



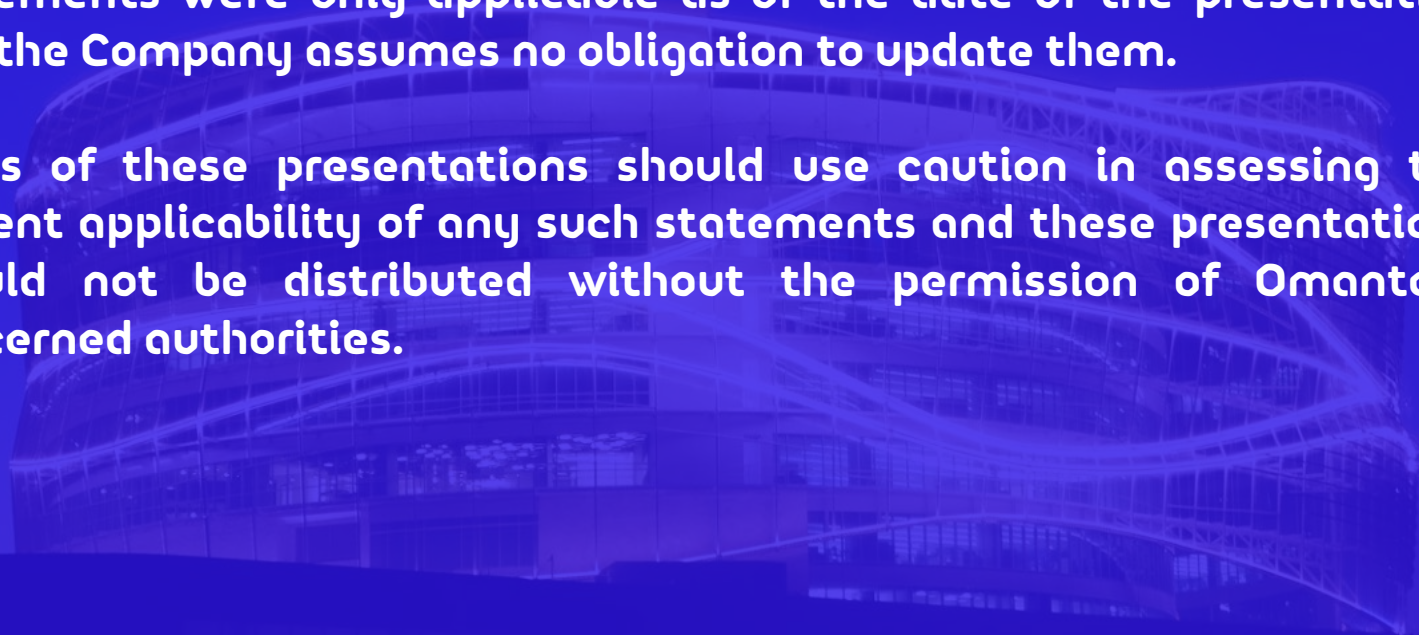
Performance – 9M 2024

# Disclaimer

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# 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




**Ba1** ↑

Rating affirmed at Ba1. Outlook from stable to positive as of August 2024




**BB+/B**

Rating affirmed at BB+. Outlook from positive to stable as of May 2024




**BBB-/A-3** ↑

(Upgrade to Investment grade with stable outlook) Rating upgrade in Sep 2024




Oman's Debt to GDP ratio has decreased significantly from 68.0% in 2020 to 33.0% projected in 2025.




The Oman Future Fund launched with a capital of RO 2 billion in January 2024.


## Key target sectors for the FFO Joint Fund




Artificial Intelligence




Internet of things




Fintech



Big Data




5G



Cyber Security

**Sources:**  
NCSI statistics, IMF world economic outlook, Worldbank, TRA Oman


## Key Economic Indicators



CPI Inflation

**0.4%**


As of September 2024



Mobile Telecom Market

**↑1%** +89K


9M 2023 vs 9M 2024



Population Growth

**↑2%** 103k


9M 2023 vs 9M 2024



Number of SMEs

**13.6%** ↑


Dec 2023



Overall Fiscal Balance

**6.2%** ↑


Dec 2023



Broad Money Supply

**5%** ↑

Dec 2023

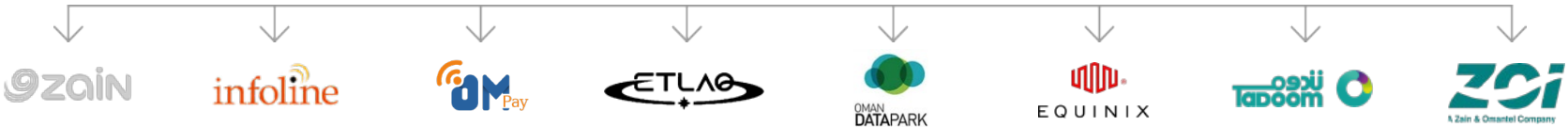


**1 USD = 0.3851OMR**

## Oman 2040 vision Journey

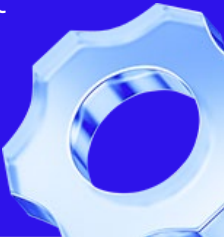
- Oman is advancing reforms for sustainable, private sector-led growth by diversifying its economy, stabilizing prices, enhancing infrastructure.
- Strategic focus on creating job opportunities and enhancing living standards.
- Oman's capital market regulator Financial Services Authority (FSA) announced a package of incentives to develop the investment and business environment in the sultanate, support economic development .

# Omantel's journey of growth and innovation



## 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

Artificial intelligence  
Marketplace  
Cloud  
Space Tech



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

Zain Group achieved 15-year revenue highs for both the 3rd quarter (USD 1.64 billion) and 9-month periods (USD 4.71 billion).

## Diversified growth

### TASC Largest Tower Company

Valued at 2025  
USD 2.2 Billion\*

Annual Revenue **500M USD**

Annual EBITDA **200M USD**

### Zain Omantel International

Connecting 8  
Markets

Blue Raman and KSA TN work in progress. Expected RFS in 2025

### Zain Fintech

Fintech services also witnessed revenue growth of 13% during the 9M 2024

### ZainTech

ZainTech revenue grew 92% in 9M 2024, largely driven by the consolidation of STS Arabia.

## Resilient Performance across key Markets



### Kuwait

- Maintained its market lead in terms value share, with customer base of 2.6m, to achieved a 4% revenue increase for Q3 2024, reaching USD 308 Mn.,



### Saudi Arabia

- Recorded a 2% year-on-year revenue growth in Q3 2024, amounting to USD 689 Mn, with EBITDA also increasing by 2% to USD 228 Mn.



