

The slide features a dark blue background with a large, semi-transparent circular image of a modern building with Islamic architectural elements. The building has multiple stories with arched windows and a central tower-like structure. The text 'Investor Presentation' is prominently displayed in white, bold font across the center of the image. Below it, '1H 2024 Results' is written in a smaller white font. The left side of the slide is decorated with abstract, flowing white lines that create a sense of movement and depth.

Investor Presentation

1H 2024 Results

Agenda

- 1** Operating Environment
- 2** Oman Arab Bank Overview
- 3** Financial Performance

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The image features a dark blue background with two large, overlapping, wavy bands of lighter blue lines that create a sense of motion and depth. The text 'Operating Environment' is centered in the lower half of the image in a white, sans-serif font.

Operating Environment

Sultanate of Oman - Overview



Second largest country by area in the GCC



Stable political system



Strategically placed at the entrance of the Arabian Gulf



Independent, pragmatic foreign policy, good relations with Oman's neighbours and globally

Credit Rating

S&P Global

- BB+
- Positive

FitchRatings

- BB+
- Stable

MOODY'S

- Ba1
- Positive

Embracing Sustainable Growth & Diversification

- Oman is the first sovereign in the GCC to issue Sustainable Finance Framework.
- The Ministry of Finance and Oman Investment Authority introduced the OMR 2 billion “Oman Future Fund” to boost economic diversification by investing 90% in the local economy and 10% in SMEs and venture capital projects.
- Oman Attracts Foreign Investments with a notable increase of **+ 21.6%** in foreign direct investments compared to previous year.

