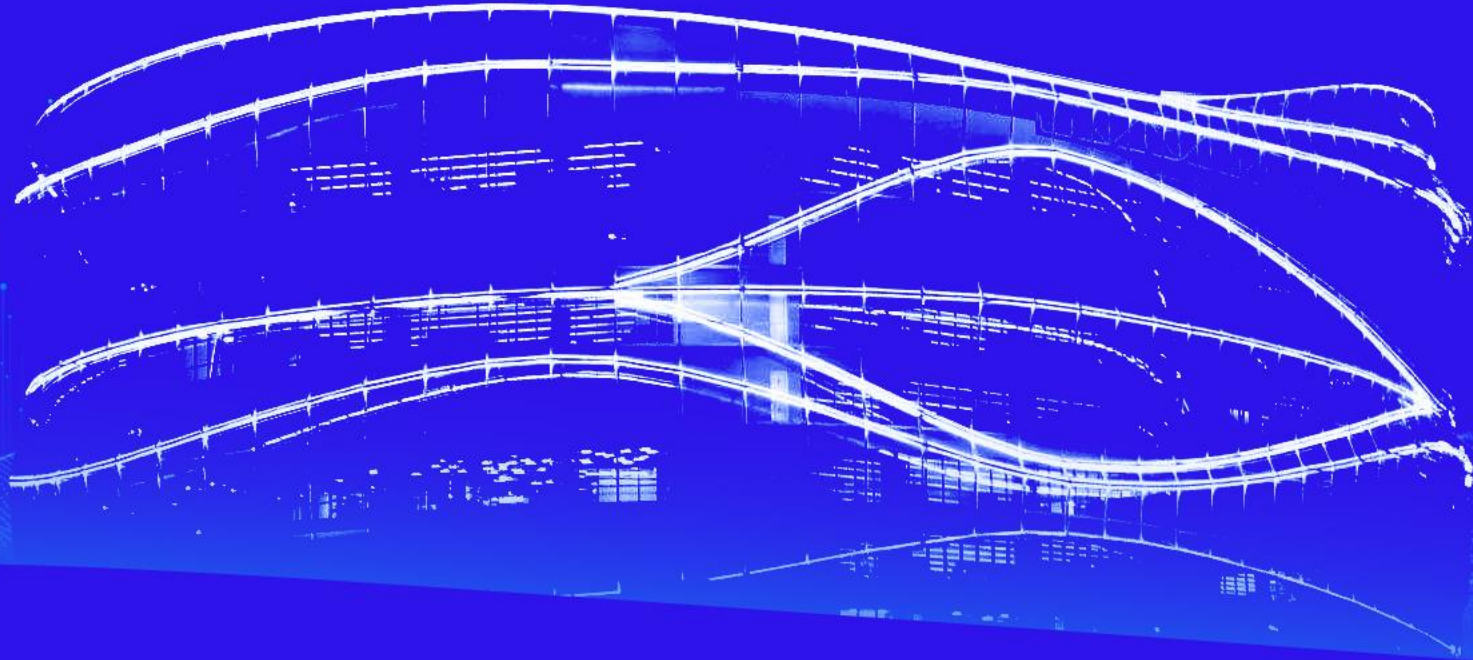


Omantel

# H1 2025

## Results Presentation

18<sup>th</sup> August 2025



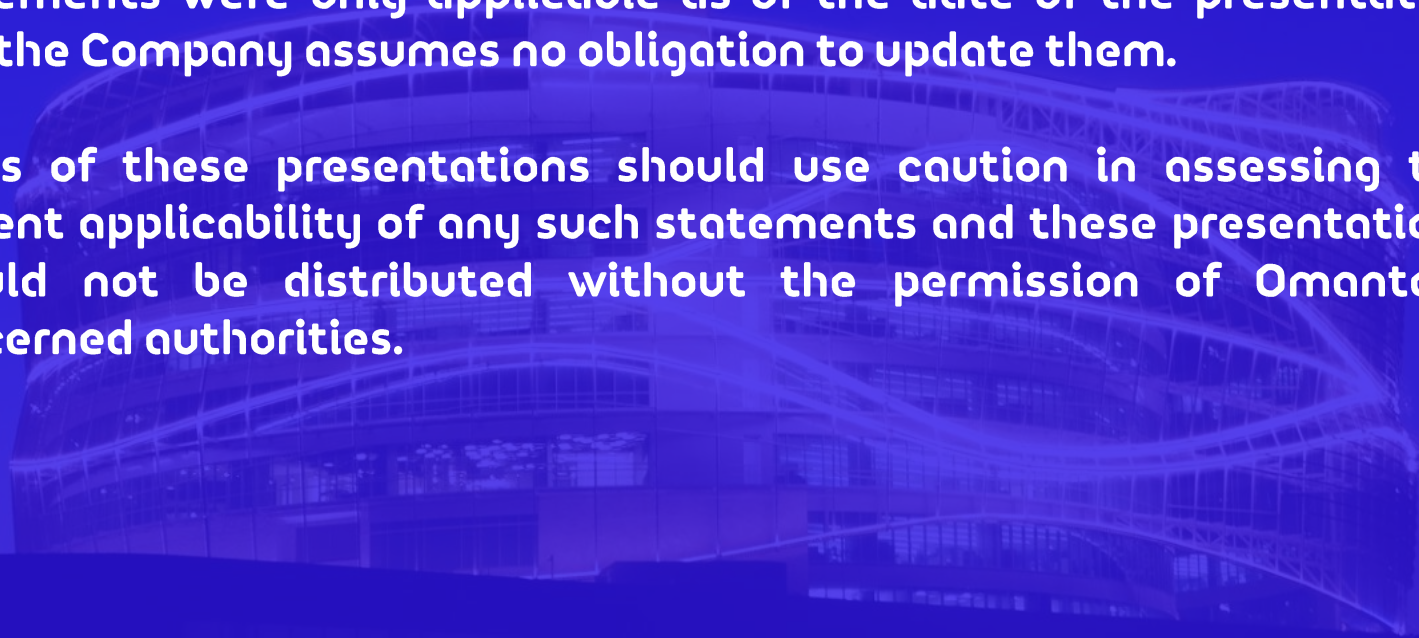
Imagine to Life

# Disclaimer

Oman Telecommunications Company (S.A.O.G) has prepared this presentation in good faith for the purpose of Investor community.

These presentations may contain forward-looking statements based on current assumptions made by Omantel Group management. Such statements were only applicable as of the date of the presentation and the Company assumes no obligation to update them.

Users of these presentations should use caution in assessing the current applicability of any such statements and these presentations should not be distributed without the permission of Omantel's concerned authorities.



# Domestic Economic Outlook

Oman's resilient economic performance, guided by Vision 2040, reflects its steady recovery from challenges and commitment to long-term growth. Omantel is positioning itself as a strategic partner with the Government to deliver its key digital targets.