### Iraq

- Delivered an impressive Q3 2024 performance with a 10% QOQ revenue growth, reaching USD 285 Mn.



### Sudan

- Despite the crisis, the company remains dedicated to maintaining operations and keeping the community connected.

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

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

## IRAQ

Subscribers	19.5
Revenue	801
EBITDA	329
EBITDA Margin	41%

## KUWAIT

Subscribers	2.6
Revenue	913
EBITDA	336
EBITDA Margin	36.8%

## JORDAN

## JORDAN

Subscribers	4.3
Revenue	411
EBITDA	167
EBITDA Margin	40.6%

## BAHRAIN

Subscribers	1.2
Revenue	152
EBITDA	48
EBITDA Margin	31.6%

## SUDAN

## Sudan

Subscribers	8.7
Revenue	180
EBITDA	75
EBITDA Margin	39.9%

## OMAN

Subscribers	3.25
Revenue	1175.8
EBITDA	323.8
EBITDA Margin	27.5%

## SAUDI ARABIA

Subscribers	9
Revenue	2,045
EBITDA	642
EBITDA Margin	31.4%

Figures in US\$m for 9M-2024

# Unlocking value in eight countries through Omantel's 26% Stake in Zain Omantel International

**120,000 km**

Submarine Network  
spanning around the Globe

**20+**

Global Subsea Systems,  
largest regional portfolio

Directly Connected to

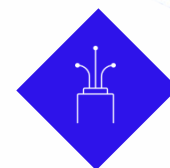
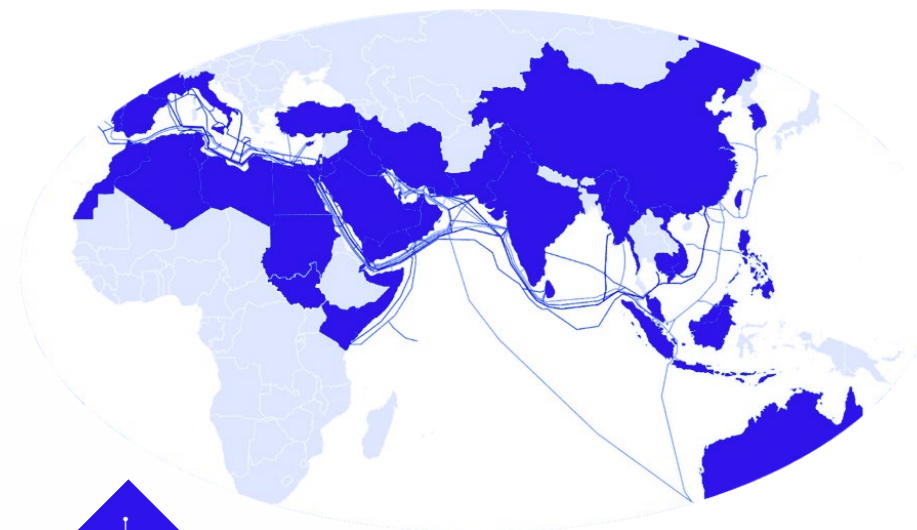
**50+**

Countries

Direct Access to

**120+**

Global Cities



Capacity &  
Connectivity



Data Centers  
& Content



International  
Roaming



Satellite  
Connectivity



International  
Voice/SMS





# Domestic Key Developments – 9M 2024

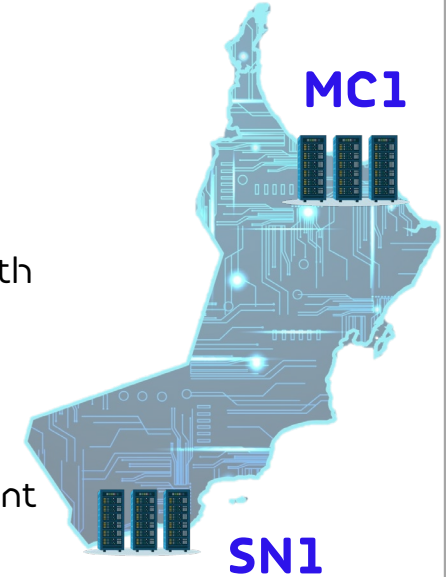
## Strategic Alliances

- **Signed 12+ strategic agreements** at COMEX 2024 to boost cybersecurity, cloud services, and AI, reinforcing Oman's digital infrastructure.
- **Google Cloud Partnership:** Enhanced edge data processing capabilities.
- **AWS Collaboration:** Developing a Digital Marketplace.
- **Sovereign Cloud with AWS:** Ensured compliance with national security standards.
- **Scalable National Cloud Infrastructure with Huawei:** Expanded cloud capacity for growth.
- **AI Monetization:** Partnered with AWS, Microsoft, and Google for advanced AI services.



## Key Developments

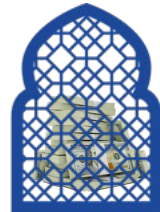
- **Omantel set to make Salalah the Middle East's second largest submarine cable hub.**
- **SN1 Data Center:**
  - Developed in partnership with **Equinix**.
  - Attracted major global content providers and **Hyperscalers**.
  - Facilitating the establishment of **large-scale data centers**.



## Sukuk Issuance

### Successful Issuance of \$500 Mn

- Coupon Rate at 5.375.
- 130.8 bps Over 7 years U.S Treasury Rates.
- Based on Airtime data.



## Awards and Recognitions

Intakhib named a  
finalist in the  
**Gartner  
Innovation  
Awards**

**Gartner®**

**CX Leader  
Award**



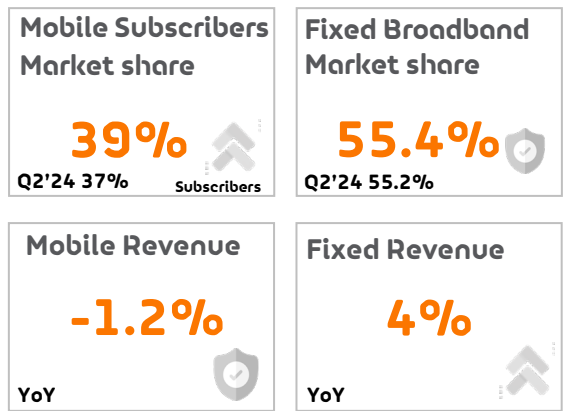


# Omantel's Financial Highlights – 9M 2024

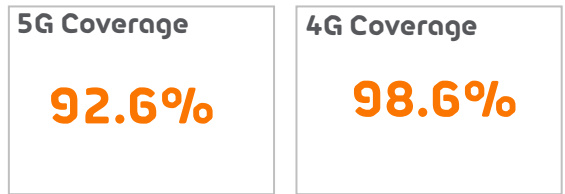
## Domestic Financial and Performance Indicators

