



MSX Investor Presentation
14th April 2025

MSX Discussion Session
For The Year Ended
31 December 2024

Classified as: Internal - Confidential

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Non-IFRS measures

This presentation also contains non-IFRS financial detail.

Oman Economic Overview

GDP (Current Prices) RO 42.3 bn	GDP Growth 1.0%	Inflation 1.3%
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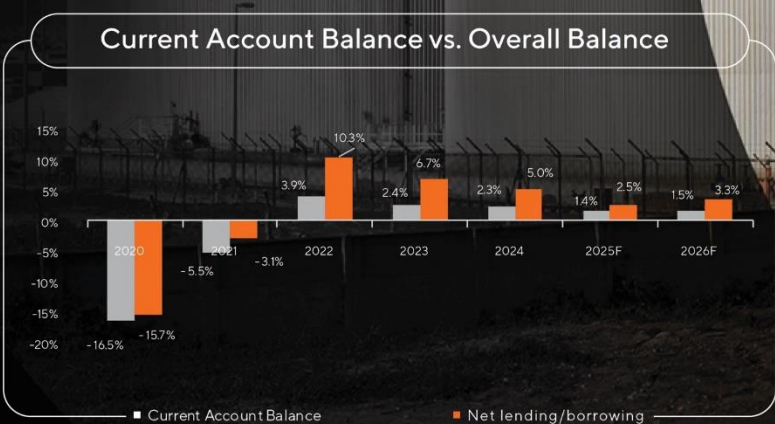
2024, Source: IMF



Source: IMF

Overall Balance 5.0%	Current Account 2.3%
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Source: IMF, 2024



Source: IMF, 2024

Inflation

2nd GCC
5th Globally

Source: IMF, Jan'25

GDP / Capita (current US\$)

\$20,230
OMAN

\$14,450
World Average

Source: IMF, 2025

FDI Net Inflow (% to GDP)

11.5%
OMAN

0.8%
World Average

2023, Source: The World Bank

Budget Surplus / (Deficit)

\$1.40 bn
2024 Preliminary

\$1.3 bn
End - Oct'24

(\$1.61 bn)
2025 Projected

Source: Ministry of Finance

Fitch
BB+ (Positive)
(Dec' 24)

Moody's
Ba1 (Positive)
(Aug' 24)


S&P
BBB- (Stable)
(Mar' 25)

Debt
RO14.5 bn

Debt/GDP
33.9%

Source: Ministry of Finance, 1H 2024

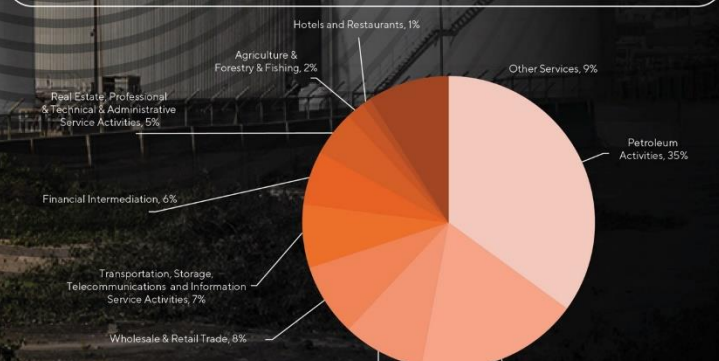
Govt. Debt as a % of GDP



Year	Govt. Debt as a % of GDP
2022	41.0%
2023	36.0%
2024	34.0%
2025F	33.6%
2026F	31.7%

Sources: Ministry of Finance and statista

GDP Composition by Sector*



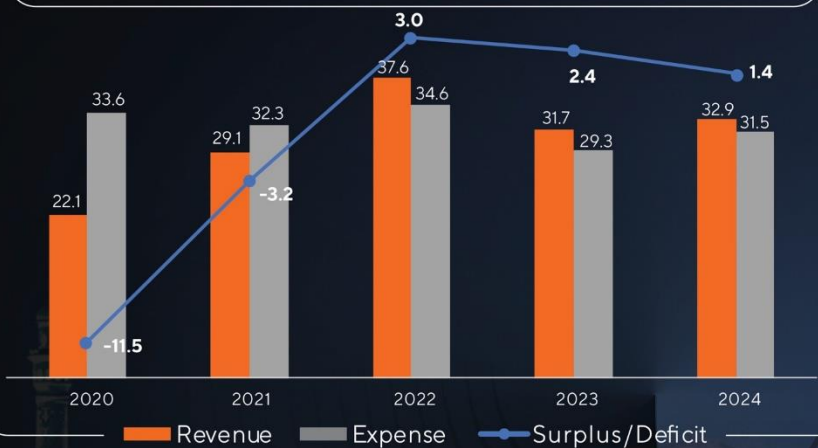
Sector	Percentage
Petroleum Activities	35%
Non-Petroleum Industrial Activities	18%
Public Administration & Defence	9%
Other Services	9%
Wholesale & Retail Trade	8%
Transportation, Storage, Telecommunications and Information Service Activities	7%
Financial Intermediation	6%
Real Estate, Professional & Technical & Administrative Service Activities	5%
Agriculture & Forestry & Fishing	2%
Hotels and Restaurants	1%

* Excluded: Financial Intermediation Services Indirectly Measured & Taxes Less Subsidies on Products

