Ahli Bank SAOG

Investor Presentation
H1 - 2025

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Rounding

Rounding differences may appear throughout the presentation

البنك الأهلي

ahlibank

Macro Economic Overview

ahlibank Overview

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Macro Economic Overview

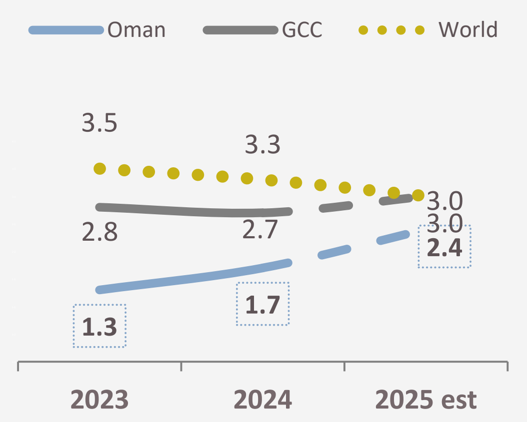
Economic Overview

- **Oman GDP growth** for 2024 was 1.7% compared to the 2.7% growth of MENA while the World GDP is expected to be 3.3%.
- Oman **Government continues to follow a prudent fiscal policy** to reduce public debt and attract foreign direct investment.
- S&P **upgraded Oman's outlook** to 'BBB- Stable' in April 2025, while Moody's upgraded the rating to 'Baa3 Positive' in July 2025. Both ratings place Oman in the investment grade category. Fitch Ratings affirmed Oman's rating at 'BB+' but revised the outlook from stable to positive

Sustainable growth and Diversification

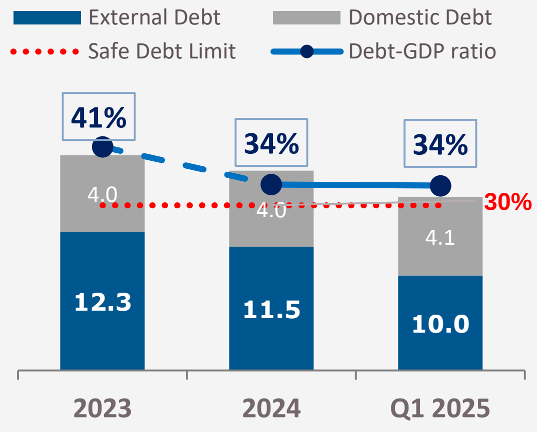
- **The Medium-Term Fiscal Plan** for 2025–29 outlines a clear path toward greater fiscal sustainability. As of June 2025, the fiscal surplus declined to RO 215 million compared to 2023, primarily due to lower oil prices and reduced production . The 2025 budget projects a deficit of RO 560 million.
- Oman is **advancing several projects**, including a green hydrogen facility powered by wind and solar energy, which have driven a rapid increase in renewable energy's share—from 4.9% in Dec 2024 to 11.5% by mid-2025. The country is on track to raise share of green energy contribution to 30% by 2030.

GDP Growth



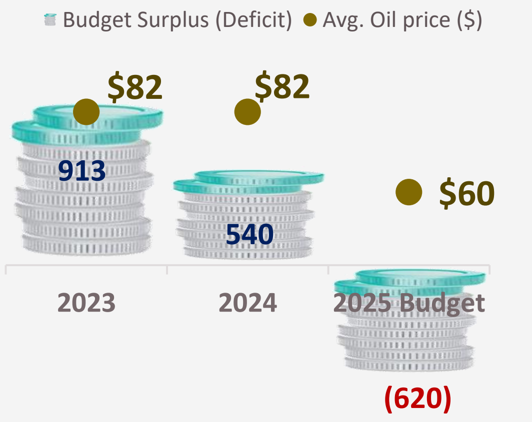
Source: IMF WEO

Public Debt



Source: MoF

Fiscal Surplus



Source: MoF

Credit Ratings

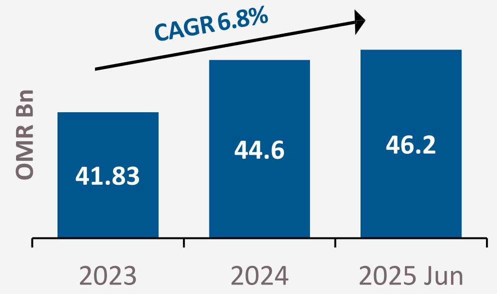
	2024	2025
S&P	BB+ (Positive)	BBB- (Stable)
FitchRatings	BB+ (Stable)	BB+ (Positive)
Moody's	Ba1 (Stable)	Baa3 (Stable)

