



**Unaudited interim condensed financial statements  
For the three-month period ended 31 March 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 THREE MONTHS ENDED

31 March 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 31 March 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 95% of its customers within 10 minutes across its branches, while resolving over 90% 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.

On the digital front, the Bank has made meaningful progress in strengthening its capabilities. During the quarter, 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.

For the first quarter ended 31 March 2026, the Bank reported a 12.40% growth in operating income, reaching to  $\text{SAR } 46.23$  million, an increase of  $\text{SAR } 5.1$  million compared to  $\text{SAR } 41.13$  million recorded during the same period in 2025.

Interest income and income from Islamic financing rose to  $\text{SAR } 72.65$  million, reflecting a 2.36% increase over the corresponding period in 2025. Additionally, net fee and other income grew significantly by 32.52%, from  $\text{SAR } 12.03$  million in Q1 2025 to  $\text{SAR } 15.94$  million in Q1 2026.

The Bank's operating profit before expected credit losses stood at  $\text{SAR } 24.87$  million, marking a 20.12% increase from  $\text{SAR } 20.70$  million reported in the same period of the previous year.

Net profit for the period amounted to  $\text{SAR } 13.22$  million, increased by 8.78% compared to  $\text{SAR } 12.16$  million recorded in Q1 2025.

Total operating expenses for the period increased by 4.57%, reaching to  $\text{SAR } 21.36$  million as against  $\text{SAR } 20.42$  million reported in Q1 2025. Despite the increase in overall cost, the cost-to-income ratio for Q1 2026 improved to 46.20%, compared to 49.66% in Q1 2025, reflecting increased operational efficiency.

The Bank recognized expected credit losses (net of recoveries) of  $\text{SAR } 9.55$  million during the period, representing a 49.13% increase compared to  $\text{SAR } 6.40$  million reported for the same period last year.

As at 31 March 2026, net loans and advances (including Islamic finance receivables) reached to  $\text{SAR } 4.29$  billion marking a year on year growth of 5.22% from  $\text{SAR } 4.08$  billion as at 31 March 2025, and increased by 2.80% from  $\text{SAR } 4.18$  billion reported as at 31 December 2025.

Customer deposits reached to  $\text{SAR } 4.35$  billion as at 31 March 2026, reflecting a 4.47% increase from  $\text{SAR } 4.16$  billion reported for the same period last year, and increased by 5.68% from  $\text{SAR } 4.12$  billion reported as of 31 December 2025.

Earnings per share (EPS) for the period ended 31 March 2026 amounted to  $\text{SAR } 0.0031$ , reflecting a decrease from  $\text{SAR } 0.0040$  recorded during the same period of 2025.

# **BANK DHOFAR SAOG**

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## **Dhofar Islamic - Financial Performance Highlights**

Dhofar Islamic has demonstrated a significant growth in earning assets, financing, and deposits portfolio for the first quarter of 2026. Gross financing portfolio has grown to  $\text{O.R. } 909.55$  million at March 2026 from  $\text{O.R. } 774.92$  million at March 2025, registering a growth of 17.37% over last year. The total customer deposits of Dhofar Islamic reached to  $\text{O.R. } 883.07$  million at March 2026, thus posting an increase of 7.66% compared to  $\text{O.R. } 820.272$  million at same period last year.

The gross investment portfolio increased by 6.92% from  $\text{O.R. } 117.27$  million at March 2025 to  $\text{O.R. } 125.38$  million at March 2026. Total assets grew by 11.41% standing at  $\text{O.R. } 1,084.41$  million at March 2026, increased from  $\text{O.R. } 973.36$  million at March 2025.

Dhofar Islamic income from Financing, Placement and Investment increased by 7.99% to  $\text{O.R. } 13.38$  million for the period ended March 2026 from  $\text{O.R. } 12.39$  million reported during the same period last year. The net Profit income (after cost of funds) increased by 9.71% year-on-year reaching  $\text{O.R. } 5.65$  million during three-month period ending March 2026, against  $\text{O.R. } 5.15$  million at March 2025.

Dhofar Islamic total operating income for the period ended March 2026 stood at  $\text{O.R. } 10.13$  million compared to  $\text{O.R. } 6.54$  million during the period ended 21 March 2025, registering a substantial increase of 54.89%. This includes a gain of RO 2.37 million arising 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 2.35%, reaching 3.48 million compared to  $\text{O.R. } 3.40$  million last year. Dhofar Islamic reported a significant growth year to date operating profit (before ECL) of  $\text{O.R. } 6.65$  million which is 111.11% above the last year operating profit of  $\text{O.R. } 3.15$  million.

Dhofar Islamic registered a profit before tax of  $\text{O.R. } 2.49$  million for the quarter ended March 2026, compared to  $\text{O.R. } 1.57$  million during March 2025, reflecting a growth of 58.60% over last year despite the higher ECL charge during the period which stood at  $\text{O.R. } 4.16$  million for March 2026, compared to  $\text{O.R. } 1.58$  million same period last year.

## **Corporate Social Responsibility and Sustainability**

During the first quarter of 2026, Bank Dhofar continued to demonstrate its strong commitment to social responsibility and community development by supporting a range of Corporate Social Responsibility (CSR) and Sponsorship initiatives across the Sultanate. These initiatives reflect the Bank's dedication to contributing positively to society and supporting key sectors, community organizations, and national programs.

During the quarter, the Bank extended financial support to several impactful initiatives, including sponsorship of the "Sanad Service Centers Forum 2025" in collaboration with the Ministry of Commerce, Industry and Investment Promotion, participation in the 28th Atta'a Exhibition held in February 2026, and support for community and cultural events such as the Winter Festival in Masirah. In addition, the Bank contributed to social inclusion efforts through its support to the Association for Children with Disability (Qaraqasho Event), the Omani Lawyers Association, and Ramadan programs organized by the Zakat Committee in the Wilayat of Al Seeb.

The total contribution under CSR and sponsorship initiatives during the first quarter of 2026 amounted to  $\text{O.R. } 15,500$ , reinforcing the Bank's ongoing commitment to sustainable development, social welfare, and national priorities.

During the first quarter of 2026, Bank Dhofar advanced the execution of its Sustainability Framework, aligned with Oman Vision 2040 and Central Bank of Oman requirements, marked by the submission of its 2025 Sustainability Report. The Bank strengthened its ESG infrastructure through progress on its Sustainable Finance Framework, GHG inventory, ESG risk integration frameworks, while continuing environmental initiatives to improve efficiency and reduce its footprint. On the social front, the Bank expanded employee and community engagement through targeted awareness programs, reinforcing responsible practices and financial inclusion. These efforts collectively enhance the Bank's ESG positioning, supporting resilient growth, stronger risk management, and long-term value creation.

## **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 THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Notes	Unaudited 31-Mar- 2026 ₹ '000	Unaudited 31-Mar- 2025 ₹ '000	Audited 31-Dec- 2025 ₹ '000
<b>Assets</b>				
Cash and balances with Central Bank of Oman	5	305,183	327,970	179,798
Investment securities	8	715,789	654,100	713,757
Loans, advances, and financing to banks	6	318,224	165,072	212,066
Loans, advances, and financing to customers (conventional)	7 (a)	3,421,122	3,329,044	3,344,653
Islamic financing receivables	7 (b)	872,178	751,396	831,895
Other assets		90,487	95,322	79,141
Deferred tax assets		-	449	-
Property and equipment	10	15,293	15,169	15,013
Intangible assets	9	14,570	12,660	14,428
<b>Total assets</b>		<b>5,752,846</b>	<b>5,351,182</b>	<b>5,390,751</b>
<b>Liabilities</b>				
Due to banks	11	347,981	329,758	268,377
Deposits from customers (conventional)	12	3,467,765	3,344,201	3,249,572
Islamic customers deposits	12	883,066	820,272	867,257
Other liabilities		158,533	114,239	119,238
Deferred tax liabilities		442	-	448
Tax liabilities		15,522	13,656	13,435
Employee benefit obligations		1,705	1,921	1,875
Subordinated loans	13	102,365	-	100,905
<b>Total liabilities</b>		<b>4,977,379</b>	<b>4,624,047</b>	<b>4,621,107</b>
<b>Shareholders' equity</b>				
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		18,145	(7,922)	5,934
Subordinated loan reserve		6,200	-	6,200
Cash flow hedge reserve		13	164	53
Retained earnings		84,932	73,821	91,280
<b>Total equity attributable to the equity holders of the Bank</b>		<b>619,967</b>	<b>571,635</b>	<b>614,144</b>
Perpetual Tier 1 Capital Securities		155,500	155,500	155,500
<b>Total equity</b>		<b>775,467</b>	<b>727,135</b>	<b>769,644</b>
<b>Total liabilities and equity</b>		<b>5,752,846</b>	<b>5,351,182</b>	<b>5,390,751</b>
Contingent liabilities and commitments	20	862,076	724,506	863,145
<b>Net assets per share (₹)</b>	15	<b>0.204</b>	<b>0.188</b>	<b>0.202</b>

The interim condensed financial statements including notes and other explanatory information on pages 10 to 58 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

# BANK DHOFAR SAOG

## INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	<i>Notes</i>	Unaudited 3 months 31-Mar-2026 ₹ '000	Unaudited 3 months 31-Mar-2025 ₹ '000
Interest income	16	59,270	58,588
Interest expense	17	(34,707)	(34,727)
<b>Net interest income</b>		<u>24,563</u>	<u>23,861</u>
Income from Islamic financing / Investments	16	13,378	12,388
Unrestricted investment account holders' share of profit and profit expense	17	(7,658)	(7,154)
<b>Net income from Islamic financing and Investment activities</b>		<u>5,720</u>	<u>5,234</u>
Fees and commission income	21	12,368	10,448
Fees and commission expense	21	(3,667)	(2,691)
<b>Net fees and commission income</b>		<u>8,701</u>	<u>7,757</u>
Other operating income		7,241	4,273
<b>Operating income</b>		<u>46,225</u>	<u>41,125</u>
Staff and administrative costs		(19,540)	(18,712)
Depreciation		(1,816)	(1,710)
<b>Operating expenses</b>		<u>(21,356)</u>	<u>(20,422)</u>
Net Impairment losses on financial assets		(10,009)	(6,550)
Recovery of bad debts written-off		489	489
Bad debts written off		(29)	(342)
<b>Profit from operations after provision</b>		<u>15,320</u>	<u>14,300</u>
Income tax expense		(2,098)	(2,145)
<b>Profit for the period</b>		<u>13,222</u>	<u>12,155</u>
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to Profit and Loss:</i>			
Movement in fair value reserve - FVOCI equity instrument		13,265	(5,728)
Realised gain / (loss) FVOCI equity instrument		7,116	(27)
<i>Items that are or may be reclassified to profit or loss in subsequent periods:</i>			
Movement in fair value reserve - FVOCI debt Instruments		(1,054)	411
Change in fair value of cash flow hedge		(40)	(481)
Other comprehensive income / (loss) for the period		<u>19,287</u>	<u>(5,825)</u>
Total comprehensive income for the period		<u>32,509</u>	<u>6,330</u>
Earnings per share attributable to equity shareholders of the Bank (basic and diluted) (₹)	18	<u>0.0031</u>	<u>0.0040</u>

The accompanying notes on pages 9 to 56 form an integral part of these interim condensed financial statements.