## Oman's Key development



## Key Economic Indicators



## Oman 2040 vision Journey - resilience, discipline, and forward vision.

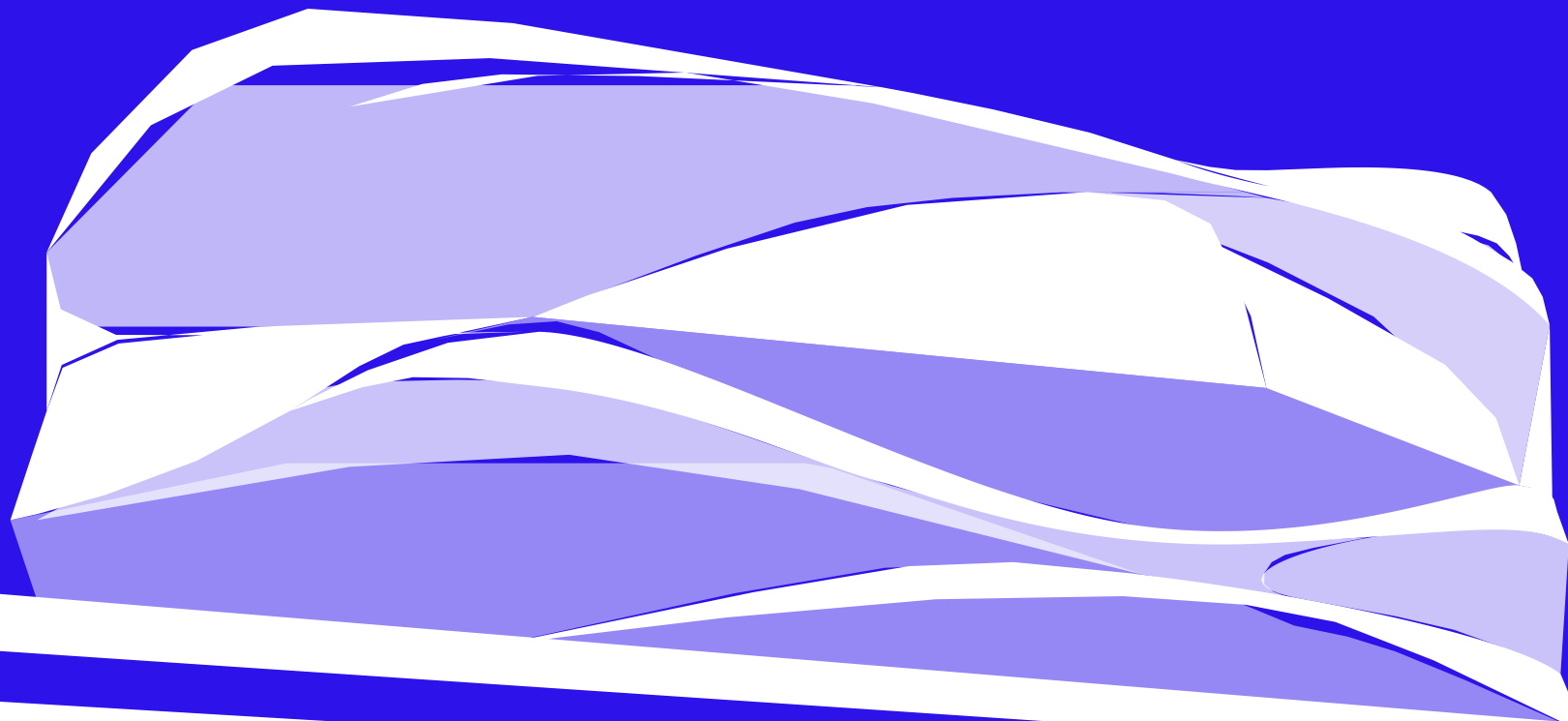
### Credit Rating Upgrade

- Moody's Credit Rating Upgrade: Oman's rating upgraded from Ba1 to Baa3 with a stable outlook, reflecting stronger fiscal fundamentals.

### What's Next?

- Fitch is expected to follow suit with an upgrade in Q3, given it already has Oman on a positive outlook. A third investment-grade rating would mark full investment grade consensus from all major global rating agencies, and would further solidify investor confidence, especially among the most risk-sensitive funds.
- Income Tax**
- Effective January 1, 2028, Oman will impose a 5% personal income tax on natural persons whose annual net income exceeds OMR 42,000 (approximately USD 109,000), with gross income including all cash and in-kind receipts, subject to deductions and exemptions as outlined in Royal Decree No. 56/2025.

# Omantel Sustainability





# Delivering Sustainable Growth, Digital Innovation. and Regional Impact

**Omantel**

Sustainability Report 2024



Scan to read  
our full Sustainability Report 2024



**New Strategy Launched:**  
Portal to the Future —  
positioning Omantel as  
a regional tech leader

**Renewable Energy:** 40,000  
MWh purchased from  
Dhofar wind farm (I-REC  
certified)

**Local Impact:** 87.6% of  
procurement spend  
directed to local suppliers

**Innovation Labs:** 30+  
startups supported,  
valued at \$172M, with  
200+ jobs created

**Breakthrough Launch:**  
**Maqroo** — the world's  
first Arabic dyslexia-  
friendly font

**GHG Emissions:** 12.38%  
YoY reduction in Scope 2  
(market-based) emissions

**CSR Spend:** OMR  
750,000 across 30+  
initiatives, impacting  
250,000+ individuals

**Workforce:** 94.3%  
**Omanisation, 26% female  
representation**

**Net-Zero Roadmap:**  
2023 baseline, 2050  
net-zero target, Scope 3  
emissions now included

# Omantel Group: Key Telecom and Technology Player in the MENA Region



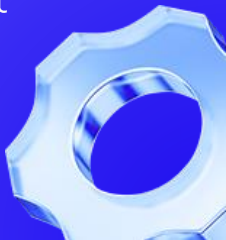
## Omantel's journey of growth and innovation

# Omantel



### Disrupting the telco

Voice  
SMS  
Internet



Our strategic partnerships with global partners to build an infrastructure that supports the goals of Vision 2040 for digital transformation.



### Expand into Techo

Generative AI  
Marketplace  
Cloud  
Space Tech



# Stepping forward with Portal of the Future

As we enter the next phase of our evolution journey, We continue to strengthen our technological capital, and exploring transformative opportunities beyond traditional telecom services





# Domestic Key Developments – H1 2025

## Strategic Alliances

- **Omantel and FiberHome announce R&D partnership**
- Omantel and FiberHome have launched a joint R&D Centre, successfully trialing 50GPON technology (10x faster fibre), to drive next-generation intelligent network solutions that support AI, smart cities, and the digital economy marking a major milestone in Omantel's innovation roadmap.
- **Omantel and Du switch on Oman Emirates Gateway subsea cable**
- Omantel and du have fully activated the 275km Oman Emirates Gateway (OEG) submarine cable, directly linking strategic data centers in Oman and the UAE to deliver high-capacity, dual-route resilience and enable faster cloud access positioning both countries as regional digital hubs and driving economic growth, innovation, and global competitiveness.

## Key Developments

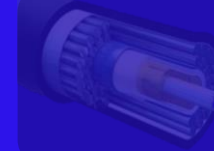
- **Omantel Group Sets Stage for National Technology Powerhouse**
- Omantel Group is launching a national tech powerhouse to unify ICT strengths and drive digital innovation. It aims to position Oman as a regional hub for next-gen technologies.
- **Royalty rate on Mobile services reduced from 12% to 10%.**
- The decision will lead to a reduction in Omantel's royalty expenses and a positive impact of R.O 1.7 Mn (net of taxes) on the net profit for the six months ended 30 June 2025.
- **Tax Authority, Omantel sign agreement to implement electronic invoicing system**
- Omantel signed an agreement with the Tax Authority to develop the national e-invoice platform, enhancing tax governance and operational efficiency. The platform supports SMEs, aligns with global standards, and reflects Omantel's digital and sustainability strategy.