Source: MoF

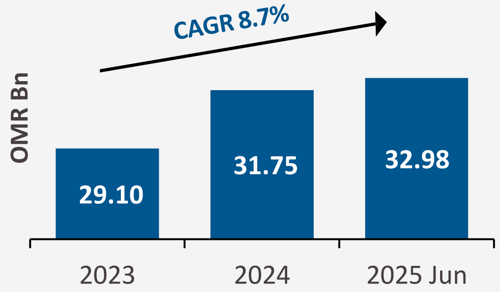
Operating Environment

Source: CBO Statistical Bulletin

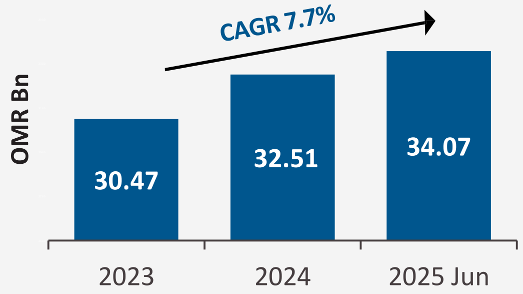
Banking Assets



Customer Deposits



Loans & Advances



Credit Growth

Robust credit growth of 8.4% YoY and 4.8% for Jan-Jun 2025 with improved liquidity and stable interest rates during H1 2025 as the economic growth continues supported by oil price at the similar level as 2024

Liquidity

Customer Deposits recorded a significant growth of 7.6% YoY until Jun-25 while the growth in Jan-Jun 2025 is 3.9% backed by a higher growth in Islamic banking deposits.

Interest Rate

Average OMR lending rate has marginally decreased to 5.5% p.a. as of June-25 from around 5.6% p.a. in June-24 . Overnight interbank borrowing rates declined to 4.4% from c.5.4% level in Jun-24, due to CBO repo rate revision to 5% from 6% p.a. in June-24 inline with US fed rate.

Capitalization

Capital Adequacy Ratio of all banks in Oman has moved down from 17.7% as at Dec-24 due to the credit growth but continues to be at a healthy level of 17.2% as at H1 25.

Asset Quality

Banking industry NPL ratio remained at 4.4% as at H1-25 slightly increased from Dec-24 NPLs at 4.3%.

Macro Economic Overview

ahlibank Overview

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About ahlibank

VISION

To be a vibrant and innovative center of banking in Oman to drive the economic and social development

MISSION

To be trusted and preferred banking partner, dedicated to creating unique value for our employees, customers, shareholders and society

VALUES

- INTEGRITY
- RESPONSIBILITY
- INNOVATION
- SUSTAINABILITY
- EXCELLENCE

STRATEGIC OBJECTIVES

- ASSET GROWTH
- DEPOSIT DIVERSIFICATION
- ENHANCE INCOME FEE
- OPERATIONAL EFFICIENCY

STRATEGIC PRIORITIES

- DIGITAL TRANSFORMATION & FINTECH INTEGRATION
- HUMAN CAPITAL
- LIQUIDITY & FUNDING DIVERSIFICATION
- SCALING UP SME

ahlibank Overview

Consistence in Growth

Market Presence	**18 Years** of commercial banking operations, serving **250 K +** retail customers and **12 K+** corporate entities
Expanding Horizon	**52 Retail Branches**, including **3 state of art Digital branches** and **1 corporate branch**.
Market Prominence	Market share of **9.6% in Loans** and **9.2% in Deposits**
Islamic Banking	Strong retail network with **26 branches** and robust prominence across **corporate banking**
Accreditation	**Fitch** upgraded credit rating to **BB with a positive Outlook**. **Capital intelligence** revised rating **BB+ with positive Outlook**

Outstanding Results

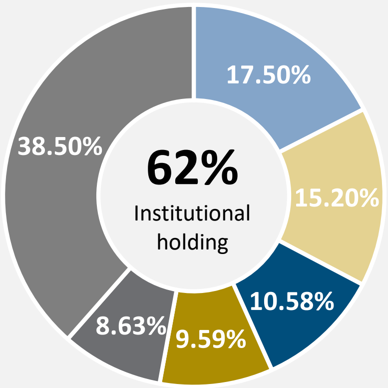
Total Assets
11.6%CAGR
OMR 3.32 Bn 2023
OMR 3.91 Bn H1 25

Deposits
14.2%CAGR
OMR 2.48 Bn 2023
OMR 3.02 Bn H1 25

Net Loans
11.3%CAGR
OMR 2.69 Bn 2023
OMR 3.16 Bn H1 25

Branch Network
46 Branches 2023
52 Branches H1 25

Strong Institutional Shareholding



- Royal Court Affairs
- Al Hosn Investment Company SAOC
- Social Protection Fund
- Aflag First Investment SPC
- Al Hosn Business Development LLC
- Others

Delivering on Strategic objectives

Asset Growth
1. **3.9 Bn** Banking Assets
One of the **best ROAE** & 50%+ **dividend** Payout achieved by robust asset growth

Fee Income
2. **26%** Fee income share
Fee income share grown from **22% to 26%**, within 1.5 years

Deposit Diversification
3. **46%** Retail deposit share
Retail funding share grown by 25%, lowering reliance on expensive institutional deposit

Operational Efficiency
4. **43%** Cost to income
Low **CIR maintained** amid growth in **branch and digital** investments

ahlibank in the recent past

Marked by strategic growth, innovation and a strong commitment to sustainability and community empowerment:

PARTNER IN EXCELLENCE

- Funding strategic projects in line with vision 2040
- Providing financial advisory for Oman's flagship sustainable urban project
- Supporting the development of a major logistics and industrial hub.
- Supporting environmental sustainability efforts

PRODUCTS & SERVICES

- Launch of instant credit card printing Providing customers with immediate access to their credit cards at ahlibank and ahli islamic branches
- Launch of ahlinext, first children mobile app
- Launch of POS financing program
- Upgraded mobile application Offering an enhanced, seamless, and secure digital banking experience

STRENGTHENING CAPITAL

- ahlibank Rights Issue of 357 mn shares
- 2nd issuance of Mandatory Convertible bonds of RO 11.7 mn

NETWORK EXPANSION

- Inauguration of 4 new branches (Al Amerat, 18 Nov Street, Rusayl Industrial Zone, and ahli Islamic branch in Al Ansab)
- Expansion of Multi-Functional Kiosks (MFKs) Increasing access to digital banking across Oman

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Business Segments – Wholesale Banking

Corporate Banking & SME

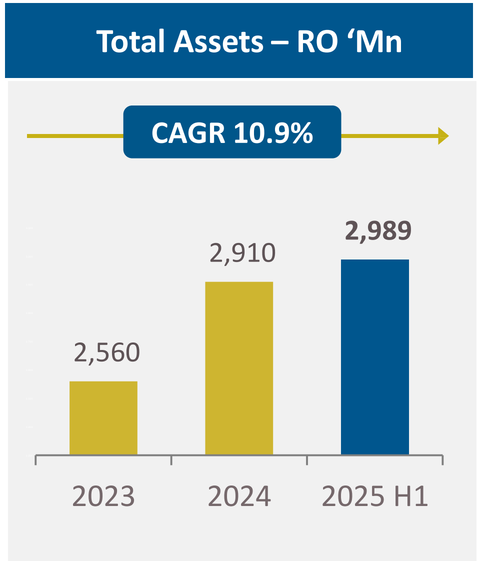
- Offering full array of services through sector specific teams.
- Includes Government Banking, Corporate Liabilities & E-channels team
- Supporting SMEs through crowd funding platform Tamkeen.
- As part of long-term strategy, the Bank plans to strengthen its procedures to help fund ESG projects.
- Continuous focus on the sectors that form part of the Sultanate's diversification strategy.

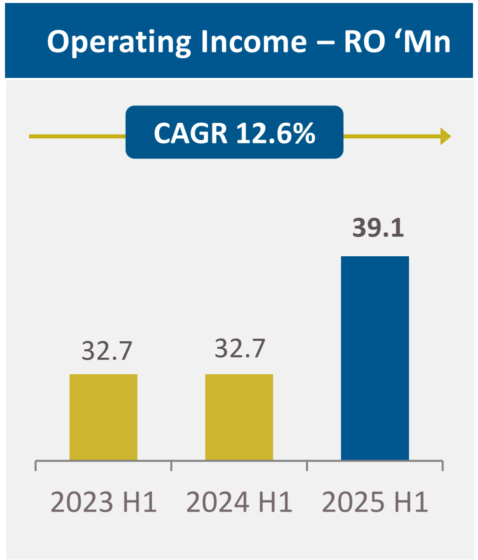
Treasury & FI

- Provides a comprehensive package of services to corporate, commercial and government institutions.
- Financial Institutions Group covers global relationships with other financial institutions.

Investment banking

- A full-service financial advisory and fundraising platform with proven track record across products categories. Acted as issue manager for one of the biggest IPOs in Sultanate.
- Asset management division offers a diverse range of investment solutions for its institutional and high net worth clients including mutual funds and investment advisory services across asset classes.
- Brokerage division is a leading player in the Muscat Stock Exchange servicing broad range of institutional and retail clients.



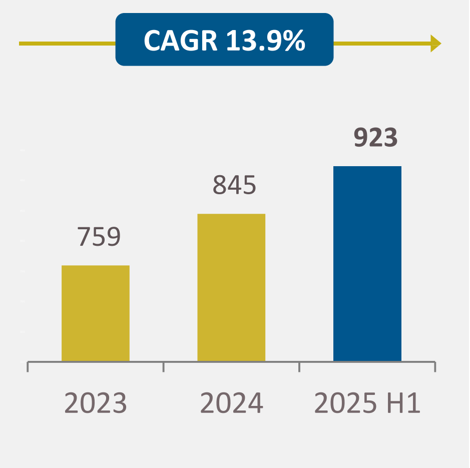


Business Segments – Retail Banking

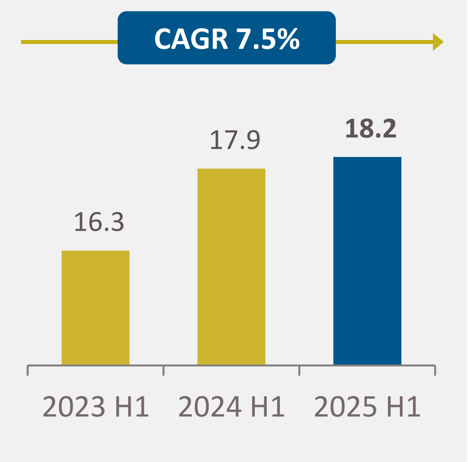
Retail, Premium, Private Banking & Wealth Management Services

