Basel III Disclosures

National Bank of Oman (NBO)

30 June 2025

Table 1 - Basel III common disclosure template as of 30 June 2025:

	AMOUNTS (RO'000)	Ref. to Table 2b
COMMON EQUITY TIER 1 CAPITAL: INSTRUMENTS AND RESERVES		
Directly issued qualifying common share capital (and equivalent for non-joint stock companies) plus related stock surplus	197,060	C
Retained earnings	255,676	D
Accumulated other comprehensive income (and other reserves)	54,198	E
Public sector capital injections grandfathered until 1 January 2018	-	
Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
Common Equity Tier 1 capital before regulatory adjustments	**506,934**	**F**
Common Equity Tier 1 capital: regulatory adjustments		
Deferred tax assets arising from temporary differences (net of related tax liability)	-	
Gains and losses due to changes in own credit risk on fair valued liabilities.	**(13,659)**	**G**
Total regulatory adjustments to Common Equity Tier 1	**(13,659)**	
Common Equity Tier 1 capital	**493,275**	
Additional Tier 1 capital: Instruments		
Directly issued qualifying Additional Tier 1 instruments plus related stock surplus	225,037	H
of which: classified as equity under applicable accounting standards	225,037	
of which: classified as liabilities under applicable accounting standards	-	
Additional Tier 1 capital before regulatory adjustments	**225,037**	
Additional Tier 1 capital: Regulatory Adjustments		
Total regulatory adjustments to Additional Tier 1 capital	**-**	
Additional Tier 1 capital (AT1)	**225,037**	
Tier 1 capital (T1 = CET1 + AT1)	**718,312**	
TIER 2 CAPITAL: INSTRUMENTS AND PROVISIONS		
Directly issued qualifying Tier 2 instruments plus related stock surplus	8,666	
Directly issued capital instruments subject to phase out from Tier 2	-	
Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	-	
of which: instruments issued by subsidiaries subject to phase out	-	
Provisions	12,103	A+B
TIER 2 CAPITAL BEFORE REGULATORY ADJUSTMENTS	**20,769**	
TIER 2 CAPITAL: REGULATORY ADJUSTMENTS		
Total regulatory adjustments to Tier 2 capital	-	
Tier 2 capital	**20,769**	
Total capital	**739,081**	
Risk Weighted Assets		
Total risk weighted assets	**4,458,642**	
Of which: Credit risk weighted assets	4,020,610	
Of which: Market risk weighted assets	165,888	
Of which: Operational risk weighted assets	272,144	
CAPITAL RATIOS		
Common Equity Tier 1 (as a percentage of risk weighted assets)	11.1	
Tier 1 (as a percentage of risk weighted assets)	16.1	
Total capital (as a percentage of risk weighted assets)	16.6	
Institution specific buffer requirement (minimum CET1 requirement plus capital conservation buffer plus countercyclical buffer requirements plus G-SIB/D-SIB buffer requirement expressed as a percentage of risk weighted assets)	-	
of which: capital conservation buffer requirement	-	
of which: bank specific countercyclical buffer requirement	-	
of which: D-SIB/G-SIB buffer requirement	-	
Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets	1.6	
NATIONAL MINIMA (IF DIFFERENT FROM BASEL III)		
National Common Equity Tier 1 minimum ratio (if different from Basel 3 minimum)	9.50	
National Tier 1 minimum ratio (if different from Basel 3 minimum)	11.50	
National total capital minimum ratio (if different from Basel 3 minimum)	13.50	

Table 2a - Balance sheet as in published financial statements.

Table 2a	30-Jun-2025
Assets	**RO'000s**
Cash and balances with Central Banks	284,914
Due from Banks and other money market placements (net)	366,777
Loans, advances and Islamic financing assets (net)	4,067,604
Investment securities	593,660
Other assets	59,888
Property and equipment	127,213
Total assets	**5,500,056**
Liabilities	
Due to banks and other money market deposits	329,978
Customers' deposits	4,204,843
Other liabilities	162,501
Taxation	17,298
Total liabilities	**4,714,620**
Shareholders' Equity	
Share capital	162,595
Share premium	34,465
Legal reserve	54,198
Other non-distributable reserves	19,441
Retained earnings	289,700
Tier 1 perpetual bond	225,037
Total shareholders' equity	**785,436**
Total liability and shareholders' funds	**5,500,056**

Table 2b – Reconciliation between expanded line items as per published financial statements and regulatory scope of consolidation with reference to Table 1.