In Million OMR

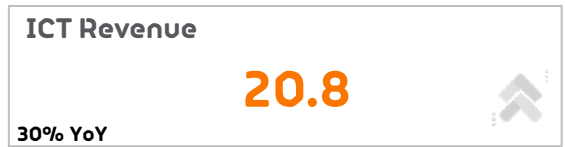
### Omantel Core Business Performance



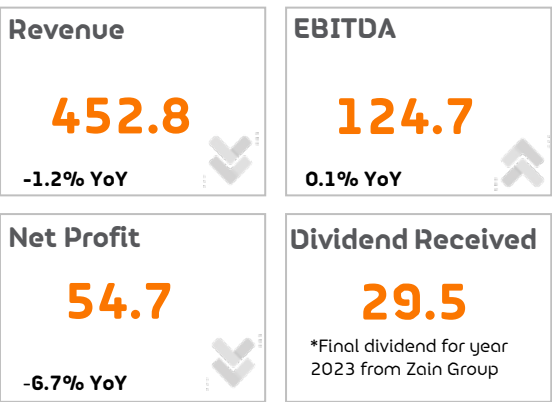
### Operational Highlights



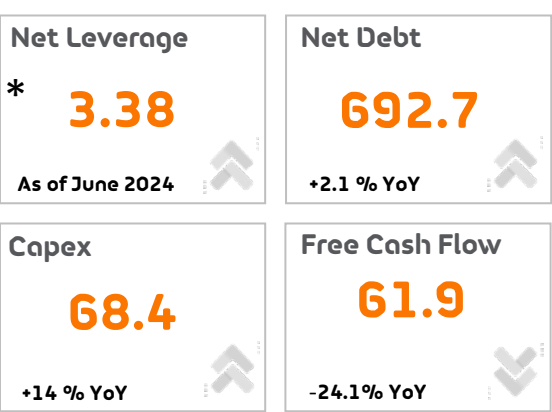
### Non-Core



### Domestic Key Financial Indicators



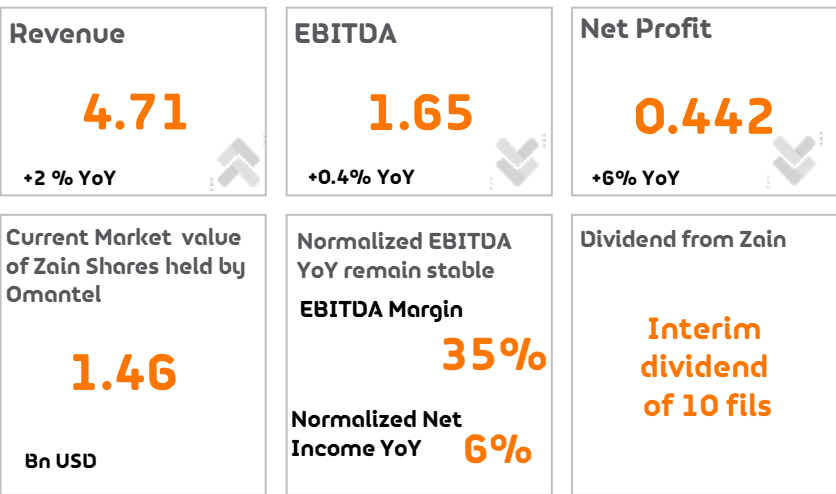
### Financial Strength



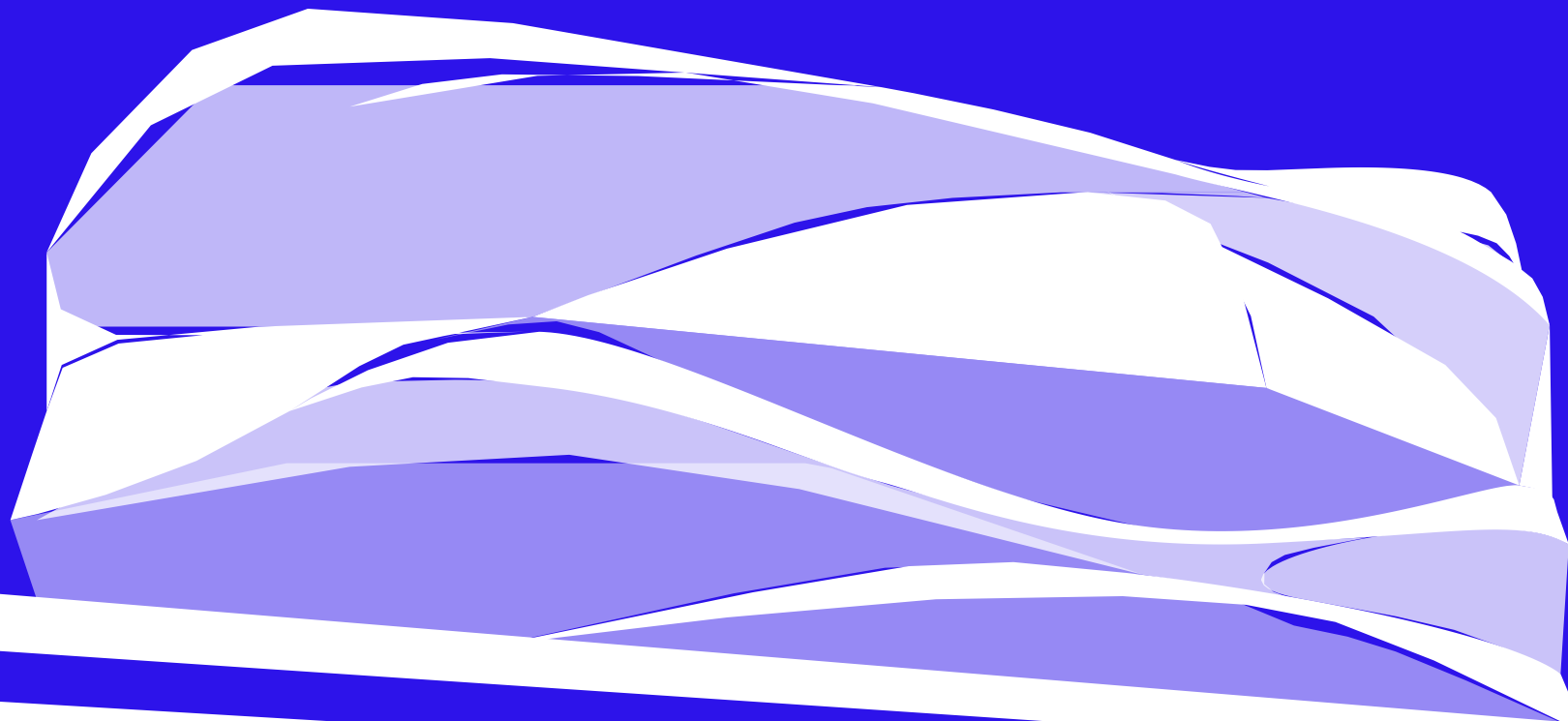
## Performance of Zain Group

In Bn USD

### Performance of Zain Group

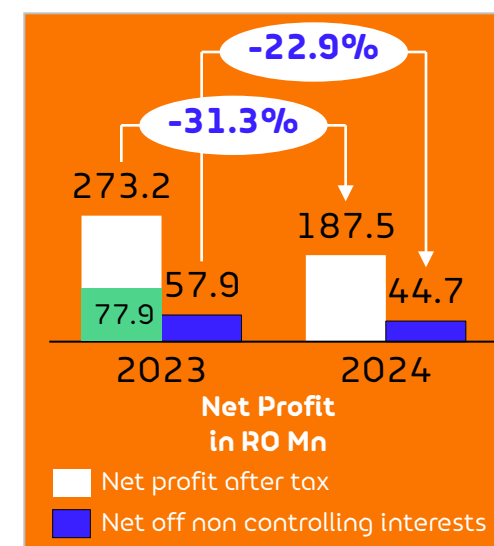
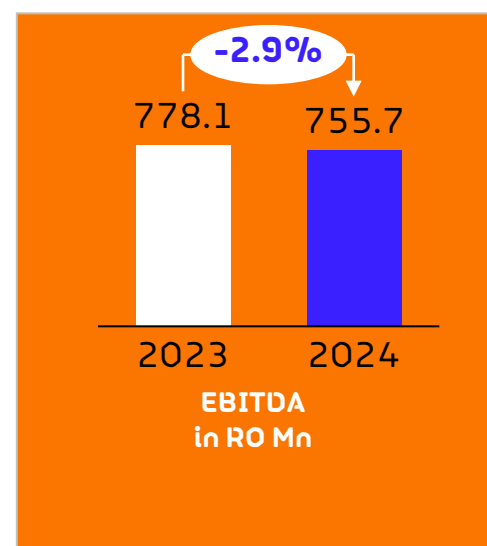
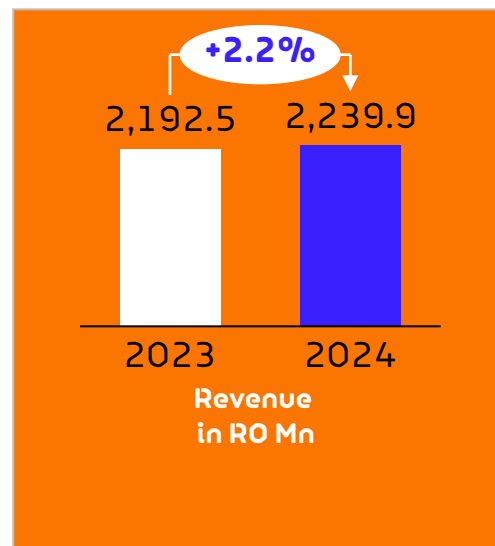