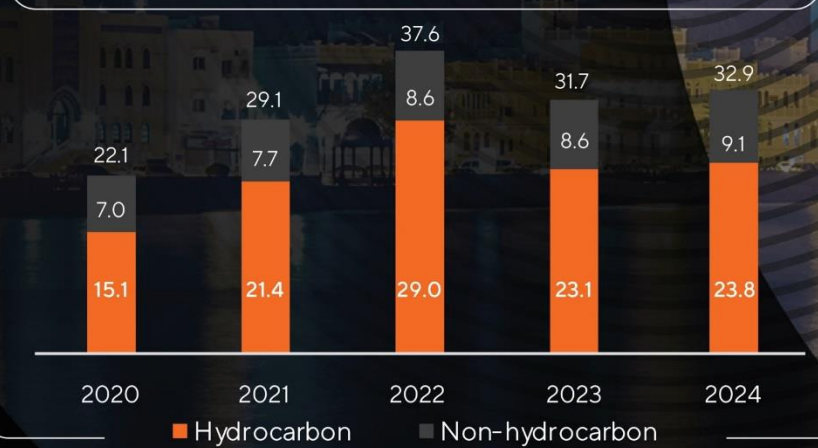
Source: CBO, 2023

Fiscal Budget at a Glance

Financial Performance Trend (USD Bn)



Revenue Breakup (USD Bn)



2025 Budgets

Projected Revenue
OMR 11.2 bn

Projected Expenditure
OMR 11.8 bn

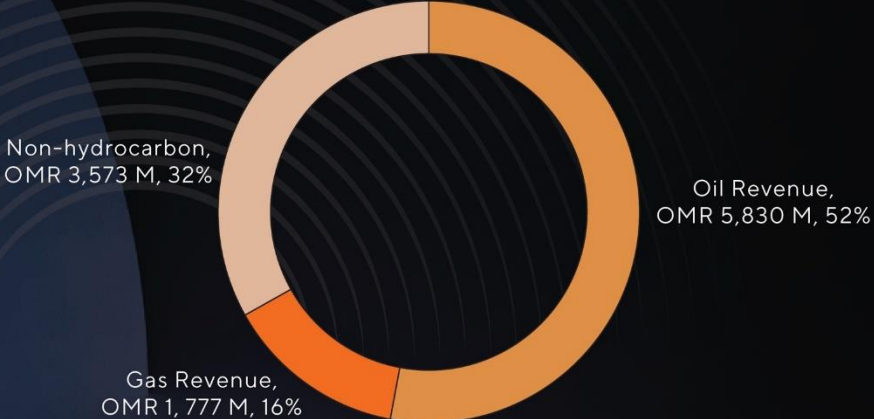
Projected Deficit
OMR 0.6 bn

Projected average oil price
\$60

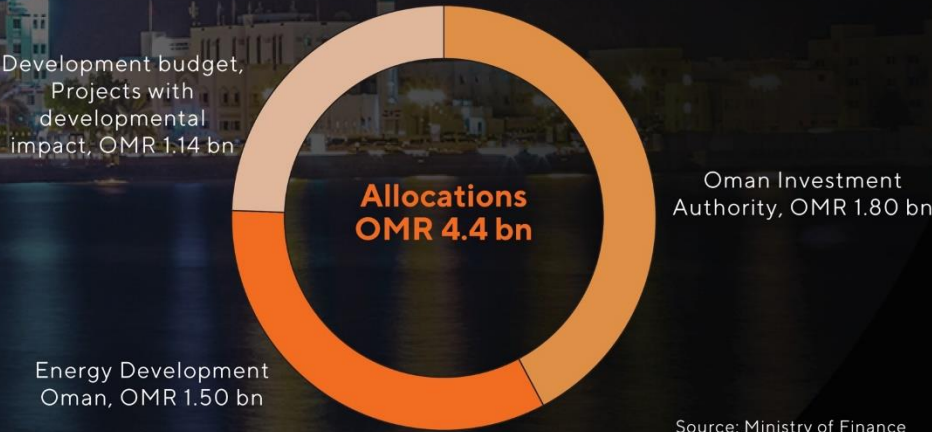
Projected average oil production
1,001

(thousand barrels per day)

2025 Revenues Breakup



2025 Investment Spending



Source: Ministry of Finance

Sohar International at a glance

- Established in 2007 as a public joint stock company Sohar International Bank SAOG (formerly Bank Sohar SAOG) is primarily engaged in commercial, investment, and Islamic banking activities.
- Merger by incorporation with HSBC Bank Oman in August 2023.
- Over 1,500 staff & over 502,000 customers
- 74 branches (54 conventional & 20 Islamic) and extensive digital channels
- Total assets of USD 19.1 billion as of 31 December 2024
- Fastest growing and 2nd largest bank in Oman
- 3rd largest market capitalization on Muscat Stock Exchange of ~ USD 2.3 billion.
- Operating in Oman & Saudi Arabia with 4 main business segments:
 - Wholesale Banking (~ 72% of total earning assets)
 - Retail Banking (~ 17% of total earning assets)
 - Islamic Banking (~ 10% of total earning assets)
 - KSA Banking (~ 1% of total earning assets)

Share Capital

Authorized Capital	RO 1 billion
Issued Shares	6,617,246,270
Paid up capital	RO 702.5 million

