Unaudited interim condensed financial statements
For the six-month period ended 30 June 2026

Registered office and principal place of business:

Bank Dhofar Building
Bank Al Markazi street
Post Box 1507,Ruwi
Postal Code 112
Sultanate of Oman

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BANK DHOFAR S.A.O.G.

THE BOARD OF DIRECTORS' REPORT FOR THE SIX MONTHS ENDED

30 June 2026

Dear Shareholders,

On behalf of the Board of Directors of Bank Dhofar S.A.O.G., I am pleased to present Bank's unaudited interim condensed financial statements for the period ended 30 June 2026.

Bank Dhofar SAOG - Financial Highlights

Bank Dhofar has continued its strong momentum into 2026, with a steadfast focus on delivering superior customer experience and deepening customer engagement across all touchpoints. The Bank remains committed to its "proudly human" philosophy, ensuring that service excellence is not just an aspiration but a consistently delivered outcome. During the first quarter, the Bank successfully served more than 90% of its customers within 10 minutes across its branches, while resolving over 89% of customer complaints within agreed service level timelines—reflecting the strength of its service culture and operational discipline.

As part of its ongoing efforts to enhance customer value propositions, the Bank initiated a comprehensive re-carding program, transitioning its debit and credit card portfolio to Mastercard. This initiative is designed to provide customers with improved benefits, enhanced security features, and broader global acceptance, reinforcing the Bank's commitment to offering best-in-class products aligned with evolving customer needs.

The Bank also continues to strengthen its support for the Small and Medium Enterprise (SME) sector in alignment with Oman Vision 2040. Through its dedicated Numo proposition, the Bank offers a comprehensive suite of products, services, and relationship-led banking solutions tailored to the needs of SMEs. During the first half of the year, the Bank launched its POS Financing product to improve access to working capital for merchants, established dedicated SME service desks to provide specialized support, and further strengthened its Relationship Manager model to deliver personalized advisory and service excellence. These initiatives reaffirm the Bank's commitment to empowering SMEs, fostering entrepreneurship, and contributing to the sustainable growth of Oman's economy.

On the digital front, the Bank has made meaningful progress in strengthening its capabilities. During the first half of year, it launched a merchant portal for its acquiring customers, enabling greater transparency, convenience, and control over transaction management. In parallel, the Bank entered the pilot phase of its next-generation mobile banking application, which significantly enhances user experience through improved interface design, faster performance, and expanded service capabilities. This initiative marks a key milestone in the Bank's digital transformation journey.

Execution excellence continues to remain a core focus area across all business segments. The Bank has maintained strong emphasis on customer acquisition, relationship deepening, and cross-functional collaboration to drive sustainable growth. These efforts are supported by ongoing investments in technology, data capabilities, and frontline enablement to ensure consistent delivery against strategic priorities.

During the first half of 2026, the bank also continued to strengthen its partnerships and ecosystem capabilities, while maintaining a disciplined approach to growth, risk management, and operational efficiency. The overall performance reflects a balanced focus on growth, customer centricity, and long-term value creation.

Bank Dhofar remains well-positioned to build on this momentum through the rest of the year, with a clear focus on execution, digital enablement, and delivering meaningful value to its customers, shareholders, and the broader community.

Bank Dhofar delivered a strong performance during the first half of 2026, supported by sustained business growth, enhanced operating efficiency, and a diversified revenue base.

Operating income increased by 11.40% to ﷼94.09 million for the six-month period ended 30 June 2026, compared with ﷼ 84.46 million reported during the corresponding period of 2025. This growth reflects the Bank's continued focus on expanding customer relationships and strengthening core banking activities.

Interest income and income from Islamic financing activities increased by 4.37% to ﷼ 150.01 million, compared with ﷼ 143.73 million recorded in the first half of 2025. Non-funded income continued its positive trajectory, with net fee and other income increased by 34.48% to ﷼ 32.98 million, compared to ﷼ 24.52 million in the corresponding period last year.

The Bank reported an operating profit before expected credit losses of ﷼ 51.33 million, representing an increase of 17.30% from ﷼ 43.76 million achieved during the same period in 2025, reflecting the strength of its underlying business performance.

Net profit for the six-month period reached ﷼ 27.26 million, an increase of 15.20% compared with ﷼ 23.67 million reported during the corresponding period of 2025.

Total operating expenses increased by 5.07% to ﷼ 42.76 million, compared with ﷼ 40.70 million in the prior-year period. Despite inflationary pressures and ongoing investments in strategic initiatives, the Bank continued to improve operational efficiency, resulting in a reduction in the cost-to-income ratio to 45.44%, compared with 48.18% in the same period of 2025.

Expected credit losses (net of recoveries) amounted to ﷼ 19.50 million during the period, compared with ﷼ 16.19 million reported in the corresponding period last year. The Bank continues to maintain a prudent approach towards risk management and portfolio quality.

The Bank's balance sheet remained resilient, with net loans and advances, including Islamic financing receivables, reaching ﷼ 4.58 billion as at 30 June 2026, representing a year-on-year growth of 9.85% compared with ﷼ 4.17 billion as at 30 June 2025 and an increase of 9.78% over ﷼ 4.17 billion as at 31 December 2025.

Customer deposits increased to ﷼ 4.49 billion as at 30 June 2026, reflecting a healthy increase of 11.30% from ﷼ 4.03 billion recorded for prior period end and an increase of 9.04% compared with ﷼ 4.12 billion as at 31 December 2025. This growth underscores the confidence placed by customers in the Bank and the strength of its franchise.

Earnings per share for the six-month period improved to Baiza 7.2 compared with Baiza 6.1 for the corresponding period of 2025, in line with the Bank's stronger profitability performance.

Dhofar Islamic - Financial Performance Highlights

Dhofar Islamic has demonstrated a significant growth in earning assets, financing, and deposits portfolio during the first half of 2026. Gross financing portfolio has grown to ﷼ 981.06 million at June 2026 from ﷼ 809.60 million at June 2025, registering a growth of 21.18% over last year. The total customer deposits of Dhofar Islamic reached to ﷼ 915.21 million at June 2026, an increase of 13.94% compared to ﷼ 803.24 million at same period last year.

The gross investment portfolio increased by 20.50% from ﷼ 125.45 million at June 2025 to ﷼ 151.17 million at June 2026. Total assets grew by 14.32% standing at ﷼ 1,142.30 million at June 2026, up from ﷼ 999.23 million at June 2025.

Dhofar Islamic income from Financing, Placement and Investment increased by 5.83% to ﷼ 27.22 million for the period ended June 2026 from ﷼ 25.72 million reported during the same period last year. The net Profit income (after cost of funds) increased by 4.05% year-on-year reaching ﷼ 11.30 million during six-months period ending June 2026, against ﷼ 10.86 million at June 2025.

Dhofar Islamic total operating income for the period ended June 2026 stood at ﷼ 17.92 million compared to ﷼ 14.32 million during June 2025, an increase of 25.14%. This includes a gain of ﷼ 2.37 million from the disposal of equity instruments designated at FVOCI, which have been recognized in Other Comprehensive Income in consolidated financial statements in accordance with IFRS. The administrative cost has increased by 2.21%, reaching 6.94 million compared to ﷼ 6.79 million last year. Dhofar Islamic reported a significant growth year to date operating profit (before ECL) of ﷼ 10.97 million which is 45.68% above the last year operating profit of ﷼ 7.53 million.

Dhofar Islamic registered a profit before tax of ﷼ 4.52 million for the quarter ended June 2026, compared to ﷼ 2.27 million during June 2025, growth of 99.12% over last year despite the higher ECL charge which stood at ﷼ 6.45 million for June 2026, compared to ﷼ 5.25 million last year.

Sustainability

During Quarter 2 2026, Bank Dhofar continued to advance its Sustainability Framework in line with Oman Vision 2040 and Central Bank of Oman requirements. The Bank made significant progress with its Sustainable Finance Framework, moving closer to operationalizing sustainable finance criteria across its lending and investment activities. Work also advanced on the ESG Risk Integration Framework, which is nearing completion and will further embed sustainability considerations into the Bank's risk management practices. In parallel, the Bank progressed data collection for its GHG inventory, laying the groundwork for more comprehensive emissions tracking and disclosure. On the social front, the Bank sustained its employee and community awareness efforts and is preparing to launch an external campaign to broaden stakeholder engagement and reinforce its sustainability commitments. Collectively, these developments continue to strengthen the Bank's ESG infrastructure, supporting regulatory alignment, risk resilience, and long-term value creation.

Recognitions and Awards

Bank Dhofar’s unwavering commitment to innovation, customer-centricity, and service excellence continues to strengthen its position as one of Oman’s leading financial institutions. Through its comprehensive retail, corporate, and investment banking solutions, the Bank consistently delivers value to customers while adapting to evolving market needs. In recognition of these efforts, Bank Dhofar received several distinguished awards and accolades during 2025 and 2026, highlighting its leadership in trade finance, digital transformation, and product innovation. Notable recognitions include:

- Best Trade Finance Bank in Oman 2025 - Global Banking and Finance
- Excellence in Women's Banking Product Innovation Award - 15th Annual Al Mara Conference & Awards 2026.
- The Enterprise Banking Platform Award - New Age Banking Summit

Acknowledgment

On Behalf of the Board, I would like to express my profound appreciation to all stakeholders involved for their patronage and confidence they have reposed in the Bank's Board of Directors and Executive Management., I would like to express my gratitude to Dhofar Islamic' s Sharia Supervisory Board for their contribution to the Sharia compliance. I express my gratitude to the Management and Staff for their unwavering and invaluable assistance in guiding the bank towards accomplishing its goals.

The Central Bank of Oman and the Financial Services Authority are also acknowledged by the Board of Directors for their persistent support and direction of Oman's banking and financial industry.

Finally, the Bank's Board of Directors and all of its employees would like to sincerely thank His Majesty Sultan Haitham Bin Tariq for his unwavering support of the economy, which cleared the path for a long-term, sustainable recovery.

Eng. Abdul Hafidh Salim Rajab Al-Ojaili
Chairman

BANK DHOFAR SAOG

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	Unaudited 30-Jun-2026 ﷼'000	Unaudited 30-Jun-2025 ﷼'000	Audited 31-Dec-2025 ﷼'000
Assets				
Cash and balances with Central Bank of Oman	5	**173,235**	80,434	179,798
Investment securities	8	**736,975**	672,093	713,757
Loans, advances, and financing to banks	6	**436,069**	282,900	212,066
Loans, advances, and financing to customers (conventional)	7 (a)	**3,643,674**	3,390,962	3,344,653
Islamic financing receivables	7 (b)	**941,154**	782,743	831,895
Other assets		**118,049**	86,012	79,141
Deferred tax assets		**-**	462	-
Property and equipment	10	**15,243**	14,982	15,013
Intangible assets	9	**14,917**	13,467	14,428
Total assets		**6,079,316**	5,324,055	5,390,751
Liabilities				
Due to banks	11	**519,373**	382,515	268,377
Deposits from customers (conventional)	12	**3,573,913**	3,229,965	3,249,572
Islamic customers deposits	12	**915,206**	803,243	867,257
Sukuk issuance		**5,000**	-	-
Other liabilities		**167,543**	127,435	119,238
Deferred tax liabilities		**442**	-	448
Tax liabilities		**13,318**	10,790	13,435
Employee benefit obligations		**1,814**	2,026	1,875
Subordinated loans	13	**100,900**	31,305	100,905
Total liabilities		**5,297,509**	4,587,279	4,621,107
Shareholders' equity				
Share capital	14	**303,980**	303,980	303,980
Share premium		**95,656**	95,656	95,656
Legal reserve		**81,297**	76,192	81,297
Special reserve		**16,988**	16,988	16,988
Special reserve –restructured loans		**1,281**	1,281	1,281
Special impairment reserve		**12,184**	12,184	12,184
Special revaluation reserve - investment		**(709)**	(709)	(709)
Investment revaluation reserve		**11,719**	(4,449)	5,934
Subordinated loan reserve		**6,200**	-	6,200
Cash flow hedge reserve		**13**	89	53
Retained earnings		**97,698**	80,064	91,280
Total equity attributable to the equity holders of the Bank		**626,307**	581,276	614,144
Perpetual Tier 1 Capital Securities		**155,500**	155,500	155,500
Total equity		**781,807**	736,776	769,644
Total liabilities and equity		**6,079,316**	5,324,055	5,390,751
Contingent liabilities and commitments	20	**1,012,785**	757,765	863,145
Net assets per share (﷼)	15	**0.206**	0.191	0.202

The interim condensed financial statements including notes and other explanatory information on pages 10 to 57 were approved by the Board of Directors and signed on their behalf by:

Eng. Abdul Hafidh Salim Rajab Al- Ojaili
Chairman

K. Gopakumar
Acting Chief Executive Officer

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	**Unaudited 6 months 30-Jun-2026 RO'000**	Unaudited 6 months 30-Jun-2025 RO'000	**Unaudited 3 months 30-Jun-2026 RO'000**	Unaudited 3 months 30-Jun-2025 RO'000
Interest income	**16**	**122,791**	118,011	**63,521**	59,423
Interest expense	**17**	**(73,054)**	(69,173)	**(38,347)**	(34,446)
Net interest income		**49,737**	48,838	**25,174**	24,977
Income from Islamic financing / Investments	**16**	**27,221**	25,716	**13,843**	13,328
Unrestricted investment account holders' share of profit and profit expense	**17**	**(15,845)**	(14,619)	**(8,187)**	(7,465)
Net income from Islamic financing and Investment activities		**11,376**	11,097	**5,656**	5,863
Fees and commission income	**21**	**27,661**	21,644	**15,293**	11,196
Fees and commission expense	**21**	**(7,513)**	(5,476)	**(3,846)**	(2,785)
Net fees and commission income		**20,148**	16,168	**11,447**	8,411
Other operating income		**12,828**	8,354	**5,587**	4,081
Operating income		**94,089**	84,457	**47,864**	43,332
Staff and administrative costs		**(39,142)**	(37,243)	**(19,602)**	(18,531)
Depreciation		**(3,616)**	(3,452)	**(1,800)**	(1,742)
Operating expenses		**(42,758)**	(40,695)	**(21,402)**	(20,273)
Net Impairment loses on financial assets		**(20,607)**	(17,738)	**(10,598)**	(11,188)
Recovery of bad debts written-off		**1,198**	1,909	**709**	1,420
Bad debts written off		**(84)**	(356)	**(55)**	(14)
Profit from operations after provision		**31,838**	27,577	**16,518**	13,277
Income tax expense		**(4,575)**	(3,912)	**(2,477)**	(1,767)
Profit for the period		**27,263**	23,665	**14,041**	11,510
Other comprehensive income:					
Items that will not be reclassified to Profit and Loss:					
Movement in fair value reserve - FVOCI equity instrument		**6,496**	(2,839)	**(6,769)**	2,889
Realised gain / (loss) FVOCI equity instrument		**7,238**	(27)	**122**	-
Items that are or may be reclassified to profit or loss in subsequent periods:					
Movement in fair value reserve - FVOCI debt Instruments		**(711)**	995	**343**	584
Change in fair value of cash flow hedge		**(40)**	(556)	**-**	(75)
Other comprehensive income / (loss) for the period		**12,983**	(2,427)	**(6,304)**	3,398
Total comprehensive income for the period		**40,246**	21,238	**7,737**	14,908
Earnings per share attributable to equity shareholders of the Bank (basic and diluted) (Rials Omani)	**18**	**0.0072**	0.0061	**0.0042**	0.0021

The accompanying notes on pages 10 to 57 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Notes	Share capital	Share premium	Legal reserve	Special reserve	Special reserve restructured loan	Special impairment reserve	Special revaluation reserve	Cash flow hedge reserve	Subordinated loan reserve	Investment revaluation reserve	Retained earnings	Total	Perpetual Tier 1 capital securities	Total equity
		’000	’000	’000	’000	’000	’000	’000	’000	’000	’000	’000	’000	’000	’000
Balances as at 1 January 2026		**303,980**	**95,656**	**81,297**	**16,988**	**1,281**	**12,184**	**(709)**	**53**	**6,200**	**5,934**	**91,280**	**614,144**	**155,500**	**769,644**
Profit for the period		-	-	-	-	-	-	-	-	-	-	**27,263**	**27,263**	-	**27,263**
Other comprehensive income for the period:															
Cashflow hedge		-	-	-	-	-	-	-	**(40)**	-	-	-	**(40)**	-	**(40)**
Net changes of fair value reserve															
FVOCI equity instruments		-	-	-	-	-	-	-	-	-	**6,496**	**7,238**	**13,734**	-	**13,734**
FVOCI debt instruments		-	-	-	-	-	-	-	-	-	**(711)**	-	**(711)**	-	**(711)**
Total comprehensive income for the period		-	-	-	-	-	-	-	**(40)**	-	**5,785**	**34,501**	**40,246**	-	**40,246**
Perpetual Tier 1 capital securities:															
Payment towards perpetual additional Tier 1 coupon		-	-	-	-	-	-	-	-	-	-	**(5,284)**	**(5,284)**	-	**(5,284)**
Cash dividend	*14*	-	-	-	-	-	-	-	-	-	-	**(22,799)**	**(22,799)**	-	**(22,799)**
Balances as at 30 June 2026		**303,980**	**95,656**	**81,297**	**16,988**	**1,281**	**12,184**	**(709)**	**13**	**6,200**	**11,719**	**97,698**	**626,307**	**155,500**	**781,807**

The accompanying notes on pages 10 to 57 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

	Notes	Share capital	Share premium	Legal reserve	Special reserve	Special reserve restructured loan	Special impairment reserve	Special revaluation reserve	Cash flow hedge reserve	Investment revaluation reserve	Retained earnings	Total	Perpetual Tier 1 capital securities	Total equity
		﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000
Balances as at 1 January 2025		299,635	95,656	76,192	16,988	1,281	12,184	(709)	645	(2,605)	85,664	584,931	155,500	740,431
Profit for the period		-	-	-	-	-	-	-	-	-	23,665	23,665	-	23,665
***Other comprehensive income for the period*:**														
Cashflow hedge		-	-	-	-	-	-	-	(556)	-	-	(556)	-	(556)
Net changes of fair value reserve														
FVOCI equity instruments		-	-	-	-	-	-	-	-	(2,839)	(27)	(2,866)	-	(2,866)
FVOCI debt instruments		-	-	-	-	-	-	-	-	995	-	995	-	995
Total comprehensive income for the period		-	-	-	-	-	-	-	(556)	(1,844)	23,638	21,238	-	21,238
Perpetual Tier 1 capital securities:														
Payment towards perpetual additional Tier 1 coupon		-	-	-	-	-	-	-	-	-	(5,267)	(5,267)	-	(5,267)
Stock dividend	*14*	4,345	-	-	-	-	-	-	-	-	(4,345)	-	-	-
Cash dividend	*14*	-	-	-	-	-	-	-	-	-	(19,626)	(19,626)		(19,626)
Balances as at 30 June 2025		303,980	95,656	76,192	16,988	1,281	12,184	(709)	89	(4,449)	80,064	581,276	155,500	736,776

The accompanying notes on pages 10 to 57 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026 (CONTINUED)

	Notes	Share capital RO ’000	Share premium RO ’000	Legal reserve RO ’000	Special reserve RO ’000	Special reserve restructured loan RO ’000	Special impairment reserve RO ’000	Special revaluation reserve RO ’000	Cash flow hedge reserve RO ’000	Subordinated loan reserve RO ’000	Investment revaluation reserve RO ’000	Retained earnings RO ’000	Total RO ’000	Perpetual Tier 1 capital securities RO ’000	Total equity RO ’000
Balances as at 1 January 2025		299,635	95,656	76,192	16,988	1,281	12,184	(709)	645	-	(2,605)	85,664	584,931	155,500	740,431
Profit for the period		-	-	-	-	-	-	-	-		-	51,051	51,051	-	51,051
Other comprehensive income for the period:															
Net changes of fair value reserve															
FVOCI equity instruments		-	-	-	-	-	-	-	-	-	7,716	-	7,716	-	7,716
Transfer on disposal of FVOCI investment		-	-	-	-	-	-	-	-	-	(422)	422	-	-	-
FVOCI debt instruments		-	-	-	-	-	-	-	-	-	1,245	-	1,245	-	1,245
Change in fair value of cashflow hedge		-	-	-	-	-	-	-	(592)	-	-	-	(592)		(592)
Total comprehensive income for the period		-	-	-	-	-	-	-	(592)	-	8,539	51,473	59,420	-	59,420
Transfer to legal reserve		-	-	5,105	-	-	-	-	-	-	-	(5,105)	-	-	-
Transfer to Subordinated reserve		-	-	-	-	-	-	-	-	6,200		(6,200)	-	-	-
Perpetual Tier 1 capital securities:															
Payment towards perpetual additional Tier 1 coupon		-	-	-	-	-	-	-	-	-	-	(10,581)	(10,581)	-	(10,581)
Stock dividend	*14*	4,345	-	-	-	-	-	-	-	-	-	(4,345)	-	-	-
Dividend paid	*14*	-	-	-	-	-	-	-	-	-	-	(19,626)	(19,626)	-	(19,626)
Balances as at 31 December 2025		303,980	95,656	81,297	16,988	1,281	12,184	(709)	53	6,200	5,934	91,280	614,144	155,500	769,644

The accompanying notes on pages 10 to 57 form an integral part of these interim condensed financial statements

INTERIM CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

	Unaudited 30-Jun-2026 ﷼'000	Unaudited 30-Jun-2025 ﷼'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period before taxation	**31,838**	27,577
Adjustment for:		
Depreciation, amortization and impairment	**3,616**	3,452
Net impairment on financial assets and recovery of bad debts written off	**19,493**	16,185
Interest expense on subordinated loans	**2,937**	-
Dividend income	**(3,373)**	(2,870)
End of service provision for the period	**239**	265
(Gain) on disposal of property and equipment	**(6)**	-
Operating profit before operating assets and liabilities changes	**54,744**	44,609
Net increase/(decrease) in:		
Due to banks	**250,996**	(55,923)
Loans, advances and financing to banks	**(181,661)**	11,042
Loans & advances and financing to customers	**(427,773)**	(256,275)
Other assets	**(31,221)**	(6,231)
Customer deposits	**372,290**	270,347
Other liabilities	**48,305**	15,919
Cash generated from operations before tax and end of service benefits	**85,680**	23,488
Tax Paid	**(4,692)**	(4,633)
End of service benefits paid	**(300)**	(121)
Net cash generated from operating activities	**80,688**	18,734
CASH FLOW FROM INVESTING ACTIVITIES		
Net movement in investment securities	**(17,433)**	(24,294)
Dividend received investment securities	**3,373**	2,870
Sale proceeds of property	**6**	-
Purchase of property, equipment and intangible assets	**(4,335)**	(3,910)
Acquisition consideration in cash	**-**	(18,784)
Net cash used in investing activities	**(18,389)**	(44,118)
CASH FLOW FROM FINANCING ACTIVITIES		
Subordinated loan	**-**	31,000
Subordinated loan interest	**(2,937)**	-
Sukuk issuance	**5,000**	-
Dividend paid	**(22,799)**	(19,626)
Payment of AT1 coupon cost	**(5,284)**	(5,267)
Net cash (used in) / generated from financing activities	**(26,020)**	6,107
NET CHANGES IN CASH AND CASH EQUIVALENTS	**36,279**	(19,277)
Cash and cash equivalents at beginning of the year	**305,042**	324,808
Cash and cash equivalents at end of the period	**341,321**	305,531
Cash and cash equivalent comprise of:		
Cash and balances with Central Bank of Oman	**173,235**	80,434
Capital deposit with Central Bank of Oman	**(500)**	(500)
Due from banks with a short-term maturity of 3 months or less	**168,586**	225,597
	341,321	305,531

The accompanying notes on pages 10 to 57 form an integral part of these interim condensed financial statements.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

1. LEGAL STATUS AND PRINCIPAL ACTIVITIES

Bank Dhofar SAOG (the "Bank") is incorporated in the Sultanate of Oman as a public joint stock company and is principally engaged in corporate, retail and investment banking activities through a network of 145 branches (30 June 2025: 140 branches) which comprises of 31 Islamic branches (30 June 2025: 29 Islamic branches) and 114 conventional branches (30 June 2025: 111 conventional branches). The Bank's Islamic Banking Window, "Dhofar Islamic" has an allocated capital of ﷼ 70 Million (30 June 2025: ﷼ 70 million) from the core paid up capital of the shareholders. The Bank has a primary listing of its ordinary shares on the Muscat Stock Exchange ("MSX"), and the Bank's Additional Tier I Perpetual Bonds are listed on the Muscat Stock Exchange ("MSX"). The Bank's principal place of business is its Head Office located at Central Business District ("CBD"), Muscat, Sultanate of Oman.

The Bank employed 1,780 employees as of 30 June 2026 (30 June 2025: 1,783 employees).

2 BASIS OF PREPARATION

2.1 Statement of compliance and basis of accounting.

The unaudited interim condensed financial statements for the six-month period ended 30 June 2026 of the Bank are prepared in accordance with International Accounting Standard (IAS) 34, 'Interim Financial Reporting', applicable regulations of the Central Bank of Oman (CBO) and the disclosure requirements set out in the Rules and Disclosure and Proformas issued by the Financial Services Authority (FSA).

These unaudited interim condensed financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Bank's last annual financial statements as at and for the year ended 31 December 2025 ('the last annual financial statements').

They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Bank's financial position and performance since the last annual financial statements.

2.2 Basis of measurement.

The financial statements have been prepared under the historical cost convention except for derivative financial instruments, financial instruments at fair value through profit or loss (FVTPL) and financial instruments at fair value through other comprehensive income (FVOCI).

2.3 Functional and presentation currency.

The financial statements are presented in Rial Omani ("﷼"), which is the Bank's functional (currency of primary economic environment in which the Bank operates) and presentation currency, rounded to the nearest million unless otherwise stated.

2.4 Use of estimates and judgments.

In preparing these interim condensed financial statements in conformity with IFRSs requires management to make judgements estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments 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 2025.

3 Standards effective from 1 January 2026.

A number of new or amended standards became applicable for the current reporting period. The Bank did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

4 Standards issued but not yet effective.

A number of new standards and amendments have been issued by the International Accounting Standards Board (IASB) but are not yet mandatory for the period beginning 1January 2026. The Bank is evaluating the impact on future financial statements, if any, on adopting these pronouncements.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026**

5. Cash and balances with the Central Bank of Oman

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	﷼ ’000	﷼ ’000	﷼ ’000
Cash in hand	**50,058**	48,972	43,497
Balances with the Central Bank of Oman	**123,175**	31,433	134,759
Placements with the Central Bank of Oman	**-**	4	1,540
Cash held by a custodian	**2**	25	2
	173,235	80,434	179,798

As at 30 June 2026 cash and balances with Central bank of Oman includes capital deposit amounting to ﷼ 0.5 million (30 June 2025 - ﷼ 1 million and 31 December 2025 – ﷼ 1 million). This is not available for day-to-day operations of the Bank and cannot be withdrawn without the Central Bank of Oman approval.

