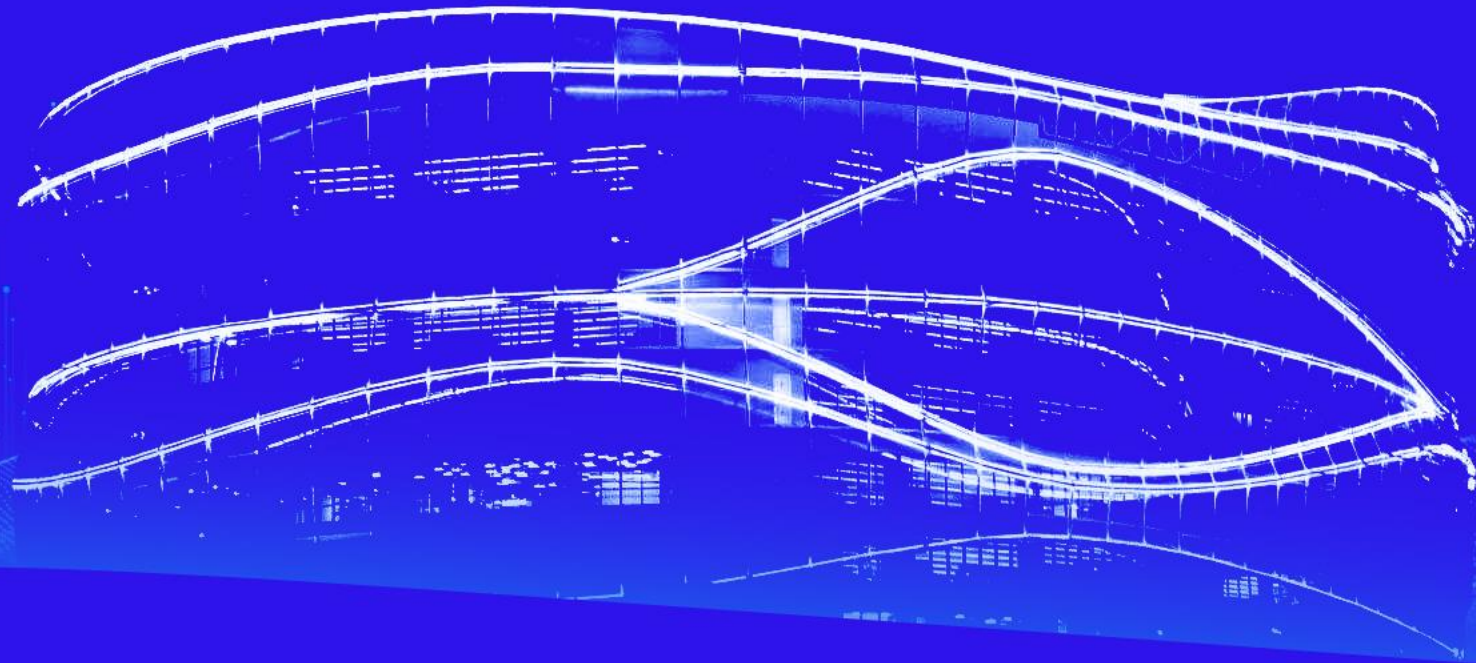




# MSX Session on Q1 2025 Performance



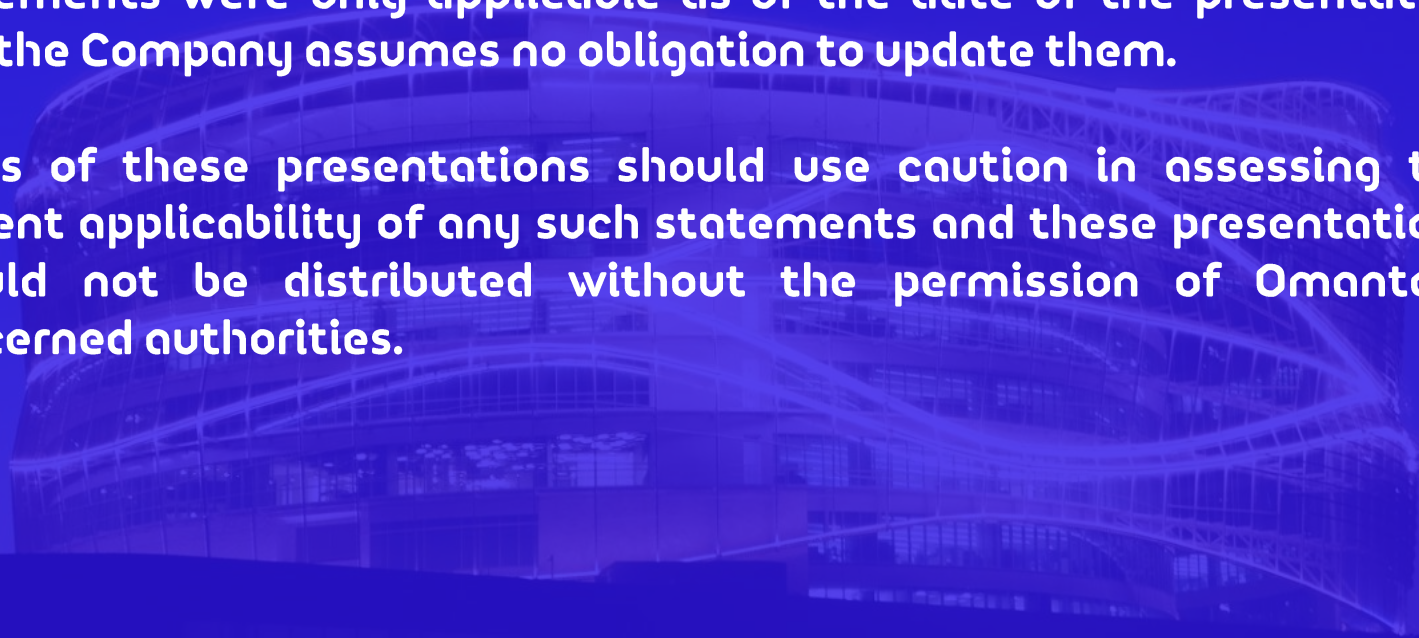
Imagine to Life

# 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.



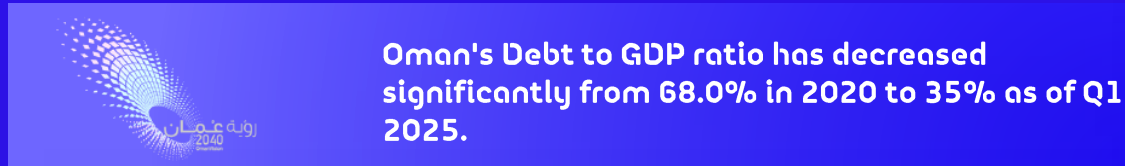
# Domestic Economic Outlook

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

Oman is advancing reforms for sustainable, private sector-led growth by diversifying its economy, stabilizing prices, enhancing infrastructure.

MSX is set to launch a new market segment aimed at private companies and SMEs, allowing them to list securities and raise capital through instruments like bonds and sukuks. This initiative is part of efforts to diversify the financial sector and support economic growth.