Oman Economy



5.2 M
Population



0.7%
Inflation

vs. global inflation of 8.7% in 2022 and 6.8% in 2023



OMR 391 M
Fiscal Surplus

As of July'24 vs. OMR 656M July'23



\$82
AVG Oil Price



1.2%
GDP Growth

Q1 2024



\$17.5 Bn
Foreign Reserves

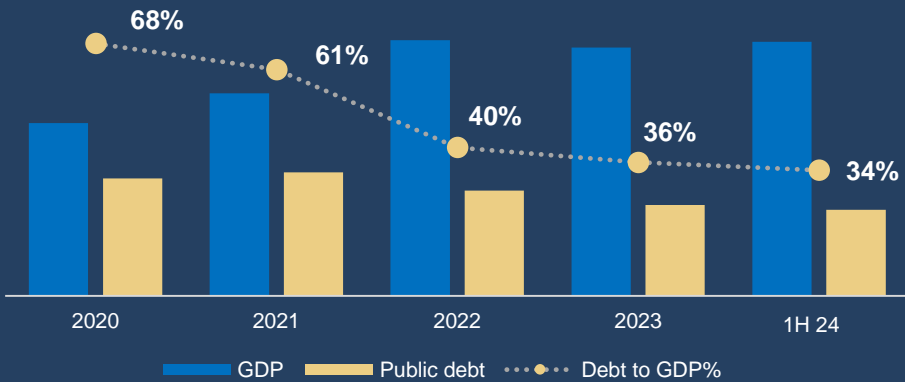
May 2024



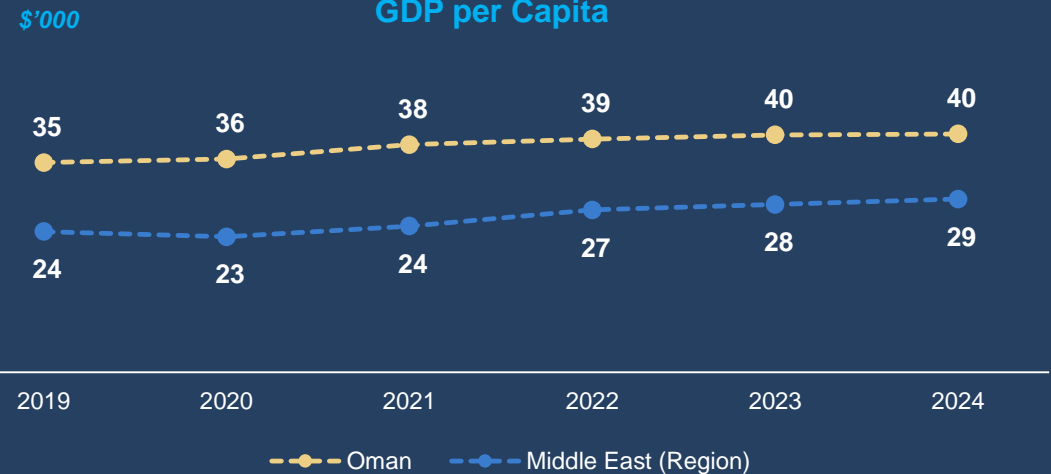
6.0%
Repo Rate

FED rate range at 5.25% - 5.5%

Steady Progress in Reducing Debt/GDP

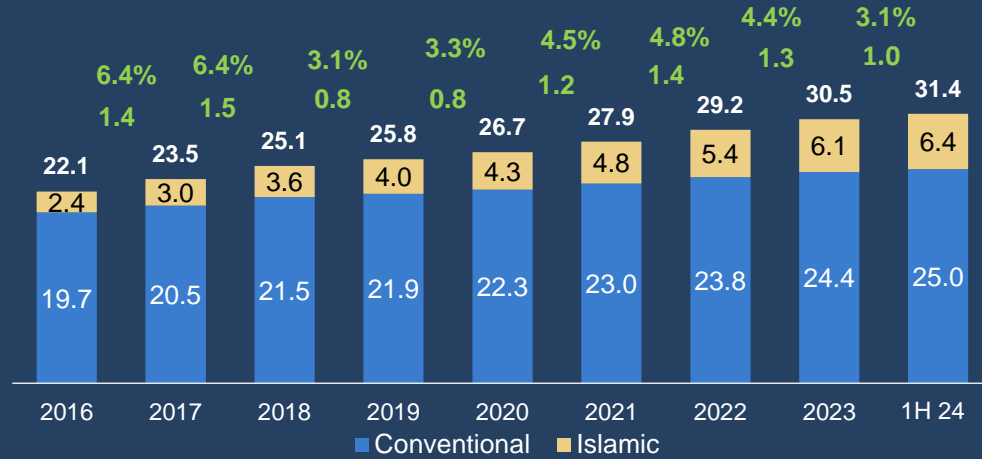


GDP per Capita

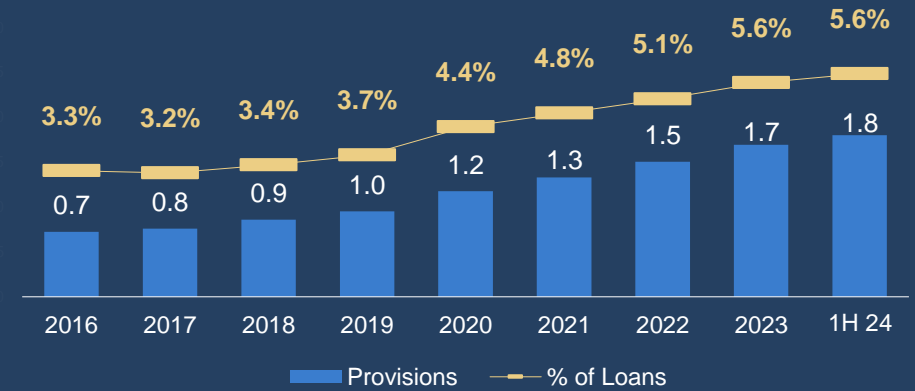


Banking Sector – Credit and Lending

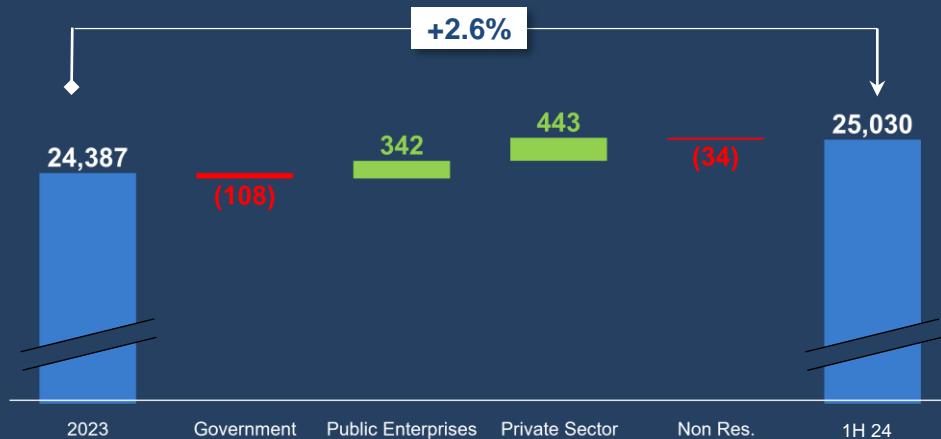
Gross Loans (OMR Bn)



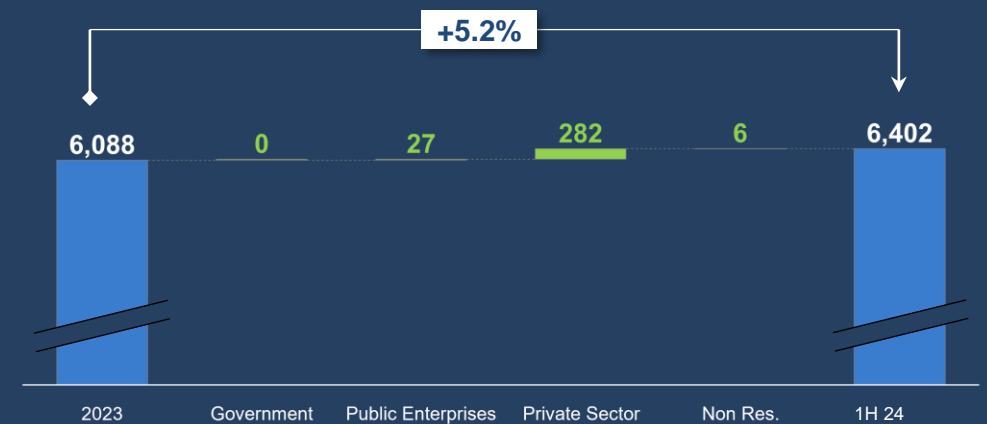
Provisions (OMR Bn) & Coverage



Conventional Loans 1H 2024 Growth (OMR Mn)

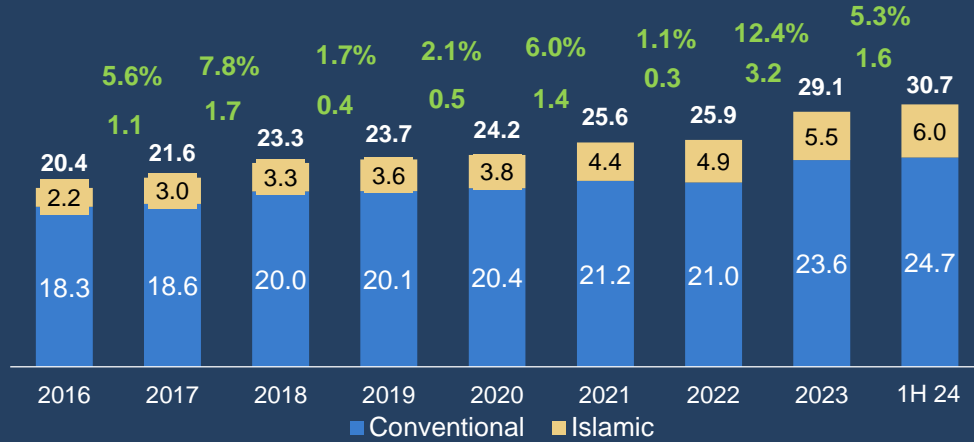


Islamic Financing 1H 2024 Growth (OMR Mn)

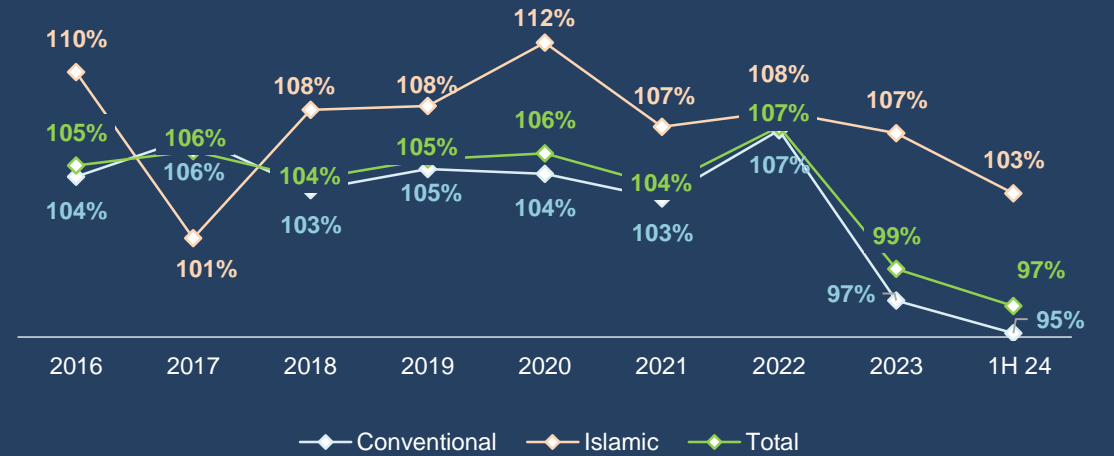


Banking Sector – Customer Deposits

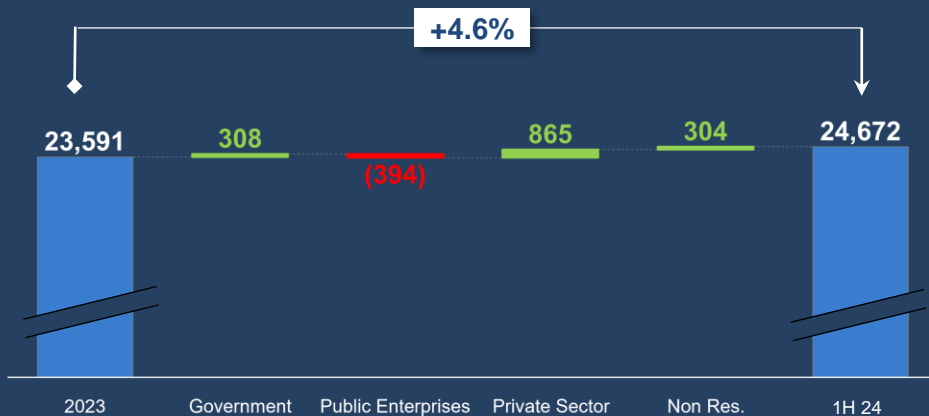
Customer Deposits (OMR Bn)