- Strong emphasis on designing and offering innovative products and services
- Consists of specialized teams dedicated for Retail, Premium, Private Banking, Wealth management and Islamic Banking customers
- Offering services through multiple distribution channels including 52 branches across the Sultanate of Oman (including 26 Islamic branches)
- Bank opened its first digital branch in 2022, “ahli express”, and by end of June 25, 20 Multi-Functional Kiosk were operational.
- Bank continues to focus on expansion of retail network including digital branches.
- Widen customer base of target segment both under conventional and Islamic banking business.
- Wealth Management Services offer a comprehensive and integrated approach to financial stewardship for HNWI, through app-based Wealth Management Portal

Total Assets – RO ‘Mn



Operating Income – RO ‘Mn

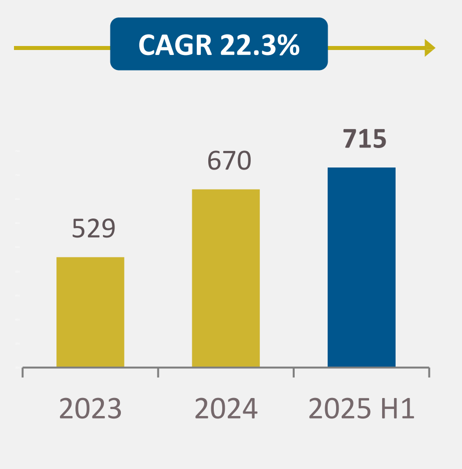


Business Segments – ahli Islamic

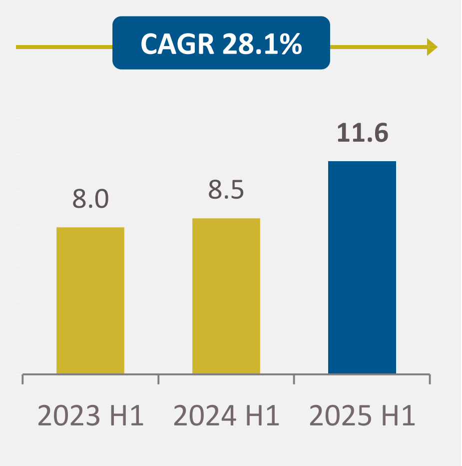
Wide array of Sharia Compliant products and Services

- ahli Islamic has posted a robust growth since its launch in 2013
- Sharia-compliant products and services offered through 26 dedicated branches caters to all customer segments - institutional, corporate, SME and retail
- Retail ahli Islamic have more than 26% of the market share in the customer deposits
- First Islamic Bank in Oman to digitally onboard customers through Mobile Banking platform
- First Islamic Bank in Oman to offer IPO leverage
- Continued expansion of retail business including digital branches with focus of deposit mobilization
- Contributed 16% in overall operating income of the Bank

Gross Financing – RO 'Mn



Operating Income – RO 'Mn



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Balance Sheet

RO 'Mn	June 25	Dec 24	Var
Total Assets	3,911	3,755	4.2%
Loans and advances, net	3,162	3,022	4.6%
Customer Deposits	3,020	2,763	9.3%
Equity	563	558	0.9%

Profit & Loss

RO 'Mn	H1 25	H1 24	Var
Total Operating Income	57.26	50.63	13.1%
Impairment Charge	6.79	5.67	(19.8%)
Operating Expenses	24.59	21.47	(14.5%)
Net Profit after Tax	22.36	20.20	10.7%

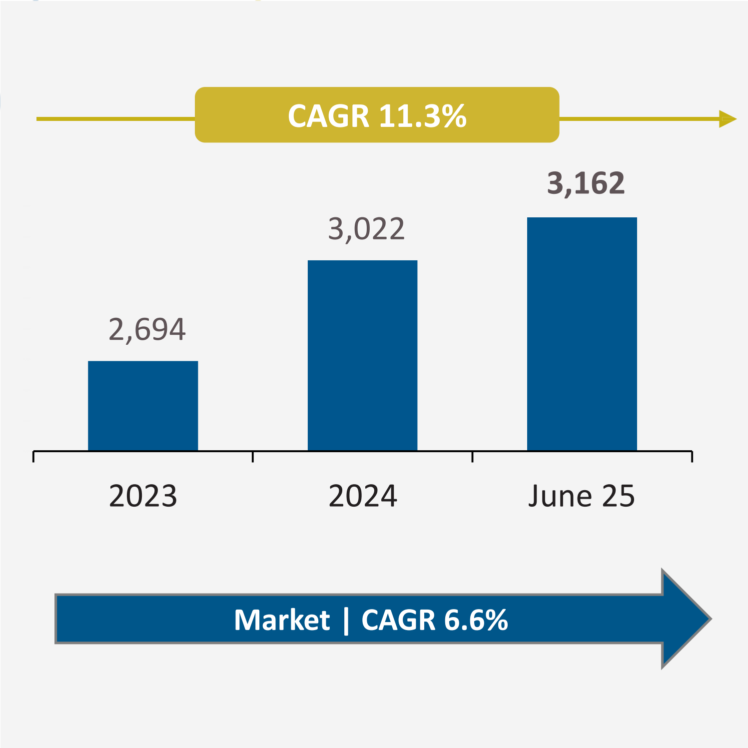
Key Ratios

RO 'Mn	H1 25	H1 24	Var
ROAE	12.0%	11.0%	1.0%
ROAA	1.2%	1.2%	-
Cost to Income ratio	42.9%	42.4%	(0.5%)
NPL	4.3%	4.1%	(0.2%)
CAR	15.6%	16.6%	(0.4%)