## Awards and Recognitions

<p><b>OIA Excellence Award for Investment and Job Creation</b></p> 	<p><b>Trailblazing CSR Initiative of the Year" and "Best Use of Technology in CSR at Oman CSR Summit Awards</b></p> 	<ul style="list-style-type: none"> <li>• Industry Trailblazer Award.</li> <li>• Innov Collaboration and Partnership Award.</li> <li>• Workforce Development and Empowerment Award</li> </ul> 	<p><b>Innovation in Practice Award in IFTDO world Conference recognition "Fikra" program</b></p> 	<p><b>Mental Health and Workplace wellbeing excellence from Inside Out conference</b></p> 
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# Factors driving growth in Zain Omantel International

Zain's strong regional footprint across the Arabian Gulf, combined with Omantel's extensive international network assets continues to create a powerful synergy to unlock new wholesale growth opportunities.



Through Omantel International network covering 2 Bn population and 120 cities on 5 continents through 20 resilient subsea cables.



Leveraging on-net access across 8 licensed countries while consolidating the traffic of Zain Group and Omantel as one interface to the international industry.



Offer unrivaled Indian Ocean to Red Sea to Arabian Gulf connectivity on the first PAN Middle East Ring.

**+20**

International Submarine  
Cables

**8**

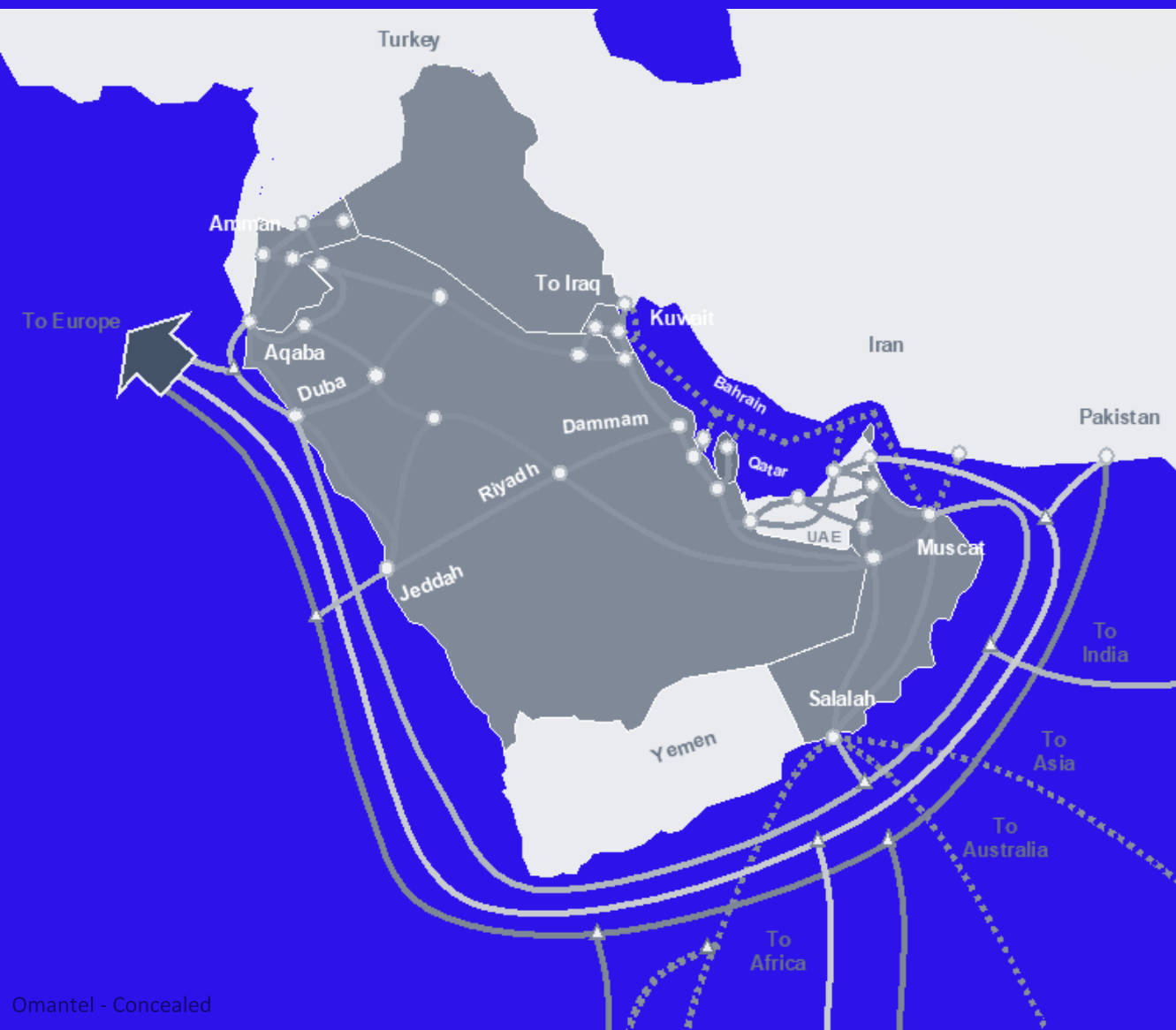
On-net access  
Countries

**+54.6** Mn

Customers across 8  
Countries

Network ranked  
**#1** in the region,  
globally top 100

# ZOI provides the only purpose-built, single-carrier subsea-terrestrial mesh across the Middle East - One Network



Shorter route from East  
to West Over land  
**Enhanced Latency**

Enhanced Security & Stability  
**Avoid geopolitical areas causing  
disruptions**

One Contract, One SLA, One NOC  
**Eliminating multi-vendor finger-pointing**

**16,000 KM**

# Driving Growth Through Strategic Diversification and Operational Resilience Across The Group

Dividend policy extended to 2028, reaffirming a minimum annual payout of 35 fils per share.

## Diversified growth Vertically

### Zain Omantel International

- Revenue surged 324% YoY
- Ranked among top 20 global ASNs by Kentik, cementing leadership in wholesale connectivity.

### Zain Fintech

- Revenue ↑ 28% YoY, transaction volumes ↑ 46%.
- New Bede platform in Sudan gained 648K users and processed 2M+ transactions.
- Tamam in KSA saw 27% revenue growth and a larger loan portfolio.

### ZainTech

- Revenue ↑ 94% YoY driven by enterprise wins and demand in cloud, cybersecurity, and managed services.
- Strong collaboration with OPCOs secured major contracts, lifting group enterprise revenue 11% YoY.