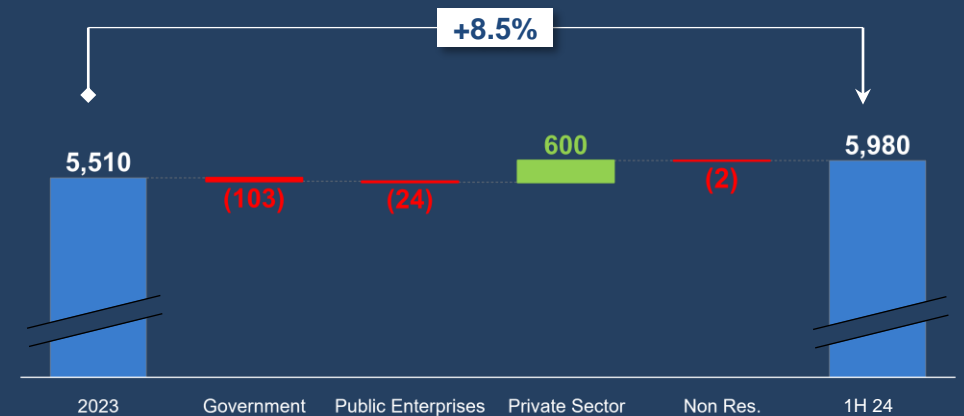
(net) Loans / Deposits (%)



Conventional Deposits 1H 2024 Growth (OMR Mn)

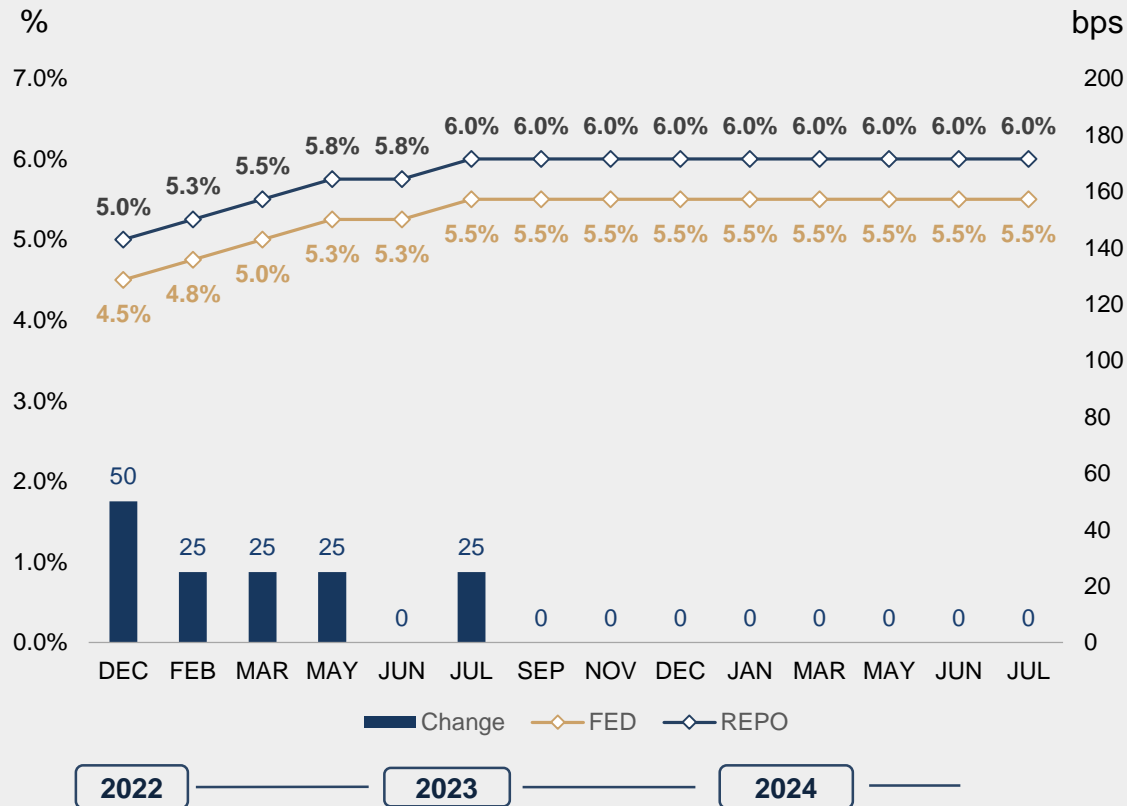


Islamic Deposits 1H 2024 Growth (OMR Mn)