6. Loans, advances and financing to banks (at amortised cost)

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	﷼ ’000	﷼ ’000	﷼ ’000
Syndicated loans to other banks	**196,881**	27,913	55,480
Placements with other banks	**220,290**	232,723	133,317
Current clearing accounts	**19,330**	22,338	23,434
	436,501	282,974	212,231
Less: impairment allowance	**(432)**	(74)	(165)
	436,069	282,900	212,066

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances and financing to customers (Conventional and Islamic)

(a) Conventional Banking	**Unaudited 30-Jun-2026 ﷼ ’000**	Unaudited 30-Jun-2025 ﷼ ’000	Audited 31-Dec-2025 ﷼ ’000
Loans	**3,485,463**	3,202,900	3,179,143
Overdraft	**153,218**	149,108	143,307
Loans against trust receipts	**132,649**	158,922	137,112
Bills discounted	**37,578**	35,605	44,293
Advances against credit cards	**19,373**	15,597	18,592
Gross Loans, advances and financing to customers	**3,828,281**	3,562,132	3,522,447
Less: Impairment allowance including reserved interest	**(184,607)**	(171,170)	(177,794)
	3,643,674	3,390,962	3,344,653

(b) Islamic Banking Window financing	**Unaudited 30-Jun-2026 ﷼ ’000**	Unaudited 30-Jun-2025 ﷼ ’000	Audited 31-Dec-2025 ﷼ ’000
Housing finance	**284,705**	244,264	262,203
Corporate finance	**663,346**	539,831	573,552
Consumer finance	**33,008**	25,766	29,053
	981,059	809,861	864,808
Less: Impairment allowance	**(39,905)**	(27,118)	(32,913)
	941,154	782,743	831,895

7. Loans, advances, and financing to customers *(continued)*

(c) The movement in the allowance for expected credit losses is analysed below:

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	﷼'000	﷼'000	﷼'000
i. Allowance for expected credit losses (Conventional and Islamic)			
1 January	**175,037**	155,805	155,805
Allowance made during the period	**26,154**	22,819	44,406
Released to the profit or loss during the period	**(5,665)**	(5,575)	(13,765)
Memorandum writeback	**144**	-	-
Written off during the period	**(9,064)**	(4,524)	(11,409)
Balance at the end of the period	**186,606**	168,525	175,037
ii. Reserved interest			
1 January	**35,670**	25,211	25,211
Reserved during the period	**11,679**	9,962	22,115
Recoveries to profit or loss during the period	**(6,053)**	(5,183)	(9,329)
Written-off during the period	**(3,390)**	(227)	(2,327)
Balance at the end of the period	**37,906**	29,763	35,670
Total allowance for expected credit losses	**224,512**	198,288	210,707

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances and financing to customers; *(continued)*

(c) The movement in the impairment allowance is analysed below; *(continued):*

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

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 recognized as per IFRS 9 and reserve interest required as per CBO are given below based on CBO circular BM 1149.

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 loans accounts for regulatory reporting purposes.

As at 30 June 2026

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying Amount	Provision required 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	Interest recognised in P&L as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7) =(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
	Stage 1	3,953,269	44,054	10,497	33,557	3,909,215	3,942,772	-	-
Standard	Stage 2	199,448	5,096	12,011	(6,915)	194,352	187,437	-	-
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		4,152,717	49,150	22,508	26,642	4,103,567	4,130,209	-	-
	Stage 1	-	-	-	-	-	-	-	-
Special Mention	Stage 2	403,883	3,679	40,332	(38,886)	397,971	363,551	-	2,233
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		403,883	3,679	40,332	(38,886)	397,971	363,551	-	2,233
	Stage 1	-	-	-	-	-	-	-	-
Substandard	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	65,382	17,204	34,156	(26,213)	38,917	31,226	-	9,261
Subtotal		65,382	17,204	34,156	(26,213)	38,917	31,226	-	9,261
	Stage 1	-	-	-	-	-	-	-	-
Doubtful	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	16,858	6,585	6,298	(494)	9,492	10,560	-	781
Subtotal		16,858	6,585	6,298	(494)	9,492	10,560	-	781
	Stage 1	-	-	-	-	-	-	-	-
Loss	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	170,500	122,473	83,312	13,530	22,396	87,188	-	25,631
Subtotal		170,500	122,473	83,312	13,530	22,396	87,188	-	25,631
Total loans and advances		4,809,340	199,091	186,606	(25,421)	4,572,343	4,622,734	-	37,906
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	2,908,241	147	2,812	(2,665)	2,908,094	2,905,429	-	-
	Stage 2	272,932	-	4,051	(4,051)	272,932	268,881	-	-
	Stage 3	4,312	-	2,148	(2,148)	4,312	2,164	-	-
Subtotal		3,185,485	147	9,011	(8,864)	3,185,338	3,176,474	-	-
	Stage 1	6,861,510	44,201	13,309	30,892	6,817,309	6,848,201	-	-
Total (30 June 2026)	Stage 2	876,263	8,775	56,394	(49,852)	865,255	819,869	-	2,233
	Stage 3	257,052	146,262	125,914	(15,325)	75,117	131,138	-	35,673
	Total	7,994,825	199,238	195,617	(34,285)	7,757,681	7,799,208	-	37,906

* Net of provision and reserve interest as per CBO norms

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances and financing to customers (*continued)*

(c) The movement in the impairment allowance is analysed below *(continued):*

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

As at 30 June 2025

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying Amount	Provision required 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	Interest recognised in P&L as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7)=(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
	Stage 1	3,387,294	43,732	9,307	34,425	3,343,562	3,377,987	-	-
Standard	Stage 2	342,862	3,375	12,289	(8,914)	339,487	330,573	-	-
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		3,730,156	47,107	21,596	25,511	3,683,049	3,708,560	-	-
	Stage 1	710	6	6	-	704	704	-	-
Special Mention	Stage 2	433,403	4,116	60,059	(62,834)	422,396	373,344	-	6,891
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		434,113	4,122	60,065	(62,834)	423,100	374,048	-	6,891
	Stage 1	-	-	-	-	-	-	-	-
Substandard	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	29,209	5,704	7,100	(1,804)	23,097	22,109	-	408
Subtotal		29,209	5,704	7,100	(1,804)	23,097	22,109	-	408
	Stage 1	-	-	-	-	-	-	-	-
Doubtful	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	17,029	6,258	6,267	(597)	10,183	10,762	-	588
Subtotal		17,029	6,258	6,267	(597)	10,183	10,762	-	588
	Stage 1	-	-	-	-	-	-	-	-
Loss	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	161,486	109,077	73,497	13,704	30,533	87,989	-	21,876
Subtotal		161,486	109,077	73,497	13,704	30,533	87,989	-	21,876
Total loans and advances		4,371,993	172,268	168,525	(26,020)	4,169,962	4,203,468	-	29,763
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	2,164,875	147	2,623	(2,476)	2,164,728	2,162,252	-	-
	Stage 2	322,237	-	2,646	(2,646)	322,237	319,591	-	-
	Stage 3	2,874	-	1,351	(1,351)	2,874	1,523	-	-
Subtotal		2,489,986	147	6,620	(6,473)	2,489,839	2,483,366	-	-
	Stage 1	5,552,879	43,885	11,936	31,949	5,508,994	5,540,943	-	-
Total (30 June 2025)	Stage 2	1,098,502	7,491	74,994	(74,394)	1,084,120	1,023,508	-	6,891
	Stage 3	210,598	121,039	88,215	9,952	66,687	122,383	-	22,872
	Total	6,861,979	172,415	175,145	(32,493)	6,659,801	6,686,834	-	29,763

* Net of provision and reserve interest as per CBO norms

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances and financing to customers *(continued)*

(c) The movement in the impairment allowance is analysed below *(continued):*

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

As at 31 December 2025

Asset Classification as per CBO Norms (1)	Asset Classification as per IFRS 9 (2)	Gross Carrying Amount (3)	Provision required as per CBO Norms (4)	Provision held as per IFRS 9 (5)	Difference between CBO provision required and provision held (6) = (4)-(5)-(10)	Net Carrying Amount as per CBO norms* (7)=(3)-(4)-(10)	Net Carrying Amount as per IFRS 9 (8) = (3)-(5)	Interest recognised in P&L as per IFRS 9 (9)	Reserve interest as per CBO norms (10)
	Stage 1	3,526,033	41,682	10,473	31,209	3,484,351	3,515,560	-	-
Standard	Stage 2	180,182	5,543	8,289	(2,746)	174,639	171,893	-	-
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		3,706,215	47,225	18,762	28,463	3,658,990	3,687,453	-	-
	Stage 1	-	-	-	-	-	-	-	-
Special Mention	Stage 2	470,551	4,451	61,804	(66,513)	456,940	408,747	-	9,160
	Stage 3	-	-	-	-	-	-	-	-
Subtotal		470,551	4,451	61,804	(66,513)	456,940	408,747	-	9,160
	Stage 1	-	-	-	-	-	-	-	-
Substandard	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	17,356	4,329	5,500	(1,697)	12,501	11,856	-	526
Subtotal		17,356	4,329	5,500	(1,697)	12,501	11,856	-	526
	Stage 1	-	-	-	-	-	-	-	
Doubtful	Stage 2	-	-	-	-	-	-	-	
	Stage 3	23,017	9,793	9,144	(210)	12,365	13,873	-	859
Subtotal		23,017	9,793	9,144	(210)	12,365	13,873	-	859
	Stage 1	-	-	-	-	-	-	-	-
Loss	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	170,116	120,523	79,827	15,571	24,468	90,289	-	25,125
Subtotal		170,116	120,523	79,827	15,571	24,468	90,289	-	25,125
Total loans and advances		4,387,255	186,321	175,037	(24,386)	4,165,264	4,212,218	-	35,670
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	2,462,133	147	3,056	(2,909)	2,461,986	2,459,077	-	-
	Stage 2	268,958	-	4,364	(4,364)	268,958	264,594	-	-
	Stage 3	2,952	-	1,472	(1,472)	2,952	1,480	-	-
Subtotal		2,734,043	147	8,892	(8,745)	2,733,896	2,725,151	-	-
	Stage 1	5,988,166	41,829	13,529	28,300	5,946,337	5,974,637	-	-
Total (31 December 2025)	Stage 2	919,691	9,994	74,457	(73,623)	900,537	845,234	-	9,160
	Stage 3	213,441	134,645	95,943	12,192	52,286	117,498	-	26,510
	Total	7,121,298	186,468	183,929	(33,131)	6,899,160	6,937,369	-	35,670

* Net of provision and reserve interest as per CBO norms

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances and financing to customers *(continued)*

(d) Restructured Loans

Restructuring activities include extended payment arrangements, approved external management plans, modification and deferral of payments. Restructuring policies and practices are based on indicators or criteria which, in the judgment of management, indicate that payment will most likely continue. These policies are kept under continuous review. Restructuring is most commonly applied to term loans, in particular customer finance loans.

At 30 June 2026

(Amounts in ﷼ '000)

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying Amount	Provision required 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	Interest recognised in P&L as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7)=(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
Classified as performing	Stage 1	88,916	934	447	487	87,982	88,469	-	-
	Stage 2	259,663	2,397	29,512	(27,115)	257,266	230,151	-	-
Subtotal		348,579	3,331	29,959	(26,628)	345,248	318,620	-	-
Classified as non-performing	Stage 3	30,720	19,980	10,309	6,557	7,626	20,411	-	3,114
Sub total		30,720	19,980	10,309	6,557	7,626	20,411	-	3,114
Total (30 June 2026)	Stage 1	88,916	934	447	487	87,982	88,469	-	-
	Stage 2	259,663	2,397	29,512	(27,115)	257,266	230,151	-	-
	Stage 3	30,720	19,980	10,309	6,557	7,626	20,411	-	3,114
	Total	379,299	23,311	40,268	(20,071)	352,874	339,031	-	3,114

* Net of provision and reserve interest as per CBO norms

As at 30 June 2025

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying Amount	Provision required 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	Interest recognised in P&L as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7) =(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
Classified as performing	Stage 1	76,819	799	812	(13)	76,020	76,007	-	-
	Stage 2	366,757	3,586	54,897	(51,311)	363,171	311,860	-	-
Subtotal		443,576	4,385	55,709	(51,324)	439,191	387,867	-	-
Classified as non-performing	Stage 3	23,850	10,730	7,000	1,767	11,157	16,850	-	1,963
Sub total		23,850	10,730	7,000	1,767	11,157	16,850	-	1,963
Total (30 June 2025)	Stage 1	76,819	799	812	(13)	76,020	76,007	-	-
	Stage 2	366,757	3,586	54,897	(51,311)	363,171	311,860	-	-
	Stage 3	23,850	10,730	7,000	1,767	11,157	16,850	-	1,963
	Total	467,426	15,115	62,709	(49,557)	450,348	404,717	-	1,963

* Net of provision and reserve interest as per CBO norms

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(d) Restructured Loans *(continued)*

At 31 December 2025

Asset Classification as per CBO Norms	Asset Classification as per IFRS 9	Gross Carrying Amount	Provision required 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	Interest recognised in P&L as per IFRS 9	Reserve interest as per CBO norms
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7)=(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
Classified as performing	Stage 1	89,992	389	475	(86)	89,603	89,517	-	-
	Stage 2	318,317	3,016	52,961	(49,945)	315,301	265,356	-	-
Subtotal		408,309	3,405	53,436	(50,031)	404,904	354,873	-	-
Classified as non-performing	Stage 3	29,919	19,470	8,703	8,126	7,808	21,216	-	2,641
Sub total		29,919	19,470	8,703	8,126	7,808	21,216	-	2,641
Total (31 December 2025)	Stage 1	89,992	389	475	(86)	89,603	89,517	-	-
	Stage 2	318,317	3,016	52,961	(49,945)	315,301	265,356	-	-
	Stage 3	29,919	19,470	8,703	8,126	7,808	21,216	-	2,641
	Total	438,228	22,875	62,139	(41,905)	412,712	376,089	-	2,641

* Net of provision and reserve interest as per CBO

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customer *(continued)*

(e) Comparison of allowance for expected credit losses charges as per IFRS 9 and as per CBO norms

i. Allowance for expected credit losses charge and provisions held

30 June 2026	**As per CBO Norms**	**As per IFRS 9**	**Difference**
	⃁'000	**⃁'000**	**⃁'000**
Provisions required as per CBO – BM 977/ held as per IFRS 9 (Note 1)	**199,238**	**195,617**	**3,621**
Gross NPL ratio	**5.26%**	**5.26%**	**-**
Net NPL ratio	**1.47%**	**1.94%**	**(0.47)%**

Gross NPL ratio (Non-performing Loans) is 5.26% and Net NPL ratio is 1.94% based on funded non-performing exposure over funded exposure.