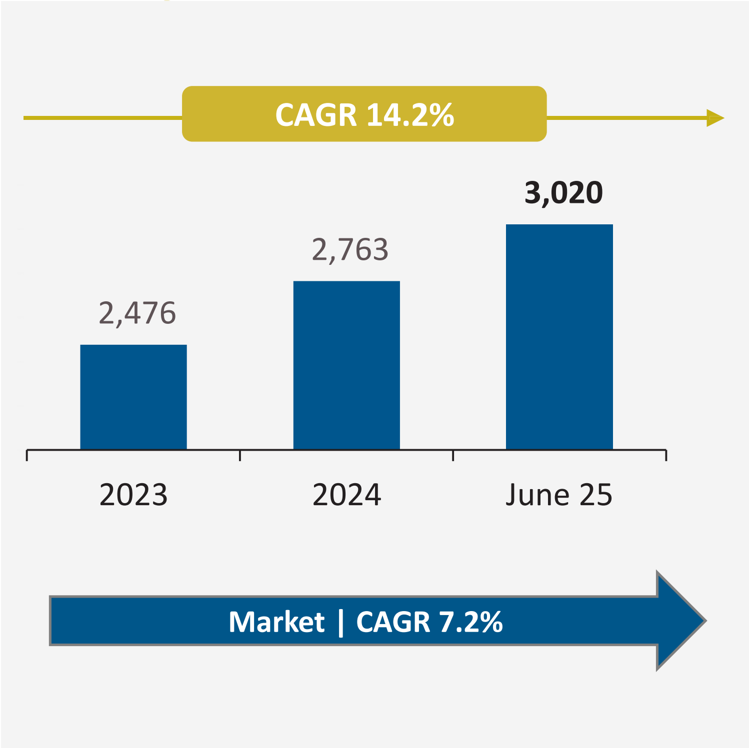
Financial Performance

Total Assets (RO 'Mn)

Loans & Advances, Net (RO 'Mn)

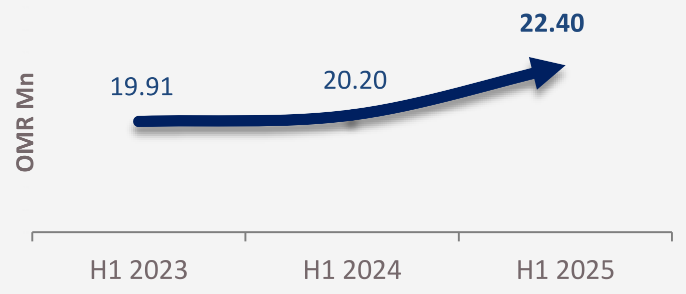


Customer Deposits (RO 'Mn)



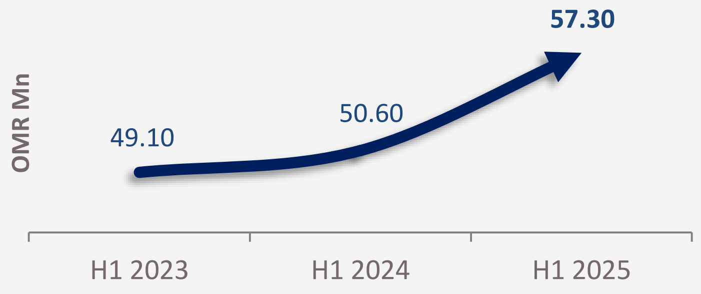
Operating Performance

NPAT – RO ‘Mn



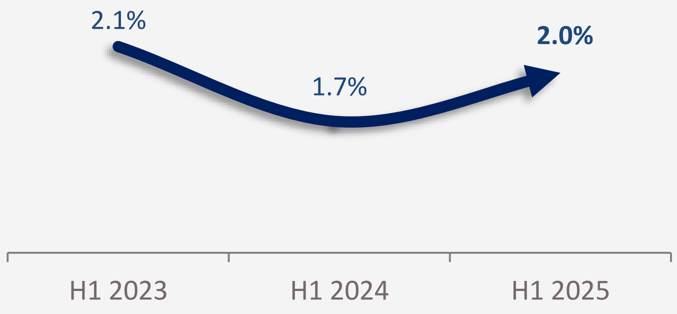
Highest growth rate in Oman banking *(H1 24 to H1 25)*