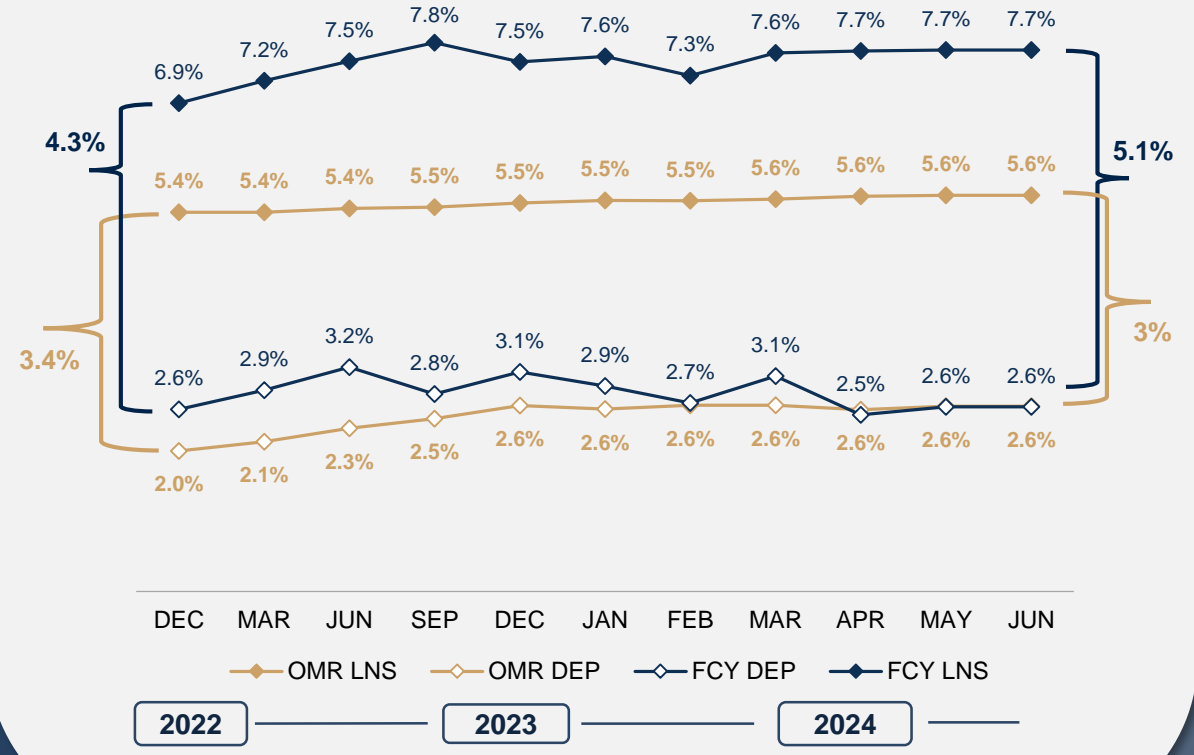


Rising interest rates pressures banks' margins

FED and CBO policy rate evolution



Local loans and deposits rate (industry average)



Oman Arab Bank Overview



بنك عُمان العربي
OMAN ARAB BANK

We are Supported by Strong Shareholders



OMINVEST

One of the largest publicly listed investment companies in the MENA region

Diversified portfolio into :

Banking

Private Equity

Real Estate

Education

Leasing

Insurance

Investment Banking

\$ 0.73Bn

Market Cap (USD)



البنك العربي
ARAB BANK

One of the largest financial institutions in the Middle East

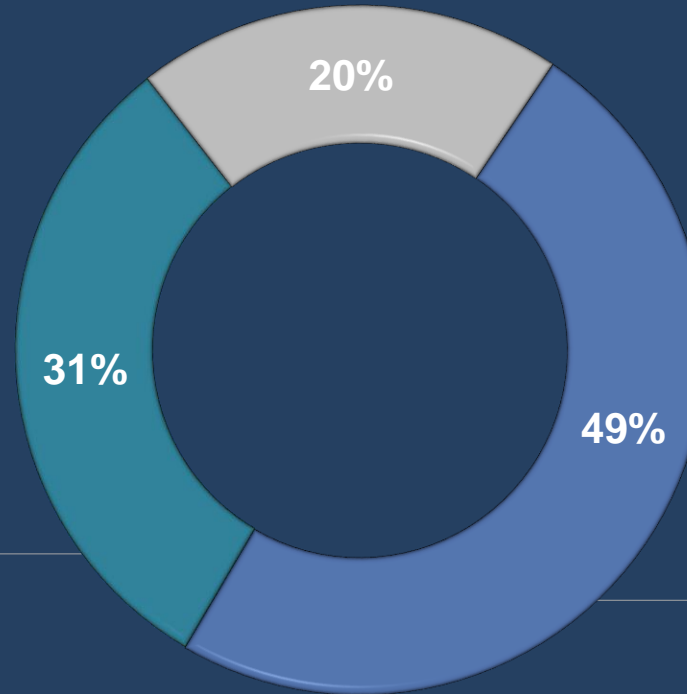
Covering key financial markets including London, Dubai, Singapore, Geneva, Paris, Frankfurt, Sydney, Bahrain and China

\$11.5Bn
Total Equity

\$3.9Bn
Market Cap (USD)



600+
Branches across 5 continents
and 29 countries



■ Arab Bank Group ■ OMINVEST ■ Others

and Guided by Team of Experts



Mr. Rashad Al Zubair
Chairman

Chairman - Zubair Corporation, Chairman - Oasis Water Co, Vice Chairman - Barr Al Jissah Resort Co, Vice Chairman and Founder Member of Muscat University.



Mr. Alaa Batayneh
Director

Chairman – Jordan Petroleum Refinery Company and a member of its Board of Directors , Board member – Euro Arab Insurance Group Plc,



Ms. Randa Sadik
Director

Chief Executive Officer - Arab Bank, Chairwoman – Arab Bank Tunisian, Vice Chairwomen Arab Bank Australia. Chairwoman - Al Arabi Finance Holdings Lebanon, Chairwoman



Mr. Abdulaziz Al Balushi
Director

Chief Executive Officer - OMINVEST, Deputy Chairman - Jabreen Capital, Board Member in Liva (NLGIC), National Finance, Member of Oman American Business Center. “Second Best CEO in Arab Banking World” - Forbes Magazine, November 2012.



Mr. Imad Sultan
Director

Vice Chairman & Managing Director - W. J. Towell LLC, Vice chairman of National Hospitality Institute, Member of the Executive Committee of Muscat Stock Exchange. Member of Young Presidents' Organization (YPO).



Mr. Walid Samhour
Director

Executive Vice President, Jordan Country Head Arab Bank, Chairman - Arab Sudanese Bank, Board Member in Arab Tunisian Bank, Jordan Loan Guarantee Corporation.



Mr. Nasri Malhame
Director

Board member in Arab Bank Switzerland (Lebanon), AB Fund Managers-Guernsey, Ubhar Capital, Oman, and Chambre de commerce Arabo-Suisse, Geneva.