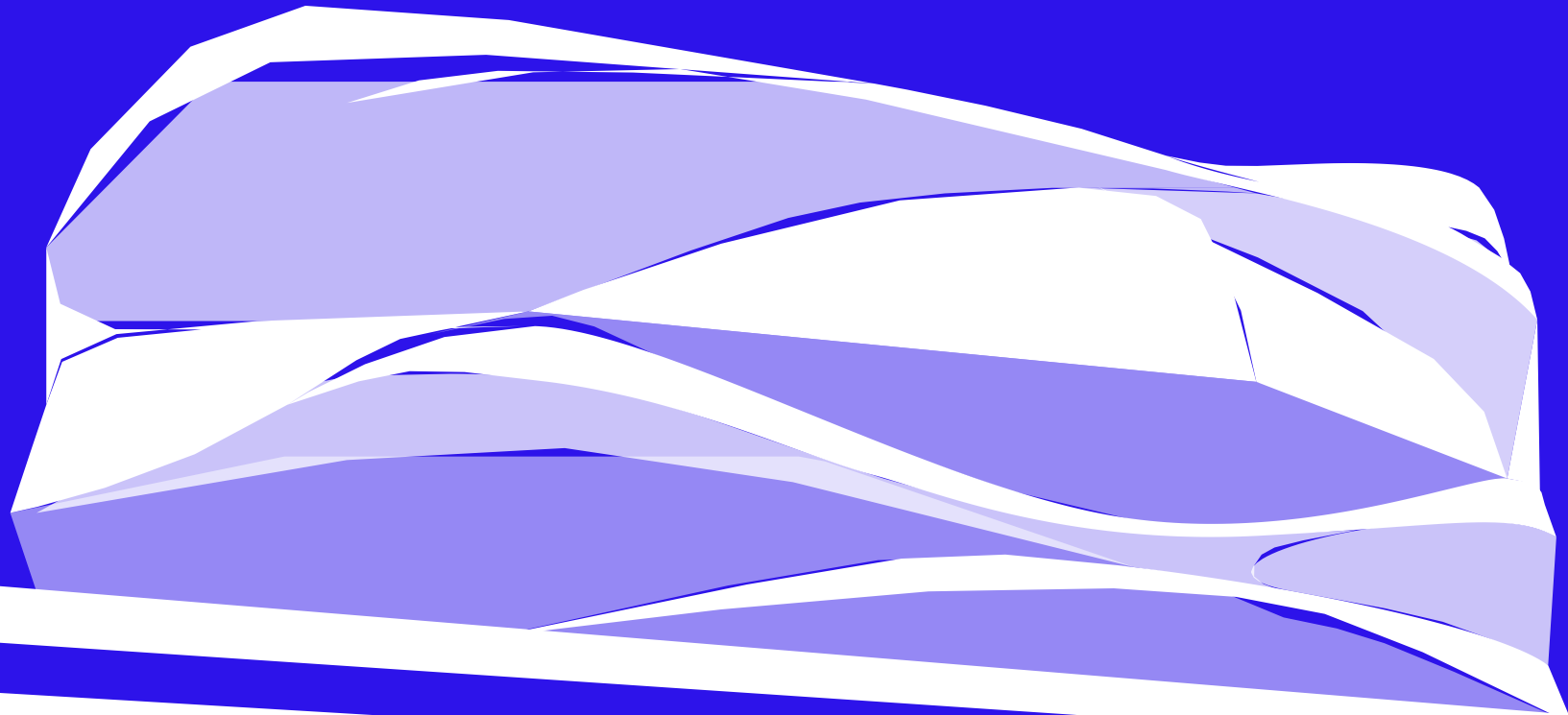
Oman's government projects a GDP growth of 3.4% for 2025, reflecting resilience and growing international market confidence.

The Central Bank of Oman underwent significant reforms in January 2025, including the introduction of a new Banking Law and restructuring of its governance, aiming to enhance financial stability and efficiency.

### Sources:

NCSI statistics, IMF world economic outlook, Worldbank, TRA Oman

# 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

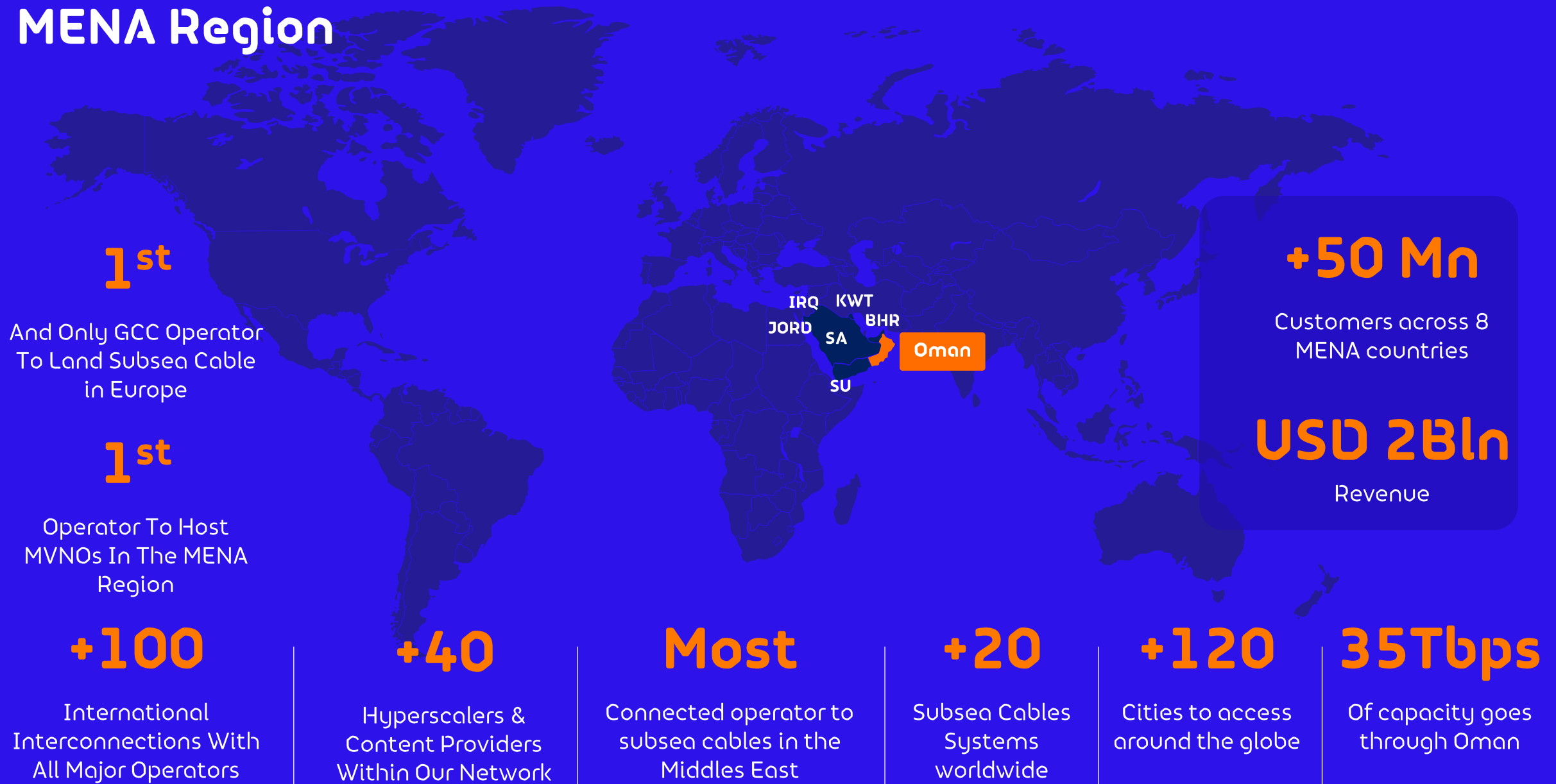
**GHG Emissions:** 12.38%  
YoY reduction in Scope 2  
(market-based) emissions

**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



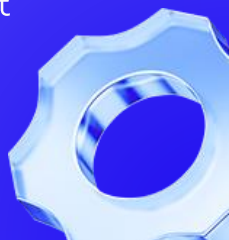
## Omantel's journey of growth and innovation