## BANK DHOFAR SAOG

### INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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
<b>Balances as at 1 January 2026</b>	<b>303,980</b>	<b>95,656</b>	<b>81,297</b>	<b>16,988</b>	<b>1,281</b>	<b>12,184</b>	<b>(709)</b>	<b>53</b>	<b>6,200</b>	<b>5,934</b>	<b>91,280</b>	<b>614,144</b>	<b>155,500</b>	<b>769,644</b>
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	-	13,222	13,222	-	13,222
<b>Other comprehensive income for the period:</b>														
Cashflow hedge	-	-	-	-	-	-	-	(40)	-	-	-	(40)	-	(40)
<b>Net changes of fair value reserve</b>														
FVOCI equity instruments	-	-	-	-	-	-	-	-	-	13,265	7,116	20,381	-	20,381
FVOCI debt instruments	-	-	-	-	-	-	-	-	-	(1,054)	-	(1,054)	-	(1,054)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	-	(40)	-	12,211	20,338	32,509	-	32,509
<b>Perpetual Tier 1 capital securities:</b>														
Payment towards perpetual additional Tier 1 coupon	-	-	-	-	-	-	-	-	-	-	(3,887)	(3,887)	-	(3,887)
Cash dividend	14	-	-	-	-	-	-	-	-	-	(22,799)	(22,799)	-	(22,799)
<b>Balances as at 31 March 2026</b>	<b>303,980</b>	<b>95,656</b>	<b>81,297</b>	<b>16,988</b>	<b>1,281</b>	<b>12,184</b>	<b>(709)</b>	<b>13</b>	<b>6,200</b>	<b>18,145</b>	<b>84,932</b>	<b>619,967</b>	<b>155,500</b>	<b>775,467</b>

The accompanying notes on pages 9 to 56 form an integral part of these interim condensed financial statements.

# BANK DHOFAR SAOG

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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
<b>Balances as at 1 January 2025</b>	299,635	95,656	76,192	16,988	1,281	12,184	(709)	645	(2,605)	85,664	584,931	155,500	740,431
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	12,155	12,155	-	12,155
<b>Other comprehensive income for the period:</b>													
Cashflow hedge	-	-	-	-	-	-	-	(481)	-	-	(481)	-	(481)
<b>Net changes of fair value reserve</b>													
FVOCI equity instruments	-	-	-	-	-	-	-	-	(5,728)	(27)	(5,755)	-	(5,755)
FVOCI debt instruments	-	-	-	-	-	-	-	-	411	-	411	-	411
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	-	(481)	(5,317)	12,128	6,330	-	6,330
<b>Perpetual Tier 1 capital securities:</b>													
Stock dividend	14	4,345	-	-	-	-	-	-	-	(4,345)	-	-	-
Cash dividend	14	-	-	-	-	-	-	-	-	(19,626)	(19,626)	-	(19,626)
<b>Balances as at 31 March 2025</b>	303,980	95,656	76,192	16,988	1,281	12,184	(709)	164	(7,922)	73,821	571,635	155,500	727,135

The accompanying notes on pages 9 to 56 form an integral part of these interim condensed financial statements.

# BANK DHOFAR SAOG

## INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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	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
<b>Balances as at 1 January 2025</b>	299,635	95,656	76,192	16,988	1,281	12,184	(709)	645	-	(2,605)	85,664	584,931	155,500	740,431
<b>Profit for the period</b>	-	-	-	-	-	-	-	-	-	-	51,051	51,051	-	51,051
<i>Other comprehensive income for the period:</i>														
<b>Net changes of fair value reserve</b>														
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)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	-	-	(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)	-	-	-
<i>Perpetual Tier 1 capital securities:</i>														
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)
<b>Balances as at 31 December 2025</b>	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 9 to 56 form an integral part of these interim condensed financial statements.

## BANK DHOFAR SAOG

### INTERIM CONDENSED STATEMENT OF CASH FLOWS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

	Unaudited 31-Mar-2026 ± '000	Unaudited 31-Mar-2025 ± '000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit for the period before taxation	15,320	14,300
<i>Adjustment for:</i>		
Depreciation, amortization and impairment	1,816	1,710
Net impairment on financial assets and recovery of bad debts written off	9,549	6,403
Interest expense on subordinated loans	1,460	-
Dividend income	(2,519)	(2,596)
End of service provision for the period	114	120
(Gain) on disposal of property and equipment	(6)	-
<b>Operating profit before operating assets and liabilities changes</b>	<b>25,734</b>	<b>19,937</b>
<i>Net increase/(decrease) in:</i>		
Due to banks	79,604	(108,680)
Loans, advances and financing to banks	(117,722)	(40,002)
Loans & advances and financing to customers	(116,752)	(153,228)
Other assets	(11,876)	(18,270)
Customer deposits	234,002	401,612
Other liabilities	16,483	(15,260)
<b>Cash generated from operations before tax and end of service benefits</b>	<b>109,473</b>	<b>66,172</b>
End of service benefits paid	(283)	(82)
<b>Net cash generated from operating activities</b>	<b>109,190</b>	<b>86,027</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net movement in investment securities	10,179	(8,062)
Dividend received investment securities	1,071	2,596
Sale proceeds of property	6	-
Purchase of property, equipment and intangible assets	(2,238)	(1,548)
<b>Net cash generated from / (used in) investing activities</b>	<b>9,018</b>	<b>(7,014)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	-	(19,626)
Payment of AT1 coupon cost	(3,887)	-
<b>Net cash used in financing activities</b>	<b>(3,887)</b>	<b>(19,626)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS</b>	<b>114,321</b>	<b>59,387</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>305,042</b>	<b>324,808</b>
<b>Cash and cash equivalents at end of the period</b>	<b>419,363</b>	<b>384,195</b>
<i>Cash and cash equivalent comprise of:</i>		
Cash and balances with Central Bank of Oman	305,183	327,970
Capital deposit with Central Bank of Oman	(500)	(500)
Due from banks with a short-term maturity of 3 months or less	114,680	56,725
	<b>419,363</b>	<b>384,195</b>

The accompanying notes on pages 9 to 56 form an integral part of these interim condensed financial statements.

# **BANK DHOFAR SAOG**

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## **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 144 branches (31 March 2025: 132 branches) which comprises of 30 Islamic branches (31 March 2025: 25 Islamic branches) and 114 conventional branches (31 March 2025: 107 conventional branches). The Bank’s Islamic Banking Window, “Dhofar Islamic” has an allocated capital of **₹ 70 Million** (31 March 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 1 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 1,791 employees as of 31 March 2026 (31 March 2025: 1,772 employees).

### **2 BASIS OF PREPARATION**

#### **2.1 Statement of compliance and basis of accounting.**

The unaudited interim condensed financial statements for the three-month period ended 31 March 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.

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FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026**

**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 1 January 2026. The Bank is evaluating the impact on future financial statements, if any, on adopting these pronouncements.

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 5. Cash and balances with the Central Bank of Oman

	Unaudited 31-Mar-2026 ₹'000	Unaudited 31-Mar-2025 ₹'000	Audited 31-Dec-2025 ₹'000
Cash in hand	47,471	54,314	43,497
Balances with the Central Bank of Oman	250,010	273,654	134,759
Placements with the Central Bank of Oman	7,700	2	1,540
Cash held by a custodian	2	-	2
	<u>305,183</u>	<u>327,970</u>	<u>179,798</u>

As at 31 March 2026 cash and balances with Central bank of Oman includes capital deposit amounting to ₹ 0.5 million (31 March 2025 - ₹ 0.5 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 31-Mar-2026 ₹'000	Unaudited 31-Mar-2025 ₹'000	Audited 31-Dec-2025 ₹'000
Syndicated loans to other banks	137,171	24,406	55,480
Placements with other banks	161,771	89,917	133,317
Current clearing accounts	19,598	50,840	23,434
	<u>318,540</u>	<u>165,163</u>	<u>212,231</u>
Less: impairment allowance	(316)	(91)	(165)
	<u>318,224</u>	<u>165,072</u>	<u>212,066</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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

<b>(a) Conventional Banking</b>	<b>Unaudited 31-Mar-2026 S '000</b>	<b>Unaudited 31-Mar-2025 S '000</b>	<b>Audited 31-Dec-2025 S '000</b>
Loans	3,268,543	3,150,319	3,179,143
Overdraft	141,587	149,477	143,307
Loans against trust receipts	135,656	137,509	137,112
Bills discounted	37,550	39,242	44,293
Advances against credit cards	15,268	13,553	18,592
	<u>3,598,604</u>	<u>3,490,100</u>	<u>3,522,447</u>
Gross Loans, advances and financing to customers			
Less: Impairment allowance including reserved interest	<u>(177,482)</u>	<u>(161,056)</u>	<u>(177,794)</u>
	<u><u>3,421,122</u></u>	<u><u>3,329,044</u></u>	<u><u>3,344,653</u></u>
<b>(b) Islamic Banking Window financing</b>	<b>Unaudited 31-Mar-2026 S '000</b>	<b>Unaudited 31-Mar-2025 S '000</b>	<b>Audited 31-Dec-2025 S '000</b>
Housing finance	274,201	238,593	262,203
Corporate finance	605,358	511,562	573,552
Consumer finance	29,993	24,768	29,053
	<u>909,552</u>	<u>774,923</u>	<u>864,808</u>
Less: Impairment allowance	<u>(37,374)</u>	<u>(23,527)</u>	<u>(32,913)</u>
	<u><u>872,178</u></u>	<u><u>751,396</u></u>	<u><u>831,895</u></u>

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### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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

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

	Unaudited 31-Mar-2026 S '000	Unaudited 31-Mar-2025 S '000	Audited 31-Dec-2025 S '000
<b>i. Allowance for expected credit losses (Conventional and Islamic)</b>			
1 January	175,037	155,805	155,805
Allowance made during the period	13,214	8,735	44,406
Released to the profit or loss during the period	(3,621)	(2,874)	(13,765)
Written off during the period	(6,597)	(4,184)	(11,409)
Balance at the end of the period	<u>178,033</u>	<u>157,482</u>	<u>175,037</u>
<b>ii. Reserved interest</b>			
1 January	35,670	25,211	25,211
Reserved during the period	4,831	3,674	22,115
Recoveries to profit or loss during the period	(1,478)	(1,756)	(9,329)
Written-off during the period	(2,200)	(28)	(2,327)
Balance at the end of the period	<u>36,823</u>	<u>27,101</u>	<u>35,670</u>
<b>Total allowance for expected credit losses</b>	<u>214,856</u>	<u>184,583</u>	<u>210,707</u>

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## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 31 March 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)
Standard	Stage 1	3,659,611	41,782	10,358	31,424	3,617,829	3,649,254	-	-
	Stage 2	114,369	4,417	7,110	(2,693)	109,952	107,259	-	-
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>3,773,981</b>	<b>46,199</b>	<b>17,468</b>	<b>28,731</b>	<b>3,727,782</b>	<b>3,756,513</b>	-	-
Special Mention	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	476,871	4,422	39,149	(36,791)	470,385	437,722	-	2,064
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>476,871</b>	<b>4,422</b>	<b>39,149</b>	<b>(36,791)</b>	<b>470,385</b>	<b>437,722</b>	-	<b>2,064</b>
Substandard	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	70,901	5,024	35,420	(38,939)	57,334	35,481	-	8,543
<b>Subtotal</b>		<b>70,901</b>	<b>5,024</b>	<b>35,420</b>	<b>(38,939)</b>	<b>57,334</b>	<b>35,481</b>	-	<b>8,543</b>
Doubtful	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	21,125	9,425	9,167	(788)	10,654	11,958	-	1,046
<b>Subtotal</b>		<b>21,125</b>	<b>9,425</b>	<b>9,167</b>	<b>(788)</b>	<b>10,654</b>	<b>11,958</b>	-	<b>1,046</b>
Loss	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	165,278	116,457	76,829	14,458	23,651	88,449	-	25,170
<b>Subtotal</b>		<b>165,278</b>	<b>116,457</b>	<b>76,829</b>	<b>14,458</b>	<b>23,651</b>	<b>88,449</b>	-	<b>25,170</b>
<b>Total loans and advances</b>		<b>4,508,156</b>	<b>181,527</b>	<b>178,033</b>	<b>(33,329)</b>	<b>4,289,806</b>	<b>4,330,123</b>	-	<b>36,823</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	2,811,615	147	2,988	(2,841)	2,811,468	2,808,627	-	-
	Stage 2	251,488	-	4,185	(4,185)	251,488	247,303	-	-
	Stage 3	4,288	-	2,135	(2,135)	4,288	2,153	-	-
<b>Subtotal</b>		<b>3,067,391</b>	<b>147</b>	<b>9,308</b>	<b>(9,161)</b>	<b>3,067,244</b>	<b>3,058,083</b>	-	-
<b>Total (31 March 2026)</b>	Stage 1	6,471,227	41,929	13,346	28,583	6,429,298	6,457,881	-	-
	Stage 2	842,728	8,839	50,444	(43,669)	831,825	792,284	-	2,064
	Stage 3	261,592	130,906	123,551	(27,404)	95,927	138,041	-	34,759
<b>Total</b>		<b>7,575,547</b>	<b>181,674</b>	<b>187,341</b>	<b>(42,490)</b>	<b>7,357,050</b>	<b>7,388,206</b>	-	<b>36,823</b>

\* 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.

