



الوطنية للتمويل
national finance

INVESTOR PRESENTATION

31 DECEMBER 2024



01

COMPANY OVERVIEW

02

**INDUSTRY OVERVIEW &
COMPANY TRACK RECORD**

03

KEY FINANCIAL UPDATE

DISCLAIMER

This presentation is intended to highlight the 2024 financial results. It is not meant to promote or recommend any investment or the company's products and services.



01

COMPANY OVERVIEW

National Finance: at a glance

Largest finance and leasing player in Oman with well-diversified geographical presence across Oman, coupled with a broad product profile



Largest finance and leasing company (FLC) in Oman

- Acquired Oman Orix Leasing Co. in 2018 and became the largest FLC in Oman
- c.49% of the market share by net loan book
- Employs 385 individuals with Omanisation of c. 91.7%⁽¹⁾



Well diversified geographical presence across Oman

- Network of 23 branches with a broad footprint across the country
- Over 62,000 active customers



Broadest range of product offering

- Operates as a FLC offering equipment financing, auto loans, working capital financing, consumer durable financing and corporate deposits within the Sultanate of Oman to Corporate, SME and Retail customers



High quality loan book



c.OMR 640.6m
Gross Loan Book



c.6.2%
Net NPL %



Proven track-record of generating sustainable returns for shareholders

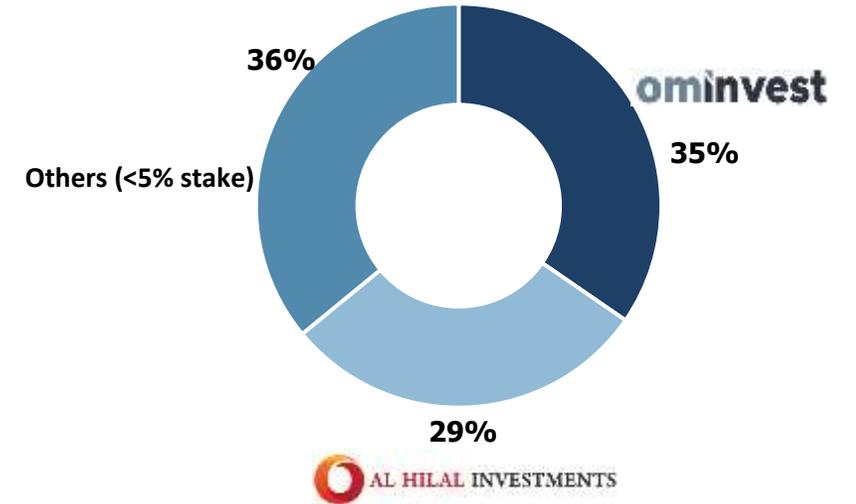
- Stable RoE in the range of 7.3% to 10.5% generated in last 5 years, one of the highest amongst peers. Dividend paying track record without any break for over 20 years.



Nov-24, omA+; Outlook:Positive Credit rating

- The Positive Outlook highlights the positive impact of stronger economic growth prospects and the substantially improved operating environment on the Company's already currently sound financial metrics

Key shareholders



ominvest

ominvest is one of the largest listed investment companies in the region. ominvest owns high-quality durable assets in diversified sectors, producing healthy cash flows. As of 2024 year end, the company's total assets stood at OMR 1.28 billion covering diverse sectors, including Banking, Insurance, Finance and Leasing, Financial Investments, Private Equity and Investment Banking.



Al Hilal Investment Co LLC was incorporated in 1997 to focus on The Zubair Corporation's investment interests. The company monitors the Corporation's core investments, trades in global and GCC equity markets, invests in private equity for raising resources and participates in co-investment opportunities in the Middle East and North Africa.

Well diversified product portfolio



CORPORATE & SME FINANCE

- **Vehicle Finance:** Solutions for companies to purchase new and used vehicles
- **Equipment Finance:** Solutions for companies to lease industrial equipment, machinery etc.
- **Working Capital Finance:** Provides a range of products and services that optimises customer's working capital requirements
- **Others:** Warehouse financing, guarantee facility, debt factoring covering the company's liability at competitive terms

RETAIL FINANCE

- **New vehicle finance:** Range of different loan periods and repayment methods for new car loans in Oman
- **Used Vehicle Finance:** Finance options for vehicles bought from individuals and auto dealerships across Oman
- **Consumer Durable Financing:** Financing solutions for consumer durables like home appliances, electronics, furniture, etc.