Table 2b	30-Jun-2025	Reference
Assets	**RO'000s**	
Cash and balances with Central Bank of Oman	284,914	
Certificates of deposit	-	
Balance with banks and money at call and short notice	328,970	
Investments in securities	593,660	
Loans and advances of which:		
Loans to Banks - Gross	38,057	
General Provisions considered for Tier 2	(250)	**A**
Net Loans to banks	37,807	
Loans to Customers - Gross	4,240,158	
Specific Provisions	(160,701)	
General Provisions considered for Tier 2	(11,853)	**B**
Net Loans to customers	4,067,604	
Fixed assets	59,888	
Other assets of which:	127,213	
Deferred tax assets	-	
Amount considered for CET1	-	
Total Assets	**5,500,056**	
Capital & Liabilities		
Paid-up Capital	197,060	
Of which:		
Amount eligible for CET1	197,060	C
Amount eligible for AT1	-	
Reverses and Surplus	289,700	
Of which: Amount eligible for CET1		
Retained earnings carried forward	255,676	D
Amount **not eligible for CET1**	34,024	
Legal reserve	54,198	E
General reserve	-	
Subordinated debt reserve	-	
Total Amount eligible for CET1	**506,934**	**F**
Tier 1 perpetual bond	225,037	**H**
Cumulative changes in fair value of investments	(13,659)	
Amount eligible for Tier 1	13,659	**G**
Revaluation reserve	19,441	
Total Capital	**785,436**	
Deposits Of which:		
Deposits from banks	329,978	
Customer deposits	3,876,302	
Deposits of Islamic Banking window	328,541	
Euro medium term notes	-	
Other deposits (Sub-debt)	-	
Other liabilities & provisions of which:	179,799	
Total Liabilities and Capital	**5,500,056**	

Disclosure template for main features of all regulatory capital instruments

Common Equity:
Common equity comprises of 1,625,946,449 equity shares of RO 0.100 each fully paid up, issued and governed under the laws of Sultanate of Oman.

Table 3 – All other regulatory capital instruments:

1	Issuer	-	National Bank of Oman	National Bank of Oman	National Bank of Oman
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	-	XS2320458172	XS2485968569	XS2905559816
3	Governing law(s) of the instrument	-	English	English	English
4	Transitional Basel III rules	-	Additional Tier 1	Additional Tier 1	Additional Tier 1
5	Post-transitional Basel III rules	-	Eligible	Eligible	Eligible
6	Eligible at solo/group/group & solo	-	Solo	Solo	Solo
7	Instrument type	-	Additional Tier 1	Additional Tier 1	Additional Tier 1
8	Amount recognised in regulatory capital	-	RO 115.5 million	RO 51.63 million	RO 57.90 million
9	Par value of instrument	-	RO 115.5 million	RO 51.63 million	RO 57.90 million
10	Accounting classification	-	Equity	Equity	Equity
11	Original date of issuance	-	01-Apr-21	29-Nov-2022	23-Oct-2024
12	Perpetual or dated	-	Perpetual	Perpetual	Perpetual
13	Original maturity date	-	Not applicable	Not applicable	Not applicable
14	Issuer call subject to prior supervisory approval	-	Yes	Yes	Yes
15	Optional call date, contingent call dates and redemption amount	-	01-Apr-2026	29-Nov-2027	23-Oct-2029
16	Subsequent call dates, if applicable	-	Every five years	Every five years	Every five years
Coupons / dividends					
17	Fixed or floating dividend/coupon	-	Fixed	Fixed	Fixed
18	Coupon rate and any related index	-	8.000%	6.750%	6.750%
19	Existence of a dividend stopper	-	Yes	Yes	Yes
20	Fully discretionary, partially discretionary or mandatory	-	Fully discretionary	Fully discretionary	Fully discretionary
21	Existence of step up or other incentive to redeem	-	No	No	No
22	Noncumulative or cumulative	-	Non-cumulative	Non-cumulative	Non-cumulative
23	Convertible or non-convertible	-	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	-	Not applicable	Not applicable	Not applicable
25	If convertible, fully or partially	-	Not applicable	Not applicable	Not applicable
26	If convertible, conversion rate	-	Not applicable	Not applicable	Not applicable
27	If convertible, mandatory or optional conversion	-	Not applicable	Not applicable	Not applicable
28	If convertible, specify instrument type convertible into	-	Not applicable	Not applicable	Not applicable
29	If convertible, specify issuer of instrument it converts into	-	Not applicable	Not applicable	Not applicable
30	Write-down feature	-	Yes	Yes	Yes
31	If write-down, write-down trigger(s)	-	Non viability event	Non viability event	Non viability event
32	If write-down, full or partial	-	Full (See note)	Full (See note)	Full (See note)
33	If write-down, permanent or temporary	-	Permanent	Permanent	Permanent
34	If temporary write-down, description of write-up mechanism	-	Not applicable	Not applicable	Not applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	-	Subordinated to Senior Liabilities and Tier 2 - Subordinated debts	Subordinated to Senior Liabilities and Tier 2 - Subordinated debts	Subordinated to Senior Liabilities and Tier 2 - Subordinated debts
36	Non-compliant transitioned features	-	No	No	No
37	If yes, specify non-compliant features	-	Not applicable	Not applicable	Not applicable

Leverage Ratio

The leverage ratio deals with the risk of buildup of excessive on and off-balance sheet exposures. Minimum Leverage Ratio standard will be made applicable to all the Banks effective from the year 2019.