Operating Income – RO ‘Mn



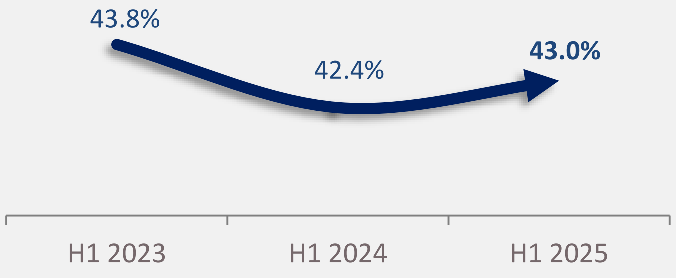
Other income having a CAGR growth of 25%

Net Interest Spread

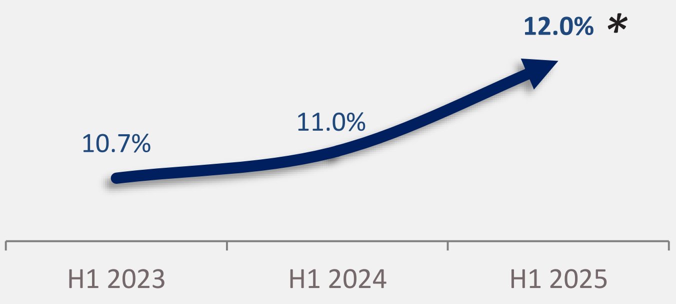


Lower funding costs, while stabilitised yield

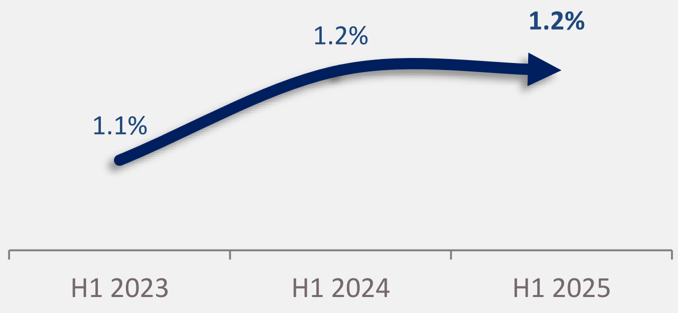
3 Cost to Income



3 ROAE



3 ROAA

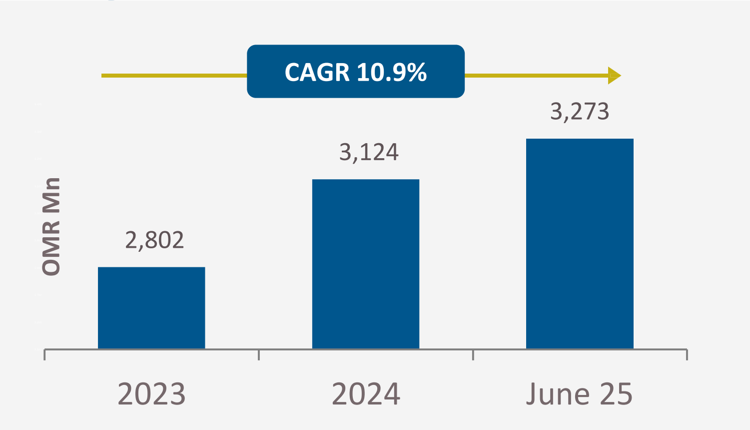


X *Performance position in the market H1 2025*

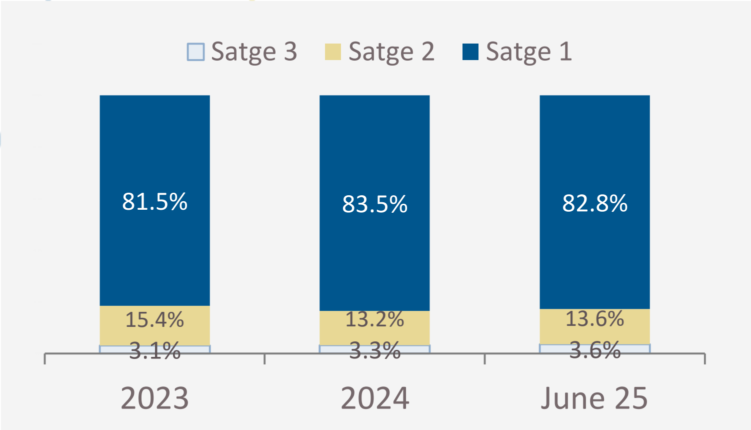
** Adjusted ROAE for H1 2025 is **8.5%***