## The highest performers in Q2



### Sudan

- H1 net profit: USD 112M (+101% YoY)
- Digital services saw outstanding growth, surging by 425%
- B2B delivered remarkable growth, surging 34.2% YoY



### Saudi Arabia

- H1 net profit: USD 59M (+28%)
- 5G, B2B, MVNO, Wholesale, Yaqoot, and Tamam continue to drive growth
- B2B grew 2%, driven by major strategic wins



### Iraq

- H1 net profit: USD 66M (+23%)
- Strong performance across all key indicators, trajectory is expected to continue
- Data revenue continues strong growth.
- Sustainable growth in B2B Revenues

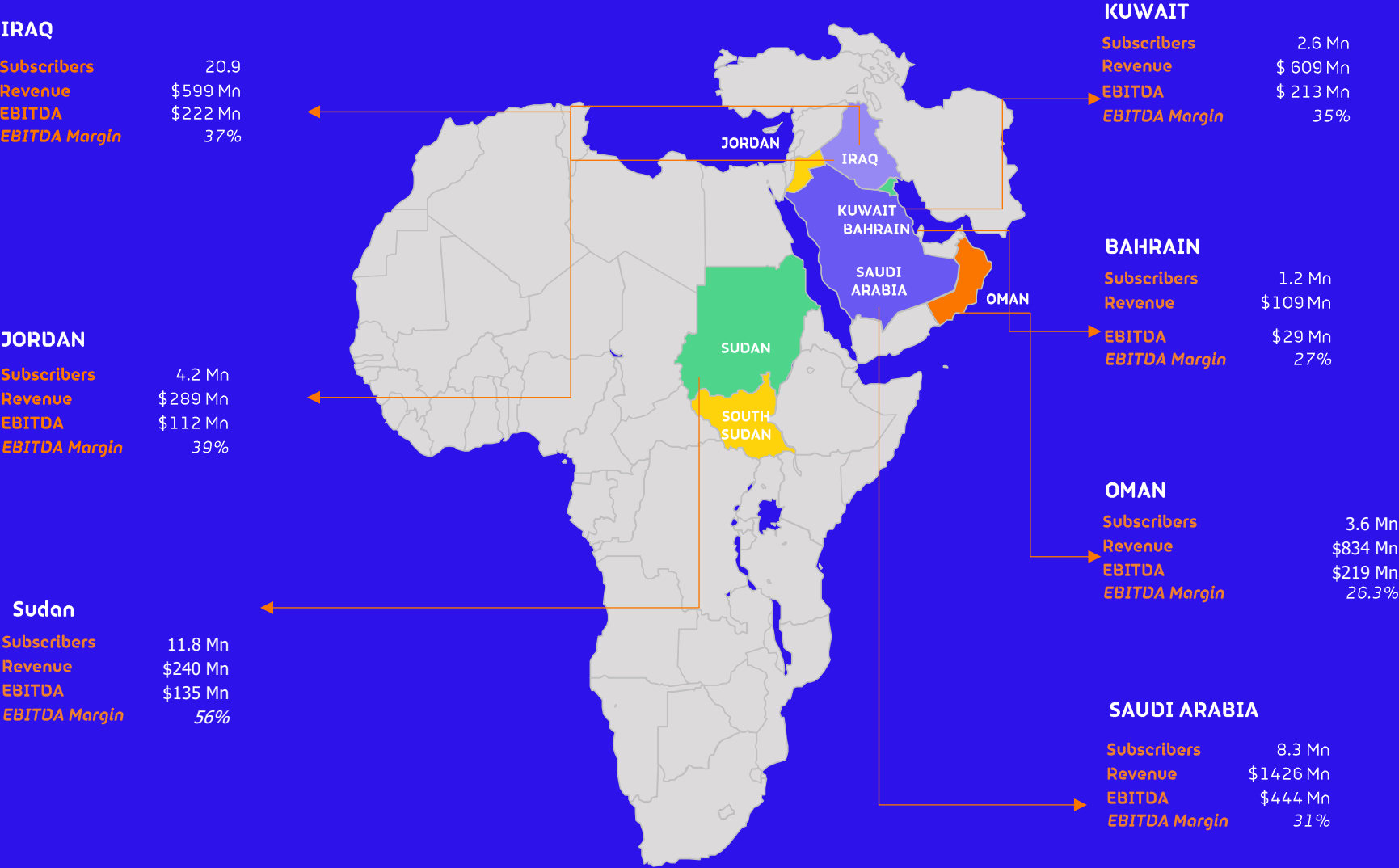


### Jordan

- H1 net Profit: USD 39M (+14% YoY)
- Data revenue grew by 12% YoY, and formed 54% of total revenue
- B2B revenues grew 4% YoY

\* Based on the transaction deal between Zain Group and Ooreedo Group.

# We are among the leading telecom operators in the MENA region



Figures in US\$m for H1- 25



# Omantel's Financial Highlights – H1 2025

## Performance of Zain Group In Bn USD

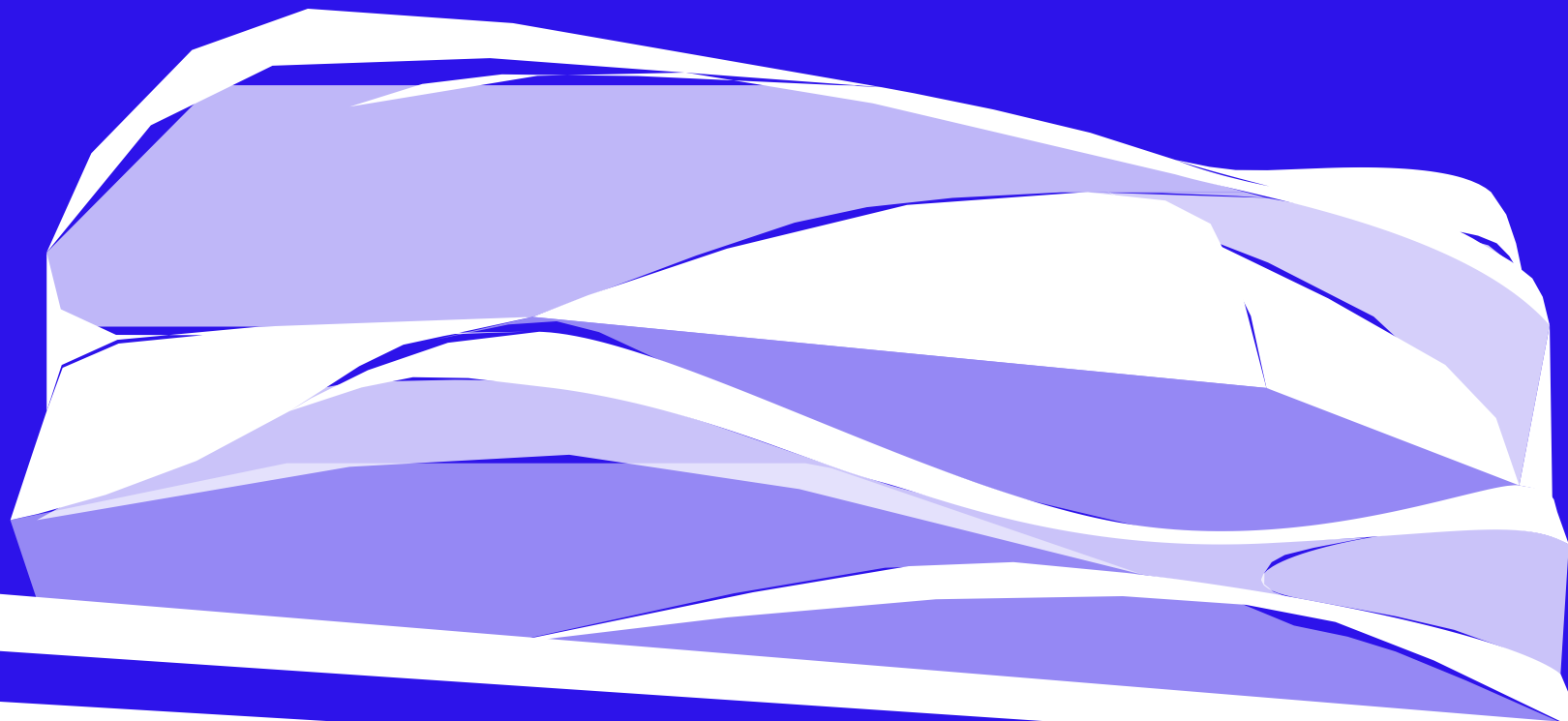
Performance of Zain Group		
Revenue	EBITDA	Net Profit
3.5	1.16	0.395
+14% YoY	+10% YoY	+49% YoY
Current Market value of Zain Shares held by Omantel	Normalized EBITDA YoY remain stable EBITDA Margin	Dividend from Zain
1.65	33%	For the 5th consecutive year, the Board declared interim dividend of 10 fils per share for the first six months of 2025.
Bn USD		

- Omantel Zain key Synergies
- We Align:** Business Alignment and Knowledge Exchange
  - Sustainability Synergies:** Knowledge Exchange to reduce carbon footprints, boost energy efficiency, and promote green technologies.