Share Price Movement Post Merger

31 December 2024	RO 0.135
17 August 2023	RO 0.108
Growth	25%

Position: 31Dec2024

Market Capitalization

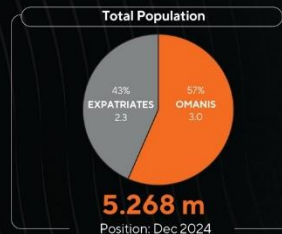
USD ~2.3 Billion

Ownership Structure

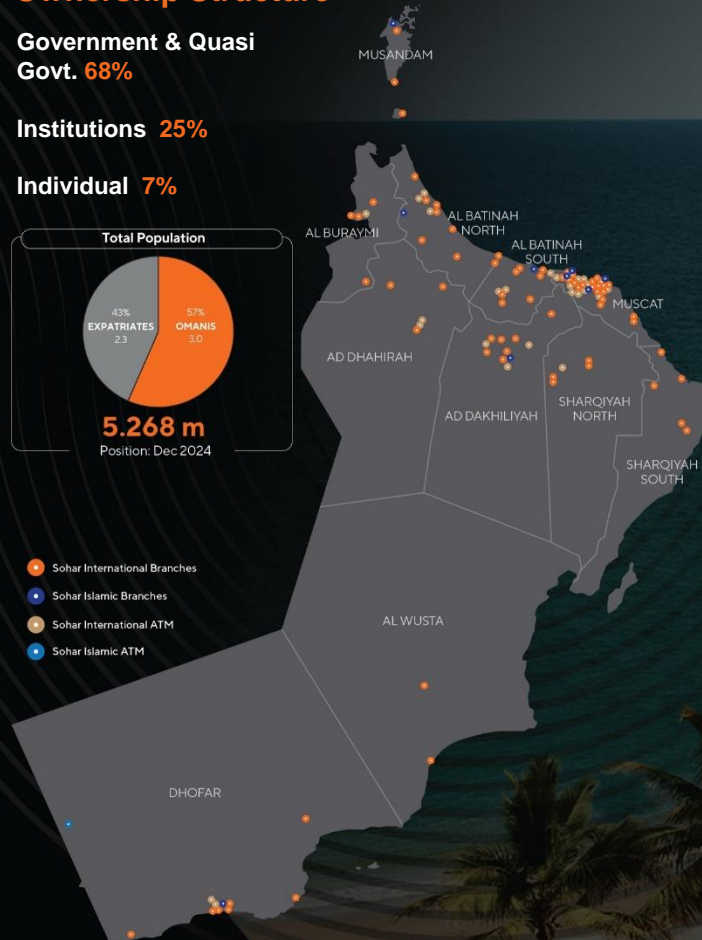
Government & Quasi Govt. 68%

Institutions 25%

Individual 7%



- Sohar International Branches
- Sohar Islamic Branches
- Sohar International ATM
- Sohar Islamic ATM



Our Network & Social Touchpoints

You matter most

From customer service to tech innovations, we strive to give you the best experience, both online and in-person.

From customer service to risk management, product development to tech-led innovations, we ensure your needs are met and deliver effective solutions.

Our expanding touchpoints build an inclusive banking platform that contributes to the nation's overall economy.

