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## **Omantel MSX Investor Session Q1-25 Performance Transcript**

Thursday 22nd of May 2025, 14:00 Oman time

### **Attending Management Team**

General Manager Financial Control: Mr. Sudhakar Ippatappu

General Manager Treasury: Wahbi Al-Riyami.

Mr. Dharminder Kumar, Senior Strategist Finance Office.

**Investor Relations Officer: Aisha Al Balushi.**

## **Aisha Al Balushi – Omantel Investor Relations Officer.**

Greetings, ladies and gentlemen. This is Aisha Al Balushi, and I welcome you to Omantel's Q1 2025 MSX Session Call.

It's my pleasure to host you all on behalf of Omantel's senior finance management team today. Joining us are:

**Mr. Dharminder Kumar, Senior Strategist Finance Office.**

**Mr. Mr. Sudhakar Ippatappu, General Manager, Finance Control,**

**Mr. Wahbi Al Riyami, General Manager, Treasury**

By now, you should have received the company's presentation and the Q1 2025 unaudited Financial Statement, both of which have been uploaded to Omantel's website and MSX.

During this call, we will make forward-looking statements. These are predictions, projections, or other statements about future events, based on current expectations and assumptions, and are subject to risks and uncertainties.

For the Q&A session, you may use the raise hand feature or write your questions in the chat box. To allow as many analysts as possible to ask questions, we would appreciate it if each analyst could limit themselves to one question, keeping the time constraints of the session in mind.

Now I will hand over to Mr. Dharminder Kumar to walk you through the main highlights of the quarter.

## **Mr. Dharminder Kumar, Senior Strategist Finance Office.**

We are pleased to announce Omantel Group results for the quarter ending 31st March 2025. Gross Revenue for Qtr. 1 stands at RO 803.6 Mn, witnessing an increase of 10.4% year on year. The Group revenue includes Zain group with a revenue of RO 667.6 Mn.

Group's EBITDA for the quarter stands at RO 253.8 Mn showing an increase of 11.9% year on year.

The Group Net Profit after tax has increased to RO 64.9 Mn compared to RO 40.6 Mn in 2024, an increase of 60%.

Net profit Attributable to Shareholders of the Company for the period stands at RO 15.7 Mn compared to RO 12.9 Mn in Q1 2024, an increase of 22%.

In terms of Domestic Performance –

Revenues increased to RO 164 Mn in Q1 2025 vs 152.7 Mn in the same period in 2024 witnessing an increase of 7.4%.

EBITDA for Q1 2025 stands at 41.6 Mn and Net Profit at 33.4 Mn

In terms of Key Highlights for the first quarter –

Besides the ongoing efforts initiated by Omantel transitioning itself from a telco to a Techo company, one of the key highlights for Q1 worth mentioning is strategic partnership between Omantel and Airgain, a leader in wireless connectivity and antenna technologies. This partnership reaffirms our commitment to driving digital transformation, fostering innovation, and advancing global connectivity.

**Aisha Al Balushi – Omantel Investor Relations Officer.**

### **Domestic Economic Outlook**

We will begin with a Macro overview of economic development and key indicators, followed by an in-depth review of Omantel's financial and operational performance over the past year.

Oman has made significant progress in economic development through strategic reforms, diversification, and improved fiscal management and government policies.

These efforts have strengthened economic resilience, expanded non-oil sectors, and attracted foreign investments. Notably, the GDP-to-debt ratio has shown positive trends, decreasing from 68% to a record of 35% in the first Quarter of 2025.

Among sovereign credit ratings:

- S&P Global upgraded Oman to investment grade due to fiscal consolidation and diversification advancements.
- Moody's affirmed a B1 rating and improved the outlook from stable to positive.

- Fitch affirmed a BB+ rating with a stable outlook.

These ratings reflect the effectiveness of fiscal management and economic reforms, fostering long-term growth. Oman's economic outlook remains optimistic, underpinned by strategic reforms and investments in key sectors. At Omantel, we continue to align with the national agenda, recognizing significant opportunities for growth and value creation in the coming years.