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## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 March 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 (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)
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7)=(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
Standard	Stage 1	3,320,383	43,758	8,884	34,874	3,276,625	3,311,499	-	-
	Stage 2	284,897	2,690	9,358	(6,668)	282,207	275,539	-	-
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>3,605,280</b>	<b>46,448</b>	<b>18,242</b>	<b>28,206</b>	<b>3,558,832</b>	<b>3,587,038</b>	<b>-</b>	<b>-</b>
Special Mention	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	453,986	4,430	54,245	(54,558)	444,813	399,741	-	4,743
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>453,986</b>	<b>4,430</b>	<b>54,245</b>	<b>(54,558)</b>	<b>444,813</b>	<b>399,741</b>	<b>-</b>	<b>4,743</b>
Substandard	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	24,486	4,711	5,016	(663)	19,417	19,470	-	358
<b>Subtotal</b>		<b>24,486</b>	<b>4,711</b>	<b>5,016</b>	<b>(663)</b>	<b>19,417</b>	<b>19,470</b>	<b>-</b>	<b>358</b>
Doubtful	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	14,267	5,565	5,309	(351)	8,095	8,958	-	607
<b>Subtotal</b>		<b>14,267</b>	<b>5,565</b>	<b>5,309</b>	<b>(351)</b>	<b>8,095</b>	<b>8,958</b>	<b>-</b>	<b>607</b>
Loss	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	167,004	115,209	74,670	19,146	30,402	92,334	-	21,393
<b>Subtotal</b>		<b>167,004</b>	<b>115,209</b>	<b>74,670</b>	<b>19,146</b>	<b>30,402</b>	<b>92,334</b>	<b>-</b>	<b>21,393</b>
<b>Total loans and advances</b>		<b>4,265,023</b>	<b>176,363</b>	<b>157,482</b>	<b>(8,220)</b>	<b>4,061,559</b>	<b>4,107,541</b>	<b>-</b>	<b>27,101</b>
Other items not covered under CBO circular BM 977 and related instructions	Stage 1	2,379,133	147	2,754	(2,607)	2,378,986	2,376,379	-	-
	Stage 2	346,184	-	2,499	(2,499)	346,184	343,685	-	-
	Stage 3	3,211	-	1,553	(1,553)	3,211	1,658	-	-
<b>Subtotal</b>		<b>2,728,528</b>	<b>147</b>	<b>6,806</b>	<b>(6,659)</b>	<b>2,728,381</b>	<b>2,721,722</b>	<b>-</b>	<b>-</b>
<b>Total (31 March 2025)</b>		<b>5,699,516</b>	<b>43,905</b>	<b>11,638</b>	<b>32,267</b>	<b>5,655,611</b>	<b>5,687,878</b>	<b>-</b>	<b>-</b>
	Stage 1	1,085,067	7,120	66,102	(63,725)	1,073,204	1,018,965	-	4,743
	Stage 2	208,968	125,485	86,548	16,579	61,125	122,420	-	22,358
	Stage 3	6,993,551	176,510	164,288	(14,879)	6,789,940	6,829,263	-	27,101
<b>Total</b>		<b>2,379,133</b>	<b>147</b>	<b>2,754</b>	<b>(2,607)</b>	<b>2,378,986</b>	<b>2,376,379</b>	<b>-</b>	<b>-</b>

\* 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.

# BANK DHOFAR SAOG

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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	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 (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)
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)-(10)	(7)=(3)-(4)-(10)	(8) = (3)-(5)	(9)	(10)
Standard	Stage 1	3,526,033	41,682	10,473	31,209	3,484,351	3,515,560	-	-
	Stage 2	180,182	5,543	8,289	(2,746)	174,639	171,893	-	-
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>3,706,215</b>	<b>47,225</b>	<b>18,762</b>	<b>28,463</b>	<b>3,658,990</b>	<b>3,687,453</b>	<b>-</b>	<b>-</b>
Special Mention	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	470,551	4,451	61,804	(66,513)	456,940	408,747	-	9,160
	Stage 3	-	-	-	-	-	-	-	-
<b>Subtotal</b>		<b>470,551</b>	<b>4,451</b>	<b>61,804</b>	<b>(66,513)</b>	<b>456,940</b>	<b>408,747</b>	<b>-</b>	<b>9,160</b>
Substandard	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	17,356	4,329	5,500	(1,697)	12,501	11,856	-	526
<b>Subtotal</b>		<b>17,356</b>	<b>4,329</b>	<b>5,500</b>	<b>(1,697)</b>	<b>12,501</b>	<b>11,856</b>	<b>-</b>	<b>526</b>
Doubtful	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	23,017	9,793	9,144	(210)	12,365	13,873	-	859
<b>Subtotal</b>		<b>23,017</b>	<b>9,793</b>	<b>9,144</b>	<b>(210)</b>	<b>12,365</b>	<b>13,873</b>	<b>-</b>	<b>859</b>
Loss	Stage 1	-	-	-	-	-	-	-	-
	Stage 2	-	-	-	-	-	-	-	-
	Stage 3	170,116	120,523	79,827	15,571	24,468	90,289	-	25,125
<b>Subtotal</b>		<b>170,116</b>	<b>120,523</b>	<b>79,827</b>	<b>15,571</b>	<b>24,468</b>	<b>90,289</b>	<b>-</b>	<b>25,125</b>
<b>Total loans and advances</b>		<b>4,387,255</b>	<b>186,321</b>	<b>175,037</b>	<b>(24,386)</b>	<b>4,165,264</b>	<b>4,212,218</b>	<b>-</b>	<b>35,670</b>
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	-	-
<b>Subtotal</b>		<b>2,734,043</b>	<b>147</b>	<b>8,892</b>	<b>(8,745)</b>	<b>2,733,896</b>	<b>2,725,151</b>	<b>-</b>	<b>-</b>
<b>Total (31 December 2025)</b>	Stage 1	5,988,166	41,829	13,529	28,300	5,946,337	5,974,637	-	-
	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
	<b>Total</b>	<b>7,121,298</b>	<b>186,468</b>	<b>183,929</b>	<b>(33,131)</b>	<b>6,899,160</b>	<b>6,937,369</b>	<b>-</b>	<b>35,670</b>

\* 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.

# BANK DHOFAR SAOG

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 31 March 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	90,182	938	440	498	89,244	89,742	-	-
	Stage 2	265,498	2,462	26,583	(24,121)	263,036	238,915	-	-
Subtotal		355,680	3,400	27,023	(23,623)	352,280	328,657	-	-
Classified as non-performing	Stage 3	30,053	19,322	9,319	7,033	7,761	20,734	-	2,970
	Sub total	30,053	19,322	9,319	7,033	7,761	20,734	-	2,970
Total (31 March 2026)	Stage 1	90,182	938	440	498	89,244	89,742	-	-
	Stage 2	265,498	2,462	26,583	(24,121)	263,036	238,915	-	-
	Stage 3	30,053	19,322	9,319	7,033	7,761	20,734	-	2,970
	Total	385,733	22,722	36,342	(16,590)	360,041	349,391	-	2,970

\* Net of provision and reserve interest as per CBO norms

As at 31 March 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	78,512	814	793	21	77,698	77,719	-	-
	Stage 2	352,922	3,469	41,540	(38,071)	349,453	311,382	-	-
Subtotal		431,434	4,283	42,333	(38,050)	427,151	389,101	-	-
Classified as non-performing	Stage 3	24,815	14,394	7,003	5,243	8,273	17,812	-	2,148
	Sub total	24,815	14,394	7,003	5,243	8,273	17,812	-	2,148
Total (31 March 2025)	Stage 1	78,512	814	793	21	77,698	77,719	-	-
	Stage 2	352,922	3,469	41,540	(38,071)	349,453	311,382	-	-
	Stage 3	24,815	14,394	7,003	5,243	8,273	17,812	-	2,148
	Total	456,249	18,677	49,336	(32,807)	435,424	406,913	-	2,148

\* Net of provision and reserve interest as per CBO norms

# BANK DHOFAR SAOG

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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	-	-
	<b>Subtotal</b>	<b>408,309</b>	<b>3,405</b>	<b>53,436</b>	<b>(50,031)</b>	<b>404,904</b>	<b>354,873</b>	<b>-</b>	<b>-</b>
Classified as non-performing	Stage 3	29,919	19,470	8,703	8,126	7,808	21,216	-	2,641
	<b>Sub total</b>	<b>29,919</b>	<b>19,470</b>	<b>8,703</b>	<b>8,126</b>	<b>7,808</b>	<b>21,216</b>	<b>-</b>	<b>2,641</b>
<b>Total (31 December 2025)</b>	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
	<b>Total</b>	<b>438,228</b>	<b>22,875</b>	<b>62,139</b>	<b>(41,905)</b>	<b>412,712</b>	<b>376,089</b>	<b>-</b>	<b>2,641</b>

\* Net of provision and reserve interest as per CBO

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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

31 March 2026	As per CBO Norms ₹ '000	As per IFRS 9 ₹ '000	Difference ₹ '000
Provisions required as per CBO – BM 977/ held as per IFRS 9 (Note 1)	181,674	187,341	(5,667)
Gross NPL ratio	5.71%	5.71%	-
Net NPL ratio	2.03%	2.24%	(0.21)%

Gross NPL ratio (Non-performing Loans) is 5.71% and Net NPL ratio is 2.24% based on funded non-performing exposure over funded exposure.

Note 1: Excluding Interest Reserve of ₹ 34.76 million.

31 March 2025	As per CBO Norms ₹ '000	As per IFRS 9 ₹ '000	Difference ₹ '000
Provisions required as per CBO – BM 977/ held as per IFRS 9 (Note 1)	176,510	164,288	12,222
Gross NPL ratio	4.82%	4.82%	-
Net NPL ratio	1.36%	2.31%	(0.95)%

Gross NPL ratio (Non-performing Loans) are 4.82% and Net NPL ratio is 2.31% based on funded non-performing exposure over funded exposure.

Note 1: Excluding Interest Reserve of ₹ 22.36 million.

31 December 2025	As per CBO Norms ₹ '000	As per IFRS 9 ₹ '000	Difference ₹ '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.

