

Respected Shareholders,

We are pleased to present to you a summary of the results of the operations for the 6 months' period ended 30th June 2024.

Operating performance:

REVENUE: Group Revenue for the six months ended June 2024 is RO 1469.6 million compared to RO 1439.2 million for the corresponding period 2023, an increase of 2.1%.

EXPENSES Group's total Operating expenses (including depreciation and cost of sale) is RO 1,273.8 million compared to RO 1,199.9 Mn for the corresponding period 2023, an increase of 6.2%.

NET PROFIT: The Group Net Profit after tax has decreased by 46.8% touching RO 110.2 Mn compared to RO 207.1 Mn in 2023. After adjusting for minority interest the net profit for the period is RO 27.8 Mn compared to RO 41.6 Mn in 2023, a decrease of 33.2%.

The decrease in H1-2024 net profit compared to the restated H1-2023 net profit is mainly due to a one-time gain on sale and lease back of Zain KSA tower transaction.

The restatement of H1-2023 Net profit was due to the accounting of the KSA Tower sale transaction which was revisited in Q4-2023. Excluding the impact of the restated KSA tower gains, the drop in net profit (before minority interest) is RO 15.3 Mn (12.2%) which is primarily on account of the ongoing crisis in Sudan. The negative impact from Sudan is partially mitigated by increase in profit from Iraq and Kuwait. Sudan recovery plan and new data center in Sudan helped in ensuring that around 5 million customers return to the network and improved the performance in Q2-2024 compared to Q1-2024.

Earnings per Share (EPS) attributable to parent shareholder for the six months' period ended 30th June 2024 is RO 0.037 compared to RO 0.055 for the corresponding period of year 2023.

Omantel Domestic operations (Domestic performance)

Revenues for the six months ended June 2024 is RO 297.7 million compared to RO 305.4 million in 2023 representing a decrease of 2.5%.

EBITDA for the six months ended June 2024 is RO 82.0 compared to RO 81.7 million in 2023 representing an increase of 0.4%.

Net Profit for the six months ended June 2024 is RO 38.8 Mn compared to RO 42.7 Mn in 2023 representing a decrease of 9.1%. This is attributed to the continued investments in capex mainly in the area of network expansion resulting in an increase in depreciation and amortization by 8.9% YoY.

The reduction in topline performance is attributed to reduction in Device revenue and Transit voice revenue which reduced by RO 7.4 Mn and RO 2.8 Mn respectively. Excluding Device and transit voice revenues the revenue for year 2024 stands at RO 217.7 Mn compared to RO 215.3 Mn representing an increase of 1.1%.

The topline performance was supported by growth in Fixed line revenue (incl FBB) which grew by 3.6% while Mobile revenue registered a marginal decrease of 1% in an intense competitive market. EBITDA levels were maintained on account of stable margins at retail level and reduction in impairment provision.

SUBSCRIBER BASE: The total domestic subscriber base as of 30 June 2024 (including mobile and fixed businesses but excluding Mobile Resellers) was 2.984 Mn compared to 3.163 Mn in 2023, representing a decrease of 5.6%. The decrease is primarily attributed to reduction in Mobile prepaid subscribers which was partially offset by increase in Postpaid Mobile subscribers and Fixed Broadband subscribers. Total subscriber base with mobile resellers reached 3.525 Mn.

Domestic Market Share: Omantel's Mobile market share as of 30 June 2024 (excluding *Mobile Resellers*) is 37.1%. The fixed broadband market share as of 30 June 2024 is 55.2%.

Subsidiary Companies:

Mobile Telecommunication Company (Zain) in OMR:

Zain Group revenue for the six months ended June 2024 was RO 1179.2 Mn compared to RO 1149.4 Mn in 2023 representing an increase of 2.6%. EBITDA stands at RO 405.8 Mn, compared to RO 428.2 Mn in 2023 representing a decrease of 5.2%. Net profit (after minority interest) stands at RO 101.6 Mn compared to RO 159.2 Mn in 2023, a decrease of 36.2%. Zain's total subscriber base as of 30 June 2024 was 47.795 Mn.

The Board of Directors of Zain Group in their meeting held on 7 August 2024 declared distribution of 10 Fils per share of interim dividend in cash.

Key Developments

In this quarter, our unwavering commitment to advancing digital infrastructure and pioneering technologies continues to establish Omantel as a leader in innovation and growth. Proudly recognized among the 25 strongest brands in the Middle East, we remain dedicated to propelling the Sultanate's digital economy forward. Aligned with Vision 2040, Omantel is poised to foster a knowledge-based, technology-driven economy and reinforce Oman's position as a global innovator.

A key highlight this quarter was our participation in COMEX 2024, where we solidified our commitment to Oman's digital transformation by signing over 12 agreements with top global technology companies and distinguished local institutions. These strategic partnerships are designed to enhance cybersecurity, expand

cloud services, and foster AI-driven solutions, significantly strengthening Oman's digital infrastructure and innovation ecosystem.

Our Innovation Labs made a notable impact in COMEX, with a dedicated booth in the startup zone showcasing 12 dynamic startups. Through startup clinics, we actively supported the local startup ecosystem, demonstrating our commitment to nurturing new talent and fostering innovative ideas.

Our relentless pursuit of excellence was honored with the prestigious Excellence Award in AI at COMEX, highlighting our leadership in leveraging advanced technologies to deliver exceptional solutions. This accolade underscores our commitment to pushing the boundaries of technological innovation and achieving new milestones.

Equally significant is our steadfast commitment to sustainability. We are honored to have received the Silver Award for Environmental, Social, and Governance (ESG) Practices at Oman Sustainability Week. This prestigious accolade underscores our dedicated efforts to embed sustainability into our core operations and positively impact both society and the environment.

As part of our efforts and social responsibility strategy, we contributed R.O 150,000 to help families affected by the "AlMateer" depression that hit a number of governorates of the Sultanate last April. Furthermore, our continued support for small and medium-sized enterprises is demonstrated by the OMR 2.3 million in contracts awarded up to June 2024, reflecting our commitment to enhancing in-country value.

Thanks and Appreciation

We take this opportunity to express our heartfelt gratitude to our shareholders and loyal customers for their continued support, which enabled us to achieve these excellent results. We also wholeheartedly appreciate the sincere contribution of executive management and employees to the company's performance in the market's challenging situation. With your support, we are confident that Omantel will continue its good performance and will be able to reach new heights of excellence.

On behalf of the Board of Directors and the staff, we are honored to express our sincere gratitude to His Majesty Sultan Haitham bin Tariq for his visionary leadership. We pray to Almighty Allah to grant him long life, health, and welfare so that Oman and its people can achieve more progress, prosperity, and welfare.

Chairman