Note 1: Excluding Interest Reserve of ⃁ 35.67 million.

30 June 2025	**As per CBO Norms**	**As per IFRS 9**	**Difference**
	⃁'000	**⃁'000**	**⃁'000**
Provisions required as per CBO – BM 977/ held as per IFRS 9 (Note 1)	172,415	175,145	(2,730)
Gross NPL ratio	4.75%	4.75%	-
Net NPL ratio	1.46%	2.24%	(0.78)%

Gross NPL ratio (Non-performing Loans) are 4.75% and Net NPL ratio is 2.24% based on funded non-performing exposure over funded exposure.

Note 1: Excluding Interest Reserve of ⃁ 22.87 million.

31 December 2025	**As per CBO Norms**	**As per IFRS 9**	**Difference**
	⃁'000	**⃁'000**	**⃁'000**
Provisions required as per CBO – BM 977/ held as per IFRS 9 (Note 1)	186,468	183,929	2,539
Gross NPL ratio	4.80%	4.80%	-
Net NPL ratio	1.12%	2.04%	(0.92)%

Gross NPL ratio (Non-performing Loans) are 4.80% and Net NPL ratio is 2.04% based on funded non-performing exposure over funded exposure.

Note 1: Excluding Interest Reserve of ⃁ 26.51 million.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures

The following table discloses the stage-wise gross exposure, impairment, and net exposure of only those financial assets that are tested for impairment under IFRS 9 as at, 30 June 2026:

Gross exposure	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Central Bank balances	123,175	-	-	123,175
Cash held by a custodian	2	-	-	2
Due from Banks	436,252	249	-	436,501
Sovereign	491,277	-	-	491,277
Investment Securities at amortized cost	38,938	-	-	38,938
Investment Securities at FVOCI	84,133	10,000	-	94,133
Loans and advances	3,953,269	603,331	252,740	4,809,340
Acceptances	38,669	3,964	-	42,633
Total funded gross exposure	5,165,715	617,544	252,740	6,035,999
Letters of credit/guarantee	893,911	114,562	4,312	1,012,785
Loan commitment / unutilized limits	801,884	144,157	-	946,041
Total non-funded gross exposure	1,695,795	258,719	4,312	1,958,826
Total gross exposure	6,861,510	876,263	257,052	7,994,825
Allowance for expected credit losses				
Due from Banks	427	5	-	432
Investment Securities at FVOCI	146	2,266	-	2,412
Loans and advances	10,497	52,343	123,766	186,606
Acceptances	3	1	-	4
Total funded impairment	11,073	54,615	123,766	189,454
Letters of credit/guarantee	764	1,140	2,148	4,052
Loan commitment/unutilized limits	1,472	639	-	2,111
Total non-funded impairment	2,236	1,779	2,148	6,163
Total impairment	13,309	56,394	125,914	195,617
Net exposure				
Central Bank balances	123,175	-	-	123,175
Cash held by a custodian	2	-	-	2
Due from Banks	435,825	244	-	436,069
Sovereign	491,277	-	-	491,277
Investment Securities at amortized Cost	38,938	-	-	38,938
Investment Securities at FVOCI	83,987	7,734	-	91,721
Loans and advances	3,942,772	550,988	128,974	4,622,734
Acceptances	38,666	3,963	-	42,629
Total funded net exposure	5,154,642	562,929	128,974	5,846,545
Letter of credit/guarantee	893,147	113,422	2,164	1,008,733
Loan commitment / unutilized limits	800,412	143,518	-	943,930
Total net non-funded exposure	1,693,559	256,940	2,164	1,952,663
Total net exposure	6,848,201	819,869	131,138	7,799,208

Gross exposure of loans and advances of ⃀ 252.74 million under stage 3 includes reserved interest of ⃀ 35.67 million.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures *(continued)*

				’000
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Opening Balance – as at 1 January 2026				
Due from banks	**165**	**-**	**-**	**165**
Loans and advances to customers	**10,473**	**70,093**	**94,471**	**175,037**
Investment securities at FVOCI (Debt)	**196**	**2,094**	**-**	**2,290**
Loan commitments and financial guarantees	**946**	**1,310**	**1,472**	**3,728**
Acceptances	**4**	**2**	**-**	**6**
Unutilised	**1,745**	**958**	**-**	**2,703**
Total	**13,529**	**74,457**	**95,943**	**183,929**
Net transfer between stages				
Due from banks	**(1)**	**1**	**-**	**-**
Loans and advances to customers	**1,518**	**(27,290)**	**25,772**	**-**
Investment securities at FVOCI (Debt)	**-**	**-**	**-**	**-**
Loan commitments and financial guarantees	**131**	**(253)**	**122**	**-**
Acceptances	**(119)**	**119**	**-**	**-**
Unutilised	**50**	**(50)**		**-**
Total	**1,579**	**(27,473)**	**25,894**	**-**
Charge for the Period (net)				
Due from banks	**263**	**4**	**-**	**267**
Loans and advances to customers	**(1,494)**	**9,540**	**12,443**	**20,489**
Investment securities at FVOCI (Debt)	**(50)**	**172**	**-**	**122**
Loan commitments and financial guarantees	**(313)**	**83**	**554**	**324**
Acceptances	**118**	**(120)**	**-**	**(2)**
Unutilised	**(323)**	**(269)**	**-**	**(592)**
Adjustment	**-**	**-**	**-**	**(1)**
Total net of recovery	**(1,799)**	**9,410**	**12,997**	**20,607**
Memorandum writeback	**-**	**-**	**144**	**144**
Written-off	**-**	**-**	**(9,064)**	**(9,064)**
Closing Balance – as at 30 June 2026				
- Due from banks	**427**	**5**	**-**	**432**
- Loans and advances to customers	**10,497**	**52,343**	**123,766**	**186,606**
- Investment securities at FVOCI (Debt)	**146**	**2,266**	**-**	**2,412**
- Loan commitments and financial guarantees	**764**	**1,140**	**2,148**	**4,052**
- Acceptances	**3**	**1**	**-**	**4**
- Unutilised	**1,472**	**639**	**-**	**2,111**
Total expected credit losses	**13,309**	**56,394**	**125,914**	**195,617**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures *(continued)*

The following table discloses the stage-wise gross exposure, impairment and net exposure of only those financial assets that are tested for impairment under IFRS 9 as at, 30 June 2025:

Gross exposure	Stage 1	Stage 2	Stage 3	Total
Central Bank balances	31,437	-	-	31,437
Cash held by a custodian	25	-	-	25
Due from Banks	282,950	24	-	282,974
Sovereign	478,907	-	-	478,907
Investment Securities at amortized cost	40,964	-	-	40,964
Investment Securities at FVOCI	40,984	10,000	-	50,984
Loans and advances	3,388,004	776,265	207,724	4,371,993
Acceptances	33,679	6,433	-	40,112
Total funded gross exposure	4,296,950	792,722	207,724	5,297,396
Letters of credit/guarantee	626,875	128,016	2,874	757,765
Loan commitment / unutilized limits	629,054	177,764	-	806,818
Total non-funded gross exposure	1,255,929	305,780	2,874	1,564,583
Total gross exposure	5,552,879	1,098,502	210,598	6,861,979
Allowance for expected credit losses				
Due from Banks	74	-	-	74
Investment Securities at FVOCI	148	538	-	686
Loans and advances	9,313	72,348	86,864	168,525
Acceptances	665	1	-	666
Total funded impairment	10,200	72,887	86,864	169,951
Letters of credit/guarantee	817	1,507	1,351	3,675
Loan commitment/unutilized limits	919	600	-	1,519
Total non-funded impairment	1,736	2,107	1,351	5,194
Total impairment	11,936	74,994	88,215	175,145
Net exposure				
Central Bank balances	31,437	-	-	31,437
Cash held by a custodian	25	-	-	25
Due from Banks	282,876	24	-	282,900
Sovereign	478,907	-	-	478,907
Investment Securities at amortized Cost	40,816	(538)	-	40,278
Investment Securities at FVOCI	40,984	10,000	-	50,984
Loans and advances	3,378,691	703,917	120,860	4,203,468
Acceptances	33,014	6,432	-	39,446
Total funded net exposure	4,286,750	719,835	120,860	5,127,445
Letter of credit/guarantee	626,058	126,509	1,523	754,090
Loan commitment / unutilized limits	628,135	177,164	-	805,299
Total net non-funded exposure	1,254,193	303,673	1,523	1,559,389
Total net exposure	5,540,943	1,023,508	122,383	6,686,834

Gross exposure of loans and advances of ﷼ 207.72 million under stage 3 includes reserved interest of ﷼ 22.87 million.

7. Loans, advances and financing to customers *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures *(continued)*

	Stage 1	Stage 2	Stage 3	⃀ '000 Total
Opening Balance – as at 1 January 2025				
Due from banks	93	-	-	93
Loans and advances to customers	8,707	63,223	83,875	155,805
Investment securities at FVOCI (Debt)	240	-	-	240
Loan commitments and financial guarantees	1,045	1,146	1,484	3,675
Acceptances	439	2	-	441
Unutilised	797	870	1	1,668
Total	11,321	65,241	85,360	161,922
Net transfer between stages				
Loans and advances to customers	2,187	(581)	(1,606)	-
Investment securities at FVOCI (Debt)	(88)	88	-	-
Loan commitments and financial guarantees	33	289	(322)	-
Unutilised	(13)	13	-	-
Total	2,119	(191)	(1,928)	-
Charge for the Period (net)				
Due from banks	(19)	-	-	(19)
Loans and advances to customers	(1,581)	9,706	9,119	17,244
Investment securities at FVOCI (Debt)	(4)	450	-	446
Loan commitments and financial guarantees	(261)	72	189	-
Acceptances	226	(1)	-	225
Unutilised	135	(283)	(1)	(149)
Adjustment	(9)	-	-	(9)
Total net of recovery	(1,513)	9,944	9,307	17,738
Written-off	-	-	(4,524)	(4,524)
Closing Balance – as at 30 June 2025				
Due from banks	74	-	-	74
Loans and advances to customers	9,313	72,348	86,864	168,525
Investment securities at FVOCI (Debt)	148	538	-	686
Loan commitments and financial guarantees	817	1,507	1,351	3,675
Acceptances	665	1	-	666
Unutilised	919	600	-	1,519
Total expected credit losses	11,936	74,994	88,215	175,145

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customer *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures *(continued)*

The following table discloses the stage-wise gross exposure, impairment, and net exposure of only those financial assets that are tested for impairment under IFRS 9 as at, 31 December 2025:

Gross exposure	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Central Bank balances	136,299			136,299
Cash held by a custodian	2	-	-	2
Due from Banks	212,231	-	-	212,231
Sovereign	473,970	-	-	473,970
Investment Securities at amortized cost	37,178	-	-	37,178
Investment Securities at FVOCI	80,996	10,000	-	90,996
Loans and advances	3,526,033	650,733	210,489	4,387,255
Acceptances	22,518	3,936	-	26,454
Total funded gross exposure	4,489,227	664,669	210,489	5,364,385
Letters of credit/guarantee	769,297	90,896	2,952	863,145
Loan commitment / unutilized limits	729,642	164,126	-	893,768
Total non-funded gross exposure	1,498,939	255,022	2,952	1,756,913
Total gross exposure	5,988,166	919,691	213,441	7,121,298
Allowance for expected credit losses				
Due from Banks	165	-	-	165
Investment Securities at FVOCI	196	2,094	-	2,290
Loans and advances	10,473	70,093	94,471	175,037
Acceptances	4	2	-	6
Total funded impairment	10,838	72,189	94,471	177,498
Letters of credit/guarantee	946	1,310	1,472	3,728
Loan commitment/unutilized limits	1,745	958	-	2,703
Total non-funded impairment	2,691	2,268	1,472	6,431
Total impairment	13,529	74,457	95,943	183,929
Net exposure				
Central Bank balances	136,299	-	-	136,299
Cash held by a custodian	2	-	-	2
Due from Banks	212,066	-	-	212,066
Sovereign	473,970	-	-	473,970
Investment Securities at amortized Cost	37,178	-	-	37,178
Investment Securities at FVOCI	80,800	7,906	-	88,706
Loans and advances	3,515,560	580,640	116,018	4,212,218
Acceptances	22,514	3,934	-	26,448
Total funded net exposure	4,478,389	592,480	116,018	5,186,887
Letter of credit/guarantee	768,351	89,586	1,480	859,417
Loan commitment / unutilized limits	727,897	163,168	-	891,065
Total net non-funded exposure	1,496,248	252,754	1,480	1,750,482
Total net exposure	5,974,637	845,234	117,498	6,937,369

Gross exposure of loans and advances of ﷼ 210.49 million under stage 3 includes reserved interest of ﷼ 26.51 million.

