

Omantel

Driving Oman's digital vision

Omantel is a leading integrated telecom operator in Oman with a strategic regional footprint through its stake in Zain, combining a stable domestic telecom base with exposure to broader MENA markets. The investment case is increasingly centred on its transition towards a more diversified digital infrastructure and technology platform, driven by the scaling of ICT and international wholesale capacity. This shift is evident in our estimates, with growth increasingly supported by ICT and wholesale, albeit with near-term margin and cash flow dilution as these businesses scale. The current Middle East conflict elevates risk in the short and medium term, although Oman will be the least affected of the GCC countries, in our view. Key catalysts include continued execution in wholesale and subsea capacity, and scaling of ICT and digital services.

Year end	Revenue (OMRm)	EBITDA (OMRm)	PBT (OMRm)	EPS (OMR)	DPS (OMR)	P/E (x)	Yield (%)	EV/EBITDA (x)
12/24	3,030.1	1,028.1	336.5	0.10	0.06	14.9	3.5	3.5
12/25	3,413.1	1,155.4	425.7	0.12	0.06	13.1	3.5	3.1
12/26e	3,825.0	1,267.9	483.1	0.13	0.05	12.2	3.3	2.8
12/27e	4,122.3	1,367.8	529.5	0.14	0.05	11.4	3.5	2.6

Note: PBT and EPS are reported.

From telco to digital infrastructure and ICT

Omantel's strategy is centred on repositioning the business from a traditional telecom operator to a broader digital infrastructure and technology platform. The group comprises a stable domestic telecom business and a 21.9% strategic stake in Zain, which is fully consolidated into its financials, providing regional scale but also introducing complexity through minority interests. Operationally, this transition is being delivered through the development of the company's integrated ICT platform (cloud, data centres, IoT and cybersecurity) and the expansion of international wholesale capacity, leveraging Oman's position as a strategic connectivity hub.

Mix drives margin and balance sheet changes

We forecast a 7.0% EPS CAGR from FY25 to FY28, underpinned by domestic growth and the gradual emergence of operating leverage as investments mature. The financial profile is evolving, with faster, more diversified domestic growth driven by ICT and wholesale, albeit at the expense of near-term margin compression as ICT scales. Our Zain forecasts are in line with consensus (13.5% growth in FY26) and towards the mid-point of management guidance (10–15% revenue growth) although the Gulf conflict might elevate risk. We expect capex to moderate from c 23.7% of sales to c 15.6% over the next five years and c 16.1% in the longer term, partly offset by rising working capital from the shift to postpaid mobile and ICT.

Valuation: OMR1.9 per share using DCF valuation

We value Omantel at OMR1.9 per share (WACC: 12.7%), implying c 27% upside. The valuation reflects a stable core telecom base with an increasing contribution from higher-growth ICT and wholesale. Upside catalysts include value crystallisation in ZOI (42% effective stake) and strong execution of the ICT strategy. Key risks relate to the Gulf geopolitical backdrop and sustained pricing pressure in mobile.

Initiation of coverage

Technology

30 April 2026

Price OMR1.55
Market cap OMR1,158m

OMR/KWD: 0.80; OMR/US\$: 2.60

Net cash/(debt) at 31 December 2025 OMR(2,443.0)m

Shares in issue 747.0m

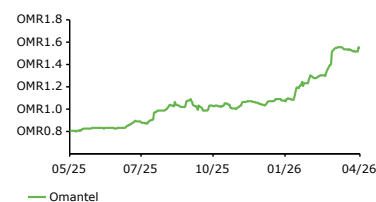
Free float 46.0%

Code OTEL

Primary exchange MUS

Secondary exchange N/A

Share price performance



%	1m	3m	12m
Abs	3.1	46.8	97.8
52-week high/low	OMR1.6	OMR0.8	

Business description

Omantel is a leading provider of telecommunications and related services in Oman and a strategic investor in the MENA region. The company is driving digital transformation through innovation and strategic global partnerships.

Next events

Q126 earnings call 20 May 2026

Analyst

Dan Ridsdale +44 (0)20 3077 5700

tmt@edisongroup.com

[Edison profile page](#)

**Omantel is a research client of
Edison Investment Research
Limited**

Investment summary

Company description: A company in transformation

Omantel is the incumbent telecommunications operator and market leader in Oman; it is evolving from a traditional connectivity provider into a broader digital infrastructure and technology platform aligned with the government's Oman Vision 2040. The domestic strategy centres on a 'telco to techco' transition, combining its leading telecom position with the expansion of ICT operations, including Otech (cloud, data centres, IoT and cybersecurity), alongside international wholesale infrastructure, leveraging Oman's position as a key subsea connectivity hub.

A defining feature of the investment case is Omantel's 21.9% stake in Zain Group, which is fully consolidated into Omantel's financial accounts. Management positions this as a strategic investment, providing regional scale, diversification and access to higher-growth markets beyond Oman. While this structure introduces complexity through minority interests, it also creates a platform for operational collaboration across the two groups.

The clearest evidence of these synergies is the establishment of the international wholesale operator, Zain Omantel International (ZOI), which is a joint venture (JV) between Omantel (26%) and Zain (74%); it grew revenues at 60% to \$401m in FY25.