### **Omantel's Growth & Innovation Journey**

Omantel Group is evolving beyond traditional telecommunications, striving to become a leading technology powerhouse in the region. Our investments in infrastructure, including cloud services and space technology, and our regional expansion reinforce our commitment to high-growth areas. Additionally, we are developing emerging technologies such as:

- Customer Experience Platforms
- Marketplaces
- Fintech Solutions

These efforts strengthen our role in driving digital innovation while maintaining market leadership in Oman's core telecom industry.

### **The Shift Towards a Technology Powerhouse**

This is a defining period for Omantel Group, marking substantial progress in evolving from a telecom company to a technology group. Building on the foundation of our Shift Gear Strategy launched in 2021, we are now stepping forward with the Portal to the Future Strategy, designed to transition Omantel into a technology powerhouse.

**Now, let's explore our expanded geographical presence across eight markets, where we proudly serve over 50 million customers.**

As Omantel Group, we are proud to witness another strong quarter from our regional footprint, with operations across eight markets now serving over 54 million customers.

Our investment in Zain continues to yield robust performance.

In Iraq, Zain delivered double-digit growth across all key financial metrics—revenue up 13% and net income surging 73%—driven by investments in network expansion and monetization of new B2C and B2B products and services.

In Sudan, the recovery exceeded expectations. Revenues more than doubled, EBITDA rose over 400%, and customer base growth reached 110% a testament to agile crisis response and digital resilience.

Jordan sustained its leadership with a solid 7% increase in revenue, supported by 5G rollout and continued fiber expansion.

In Saudi Arabia, Zain's enterprise and fintech lines drove top-line growth, with net income rising 40% on the back of strong B2B and digital momentum.

Kuwait maintained its leadership position, reporting a 2% year-on-year increase in both revenue and net income for Q1 2025, with data revenue contributing 36% of total revenue.

This performance reflects the strategic value of our regional investment platform, enabling Omantel to capture growth across core telecom, digital services, and next-generation infrastructure.

As we look ahead, Omantel remains committed to driving value through regional scale, innovation, and operational excellence.

**In addition to the positive performance of the first quarter of the group, which further supported through the expanding impact of our new growth verticals.**

(namely ZOI, ZainTECH and Fintech). These new growth verticals delivered an additional \$124 million in revenue for Q1-25, a remarkable growth of 185% YoY, and now accounting for 11% of total Group revenue. Notably, ZOI achieved a remarkable 371% increase in revenue YoY, while ZainTECH recorded an impressive 184% growth YoY.

We're seeing many positive signs of recovery in Sudan, as network restoration has reconnected over 5.8 million customers and is leading towards significantly better operational performance.

I would also like to share with you that the Zain board has approved renewing the minimum annual cash dividend policy of 35 fils per share for another three years, extending it till 2028.

**As we evaluate, Omantel's group operational and financial performance for the First-Quarter 2025**

We are proud to report an exceptional start to the year, with strong double-digit growth across all key financial KPI's, revenue, EBITDA, and net income.

Moving to domestic performance.

Our continued investments in strengthening our core—combined with a forward-looking focus on emerging technologies—have positioned Omantel as a leader in both mobile and fixed-line services. This strategic depth has not only fueled our growth but also insulated us from the pressures of intense market competition.

Starting with our core business performance in the mobile segment, despite challenging market conditions, we have successfully protected our market position in our stable subscriber market share of 39% and slightly increased mobile revenue.

Meanwhile, in the fixed-line business, our market leadership remains strong at 54.4%, evidenced by a 6.5% revenue growth, driven by the robust performance of our fixed broadband services and the migration from copper to HBB and 5G Fixed wireless access.

While the ICT business posted a 61% growth during the year—aligning with Omantel's strategy of evolving from a pure telecom provider to a tech-driven company—this growth is also reflected in the increased revenue from our domestic subsidiaries, which primarily focus on ICT, Fintech Solutions, and IoT.