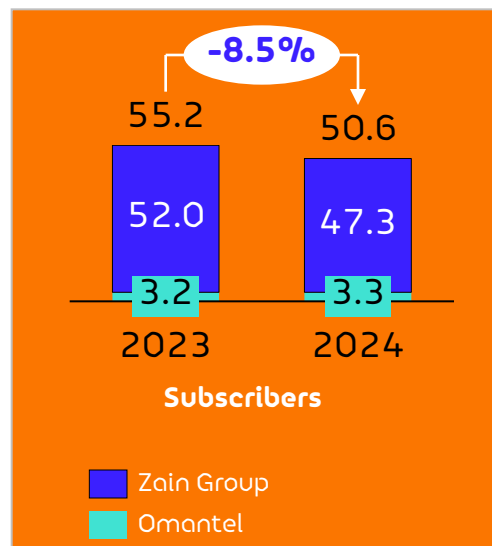


## Group Financials



# Omantel Group (Incl Zain Group) – 9M 2024

Group Revenue stands at RO 2,239.9 Mn increase by 2.2%, EBITDA at 755.7 Mn decrease by 2.9% and Net Profit is at RO 187.5 Mn , decrease of 31.3% YoY.



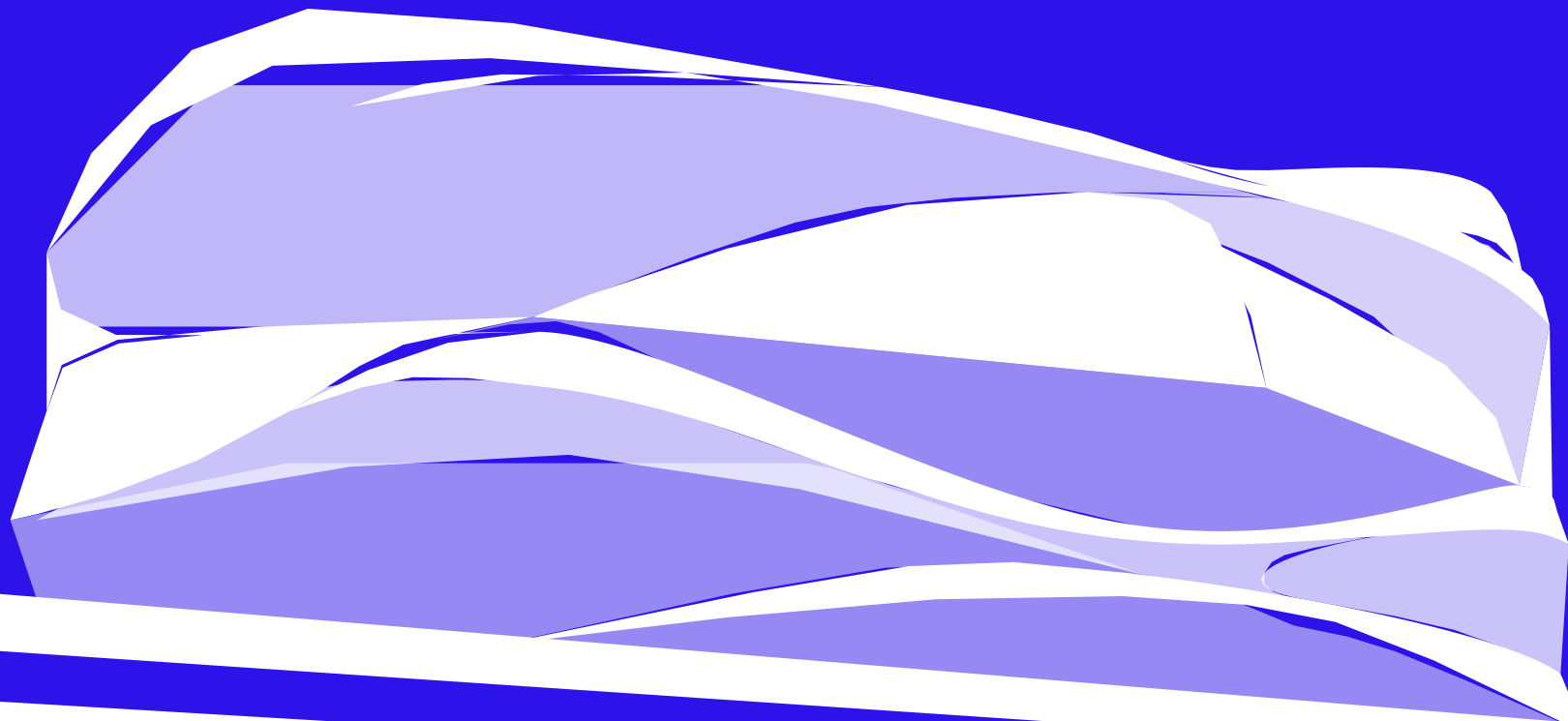
**Zain's total subscriber base** decreased by 4.7 Mn compared to 2023 coming mainly from Sudan on account of network shutdown and mass migration crisis. **Domestic subscriber base** increased by 49k contributed by increase in Mobile base by 55k.