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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, 31 March 2026:

	Stage 1	Stage 2	Stage 3	Total
<b>Gross exposure</b>				
Central Bank balances	257,710	-	-	257,710
Cash held by a custodian	2	-	-	2
Due from Banks	318,540	-	-	318,540
Sovereign	471,211	-	-	471,211
Investment Securities at amortized cost	38,796	-	-	38,796
Investment Securities at FVOCI	72,964	10,000	-	82,964
Loans and advances	3,659,611	591,241	257,304	4,508,156
Acceptances	24,999	5,011	-	30,010
<b>Total funded gross exposure</b>	<b>4,843,833</b>	<b>606,252</b>	<b>257,304</b>	<b>5,707,389</b>
Letters of credit/guarantee	766,065	91,723	4,288	862,076
Loan commitment / unutilized limits	861,329	144,753	-	1,006,082
<b>Total non-funded gross exposure</b>	<b>1,627,394</b>	<b>236,476</b>	<b>4,288</b>	<b>1,868,158</b>
<b>Total gross exposure</b>	<b>6,471,227</b>	<b>842,728</b>	<b>261,592</b>	<b>7,575,547</b>
<b>Allowance for expected credit losses</b>				
Due from Banks	316	-	-	316
Investment Securities at FVOCI	140	2,236	-	2,376
Loans and advances	10,358	46,259	121,416	178,033
Acceptances	4	2	-	6
<b>Total funded impairment</b>	<b>10,818</b>	<b>48,497</b>	<b>121,416</b>	<b>180,731</b>
Letters of credit/guarantee	849	1,251	2,135	4,235
Loan commitment/unutilized limits	1,679	696	-	2,375
<b>Total non-funded impairment</b>	<b>2,528</b>	<b>1,947</b>	<b>2,135</b>	<b>6,610</b>
<b>Total impairment</b>	<b>13,346</b>	<b>50,444</b>	<b>123,551</b>	<b>187,341</b>
<b>Net exposure</b>				
Central Bank balances	257,710	-	-	257,710
Cash held by a custodian	2	-	-	2
Due from Banks	318,224	-	-	318,224
Sovereign	471,211	-	-	471,211
Investment Securities at amortized Cost	38,796	-	-	38,796
Investment Securities at FVOCI	72,824	7,764	-	80,588
Loans and advances	3,649,253	544,982	135,888	4,330,123
Acceptances	24,995	5,009	-	30,004
<b>Total funded net exposure</b>	<b>4,833,015</b>	<b>557,755</b>	<b>135,888</b>	<b>5,526,658</b>
Letter of credit/guarantee	765,216	90,472	2,153	857,841
Loan commitment / unutilized limits	859,650	144,057	-	1,003,707
<b>Total net non-funded exposure</b>	<b>1,624,866</b>	<b>234,529</b>	<b>2,153</b>	<b>1,861,548</b>
<b>Total net exposure</b>	<b>6,457,881</b>	<b>792,284</b>	<b>138,041</b>	<b>7,388,206</b>

Gross exposure of loans and advances of ₪ 257.30 million under stage 3 includes reserved interest of ₪ 34.76 million.

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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
<b>Opening Balance – as at 1 January 2026</b>				
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
<b>Total</b>	<b>13,529</b>	<b>74,457</b>	<b>95,943</b>	<b>183,929</b>
<b>Net transfer between stages</b>				
Loans and advances to customers	1,165	(27,773)	26,608	-
Loan commitments and financial guarantees	(5)	(116)	121	-
Unutilised	17	(17)	-	-
<b>Total</b>	<b>1,177</b>	<b>(27,906)</b>	<b>26,729</b>	<b>-</b>
<b>Charge for the Period (net)</b>				
Due from banks	151	-	-	151
Loans and advances to customers	(1,280)	3,939	6,934	9,593
Investment securities at FVOCI (Debt)	(56)	142	-	86
Loan commitments and financial guarantees	(92)	57	542	507
Acceptances	-	-	-	-
Unutilised	(83)	(245)	-	(328)
Adjustment	-	-	-	-
<b>Total net of recovery</b>	<b>(1,360)</b>	<b>3,893</b>	<b>7,476</b>	<b>10,009</b>
<b>Written-off</b>	-	-	(6,597)	(6,597)
<b>Closing Balance – as at 31 March 2026</b>				
- Due from banks	316	-	-	316
- Loans and advances to customers	10,358	46,259	121,416	178,033
- Investment securities at FVOCI (Debt)	140	2,236	-	2,376
- Loan commitments and financial guarantees	849	1,251	2,135	4,235
- Acceptances	4	2	-	6
- Unutilised	1,679	696	-	2,375
<b>Total expected credit losses</b>	<b>13,346</b>	<b>50,444</b>	<b>123,551</b>	<b>187,341</b>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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, 31 March 2025:

Gross exposure	Stage 1	Stage 2	Stage 3	Total
Central Bank balances	273,656	-	-	273,656
Cash held by a custodian	-	-	-	-
Due from Banks	164,914	249	-	165,163
Sovereign	477,974	-	-	477,974
Investment Securities at amortized cost	40,746	-	-	40,746
Investment Securities at FVOCI	31,290	10,000	-	41,290
Loans and advances	3,320,383	738,883	205,757	4,265,023
Acceptances	36,171	4,360	-	40,531
<b>Total funded gross exposure</b>	<b>4,345,134</b>	<b>753,492</b>	<b>205,757</b>	<b>5,304,383</b>
Letters of credit/guarantee	622,555	98,740	3,211	724,506
Loan commitment / unutilized limits	731,827	232,835	-	964,662
<b>Total non-funded gross exposure</b>	<b>1,354,382</b>	<b>331,575</b>	<b>3,211</b>	<b>1,689,168</b>
<b>Total gross exposure</b>	<b>5,699,516</b>	<b>1,085,067</b>	<b>208,968</b>	<b>6,993,551</b>
<b>Allowance for expected credit losses</b>				
Due from Banks	86	5	-	91
Investment Securities at FVOCI	143	564	-	707
Loans and advances	8,884	63,603	84,995	157,482
Acceptances	544	1	-	545
<b>Total funded impairment</b>	<b>9,657</b>	<b>64,173</b>	<b>84,995</b>	<b>158,825</b>
Letters of credit/guarantee	562	1,228	1,553	3,343
Loan commitment/unutilized limits	1,419	701	-	2,120
<b>Total non-funded impairment</b>	<b>1,981</b>	<b>1,929</b>	<b>1,553</b>	<b>5,463</b>
<b>Total impairment</b>	<b>11,638</b>	<b>66,102</b>	<b>86,548</b>	<b>164,288</b>
<b>Net exposure</b>				
Central Bank balances	273,656	-	-	273,656
Cash held by a custodian	-	-	-	-
Due from Banks	164,828	244	-	165,072
Sovereign	477,974	-	-	477,974
Investment Securities at amortized Cost	40,603	(564)	-	40,039
Investment Securities at FVOCI	31,290	10,000	-	41,290
Loans and advances	3,311,499	675,280	120,762	4,107,541
Acceptances	35,627	4,359	-	39,986
<b>Total funded net exposure</b>	<b>4,335,477</b>	<b>689,319</b>	<b>120,762</b>	<b>5,145,558</b>
Letter of credit/guarantee	621,993	97,512	1,658	721,163
Loan commitment / unutilized limits	730,408	232,134	-	962,542
<b>Total net non-funded exposure</b>	<b>1,352,401</b>	<b>329,646</b>	<b>1,658</b>	<b>1,683,705</b>
<b>Total net exposure</b>	<b>5,687,878</b>	<b>1,018,965</b>	<b>122,420</b>	<b>6,829,263</b>

Gross exposure of loans and advances of ₪ 205.76 million under stage 3 includes reserved interest of ₪ 22.36 million.

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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
<b>Opening Balance – as at 1 January 2025</b>				
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
<b>Total</b>	<b>11,321</b>	<b>65,241</b>	<b>85,360</b>	<b>161,922</b>
<b>Net transfer between stages</b>				
Due from banks	(1)	1	-	-
Loans and advances to customers	1,711	(2,568)	857	-
Loan commitments and financial guarantees	42	(42)	-	-
Unutilised	(5)	5	-	-
<b>Total</b>	<b>1,747</b>	<b>(2,604)</b>	<b>857</b>	<b>-</b>
<b>Charge for the Period (net)</b>				
Due from banks	(6)	4	-	(2)
Loans and advances to customers	(1,534)	2,948	4,447	5,861
Investment securities at FVOCI (Debt)	(97)	564	-	467
Loan commitments and financial guarantees	(525)	124	69	(332)
Acceptances	105	(1)	-	104
Unutilised	627	(174)	(1)	452
<b>Total net of recovery</b>	<b>(1,430)</b>	<b>3,465</b>	<b>4,515</b>	<b>6,550</b>
<b>Written-off</b>	-	-	(4,184)	(4,184)
<b>Closing Balance – as at 31 March 2025</b>				
Due from banks	86	5	-	91
Loans and advances to customers	8,884	63,603	84,995	157,482
Investment securities at FVOCI (Debt)	143	564	-	707
Loan commitments and financial guarantees	562	1,228	1,553	3,343
Acceptances	544	1	-	545
Unutilised	1,419	701	-	2,120
<b>Total expected credit losses</b>	<b>11,638</b>	<b>66,102</b>	<b>86,548</b>	<b>164,288</b>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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:

<b>Gross exposure</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
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
<b>Total funded gross exposure</b>	<b>4,489,227</b>	<b>664,669</b>	<b>210,489</b>	<b>5,364,385</b>
Letters of credit/guarantee	769,297	90,896	2,952	863,145
Loan commitment / unutilized limits	729,642	164,126	-	893,768
<b>Total non-funded gross exposure</b>	<b>1,498,939</b>	<b>255,022</b>	<b>2,952</b>	<b>1,756,913</b>
<b>Total gross exposure</b>	<b>5,988,166</b>	<b>919,691</b>	<b>213,441</b>	<b>7,121,298</b>
<b>Allowance for expected credit losses</b>				
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
<b>Total funded impairment</b>	<b>10,838</b>	<b>72,189</b>	<b>94,471</b>	<b>177,498</b>
Letters of credit/guarantee	946	1,310	1,472	3,728
Loan commitment/unutilized limits	1,745	958	-	2,703
<b>Total non-funded impairment</b>	<b>2,691</b>	<b>2,268</b>	<b>1,472</b>	<b>6,431</b>
<b>Total impairment</b>	<b>13,529</b>	<b>74,457</b>	<b>95,943</b>	<b>183,929</b>
<b>Net exposure</b>				
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
<b>Total funded net exposure</b>	<b>4,478,389</b>	<b>592,480</b>	<b>116,018</b>	<b>5,186,887</b>
Letter of credit/guarantee	768,351	89,586	1,480	859,417
Loan commitment / unutilized limits	727,897	163,168	-	891,065
<b>Total net non-funded exposure</b>	<b>1,496,248</b>	<b>252,754</b>	<b>1,480</b>	<b>1,750,482</b>
<b>Total net exposure</b>	<b>5,974,637</b>	<b>845,234</b>	<b>117,498</b>	<b>6,937,369</b>

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

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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	R'000 Total
<b>Opening Balance – as of 1 January 2025</b>				
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
<b>Total</b>	<u>11,321</u>	<u>65,241</u>	<u>85,360</u>	<u>161,922</u>
<b>Net transfer between stages</b>				
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)	-
<b>Total</b>	<u>2,689</u>	<u>(2,307)</u>	<u>(382)</u>	<u>-</u>
<b>Charge for the year (net of recoveries)</b>				
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
<b>Sub total</b>	<u>(481)</u>	<u>11,523</u>	<u>22,374</u>	<u>33,416</u>
<b>ECL on acquired assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(401)</u>
<b>Total net of recovery</b>	<u>(481)</u>	<u>11,523</u>	<u>22,374</u>	<u>33,015</u>
<b>Written off</b>	-	-	(11,409)	(11,409)
<b>Closing Balance – as at 31 December 2025</b>				
- 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
<b>Total expected credit loss</b>	<u>13,529</u>	<u>74,457</u>	<u>95,943</u>	<u>183,929</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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