Asset Quality

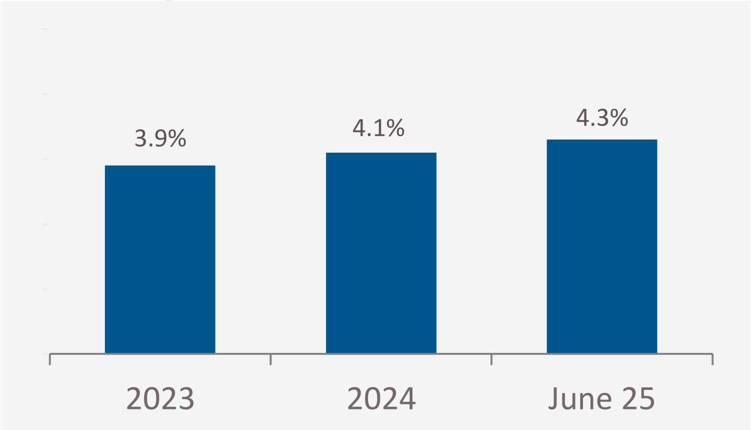
Gross Loans and Financing



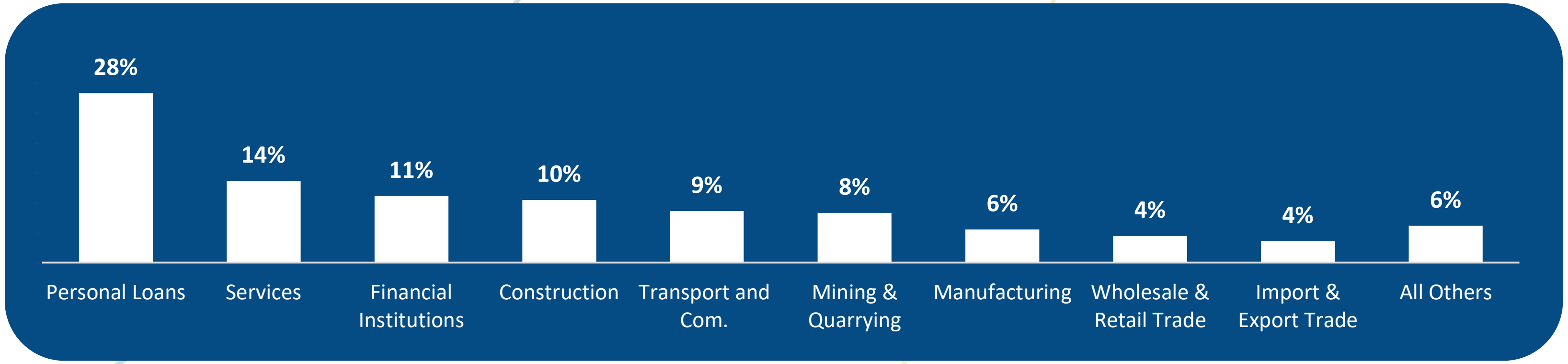
Stage wise Exposure



NPL Ratio



Sector wise distribution of Loans

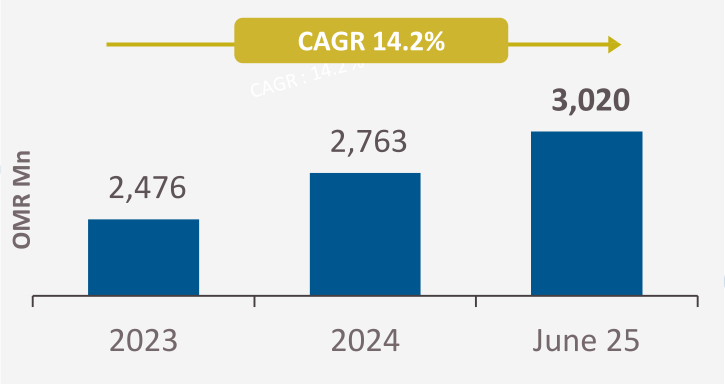


- **Credit concentration** towards historically lower credit risk and NPA sectors
- **Consistently maintaining** NPA at the lower levels

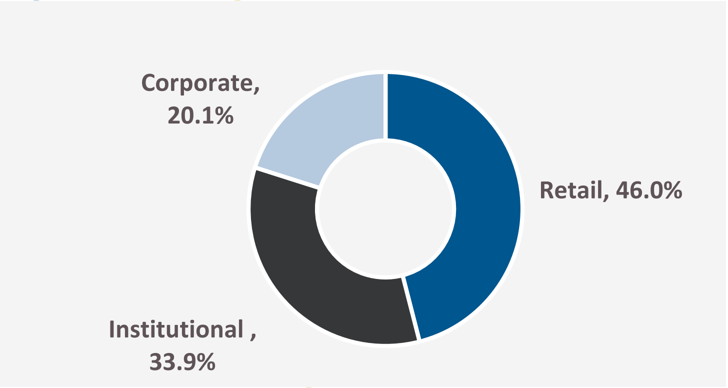
Focused on asset quality, Bank reports a lower-than-industry-average NPL ratio.