**Zain group revenue** increased by RO 58.1 Mn on account of increase in revenue coming from KSA, Iraq and Kuwait which is offset by decrease in revenue from Sudan.

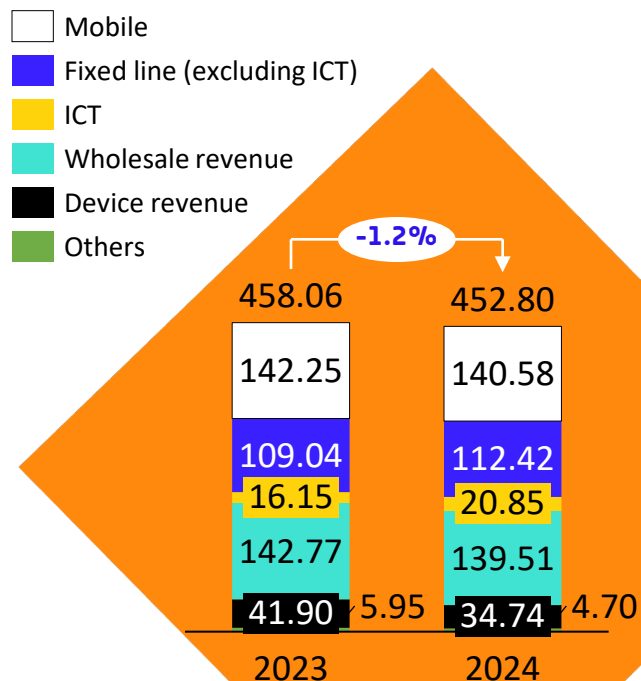
**Zain Group EBITDA** decreased by RO 22 Mn mainly on account of ongoing crisis and currency devaluation in Sudan which was offset by increase in Iraq.

**Net profit before minority interest** decreased by RO 85.6 Mn (31.3%) since 2023 includes the Capital gain on KSA tower sale of RO 77.9 Mn.

## Domestic Financials

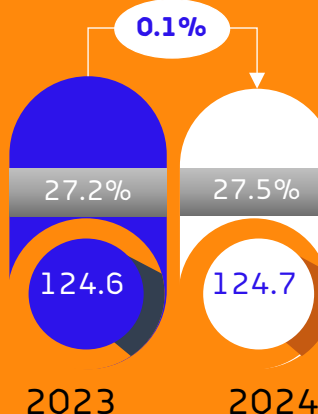


# Domestic Performance – 9M 2024 (Including domestic subsidiaries)



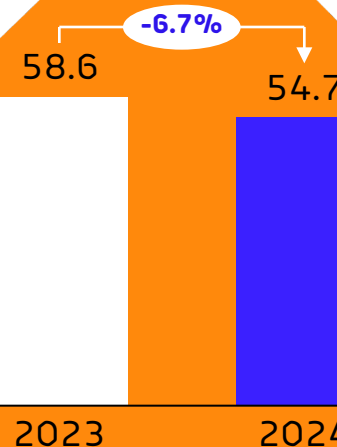
## Revenue in RO Mn

- The decrease in topline performance is due to reduced Device and Transit voice revenue, down by RO 7.2 Mn and RO 5.4 Mn respectively.
- Excluding these, 2024 revenue stands at RO 334.4 Mn, a 2.2% increase.