# 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.



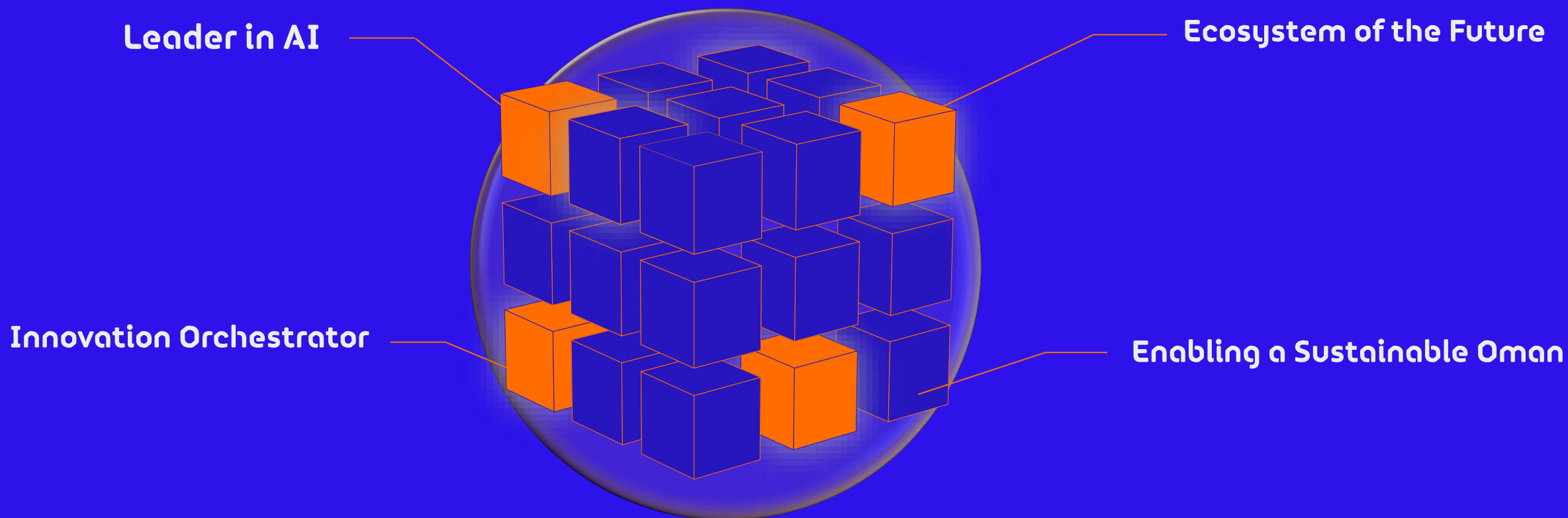
### Expand into Techo

Generative AI  
Marketplace  
Cloud  
Space Tech



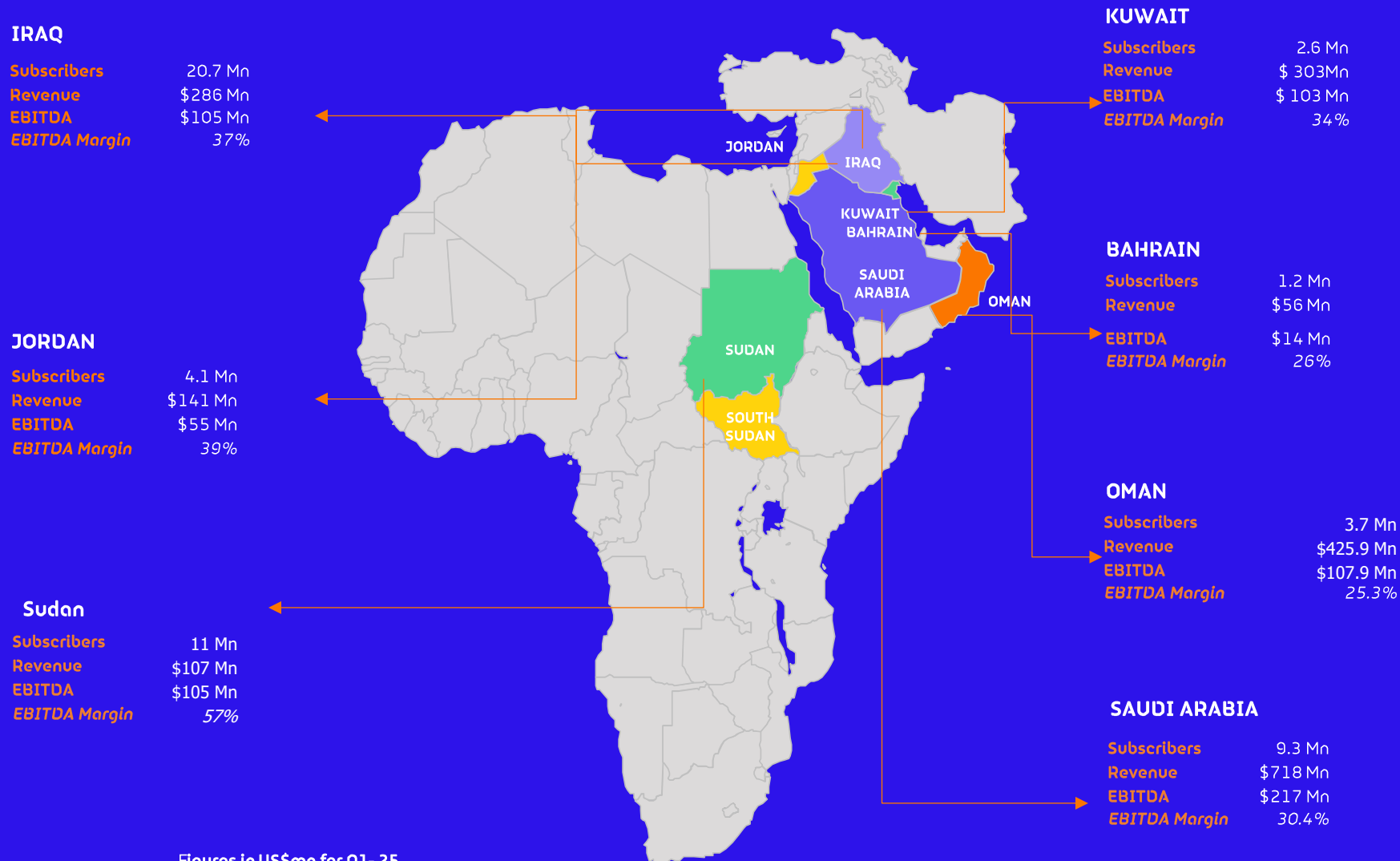
# Our Strategy: Transitioning into A True Tech Player in the Region

## Portal to the Future





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



Figures in US\$m for Q1- 25

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

## Diversified growth Vertically

### TASC Largest Tower Company

**Valued at  
USD 2.2 Billion\***

Annual Revenue 500M USD  
Annual EBITDA 200M USD

### Zain Omantel International

- 20+ subsea cables, coverage of +52 Mn people across 5 continents
- Strong wholesale growth [+371% YoY revenue]
- Expanding 12,000 km of ducted fiber in Oman & KSA

### Zain Fintech

- 30% YoY growth in fintech revenues
- Transaction value ▲ 25% YoY

### ZainTech

- Digital & ICT arm—Q1 revenue up 184% YoY
- Services span Cloud, Cybersecurity, AI, IoT, and Robotics
- Positioned as a regional ICT powerhouse

## The highest performers in Q1



### Sudan

- +112% growth in revenue and +138% growth in net profit with Q1-2025 showing increased stability and signs of recovery



### Saudi Arabia

- Strong performance with a revenue growth of 6% YOY and net profit growth of 40% YOY.
- 5G, B2B, MVNO, Wholesale and Tamam continue to drive growth



### Iraq

- Strong performance across all indicators with +13% growth in revenue and +73% growth in net profit.
- Data revenue continues strong growth with launch of new commercial offer supported by growth in B2B



### Jordan

- Revenue growth of 7% supported by growth in 5G and FTTH revenues
- Net profit grew by 8% YOY

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

# Omantel's Financial Highlights – Q1 2025

## Performance of Zain Group In Bn USD

### Performance of Zain Group

<b>Revenue</b>  1.74 <small>+15 % YoY</small>	<b>EBITDA</b>  0.554 <small>+15% YoY</small>	<b>Net Profit</b>  0.157 <small>+66%% YoY</small>
<b>Current Market value of Zain Shares held by Omantel</b>  1.471 <small>Bn USD</small>	<b>Normalized EBITDA YoY remain stable EBITDA Margin</b>  31.8%	<b>Dividend from Zain</b>  <small>Zain Board recommended extending its 35 fils per share dividend policy for three more years covering 2026–2028.</small>

