

bank muscat announces unaudited preliminary results for the year ended 31st December 2020

Net Profit at RO 163.36 million

MUSCAT, 14 January, 2021: bank muscat, the flagship financial institution in the Sultanate, announced its preliminary unaudited results for the year ended 31st December 2020. The financial results are subject to approval of External Auditors, Board of Directors, Central Bank of Oman and Shareholders of the Bank. The Bank posted a net profit of RO 163.36 million for the year compared to RO 185.55 million reported during the same period in 2019, a decrease of 12.0 per cent.

The key highlights of the results for the year are as follows:

- 1) Net Interest Income from Conventional Banking and Net Income from Islamic Financing stood at RO 322.13 million for the year ended 31 December 2020 compared to RO 316.97 million for the same period in 2019, an increase of 1.6 per cent.
- 2) Non-interest income was RO 134.41 million for the year ended 31 December 2020 as compared to RO 155.20 million for the same period in 2019, a decrease of 13.4 per cent mainly due to subdued business conditions due to COVID-19 related lockdowns in Q2, Q3 & Q4 2020 and waiver of certain fees due to regulatory measures.
- 3) Operating expenses for the year ended 31 December 2020 was RO 179.85 million as compared to RO 195.93 million for the same period in 2019, a decrease of 8.2 per cent due to cost management measures taken by the Bank.
- 4) Net Impairment for credit and other losses for the year 2020 was RO 81.04 million as against RO 56.13 million for the same period in 2019. The increase was mainly on account of precautionary and collective provisions made in the first half of 2020, on a forward looking basis given the emerging stress in the economic and business conditions as a result of the impact of COVID-19 and the continued pressure on oil prices.
- 5) Net Loans and advances including Islamic financing receivables increased marginally by 0.5 per cent to RO 8,918 million as against RO 8,878 million as at 31 December 2019.
- 6) Customer deposits including Islamic Customer deposits increased by 4.2 per cent to RO 8,377 million as against RO 8,043 million as at 31 December 2019.

Key highlights of preliminary unaudited results

Particulars (RO millions) For the year ended	31 Dec 2020	31 Dec 2019	Change (%)
Net interest income & Islamic financing income	322.13	316.97	1.6
Other operating income	134.41	155.20	-13.4
Operating expenses	179.85	195.93	-8.2
Operating profit	276.69	276.24	0.2
Net profit	163.36	185.55	-12.0
Particulars (RO millions) as at	31 Dec 2020	31 Dec 2019	Change (%)
Net loans and Islamic financing	8,918	8,878	0.5
- Conventional loans and advances	7,688	7,712	-0.3
- Islamic financing receivables	1,230	1,166	5.5
Customer deposits and Islamic deposits	8,377	8,043	4.2
- Conventional customer deposits	7,364	7,011	5.0
- Islamic customer deposits	1,013	1,032	-1.8

The full results for the year ended 31 December 2020 along with the complete set of unaudited financial statements will be released following the approval of the Board of Directors of the Bank at its meeting scheduled later during January 2021.



Waleed K. Al Hashar
Chief Executive Officer