Basel III leverage ratio framework and disclosure requirements

Summary comparison of accounting assets vs leverage ratio exposure measure		
(Please refer to paragraph 52 of Basel III leverage ratio framework and disclosure requirements of BCBS issued in January 2014)		
	Item	**30-Jun-2025**
1	Total consolidated assets as per published financial statements	5,500,056
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	17,609
5	Adjustment for securities financing transactions (i.e., repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e., conversion to credit equivalent amounts of off-balance sheet exposures)	304,933
7	Other adjustments	-
8	**Leverage ratio exposure**	**5,822,598**
Leverage ratio common disclosure template		
(Please refer to paragraph 53 of Basel III leverage ratio framework and disclosure requirements of BCBS issued in January 2014)		
	Item	**30-Jun-2025**
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	5,500,056
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	-
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**5,500,056**
	DERIVATIVE EXPOSURES	
4	Replacement cost associated with *all* derivatives transactions (i.e., net of eligible cash variation margin)	17,609
5	Add-on amounts for PFE associated with *all* derivatives transactions	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	**17,609**
	SECURITIES FINANCING TRANSACTION EXPOSURES	
12	Gross SFT *assets* (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	**-**
	OTHER OFF-BALANCE SHEET EXPOSURES	
17	Off-balance sheet exposure at gross notional amount	440,090
18	(Adjustments for conversion to credit equivalent amounts)	(135,157)
19	**Off-balance sheet items (sum of lines 17 and 18)**	**304,933**
	CAPITAL AND TOTAL EXPOSURES	
20	**Tier 1 capital - (A)**	**718,312**
21	**Total exposures (sum of lines 3, 11, 16 and 19) - (B)**	**5,822,598**
	Leverage Ratio	
22	**Basel III leverage ratio (%) = (A) / (B)**	**12.3**

Liquidity Coverage Ratio (LCR)

	Total Unweighted Value (average) 30-Jun-2025	Total Weighted Value (average) 30-Jun-2025
	RO'000	RO'000
HIGH QUALITY LIQUID ASSETS		
TOTAL HIGH QUALITY LIQUID ASSETS (HQLA) (A)	**693,567**	**693,567**
Cash outflows		
Stable deposits	**394,850**	**11,845**
Less stable deposits	**332,968**	**33,297**
Retail deposits and deposits from small business customers	**727,818**	**45,142**
Unsecured wholesale funding, of which: Operational deposits (all counterparties) and deposits in networks of cooperative banks	**1,698,508**	**660,569**
Additional requirements, of which:		
Credit and liquidity facilities	**23,083**	**2,308**
Other contractual funding obligations	**18,771**	**939**
Other contingent funding obligations	**605,952**	**196,853**
TOTAL CASH OUTFLOWS (B)	**3,074,132**	**905,811**
CASH INFLOWS		
Inflows from fully performing exposures	**316,033**	**246,678**
Other cash inflows	**228,778**	**228,778**
TOTAL CASH INFLOWS (C)	**544,811**	**475,456**
TOTAL HIGH QUALITY LIQUID ASSETS (A)		**693,567**
TOTAL NET CASH OUTFLOWS (D) = (B) – (C)		**430,355**
LIQUIDITY COVERAGE RATIO (%) = (A) / (D)		**161.16**

Net Stable Funding Ratio (NSFR)

Item	Unweight value 30-Jun-2025	Weighted value 30-Jun-2025
AVAILABLE STABLE FUNDING	**RO'000**	**RO'000**
Regulatory capital	**739,081**	**739,081**
Liabilities with effective residual maturities of one year or more	2,544,779	2,544,779
Retail and small business customers		
- Stable Deposits	287,781	273,392
- Less Stable Deposits	154,073	138,666
Wholesale Funding		
- Operational and short-term funding	1,595,539	797,770
- Other wholesale funding	454,017	57,513
TOTAL AVAILABLE STABLE FUNDING	**5,775,270**	**4,551,201**
REQUIRED STABLE FUNDING		
High quality liquid assets		
- Coins, banknotes and reserves with CBO	284,414	0
- Other Level 1 assets	414,391	20,720
Funding to financial institutions with residual maturities of less than six months not included in the above categories	332,662	49,899
Funding not included in the above categories with residual maturity of less than one year, including loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns and PSEs	1,046,358	399,587
Unencumbered residential mortgages that would qualify for the 35% or lower risk weight under Basel II standardised approach for credit risk	456,804	296,922
All other assets not included in the above categories, including non-performing loans, loans to financial institutions with a residual maturity of one year or more, non-exchange-traded equities, fixed assets, items deducted from regulatory capital, retained interest, insurance assets, subsidiary interests and defaulted securities.	3,226,350	3,226,350
OFF BALANCE SHEET EXPOSRES		
Irrevocable and conditionally revocable credit and liquidity facilities to any client		
Other contingent funding obligations, including products and instruments such as guarantees, letters of credit, unconditionally revocable credit and liquidity facilities	440,089	22,004
TOTAL REQUIRED STABLE FUNDING	**6,201,068**	**4,015,482**
NSFR (MIN BASEL III REQUIREMENT - 100%) (%)		**113.34**