### 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

<b>Mobile Subscribers Market share</b>  39.8% <small>YE24 40% Subscribers</small>	<b>Fixed Broadband Market share Subscribers</b>  54.4% <small>YE24 54.4%</small>
<b>Mobile Revenue</b>  0.5% <small>YoY</small>	<b>Fixed Revenue</b>  6.5% <small>YoY</small>

### Domestic Key Financial Indicators

<b>Revenue</b>  164.1 <small>7.4% YoY</small>	<b>EBITDA</b>  41.6 <small>-3.5% YoY</small>
<b>Net Profit</b>  33.4 <small>-7.5 % YoY</small>	<b>Dividend Received</b>  29.3 <small>* Final dividend received in May 2025</small>

### Operational Highlights

<b>5G Coverage</b>  92% <small>YE24</small>	<b>4G Coverage</b>  98% <small>YE24</small>
--	--

### Financial Strength

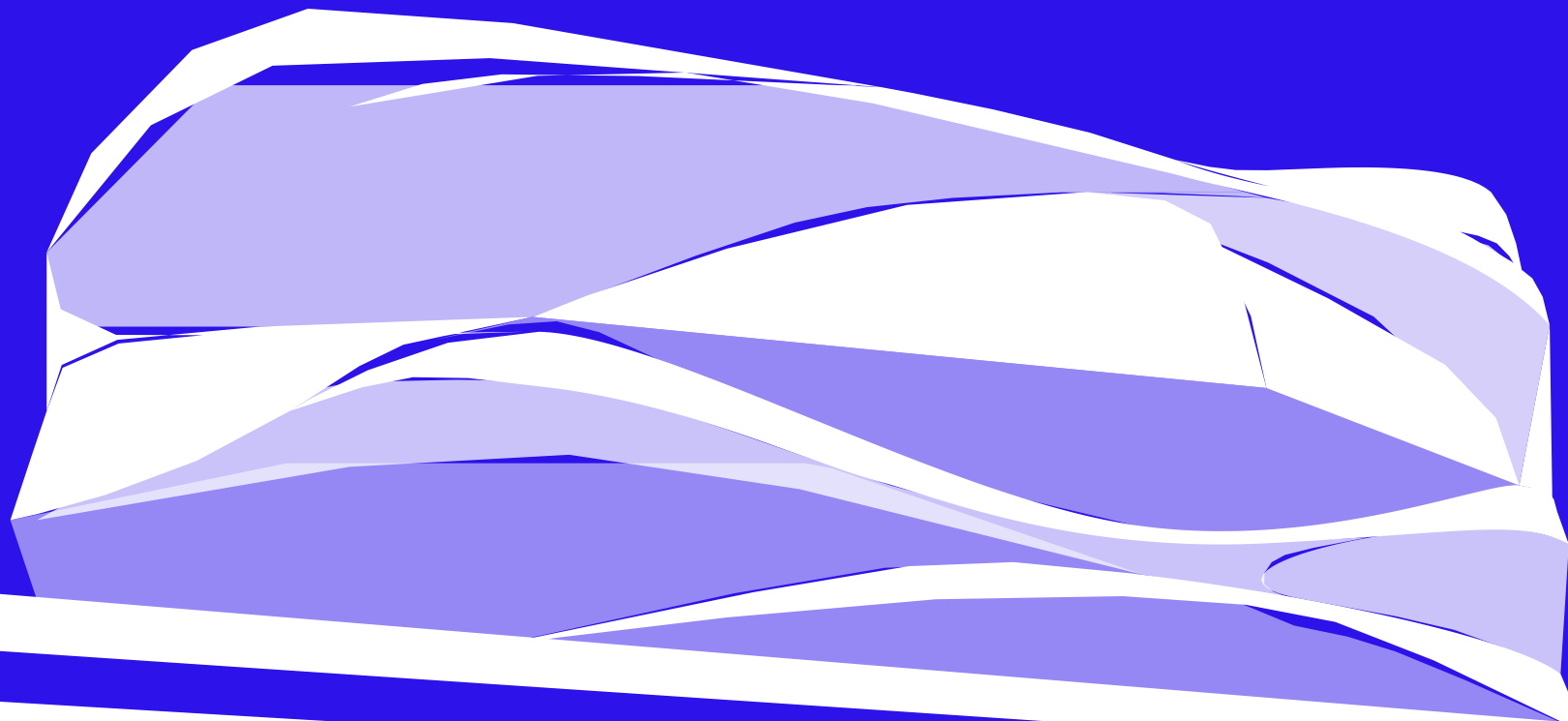
<b>Net Leverage</b>  * 3.23 <small>As of YE 2024</small>	<b>Net Debt</b>  718.6 <small>6.9% % YoY</small>
<b>Capex</b>  22.7	<b>Free Cash Flow</b>  -36.6 <small>-49% YoY</small>

### Non-Core

<b>ICT Revenue</b>  9.7 <small>61% YoY</small>
---

\*Leverage and net debt excluding lease liabilities is 2.22 as of December 2024

## Group Financials

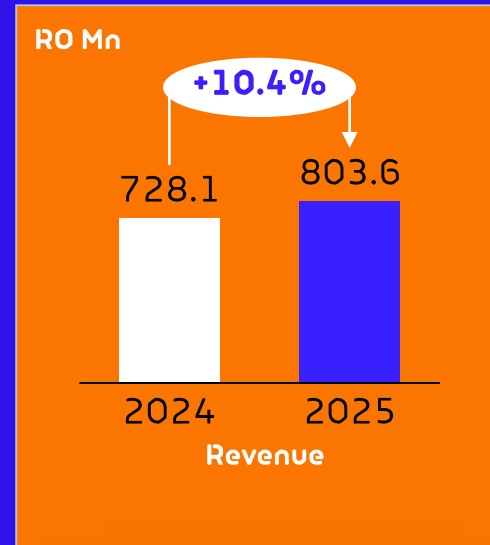


# Omantel Group (Incl Zain Group) – for Q1 2025

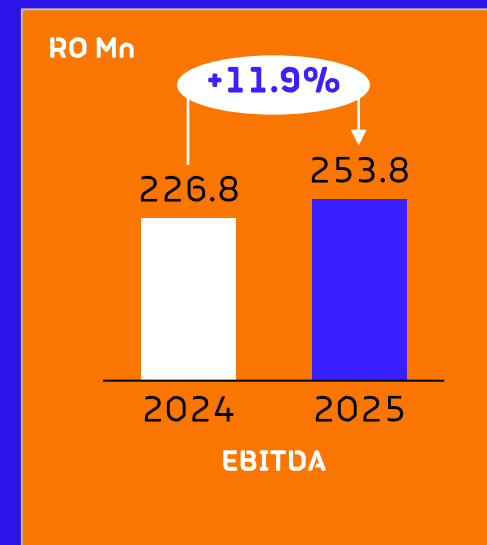


Zain's total subscriber base increased by 8.3 Mn YoY mainly from Sudan on account of restoration of services and growth in base in Iraq.

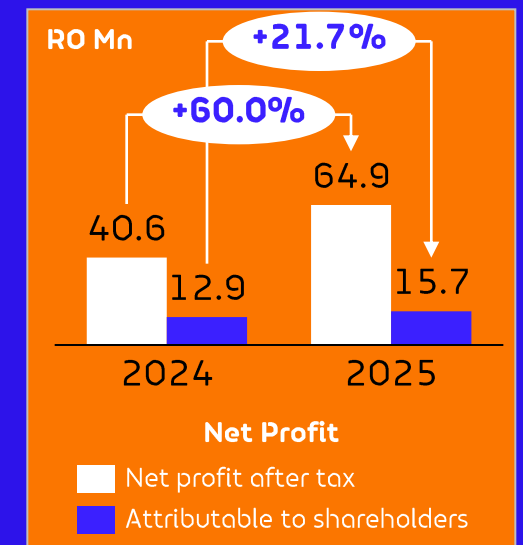
Domestic subscriber base increased by 0.682 Mn contributed by increase in Fixed Broadband and M2M Subscriber base .