##### (g) Reconciliation of financial assets and liabilities

31 March 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	-	-	-	305,183	305,183
Loans and advances to banks	6	-	-	-	318,224	318,224
Loans and advances to customers	7	-	-	-	4,293,300	4,293,300
Investment securities	8	13,409	111,785	146,528	444,067	715,789
Other assets		2,131	-	-	85,373	87,504
		<u>15,540</u>	<u>111,785</u>	<u>146,528</u>	<u>5,446,147</u>	<u>5,720,000</u>
Due to banks	11	-	-	-	347,981	347,981
Deposits from customers	12	-	-	-	4,350,831	4,350,831
Subordinated loans	13	-	-	-	102,365	102,365
Other liabilities		1,497	-	-	158,741	160,238
		<u>1,497</u>	<u>-</u>	<u>-</u>	<u>4,959,918</u>	<u>4,961,415</u>
31 March 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	-	-	-	327,970	327,970
Loans and advances to banks	6	-	-	-	165,072	165,072
Loans and advances to customers	7	-	-	-	4,080,440	4,080,440
Investment securities	8	4,726	90,071	137,521	421,782	654,100
Other assets		2,768	-	-	86,961	89,729
		<u>7,494</u>	<u>90,071</u>	<u>137,521</u>	<u>5,082,225</u>	<u>5,317,311</u>
Due to banks	11	-	-	-	329,758	329,758
Deposits from customers	12	-	-	-	4,164,473	4,164,473
Other liabilities		1,871	-	-	114,289	116,160
		<u>1,871</u>	<u>-</u>	<u>-</u>	<u>4,608,520</u>	<u>4,610,391</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 S'000	FVOCI – equity instruments S'000	FVOCI – debt instruments S'000	Amortised cost S'000	Total carrying amount S'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
		<u>14,817</u>	<u>101,409</u>	<u>156,133</u>	<u>5,086,902</u>	<u>5,359,261</u>
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
		<u>1,685</u>	<u>-</u>	<u>-</u>	<u>4,605,539</u>	<u>4,607,224</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 8. Investment's securities

	Unaudited 31-Mar-26 S '000	Unaudited 31-Mar-25 S '000	Audited 31-Dec-25 S '000
<b>Equity investments:</b>			
Measured at FVTPL	13,409	4,726	12,494
Measured at FVOCI	111,785	90,071	101,409
<b>Gross equity investments</b>	<u>125,194</u>	<u>94,797</u>	<u>113,903</u>
<b>Debt investments:</b>			
Measured at FVOCI	148,904	138,228	158,423
Measured at amortized cost	444,067	421,782	443,721
<b>Gross debt investments</b>	<u>592,971</u>	<u>560,010</u>	<u>602,144</u>
<b>Total investment securities</b>	<b>718,165</b>	<b>654,807</b>	<b>716,047</b>
Less: Impairment loss allowance	<b>(2,376)</b>	<b>(707)</b>	<b>(2,290)</b>
<b>Total investment securities</b>	<u><u>715,789</u></u>	<u><u>654,100</u></u>	<u><u>713,757</u></u>
	<b>Unaudited 31-Mar-26 S '000</b>	<b>Unaudited 31-Mar-25 S '000</b>	<b>Audited 31-Dec-25 S '000</b>
Investment securities measured as at FVTPL	13,409	4,726	12,494
Investment securities measured at FVOCI	258,313	227,592	257,542
Debt investments measured at amortised cost	444,067	421,782	443,721
	<u>715,789</u>	<u>654,100</u>	<u>713,757</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 8. Investment securities (continued)

##### 8.1 Categories of investments by measurement

31 March 2026	Designated at FVTPL ₹ '000	FVOCI ₹ '000	Amortized cost ₹ '000	Total ₹ '000
<b>Quoted Equities:</b>				
Foreign securities	-	37,160	-	37,160
Other services sector	-	3,415	-	3,415
Unit funds	12,620	-	-	12,620
Financial services sector	-	13,456	-	13,456
Industrial sector	-	56,949	-	56,949
	<u>12,620</u>	<u>110,980</u>	<u>-</u>	<u>123,600</u>
<b>Unquoted Equities:</b>				
Local securities	789	805	-	1,594
Unit funds	-	-	-	-
	<u>789</u>	<u>805</u>	<u>-</u>	<u>1,594</u>
<b>Gross Equity investments</b>	<u>13,409</u>	<u>111,785</u>	<u>-</u>	<u>125,194</u>
<b>Quoted Debt:</b>				
Government Bonds and Sukuks	-	65,940	375,271	441,211
Foreign Bonds	-	5,338	12,288	17,626
Local Bonds and Sukuks	-	34,957	26,508	61,465
	<u>-</u>	<u>106,235</u>	<u>414,067</u>	<u>520,302</u>
<b>Unquoted Equities:</b>				
Treasury Bills	-	-	30,000	30,000
Foreign bonds	-	42,669	-	42,669
	<u>-</u>	<u>42,669</u>	<u>30,000</u>	<u>72,669</u>
<b>Gross debt investments</b>	<u>-</u>	<u>148,904</u>	<u>444,067</u>	<u>592,971</u>
<b>Total Investment Securities</b>	<u>13,409</u>	<u>260,689</u>	<u>444,067</u>	<u>718,165</u>
Less: Impairment losses on investments	-	(2,376)	-	(2,376)
	<u>13,409</u>	<u>258,313</u>	<u>444,067</u>	<u>715,789</u>

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments ₹ 000's	FVOCI Equity investment ₹ 000's	Amortised cost ₹ 000's	FVTPL ₹ 000's	Total ₹ 000's
<b>At 1 January 2026</b>	156,161	101,381	443,721	12,494	713,757
Additions	77,000	9,515	33,386	148	120,049
Disposals and redemption	(85,700)	(18,496)	(35,000)	-	(139,196)
Gain /(loss) from change in fair value	(1,054)	19,178	-	767	18,891
Amortisation of discount and premium	2	13	120	-	135
Movement in interest accrued	2,495	194	1,840	-	4,529
<b>Total</b>	<u>148,904</u>	<u>111,785</u>	<u>444,067</u>	<u>13,409</u>	<u>718,165</u>
Less: Impairment losses on investments	<u>(2,360)</u>	<u>(16)</u>	<u>-</u>	<u>-</u>	<u>(2,376)</u>
<b>At 31 March 2026</b>	<u>146,544</u>	<u>111,769</u>	<u>444,067</u>	<u>13,409</u>	<u>715,789</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 8. Investment securities (continued)

##### 8.1 Categories of investments by measurement

31 March 2025	Designated at FVTPL ₹ '000	FVOCI ₹ '000	Amortized cost ₹ '000	Total ₹ '000
<b>Quoted Equities:</b>				
Foreign securities	-	33,343	-	33,343
Other services sector	-	1,871	-	1,871
Unit funds	3,944	-	-	3,944
Financial services sector	-	13,264	-	13,264
Industrial sector	-	40,841	-	40,841
	<u>3,944</u>	<u>89,319</u>	<u>-</u>	<u>93,263</u>
<b>Unquoted Equities:</b>				
Local securities	782	752	-	1,534
Unit funds	-	-	-	-
	<u>782</u>	<u>752</u>	<u>-</u>	<u>1,534</u>
<b>Gross Equity investments</b>	<u>4,726</u>	<u>90,071</u>	<u>-</u>	<u>94,797</u>
<b>Quoted Debt:</b>				
Government Bonds and Sukuk	-	96,938	338,036	434,974
Foreign Bonds	-	-	10,400	10,400
Local Bonds and Sukuks	-	29,631	30,346	59,977
	<u>-</u>	<u>126,569</u>	<u>378,782</u>	<u>505,351</u>
<b>Unquoted Equities:</b>				
Treasury Bills	-	-	43,000	43,000
Foreign bonds	-	11,659	-	11,659
	<u>-</u>	<u>11,659</u>	<u>43,000</u>	<u>54,659</u>
<b>Gross debt investments</b>	<u>-</u>	<u>138,228</u>	<u>421,782</u>	<u>560,010</u>
<b>Total Investment Securities</b>	<u>4,726</u>	<u>228,299</u>	<u>421,782</u>	<u>654,807</u>
<b>Less: Impairment losses on investments</b>	<u>-</u>	<u>(707)</u>	<u>-</u>	<u>(707)</u>
	<u>4,726</u>	<u>227,592</u>	<u>421,782</u>	<u>654,100</u>

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments ₹ 000's	FVOCI Equity investment ₹ 000's	Amortised cost ₹ 000's	FVTPL ₹ 000's	Total ₹ 000's
At 1 January 2025	143,609	82,457	420,049	2,370	648,485
Additions	11,550	13,765	35,922	2,324	63,561
Disposals and redemption	(18,676)	(562)	(34,340)	-	(53,578)
Gain/(loss) from change in fair value	411	(5,755)	-	32	(5,312)
Amortisation of discount and premium	5	14	82	-	101
Movement in interest accrued	1,329	152	69	-	1,550
<b>Total</b>	<u>138,228</u>	<u>90,071</u>	<u>421,782</u>	<u>4,726</u>	<u>654,807</u>
<b>Less: Impairment losses on investments</b>	<u>(684)</u>	<u>(23)</u>	<u>-</u>	<u>-</u>	<u>(707)</u>
<b>At 31 March 2025</b>	<u>137,544</u>	<u>90,048</u>	<u>421,782</u>	<u>4,726</u>	<u>654,100</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 8. Investment securities (continued)

##### 8.1 Categories of investments by measurement (continued)

31 December 2025	Designated at FVTPL ≃ '000	FVOCI ≃ '000	Amortized cost ≃ '000	Total ≃ '000
<b>Quoted Equities:</b>				
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
	<u>11,722</u>	<u>100,604</u>	<u>-</u>	<u>112,326</u>
<b>Unquoted Equities:</b>				
Local securities	772	805	-	1,577
Unit funds	-	-	-	-
	<u>772</u>	<u>805</u>	<u>-</u>	<u>1,577</u>
<b>Gross Equity investments</b>	<u>12,494</u>	<u>101,409</u>	<u>-</u>	<u>113,903</u>
<b>Quoted Debt:</b>				
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
	<u>-</u>	<u>108,048</u>	<u>393,721</u>	<u>501,769</u>
<b>Unquoted Equities:</b>				
Treasury Bills	-	-	50,000	50,000
Foreign bonds	-	50,375	-	50,375
	<u>-</u>	<u>50,375</u>	<u>50,000</u>	<u>100,375</u>
<b>Gross debt investments</b>	<u>-</u>	<u>158,423</u>	<u>443,721</u>	<u>602,144</u>
<b>Total Investment Securities</b>	12,494	259,832	443,721	716,047
Less: Impairment losses on investments	-	(2,290)	-	(2,290)
	<u>12,494</u>	<u>257,542</u>	<u>443,721</u>	<u>713,757</u>

The movements in investment securities are summarised as follows:

	FVOCI Debt instruments ≃ 000's	FVOCI Equity investment ≃ 0 000's	Amortised cost ≃ 000's	FVTPL ≃ 000's	Total ≃ 000's
<b>At 1 January 2025</b>	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
<b>Total</b>	<u>158,423</u>	<u>101,409</u>	<u>443,721</u>	<u>12,494</u>	<u>716,047</u>
Less: Impairment losses on investments	<u>(2,262)</u>	<u>(28)</u>	<u>-</u>	<u>-</u>	<u>(2,290)</u>
<b>At 31 December 2025</b>	<u>156,161</u>	<u>101,381</u>	<u>443,721</u>	<u>12,494</u>	<u>713,757</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 9. Intangible assets