7. Loans, advances, and financing to customers *(continued)*

(f) Stage wise exposure, allowance for expected credit losses and net exposures *(continued)*

	Stage 1	Stage 2	Stage 3	’000 Total
Opening Balance – as of 1 January 2025				
Due from banks	93	-	-	93
Loans and advances to customers	8,707	63,223	83,875	155,805
Investment securities at FVOCI (Debt)	240	-	-	240
Loan commitments and financial guarantees	1,045	1,146	1,484	3,675
Acceptances	439	2	-	441
Unutilised	797	870	1	1,668
Total	11,321	65,241	85,360	161,922
Net transfer between stages				
Due from banks	-	-	-	-
Loans and advances to customers	2,727	(2,667)	(60)	-
Investment securities at FVOCI	(84)	84	-	-
Loan commitments and financial guarantees	46	276	(322)	-
Total	2,689	(2,307)	(382)	-
Charge for the year (net of recoveries)				
Due from banks	72	-	-	72
Loans and advances to customers	(961)	9,537	22,065	30,641
Investment securities at FVOCI (Debt)	40	2,010	-	2,050
Loan commitments and financial guarantees	(145)	(112)	310	53
Acceptances	(435)	-	-	(435)
Unutilised	948	88	(1)	1,035
Sub total	(481)	11,523	22,374	33,416
ECL on acquired assets	-	-	-	(401)
Total net of recovery	(481)	11,523	22,374	33,015
Written off	-	-	(11,409)	(11,409)
Closing Balance – as at 31 December 2025				
- Due from banks	165	-	-	165
- Loans and advances to customers	10,473	70,093	94,471	175,037
- Investment securities at FVOCI (Debt)	196	2,094	-	2,290
- Loan commitments and financial guarantees	946	1,310	1,472	3,728
- Acceptances	4	2	-	6
- Unutilised	1,745	958	-	2,703
Total expected credit loss	13,529	74,457	95,943	183,929

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(g) Reconciliation of financial assets and liabilities

30 June 2026	Notes	Designated as at FVTPL ﷼ ’000	FVOCI – equity instruments ﷼ ’000	FVOCI – debt instruments ﷼ ’000	Amortised cost ﷼ ’000	Total carrying amount ﷼ ’000
Cash and balances with CBO	*5*	-	-	-	173,235	173,235
Loans and advances to banks	*6*	-	-	-	436,069	436,069
Loans and advances to customers	*7*	-	-	-	4,584,828	4,584,828
Investment securities	*8*	13,849	101,190	175,950	445,986	736,975
Other assets		789	-	-	113,416	114,205
		14,638	101,190	175,950	5,753,534	6,045,312
Due to banks	*11*	-	-	-	519,373	519,373
Deposits from customers	*12*	-	-	-	4,489,119	4,489,119
Subordinated loans	*13*	-	-	-	100,900	100,900
Other liabilities		323	-	-	169,034	169,357
		323	-	-	5,278,426	5,278,749

30 June 2025	Notes	Designated as at FVTPL ﷼ ’000	FVOCI – equity instruments ﷼ ’000	FVOCI – debit instruments ﷼ ’000	Amortised cost ﷼ ’000	Total carrying amount ﷼ ’000
Cash and balances with CBO	*5*	-	-	-	80,434	80,434
Loans and advances to banks	*6*	-	-	-	282,900	282,900
Loans and advances to customers	*7*	-	-	-	4,173,705	4,173,705
Investment securities	*8*	7,398	94,526	147,098	423,071	672,093
Other assets		2,518	-	-	76,944	79,462
		9,916	94,526	147,098	5,037,054	5,288,594
Due to banks	*11*	-	-	-	382,515	382,515
Deposits from customers	*12*	-	-	-	4,033,208	4,033,208
Subordinated liabilities		-	-	-	31,305	31,305
Other liabilities		1,326	-	-	128,135	129,461
		1,326	-	-	4,575,163	4,576,489

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

7. Loans, advances, and financing to customers *(continued)*

(g) Reconciliation of financial assets and liabilities *(continued)*

31 December 2025	Notes	Designated as at FVTPL ﷼'000	FVOCI – equity instruments ﷼'000	FVOCI – debt instruments ﷼'000	Amortised cost ﷼'000	Total carrying amount ﷼'000
Cash and balances with CBO	*5*	-	-	-	179,798	179,798
Loans and advances to banks	*6*	-	-	-	212,066	212,066
Loans and advances to customers	*7*	-	-	-	4,176,548	4,176,548
Investment securities	*8*	12,494	101,409	156,133	443,721	713,757
Other assets		2,323	-	-	74,769	77,092
		14,817	101,409	156,133	5,086,902	5,359,261
Due to banks	*11*	-	-	-	268,377	268,377
Deposits from customers	*12*	-	-	-	4,116,829	4,116,829
Subordinated loans	*13*	-	-	-	100,905	100,905
Other liabilities		1,685	-	-	119,428	121,113
		1,685	-	-	4,605,539	4,607,224

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

8. Investment's securities

	Unaudited	Unaudited	Audited
	30-Jun-26	30-Jun-25	31-Dec-25
	﷼'000	﷼'000	﷼'000
Equity investments:			
Measured at FVTPL	**13,849**	7,398	12,494
Measured at FVOCI	**101,190**	94,526	101,409
Gross equity investments	**115,039**	101,924	113,903
Debt investments:			
Measured at FVOCI	**178,362**	147,784	158,423
Measured at amortized cost	**445,986**	423,071	443,721
Gross debt investments	**624,348**	570,855	602,144
Total investment securities	**739,387**	672,779	716,047
Less: Impairment loss allowance	**(2,412)**	(686)	(2,290)
Total investment securities	**736,975**	672,093	713,757

	Unaudited	Unaudited	Audited
	30-Jun-26	30-Jun-25	31-Dec-25
	﷼'000	﷼'000	﷼'000
Investment securities measured as at FVTPL	**13,849**	7,398	12,494
Investment securities measured at FVOCI	**277,140**	241,624	257,542
Debt investments measured at amortised cost	**445,986**	423,071	443,721
	736,975	672,093	713,757

8. Investment securities *(continued)*

8.1 Categories of investments by measurement

30 June 2026	Designated at FVTPL	FVOCI	Amortized cost	Total
	﷼'000	﷼'000	﷼'000	﷼'000
Quoted Equities:				
Foreign securities	-	34,095	-	34,095
Other services sector	-	3,016	-	3,016
Unit funds	13,051	-	-	13,051
Financial services sector	-	13,332	-	13,332
Industrial sector	-	49,942	-	49,942
	13,051	100,385	-	113,436
Unquoted Equities:				
Local securities	798	805		1,603
	798	805	-	1,603
Gross Equity investments	13,849	101,190	-	115,039
Quoted Debt:				
Government Bonds and Sukuks	-	84,229	393,508	477,737
Foreign Bonds	-	5,491	12,318	17,809
Local Bonds and Sukuks	-	34,407	26,620	61,027
	-	124,127	432,446	556,573
Unquoted Equities:				
Treasury Bills	-	-	13,540	13,540
Foreign bonds	-	54,235	-	54,235
	-	54,235	13,540	67,775
Gross debt investments	-	178,362	445,986	624,348
Total Investment Securities	13,849	279,552	445,986	739,387
Less: Impairment losses on investments	-	(2,412)	-	(2,412)
	13,849	277,140	445,986	736,975

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments	FVOCI Equity investment	Amortised cost	FVTPL	Total
	﷼ 000's	﷼ 000's	﷼ 000's	﷼ 000's	﷼ 000's
At 1 January 2026	156,161	101,381	443,721	12,494	713,757
Additions	224,193	13,528	107,754	587	346,062
Disposals and redemption	(203,625)	(26,252)	(106,000)	-	(335,877)
(Loss) / gain from change in fair value	(711)	12,482	-	768	12,539
Amortisation of discount and premium	7	25	211	-	243
Movement in interest accrued	2,337	26	300	-	2,663
Total	178,362	101,190	445,986	13,849	739,387
Less: Impairment losses on investments	(2,398)	(14)	-	-	(2,412)
At 30 June 2026	175,964	101,176	445,986	13,849	736,975

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

8. Investment securities *(continued)*

8.1 Categories of investments by measurement

30 June 2025	Designated at FVTPL	FVOCI	Amortized cost	Total
	﷼'000	﷼'000	﷼'000	﷼'000
Quoted Equities:				
Foreign securities	-	33,026	-	33,026
Other services sector	-	1,854	-	1,854
Unit funds	6,618	-	-	6,618
Financial services sector	-	13,046	-	13,046
Industrial sector	-	45,848	-	45,848
	6,618	93,774	-	100,392
Unquoted Equities:				
Local securities	780	752	-	1,532
Unit funds	-	-	-	-
	780	752	-	1,532
Gross Equity investments	7,398	94,526	-	101,924
Quoted Debt:				
Government Bonds and Sukuk	-	96,800	322,107	418,907
Foreign Bonds	-	-	10,452	10,452
Local Bonds and Sukuks	-	32,325	30,512	62,837
	-	129,125	363,071	492,196
Unquoted Equities:				
Treasury Bills	-	-	60,000	60,000
Foreign bonds	-	18,659	-	18,659
	-	18,659	60,000	78,659
Gross debt investments	-	147,784	423,071	570,855
Total Investment Securities	7,398	242,310	423,071	672,779
Less: Impairment losses on investments	-	(686)	-	(686)
	7,398	241,624	423,071	672,093

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments	FVOCI Equity investment	Amortised cost	FVTPL	Total
	﷼ 000's	﷼ 000's	﷼ 000's	﷼ 000's	﷼ 000's
At 1 January 2025	143,609	82,457	420,049	2,370	648,485
Additions	32,655	15,454	105,767	5,325	159,201
Disposals and redemption	(30,030)	(556)	(102,930)	(411)	(133,927)
Gain /(loss) from change in fair value	995	(2,866)	-	114	(1,757)
Amortisation of discount and premium	10	28	185	-	223
Movement in interest accrued	545	9	-	-	554
Total	147,784	94,526	423,071	7,398	672,779
Less: Impairment losses on investments	(664)	(22)	-	-	(686)
At 30 June 2025	147,120	94,504	423,071	7,398	672,093

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

8. Investment securities *(continued)*

8.1 Categories of investments by measurement *(continued)*

31 December 2025	**Designated at FVTPL**	**FVOCI**	**Amortized cost**	**Total**
	’000	**’000**	**’000**	**’000**
Quoted Equities:				
Foreign securities	-	34,222	-	34,222
Other services sector	-	2,292	-	2,292
Unit funds	11,722	-	-	11,722
Financial services sector	-	13,195	-	13,195
Industrial sector	-	50,895	-	50,895
	11,722	100,604	-	112,326
Unquoted Equities:				
Local securities	772	805	-	1,577
Unit funds	-	-	-	-
	772	805	-	1,577
Gross Equity investments	12,494	101,409	-	113,903
Quoted Debt:				
Government Bonds and Sukuk	-	67,427	356,543	423,970
Foreign Bonds	-	5,579	10,606	16,185
Local Bonds and Sukuks	-	35,042	26,572	61,614
	-	108,048	393,721	501,769
Unquoted Equities:				
Treasury Bills	-	-	50,000	50,000
Foreign bonds	-	50,375	-	50,375
	-	50,375	50,000	100,375
Gross debt investments	-	158,423	443,721	602,144
Total Investment Securities	12,494	259,832	443,721	716,047
Less: Impairment losses on investments	-	(2,290)	-	(2,290)
	12,494	257,542	443,721	713,757

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments	**FVOCI Equity investment**	**Amortised cost**	**FVTPL**	**Total**
	000's	**O 000's**	**000's**	**000's**	**000's**
At 1 January 2025	143,609	82,457	420,049	2,370	648,485
Additions	230,281	17,193	232,727	10,384	490,585
Disposals and redemption	(221,717)	(6,626)	(209,491)	(641)	(438,475)
Gain /(loss) from change in fair value	1,245	7,716	-	381	9,342
Amortisation of discount and premium	11	56	165	-	232
Movement in interest accrued	4,994	613	271	-	5,878
Total	158,423	101,409	443,721	12,494	716,047
Less: Impairment losses on investments	(2,262)	(28)	-	-	(2,290)
At 31 December 2025	156,161	101,381	443,721	12,494	713,757

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

9. Intangible assets

	Unaudited 30-Jun-2026 ⃁ '000	Unaudited 30-Jun-2025 ⃁ '000	Audited 31-Dec-2025 ⃁ '000
Cost			
01-Jan	**47,470**	42,463	42,463
Additions	**2,198**	2,419	5,007
Disposals	**-**	-	-
	49,668	44,882	47,470
Depreciation			
01-Jan	**33,042**	29,876	29,876
Charge for the year	**1,709**	1,539	3,166
Disposals	**-**	-	-
	34,751	31,415	33,042
Carrying Value	**14,917**	13,467	14,428

10. Property and equipment

	Unaudited 30-Jun-2026 ⃁ '000	Unaudited 30-Jun-2025 ⃁ '000	Audited 31-Dec-2025 ⃁ '000
Conventional	**13,782**	13,789	13,633
Islamic window	**1,461**	1,193	1,380
	15,243	14,982	15,013

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

11. Due to banks

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
Syndicated Inter bank borrowings	**142,194**	80,512	88,396
Interbank borrowings	**374,277**	299,731	177,421
Payable on demand	**2,902**	2,272	2,560
	519,373	382,515	268,377

At 30 June 2026 Inter Bank borrowings with one bank represented 20% or more of the bank's total inter-bank borrowings (30 June 2025: one bank and 31 December 2025: Nil). The Bank did not had any defaults of principal, interest, or other breaches during the year on its borrowed funds.

12. Deposits from customers

Conventional Banking	**Unaudited**	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
Current accounts	**1,116,206**	945,169	1,060,197
Savings accounts	**592,756**	529,693	560,104
Time and certificate deposits	**1,846,350**	1,737,175	1,612,327
Margin accounts	**18,601**	17,928	16,944
	3,573,913	3,229,965	3,249,572

Islamic Banking			
	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
Current accounts	**359,813**	297,746	318,907
Savings accounts	**153,660**	115,361	132,637
Time deposits	**388,169**	376,361	403,794
Margin accounts	**13,564**	13,775	11,919
	915,206	803,243	867,257

The current accounts and time deposits include deposits from the Government of the Sultanate of Oman and its entities amounting to RO 1,617 million (30 June 2025 - RO 1,453 million, 31 December 2025 - RO 1,605 million).