On-Ground Platforms

Branches

ATMs/CDMs

Digital Banking

e-Banking

Mobile App

Connect

Website

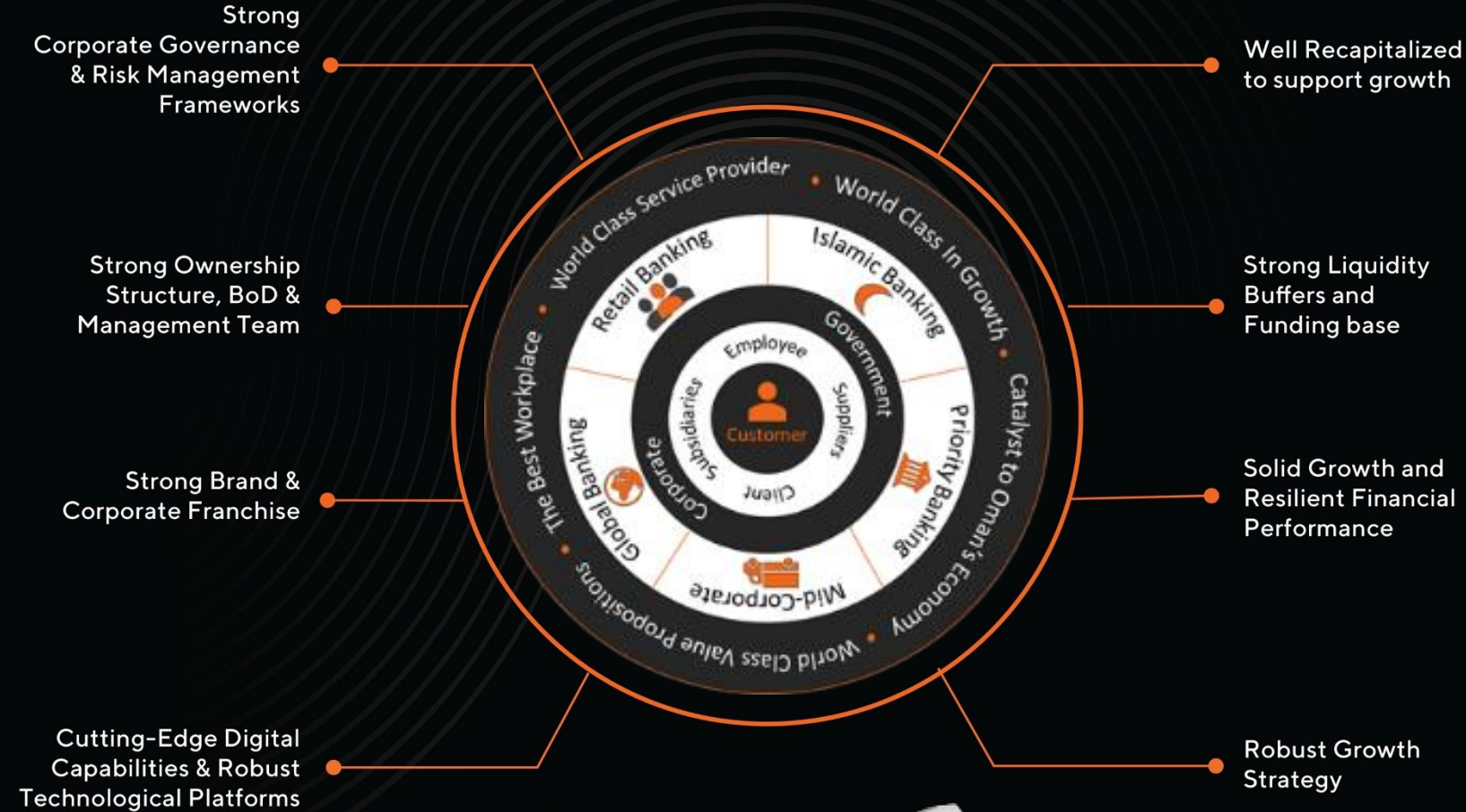
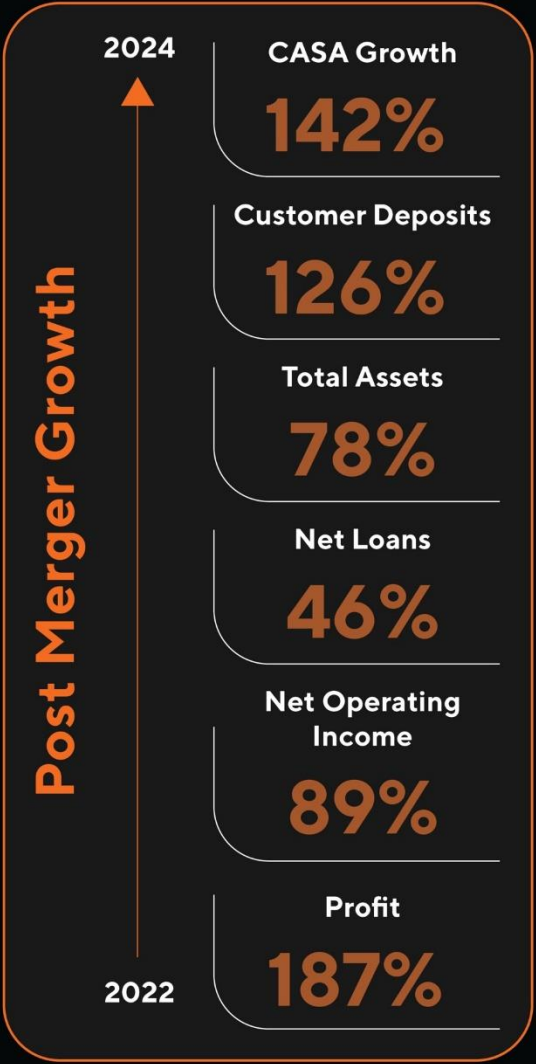
Email

Call Center 2473 0000

Social Platforms



Sohar International Key Strengths





FINANCIAL OVERVIEW

Performance



2024

12.5%

Return on Equity

1.4%

Return on Assets

40.2%

Cost to Income

73.9%

Net Loans to Deposit

RO Million Total Assets

2020	3,611
2021	4,133
2022	4,131
2023	6,689
2024	7,361

RO Million Net loan & Advances

2020	2,503
2021	2,612
2022	2,924
2023	3,921
2024	4,270

RO Million Customer Deposits

2020	2,232
2021	2,394
2022	2,560
2023	5,103
2024	5,777

Our Results (as at 31st December 2024)



Earnings (RO m) YoY growth

Operating Income 245.0 (+50%) ↑	Net Profit 100.2 (+42.4%) ↑	Operating Profit 146.5 (+69%) ↑
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Balance Sheet (RO m) YoY growth

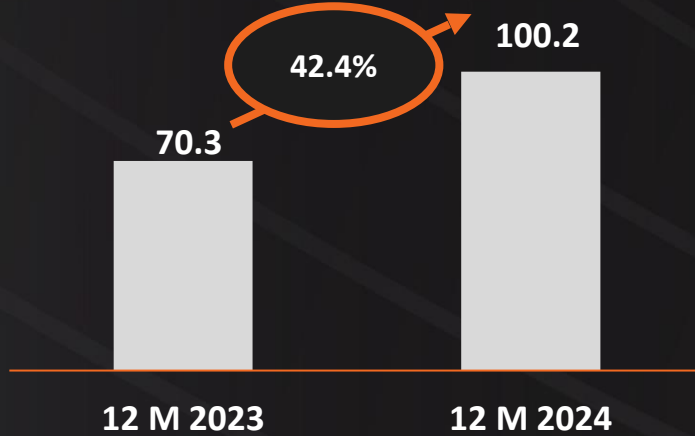
Total Assets 7,361 (10%) ↑	Total Equity 898 (28%) ↑	Net Loans 4,270 (9%) ↑	Total Deposits 5,777 (13%) ↑
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Earnings & Profitability			Credit Quality		Capitalization			Funding & Liquidity			
ROE 12.5%	ROA 1.4%	CIR 40.2%	NPL Ratio 4.7%	NPL Coverage 158%	CET 1 16.4%	Tier 1 16.4%	CAR 17.3%	LCR 177%	NSFR 132%	CASA 68%	LTD 74%