Now, moving to our domestic financial indicators, revenue for the first quarter has reached 164.1 million, reflecting a 7.5% year-on-year increase, driven by growth in fixed broadband (FBB), Devices, Hubbing and contributions from IoT.

While EBITDA has also declined by 3.5 and net profits by 7.5%.

A detailed explanation of these financial situations will be covered under Company Financials and Domestic Operations.

### **Omantel Group Performance**

Total subscribers rose by 19.8% to 54.4 million, driven by an 8.3 million increase in Zain Group's base, mainly from Sudan and Iraq, and a 682000 increase in Omantel's domestic base, supported by growth in fixed broadband and M2M subscriber base.

Group revenue increased by 10.4% year-on-year, supported by both domestic growth and a strong OMR 85.8 million uplift in Zain Group revenues. Key contributors included Sudan (+112%), Iraq (+13%), Bahrain (+8%), Jordan (+7%), and KSA (+6%).

Group EBITDA rose by 11.9% to OMR 253.8 million. This was primarily led by Zain's improved performance, with major contributions from Sudan, Iraq, and KSA.

Net profit after tax for the Group increased to OMR 64.9 million, while profit attributable to Omantel shareholders rose to OMR 15.7 million, up 21.7% year-on-year. This reflects stronger EBITDA performance and higher investment returns from Zain Group.

These results underline Omantel's continued strength as a regional telecom leader, driven by strategic investments and operational resilience across its footprint.

### **Domestic Performance for the first Quarter of 2025.**

In the first quarter of 2025, Omantel's domestic business recorded revenue of OMR 164.1 million, reflecting a 7.5% year-on-year increase. This was driven by

growth in fixed broadband, device, and transit revenue—along with a 3.7 million rial increase in ICT revenue, mainly from IoT solutions.

EBITDA stood at OMR 41.6 million, slightly down by 3.5% from last year. The decline is attributed to higher impairment provisions and increased operating expenses tied to investments in emerging tech and fintech. However, gross margin improved by OMR 2.3 million, supported by broadband and stable mobile revenue.

Net profit for the quarter came in at OMR 33.4 million, marking a 7.5% decline, mainly due to the dip in EBITDA, higher depreciation, and unrealized investment losses.

Looking ahead, profit is expected to improve as impairment provisions ease and growth in collection.

### **Moving to Business Performance**

Omantel continues to demonstrate effective base management through strong retention and upselling strategies in a challenging market environment.

We achieved a net migration of 15,000 customers from prepaid to postpaid, reflecting our focus on value-driven customer acquisition and lifecycle management. As of Q1 2025:

- Postpaid subscribers rose significantly to 1.82 million, up from 1.09 million last year.
- Fixed broadband also grew steadily to 321,600 subscribers, maintaining leadership in this segment.

On ARPU, Fixed Broadband increased to OMR 28.5 per month, up from OMR 26.4, driven by migration to high-value fiber and wireless services. Prepaid ARPU remained flat, while postpaid ARPU slightly declined to OMR 17.2 due to competitive pressures.

Omantel maintains strong market leadership:



- Holding 39% of mobile subscriber market share as of March 2025.
- And 54.4% share fixed broadband, ahead of Ooredoo and Awasar.

### **Moving to the Cost Analysis Summary**

In Q1 2025, Omantel recorded a 12.8% year-on-year increase in cost of sales, reaching OMR 79.3 million. This was primarily driven by higher transit-related costs (+OMR 3.2 million), increased device sales (+OMR 2.3 million), fiber broadband-related charges to OBC (+OMR 1 million), and higher ICT costs (+OMR 3.2 million).

Operating and administration expenses also rose by 8.2%, reaching OMR 40.9 million. The increase reflects our continued investment in digital infrastructure and emerging technologies, along with a shift in vendor licensing models from CAPEX to OPEX structures.

Despite the increase in costs, these investments are aligned with our long-term growth strategy and digital transformation roadmap.