CORPORATE DEPOSITS

- Accessible to various types of organisations including SAOG, SAOC, LLC, Partnerships, Government entities, Pension Funds & Trusts
- Minimum amount of OMR 5,000
- Minimum tenure starting at just 3 months to a maximum of 60 months
- Multiple payout frequencies, including quarterly, semi-annually, annually, or at maturity

Leadership

Highly experienced board and management team with a demonstrated track record of delivering sustainable performance across various market cycles



Management Team

c.100 years cumulative experience with leading financial institutions within (Al Rafd Fund, Bank Nizwa, Ominvest etc.) and outside Oman (Citi Group, Fullerton, Capital First, Standard Chartered Bank etc.)



Tariq Al Farsi
Chief Executive Officer

Over 20 years experience
Previously served as CEO of Al Rafd Fund and GM of Bank Nizwa



Rakesh Makkar
Deputy Chief Executive Officer

Over 30 years of experience
Previously worked with Citi Group, Fullerton and Capital First



Saam Al Habsi
Chief Operations Officer

Over 25 years of experience
Previously worked with Supreme Judicial Council as Asst General Secretary, DGM Finance- Public Prosecution



Bikram Singh Monga
General Manager Risk, Control & Strategy

Over 25 years of experience
Previously served as Chief Risk Officer for ominvest

Board of Directors



Hani Muhammad Al Zubair

Chairman of the Board and Chairman of the Nomination, Remuneration and Executive Committee



AbdulAziz Mohammed Al Balushi

Deputy Chairman of the Board, Chairman of the Risk Committee and Member of the Nomination, Remuneration and Executive Committee



Taya Jandal Ali

Director



Sanjay Kawatra

Director, Member of the Risk Committee and Member of the Nomination, Remuneration and Executive Committee



