



MSX Investor Presentation
06th August 2025

MSX Discussion Session

For The Six Months Ended
30 June 2025

Classified as: Internal - Confidential

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Non-IFRS measures

This presentation also contains non-IFRS financial detail.

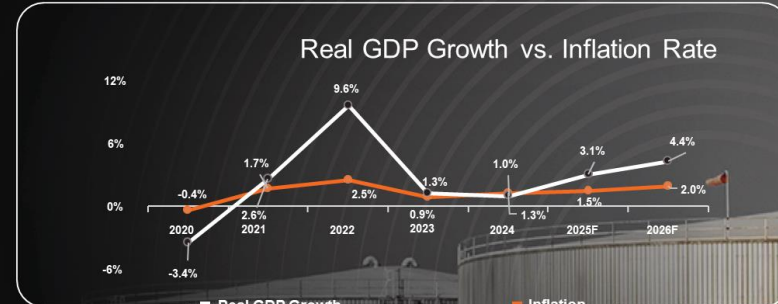
Oman Economic Overview

GDP (Current Prices)
RO 42.3 bn

GDP Growth
1.0%

Inflation
1.3%

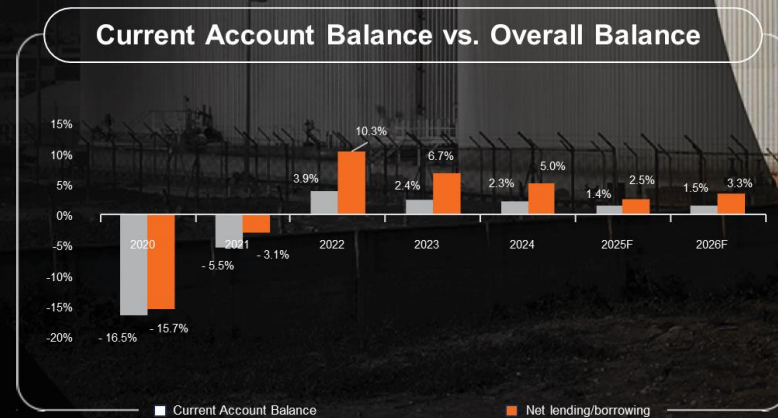
2024, Source: IMF



Overall Balance
5.0%

Current Account
2.3%

Source: IMF, 2024



Inflation

3rd GCC
10th Globally

Source: IMF, Jan'25

GDP / Capita (current US\$)

\$18,970
OMAN

\$14,210

World Average

Source: IMF, Apr'25

FDI Net Inflow (% to GDP)

11.5%
OMAN

0.7%
World Average

2023, Source: The World Bank

Budget Surplus / (Deficit)

\$1.40 bn
2024 Actual

(\$0.4 bn)
Q1-2025

(\$1.61 bn)
2025 Projected

Source: Ministry of Finance

Fitch
BB+ (Positive)
(Dec' 24)

Moody's
Baa3 (Stable)
(Jul' 25)

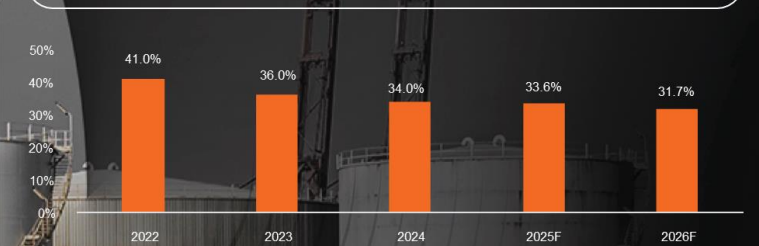
S&P
BBB- (Stable)
(Mar' 25)

Debt

RO14.3 bn (Q1'24: RO15.1 bn)