Mr. Mohammed Al Ghanma
Director

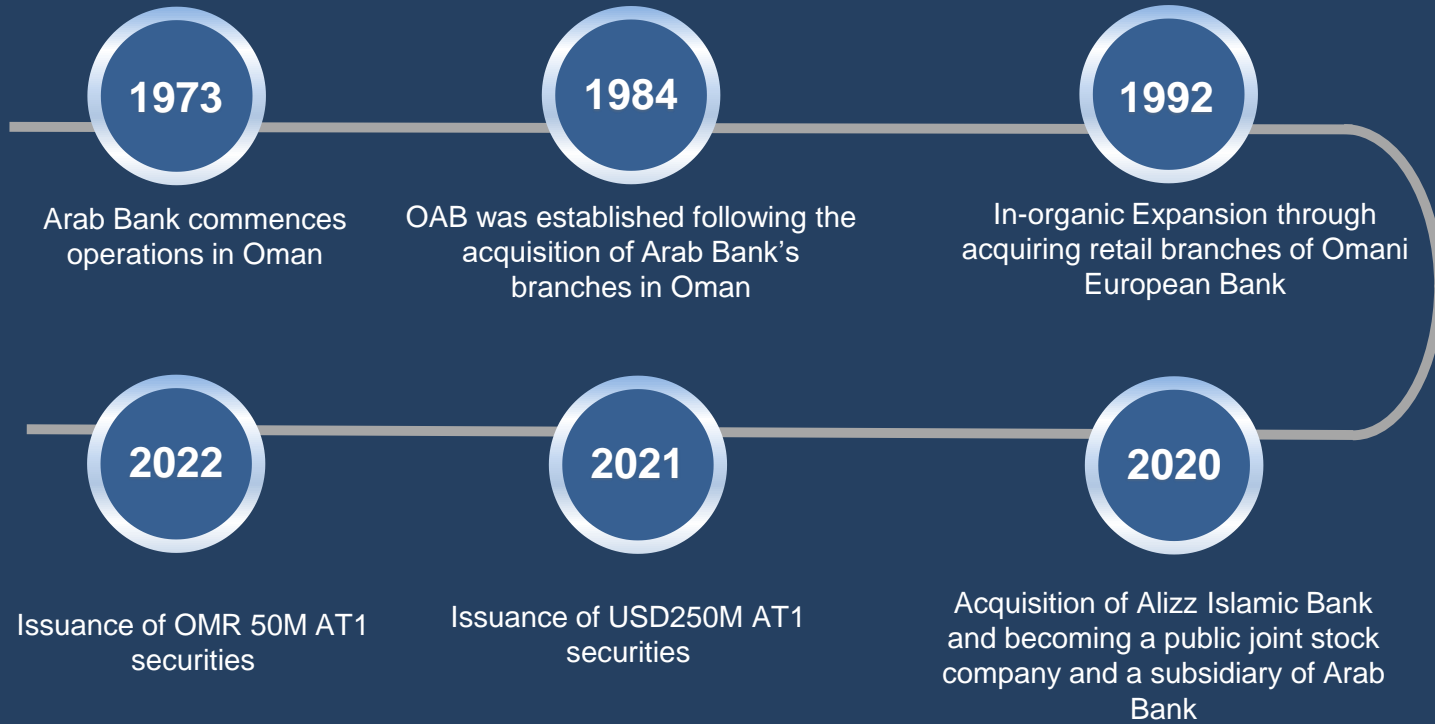
Executive Vice President and Head of Credit Division - Arab Bank, Deputy Chairman - Islamic International Arab Bank, T-Bank Turkey. Board Member in Arab National Bank, Arab Bank Syria.



Mr. Yasir Aqil Badri
Director

Vice President , Financial Services at Mubadala Investment Company.

Journey to success : expanding our presence and achievements



OER HR Award

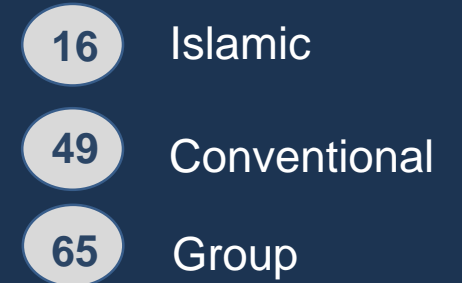


OER Business Award

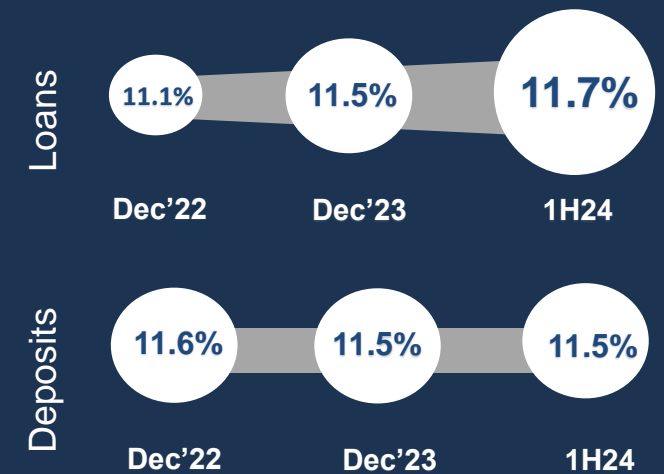
Today



Branches



Expanding loan market share, backed by robust deposits

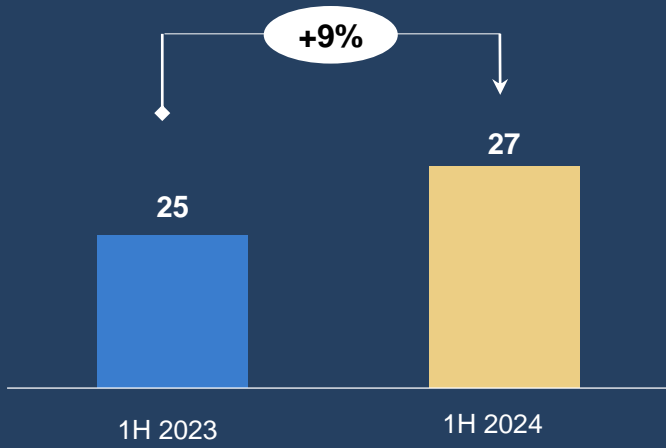


The background features a dark blue gradient with two sets of wavy, light blue lines that create a sense of motion and depth. The lines are composed of many thin, parallel strokes that blend together to form a soft, ethereal wave pattern.

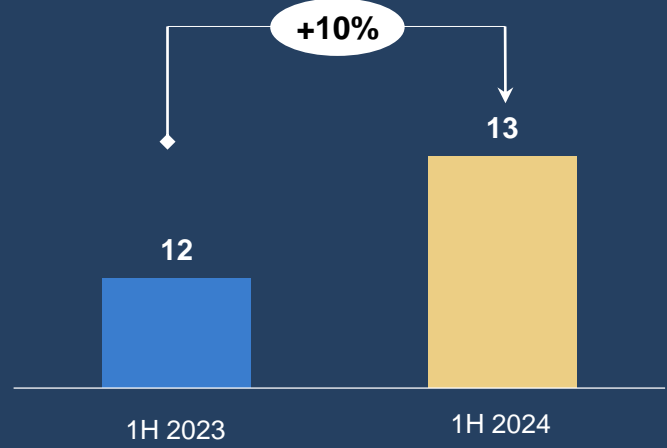
Financial Performance

Healthy growth in loans and deposits with focus on CASA account

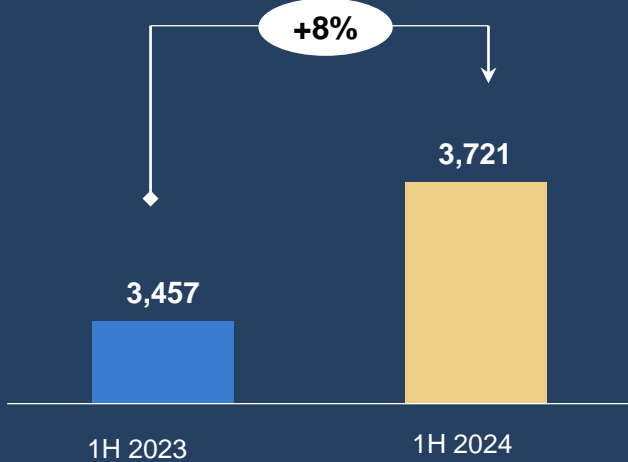
Operating Profit (OMR Mn)