Muhammad Husam Al Zubair

Director, Member of the Nomination, Remuneration and Executive Committee



Dr. Rashid Al Balushi

Director, Chairman of the Audit Committee



Subrata Kumar Mitra

Director, Member of the Risk Committee



Hon. Dr. Dhafir Al Shanfari

Director, Member of the Audit Committee



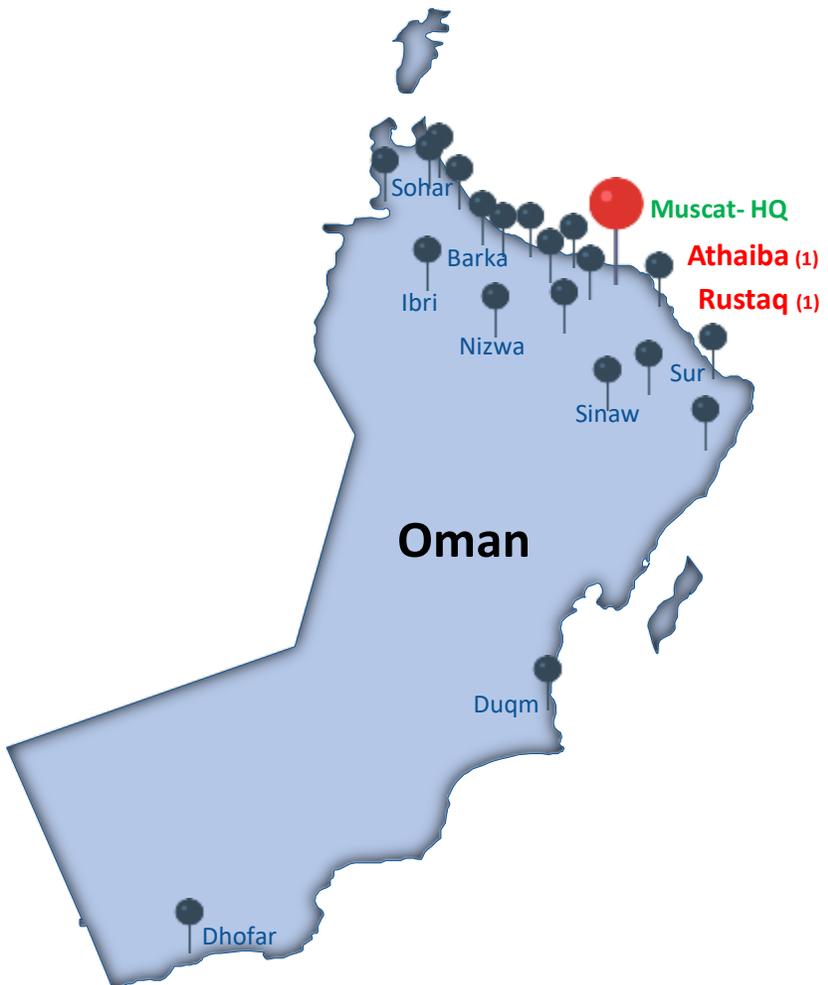
Anand Budhia

Director, Member of the Audit Committee

Widespread branch network and industry leader



Footprint (Branches)



Recent awards and Recognition

- “Best Brand Evolution” award at the prestigious Transform Awards Middle East and Africa 2024
- ‘Most Innovative Retail Finance for Automobiles in Oman’ at the International Finance Awards 2024
- Most Innovation Retail Finance –AUTOMOBILE- Oman 2023
- ‘OER Corporate Excellence Award” in the Mid-Cap Segment, 2023
- ‘Best Performing Company’ in Mid-Cap Category, 2023
- Excellence in SME Financing 2023
- Best Non-Banking Finance and Leasing Company 2023
- New Corporate Identity of the Year - 2023
- Leadership in SME Financing - 2023
- SME Financier of the Year - 2023
- Corporate Social Responsibility- 2022
- Best Non-banking Financial Corporation - 2022
- “Top Omani Brand’ in the ‘Finance’ Category - 2022
- Al Mara Excellence Awards– 2022
- Excellence in Fintech - 2021

(1) New branches 2024.



02

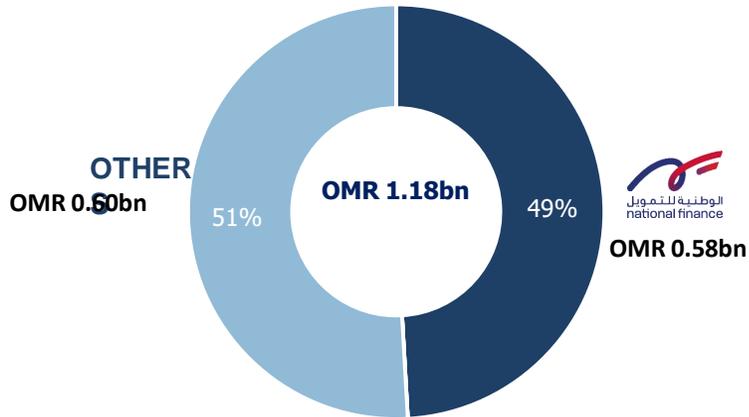
INDUSTRY OVERVIEW & COMPANY TRACK RECORD

Industry Overview & Company Track Record

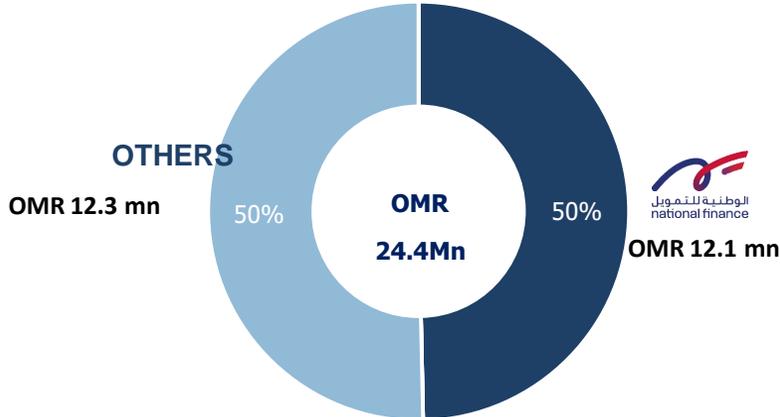
Largest non-banking finance company in Oman with a market share of c.49% and a demonstrable track record of more than 37 years