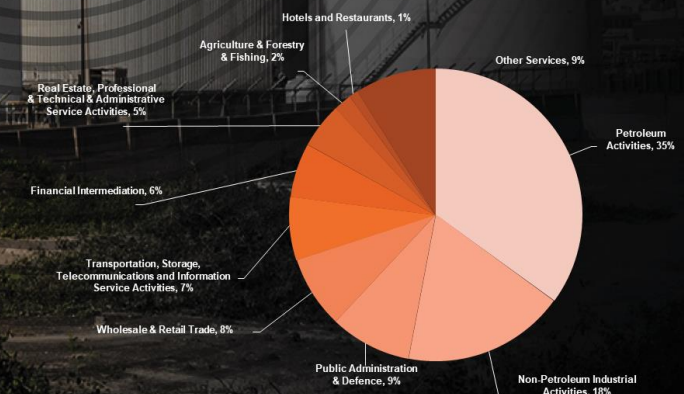
Source: Ministry of Finance, Q1 2025

Govt. Debt as a % of GDP



Sources: Ministry of Finance and statista

GDP Composition by Sector*

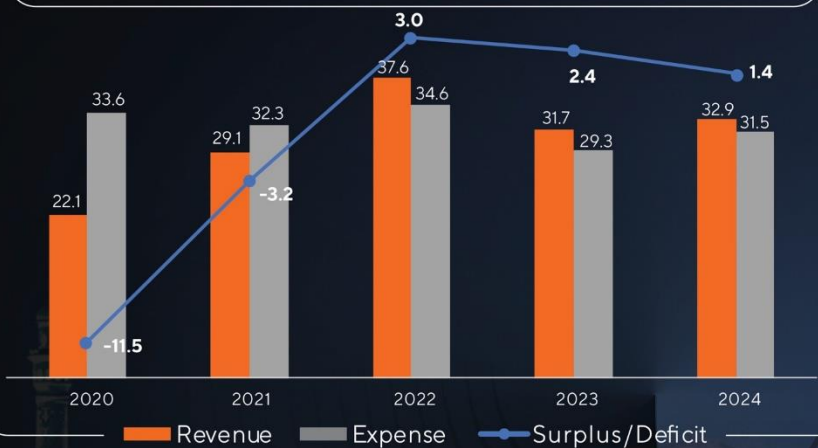


Source: CBO, 2023

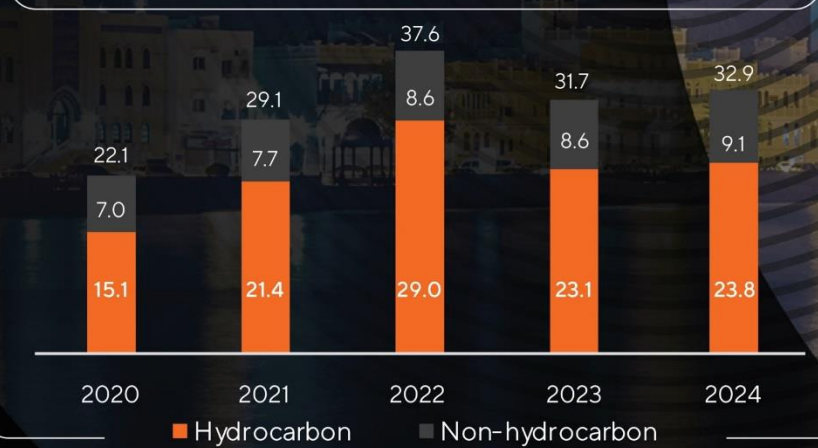
* Excluded: Financial Intermediation Services Indirectly Measured & Taxes Less Subsidies on Products

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

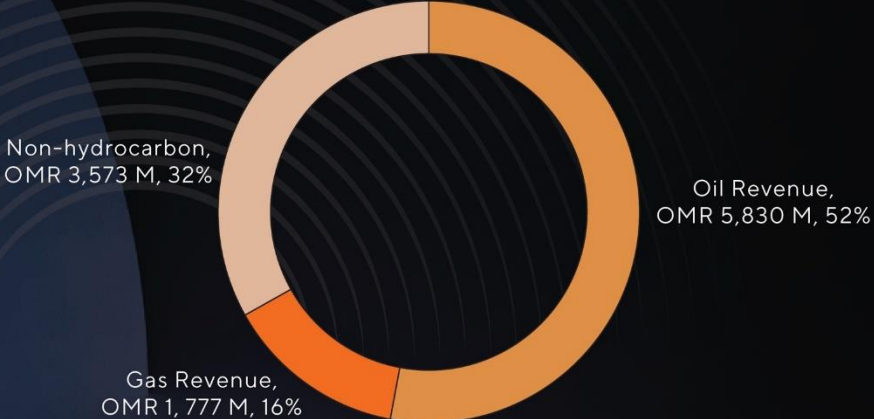
Projected Deficit
OMR 0.6 bn

Projected average oil price
\$60

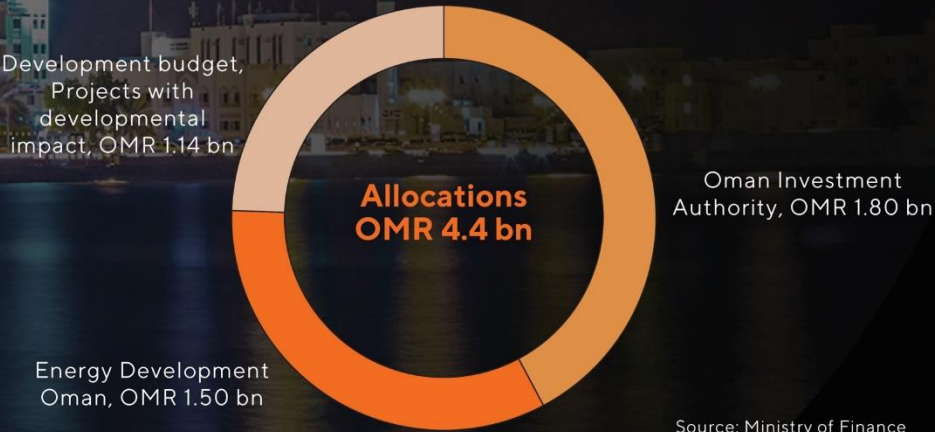
Projected average oil production
1,001

(thousand barrels per day)