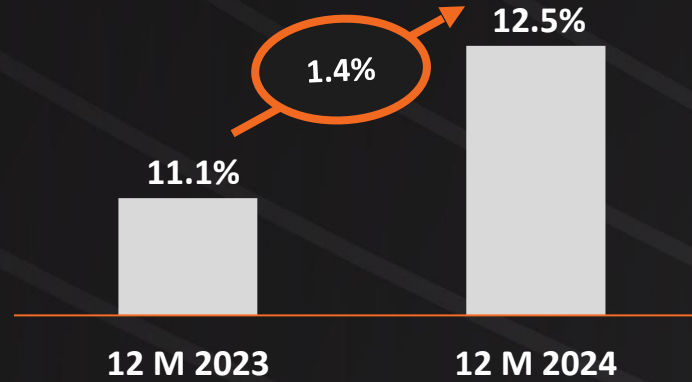
Our Results: Key Highlights (December 2024)

1 Profit for the year

RO million

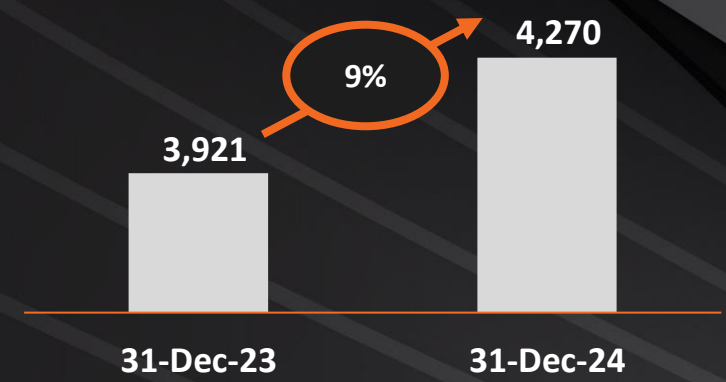


2 Return on Equity



3 Net Loans and Advances

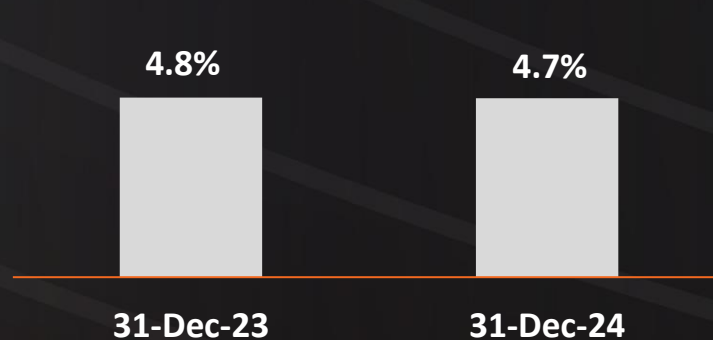
RO million



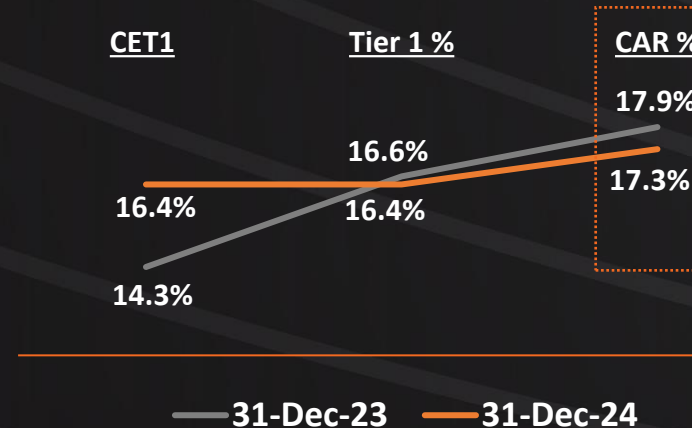
4 Asset Quality

143%	Coverage Ratio	158%
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NPL Ratio %



5 Capital Ratios



6 Credit Ratings

Credit Rating Outlook

Fitch Ratings	BB	Positive	Dec-2024
MOODY'S	Ba1	Positive	Sep-2024

Profit for the 12 months ended 31 December

RO Million	12 months 2024	12 months 2023	Variance 2024 v 2023	
			Amount	%
Interest income	314.5	240.1	74.3	31.0%
Interest expense	(144.4)	(121.7)	(22.7)	(18.7)%
Net interest income	170.0	118.5	51.6	43.5%
Net income from Islamic financing and investing activities	11.0	7.4	3.5	47.5%
Other operating income	64.0	37.5	26.4	70.4%
Total operating income	244.9	163.4	81.5	49.9%
Total operating expenses	(98.4)	(76.9)	(21.5)	(27.9)%
Net operating income before impairment provisions	146.5	86.5	60.1	69.4%
Gain on bargain purchase	9.2	91.8	(82.5)	(89.9)%
Loan impairment charges and other credit risk provisions (net)	(37.9)	(105.1)	67.2	64.0%
Profit before tax	117.9	73.2	44.8	61.2%
Income tax expense	(17.7)	(2.8)	(14.9)	(527.4)%
Profit for the year	100.2	70.3	29.8	42.4%
<i>Return on assets (ROA) %</i>	<i>1.4%</i>	<i>1.3%</i>		<i>0.1%</i>
<i>Return on equity (ROE) %</i>	<i>12.5%</i>	<i>11.1%</i>		<i>1.4%</i>
<i>Cost to income ratio (CIR) %</i>	<i>40.2%</i>	<i>47.1%</i>		<i>6.9%</i>
<i>Cost of risk*</i>	<i>0.9%</i>	<i>2.7%</i>		<i>1.8%</i>