Market share by net loan book (Dec 2024)



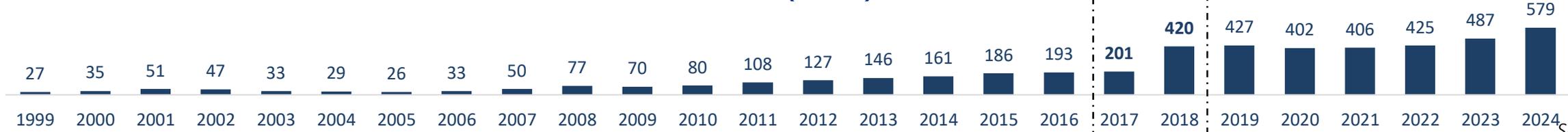
Market share by net profit (Dec 2024)



Remarkable track record



Net Loan Book Y-o-Y (OMR mn)





03

KEY FINANCIAL UPDATE

Financial Highlights



Topline growth of 23.6% coupled with Net Profit growth of 9.1% over 2023

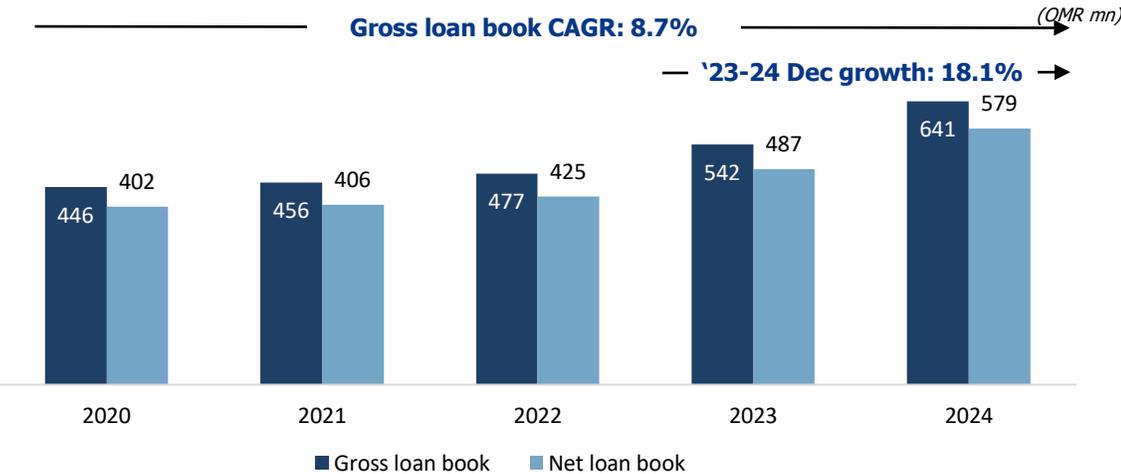
| | 2024 Dec | 2023 Dec | YoY Δ |
|--|---------------|---------------|--------------|
| Income from financing activities | 60,471 | 48,907 | 23.6% |
| Finance cost | (29,084) | (23,062) | 26.1% |
| Net finance income | 31,387 | 25,845 | 21.4% |
| Other income | 2,814 | 2,520 | 11.7% |
| Core Income | 34,201 | 28,365 | 20.6% |
| Operating Expenses <i>(Including: Depr., Amor.)</i> | (15,304) | (13,235) | 15.6% |
| Operating Income | 18,897 | 15,130 | 24.9% |
| Provision impairment of lease receivables | (4,646) | (2,061) | 125.4% |
| Profit Before Tax | 14,251 | 13,069 | 9.0% |
| Income Tax Expense | (2,137) | (1,963) | 8.9% |
| Net Profit | 12,114 | 11,106 | 9.1% |