2025 Revenues Breakup

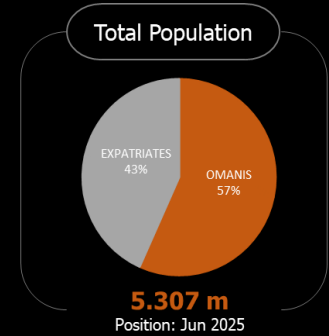


2025 Investment Spending

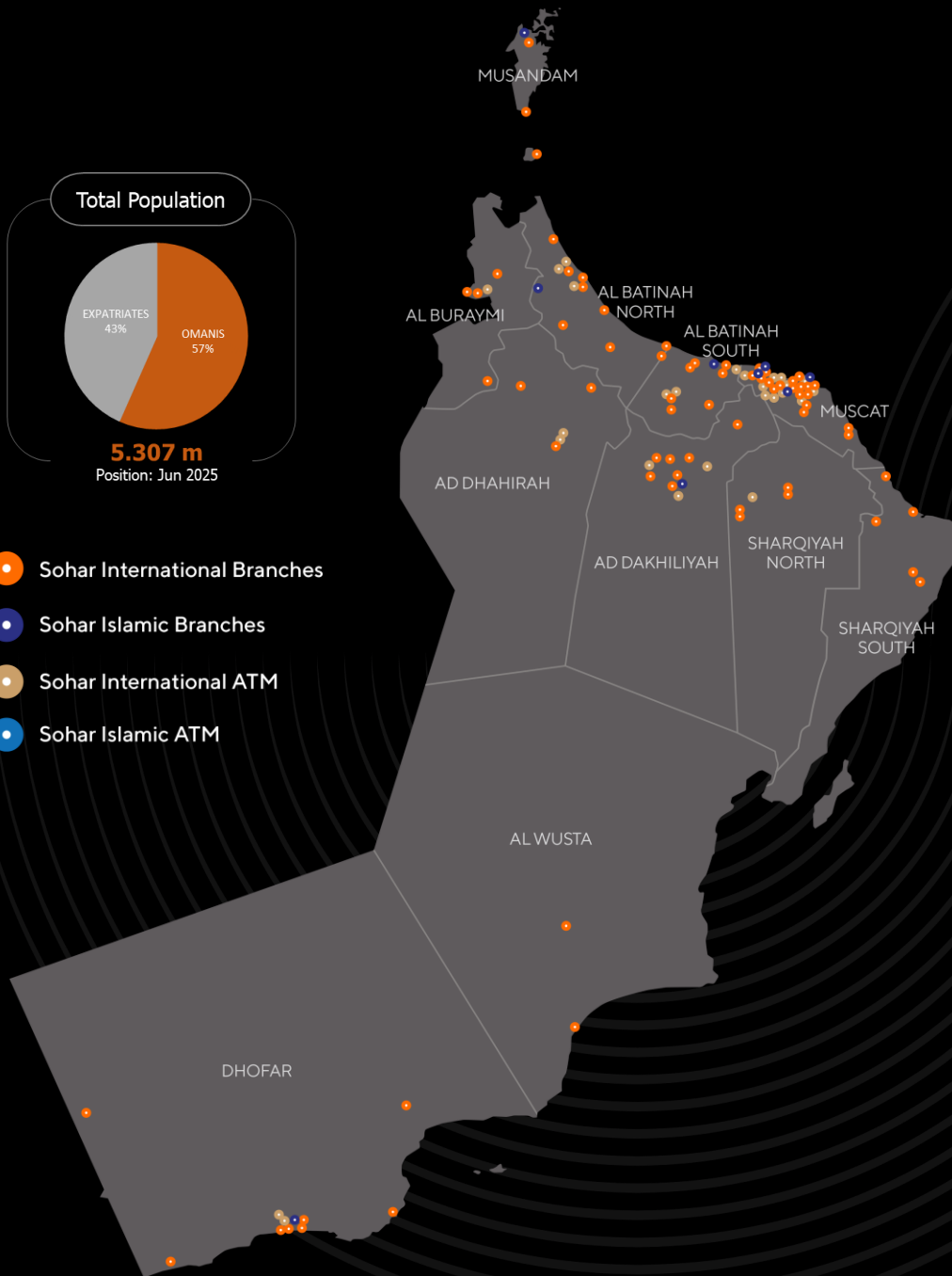


Source: Ministry of Finance

Sohar International at a glance



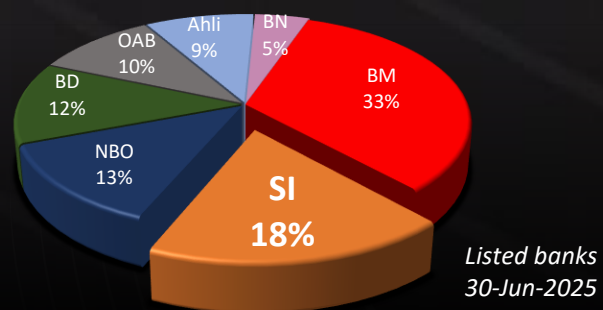
- Sohar International Branches
- Sohar Islamic Branches
- Sohar International ATM
- Sohar Islamic ATM



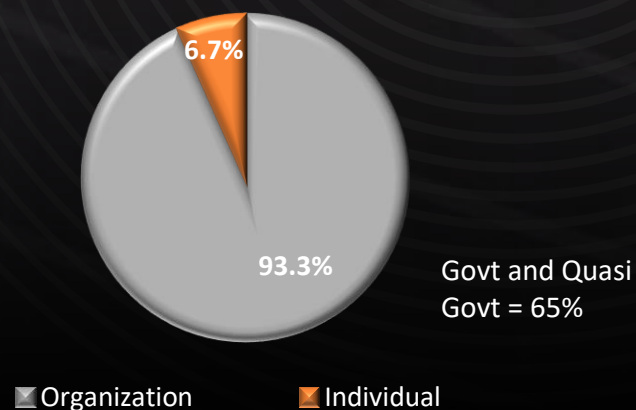
- Established in 2007 as a public joint stock company Sohar International Bank SAOG (formerly Bank Sohar SAOG) is primarily engaged in commercial, investment, and Islamic banking activities.
- Merger by incorporation with HSBC Bank Oman in August 2023.
- Over 1,500 staff & over 543,000 customers
- 73 branches (53 conventional & 20 Islamic) and extensive digital channels
- Total assets of USD 20.5 billion as of 30 June 2025
- Fastest growing and 2nd largest bank in Oman
- 3rd largest market capitalization on Muscat Stock Exchange of over USD 2.4 billion.
- Operating in Oman & Saudi Arabia with 4 main business segments:
 - Wholesale Banking (~ 69% of total earning assets)
 - Retail Banking (~ 16% of total earning assets)
 - Islamic Banking (~ 12% of total earning assets)
 - KSA Banking (~ 3% of total earning assets)