13. Subordinated loan

In April 2025, the Bank raised RO 31 million through an unsecured subordinated loan with a tenure of 66 months. Subsequently, two additional tranches were issued under the same terms: RO 52.9 million on 6 November 2025 and RO 16.1 million on 25 November 2025, the total subordinated loan amounted to RO 100 million. The loan carries interest rates ranging from 5.75% to 6%, payable semi-annually, with the principal amount due at maturity.

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
Subordinated loan	**100,000**	31,000	100,000
Interest payable on subordinated loan	**900**	305	905
	100,900	31,305	100,905

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

14. Share capital

The authorised share capital consists of 5,000,000,000 ordinary shares of ﷼ 0.100 each (30 June 2025: 5,000,000,000 ordinary shares of ﷼ 0.100 each, 31 December 2025: 5,000,000,000 ordinary shares of ﷼ 0.100 each).

At 30 June 2026, the issued and paid up share capital comprise of 3,039,798,532 ordinary shares of ﷼ 0.100 each (30 June 2025: 3,039,798,532 ordinary shares of ﷼ 0.100 each, 31 December 2025: 3,039,798,532 ordinary shares of ﷼ 0.100 each).

The Board of Directors of Directors proposed a total cash dividend of 7.50%, (seven and fifty) baizas per share, total of ﷼22.799 million (2024: cash dividend 6.55% and stock dividend 1.45%; ﷼23.971 million). The shareholders in the Annual General Meeting held on 30 March 2026, approved the cash dividend of 7.50%.

Shareholders

The following shareholders of the Bank own 10% or more of the Bank's share capital: -

	Unaudited 30-Jun-26		Unaudited 30-Jun-25		Audited 31-Dec-25	
	No. of shares	**%**	No. of shares	%	No. of shares	%
Eng. Abdul Hafidh Salim Rajab Al Ojaili and his related Companies	**759,797,455**	**24.99%**	759,797,455	24.99%	759,797,455	24.99%
Dhofar International Development and Investment Company SAOG	**708,007,540**	**23.29%**	707,918,873	23.29%	708,202,540	23.30%
Social Protection Fund	**303,976,813**	**10.00%**	303,976,813	10.00%	326,830,353	10.75%
Sub Total	**1,771,781,808**	**58.29%**	1,771,693,141	58.28%	1,794,830,348	59.04%
Others	**1,268,016,724**	**41.71%**	1,268,105,391	41.72%	1,244,968,184	40.96%
Total	**3,039,798,532**	**100.00%**	3,039,798,532	100.00%	3,039,798,532	100.00%

The Bank's Islamic Banking Window, "Dhofar Islamic" has an allocated capital of ﷼ 70 million in respect of Islamic Banking Window from the core paid up capital of the Bank as of 30 June 2026 (30 June 2025: ﷼ 70 million, 31 December 2025: ﷼ 70 million).

14. Share capital *(Continued)*

Tier 1 ⃁ Securities

(a) In October 2022, the Bank issued Perpetual Tier 1 ⃁ Capital Securities (the "Tier 1 ⃁ Securities"), amounting to ⃁ 115,500,000, denominated in Riyal Omani. This Tier 1 ⃁ Securities is listed on Muscat Stock Exchange.

The Tier 1 ⃁ Securities constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 ⃁ Securities do not have a fixed or final maturity date. They are redeemable by the Bank at its discretion in October 2027 (the "First Call Date") or on any interest payment date thereafter subject to the prior consent of the regulatory authority.

The Tier 1 ⃁ Securities bear interest on their nominal amount from the issue date to the First Call Date at a fixed annual rate of 6.75%. Thereafter the interest rate will be reset at five-year intervals. Interest will be payable semi-annually in arrears and treated as deduction from equity.

(b) In December 2023, the Bank issued Perpetual Tier 1 ⃁ Capital Securities (the "Tier 1 ⃁ Securities"), amounting to ⃁ 40,000,000, denominated in Riyal Omani. This Tier 1 ⃁ Securities is listed on Muscat Stock Exchange.

The Tier 1 ⃁ Securities constitute direct, unconditional, subordinated and unsecured obligations of the Bank and are classified as equity in accordance with IAS 32: Financial Instruments – Classification. The Tier 1 ⃁ Securities do not have a fixed or final maturity date. They are redeemable by the Bank at its discretion in December 2028 (the "First Call Date") or on any interest payment date thereafter subject to the prior consent of the regulatory authority.

The Tier 1 ⃁ Securities bear interest on their nominal amount from the issue date to the First Call Date at a fixed annual rate of 7.00%. Thereafter the interest rate will be reset at five-year intervals. Interest will be payable semi-annually in arrears and treated as deduction from equity.

The Bank at its sole discretion may elect not to distribute interest and this is not considered an event of default. If the Bank does not pay interest on the Tier 1 ⃁ Securities, on a scheduled interest payment date (for whatever reason), then the Bank must not make any other distribution or payment on or with respect to its ordinary shares or any of its other Common Equity Tier 1 Instruments or securities, ranking junior to or pari passu with the Tier 1 ⃁ Securities unless and until it has paid one interest payment in full on the Tier 1 ⃁ Securities. The Tier 1 ⃁ Securities also allow the Bank to write-down (in whole or in part) any amounts due to the holders of the Securities in certain circumstances.

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

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

15. Net assets per share

Net assets per share is calculated by dividing the net assets attributable to equity holders of the bank at the period end by the number of shares outstanding at period end as follows:

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
Net assets	**626,307,000**	581,276,000	614,144,000
Number of shares outstanding at the end of the period / year	**3,039,798,532**	3,039,798,532	3,039,798,532
Net assets per share (⃁)	**0.206**	0.191	0.202

16. Interest income/ income from islamic financing and investments

Conventional Banking	**Unaudited**	Unaudited	**Unaudited**	Unaudited
	6 months	6 months	**3 months**	3 months
	30-Jun-2026	30-Jun-2025	**30-Jun-2026**	30-Jun-2025
Loans and advances	**96,228**	97,142	**49,042**	49,039
Due from banks	**14,266**	8,681	**8,393**	4,037
Investments	**12,297**	12,188	**6,086**	6,347
			-	
Total	**122,791**	118,011	**63,521**	59,423

Islamic Banking	**Unaudited**	Unaudited	**Unaudited**	Unaudited
	6 months	6 months	**3 months**	3 months
	30-Jun-2026	30-Jun-2025	**30-Jun-2026**	30-Jun-2025
	RO'000	RO'000	**RO'000**	RO'000
Islamic financing receivables	**24,646**	22,609	**12,569**	11,766
Islamic due from banks	**114**	415	**87**	251
Investments	**2,461**	2,692	**1,187**	1,311
Total	**27,221**	25,716	**13,843**	13,328

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026**

17. Interest expense / Unrestricted investment account holder's share of profit and profit expense.

Conventional Banking	**Unaudited 6 months 30-Jun-2026 RO'000**	Unaudited 6 months 30Jun-2025 RO'000	**Unaudited 3 months 30-Jun-2026 RO'000**	Unaudited 3 months 30Jun-2025 RO'000
Customers' deposits	**(54,555)**	(54,626)	**(28,215)**	(26,458)
Subordinated liabilities	**(2,937)**	-	**(1,477)**	-
Bank borrowings	**(15,562)**	(14,547)	**(8,655)**	(7,988)
Total	**(73,054)**	(69,173)	**(38,347)**	(34,446)

Islamic Banking	**Unaudited 6 months 30-Jun-2026**	Unaudited 6 months 30Jun-2025	**Unaudited 3 months 30-Jun-2026**	Unaudited 3 months 30Jun-2025
Customers' deposits	**(15,480)**	(14,107)	**(7,958)**	(7,237)
Bank borrowing	**(365)**	(512)	**(229)**	(228)
Total	**(15,845)**	(14,619)	**(8,187)**	(7,465)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

18. Earnings per share (basic and diluted)

The calculation of basic and diluted earnings per share is based on profit for the six-month period ended 30 June 2026 attributable to ordinary shareholders as follows:

	Unaudited 30-Jun-2026	Unaudited 30-Jun-2025
Profit for the period (﷼) (‘000)	**27,263**	23,665
Less: Additional Tier 1 Coupon (﷼) (‘000)	**(5,284)**	(5,267)
Profit for the period attributable to equity holders of the Bank (﷼) (‘000)	**21,979**	18,398
Weighted average number of shares outstanding during the period	**3,039,798,532**	3,039,798,532
Earnings per share basic and diluted (﷼)	**0.0072**	0.0061

Earnings per share (basic and diluted) have been derived by dividing the profit for the period attributable to equity holders of the bank after coupon on Tier I capital securities by the weighted average number of shares outstanding during the period. As there are no dilutive potential shares issued by Bank, the diluted earnings per share is identical to the basic earnings per share.

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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19. Related parties' transactions

In the ordinary course of business, the Bank conducts certain transactions on mutually agreed terms with its directors, shareholders and companies over which they are able to exert significant influence. The aggregate amounts of balances with such related parties are as follows:

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	﷼'000	﷼'000	﷼O'000
Loans, advances and financing			
Shareholders holding 20% or more interest in the Bank and their related entities	**71,523**	104,930	81,929
Other related parties	**70,947**	73,501	67,793
	142,470	178,431	149,722
Subordinated Loan			
Shareholders holding 20% or more interest in the Bank and their related entities	**13,217**	10,098	13,388
Other related parties	**25,239**	15,147	25,432
	38,456	25,245	38,820
Deposits and other accounts			
Shareholders holding 20% or more interest in the Bank and their related entities	**123,897**	96,985	98,282
Other related parties	**510,395**	454,918	368,916
	634,292	551,903	467,198
Contingent liabilities and commitments			
Shareholders holding 20% or more interest in the Bank and their related entities	**4,729**	5,476	4,432
Other related parties	**4,780**	3,258	6,956
	9,509	8,734	11,388
Remuneration paid to Directors			
Chairman			
– remuneration paid	**36**	36	36
– sitting fees paid	**3**	4	7
Other Directors			
– remuneration paid	**264**	264	264
– sitting fees paid	**32**	37	76
	335	341	383
Other transactions			
Rental payment to related parties	**393**	496	582
Insurance	**270**	1,278	4,238
Other transactions	**115**	241	517
Remuneration and fees paid to Sharia' Board of Islamic Banking Window	**49**	45	52

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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19. Related parties' transactions (continued)

The details of senior member borrowings as per the guidance available in regulatory requirements of Central Bank of Oman are set out as follows:

Senior members

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
(a) Senior members			
Total exposure:			
Direct	**142,471**	136,571	149,722
Indirect	**9,509**	8,734	7,388
	151,980	145,305	157,110
Number of members	**41**	41	41

20. Contingent Liabilities and Commitment

Letters of credit, guarantees and other commitments provided by the Bank to the customers are as follows:

	Unaudited	Unaudited	Audited
	30-Jun-2026	30-Jun-2025	31-Dec-2025
	RO '000	RO '000	RO '000
Letters of credit	**109,479**	82,516	106,640
Guarantees and performance bonds	**903,306**	675,249	756,505
	1,012,785	757,765	863,145

At 30 June 2026, the Irrevocable unutilised limits towards the loans, advances and financing to customer amount to RO 946.04 million (30 June 2025: RO 793.14 and 31 December 2025: RO 893.77 million).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

21. Disaggregation of net fees and commission income

30 June 2026	Retail banking ’000	Corporate banking ’000	Treasury and investment banking ’000	Sub Total ’000	Islamic Banking ’000	Total ’000
Fee Income						
Transactional services	11,478	198	5	11,681	1,306	12,987
Trade services	18	1,958	1,265	3,241	482	3,723
Syndication and other financing related services	1,093	5,853	2,348	9,294	1,383	10,677
Advisory and asset management services	-	-	-	-	274	274
	12,589	8,009	3,618	24,216	3,445	27,661
Fee Expense						
Transactional Services	(7,046)	(104)	(120)	(7,270)	(237)	(7,507)
Syndication and Other Financing related services	-	-	-	-	(1)	(1)
Advisory and asset management services	-	-	(5)	(5)	-	(5)
	(7,046)	(104)	(125)	(7,275)	(238)	(7,513)
Net fee and commission income	5,543	7,905	3,493	16,941	3,207	20,148

30 June 2025	Retail banking ’000	Corporate banking ’000	Treasury and investment banking ’000	Sub Total ’000	Islamic Banking ’000	Total ’000
Fee Income						
Transactional services	9,843	314	43	10,200	727	10,927
Trade services	28	2,031	1,265	3,324	422	3,746
Syndication and other financing related services	658	4,357	457	5,472	522	5,994
Advisory and asset management services	-	-	-	-	977	977
	10,529	6,702	1,765	18,996	2,648	21,644
Fee Expense						
Transactional Services	(4,905)	(47)	(155)	(5,107)	(103)	(5,210)
Syndication and Other Financing related services	-	-	(144)	(144)	(122)	(266)
Fee Expense	(4,905)	(47)	(299)	(5,251)	(225)	(5,476)
Net fee and commission income	5,624	6,655	1,466	13,745	2,423	16,168

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

21. Disaggregation of net fees and commission income (continued)

31 December 2025	Retail banking ﷼ '000	Corporate banking ﷼ '000	Treasury and investment banking ﷼ '000	Sub Total ﷼ '000	Islamic Banking ﷼ '000	Total ﷼ '000
Fee Income						
Transactional services	24,407	592	55	25,054	1,641	26,695
Trade services	50	4,092	2,395	6,537	841	7,378
Syndication and other financing related services	1,519	7,545	2,581	11,645	1,499	13,144
Advisory and asset management services	-	-	-	-	1,066	1,066
	25,976	12,229	5,031	43,236	5,047	48,283
Fee Expense						
Transactional Services	(11,169)	(90)	(279)	(11,538)	(564)	(12,102)
Syndication and Other Financing related services	-	-	(149)	(149)	(180)	(329)
Fee Expense	(11,169)	(90)	(428)	(11,687)	(744)	(12,431)
Net fee and commission income	14,807	12,139	4,603	31,549	4,303	35,852

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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22. Risk Management

The interim disclosures prepared as per guidance available in regulatory requirements of the Central Bank of Oman are set out as follows:

(a) Credit Risk

Customer concentrations

	Assets			Liabilities		
	Gross loans and financing to banks	**Gross Loans, advances and financing to customers**	**Gross Investment Securities**	**Deposits from customers**	**Due to banks**	**Contingent liabilities**
	﷼'000	**﷼'000**	**﷼'000**	**﷼'000**	**﷼'000**	**﷼'000**
30 June 2026						
Personal	**-**	**1,719,681**	**-**	**1,160,211**	**-**	**125**
Corporate	**436,501**	**2,241,019**	**519,587**	**1,140,595**	**519,373**	**307,910**
Government	**-**	**848,640**	**219,800**	**2,188,313**	**-**	**704,750**
	436,501	**4,809,340**	**739,387**	**4,489,119**	**519,373**	**1,012,785**
30 June 2025						
Personal	-	1,591,389	-	972,263	-	282
Corporate	282,974	2,076,916	192,954	963,696	382,515	757,090
Government	-	703,688	479,825	2,097,249	-	393
	282,974	4,371,993	672,779	4,033,208	382,515	757,765
31 December 2025						
Personal	-	1,642,304	-	1,067,738	-	243
Corporate	212,231	2,073,599	197,518	1,088,894	268,377	321,297
Government	-	671,352	518,529	1,960,197	-	541,605
	212,231	4,387,255	716,047	4,116,829	268,377	863,145

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

22. Risk Management *(continued)*

(a) Credit Risk *(continued)*

Credit Quality Analysis:

The financial assets have been segregated into various portfolios like exposure to Banks, Sovereign, Wholesale Banking and Retail customers. Exposure to Retail customer includes personal loans, housing loans and credit cards. Exposure to Wholesale Banking customer includes exposure other than retail and bank exposure.