## EBITDA in RO Mn

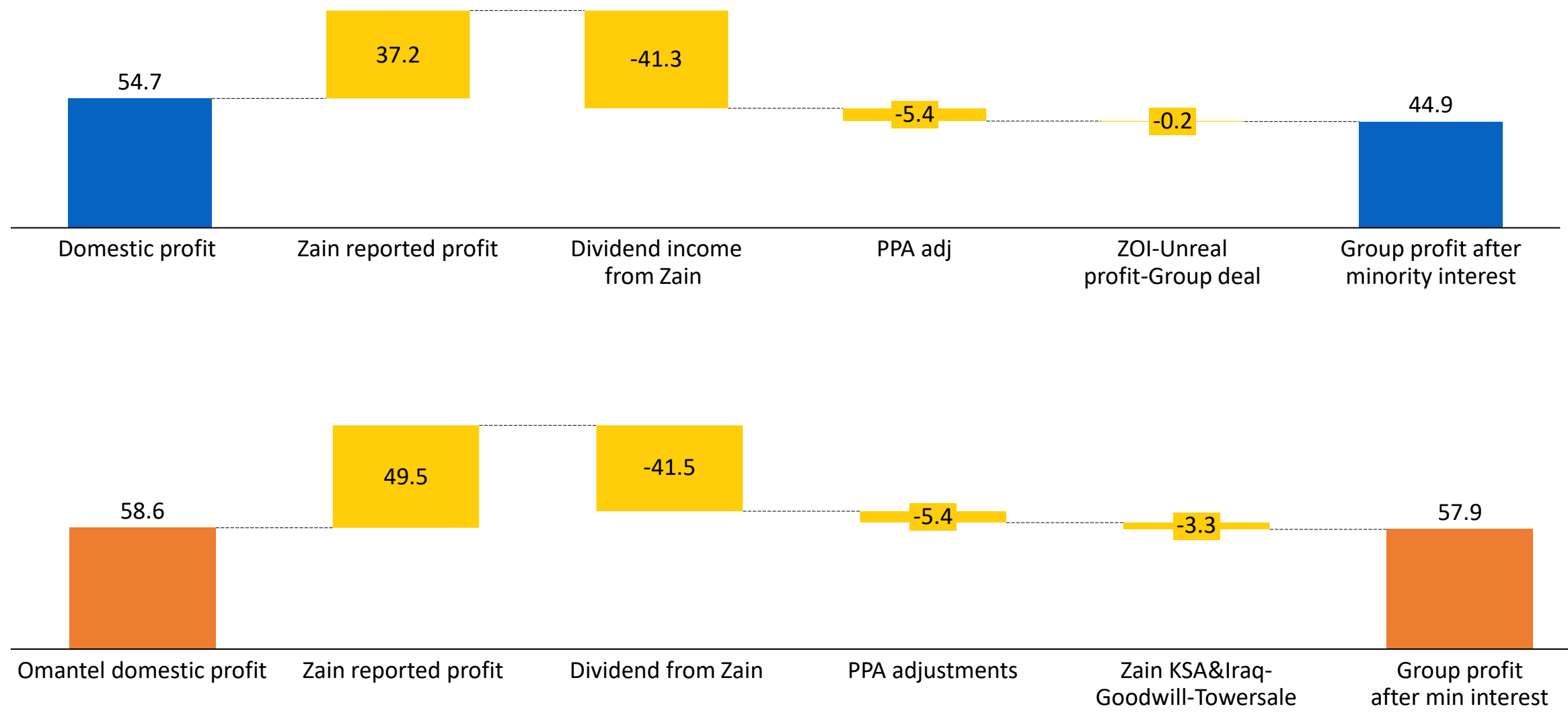
- EBITDA rose by RO 0.1 Mn [0.1%] due to a Gross margin increase of RO 1.7 Mn [0.7%] from core service revenue and VAS margins,
- RO 2 Mn reduction in impairment provisions, offset by a RO 3.6 Mn rise in Opex costs.



## Net Profit in RO Mn

Net profit fell by RO 3.9 Mn due to higher Depreciation and Amortization by RO 5.5 Mn and increased tax expense by RO 0.5 Mn (including a RO 1.6 Mn additional tax provision for 2017), partly offset by a RO 2 Mn rise in share of profit from associates.

# Omantel Group performance from Standalone to Consolidated profit- 2024 Vs 2023



# Business Performance:

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

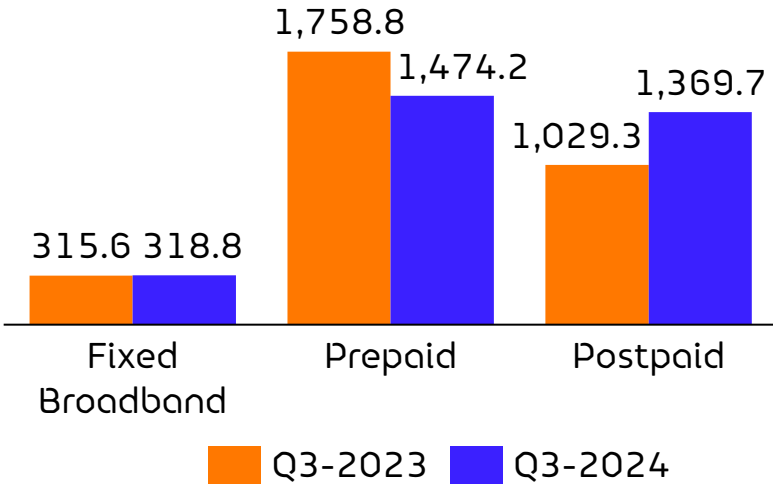
## Fixed Value generation

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

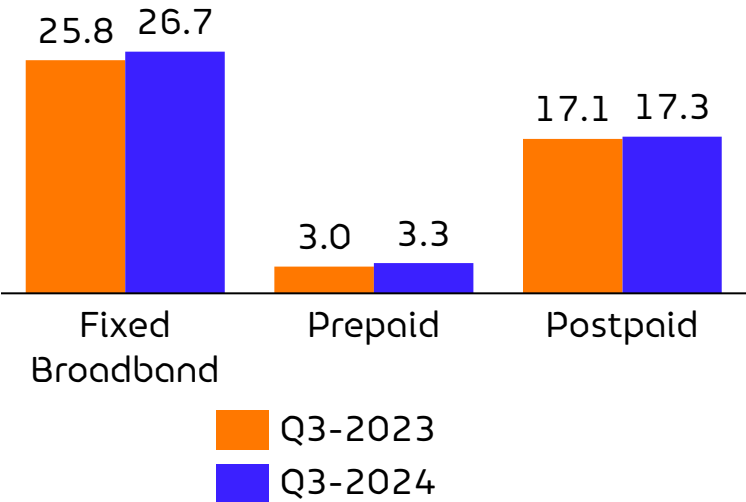
## Mobile Value generation

Continuous focus on customer retention through strategic retention management.

Subscribers (Including M2M) ('000s)

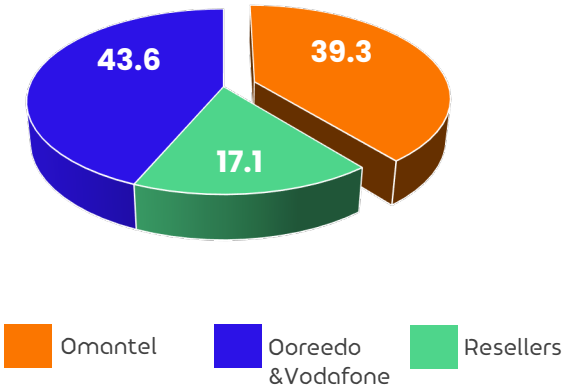


ARPU | RO / Month (Excluding M2M)