## Domestic Financial and Performance Indicators In Million OMR

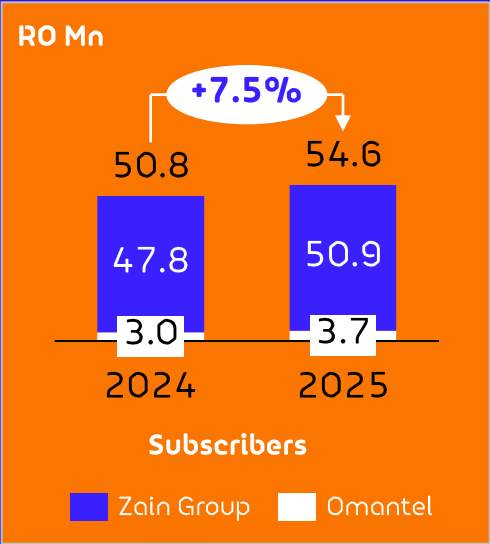
Omantel Core Business Performance		Domestic Key Financial Indicators	
Mobile Subscribers Market share	Fixed Broadband Market share Subscribers	Revenue	EBITDA
40.3%	54.6%	321.3	84.7
Q1-25 39.8	Q1-25 54.4	7.9% YoY	+3.3% YoY
Mobile Revenue	Fixed Revenue	Net Profit	Dividend Received
Similar levels YOY	3%	35.1	29.3
	YoY	-9.5% YoY	* Final dividend received in May 2025
Operational Highlights		Financial Strength	
5G Coverage	4G Coverage	Net Leverage	Net Debt
92%	98%	3.49	736
YE24	YE24	As of H1 2025	
Non-Core		Capex	Free Cash Flow
ICT Revenue		54.5	13.8
69.2% YoY			

## Group Financials



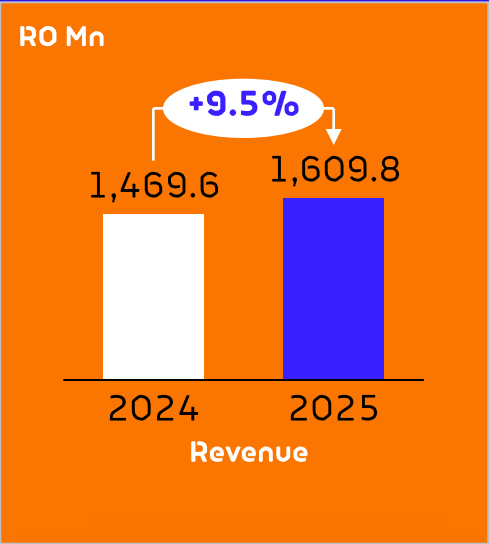
# Omantel Group (Incl Zain Group) – for H1 2025

Group Revenue stands at RO 1609.8 Mn increase by 9.5%, EBITDA at 528 Mn increase by 8.3% and Net Profit is at RO 161.1 Mn , increase of 46.2% YoY.

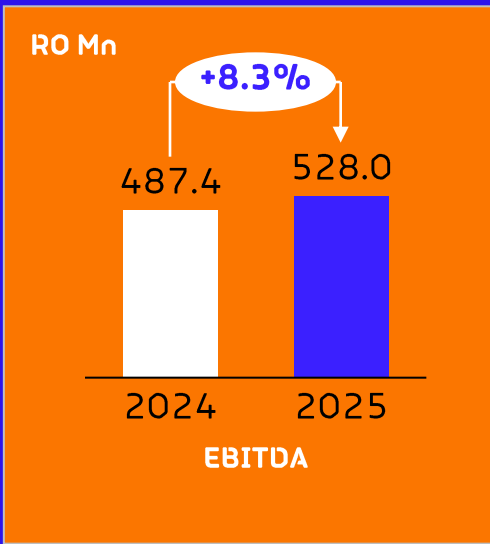


Zain's total subscriber base increased by 3.189 Mn YoY mainly from Sudan on account of restoration of services and growth in base in Iraq.

Domestic subscriber base increased by 0.669 Mn contributed by increase in Fixed Broadband , Postpaid Mobile and M2M Subscriber base .

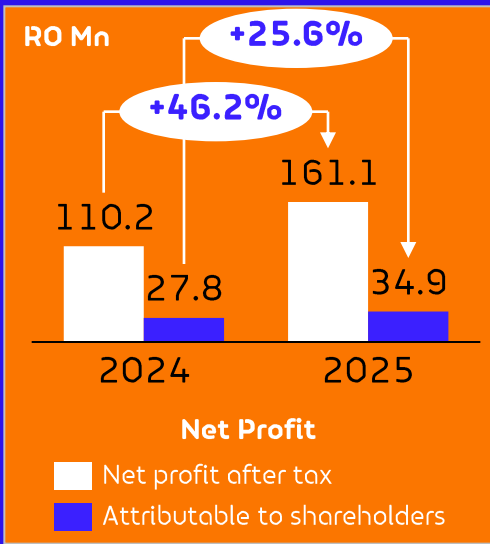


YOY increase is contributed by Domestic business revenue (RO 23.7 Mn) and Zain group revenue which increased by RO 162.6 Mn.



Group EBITDA increase YOY is contributed by increase in Zain Group EBITDA by RO 37.5 Mn with the increase coming from Sudan (RO 34 Mn), Iraq (RO 5 Mn) and KSA (RO 11.5 Mn)

Domestic EBITDA increased by RO 2.7 Mn.