	Unaudited 31-Mar-2026 S'000	Unaudited 31-Mar-2025 S'000	Audited 31-Dec-2025 S'000
<b>Cost</b>			
01-Jan	47,470	42,463	42,463
Additions	991	835	5,007
Disposals	-	-	-
	<u>48,461</u>	<u>43,298</u>	<u>47,470</u>
<b>Depreciation</b>			
01-Jan	33,042	29,876	29,876
Charge for the year	849	762	3,166
Disposals	-	-	-
	<u>33,891</u>	<u>30,638</u>	<u>33,042</u>
Carrying Value	<u>14,570</u>	<u>12,660</u>	<u>14,428</u>

#### 10. Property and equipment

	Unaudited 31-Mar-2026 S'000	Unaudited 31-Mar-2025 S'000	Audited 31-Dec-2025 S'000
Conventional	13,833	14,048	13,633
Islamic window	1,460	1,121	1,380
	<u>15,293</u>	<u>15,169</u>	<u>15,013</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 11. Due to banks

	Unaudited 31-Mar-2026 ₹ '000	Unaudited 31-Mar-2025 ₹ '000	Audited 31-Dec-2025 ₹ '000
Syndicated Inter bank borrowings	86,091	82,438	88,396
Interbank borrowings	259,524	233,353	177,421
Payable on demand	2,366	13,967	2,560
	<u>347,981</u>	<u>329,758</u>	<u>268,377</u>

At 31 March 2026 Inter Bank borrowings with one bank represented 20% or more of the bank's total inter-bank borrowings (31 March 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 31-Mar-2026 ₹ '000	Unaudited 31-Mar-2025 ₹ '000	Audited 31-Dec-2025 ₹ '000
Current accounts	1,235,919	1,125,343	1,060,197
Savings accounts	590,668	513,064	560,104
Time and certificate deposits	1,622,716	1,689,564	1,612,327
Margin accounts	18,462	16,230	16,944
	<u>3,467,765</u>	<u>3,344,201</u>	<u>3,249,572</u>
Islamic Banking	Unaudited 31-Mar-2026 ₹ '000	Unaudited 31-Mar-2025 ₹ '000	Audited 31-Dec-2025 ₹ '000
Current accounts	349,083	262,137	318,907
Savings accounts	151,138	106,953	132,637
Time deposits	368,984	433,197	403,794
Margin accounts	13,861	17,985	11,919
	<u>883,066</u>	<u>820,272</u>	<u>867,257</u>

The current accounts and time deposits include deposits from the Government of the Sultanate of Oman and its entities amounting to ₹ 1,515 million (31 March 2025 - ₹ 1,837 million, 31 December 2025 - ₹ 1,605 million).

#### 13. Subordinated loan

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

	Unaudited 31-Mar-2026 ₹ '000	Unaudited 31-Mar-2025 ₹ '000	Audited 31-Dec-2025 ₹ '000
Subordinated loan	100,000	-	100,000
Interest payable on subordinated loan	2,365	-	905
	<u>102,365</u>	<u>-</u>	<u>100,905</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 14. Share capital

The authorised share capital consists of 5,000,000,000 ordinary shares of ₪ 0.100 each (31 March 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 31 March 2025, the issued and paid up share capital comprise of 3,039,798,532 ordinary shares of ₪ 0.100 each (31 March 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 31-Mar-26		Unaudited 31-Mar-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%	730,891,846	24.04%	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%	1,794,666,114	59.04%	1,794,830,348	59.04%
Others	1,268,016,724	41.71%	1,245,132,418	40.96%	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 31 March 2026 (31 March 2025: ₪ 70 million, 31 December 2025: ₪ 70 million).

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 14. Share capital *(Continued)*

##### Tier 1 $\text{Riyal}$ Securities

- (a) In October 2022, the Bank issued Perpetual Tier 1  $\text{Riyal}$  Capital Securities (the “Tier 1  $\text{Riyal}$  Securities”), amounting to  $\text{Riyal}$  115,500,000, denominated in Riyal Omani. This Tier 1  $\text{Riyal}$  Securities is listed on Muscat Stock Exchange.

The Tier 1  $\text{Riyal}$  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  $\text{Riyal}$  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  $\text{Riyal}$  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  $\text{Riyal}$  Capital Securities (the “Tier 1  $\text{Riyal}$  Securities”), amounting to  $\text{Riyal}$  40,000,000, denominated in Riyal Omani. This Tier 1  $\text{Riyal}$  Securities is listed on Muscat Stock Exchange.

The Tier 1  $\text{Riyal}$  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  $\text{Riyal}$  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  $\text{Riyal}$  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  $\text{Riyal}$  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  $\text{Riyal}$  Securities unless and until it has paid one interest payment in full on the Tier 1  $\text{Riyal}$  Securities. The Tier 1  $\text{Riyal}$  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).

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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:

	<b>Unaudited</b> <b>31-Mar-2026</b>	Unaudited 31-Mar-2025	Audited 31-Dec-2025
Net assets	<u>619,967,000</u>	<u>571,635,000</u>	<u>614,144,000</u>
Number of shares outstanding at the end of the period / year	<u>3,039,798,532</u>	<u>3,039,798,532</u>	<u>3,039,798,532</u>
Net assets per share (₹)	<u>0.204</u>	<u>0.188</u>	<u>0.202</u>

#### 16. Interest income/ income from islamic financing and investments

<b>Conventional Banking</b>	<b>Unaudited</b> <b>31-Mar-2026</b> ₹ '000	Unaudited 31-Mar-2025 ₹ '000
Loans and advances	47,186	48,103
Due from banks	5,873	4,644
Investments	6,211	5,841
<b>Total</b>	<u>59,270</u>	<u>58,588</u>
<b>Islamic Banking</b>	<b>Unaudited</b> <b>31-Mar-2026</b> ₹ '000	Unaudited 31-Mar-2025 ₹ '000
Islamic financing receivables	12,077	10,843
Islamic due from banks	27	164
Investments	1,274	1,381
<b>Total</b>	<u>13,378</u>	<u>12,388</u>

## BANK DHOFAR SAOG

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### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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

<b>Conventional Banking</b>	<b>Unaudited 31-Mar-2026 S '000</b>	<b>Unaudited 31-Mar-2025 S '000</b>
Customers' deposits	(26,340)	(28,168)
Subordinated liabilities	(1,460)	-
Bank borrowings	(6,907)	(6,559)
<b>Total</b>	<b>(34,707)</b>	<b>(34,727)</b>

  

<b>Islamic Banking</b>	<b>Unaudited 31-Mar-2026 S '000</b>	<b>Unaudited 31-Mar-2025 S '000</b>
Customers' deposits	(7,522)	(6,870)
Bank borrowing	(136)	(284)
<b>Total</b>	<b>(7,658)</b>	<b>(7,154)</b>

## BANK DHOFAR SAOG

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### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 18. Earnings per share (basic and diluted)

The calculation of basic and diluted earnings per share is based on profit for the three-month period ended 31 March 2026 attributable to ordinary shareholders as follows:

	<b>Unaudited 31-Mar-2026</b>	Unaudited 31-Mar-2025
Profit for the period (ﷲ) ('000)	<b>13,222</b>	12,155
Less: Additional Tier 1 Coupon (ﷲ) ('000)	<b>(3,887)</b>	-
Profit for the period attributable to equity holders of the Bank (ﷲ) ('000)	<b>9,335</b>	12,155
Weighted average number of shares outstanding during the period	<b>3,039,798,532</b>	3,039,798,532
Earnings per share basic and diluted (ﷲ)	<b>0.0031</b>	0.0040

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.

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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:

	<b>Unaudited 31-Mar- 2026 ± '000</b>	Unaudited 31-Mar- 2025 ± '000	Audited 31-Dec- 2025 ± O'000
<b>Loans, advances and financing</b>			
Shareholders holding 20% or more interest in the Bank and their related entities	70,663	109,106	81,929
Other related parties	82,568	52,688	67,793
	<u>153,231</u>	<u>161,794</u>	<u>149,722</u>
<b>Subordinated Loan</b>			
Shareholders holding 20% or more interest in the Bank and their related entities	13,408	-	13,388
Other related parties	25,606	-	25,432
	<u>39,014</u>	<u>-</u>	<u>38,820</u>
<b>Deposits and other accounts</b>			
Shareholders holding 20% or more interest in the Bank and their related entities	116,501	169,108	98,282
Other related parties	367,919	410,815	368,916
	<u>484,420</u>	<u>579,923</u>	<u>467,198</u>
<b>Contingent liabilities and commitments</b>			
Shareholders holding 20% or more interest in the Bank and their related entities	4,356	5,390	4,432
Other related parties	3,804	3,907	6,956
	<u>8,160</u>	<u>9,297</u>	<u>11,388</u>
<b>Remuneration paid to Directors</b>			
<b>Chairman</b>			
– remuneration paid	36	36	36
– sitting fees paid	2	1	7
<b>Other Directors</b>			
– remuneration paid	264	264	264
– sitting fees paid	20	17	76
	<u>322</u>	<u>318</u>	<u>383</u>
<b>Other transactions</b>			
Rental payment to related parties	397	403	582
Insurance	263	619	4,238
Other transactions	75	110	517
Remuneration and fees paid to Sharia' Board of Islamic Banking Window	45	42	52

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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 31-Mar-2026 ₹ '000	Unaudited 31-Mar- 2025 ₹ '000	Audited 31-Dec- 2025 ₹ '000
<b>(a) Senior members</b>			
Total exposure:			
Direct	153,231	161,795	149,722
Indirect	8,159	10,465	7,388
	<u>161,390</u>	<u>172,260</u>	<u>157,110</u>
Number of members	<u>41</u>	<u>41</u>	<u>41</u>

#### 20. Contingent Liabilities and Commitment

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

	Unaudited 31-Mar-2026 ₹ '000	Unaudited 31-Mar-2025 ₹ '000	Audited 31-Dec-2025 ₹ '000
Letters of credit	111,656	74,296	106,640
Guarantees and performance bonds	750,420	650,210	756,505
	<u>862,076</u>	<u>724,506</u>	<u>863,145</u>

At 31 March 2026, the Irrevocable unutilised limits towards the loans, advances and financing to customer amount to ₹ 1,004 million (31 March 2025: ₹ 962.54 and 31 December 2025: ₹ 893.77 million).