Funding

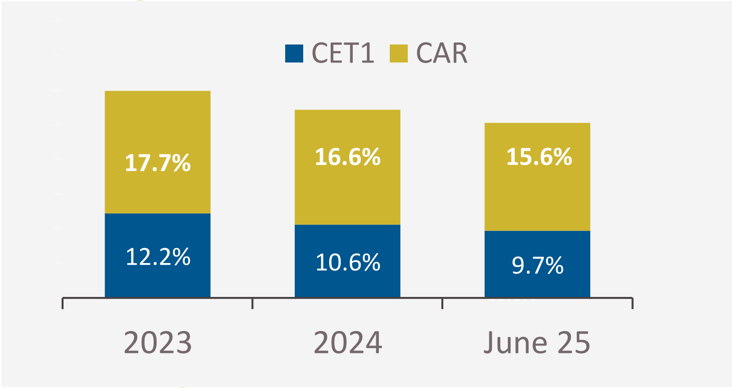
Customer Deposits



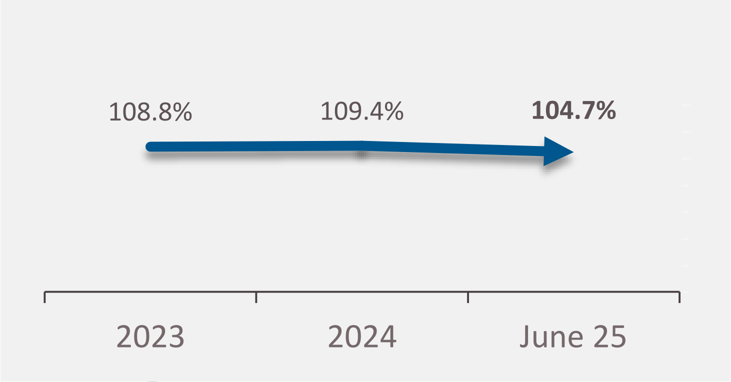
Deposit Segment



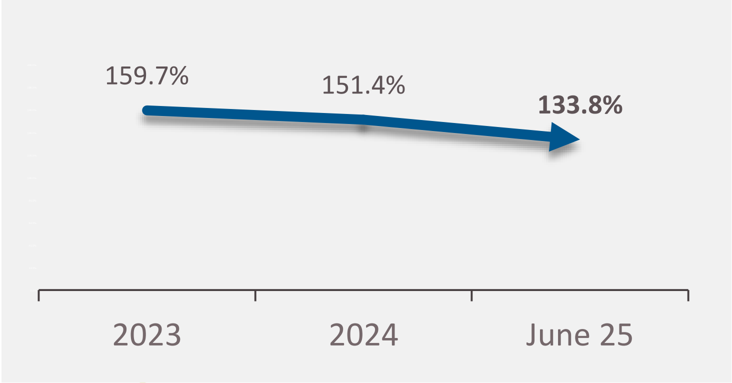
Capital Position



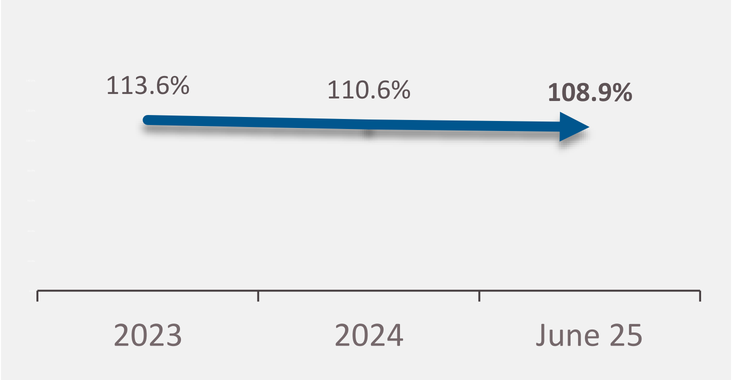
Net Loans to Deposits Ratio %



Liquidity Coverage Ratio %



Net Stable Funding Ratio %



Significant increase in the retail contribution; less dependency on volatile deposits

Our Achievements

Our Award-winning Achievements

Excellence in Corporate Banking & Innovative Solutions
Awarded at the Alam Al Iktisaad Awards 2024, recognizing us for our outstanding performance in corporate banking and innovative financial solutions.

Best Performing Company – Large Cap
Awarded at the Alam Al Iktisaad Awards 2024, highlighting our strong overall performance in the large-cap category.

Best Conventional Bank in Oman
Conferred by the Union of Arab Banks, acknowledging our leading status and forward-thinking vision in the Sultanate's banking sector.

Excellence in Digital Banking
Received at the OER Live DX Oman event, celebrating our innovative contributions to the digital banking landscape.

Excellence in Private Banking
Awarded at the New Age Banking Summit 2024, recognizing our superior services in private banking.

Excellence in Corporate Banking
Also honored at the New Age Banking Summit 2024, highlighting our exceptional performance in corporate banking services.

Excellence in Digital Transformation
Recognized at the New Age Banking Summit 2024 for our successful digital transformation initiatives.

Excellence in Retail Cutting-Edge Products and Services
Awarded to ahli islamic in recognition our enhanced Sharia-compliant digital offerings, and innovative products and services that deliver an exceptional banking experience to customers.

MENA Corporate Bank of the Year
Awarded for offering our corporate customers a comprehensive and innovative portfolio of products and services catered to their needs with ease and efficiency.

2025

Oman's Best Bank for SMEs
Awarded by Euromoney, recognizing the services and products offered to SMEs

Best Bank for Digital Banking Services Oman 2025
Awarded by Global Banking & Finance Review, recognizing the digital banking services offered by the Bank