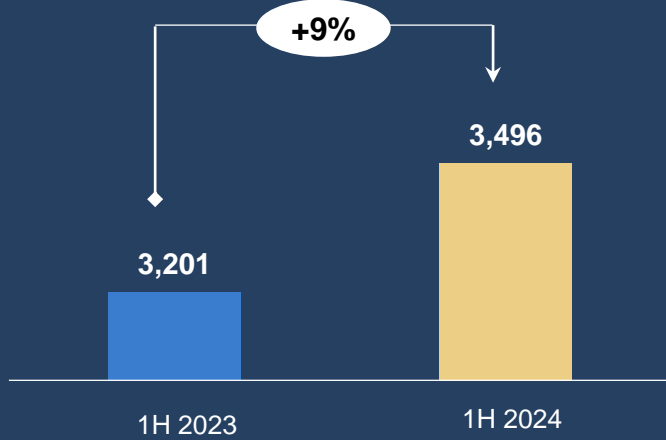
Net Profit (OMR Mn)



Loans & Advances (OMR Mn)

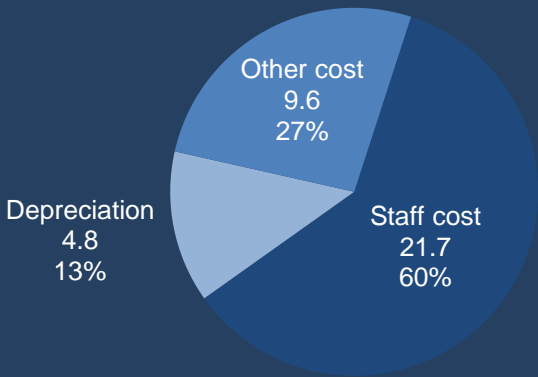


Customer Deposits (OMR Mn)

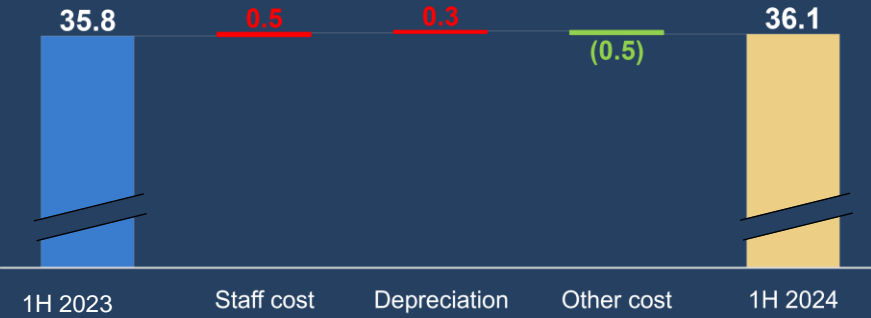


Leading to an improvement in return on equity

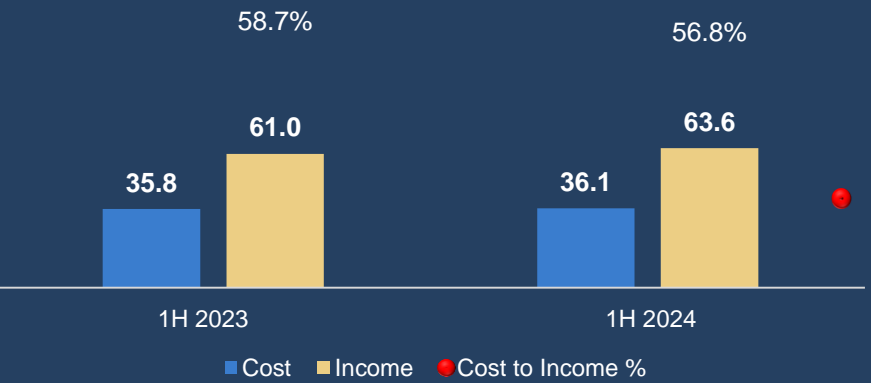
Cost Base (OMR Mn)



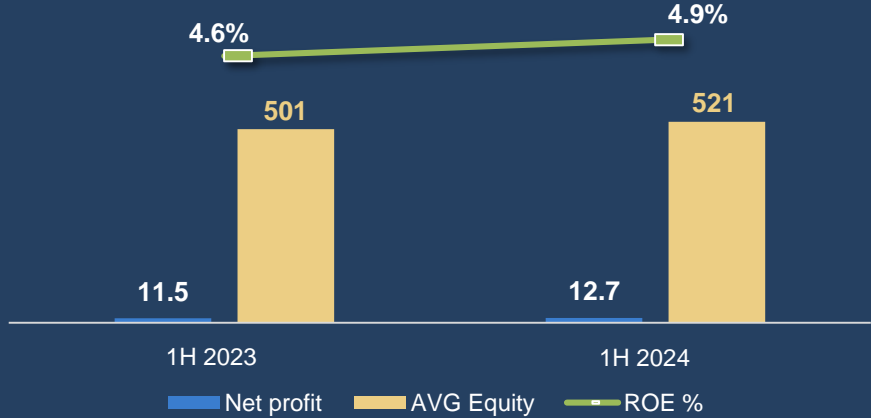
Cost Movement (OMR Mn)



Cost / Income (%)



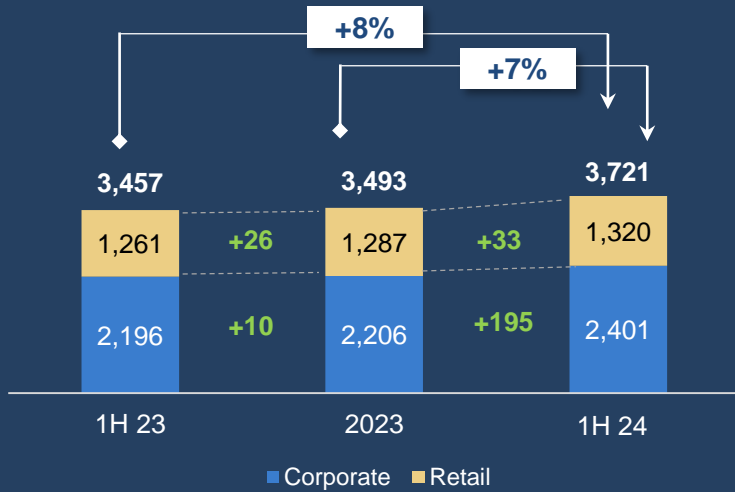
Return on Equity (%)¹



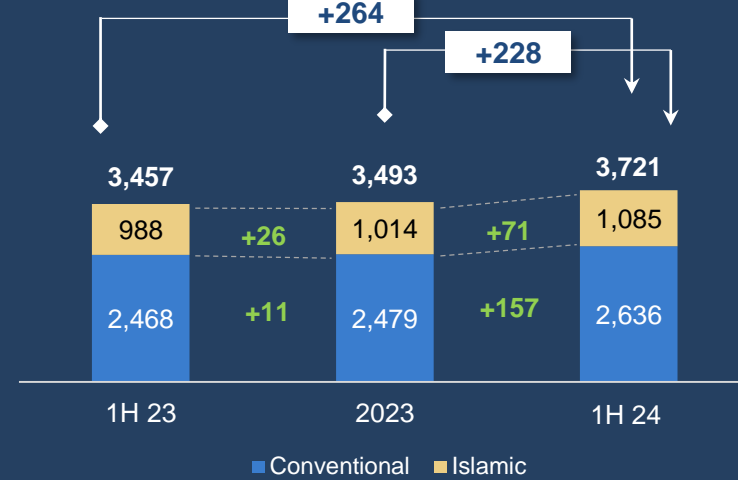
1. Net profit / average equity. On an adjusted basis (including the impact of perpetual bonds), ROE would have been 3.9% in H12024 vs. 3.5% in H12023.