Financial Highlights

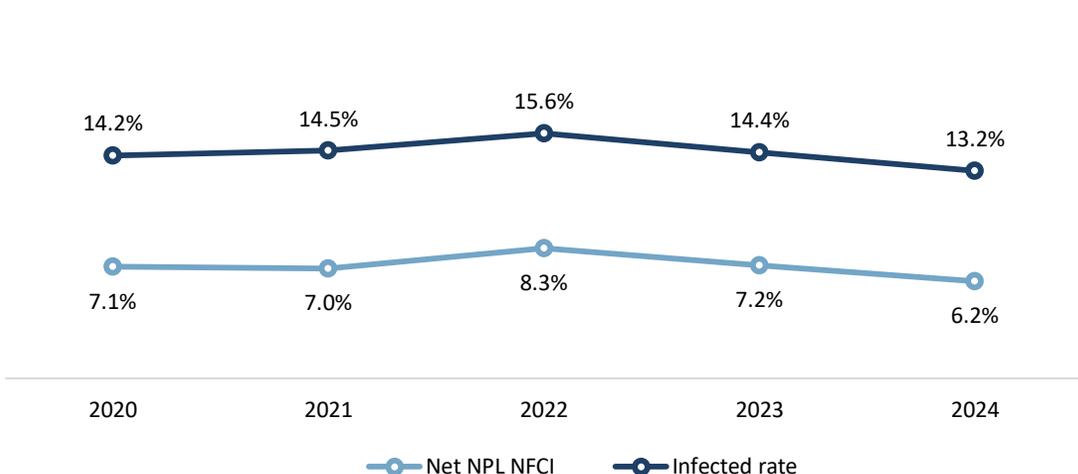
Robust asset quality with one of the lowest NPLs backed by disciplined processes & consistent and healthy financial performance



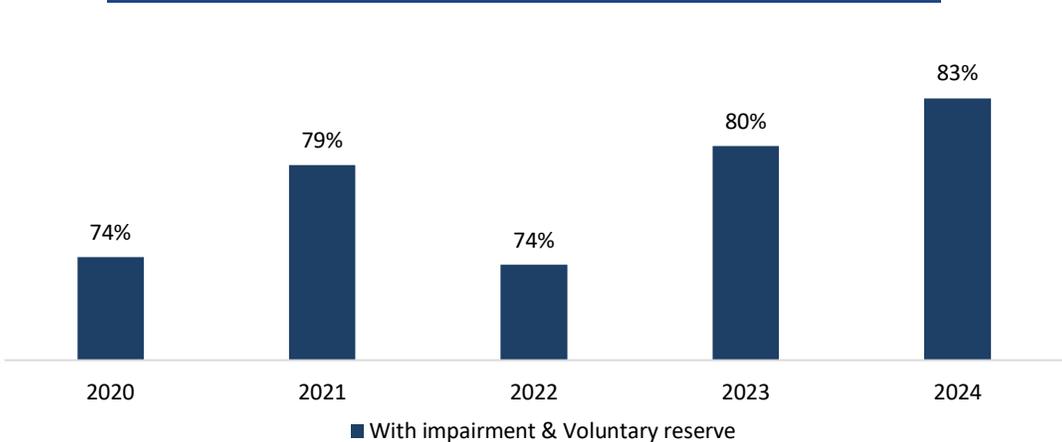
Steady growth in the loan book amid challenging economic conditions



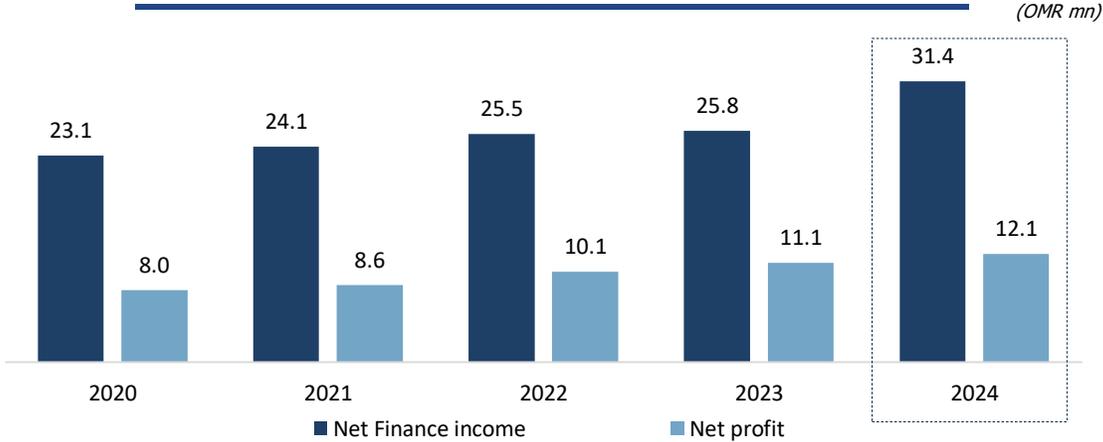
High quality loan book with stable and lower net NPL⁽¹⁾