Sohar International at a glance

Market Share – Total Assets



Shareholders



MSX top 3 by market cap

Market Capitalization

USD 2.4 Bn

Price to book ratio 1.05

Share Capital

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

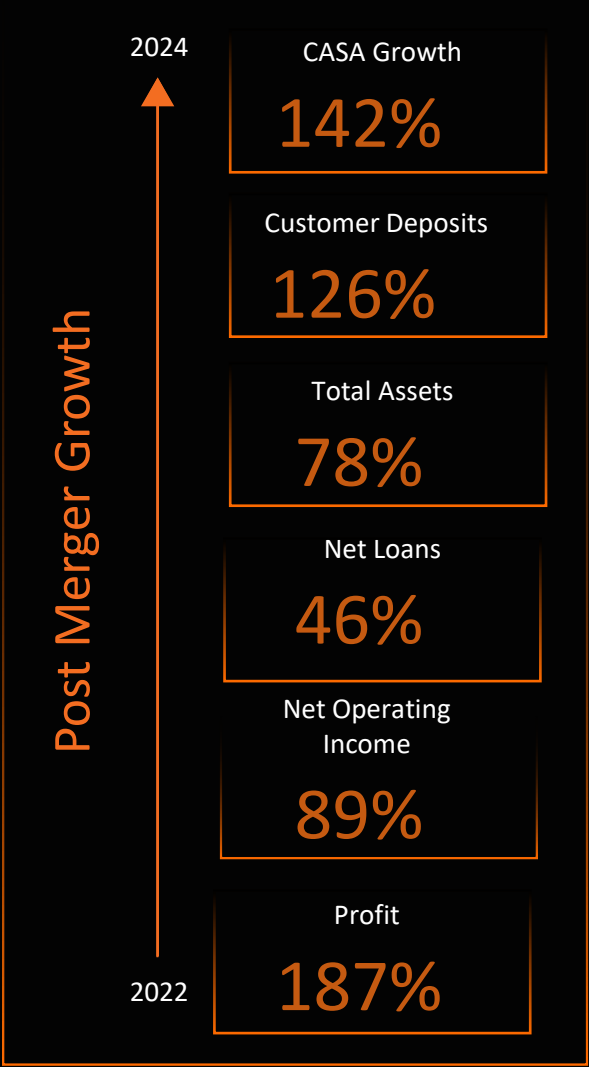
Share Price Movement Post Merger

30-Jun-2025	RO 0.141
17-Aug-2023	RO 0.108
Growth	31%

Positions as at 30-June-2025

- The Omani banking sector comprises 22 licensed banks (including 2 Islamic): 7 local listed banks (including 1 Islamic), 2 state-owned specialized banks, 10 foreign commercial banks, and 1 Islamic Bank subsidiary. Islamic windows are operated by all listed conventional banks.
- Central Bank of Oman (CBO) is a prudent and strong regulator, having introduced many regulations to enable a competitive environment and sustainable banking sector growth, as well as leading the implementation of international best practice including Basel Capital Accord framework and IFRS.
- Islamic banking assets have 19.9 per cent market share of total banking sector assets as of the end of May 2025

Sohar International Key Strengths





FINANCIAL OVERVIEW

Performance



H1 25

10.3%

Return on Equity

1.2%

Return on Assets

45.1%

Cost to Income

77.0%

Net Loans to Deposit

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

19%

CAGR

2020

3,611

2021

4,133

2022

4,131

2023

6,689

2024

7,361

RO Million
Net loan & Advances

14%

CAGR

2020

2,503

2021

2,612

2022

2,924

2023

3,921

2024

4,270

RO Million
Customer Deposits

27%

CAGR

2020

2,232

2021

2,394

2022

2,560

2023

5,103

2024

5,777

Our Results (as at 30th June 2025)



Earnings (RO m) YoY growth

Operating Income 115.6 (-2%) ↓	Net Profit 46.2 (-8%) ↓	Operating Profit 63.4 (-10%) ↓
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Balance Sheet (RO m) YoY growth

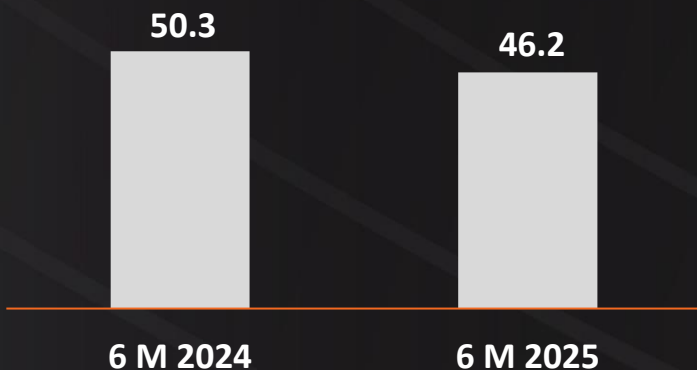
Total Assets 7,877 (+10%) ↑	Total Equity 892 (+24%) ↑	Net Loans 4,862 (+21%) ↑	Total Deposits 6,313 (+13%) ↑
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Earnings & Profitability			Credit Quality		Capitalization			Funding & Liquidity			
ROE	ROA	CIR	NPL Ratio	Coverage	CET 1	Tier 1	CAR	LCR	NSFR	CASA	LTD
10.3%	1.2%	45.1%	4.5%	158%	14.7%	14.7%	15.2%	136%	115%	66%	77%