We acquired ≈ 24% of new credit in Oman during 2024

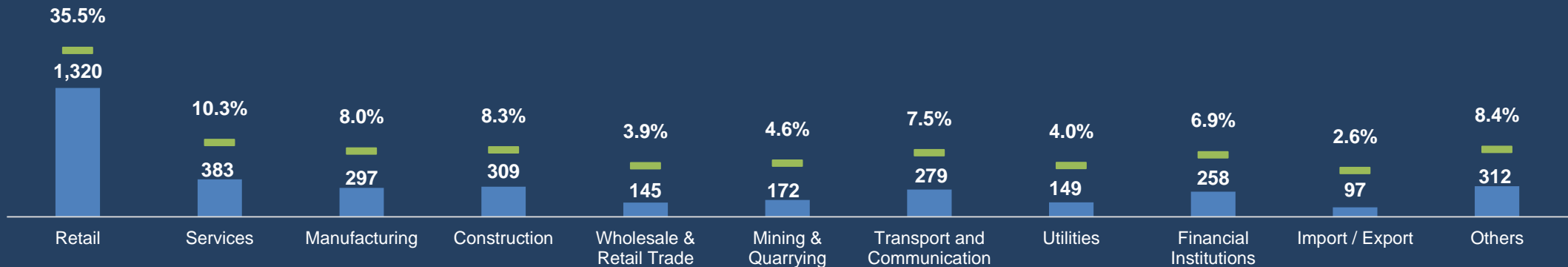
Gross Loans – By Segment (OMR Mn)



Gross Loans – By Type (OMR Mn)

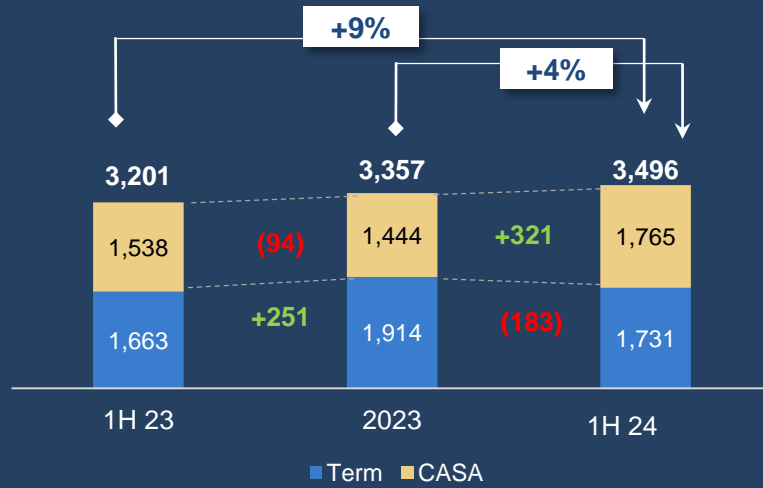


Gross Loans – By Sector (OMR Mn)

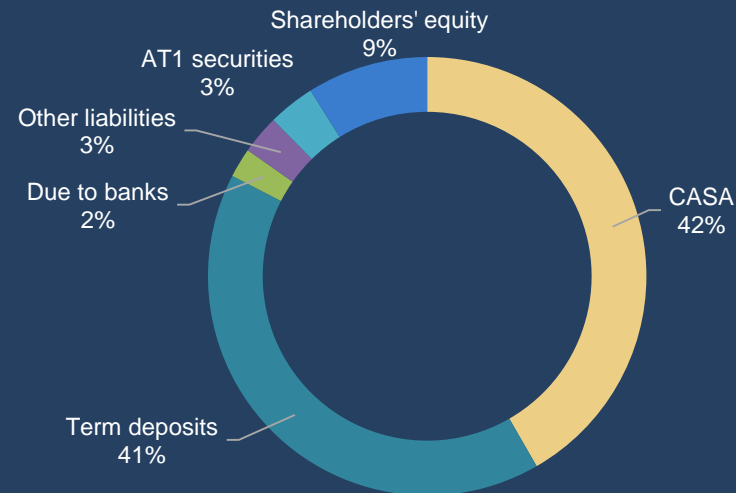
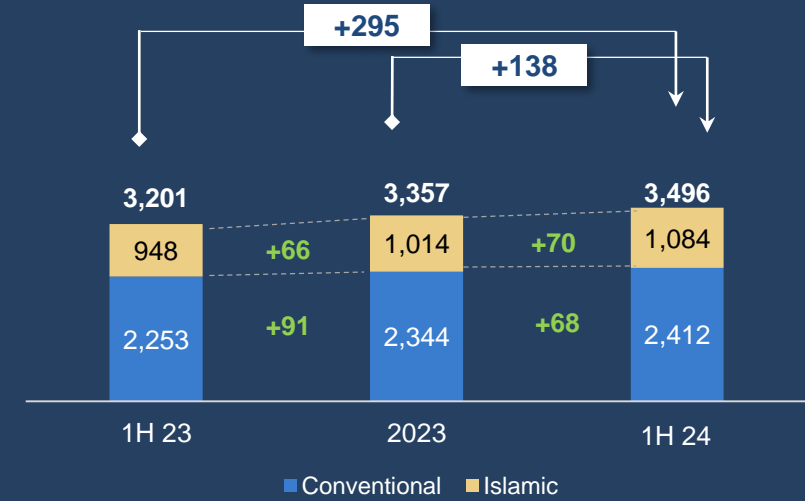


Healthy liquidity position and growth in customer deposits despite the high interest rate environment

Customer Deposits – By Product (OMR M)



Customer Deposits – By Type (OMR M)