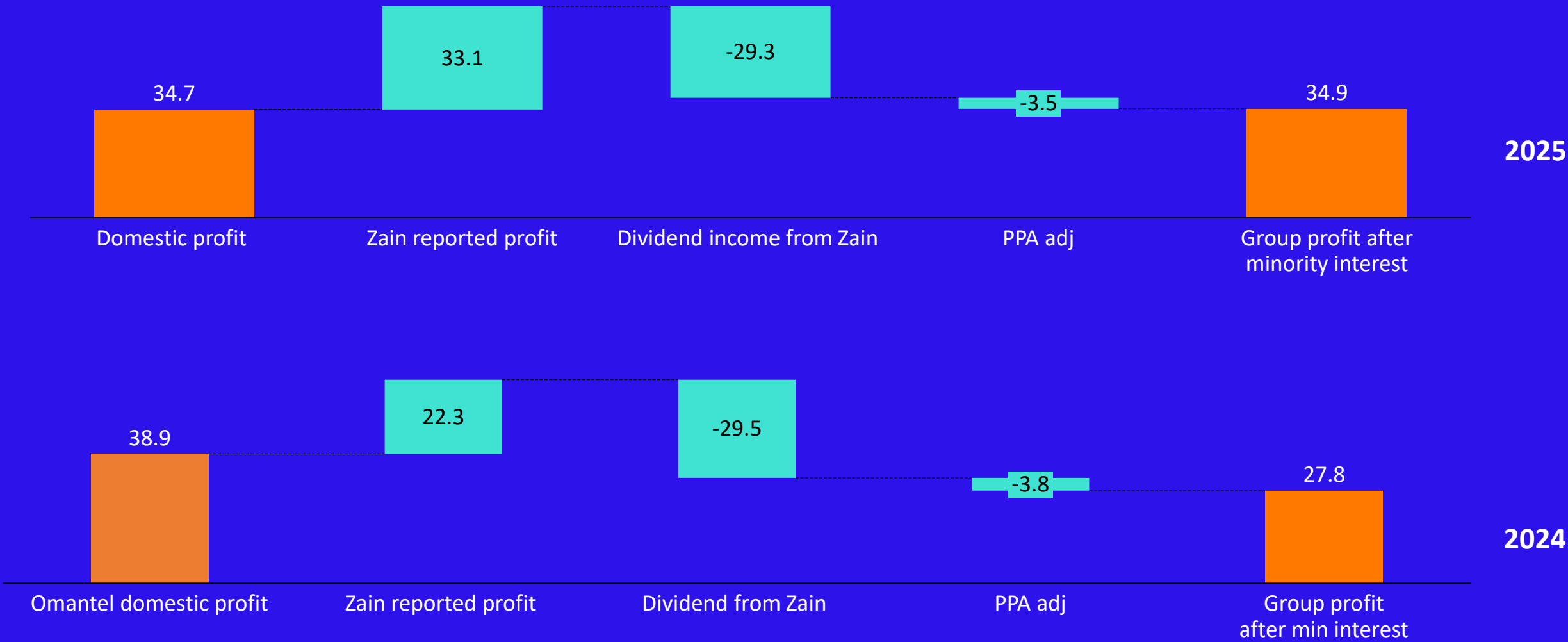


Group net profit YOY increased by RO 50.9 Mn on account of positive net profit contribution from Zain group (RO 54.5 Mn YOY increase) while Domestic performance decreased by RO 4.1 Mn YOY.

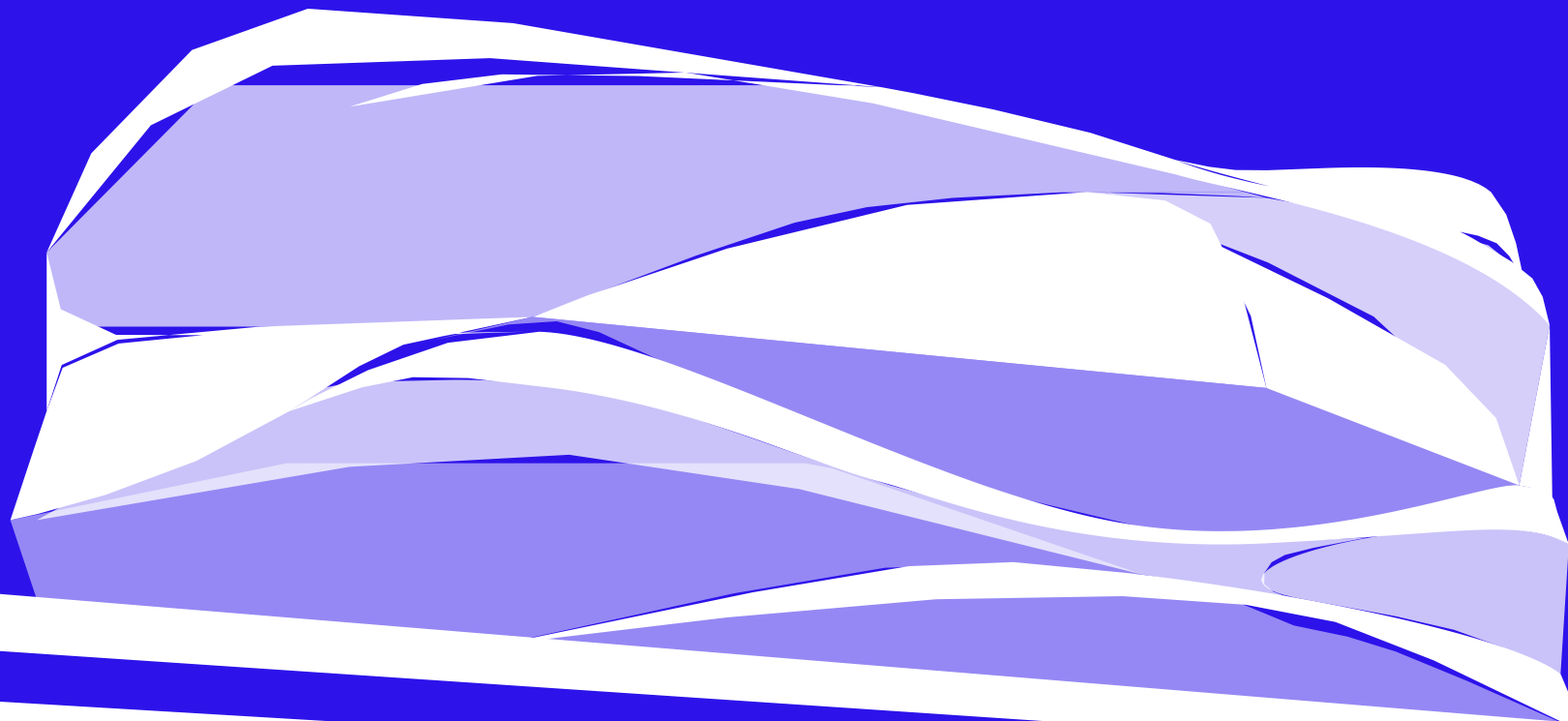
Net profit after minority interest increased by RO 7.1 Mn inspite of lower domestic performance of RO 4.1 Mn on account of increase coming from Zain group (Increase of RO 11.3 Mn)