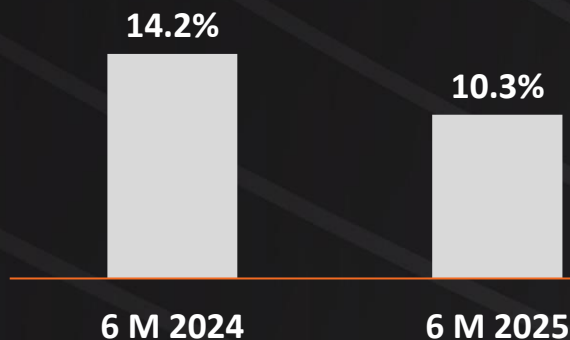
Our Results: Key Result Indicators

1 Profit for the period

RO million

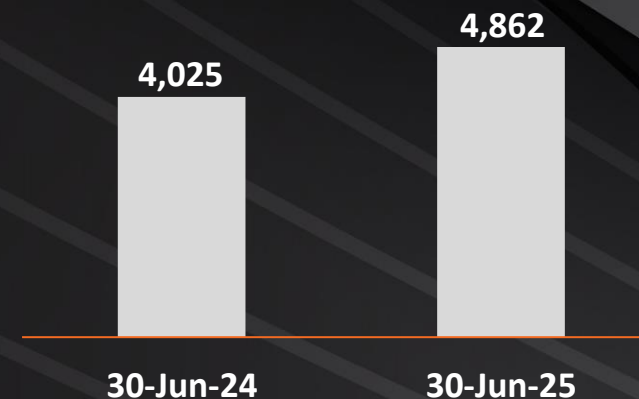


2 Return on Equity



3 Net Loans and Advances

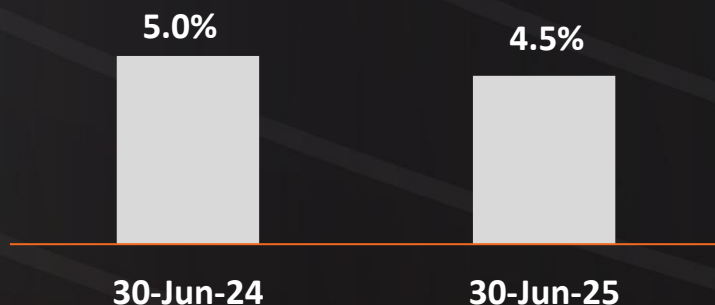
RO million



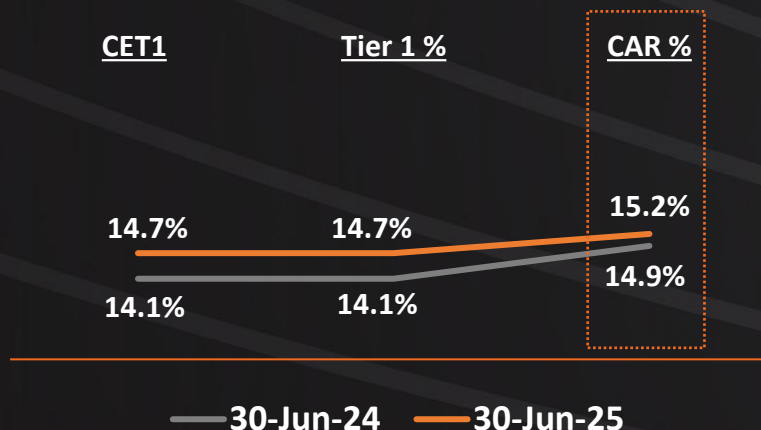
4 Asset Quality



NPL Ratio %

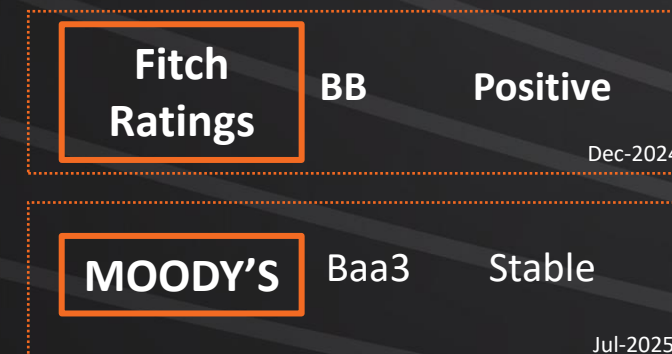


5 Capital Ratios



6 Credit Ratings

Credit Rating Outlook



Profit for the 6 months period ended 30 June

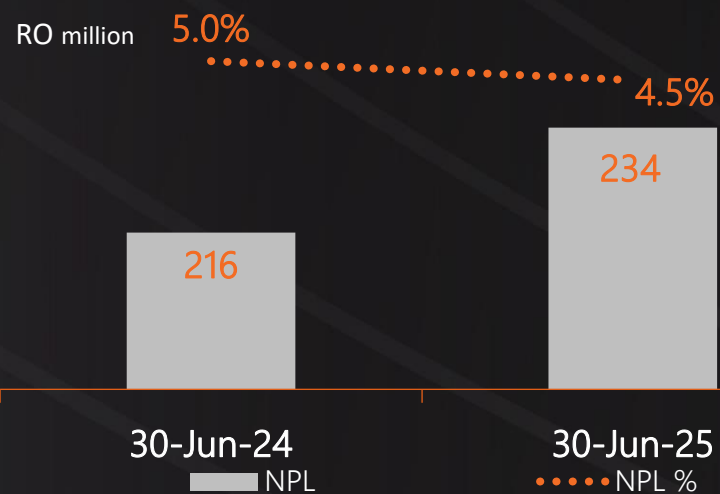
RO Million	6 months 2025	6 months 2024	Variance Jun 2025 v Jun 2024	
			Amount	%
Interest income	151.9	152.5	(0.6)	(0.4)%
Interest expense	(76.3)	(68.0)	(8.3)	(12.2)%
Net interest income	75.6	84.5	(8.9)	(10.6)%
Net income from Islamic financing and investing activities	6.7	5.3	1.4	25.8%
Other operating income	33.3	28.0	5.3	18.8%
Total operating income	115.6	117.9	(2.3)	(1.9)%
Total operating expenses	(52.1)	(47.8)	(4.4)	(9.1)%
Net operating income before impairment provisions	63.4	70.1	(6.7)	(9.5)%
Loan impairment charges and other credit risk provisions (net)	(12.2)	(10.2)	(2.0)	(19.4)%
Profit before tax	51.2	59.9	(8.6)	(14.4)%
Income tax expense	(5.1)	(9.6)	4.5	47.0%
Profit for the period	46.2	50.3	(4.1)	(8.2)%
<i>Return on assets (ROA) %</i>	<i>1.2%</i>	<i>1.5%</i>		<i>(0.3)%</i>