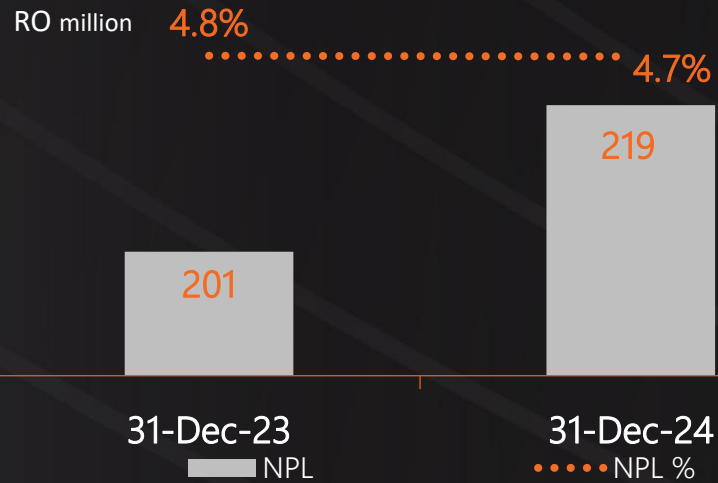
* Net loans considered in calculation

Balance Sheet as at 31 December

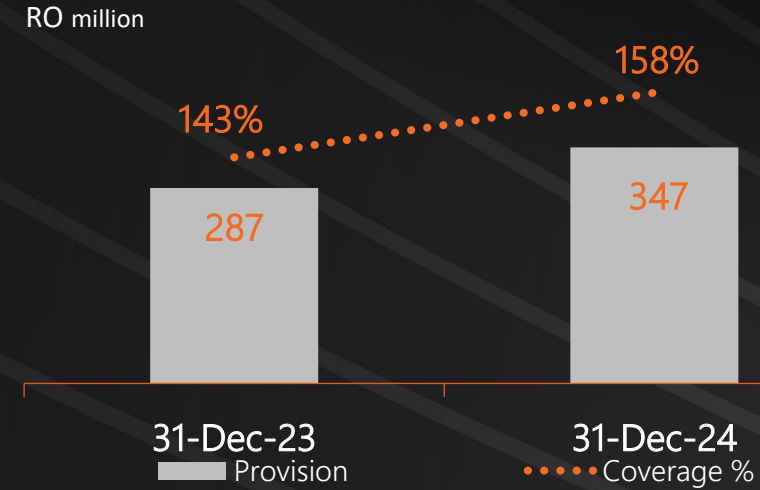
RO Million	31-Dec-24	31-Dec-23	Variance Dec 24 vs Dec 23	
			Amount	%
<u>ASSETS</u>				
Cash and balances with Central Bank	203.0	205.7	(2.7)	(1.3)%
Due from banks	561.7	652.0	(90.3)	(13.8)%
Investment securities	2,119.0	1,711.2	407.8	23.8%
Loans, advances and Islamic financings (net)	4,269.8	3,921.2	348.6	8.9%
Other assets	58.0	53.6	4.5	8.3%
Investment properties	2.9	2.9	-	0.0%
Property and equipment	74.4	75.6	(1.2)	(1.6)%
Intangible assets	71.9	66.6	5.3	8.0%
TOTAL ASSETS	7,360.8	6,688.7	672.0	10.0%
<u>LIABILITIES</u>				
Due to banks	570.3	676.1	(105.8)	(15.6)%
Customer deposits	5,777.0	5,103.0	674.0	13.2%
Other liabilities	115.1	107.5	7.6	7.1%
Total liabilities	6,462.4	5,886.6	575.8	9.8%
Total shareholders' equity	898.3	702.1	196.2	28.0%
Perpetual tier 1 capital securities	-	100.0	(100.0)	(100.0)%
Total equity	898.3	802.1	96.2	12.0%
TOTAL LIABILITIES AND EQUITY	7,360.8	6,688.7	672.0	10.0%
Net loans / deposits	73.9%	76.8%		
CASA ratio	68.3%	70.0%		

Credit Quality

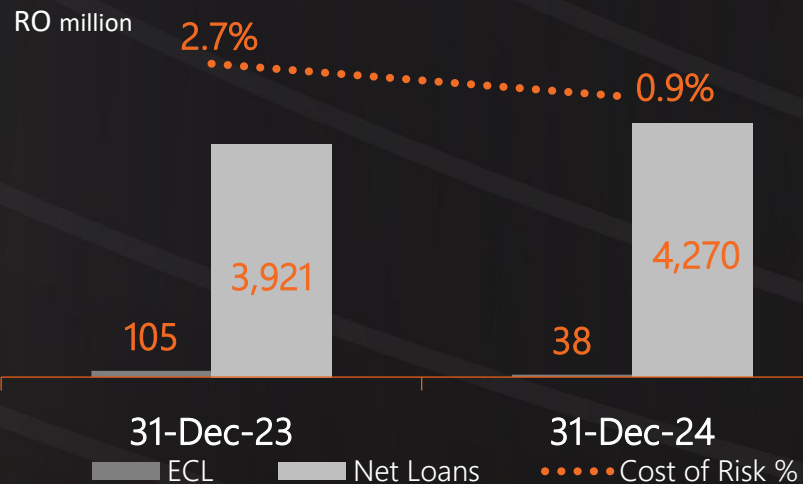
1 Non-performing Loans (NPL)