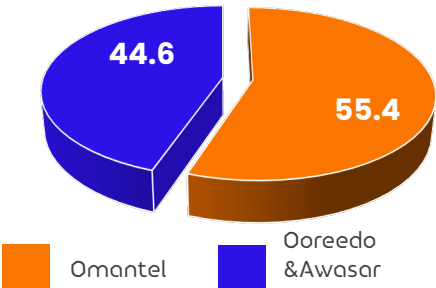


71K Prepaid to Postpaid Gross Migration in 9M-2024

Mobile Subscriber Market Share-Sept 2024



Fixed Broadband Market Share-Sept 2024

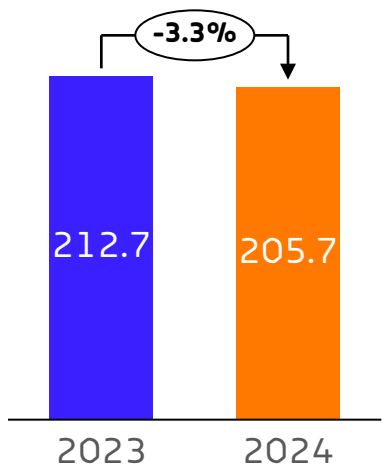




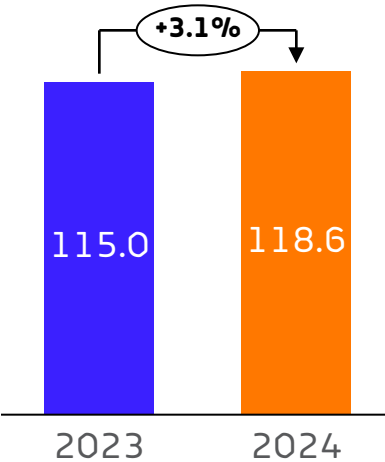
# Cost Analysis Summary 9M:

- Cost of sales decreased by 3.3% which is in line with decrease in revenues.
- Operating & Admin costs have Increased by 3.1% YoY.
- Capex to revenue ratio stands at 15.1%

Cost Of Sale

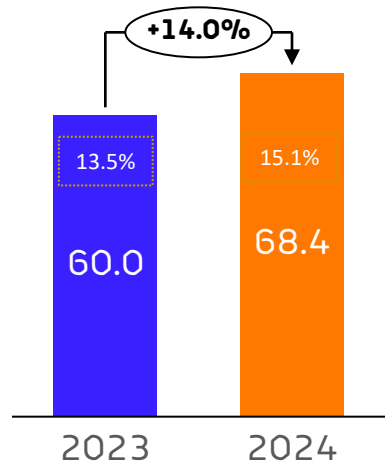


Operating & Administration Expenses



CAPEX additions RO Mn

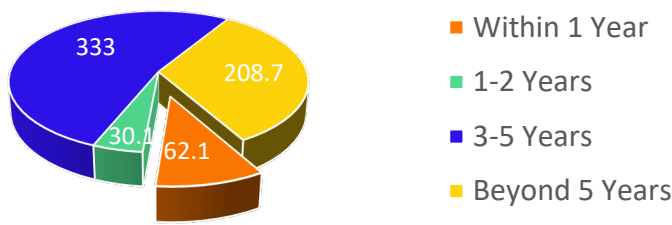
For the full year Capex to revenue ratio is expected to be at 15%



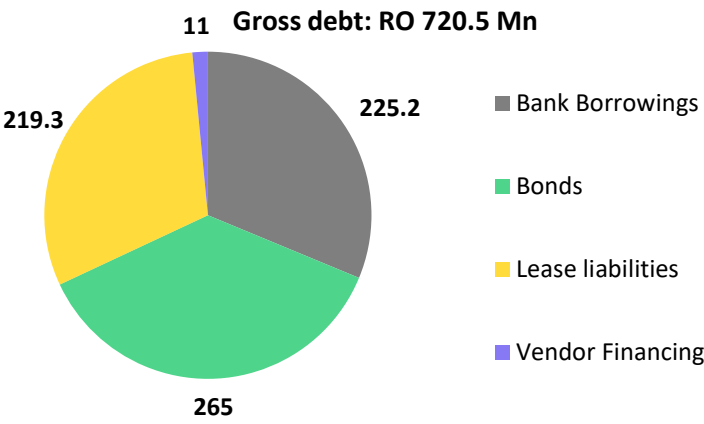
# Domestic Debt Profile

- Net debt rose to RO 692.7 Mn in Q3-2024 due to higher borrowings and lease liabilities, offset by lower supplier financing.
- Leverage excluding lease liabilities increased to 2.33.
- Free cash lower on account of :
  - Interim dividend from Zain group for 2024 was RO 11.8 Mn, received in October.
  - Capex cash flows rose by RO 25.6 Mn.
- Cash flows from operations increased by RO 33.3 Mn.

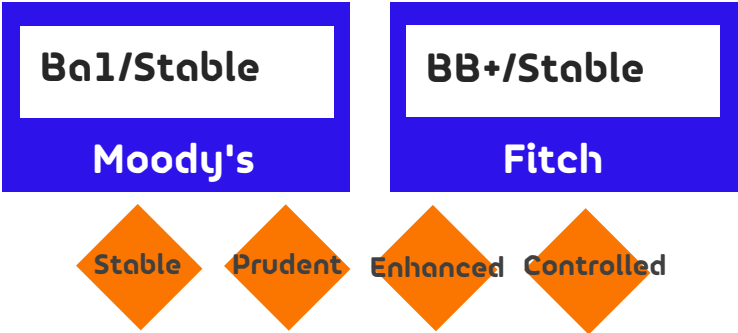
## Repayment schedule (includes interest) (Bank borrowings and Bonds) RO (Mn)



Gross Debt-RO 720.5 Mn- December 2023



Continuing Progress  
September 2024      October 2024

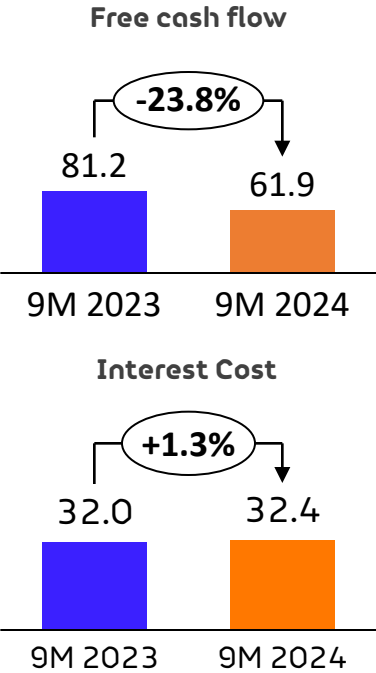
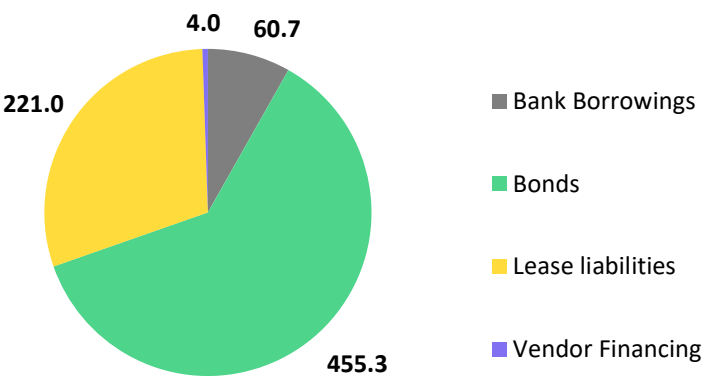