<i>Return on equity (ROE) %</i>	<i>10.3%</i>	<i>14.2%</i>		<i>(3.9)%</i>
<i>Cost to income ratio (CIR) %</i>	<i>45.1%</i>	<i>40.5%</i>		<i>(4.6)%</i>
<i>Cost of risk</i>	<i>0.5%</i>	<i>0.5%</i>		<i>0.0%</i>

Balance Sheet as at 30 June

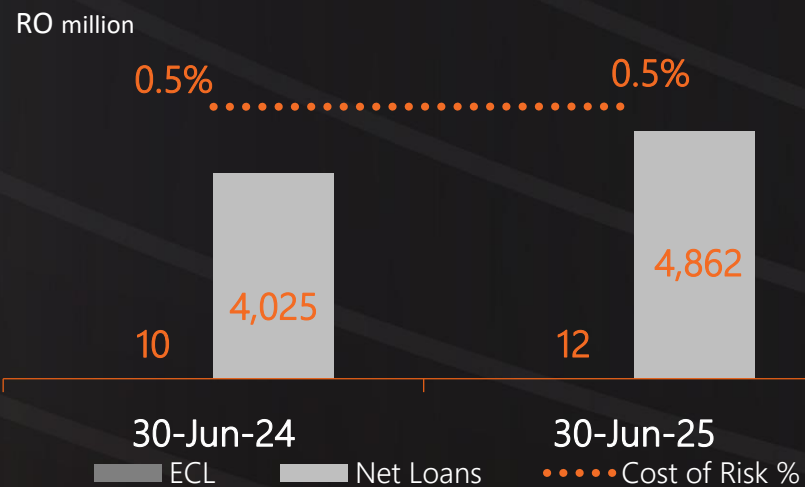
RO Million	30-Jun-25	30-Jun-24	Variance Jun 25 vs Jun 24 Amount	%
<u>ASSETS</u>				
Cash and balances with Central Bank	268.5	171.2	97.3	56.8%
Due from banks	657.8	735.0	(77.2)	(10.5)%
Investment securities	1,883.3	2,052.5	(169.2)	(8.2)%
Loans, advances and Islamic financings (net)	4,861.6	4,025.2	836.4	20.8%
Other assets	57.8	42.9	14.9	34.7%
Investment properties	2.9	2.9	-	0.0%
Property and equipment	75.3	73.5	1.8	2.5%
Intangible assets	69.3	64.4	5.0	7.7%
TOTAL ASSETS	7,876.6	7,167.6	708.9	9.9%
<u>LIABILITIES</u>				
Due to banks	565.6	727.9	(162.3)	(22.3)%
Customer deposits	6,312.7	5,610.5	702.3	12.5%
Other liabilities	106.2	110.8	(4.6)	(4.1)%
Total liabilities	6,984.5	6,449.1	535.4	8.3%
Total shareholders' equity	892.0	718.5	173.5	24.2%
Perpetual tier 1 capital securities	-	-	-	-
Total equity	892.0	718.5	173.5	24.2%
TOTAL LIABILITIES AND EQUITY	7,876.6	7,167.6	708.9	9.9%
Net loans / deposits	77%	72%		
CASA ratio	66%	76%		

Credit Quality

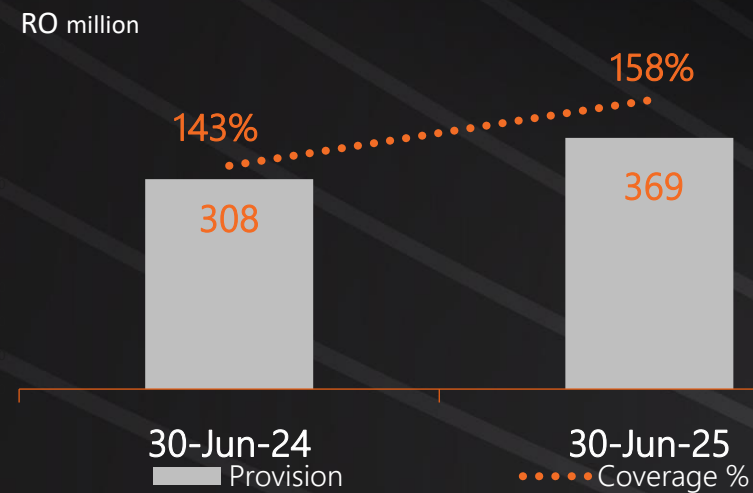
1 Non-performing Loans (NPL)