# Omantel Group performance from Domestic to Consolidated profit- 2025 Vs 2024

All numbers in OMR mn

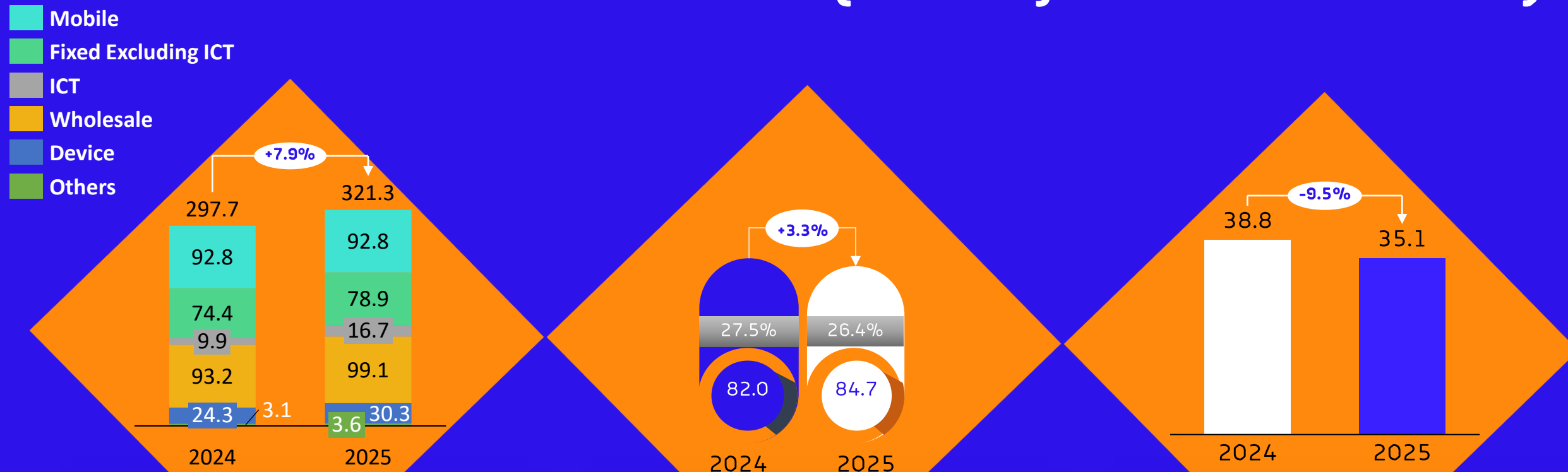


## Domestic Financials





# Domestic Performance – H1 2025 (Including domestic subsidiaries)



## Revenue in RO Mn

- The revenue increase of RO 23.6 million is mainly driven by a telco revenue growth of RO 14.3 million, supported by:
  - Fixed revenue: +RO 4.4 million
  - Device revenue: +RO 6.1 million
  - Wholesale revenue: +RO 5.8 million
  - ICT revenue grew by 3.7 Mn YoY with growth coming from IOT solutions revenue
- Additionally, the implementation of the Tech Co strategy contributed to diversification through:
  - Smart solutions: +RO 6.3 million
  - Hosting and cloud services: +RO 2.6 million

## EBITDA in RO Mn

- Domestic EBITDA increased by RO 2.7 Mn on account of an increase in Gross margin which in turn increased on account of top line performance and decrease in Royalty rates on Mobile services from 12% to 10%.

## Net Profit in RO Mn

- Net profit attributable to shareholders decreased by RO 4.2 million, primarily due to:
- Depreciation cost increase: +RO 5.4 million, resulting from investments in network, digital channels, and Tech Co initiatives

# Business Performance:

Effective base  
Management via  
retention and upselling  
in challenging market  
conditions.

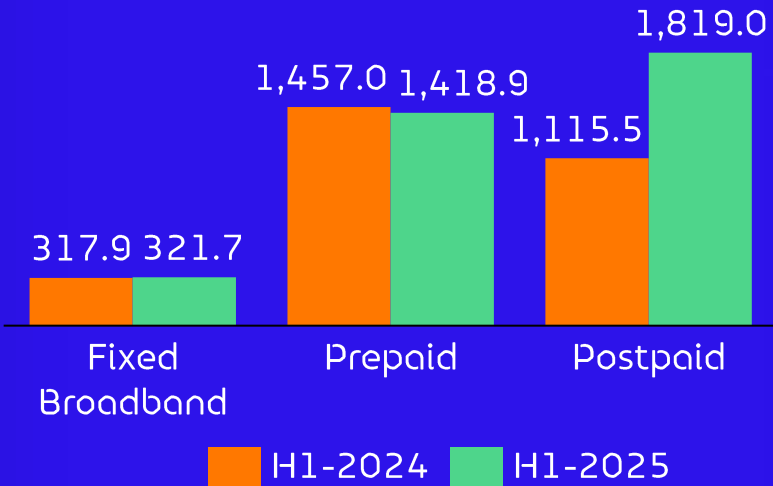
## Fixed Value generation

continues to be driven by migration of customers from legacy copper technology to 4G/5G [wireless Fixed Broadband] and Fiber, Capturing competition base.

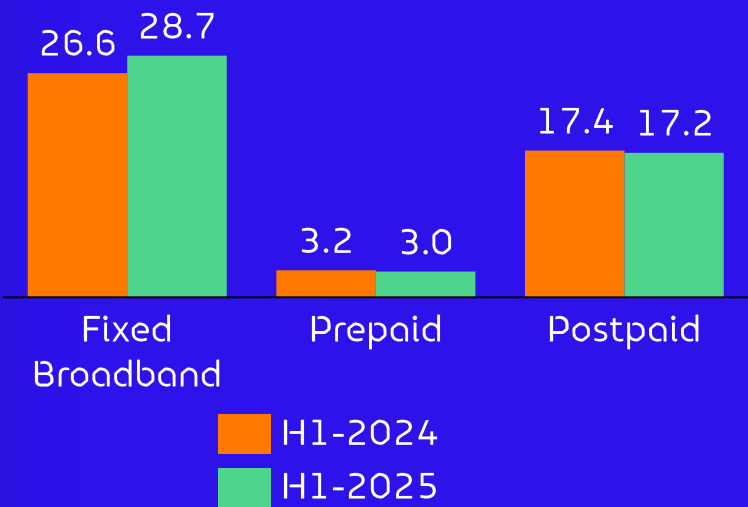
## Mobile Value generation

Strategic investments in AI/ML-based CVM and Retention engines significantly improved customer lifecycle management.

Subscribers (Including M2M) ('000s)

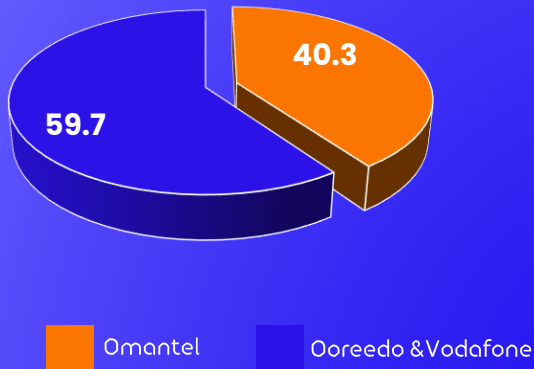


ARPU | RO / Month (Excluding M2M)

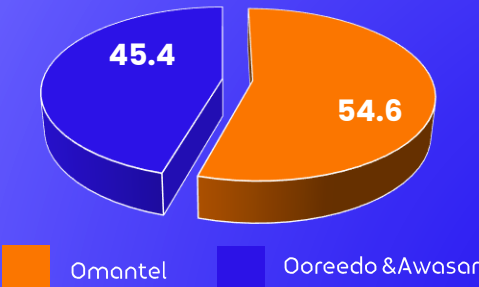


38.6K migrations in 2025 H1  
Pre to Postpaid migration

Mobile Subscriber Market Share-Jun 2025



Fixed Broadband Market Share-Jun 2025



# Cost Analysis Summary:

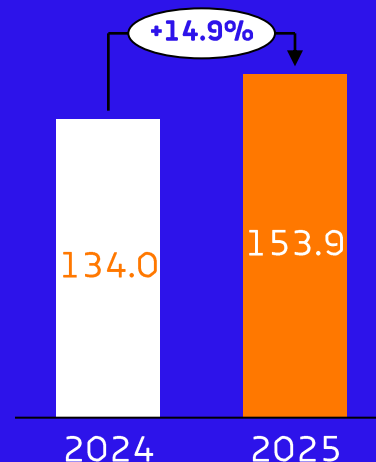
Increase in cost of sales is related to

- Transit revenue related costs (+ RO 8.3 Mn YOY)
- device sales (+ RO 6.7 Mn YOY)
- Charges payable to OBC for growth in Fibre Broadband revenues (+RO 1.4 Mn YoY)
- Smart Solutions costs (+RO 5.3 Mn YoY).
- Reduction in Royalty rates on Mobile business from 12% to 10% contributed a reduction of RO 2 Mn in Cost of sales.