The following table sets out information about the credit quality of financial assets measured at amortised cost and FVOCI debt investments. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts.

The following table provides the exposure to non-trading financial assets measured at amortized cost & FVOCI. Exposure to financial asset includes outstanding as at, 30 June 2026:

	Stage 1	**Stage 2**	**Stage 3**	**Total**
	﷼ '000	**﷼ '000**	**﷼ '000**	**﷼ '000**
30 June 2026				
Exposure				
Banks and cash held with a custodian	**559,429**	**249**	**-**	**559,678**
Sovereigns	**491,277**	**-**	**-**	**491,277**
Wholesale banking	**4,012,760**	**858,482**	**219,876**	**5,091,118**
Retail banking	**1,674,973**	**7,532**	**37,176**	**1,719,681**
Investments	**123,071**	**10,000**	**-**	**133,071**
Total	**6,861,510**	**876,263**	**257,052**	**7,994,825**
Provision for expected credit losses	**13,309**	**56,394**	**125,914**	**195,617**

	Stage 1	Stage 2	Stage 3	Total
	﷼ '000	﷼ '000	﷼ '000	﷼ '000
30 June 2025				
Exposure				
Banks and cash held with a custodian	353,287	10,047	-	363,334
Sovereigns	478,907	-	-	478,907
Wholesale banking	3,094,131	1,070,511	171,759	4,336,401
Retail banking	1,544,606	7,944	38,839	1,591,389
Investments	81,948	10,000	-	91,948
Total	5,552,879	1,098,502	210,598	6,861,979
Provision for expected credit losses	11,936	74,994	88,215	175,145

	Stage 1	Stage 2	Stage 3	Total
	﷼ '000	﷼ '000	﷼ '000	﷼ '000
31 December 2025				
Exposure				
Banks and cash held with a custodian	348,532	-	-	348,532
Sovereigns	473,970	-	-	473,970
Wholesale banking	3,455,369	901,803	171,146	4,528,318
Retail banking	1,592,121	7,888	42,295	1,642,304
Investments	118,174	10,000	-	128,174
Total	5,988,166	919,691	213,441	7,121,298
Provision for expected credit losses	13,529	74,457	95,943	183,929

22. Risk Management *(continued)*

(a) Credit Risk *(continued)*

Inputs, assumptions, and techniques used for estimating impairment

a. Significant increase in credit risk (SICR)

The assessment of SICR since origination of a financial asset considers borrower-specific quantitative and qualitative information without consideration of collateral, and the impact of forward-looking information. Quantitative models may not always be able to capture all reasonable and supportable information that may indicate a significant increase in credit risk. Qualitative factors may be assessed to supplement the gap.

For retail exposures, significant increase in credit risk is more objective and is estimated at account level. The assessment is done using days past due information as well change in the rating grade of the borrower. The process of identifying the significant increase in credit risk has been automated and based on the days past due or deterioration in the rating grade of the borrower significant increase in credit risk is assessed. For non-retail exposures, the Bank uses both quantitative and qualitative criteria. Under quantitative criteria, Bank uses the days past due parameter or change in the rating grade to assess significant increase in credit risk. Under qualitative criteria, Bank uses various criteria like change in value or quality of collateral, modification of terms including extension of moratorium, deferment of payment, waiver of covenants (restructure), frequent change in senior management, deferment / delay in commencement of commercial operations etc. to assess the significant increase in credit risk.

Incorporation of forward-looking information

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The Bank formulates three economic scenarios: a base case, which is the median scenario, and two less likely scenarios, one upside and one downside. Dynamic scenario weights are calculated in the ECL application, derived based on the distribution fitting to the historical default rate and the macroeconomic projection. External information considered includes economic data and forecasts published by monetary authorities. A comprehensive review is performed at least annually on the design of the scenarios by the Bank's senior management.

b. Liquidity Risk

The Central Bank of Oman has issued guidelines on the implementation of Basel III liquidity framework which are Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). The LCR is a short time ratio designed to increase resilience against a liquidity shortage of up to 30 days The Bank is in compliance of the regulatory limit of LCR as at, 30 June 2026, with LCR of 123.21% calculated on weighted average value for the period ended (30 June 2025: 133.28%) (31 December 2025: 157.12%).

The Net Stable Funding Ratio (NSFR) is a longer-term structural ratio designed to address liquidity mismatches and reduce funding risk over a one-year horizon. It is effective January 2018, with a minimum ratio of 100% as per the regulatory guidance. The Bank is meeting the regulatory limit of NSFR as at, 30 June 2026, with a NSFR of 106.76% calculated on weighted average value for the period ended (30 June 2025: 106.08%) (31 December 2025: 113.35%).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

22. Risk Management *(continued)*

b. Liquidity Risk *(continued)*

Maturity profile of assets and liabilities

	Due on demand and up to 30 days	More than 1 month to 6 months	More than 6 months to 12 months	More than 1 year to 5 years	Over 5 years	Total
30 June 2026	**﷼’000**	**﷼’000**	**﷼’000**	**﷼’000**	**﷼’000**	**﷼’000**
Cash and balances with Central Bank of Oman	**73,943**	**20,751**	**28,483**	**25,097**	**24,961**	**173,235**
Loan and advances to customer	**427,970**	**511,268**	**156,473**	**1,253,256**	**2,460,373**	**4,809,340**
Loans and advances to banks	**86,568**	**99,682**	**84,495**	**152,846**	**12,910**	**436,501**
Investment Securities	**44,926**	**195,973**	**52,564**	**346,861**	**99,063**	**739,387**
Other assets	**-**	**-**	**9,960**	**-**	**108,093**	**118,053**
Total Assets Funded	**633,407**	**827,674**	**331,975**	**1,778,060**	**2,705,400**	**6,276,516**
Spot and Forward Purchases (notional value)	**66,834**	**142,644**	**135,155**	**170,106**	**-**	**514,739**
Total Assets Funded and Non Funded	**700,241**	**970,318**	**467,130**	**1,948,166**	**2,705,400**	**6,791,255**
Due to banks	**266,994**	**56,446**	**77,000**	**118,933**	**-**	**519,373**
Deposits from customers	**560,818**	**828,079**	**1,096,601**	**1,051,510**	**952,111**	**4,489,119**
Other liabilities	**66,951**	**19,174**	**10,977**	**6,415**	**57,861**	**161,378**
Subordinated loans	**-**	**-**	**-**	**100,900**	**-**	**100,900**
Total liabilities	**894,763**	**903,699**	**1,184,578**	**1,277,758**	**1,009,972**	**5,270,770**
Spot and Forward Purchases (notional value)	**66,737**	**181,199**	**96,746**	**170,326**	**-**	**515,008**
Loan commitments	**361,322**	**541,984**	**-**	**-**	**-**	**903,306**
Letter of credit	**43,792**	**65,687**	**-**	**-**	**-**	**109,479**
Guarantees and performance bonds	**378,416**	**567,625**	**-**	**-**	**-**	**946,041**
Total Liabilities Funded and Non Funded	**1,745,030**	**2,260,194**	**1,281,324**	**1,448,084**	**1,009,972**	**7,744,604**
Cumulative Liabilities	**1,745,030**	**4,005,224**	**5,286,548**	**6,734,632**	**7,744,604**	
Gap	**1,044,789**	**1,289,876**	**814,194**	**(500,082)**	**(1,695,428)**	
Cumulative Gap	**1,044,789**	**2,334,665**	**3,148,859**	**2,648,777**	**953,349**	

22. Risk Management *(continued)*

b. Liquidity Risk *(continued)*

Maturity profile of assets and liabilities

	Due on demand and up to 30 days	More than 1 month to 6 months	More than 6 months to 12 months	More than 1 year to 5 years	Over 5 years	Total
30 June 2025	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000
Cash and balances with Central Bank of Oman	56,362	4,776	5,817	7,247	6,232	80,434
Loan and advances to customer	455,433	370,922	199,071	1,024,975	2,321,592	4,371,993
Loans and advances to banks	167,519	94,749	8,470	12,236	-	282,974
Investments securities	23,999	208,484	42,232	309,278	88,786	672,779
Other assets	-	-	-	-	95,867	95,867
Total Assets Funded	703,313	678,931	255,590	1,353,736	2,512,477	5,504,047
Spot and Forward Purchases (notional value)	78,453	142,644	96,655	170,106	-	487,858
Total Assets Funded and Non Funded	781,766	821,575	352,245	1,523,842	2,512,477	5,991,905
Due to banks	205,950	96,058	-	80,507	-	382,515
Deposits from customers	334,696	794,374	955,294	1,130,402	818,442	4,033,208
Other liabilities	25,939	12,111	6,874	5,094	58,757	108,775
Subordinated loans	-	-	-	-	31,305	31,305
Total liabilities	566,585	902,543	962,168	1,216,003	908,504	4,555,803
Spot and Forward Purchases (notional value)	78,356	142,686	96,746	170,326	-	488,114
Loan commitments	270,100	405,149	-	-	-	675,249
Letter of credit	33,006	49,510	-	-	-	82,516
Guarantees and performance bonds	317,256	475,881	-	-	-	793,137
Total Liabilities Funded and Non Funded	1,265,303	1,975,769	1,058,914	1,386,329	908,504	6,594,819
Cumulative Liabilities	1,265,303	3,241,072	4,299,986	5,686,315	6,594,819	
Gap	483,537	1,154,194	706,669	(137,513)	(1,603,973)	
Cumulative Gap	483,537	1,637,731	2,344,400	2,206,887	602,914	

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

22. Risk Management *(continued)*

b. Liquidity Risk *(continued)*

Maturity profile of assets and liabilities

31 December 2025	Due on demand and up to 30 days ﷼ ’000	More than 1 month to 6 months ﷼ ’000	More than 6 months to 12 months ﷼ ’000	More than 1 year to 5 years ﷼ ’000	Over 5 years ﷼ ’000	Total ﷼ ’000
Cash and balances with Central Bank of Oman	85,753	21,810	17,492	24,865	29,878	179,798
Loan and advances to customer	490,403	343,791	228,988	1,125,972	2,198,102	4,387,255
Loans and advances to banks	91,779	47,118	22,330	51,004	-	212,231
Investments securities	44,135	205,616	62,512	310,000	93,784	716,047
Other assets	-	-	8,546	-	70,601	79,147
Total Assets Funded	712,070	618,335	339,868	1,511,841	2,392,365	5,574,478
Spot and Forward Purchases (notional value)	55,284	142,644	135,155	170,106	-	503,189
Total Assets Funded and Non-Funded	767,354	760,979	475,023	1,681,947	2,392,365	6,077,667
Future Interest cash inflows	20,481	96,808	94,341	494,881	445,844	1,152,355
Due to banks	89,511	90,475	-	88,391	-	268,377
Deposits from customers	2,322,798	424,764	286,933	391,508	690,826	4,116,829
Other liabilities	46,258	15,949	10,084	5,884	34,632	112,807
Subordinated loans	-	-	-	31,310	69,595	100,905
Total liabilities	2,458,567	531,188	297,017	517,093	795,053	4,598,918
Spot and Forward Purchases (notional value)	55,187	142,686	135,259	170,326	-	503,458
Loan commitments	355,276	538,492	-	-	-	893,768
Letter of credit	42,656	63,984	-	-	-	106,640
Guarantees and performance bonds	302,602	453,903	-	-	-	756,505
Total Liabilities Funded and Non Funded	3,214,288	1,730,253	432,276	687,419	795,053	6,859,289
Future Interest cash outflows	7,982	66,722	73,523	196,122	285,918	630,267
Cumulative Liabilities	3,214,288	4,944,541	5,376,817	6,064,236	6,859,289	
Gap	(2,446,934)	(969,274)	42,747	994,528	1,597,312	
Cumulative Gap	(2,446,934)	(3,416,208)	(3,373,462)	(2,378,934)	(781,622)	

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

23. Capital risk management

The Bank manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders within acceptable risk return framework. The Bank's overall strategy remains unchanged from prior year.