YOY increase is contributed by Domestic business revenue (RO 11.3 Mn) and Zain group revenue which increased by RO 85.8 Mn. Zain Group revenue grew 15% YoY, driven by strong performance across main operations including Sudan (+112%), Iraq (+13%), Bahrain (+8%), Jordan (+7%), and KSA (+6%)



Group EBITDA increase YOY is contributed by increase in Zain Group EBITDA by RO 28 Mn with the increase coming from Sudan (RO 19 Mn), Iraq (RO 4.6 Mn) and KSA (RO 4.2 Mn).



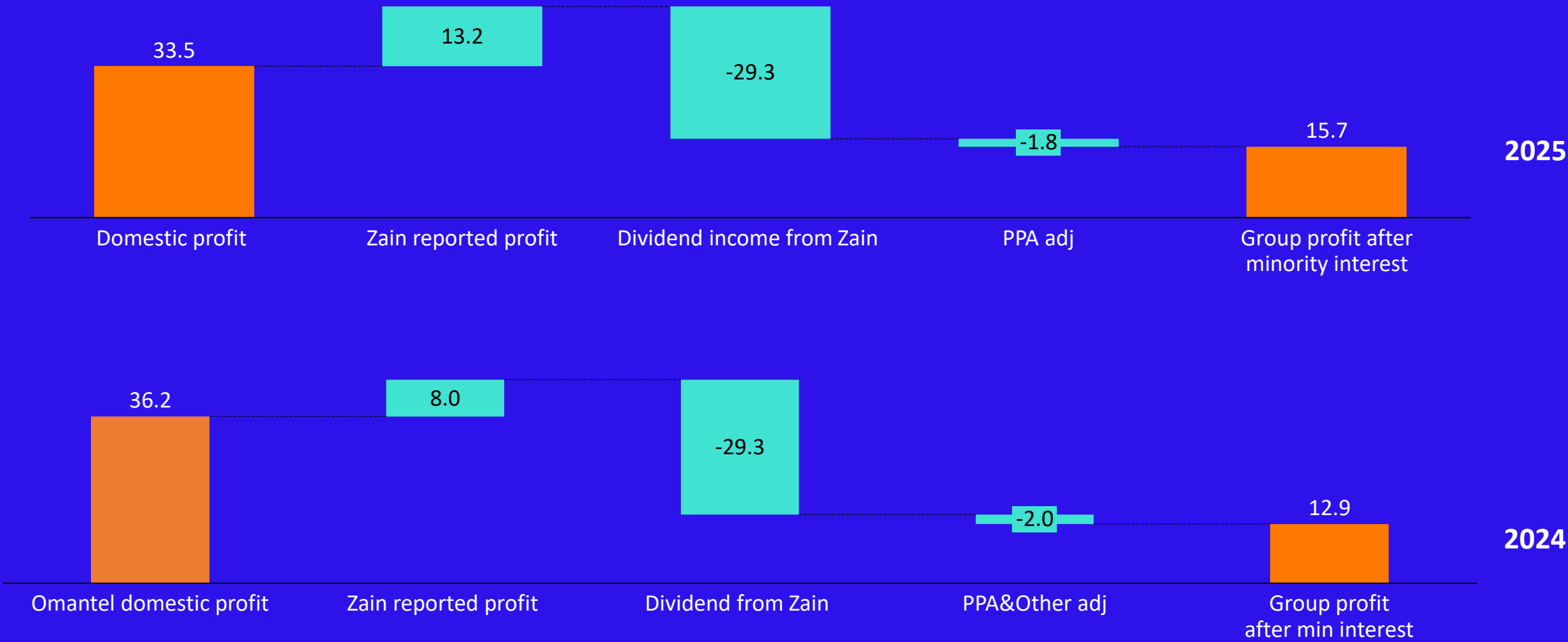
Group net profit YoY increased by RO 24.5 Mn on account of positive EBITDA performance from and higher investment income from Zain group.

Net profit Attributable to Shareholders of the Company for the period stands at RO 15.7 Mn compared to RO 12.9 Mn in 2024, an increase of 21.7%.

