expressed as a percentage of total risk-weighted assets	<b>15.56%</b>	16.56%	15.38%

**23. COMPARATIVE FIGURES**

Corresponding figures have been rearranged and reclassified in order to conform with the presentation for the current period for the purpose