Turning to capital expenditure, total CAPEX additions increased by 26.1% year-on-year to OMR 22.7 million. This spending is focused primarily on expanding our 5G footprint, upgrading existing 4G sites, and enhancing our digital engagement platforms, including the launch of a new marketplace initiative.

These strategic investments are fundamental to ensuring Omantel's future-readiness, technological leadership, and long-term shareholder value creation.

### **On the Domestic Debt Profile**

In Q1 2025, free cash flow decreased by 49.2% year-on-year, reaching a negative OMR 36.6 million, compared to negative OMR 24.5 million in the same period last year. This decline is primarily due to higher Opex payments related to device procurement and operator charges carried over from the prior year.

It is important to note that the first quarter is typically characterized by elevated operating expenditure. However, we expect free cash flow to recover in the upcoming quarters and remain aligned with historical year-end trends, excluding any planned investments in subsidiaries.

We continue to maintain a strong credit position, with Moody's ratings at Ba1/Positive and Fitch at BB+/Positive. The Group's net debt to EBITDA ratio stands at 3.23x, or 2.22x excluding lease liabilities, reflecting prudent financial management despite strategic investment commitments.

We will now open the session for questions. You have two options: either raise your hand or use the chat facility. We welcome any questions at this time.

**Ziad Itani – Arqaam Capital**

Hi, thank you for the presentation.

I have just a few questions. First, regarding the domestic Omani market: what are you seeing in terms of competition in the postpaid segment, particularly with Vodafone now being active?

Second, are there any updates on Iraq Market and the potential entry of a fourth mobile network operator "Vodafone" with a 5G service offering?

And third, could you please provide some color on the situation in Sudan? Are you still seeing strong growth going into the second quarter and are there any challenges in repatriating cash from that market?

**Aisha Al Balushi – Omantel Investor Relations Officer.**

Thank you very much, Ziad. I'd now like to invite Mr. Sudhakar to address your questions and provide further insights.

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

Thank you, Ziad. Let me first address your question on the domestic market by covering both the mobility and fixed broadband segments.

Starting with mobility:

Vodafone has been active in the market for some time now. In terms of subscriber market share, our position stands at approximately 40%. However, we believe revenue market share is a more accurate reflection of competitiveness. On that front, Omantel holds a leading position with a revenue market share of around 51.8%.

This strength is largely driven by significant growth in our postpaid base. Excluding M2M subscribers, our postpaid segment grew by approximately 40,000 subscribers' year-on-year. We've been strategically migrating prepaid customers to postpaid, although the pace has slowed this year due to the strong conversion success in previous years. Nevertheless, the base remains resilient, and postpaid performance is stable and positive, albeit with more moderate growth than in prior years.

The prepaid segment, however, continues to face challenges due to aggressive market pricing, including both above-the-line and below-the-line offers. Despite this, we've managed to maintain our ARPU at OMR 3.1, similar to last year, and our overall subscriber base has remained stable. Churn rates in both postpaid and prepaid remain low, but maintaining ARPU in prepaid has been difficult, with growth largely supported by value-added services, while core voice and data services remain under pressure.

Turning to the fixed broadband market:

Growth has been encouraging, even though it is now a well-penetrated segment, with overall market penetration reaching around 79%. This still provides room for expansion, and Omantel has continued to capture a strong share, both in fiber and wireless fixed broadband.

In fiber, we hold the highest market share, estimated between 52% and 53%, and we are seeing healthy subscriber growth in wireless fixed broadband as well. Importantly, ARPU

in fixed broadband has also increased—with growth of close to OMR 2, which is a very positive indicator.

That summarizes the key developments in both mobility and fixed broadband.

Now, Ziad, could you please repeat your second question? I believe it was related to Zain Group.

**Ziad Itani – Arqaam Capital**

Yes, that's very clear thank you.

My second question is regarding the new player entering the Iraqi market with a 5G license specifically Vodafone.

But before we move on to that, just a quick follow-up on the domestic market: Is Awsr still not offering any mobile services? Are they still focused solely on the fixed segment?