2 NPL Coverage

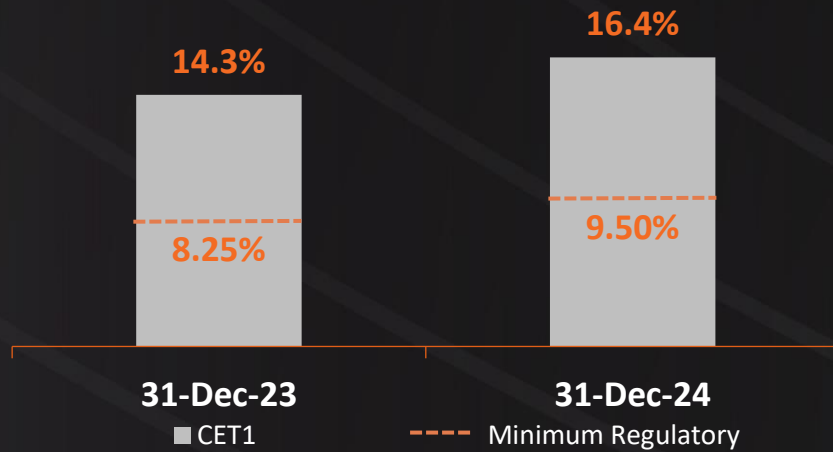


3 Cost of Risk

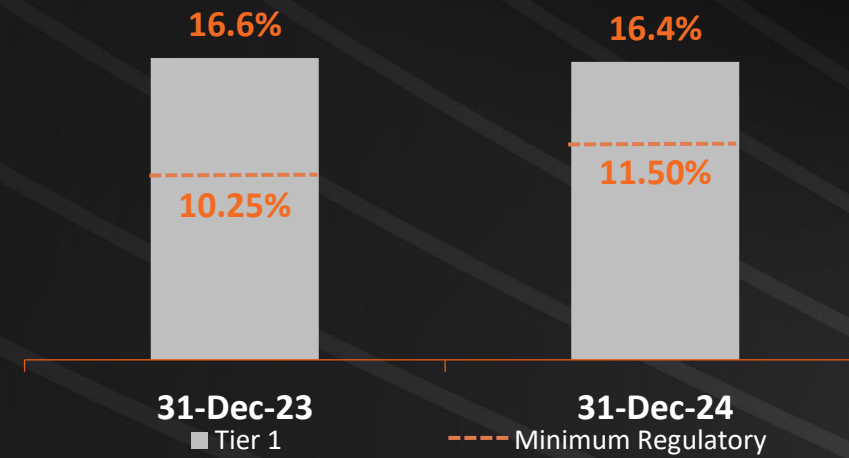


Capital & Leverage

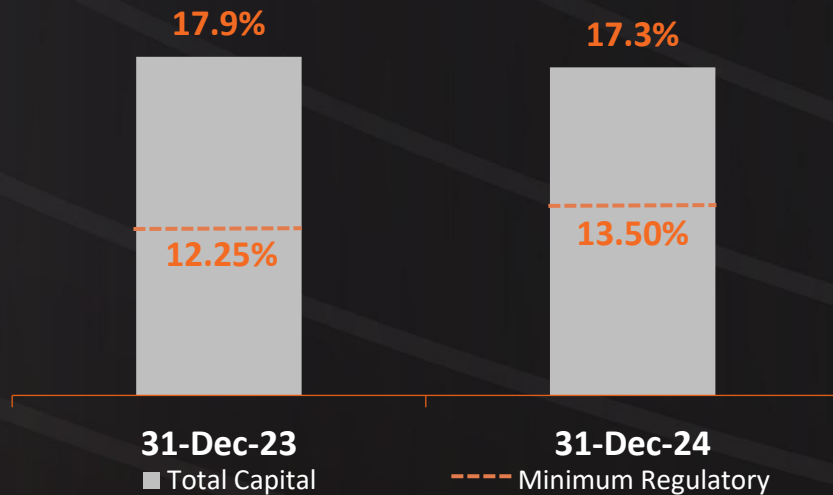
1 CET 1 Ratio



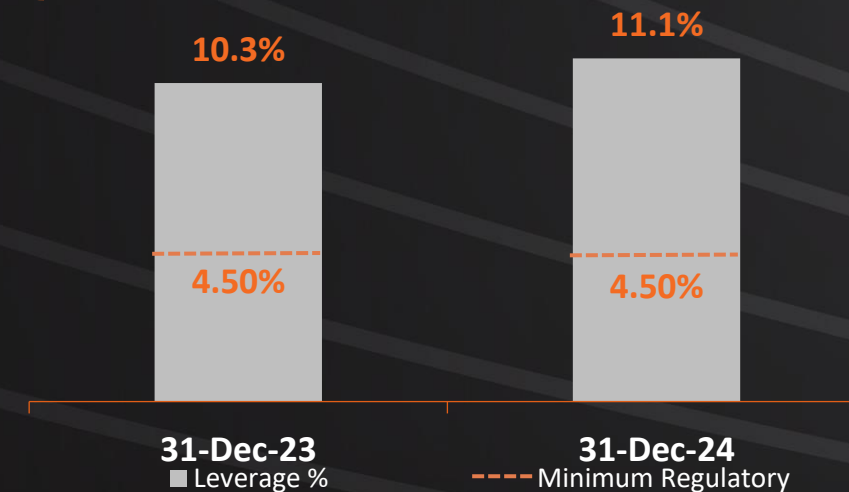
2 Tier 1 Ratio



3 Total Capital Ratio

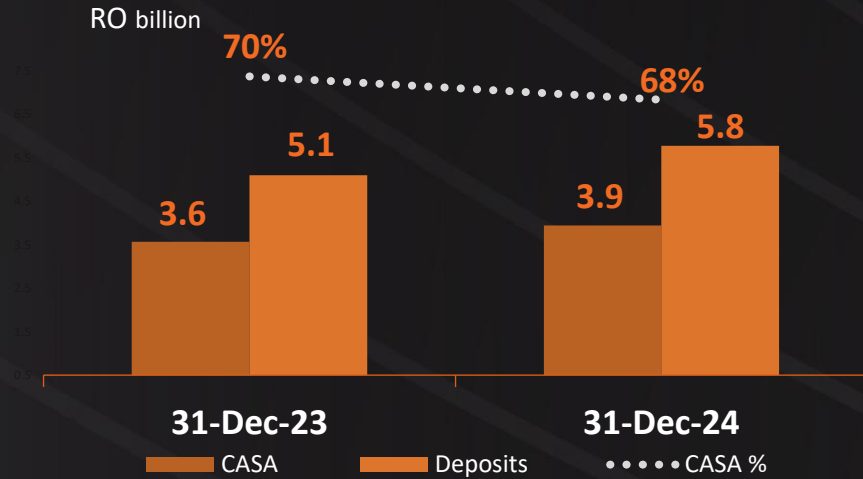