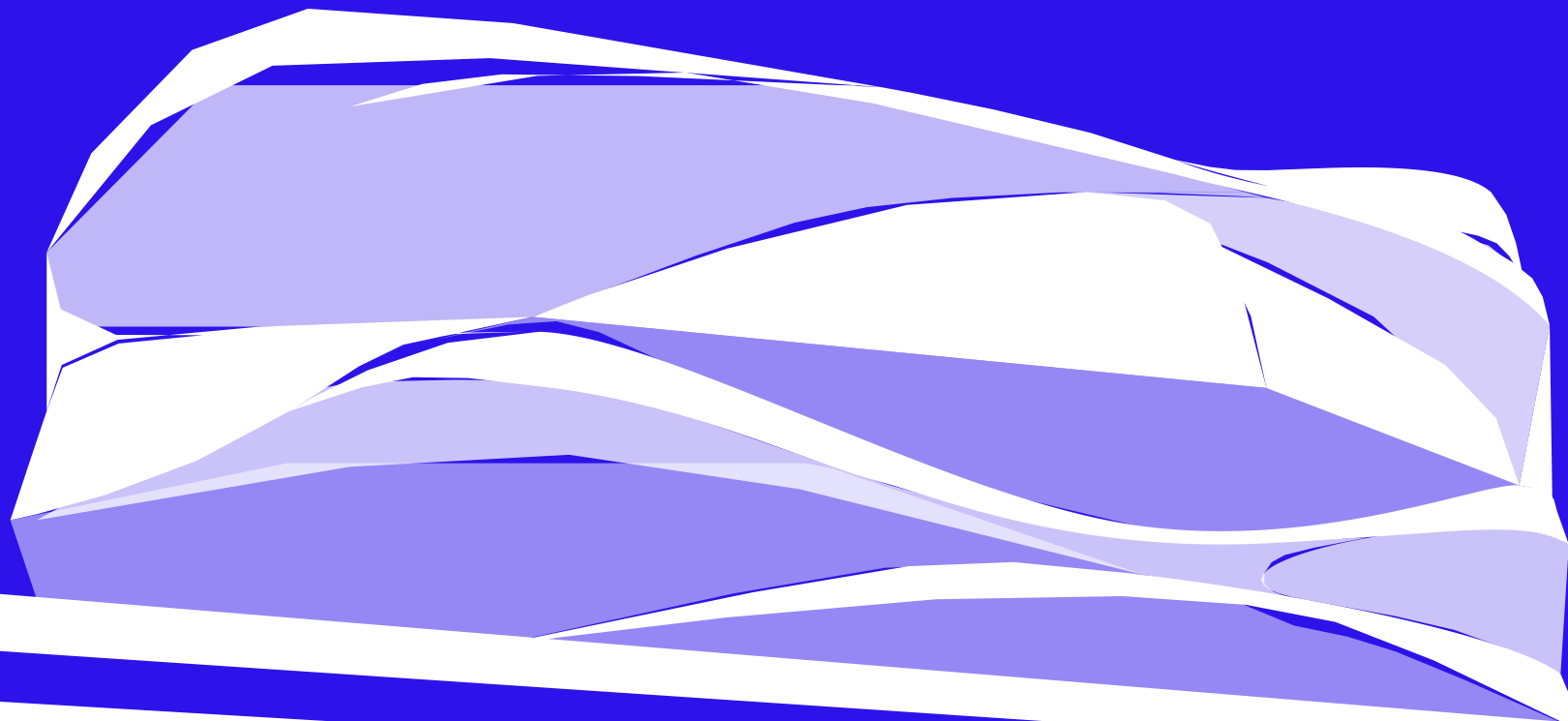


# Omantel Group performance from Domestic to Consolidated profit- 2025 Vs 2024

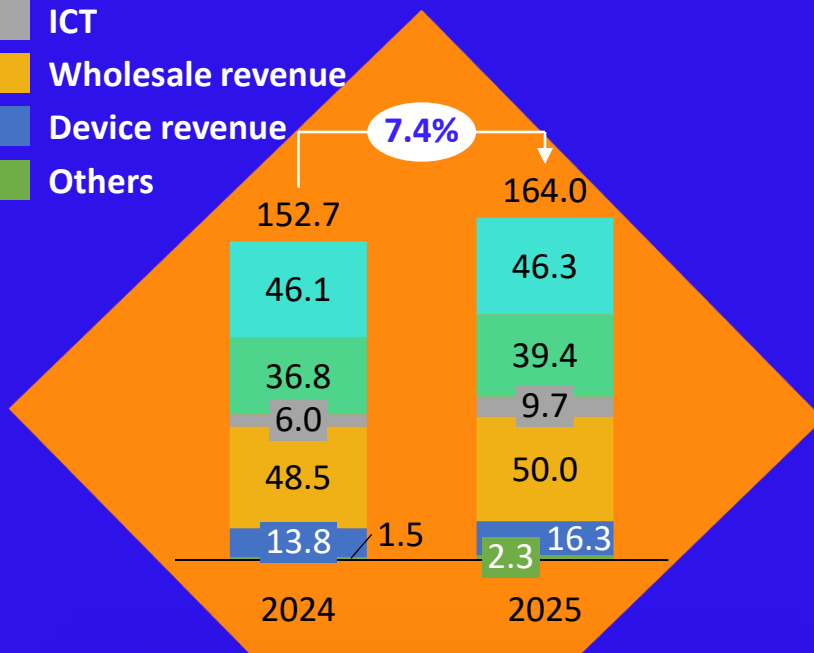
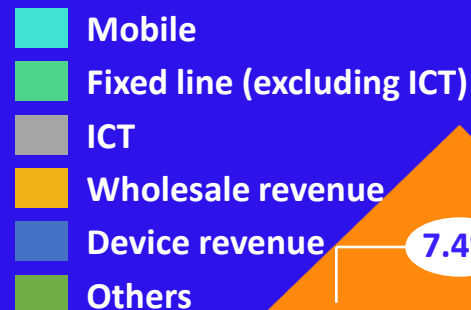
All numbers in OMR mn



## Domestic Financials

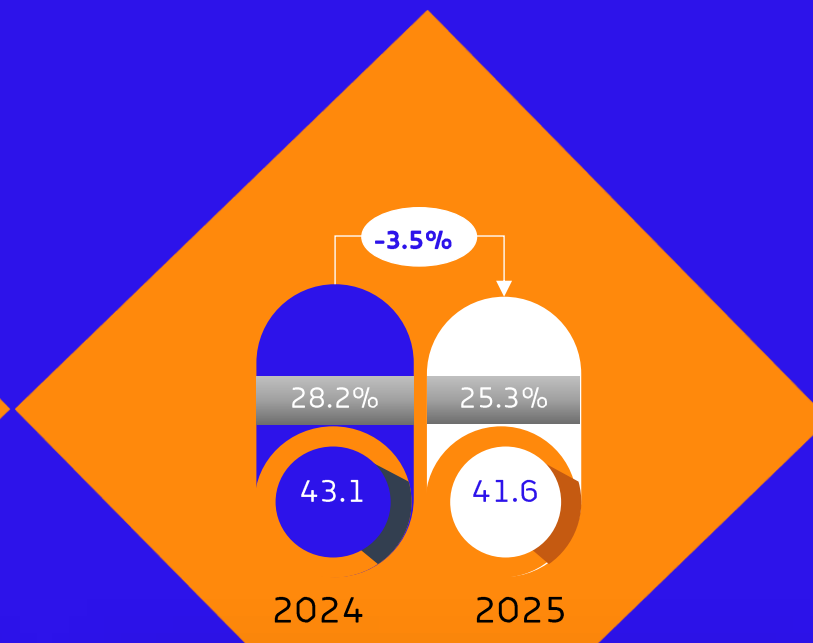


# Domestic Performance – Q1 2025 (Including domestic subsidiaries)



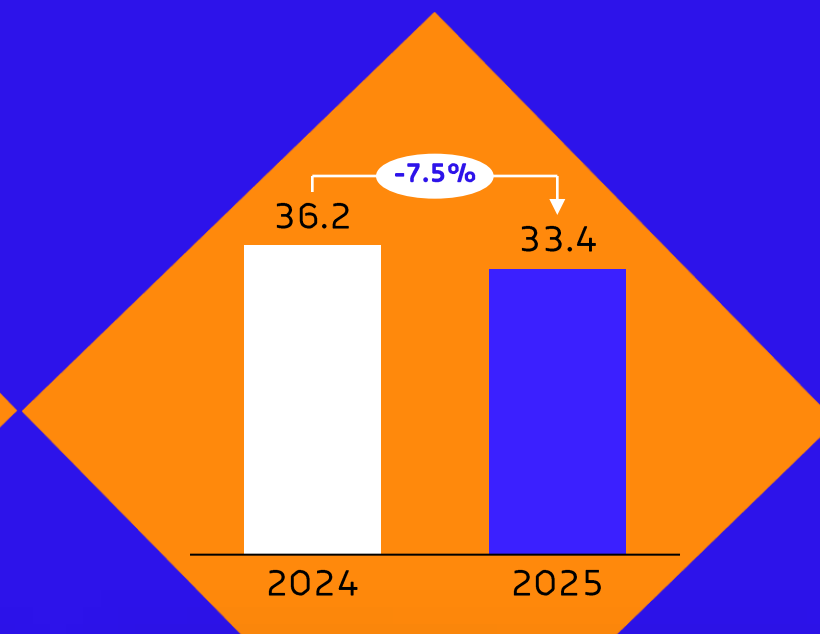
## Revenue in RO Mn

- Rise in Teleco revenue by RO 6.6 Mn contributed by growth in Fixed Broad band , Device and Transit revenue
- ICT revenue grew by 3.7 Mn YoY with growth coming from IOT solutions revenue



## EBITDA in RO Mn

- EBITDA decrease of RO 1.5 Mn is attributed to increase in Impairment provisions by RO 0.7 Mn and Opex costs arising from investment in emerging technologies and Fintech.
- Gross margin increased by RO 2.3 Mn on account of growth in Fixed Broad band revenue and stable revenue in Mobility.



## Net Profit in RO Mn

Net profit decline is attributed

- Decrease in EBITDA
- Increase in depreciation
- Unrealised losses on investments

Net profit is expected to improve in coming quarters with reduction in impairment provisions supported by growth in collections.