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

Noted. Awsr does hold a mobile license and is working towards launching its mobile services. However, they did not launch any mobile services during the first quarter.

**Ziad Itani – Arqaam Capital**

Any sort of expectations that you think that before year end they're going to be active on the mobile segment?

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

We believe Awsr will become active soon. From what we understand, they are already

in discussions with existing operators regarding the launch of their mobile services. Given their established presence in the fixed segment, they do have an advantage—similar to any full-scale operator—by leveraging existing infrastructure and customer relationships.

That said, as you've seen on the fixed side, we've managed to maintain our subscriber base despite very aggressive pricing from competitors. We expect the mobile segment to present a greater challenge, especially considering the relatively limited market size in Oman.

We don't anticipate significant growth in the overall mobile market. The focus going forward will be on customer retention, protecting our value share, and driving growth through complementary offerings, such as value-added services, which we believe will be key contributors to future revenue expansion.

### **Ziad Itani – Arqaam Capital**

That's clear thank you.

So, moving on to the second question, it's regarding Iraq and the new player entering the market. Have you managed to negotiate access to 5G frequencies and align the launch of your 5G services accordingly? I recall there was a discussion about the new entrant being granted one year of exclusivity for 5G services—has there been any update on that?

And finally, on Sudan:

Are you seeing signs of recovery going into the second quarter? Also, are there any challenges in terms of repatriating cash from that market?

### **Mr. Sudhakar Ippatappu, General Manager, Finance Control**

Regarding Iraq, Ziad—this was also raised during the recent Zain investor call. Both HC-SL and Zain are currently challenging the regulator's decision to award the 5G license to the new entrant. This matter is still under review and remains a work in progress at this stage.

Moving on to Sudan:

The first quarter of 2025 showed a solid performance. The more appropriate comparison would be with Q4 2024, as the first quarter of last year was severely impacted by a complete network shutdown, which significantly affected both subscriber base and revenue.

Compared to Q4 2024, Sudan delivered healthy growth, especially in terms of the subscriber base, with most of that growth coming from Khartoum, where displaced populations have begun returning.

That said, despite the strong Q1 performance, the situation on the ground remains unstable. In fact, recent developments indicate that conditions in Khartoum have further deteriorated, and this is something the team continues to monitor closely.

From an operational standpoint, Zain has prioritized maintaining connectivity during this difficult period, exploring multiple solutions to keep the network live. As a result, Zain has maintained the widest network reach across most regions, which directly contributed to the strong performance in Q1.

However, it remains to be seen whether this performance can be sustained in the coming quarters, as it will ultimately depend on how the security and political situation evolves on the ground.

### **Ziad Itani – Arqaam Capital**

And on cash repatriation.

### **Mr. Sudhakar Ippatappu, General Manager, Finance Control.**

Regarding cash repatriation, we are not currently facing any immediate challenges. However, any significant outflow from Sudan would pose difficulties, as such transfers require approval from the Central Bank of Sudan.

Given the current situation in the Sudanese market—including the depreciation of the local currency—we have not been able to repatriate large amounts. That said, Zain has managed to repatriate some cash to the Group, primarily through management fees and intercompany settlements.

### **Ziad Itani – Arqaam Capital**

Great. Thank you.

### **Joice Mathew – United Securities**

Thank you, Aisha, and good afternoon, gentlemen.

Just a follow-up question regarding your fixed broadband (FBB) performance this quarter. We've seen stable performance over the past several quarters, and this quarter you've recorded net additions of 10,000 subscribers. In addition, as you mentioned, ARPU has also improved.

Could you please elaborate on the key drivers behind this subscriber growth and ARPU improvement?

Also, given that we are now two months into the second quarter, are you seeing this momentum continue? And how do you view the trend for the full year moving forward?

### **Mr. Sudhakar Ippatappu, General Manager, Finance Control**

On FBB, I believe you're comparing the numbers with December. While there was a notable increase in net additions, it's important to highlight that part of this growth is related to a high number of terminations that occurred in the last two weeks of December.