The capital base of the Bank consists of debt, which includes borrowings and equity attributable to shareholders of the Bank

Capital adequacy

The ratio of equity to risk weighted assets, as formulated by the Basel II and Basel III, for three- month period ended 30 June 2026 is 16.72 % (30 June 2025 – 16.42%, 31 December 2025 – 18.64%).

Capital structure	**Unaudited**	Unaudited	Audited
	30-Jun-26	31-Jun-25	31-Dec-25
	ر.ع '000	ر.ع '000	ر.ع '000
Common Equity Tier (CET) I/ TIER I CAPITAL			
Paid up capital	**303,980**	303,980	303,980
Legal reserve	**81,297**	76,192	81,297
Share premium	**95,656**	95,656	95,656
Special reserve	**16,988**	16,988	16,988
Subordinated loan reserve	**6,200**	-	6,200
Retained earnings	**68,482**	61,693	68,482
CET I/Tier I Capital	**572,603**	554,509	572,603
Additional Tier I regulatory adjustments:			
Deferred tax assets	**-**	(462)	-
Negative investment revaluation reserve	**(8,306)**	(8,992)	(7,669)
Regulatory provision adjustment	**(14,612)**	(17,658)	(14,612)
Total CET 1 capital	**549,685**	527,397	550,322
Additional Tier I capital (AT1)	**155,500**	155,500	155,500
Total Tier 1 Capital (T1=CET1+AT1)	**705,185**	682,897	705,822
TIER II CAPITAL			
Investment revaluation reserve	**8,835**	2,051	6,270
General provision	**13,309**	11,936	13,529
Subordinated Loan	**93,800**	31,000	93,800
Total Tier II capital	**115,944**	44,987	113,599
Total eligible capital	**821,129**	727,884	819,421
Risk weighted assets			
Banking book	**4,421,296**	4,014,410	3,919,553
Trading book	**197,624**	142,251	183,776
Operational risk	**291,613**	275,000	291,613
Total	**4,910,533**	4,431,661	4,394,942
Total Tier 1 Capital (T1=CET1+AT1)	**705,185**	682,897	705,822
Tier II capital	**115,944**	44,987	113,599
Total regulatory capital	**821,129**	727,884	819,421
Common Equity Tier 1 ratio	**11.19%**	11.90%	12.52%
Tier I capital ratio	**14.36%**	15.41%	16.06%
Total capital ratio	**16.72%**	16.42%	18.64%

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

24. Fair value information

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 June 2026	**Level 1**	**Level 2**	**Level 3**	**Total**	**Cost**
	﷼ ’000	**﷼ ’000**	**﷼ ’000**	**﷼ ’000**	**﷼ ’000**
Financial assets					
Investments at FVOCI	**213,021**	**11,491**	**55,040**	**279,552**	**260,774**
Investments at FVTPL	**13,051**	**-**	**798**	**13,849**	**12,939**
Investments at amortized cost	**49,591**	**-**	**-**	**49,591**	**47,780**
Derivative financial instruments					
Commodities purchase contracts	**-**	**216**	**-**	**216**	**-**
Forward foreign exchange contracts	**-**	**479**	**-**	**479**	**-**
IRS customer	**-**	**94**	**-**	**94**	**-**
Total	**275,663**	**12,280**	**55,838**	**343,781**	**321,493**
Financial liabilities					
Derivative financial instruments					
Cash flow hedge	**-**	**13**	**-**	**13**	**-**
Commodities sale contracts	**-**	**213**	**-**	**213**	**-**
Forward foreign exchange contracts	**-**	**3**	**-**	**3**	**-**
Interest rate swaps	**-**	**94**	**-**	**94**	**-**
Total	**-**	**323**	**-**	**323**	**-**

30 June 2025	Level 1	Level 2	Level 3	Total	Cost
	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000	﷼ ’000
Financial assets					
Investments at FVOCI	211,993	10,908	19,410	242,311	241,492
Investments at FVTPL	6,618	-	780	7,398	7,515
Investments at amortized cost	47,463	-	-	47,463	46,031
Derivative financial instruments					
Cash flow hedge	-	89	-	89	-
Commodities Purchase Contracts	-	141	-	141	-
IRS customer	-	1,207	-	1,207	-
Forward purchase contracts	-	694	-	694	-
Forward sales contracts	-	387	-	387	-
Total assets	266,074	13,426	20,190	299,690	295,038

24. Fair value information (continued)

At 31 December 2025	**Level 1**	**Level 2**	**Level 3**	**Total**	**Cost**
	﷼ ’000	**﷼ ’000**	**﷼ ’000**	**﷼ ’000**	**﷼ ’000**
Financial assets					
Investments at FVOCI	197,200	11,452	51,180	259,832	252,296
Investments at FVTPL	11,722	-	772	12,494	12,353
Derivative financial instruments					
Cash flow hedge	-	-	-	-	-
Commodities purchase contracts	-	240	-	240	-
Forward foreign exchange contracts	-	1,134	-	1,134	-
IRS customer	-	949	-	949	-
Total	208,922	13,775	51,952	274,649	264,649
Financial liabilities					
Derivative financial instruments					
Cash flow hedge	-	53	-	53	-
Commodities sale contracts	-	239	-	239	-
Forward foreign exchange contracts	-	444	-	444	-
Interest rate swaps	-	949	-	949	-
Total	-	1,685	-	1,685	-

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which market observable prices exist and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premia used in estimating discount rates, bond and equity prices, foreign currency exchange rates, equity and equity index process and expected price volatilities and correlations.

Observable prices or model inputs are usually available in the market for listed debt and equity securities, exchange-traded derivatives and simple over-the-counter derivatives such as interest rate swaps. Availability of observable market prices and model inputs reduces the need for management judgment and estimation and also reduces the uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

uncertainty associated with determining fair values. Availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

						﷼ ’000
				Notional amounts by term to maturity		
30 June 2026	**Positive Fair Value**	**Negative Fair Value**	**Notional Amount Total**	**within 3 months**	**4-12 months**	**> 12 months**
Derivatives:						
Cash flow hedge	**-**	**13**	**76,018**	**-**	**-**	**76,018**
Commodities purchase contracts	**216**	**-**	**4,409**	**2,287**	**2,122**	**-**
Commodities Sale contracts	**-**	**213**	**4,407**	**2,286**	**2,121**	**-**
Interest rate swaps	**-**	**94**	**273,409**	**-**	**-**	**273,409**
IRS customer	**94**	**-**	**273,409**	**-**	**-**	**273,409**
Forward purchase contracts	**-**	**3**	**1,011,920**	**474,585**	**495,818**	**41,517**
Forward sales contracts	**479**	**-**	**1,011,422**	**473,868**	**496,049**	**41,505**
Total	**789**	**323**	**2,654,994**	**953,026**	**996,110**	**705,858**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

24. Fair value information (continued)

30 June 2025	Positive Fair Value	Negative Fair Value	Notional Amount Total	Notional amounts by term to maturity within 3 months	4-12 months	> 12 months
						⃀ '000
Derivatives:						
Cash flow hedge	89	-	76,018	-	-	76,018
Commodities Purchase Contracts	141	-	4,951	4,089	862	-
Commodities Sale Contracts	-	119	4,929	4,067	862	-
Interest rate swaps	-	1,207	142,364	-	-	142,364
IRS customer	1,207	-	142,364	-	-	142,364
Forward purchase contracts	694	-	1,117,046	282,634	572,094	262,318
Forward sales contracts	387	-	1,115,723	282,575	571,177	261,971
Total	2,518	1,326	2,603,395	573,365	1,144,995	885,035

31 December 2025	Positive fair value	Negative Fair Value	Notional amount total	Notional amounts by term to maturity within 3 months	4-12 months	> 12 months
						⃀ 000's
Derivatives:						
Cash flow hedge	-	53	76,018	-	-	76018
Commodities purchase contracts	240	-	1,811	-	1,811	-
Commodities sale contracts	-	239	1,810	-	1,810	-
Interest rate swaps	-	949	165,928	-	-	165,928
IRS with customer	949	-	165,928	-	-	165,928
Forward purchase contracts	-	444	1,065,612	233,574	646,063	185,975
Forward sales contracts	1,134	-	1,064,721	233,490	645,569	185,662
Total	2,323	1,685	2,541,828	467,064	1,295,253	779,511

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

25 . Segmental information

The Bank is organised into four main business segments:

1) Retail banking – incorporating, private customer current accounts, savings, deposits, investment savings products, custody, credit and debit cards, consumer loans and mortgages.
2) Corporate banking – incorporating direct debit facilities, current accounts, deposits, overdrafts, loan and other credit facilities, foreign currency and derivative products;
3) Treasury and investments;
4) Islamic Banking

Other operations comprise investment management and institutional finance neither of which constitutes a separately reportable segment which are included in "Treasury and investments" segment. Transactions between the business segments are on normal commercial terms and conditions. There are no material items of income or expense between the business segments. Segment total revenue presented in the table below is the total Interest income, income from Islamic financing/investments, net fees and commission income and other operating income.

Segment assets and liabilities comprise operating assets and liabilities, being the majority of the statement of financial position. The profit for the period also includes inter segment revenues

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

25. Segmental information *(continued)*

Included in the segment information the consolidated results of the Bank as below:

30 June 2026	Retail banking	Corporate banking	Treasury and investments	Islamic Banking	Inter Segment	Total
	﷼ '000	﷼ '000	﷼ '000	﷼ '000	﷼ '000	﷼ '000
Segment operating revenues	19,947	25,615	3,983	-	(78)	49,467
Net income from Islamic financing	-	-	-	11,568	78	11,646
Other revenues	8,871	8,781	11,073	4,251	-	32,976
Segment operating revenues	28,818	34,396	15,056	15,819	-	94,089
Operating expenses including depreciation	(21,138)	(11,814)	(2,862)	(6,944)	-	(42,758)
Net Impairment loses on financial assets	(1,457)	(11,335)	(252)	(6,449)	-	(19,493)
Profit from operations after provision	6,223	11,247	11,942	2,426	-	31,838
Tax expenses	(948)	(1,713)	(1,591)	(323)	-	(4,575)
Profit for the period	5,275	9,534	10,351	2,103	-	27,263
Segment assets	1,507,799	2,589,315	1,119,849	1,184,515	(94,802)	6,306,676
Less: Impairment allowance	(28,673)	(155,941)	(528)	(42,218)	-	(227,360)
Total segment assets	1,479,126	2,433,374	1,119,321	1,142,297	(94,802)	6,079,316
Segment Liabilities	1,133,551	2,665,168	575,218	1,012,211	(94,802)	5,291,346
Add: Impairment allowance	3	5,590	311	259	-	6,163
Total segment Liabilities	1,133,554	2,670,758	575,529	1,012,470	(94,802)	5,297,509

Segmental profit for the current period considers the impact of Fund Transfer Pricing (FTP).

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

25. Segmental information *(continued)*

Included in the segment information the consolidated results of the Bank as below:

30 June 2025	**Retail banking**	**Corporate banking**	**Treasury and investments**	**Islamic Banking**	**Inter Segment**	**Total**
	﷼ '000	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**	**﷼ '000**
Segment operating revenues	18,946	26,869	3,256	-	(234)	48,837
Net income from Islamic financing	-	-	-	10,862	234	11,096
Other revenues	6,299	6,013	8,606	3,606	-	24,524
Segment operating revenues	25,245	32,882	11,862	14,468	-	84,457
Operating expenses including depreciation	(19,988)	(10,944)	(2,820)	(6,943)	-	(40,695)
Net Impairment loses on financial assets	1,784	(12,298)	(419)	(5,252)	-	(16,185)
Profit from operations after provision	7,041	9,640	8,623	2,273	-	27,577
Tax expenses	(1,057)	(1,446)	(1,068)	(341)	-	(3,912)
Profit for the period	5,984	8,194	7,555	1,932	-	23,665
Segment assets	1,389,344	2,349,310	848,305	1,026,907	(90,097)	5,523,769
Less: Impairment allowance	(30,553)	(141,284)	(156)	(27,721)	-	(199,714)
Total segment assets	1,358,791	2,208,026	848,149	999,186	(90,097)	5,324,055
Segment Liabilities	937,703	2,430,992	422,779	880,708	(90,097)	4,582,085
Add: Impairment allowance	1,720	2,964	186	324	-	5,194
Total segment Liabilities	939,423	2,433,956	422,965	881,032	(90,097)	4,587,279

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

25. Segmental information *(continued)*

Included in the segment information the consolidated results of the Bank is as below:

31 December 2025	Retail banking	Corporate banking	Treasury and investments	Islamic Banking	Inter Segment	Total
	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000	﷼'000
Segment operating revenues	37,942	52,071	5,373	-	(336)	95,050
Net income from Islamic financing	-	-	-	22,550	336	22,886
Other revenues	15,546	12,703	16,957	6,642	-	51,848
Segment operating revenues	53,488	64,774	22,330	29,192	-	169,784
Operating expenses including depreciation	(39,003)	(22,937)	(5,469)	(13,751)		(81,160)
Net Impairment loses on financial assets	(103)	(18,269)	(61)	(11,771)		(30,204)
Profit from operations after provision	14,382	23,568	16,800	3,670	-	58,420
Tax expenses	(1,947)	(3,191)	(1,930)	(301)	-	(7,369)
Profit for the period	12,435	20,377	14,870	3,369	-	51,051
Segment assets	1,449,043	2,305,229	878,496	1,057,199	(86,048)	5,603,919
Less: Impairment allowance	(33,983)	(143,820)	(282)	(35,083)	-	(213,168)
Total segment assets	1,415,060	2,161,409	878,214	1,022,116	(86,048)	5,390,751
Segment Liabilities	1,025,445	2,421,769	354,845	898,665	(86,048)	4,614,676
Add: Impairment allowance	8	5,770	322	331	-	6,431
Total segment Liabilities	1,025,453	2,427,539	355,167	898,996	(86,048)	4,621,107