# Business Performance:

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

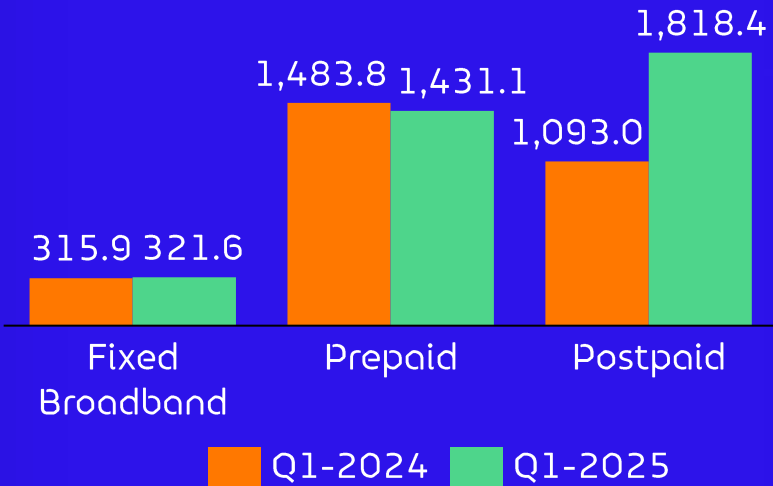
## Fixed Value generation

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

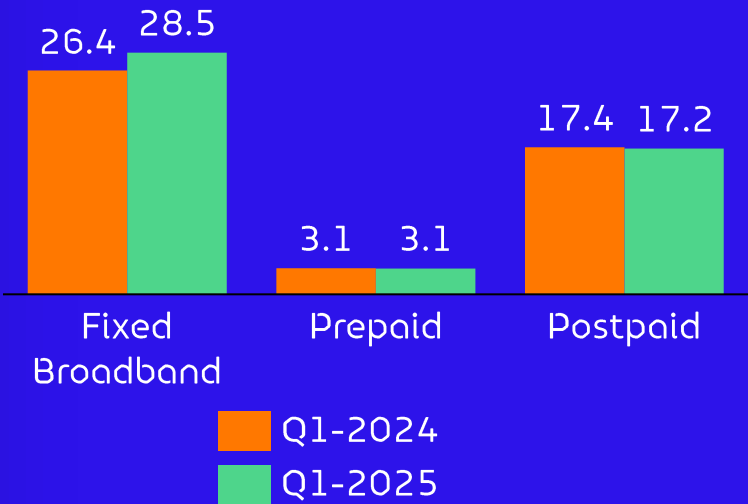
## Mobile Value generation

Continuous focus on customer retention through strategic retention management.

Subscribers (Including M2M) ('000s)



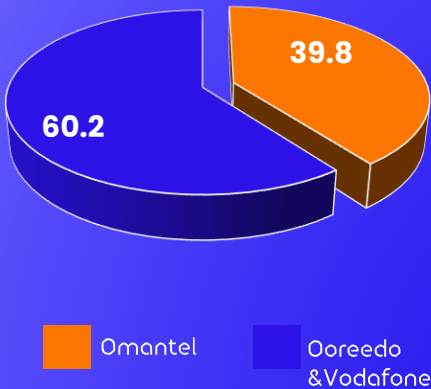
ARPU | RO / Month (Excluding M2M)



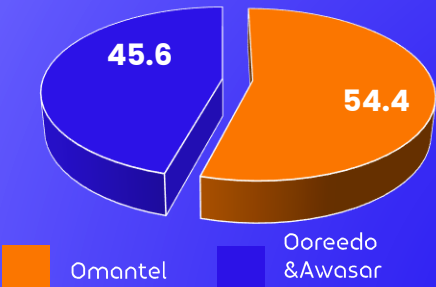
+15,000

Pre to Postpaid migration

Mobile Subscriber Market Share-Mar 2025



Fixed Broadband Market Share-Mar 2025



# Cost Analysis Summary:

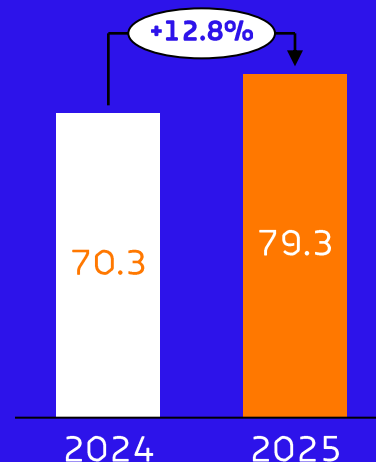
Increase in cost of sales is related to

- Transit revenue related costs (+RO 3.2 Mn YOY)
- device sales (+2.3 Mn YOY)
- Charges payable to OBC for growth in Fibre Broadband revenues (+RO 1 Mn YoY)
- ICT costs (+RO 3.2 Mn YoY).

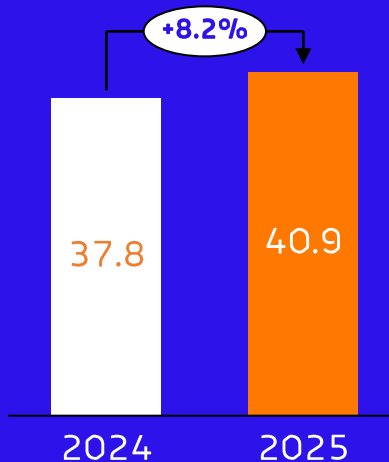
Operating costs increase is contributed by

- IT costs driven by investments in digital and emerging technologies
- Shift in licensing models from Vendors from Capex to Opex models

## Cost Of Sale

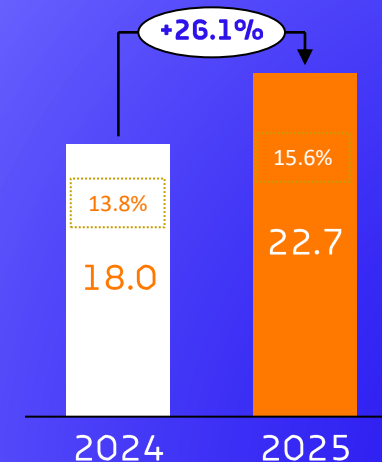


## Operating & Administration Expenses



## 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

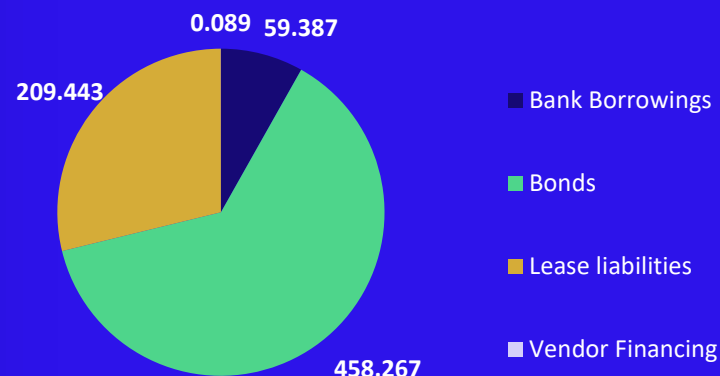




# Cash flows and debt analysis

- Free cash flow decreased by RO 12.5 YoY on account of higher Opex payments from previous year (Device and Operator related).
- Quarter 1 is usually a negative FCF characterized by higher Opex payments.
- We expect the year end FCF (excluding planned investments in subsidiaries) in coming quarters to pick up and to be in line with previous years trends.

Gross Debt-RO 727.2 Mn- December 2024



## Strong credit rating

Ba1/Postive

BB+/Postive

Moody's

Fitch

Stable

Prudent

Enhanced

Controlled

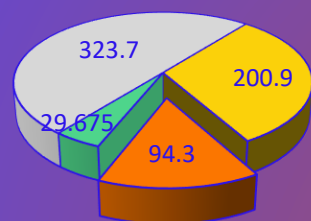
Net debt to Ebitda\*

3.23X

\* At year end 2024. Leverage and net debt excluding lease liabilities. Is 2.22x

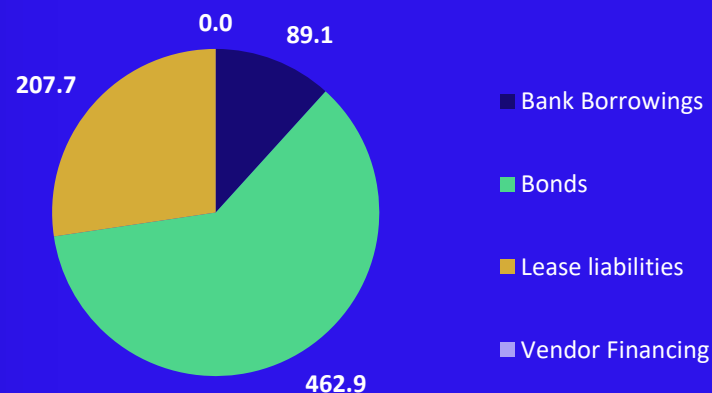
## Repayment schedule (includes interest) (Bank borrowings and Bonds)