Most of these disconnections were due to non-payment. However, in January, we were able to reconnect a significant portion of these customers through our dunning process, which had temporarily impacted the subscriber base.

As a result, while gross additions were around 3,000 across all technologies, a substantial portion was driven by these reconnections. Based on this, we don't expect the same level of net additions in the upcoming quarters. We anticipate net additions to be in the range of 3,000 to 4,000.

As for ARPU, we aim to maintain it at current levels, which represent the peak over the past few years. Sustaining this ARPU is a key objective moving forward.

### **Joice Mathew – United Securities**

One more thing, could you please provide some insights into ZOI's operations? You mentioned a +300% revenue growth, but what kind of base numbers are we referring to? Additionally, how do you see ZOI performing going forward, and what are your

medium-term strategic plans for the business?

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

Let me provide some context on ZOI, which we've also discussed in previous investor calls. ZOI is a wholesale joint venture between Zain Group and Omantel, with Omantel holding a 26% stake.

The primary objective of ZOI is to manage the wholesale operations of both Omantel and Zain, while also investing on behalf of the group to build wholesale capacity that serves international customers—both in Oman and across the regions where Zain operates.

To that end, ZOI has been investing in both submarine and terrestrial connectivity. One of the major initiatives is the terrestrial link between Oman and Saudi Arabia. Additionally, ZOI is investing in multiple submarine cable systems to diversify and grow wholesale revenues, which have historically been concentrated in Oman.

The value going forward will come not only from Omantel's long-standing relationships with international carriers, but also from leveraging Zain's footprint across its operating companies. By extending our capabilities across these geographies, we expect to drive increased wholesale revenue.

In Q1, we saw a significant uptick in revenue, primarily driven by services provided to the Zain operating companies. However, most of this growth came from the voice segment, where margins are typically in the range of 4% to 5%, which is lower than what we see in retail operations.

While Q1 performance reflects the operational phase of managing Opco traffic, the real value will come from our ongoing infrastructure investments—both submarine and terrestrial—which are expected to contribute meaningfully to revenue starting in 2026 and beyond. These investments are critical to capturing higher-margin opportunities in the medium to long term.

**Joice Mathew – United Securities**



Got it. Another question I have is regarding Capex. Typically, we see lower Capex spending in the first half of the year, with a ramp-up in the second half—often reaching around 15–16% of revenue.

However, this quarter alone reflects a 15% Capex run rate. Do you anticipate an overall increase in Capex for the full year? And how do you see your Capex outlook shaping up for 2026?

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

You're absolutely right. Historically, Capex in the first quarter tends to be on the lower side. However, this can vary depending on the timing and nature of the projects carried over from the previous year.

For example, in Q4 of 2023 and again in Q4 of 2024, we initiated several significant network-related projects—specifically the upgrade of our 4G sites and the rollout of 5G infrastructure. As a result, a substantial portion of that capital expenditure carried into Q1 of this year.

In addition to network investments, we have also been focusing heavily on our digital transformation initiatives. A key area of investment has been our upcoming digital marketplace platform, which we plan to launch soon. This has contributed to the higher Capex this quarter.

We're also making enhancements to our mobile app, adding new features and functionalities aimed at expanding our digital service offerings and diversifying our revenue streams.

These initiatives explain the elevated Capex in Q1, and we expect these investments to start yielding revenue contributions in the upcoming quarters.

**Joice Mathew – United Securities**

Understood. So what is your expected Capex run rate for 2025 and 2026?

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

For 2025, we expect to end the year with a Capex-to-revenue ratio of approximately 15%.

As for 2026, it's a bit early to provide a definitive outlook at this stage.

**Joice Mathew – United Securities**

Understood. Thank you very much. That's it.

**Nikita Meherally – Emirates NBD**

Hi, thank you for the presentation. Just a quick question from my side—could you provide some guidance specifically on growth-related Capex? Also, are there any plans to tap the bond market soon?