4 Leverage Ratio (Local Regulatory basis)

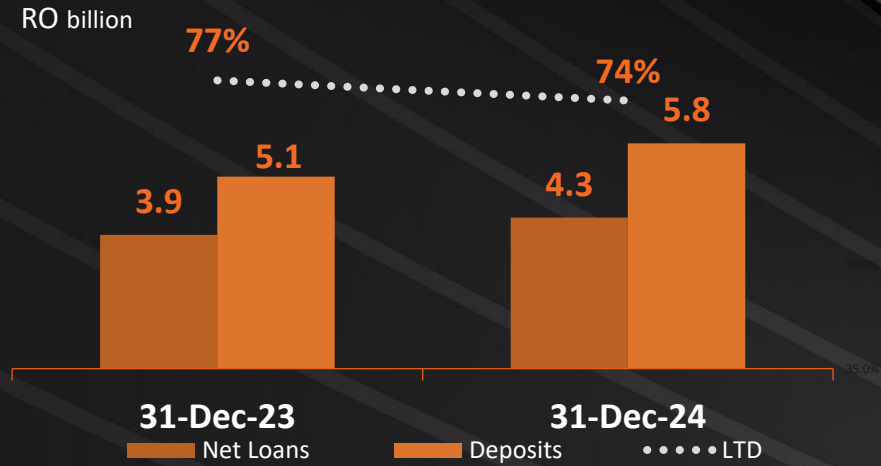


Funding & Liquidity

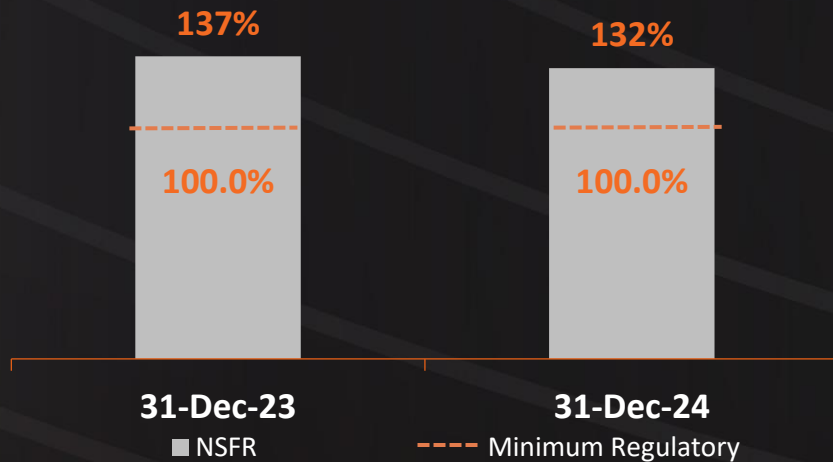
1 CASA / Customer Deposits %



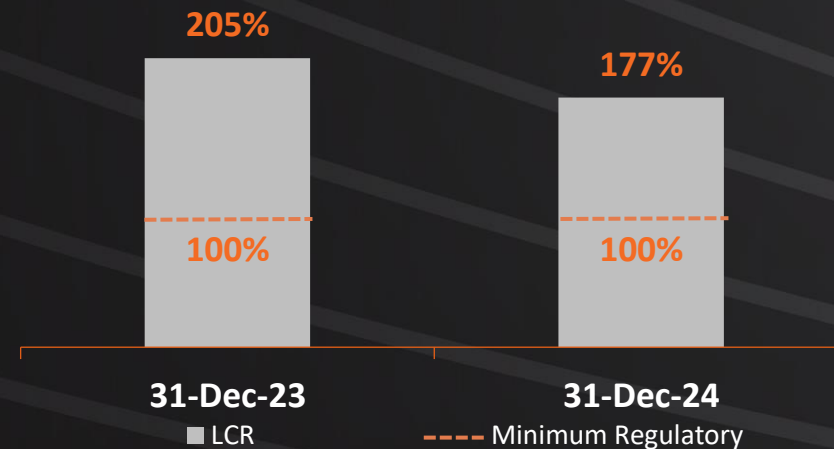
2 Net Loans to Deposits %



3 Net Stable Funding Ratio (NSFR)



4 Liquidity Coverage Ratio (LCR)





Q & A