Liquidity Positions – Q2 2024

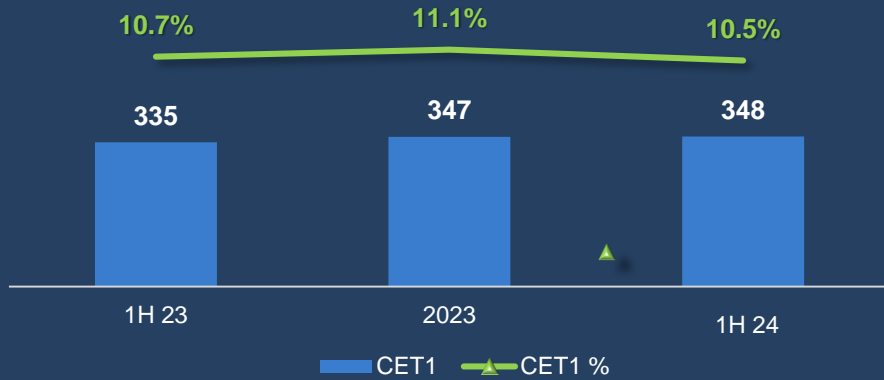
LCR
At 175%

NSFR
At 110%

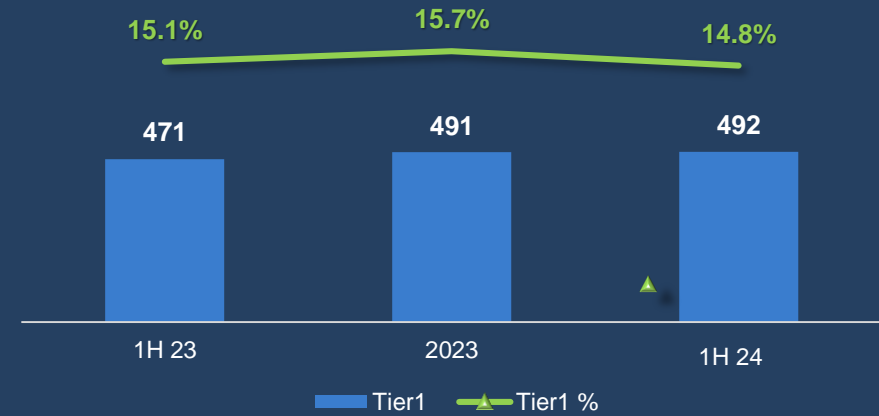
LTD
At 100%

With an efficient utilization of our capital

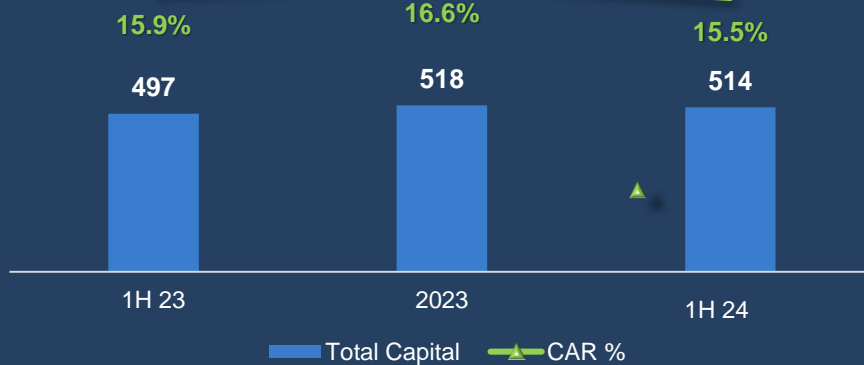
CET 1 Capital (OMR Mn)



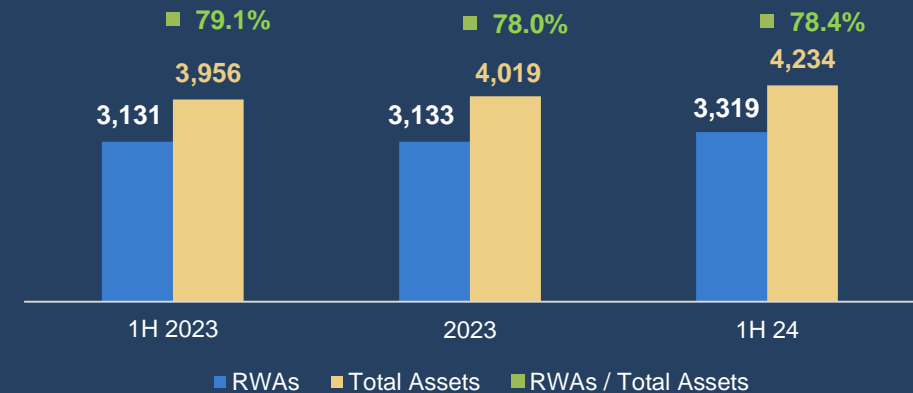
Tier 1 Capital (OMR Mn)



Total Capital (OMR Mn)



Risk Weighted Asset (OMR Mn)



Appendices

Balance Sheet Summary

	Parent				Consolidated			
	1H 2024	2023	VAR	Growth	1H 2024	2023	VAR	Growth
ASSETS								
Cash and balances with Central Bank	120	85	35	42%	171	152	19	13%
Due from banks	77	124	(48)	-38%	103	130	(27)	-21%
Loans, advances and financing to customers - net	2,446	2,306	140	6%	3,482	3,275	207	6%
Investment on subsidiary	129	125	4	0.03	-	-	-	-
Investment securities	252	254	(2)	-1%	327	327	(0)	0%
Intangibles	-	-	0	-	6	7	(0)	-2%
Property and equipment	36	37	(1)	-3%	41	43	(2)	-5%
Other assets	68	54	15	27%	105	86	18	21%
TOTAL ASSETS	3,128	2,985	143	5%	4,234	4,019	215	5%
LIABILITIES								
Due to banks	86	32	54	168%	92	32	60	186%
Customer deposits	2,412	2,344	68	3%	3,496	3,357	138	4%
Other liabilities	106	92	13	14%	122	112	9	8%
TOTAL LIABILITIES	2,604	2,468	136	6%	3,710	3,502	208	6%
EQUITY								
Total Shareholders' Equity	378	371	7	2%	378	371	7	2%
Perpetual Tier 1 capital securities	146	146	0	0%	146	146	0	0%
TOTAL EQUITY	524	517	7	1%	524	517	7	1%
TOTAL EQUITY AND LIABILITIES	3,128	2,985	143	5%	4,234	4,019	215	5%

Profit and Loss Summary

	Parent				Consolidated			
	1H 2024	1H 2023	VAR	Growth	1H 2024	1H 2023	VAR	Growth
Interest income	79.2	69.5	9.7	14%	79.1	69.4	9.7	14%
Interest expense	(42.8)	(33.6)	(9.2)	-28%	(42.8)	(33.6)	(9.2)	-28%
Net interest income	36.5	36.0	0.5	1%	36.3	35.8	0.4	1%
Net income from Islamic financing	0.0	0.0	0.0	-	13.0	13.2	(0.2)	-1%
Net fee & commission income	7.7	7.5	0.2	3%	10.0	9.9	0.1	1%
Net income from investment securities	0.1	0.2	(0.0)	-3%	0.2	0.2	0.0	16%
Other operating income	1.9	1.6	0.3	18%	4.1	1.9	2.2	117%
OPERATING INCOME	46.2	45.2	1.0	2%	63.6	61.0	2.7	4%
OPERATING EXPENSES	(26.5)	(26.5)	(0.0)	0%	(36.1)	(35.8)	(0.3)	-1%
OPERATING PROFIT	19.7	18.7	1.0	5%	27.5	25.2	2.3	9%
Net allowance for credit losses	(9.5)	(9.3)	(0.2)	-2%	(12.5)	(11.4)	(1.1)	-9%
PROFIT BEFORE TAX	10.2	9.4	0.8	8%	15.0	13.8	1.3	9%
Income tax expense	(1.6)	(1.5)	(0.1)	-6%	(2.3)	(2.2)	(0.1)	-5%
NET PROFIT	8.6	7.9	0.7	9%	12.7	11.5	1.2	10%



Thank You