Additionally, could you share an update on your discussions with the rating agencies, given that both have placed you on a positive outlook?

**Aisha Al Balushi – Omantel Investor Relations Officer.**

Thank you very much. I believe this is a question that requires input from both Mr. Sudhakar and Mr. Wahbi. Sudhakar, please start with the Capex guidance, and then Wahbi, if you could follow up on the financing plans.

**Mr. Sudhakar Ippatappu, General Manager, Finance Control**

So, Nikita, as I mentioned earlier, a major portion of our Capex is directed toward growth initiatives. On the network side, our key areas of investment include expanding 5G coverage through the rollout of new sites and building additional capacity to meet the growing bandwidth demand from our customers.

To sustain our current revenue momentum, it's essential that we continue investing—not only in expanding coverage but also in enhancing capacity. As a result, a significant share of our Capex is classified as growth Capex.

In addition to 5G, we're also upgrading our 4G sites to ensure consistent service quality. Furthermore, as we build out our 5G infrastructure, we must invest in strengthening our backbone network—primarily fiber—to support higher speeds and reliability.

Beyond the network, we're also allocating Capex toward digital initiatives. This includes enhancing our mobile app and developing a new digital marketplace platform. These investments are part of our broader Teco strategy and are designed to drive future revenue streams.

**Mr. Wahbi Al Riyami, General Manager, Treasury**

Sure. Regarding your question on bond issuance and market access—our last issuance was in January 2024. As you're aware, we typically approach the market only when necessary, particularly to refinance maturing bonds or support specific investment needs.

Our next bond maturity is scheduled for 2028, so there's no immediate requirement to access the market.

As for major investments or acquisitions, there is nothing significant to announce at this stage. Therefore, in the near term, we do not anticipate tapping the bond market.

That said, we maintain regular dialogue with banks and capital market participants. We also actively participate in conferences—most recently, as of yesterday—to stay informed and prepared for any potential opportunities, including conventional funding, sustainability-linked financing, or green bonds.

In terms of our credit ratings, we remain in close and regular discussions with the rating agencies. In fact, we have a scheduled review with Moody's at the end of this month. These engagements are part of our ongoing effort to ensure alignment and transparency with the agencies, particularly given our current positive outlooks.

**Nikita Meherally - Emirates NBD**

Have they indicated any potential timeline for an upgrade? Typically, rating agencies

make a decision within 6 to 18 months after a change in outlook has that been discussed?

**Mr. Wahbi Al Riyami, General Manager, Treasury**

Yes, absolutely. The feedback we've received has been positive—not just from a monetary standpoint, but also regarding the government's overall fiscal management.

The deleveraging plans and various initiatives implemented to reduce the deficit have been well received. Based on these indicators, we're optimistic that, God willing, an upgrade could be forthcoming.

**Chiang Jocelyn – AMUNDI**

Hi, thank you. I just have a quick question regarding your financial disclosures—specifically the standalone financials for the Oman operation. Last year, you were proactive in providing these for Q1 and Q2 of 2024, but I haven't seen them this time.

Could you clarify the reason for this, and whether you plan to continue providing these disclosures going forward? Thank you.

**Aisha Al Balushi – Omantel Investor Relations Officer.**

Hi Jocelyn. I believe we have been sharing these through our distribution list, but you're rights would be more helpful to include them directly in the presentation slides as well.

We do disclose the standalone domestic financials, excluding Zain, on a quarterly basis. We'll make sure they're included in the presentation going forward, and we'll also share the missing financial statements with you right after this call.

**Chiang Jocelyn – AMUNDI**

All right.

Thank you so much.

**Aisha Al Balushi – Omantel Investor Relations Officer.**

Are there any further questions?

If not, I would like to sincerely thank all the analysts who attended today's session, as well as the management team for their valuable support during the Q&A.

As always, you're welcome to reach out with any additional questions. Our contact details are available for follow-up.

We also encourage you to read our recently published 2024 Annual Report, and we look forward to having you join us on our next quarterly call.

Thank you once again for your participation.