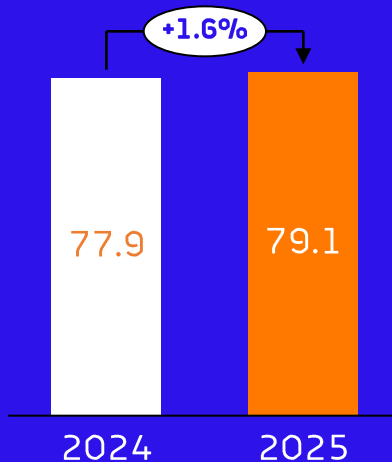
Operating costs increase is contributed by

- IT costs driven by investments in digital and emerging technologies.

## Cost Of Sale

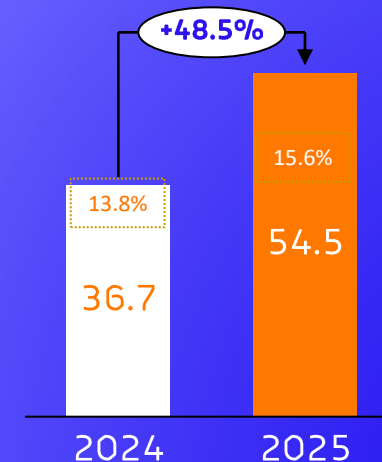


## Operating & Administration Expenses



## CAPEX additions RO Mn

Capex investment is primarily in 5G and upgrade of 4G sites and in digital channels, Market place platform.



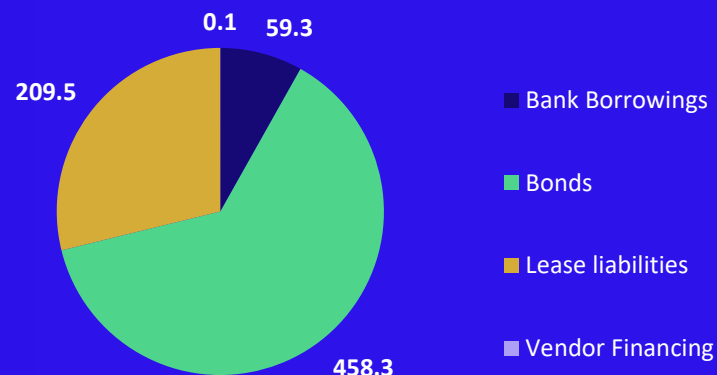
The future starts here  
Omantel 5G



# Cash flows and debt analysis

- Free cash flow (FCF) decreased YOY by RO 16.6 Mn YOY on accounting of reduction in cash flow from Operations (CFO) by RO 13.7 Mn and an increase in cash outflow from investing activities (CFI) by RO 2.8 Mn.
- CFO decreased by RO 13.7 Mn on account of increase in receivables.
- CFI increased by RO 2.8 Mn on account of investment in associates and subsidiaries by RO 14.2 Mn whereas capex cash outflow reduced YOY by RO 7.4 Mn.

Gross Debt-RO 727.2 Mn- December 2024



## Strong credit rating

Ba1/Stable

BB+/Positive

Moody's

Fitch

Stable

Prudent

Enhanced

Controlled

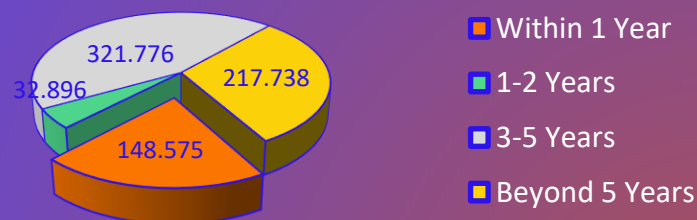
Net debt to Ebitda\*

3.49X

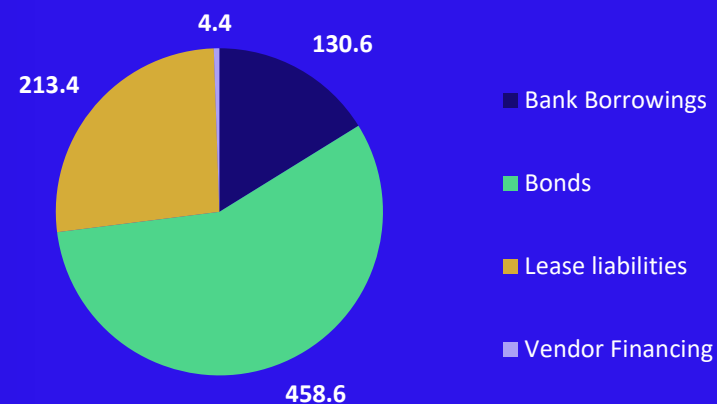
\* At H1 2025. Leverage and net debt excluding lease liabilities. Is 2.48x

## Repayment schedule (includes interest) (Bank borrowings and Bonds)

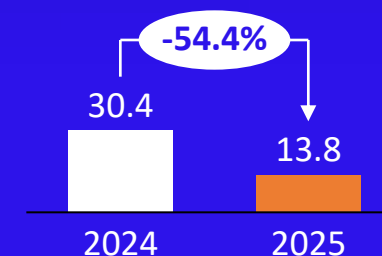
RO  
(Mn)



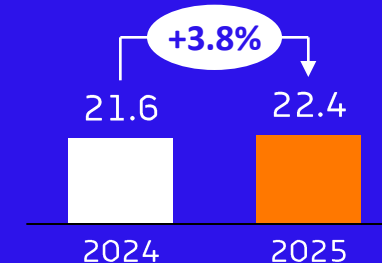
Gross Debt-RO 806.9 Mn- June 2025



## Free cash flow

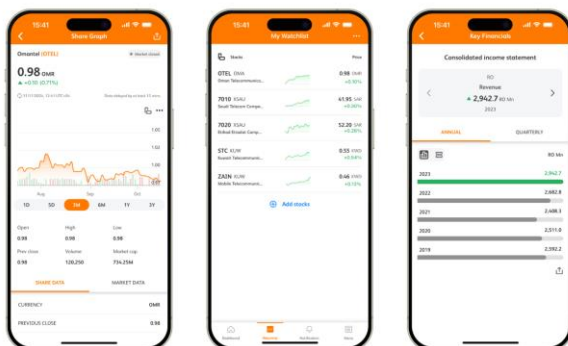


## Interest Cost



# Omantel

## Revamped IR App



### Interactive Charts

Access and visualize share price movements in a whole new way.

### Watchlist

Create and transform the way you monitor your investments.

### Key Financials

Evaluate key financial figures and compare with historical performance.

iOS



[Google play](#)

Our Revamped IR App will keep you up-to-date - from latest share prices and press releases, financial results and our document library on the go.

## Annual Report 2024



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our full Annual Report 2024





# Omantel

# Investor Relations

For More information, please visit the website or  
download the App from Apple/Google App store.

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