Stable Provision Coverage Ratio^{(2) & (3)}



Consistent and healthy financial performance



Source: Company filings, financial statements

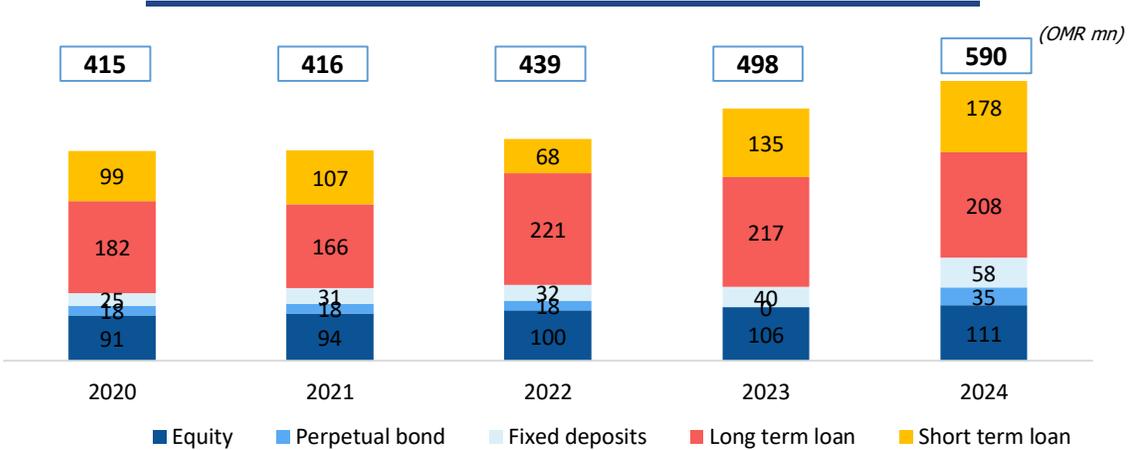
1. Net NPL = (Stage 3 Loans – Stage 3 ECL) / (Gross loan – Stage 3 ECL)
2. Provision Coverage Ratio (PCR) = Total provision held as per IFRS 9/ aggregate gross loan book for stage 3
3. Provision Coverage Ratio (PCR) = (Total provision held as per IFRS 9 + Impairment or voluntary reserve) / aggregate gross loan book for stage 3

Financial Highlights

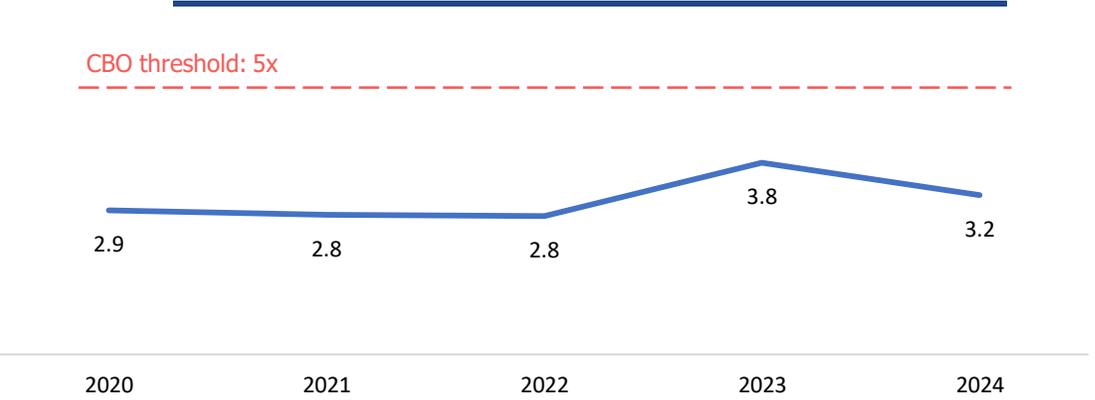
Prudent capital structure philosophy with a gearing of 3.0x & delivered consistent shareholder returns with one of the highest RoE amongst FLCs operating in Oman