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 21. Disaggregation of net fees and commission income

	Retail banking	Corporate banking	Treasury and investment banking	Sub Total	Islamic Banking	Total
31 March 2026	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000
<b>Fee Income</b>						
Transactional services	5,793	102	3	5,898	721	6,619
Trade services	9	932	674	1,615	260	1,875
Syndication and other financing related services	547	2,108	626	3,281	466	3,747
Advisory and asset management services	-	-	-	-	127	127
	<u>6,349</u>	<u>3,142</u>	<u>1,303</u>	<u>10,794</u>	<u>1,574</u>	<u>12,368</u>
<b>Fee Expense</b>						
Transactional Services	(3,424)	(44)	(69)	(3,537)	(129)	(3,666)
Syndication and Other Financing related services	-	-	(1)	(1)	-	(1)
	<u>(3,424)</u>	<u>(44)</u>	<u>(70)</u>	<u>(3,538)</u>	<u>(129)</u>	<u>(3,667)</u>
<b>Net fee and commission income</b>	<u>2,925</u>	<u>3,098</u>	<u>1,233</u>	<u>7,256</u>	<u>1,445</u>	<u>8,701</u>

	Retail banking	Corporate banking	Treasury and investment banking	Sub Total	Islamic Banking	Total
31 March 2025	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000
<b>Fee Income</b>						
Transactional services	4,825	153	15	4,993	350	5,343
Trade services	11	978	597	1,586	261	1,847
Syndication and other financing related services	365	2,320	193	2,878	320	3,198
Advisory and asset management services	-	-	-	-	60	60
	<u>5,201</u>	<u>3,451</u>	<u>805</u>	<u>9,457</u>	<u>991</u>	<u>10,448</u>
<b>Fee Expense</b>						
Transactional Services	(2,298)	(49)	(66)	(2,413)	(61)	(2,474)
Syndication and Other Financing related services	-	-	(143)	(143)	(74)	(217)
	<u>(2,298)</u>	<u>(49)</u>	<u>(209)</u>	<u>(2,556)</u>	<u>(135)</u>	<u>(2,691)</u>
<b>Net fee and commission income</b>	<u>2,903</u>	<u>3,402</u>	<u>596</u>	<u>6,901</u>	<u>856</u>	<u>7,757</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

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

	Retail banking	Corporate banking	Treasury and investment banking	Sub Total	Islamic Banking	Total
31 December 2025	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000
<b>Fee Income</b>						
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
	<u>25,976</u>	<u>12,229</u>	<u>5,031</u>	<u>43,236</u>	<u>5,047</u>	<u>48,283</u>
<b>Fee Expense</b>						
Transactional Services	(11,169)	(90)	(279)	(11,538)	(564)	(12,102)
Syndication and Other Financing related services	-	-	(149)	(149)	(180)	(329)
	<u>(11,169)</u>	<u>(90)</u>	<u>(428)</u>	<u>(11,687)</u>	<u>(744)</u>	<u>(12,431)</u>
<b>Net fee and commission income</b>	<u>14,807</u>	<u>12,139</u>	<u>4,603</u>	<u>31,549</u>	<u>4,303</u>	<u>35,852</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 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
<b>31 March 2026</b>						
Personal	-	1,673,935	-	1,125,151	-	378
Corporate	310,839	2,121,479	510,243	1,135,683	347,981	317,129
Government	7,701	712,742	207,922	2,089,997	-	544,569
	<u>318,540</u>	<u>4,508,156</u>	<u>718,165</u>	<u>4,350,831</u>	<u>347,981</u>	<u>862,076</u>
<b>31 March 2025</b>						
Personal	-	1,571,997	-	934,380	-	258
Corporate	165,163	2,032,756	431,572	920,448	329,758	288,096
Government	-	660,270	223,235	2,309,645	-	436,152
	<u>165,163</u>	<u>4,265,023</u>	<u>654,807</u>	<u>4,164,473</u>	<u>329,758</u>	<u>724,506</u>
<b>31 December 2025</b>						
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
	<u>212,231</u>	<u>4,387,255</u>	<u>716,047</u>	<u>4,116,829</u>	<u>268,377</u>	<u>863,145</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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, 31 March 2026:

	Stage 1 ₹ '000	Stage 2 ₹ '000	Stage 3 ₹ '000	Total ₹ '000
<b>31 March 2026</b>				
<i>Exposure</i>				
Banks and cash held with a custodian	623,389	18	-	623,407
Sovereigns	471,211	-	-	471,211
Wholesale banking	3,633,609	825,287	226,338	4,685,234
Retail banking	1,631,258	7,423	35,254	1,673,935
Investments	111,760	10,000	-	121,760
<b>Total</b>	<b>6,471,227</b>	<b>842,728</b>	<b>261,592</b>	<b>7,575,547</b>
<b>Provision for expected credit losses</b>	<b>13,346</b>	<b>50,444</b>	<b>123,551</b>	<b>187,341</b>
	Stage 1 ₹ '000	Stage 2 ₹ '000	Stage 3 ₹ '000	Total ₹ '000
<b>31 March 2025</b>				
<i>Exposure</i>				
Banks and cash held with a custodian	492,793	249	-	493,042
Sovereigns	477,974	-	-	477,974
Wholesale banking	3,128,182	1,068,486	171,834	4,368,502
Retail banking	1,528,531	6,332	37,134	1,571,997
Investments	72,036	10,000	-	82,036
<b>Total</b>	<b>5,699,516</b>	<b>1,085,067</b>	<b>208,968</b>	<b>6,993,551</b>
<b>Provision for expected credit losses</b>	<b>11,638</b>	<b>66,102</b>	<b>86,548</b>	<b>164,288</b>
	Stage 1 ₹ '000	Stage 2 ₹ '000	Stage 3 ₹ '000	Total ₹ '000
<b>31 December 2025</b>				
<i>Exposure</i>				
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
<b>Total</b>	<b>5,988,166</b>	<b>919,691</b>	<b>213,441</b>	<b>7,121,298</b>
<b>Provision for expected credit losses</b>	<b>13,529</b>	<b>74,457</b>	<b>95,943</b>	<b>183,929</b>

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026****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, 31 March 2026, with LCR of 135.76% calculated on weighted average value for the period ended (31 March 2025: 158.71%) (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, 31 March 2026, with a NSFR of 113.14% calculated on weighted average value for the period ended (31 March 2025: 107.45%) (31 December 2025: 113.35%).

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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
31 March 2026	± '000	± '000	± '000	± '000	± '000	± '000
Cash and balances with Central Bank of Oman	126,360	44,950	35,232	51,310	47,331	305,183
Loan and advances to customer	399,361	476,930	154,092	1,156,551	2,321,222	4,508,156
Loans and advances to banks	93,232	34,250	75,092	115,966	-	318,540
Investment Securities	102,894	140,126	106,352	281,137	87,656	718,165
Other assets	-	-	9,960	-	80,533	90,493
<b>Total Assets Funded</b>	<b>721,847</b>	<b>696,256</b>	<b>380,728</b>	<b>1,604,964</b>	<b>2,536,743</b>	<b>5,940,537</b>
Spot and Forward Purchases (notional value)	74,534	150,344	135,155	170,106	0	530,139
<b>Total Assets Funded and Non Funded</b>	<b>796,381</b>	<b>846,600</b>	<b>515,883</b>	<b>1,775,070</b>	<b>2,536,743</b>	<b>6,470,676</b>
Due to banks	246,496	15,400	-	86,085	-	347,981
Deposits from customers	619,445	909,001	781,005	1,098,908	942,472	4,350,831
Other liabilities	82,707	25,230	11,243	8,777	23,966	151,922
Subordinated loans	-	-	-	31,753	70,612	102,365
<b>Total liabilities</b>	<b>948,648</b>	<b>949,631</b>	<b>792,247</b>	<b>1,225,523</b>	<b>1,037,049</b>	<b>4,953,099</b>
Spot and Forward Purchases (notional value)	74,437	150,386	135,259	170,326	-	530,408
Loan commitments	402,433	603,649	-	-	-	1,006,082
Letter of credit	44,662	66,994	-	-	-	111,656
Guarantees and performance bonds	300,168	450,252	-	-	-	750,420
<b>Total Liabilities Funded and Non Funded</b>	<b>1,770,348</b>	<b>2,220,912</b>	<b>927,506</b>	<b>1,395,849</b>	<b>1,037,049</b>	<b>7,351,665</b>
<b>Cumulative Liabilities</b>	<b>1,770,348</b>	<b>3,991,260</b>	<b>4,918,766</b>	<b>6,314,616</b>	<b>7,351,665</b>	
<b>Gap</b>	<b>973,967</b>	<b>1,374,312</b>	<b>411,624</b>	<b>(379,220)</b>	<b>(1,499,693)</b>	
<b>Cumulative Gap</b>	<b>973,967</b>	<b>2,348,279</b>	<b>2,759,903</b>	<b>2,380,682</b>	<b>880,989</b>	

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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
31 March 2025	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000	₹ '000
Cash and balances with Central Bank of Oman	98,542	36,620	61,874	71,255	59,679	327,970
Loan and advances to customer	506,911	320,065	152,788	876,278	2,408,981	4,265,023
Loans and advances to banks	124,470	23,100	8,470	9,123	-	165,163
Investments securities	22,889	180,950	38,387	337,142	75,439	654,807
Other assets	40,277	-	-	-	55,590	95,867
<b>Total Assets Funded</b>	<b>793,089</b>	<b>560,735</b>	<b>261,519</b>	<b>1,293,798</b>	<b>2,599,689</b>	<b>5,508,830</b>
Spot and Forward Purchases (notional value)	98,717	159,179	72,613	99,715	-	430,224
<b>Total Assets Funded and Non Funded</b>	<b>891,806</b>	<b>719,914</b>	<b>334,132</b>	<b>1,393,513</b>	<b>2,599,689</b>	<b>5,939,054</b>
Due to banks	216,910	30,415	-	82,433	-	329,758
Deposits from customers	580,016	595,611	1,006,521	1,094,606	887,719	4,164,473
Other liabilities	55,346	15,951	6,900	7,211	23,367	108,775
Subordinated loans	-	-	-	-	-	-
<b>Total liabilities</b>	<b>852,272</b>	<b>641,977</b>	<b>1,013,421</b>	<b>1,184,250</b>	<b>911,086</b>	<b>4,603,006</b>
Spot and Forward Purchases (notional value)	98,746	159,227	72,612	99,871	-	430,456
Loan commitments	385,016	577,525	-	-	-	962,541
Letter of credit	29,718	44,578	-	-	-	74,296
Guarantees and performance bonds	260,084	390,126	-	-	-	650,210
<b>Total Liabilities Funded and Non Funded</b>	<b>1,625,836</b>	<b>1,813,433</b>	<b>1,086,033</b>	<b>1,284,121</b>	<b>911,086</b>	<b>6,720,509</b>
<b>Cumulative Liabilities</b>	<b>1,625,836</b>	<b>3,439,269</b>	<b>4,525,302</b>	<b>5,809,423</b>	<b>6,720,509</b>	
<b>Gap</b>	<b>734,030</b>	<b>1,093,519</b>	<b>751,901</b>	<b>(109,392)</b>	<b>(1,688,603)</b>	
<b>Cumulative Gap</b>	<b>734,030</b>	<b>1,827,549</b>	<b>2,579,449</b>	<b>2,470,058</b>	<b>781,455</b>	

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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
31 December 2025	± '000	± '000	± '000	± '000	± '000	± '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
<b>Total Assets Funded</b>	<b>712,070</b>	<b>618,335</b>	<b>339,868</b>	<b>1,511,841</b>	<b>2,392,365</b>	<b>5,574,478</b>
Spot and Forward Purchases (notional value)	55,284	142,644	135,155	170,106	-	503,189
<b>Total Assets Funded and Non-Funded</b>	<b>767,354</b>	<b>760,979</b>	<b>475,023</b>	<b>1,681,947</b>	<b>2,392,365</b>	<b>6,077,667</b>
<b>Future Interest cash inflows</b>	<b>20,481</b>	<b>96,808</b>	<b>94,341</b>	<b>494,881</b>	<b>445,844</b>	<b>1,152,355</b>
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
<b>Total liabilities</b>	<b>2,458,567</b>	<b>531,188</b>	<b>297,017</b>	<b>517,093</b>	<b>795,053</b>	<b>4,598,918</b>
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
<b>Total Liabilities Funded and Non-Funded</b>	<b>3,214,288</b>	<b>1,730,253</b>	<b>432,276</b>	<b>687,419</b>	<b>795,053</b>	<b>6,859,289</b>
<b>Future Interest cash outflows</b>	<b>7,982</b>	<b>66,722</b>	<b>73,523</b>	<b>196,122</b>	<b>285,918</b>	<b>630,267</b>
<b>Cumulative Liabilities</b>	<b>3,214,288</b>	<b>4,944,541</b>	<b>5,376,817</b>	<b>6,064,236</b>	<b>6,859,289</b>	
<b>Gap</b>	<b>(2,446,934)</b>	<b>(969,274)</b>	<b>42,747</b>	<b>994,528</b>	<b>1,597,312</b>	
<b>Cumulative Gap</b>	<b>(2,446,934)</b>	<b>(3,416,208)</b>	<b>(3,373,461)</b>	<b>(2,378,933)</b>	<b>(781,621)</b>	

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 31 March 2026 is 17.80% (31 March 2025 – 16.10%, 31 December 2025 – 18.64%).