RO  
(Mn)

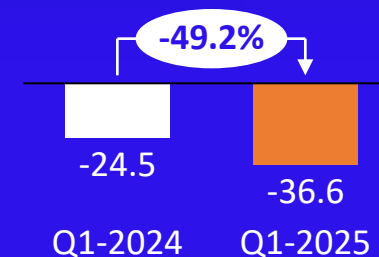


- Within 1 Year
- 1-2 Years
- 3-5 Years
- Beyond 5 Years

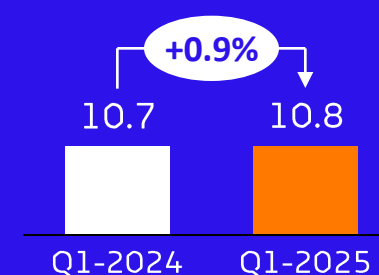
Gross Debt-RO 759.6 Mn- March 2025



## Free cash flow

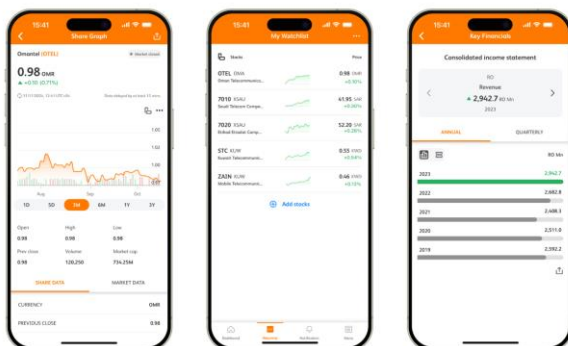


## Interest Cost



# 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



Scan to read  
our full Annual Report 2024



# 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:

[Investor@omantel.om](mailto:Investor@omantel.om)

[Aisha.al-balushil@omantel.om](mailto:Aisha.al-balushil@omantel.om)

**Oman Telecommunications Company SAOG**  
**Omantel Group excluding Zain**  
**Consolidated Statement of Cash Flow three months ended 31 March 2025**

Omantel Group excluding Zain		
Statement of Income		
	31 Mar	31 Mar
	2025	2024
Revenue	164,052	152,710
Cost of Sales	(79,339)	(70,279)
Gross Profit Margin	52%	54%
Gross Profit	84,713	82,431
<b>Expenses</b>		
Operating and administrative expense	(40,880)	(37,790)
Depreciation & Amortisation	(27,118)	(26,177)
Provision for impairment of receivables	(2,269)	(1,553)
Operating profit	14,446	16,911
Interest income	591	408
Investment income/(loss)	28,629	29,665
Other income -net	248	804
Loss from currency revaluation	128	(55)
Finance cost	(10,763)	(10,705)
Share of results of associated companies	1,757	1,107
Profit before taxation	35,036	38,135
Taxation	(1,587)	(1,959)
Profit for the period from continued operations	33,449	36,176
Profit for the year	33,449	36,176
Attributable to:		
Equity holders of the parent	33,520	36,197
Non-controlling interests	(70)	(21)
Net profit for the period	33449.5	36176.0

Oman Telecommunications Company SAOG  
Omantel Group excluding Zain

Consolidated Statement of Cash Flow three months ended 31 March 2025

Omantel Group		
BALANCE SHEET	Mar-25	Dec-24
ASSETS		
Current assets		
Cash and bank balances	41,007	55,235
Trade and other receivables	207,422	204,214
Inventories	12,361	18,073
Investment securities at FVTPL	6,223	5,977
Receivable from subsidiaries	-	
Contract asset	33,938	32,380
	300,951	315,878
Non-current assets	-	-
Contract assets	6,853	6,219
Investment securities at FVTPL	24,508	24,704
Investment securities at amortised cost	1,000	1,000
Other assets	2,893	2,941
Deferred Tax	29,924	29,057
Investments in associates and joint ventures	40,645	37,945
Investments in subsidiaries	850,337	850,336
Property and equipment	458,622	452,660
Right of use assets	96,094	96,047
Intangible assets and goodwill	72,461	75,510
Total	1,583,337	1,576,419
Total assets	1,884,288	1,892,298

EQUITY AND LIABILITIES	Mar-25	Dec-24
Current liabilities		
Trade and other payable	279,230	289,066
Contract liability	45,726	43,389
Income tax payable	16,141	14,823
Borrowings	75,720	45,809
Lease liability	11,941	10,152
	428,759	403,239
Non-current liabilities	-	-
Borrowings	476,189	471,845
Lease liability	123,106	123,818
Deferred government grant	4,136	4,226
Other liability	98,257	99,293
	701,688	699,182
Total liabilities	1,130,447	1,102,421
Capital and reserves		
Share capital	75,001	75,000
Own shares held by liquidity provider	(60)	(191)
Reserve on trading in equity shares	(878)	(1,815)
Legal reserve	25,000	25,000
Voluntary reserve	49,875	49,875
Capital contribution	7,288	7,288
Capital reserve	36,893	36,893
Retained earnings	558,865	595,897
Other reserves	(56)	(52)
Equity attributable to equity holders of parent	751,928	787,895
Attributable to minority interest	1,914	1,982
	-	-
Total equity	753,841	789,877
Total equity and liabilities	1,884,288	1,892,298



**Oman Telecommunications Company SAOG**

**Omantel Group excluding Zain**

**Consolidated Statement of Cash Flow three months ended 31 March 2025**

	<b>31 Mar 2025</b>	<b>31 Mar 2024</b>
<b>OPERATING ACTIVITIES</b>		
Profit for the period before tax	<b>35,036</b>	38,135
Adjustments for:		
Depreciation and amortization	<b>26,528</b>	26,177
ECL on financial assets	<b>2,269</b>	1,553
Interest income	<b>(593)</b>	(408)
Investment income	<b>(29,799)</b>	(30,772)
Finance costs	<b>10,763</b>	10,705
Currency loss	<b>(130)</b>	55
(Profit) / loss on sale of property, plant and equipment	<b>3</b>	(8)
Operating profit before working capital changes	<b>44,077</b>	<b>45,437</b>
Increase in trade and other receivables and contract assets	<b>(9,326)</b>	(5,692)
(Increase)/ decrease in inventories	<b>5,712</b>	427
Decrease in trade and other payables	<b>(40,600)</b>	(24,594)
<b>Cash generated from operations</b>	<b>(137)</b>	15,578
<b>Income tax paid</b>	<b>(868)</b>	-
<b>Net cash flows from operating activities</b>	<b>(1,005)</b>	15,578
<b>INVESTING ACTIVITIES</b>		
Fixed deposit	-	(500)
Proceeds from Investments	-	-
Investment in associate	<b>(2,112)</b>	-
Investment in Subsidiary	-	-
Acquisition of property and equipment (net)	<b>(33,708)</b>	(39,543)
Acquisition of investment	<b>(800)</b>	(339)
Acquisition of intangible assets (net)	<b>(179)</b>	(97)
Dividend received	<b>792</b>	-
Interest received	462	408
<b>Net cash flows from/ (used in) investing activities</b>	<b>(35,545)</b>	(40,071)
<b>FINANCING ACTIVITIES</b>		
Proceeds from borrowings	<b>30,304</b>	203,286
Repayment of borrowings	<b>(852)</b>	(178,491)
Repayment of lease liabilities	<b>(5,151)</b>	(5,148)
Acquisition of own shares	<b>1,068</b>	-
Finance costs paid	<b>(3,546)</b>	(3,673)
<b>Net cash flows used in financing activities</b>	<b>21,823</b>	15,974
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(14,727)</b>	(8,519)
Cash and cash equivalents at 1 January	<b>55,233</b>	42,347
<b>Cash and cash equivalents at end of period</b>	<b>40,507</b>	33,828
<b>Free Cash Flow</b>	<b>(36,550)</b>	(24,493)