Net debt to Ebitda\*

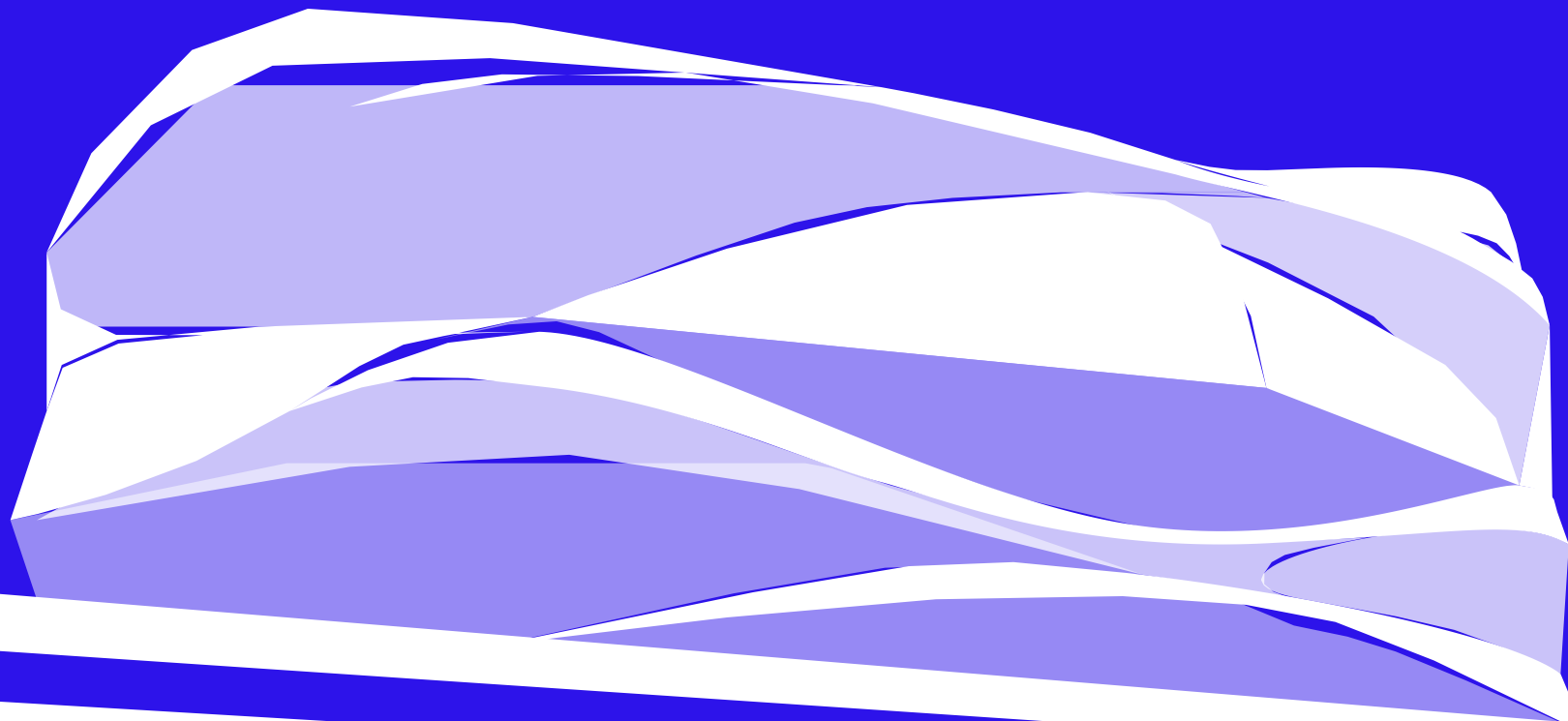
**3.38X**

Leverage and net debt excluding lease liabilities. Is 2.33x

Gross Debt-RO 741 Mn- Sep 2024



# Omantel Sustainability

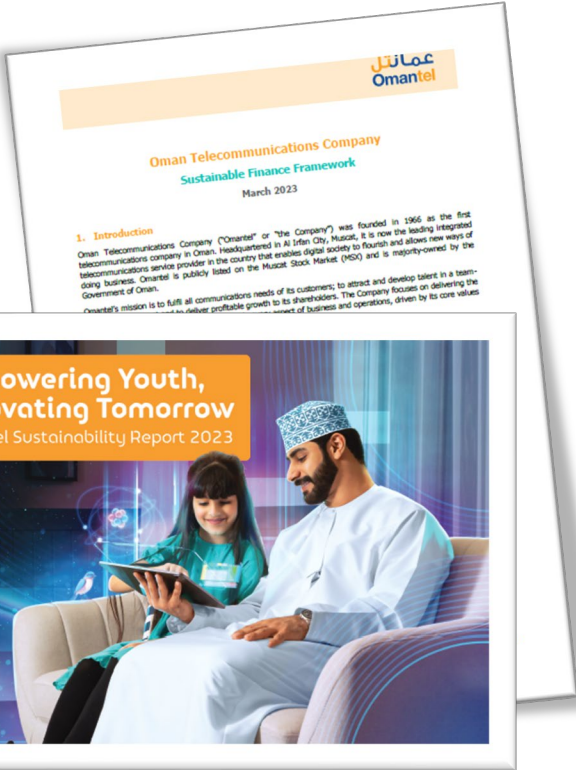


# Placing Sustainability at the Heart of Our Corporate Strategy


				
National Priorities	Education, scientific research and national capabilities	Well being and social Protection	Labour Market and Employment	Environment and Natural Resources
	Developing Prosperous Communities	Operating Responsibly	Employer of choice	Creating a Greener world



# Driving Sustainability: The Importance of ESG and Omantel's Contribution to Oman's Digital Advancement



Paperless  
Billing



e-Bill

Electrical  
Fleet



47


Charging Station

Omanization



92%

Transition to  
Net Zero



31

Sites Greening the Grid

Beah Battery



Recycle

870.30

Tones

2021-2023

SME



Awarded contacts  
Value

14.51

Mn

2021-2023

Corporate Social  
Responsibility



1.2


Mn

Worth of Investment  
2022-2023

Leed  
Platinum  
Certified HQ



IT and Coding  
Curriculum



240k

Students

# Omantel

# Investor Relations

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

Or directly contact the Investor Relations Team:

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