3 Cost of Risk

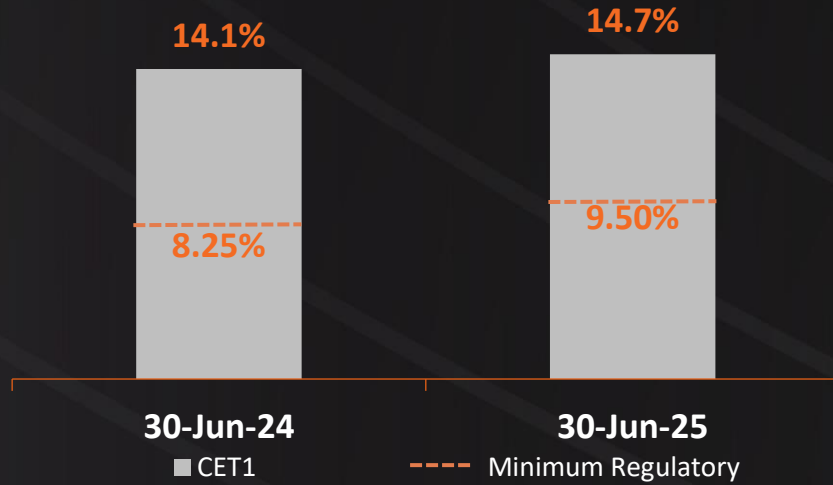


2 Coverage

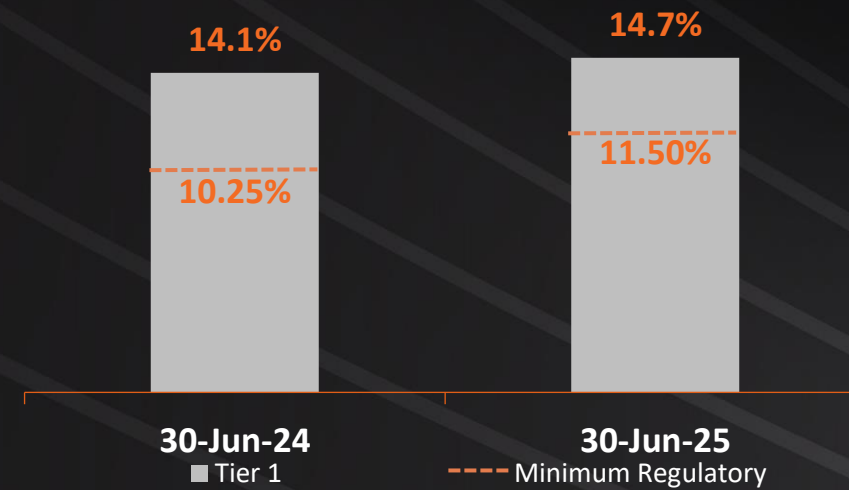


Capital & Leverage

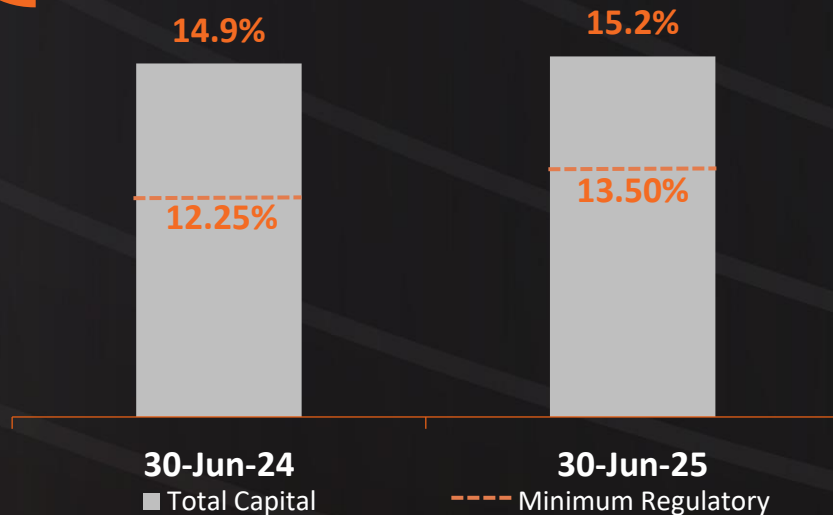
1 CET 1 Ratio



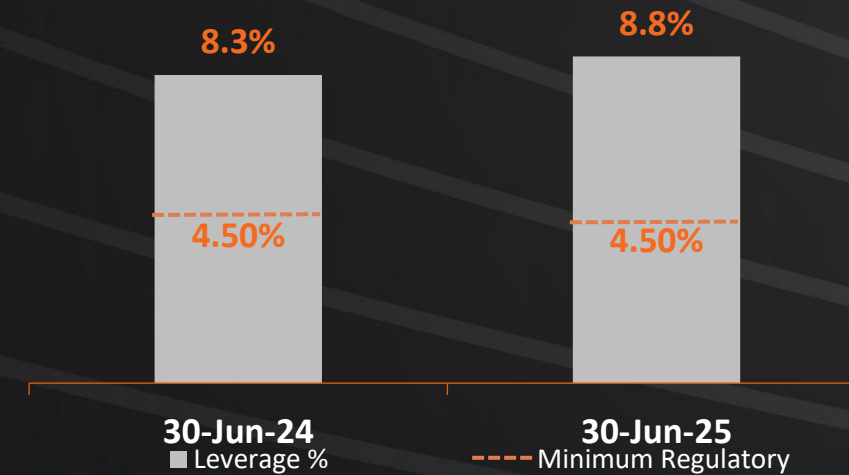
2 Tier 1 Ratio



3 Total Capital Ratio



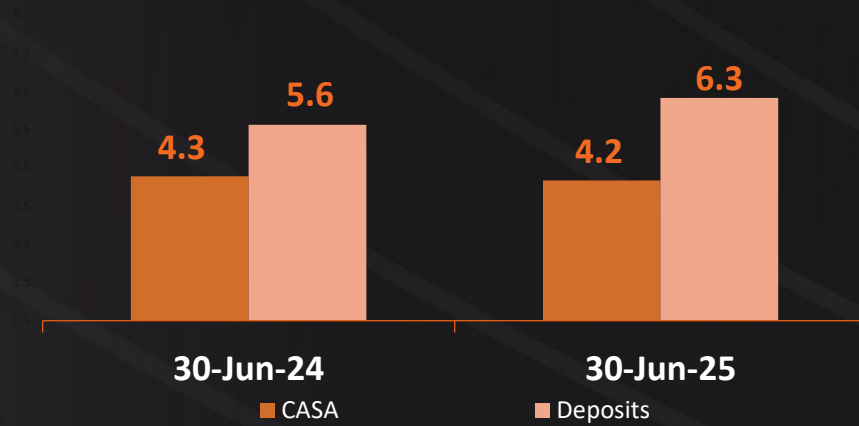