<b>Capital structure</b>	<b>Unaudited 31-Mar-26 ± '000</b>	<b>Unaudited 31-Mar-25 ± '000</b>	<b>Audited 31-Dec-25 ± '000</b>
<b>Common Equity Tier (CET) I/ TIER I CAPITAL</b>			
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	<u>572,603</u>	<u>554,509</u>	<u>572,603</u>
Additional Tier I regulatory adjustments:			
Deferred tax assets	-	(449)	-
Negative investment revaluation reserve	(8,925)	(11,429)	(7,669)
Regulatory provision adjustment	(14,612)	(17,658)	(14,612)
<b>Total CET 1 capital</b>	<u>549,066</u>	<u>524,973</u>	<u>550,322</u>
Additional Tier I capital (AT1)	<u>155,500</u>	<u>155,500</u>	<u>155,500</u>
<b>Total Tier 1 Capital (T1=CET1+AT1)</b>	<u>704,566</u>	<u>680,473</u>	<u>705,822</u>
<b>TIER II CAPITAL</b>			
Investment revaluation reserve	12,296	1,577	6,270
General provision	13,358	11,638	13,529
Subordinated Loan	93,800	-	93,800
Total Tier II capital	<u>119,454</u>	<u>13,215</u>	<u>113,599</u>
Total eligible capital	<u>824,020</u>	<u>693,688</u>	<u>819,421</u>
<b>Risk weighted assets</b>			
Banking book	4,174,427	3,859,305	3,919,553
Trading book	162,543	173,752	183,776
Operational risk	291,163	275,000	291,613
Total	<u>4,628,133</u>	<u>4,308,057</u>	<u>4,394,942</u>
Total Tier 1 Capital (T1=CET1+AT1)	<u>704,566</u>	<u>680,473</u>	<u>705,822</u>
Tier II capital	<u>119,454</u>	<u>13,215</u>	<u>113,599</u>
Total regulatory capital	<u>824,020</u>	<u>693,688</u>	<u>819,421</u>
Common Equity Tier 1 ratio	<u>11.86%</u>	<u>12.19%</u>	<u>12.52%</u>
Tier I capital ratio	<u>15.22%</u>	<u>15.80%</u>	<u>16.06%</u>
Total capital ratio	<u>17.80%</u>	<u>16.10%</u>	<u>18.64%</u>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 31 March 2026	Level 1 ± '000	Level 2 ± '000	Level 3 ± '000	Total ± '000	Cost ± '000
<b>Financial assets</b>					
Investments at FVOCI	205,748	11,466	43,474	260,688	235,160
Investments at FVTPL	12,621	-	789	13,410	12,500
<i>Derivative financial instruments</i>					
Commodities purchase contracts	-	160	-	160	-
Forward foreign exchange contracts	-	1,015	-	1,015	-
IRS customer	-	956	-	956	-
<b>Total</b>	<b>218,369</b>	<b>13,597</b>	<b>44,263</b>	<b>276,229</b>	<b>247,660</b>
<b>Financial liabilities</b>					
<i>Derivative financial instruments</i>					
Cash flow hedge	-	13	-	13	-
Commodities sale contracts	-	158	-	158	-
Forward foreign exchange contracts	-	370	-	370	-
Interest rate swaps	-	956	-	956	-
<b>Total</b>	<b>-</b>	<b>1,497</b>	<b>-</b>	<b>1,497</b>	<b>-</b>
31 March 2025	Level 1 ± '000	Level 2 ± '000	Level 3 ± '000	Total ± '000	Cost ± '000
<b>Financial assets</b>					
Investments at FVOCI	204,980	10,907	12,412	228,299	231,302
Investments at FVTPL	3,944	-	782	4,726	4,914
<i>Derivative financial instruments</i>					
Cash flow hedge	-	164	-	164	-
Commodities Purchase Contracts	-	265	-	265	-
IRS customer	-	1,623	-	1,623	-
Forward purchase contracts	-	-	-	-	-
Forward sales contracts	-	716	-	716	-
<b>Total assets</b>	<b>208,924</b>	<b>13,675</b>	<b>13,194</b>	<b>235,793</b>	<b>236,216</b>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 24. Fair value information (continued)

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

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.

31 March 2026	Positive Fair Value	Negative Fair Value	Notional Amount Total	₹ '000 Notional amounts by term to maturity		
				within 3 months	4-12 months	> 12 months
<b>Derivatives:</b>						
Cash flow hedge	-	13	76,018	-	-	76,018
Commodities purchase contracts	160	-	4,289	1,309	2,980	-
Commodities Sale contracts	-	158	4,286	1,308	2,978	-
Interest rate swaps	-	956	198,608	-	-	198,608
IRS customer	956	-	198,608	-	-	198,608
Forward purchase contracts	-	370	1,250,843	557,796	651,512	41,535
Forward sales contracts	1,015	-	1,249,742	557,108	651,111	41,523
<b>Total</b>	<b>2,131</b>	<b>1,497</b>	<b>2,982,394</b>	<b>1,117,521</b>	<b>1,308,581</b>	<b>556,292</b>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 24. Fair value information (continued)

31 March 2025	Positive Fair Value	Negative Fair Value	Notional Amount Total	± '000		
				Notional amounts by term to maturity		
				within 3 months	4-12 months	> 12 months
<b>Derivatives:</b>						
Cash flow hedge	164	-	76,018	-	-	76,018
Commodities Purchase Contracts	265	-	7,217	3,889	3,328	-
Commodities Sale Contracts	-	220	7,217	3,865	3,307	-
Interest rate swaps	-	1,623	134,551	-	-	134,551
IRS customer	1,623	28	134,551	-	-	134,551
Forward purchase contracts	-	-	799,961	234,976	299,809	265,176
Forward sales contracts	716	-	798,904	234,709	299,160	265,035
<b>Total</b>	<u>2,768</u>	<u>1,871</u>	<u>1,958,374</u>	<u>477,439</u>	<u>605,604</u>	<u>875,331</u>

31 December 2025	Positive fair value	Negative Fair Value	Notional amount total	± 000's		
				Notional amounts by term to maturity		
				within 3 months	4-12 months	> 12 months
<b>Derivatives:</b>						
Cash flow hedge	-	53	76,018	0	0	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
<b>Total</b>	<u>2,323</u>	<u>1,685</u>	<u>2,541,828</u>	<u>467,064</u>	<u>1,295,253</u>	<u>779,511</u>

### **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 25. Segmental information (continued)

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

31 March 2026	Retail banking	Corporate banking	Treasury and investments	Islamic Banking	Inter Segment	Total
	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000	≙ '000
Segment operating revenues	10,069	12,736	1,833	-	(75)	24,563
Net income from Islamic financing	-	-	-	5,645	75	5,720
Other revenues	5,133	3,349	5,341	2,119	-	15,942
Segment operating revenues	15,202	16,085	7,174	7,764	-	46,225
Operating expenses including depreciation	(10,413)	(6,045)	(1,415)	(3,483)	-	(21,356)
Net Impairment losses on financial assets	(440)	(4,833)	(118)	(4,158)	-	(9,549)
Profit from operations after provision	4,349	5,207	5,641	123	-	15,320
Tax expenses	(652)	(782)	(646)	(18)	-	(2,098)
<b>Profit for the period</b>	<b>3,697</b>	<b>4,425</b>	<b>4,995</b>	<b>105</b>	<b>-</b>	<b>13,222</b>
<b>Segment assets</b>	<b>1,515,028</b>	<b>2,417,425</b>	<b>1,019,991</b>	<b>1,123,951</b>	<b>(105,995)</b>	<b>5,970,400</b>
Less: Impairment allowance	(26,842)	(150,651)	(409)	(39,652)	-	(217,554)
<b>Total segment assets</b>	<b>1,488,186</b>	<b>2,266,774</b>	<b>1,019,582</b>	<b>1,084,299</b>	<b>(105,995)</b>	<b>5,752,846</b>
<b>Segment Liabilities</b>	<b>1,122,457</b>	<b>2,575,252</b>	<b>424,867</b>	<b>954,188</b>	<b>(105,995)</b>	<b>4,970,769</b>
Add: Impairment allowance	2	5,944	309	355	-	6,610
<b>Total segment Liabilities</b>	<b>1,122,459</b>	<b>2,581,196</b>	<b>425,176</b>	<b>954,543</b>	<b>(105,995)</b>	<b>4,977,379</b>

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

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026

#### 25. Segmental information (continued)

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

31 March 2025	Retail banking	Corporate banking	Treasury and investments	Islamic Banking	Inter Segment	Total
	S '000	S '000	S '000	S '000	S '000	S '000
Segment operating revenues	8,476	14,178	1,296	-	(89)	23,861
Net income from Islamic financing	-	-	-	5,145	89	5,234
Other revenues	3,048	3,305	4,221	1,456	-	12,030
Segment operating revenues	11,524	17,483	5,517	6,601	-	41,125
Operating expenses including depreciation	(9,998)	(5,461)	(1,507)	(3,456)	-	(20,422)
Net Impairment losses on financial assets	361	(5,053)	(134)	(1,577)	-	(6,403)
Profit from operations after provision	1,887	6,969	3,876	1,568	-	14,300
Tax expenses	(283)	(1,046)	(581)	(235)	-	(2,145)
<b>Profit for the period</b>	<b>1,604</b>	<b>5,923</b>	<b>3,295</b>	<b>1,333</b>	<b>-</b>	<b>12,155</b>
<b>Segment assets</b>	<b>1,473,163</b>	<b>2,435,927</b>	<b>718,001</b>	<b>997,510</b>	<b>(87,493)</b>	<b>5,537,108</b>
Less: Impairment allowance	(31,323)	(130,278)	(178)	(24,147)	-	(185,926)
<b>Total segment assets</b>	<b>1,441,840</b>	<b>2,305,649</b>	<b>717,823</b>	<b>973,363</b>	<b>(87,493)</b>	<b>5,351,182</b>
<b>Segment Liabilities</b>	<b>877,850</b>	<b>2,569,461</b>	<b>401,956</b>	<b>856,810</b>	<b>(87,493)</b>	<b>4,618,584</b>
Add: Impairment allowance	1,907	2,828	396	332	-	5,463
<b>Total segment Liabilities</b>	<b>879,757</b>	<b>2,572,289</b>	<b>402,352</b>	<b>857,142</b>	<b>(87,493)</b>	<b>4,624,047</b>

## BANK DHOFAR SAOG

### NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 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 losses 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)
<b>Profit for the period</b>	<b>12,435</b>	<b>20,377</b>	<b>14,870</b>	<b>3,369</b>	<b>-</b>	<b>51,051</b>
<b>Segment assets</b>	<b>1,449,043</b>	<b>2,305,229</b>	<b>878,496</b>	<b>1,057,199</b>	<b>(86,048)</b>	<b>5,603,919</b>
Less: Impairment allowance	(33,983)	(143,820)	(282)	(35,083)	-	(213,168)
<b>Total segment assets</b>	<b>1,415,060</b>	<b>2,161,409</b>	<b>878,214</b>	<b>1,022,116</b>	<b>(86,048)</b>	<b>5,390,751</b>
<b>Segment Liabilities</b>	<b>1,025,445</b>	<b>2,421,769</b>	<b>354,845</b>	<b>898,665</b>	<b>(86,048)</b>	<b>4,614,676</b>
Add: Impairment allowance	8	5,770	322	331	-	6,431
<b>Total segment Liabilities</b>	<b>1,025,453</b>	<b>2,427,539</b>	<b>355,167</b>	<b>898,996</b>	<b>(86,048)</b>	<b>4,621,107</b>