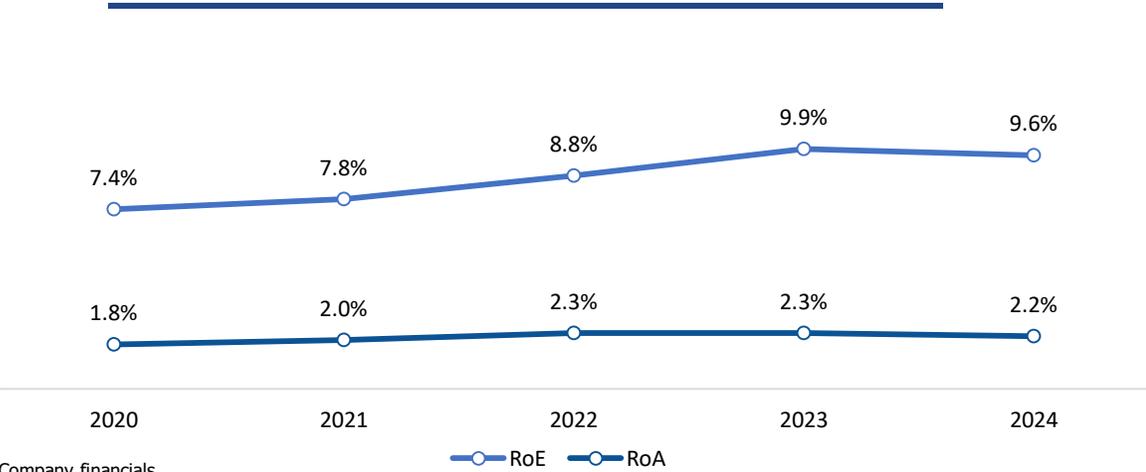
Funding mix diversified across Equity, Bonds, Deposits and Bank loans



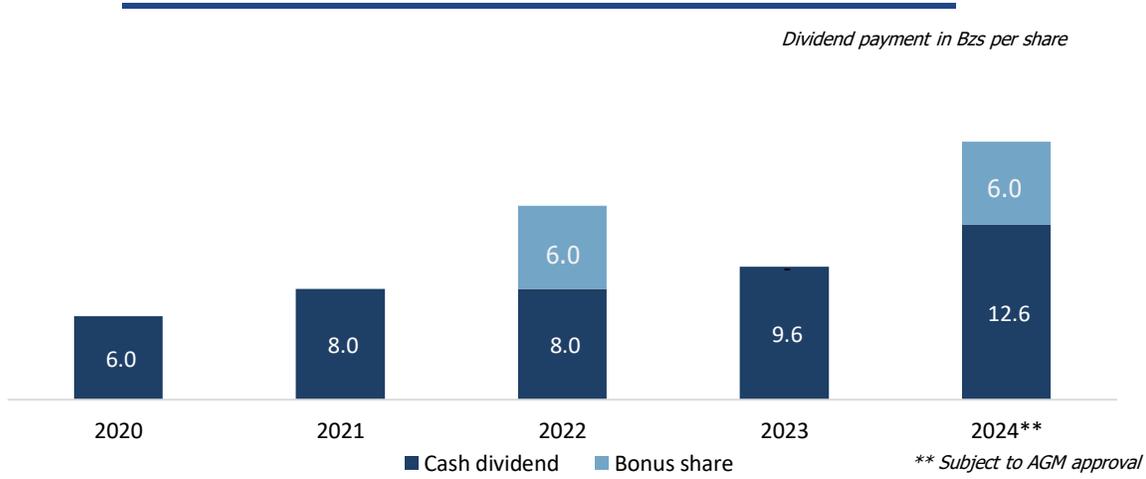
Gearing⁽¹⁾ within the CBO defined regulatory cap



Stable RoE⁽²⁾ and RoA⁽²⁾ ratios (%) over the period



Prudent dividend pay-outs coupled with healthy retentions for growth



Source: Company financials
 1. Gearing Ratio = Total Liabilities/ Equity
 2. ROE = Net profit / Average total equity; ROA = Net profit/Average total assets.

** Subject to AGM approval



THANK YOU