4 Leverage Ratio (Local Regulatory basis)



Funding & Liquidity

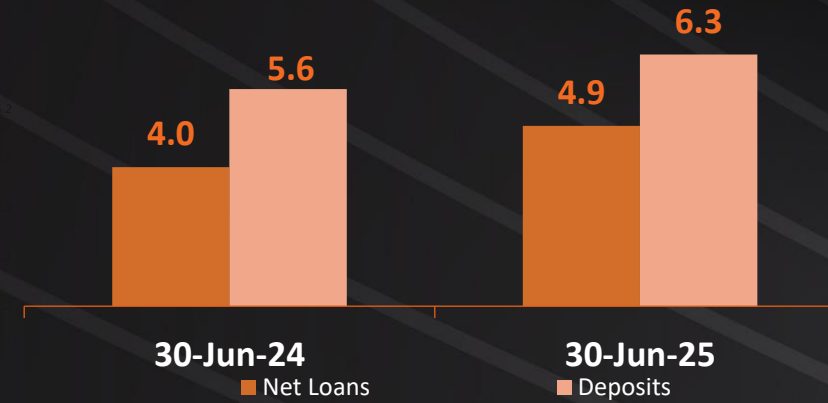
1 CASA / Customer Deposits %

RO billion

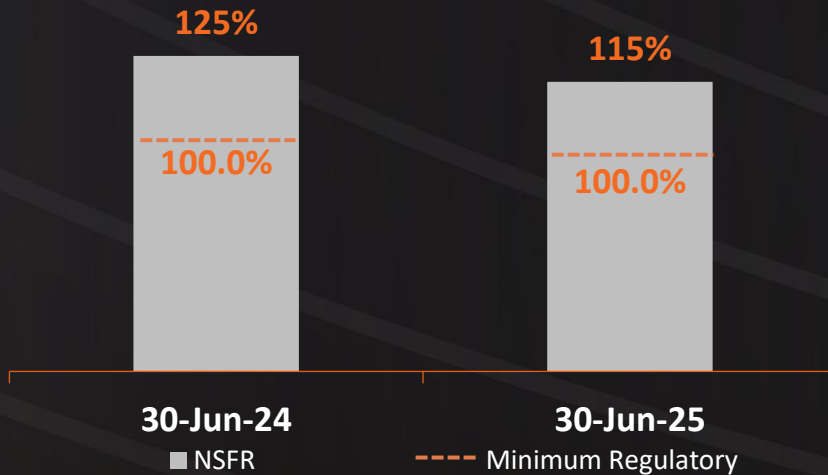


2 Net Loans to Deposits %

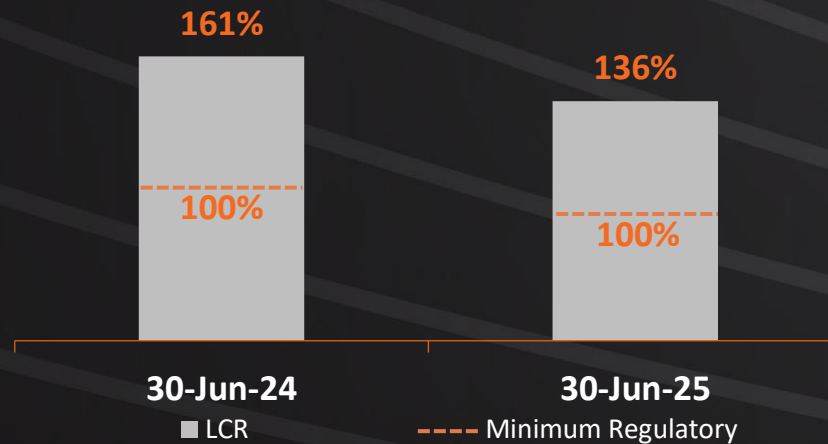
RO billion



3 Net Stable Funding Ratio (NSFR)



4 Liquidity Coverage Ratio (LCR)





Q & A