Financials: Looking for 7.0% CAGR in EPS from 2025 to 2028

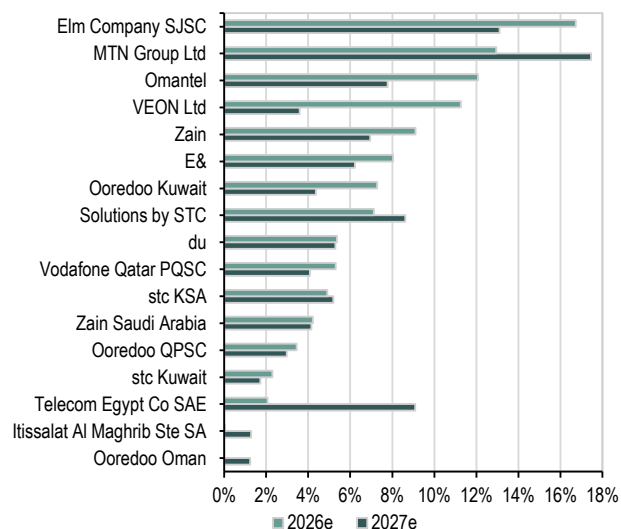
We forecast a 7.0% EPS CAGR from FY25 to FY28, underpinned by domestic growth and the gradual emergence of operating leverage as investments mature. Omantel's financial profile is evolving, with faster and more diversified growth driven by ICT and emerging tech and wholesale, albeit at the expense of near-term margin compression as these businesses scale.

At the group level, we expect revenue growth to remain strong at c 12.1% in 2026 (following 12.6% in 2025), supported by ICT and a solid contribution from Zain, with our forecasts broadly in line with the mid-point of management guidance and consensus. We expect growth to moderate to high single digits from 2027 as markets mature and the current investment cycle is delivered. In the near term, we expect profitability to reflect this transition, with EBITDA increasing c 9.7% to OMR1.27bn in 2026, while margins decline modestly (33.9% to 33.1%) due to mix effects. We expect margins to stabilise thereafter as operating leverage improves.

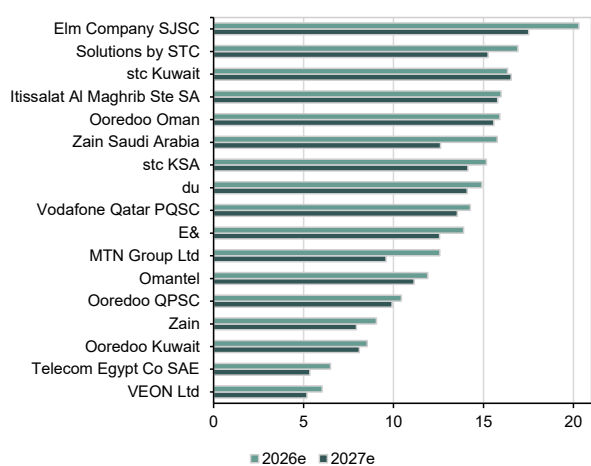
We forecast EPS of OMR0.127 in 2026 (vs OMR0.118 in 2025), with growth continuing at 6.5%-6.8% in 2027–28 as earnings conversion improves. We expect capex to moderate over time, although this will be partly offset by rising working capital requirements linked to the shift towards postpaid and ICT.

Valuation: 27% upside to our OMR1.9 DCF valuation

We value Omantel at OMR1.9 per share (WACC: 12.7%), implying c 27% upside. Our three-stage DCF includes an explicit forecast period to 2030, a semi-explicit phase to 2035 with 2% growth, and a terminal value based on a 16% EBIT margin and 2% long-term growth, yielding an equity value of OMR1.4bn, equivalent to OMR1.9 per share, representing 27% upside to the current share price of OMR1.5. The valuation reflects a stable domestic telecom base alongside growing contributions from higher-growth ICT and wholesale, while the value of ZOI is not yet fully reflected. On a comparative basis, based on our forecasts, Omantel is valued at a discount to the majority of its peers despite the expectation of growth. We believe that this discount is unwarranted.

Exhibit 1: Omantel peers' revenue growth


Source: Edison Investment Research, LSEG Data & Analytics

Exhibit 2: Omantel peers' P/E ratios


Source: Edison Investment Research, LSEG Data & Analytics

Key upside catalysts include: (1) successful scaling of ICT (Otech), (2) value crystallisation within ZOI and (3) continued expansion of international wholesale infrastructure. Key risks relate to the geopolitical backdrop in the Gulf, execution in ICT, and sustained pricing pressure in mobile.

Sensitivities: Middle East unrest and treatment of minority interest

The sensitivity of our valuation to variations in WACC and terminal growth rate is shown in Exhibit 3.

Exhibit 3: DCF sensitivity to long-term growth rate and WACC (OMR/share)

		Long-term growth rate				
WACC	10.0%	1.0%	1.5%	2.0%	2.5%	3.0%
	11.0%	4.2	4.6	5.1	5.6	6.2
	12.0%	3.0	3.4	3.7	4.1	4.5
	12.7%	2.1	2.3	2.6	2.9	3.2
	13.0%	1.5	1.7	1.9	2.2	2.4
	14.0%	1.3	1.5	1.7	1.9	2.2
	14.0%	0.6	0.8	1.0	1.1	1.3
	15.0%	0.1	0.2	0.3	0.5	0.6

Source: Edison Investment Research estimates

Omantel owns 21.9% of Zain, and thus an economic cost to buy-out that minority interest must be carved out of our DCF valuation in order to estimate Omantel's share value. Our valuation uses the current Zain share price, with a 15% premium applied to reflect the anticipated cost of buying out the remaining 78.1% of Zain shares, to reflect the bid premium that such a situation can create.

Omantel is more insulated than other GCC countries from the conflict between the US/Israel and Iran, but it does have exposure through Zain. On a consolidated basis, Omantel derives 50% of its EBITDA from Saudia Arabia, Kuwait and Bahrain, countries that have taken direct damage from the conflict with Iran and have large expatriate populations. There are early signs of expatriate outflows in more affected markets, introducing uncertainty around population trends, while the pace of return will influence the recovery in demand.

More positively, at this stage our valuation does not fully reflect the potential of ZOI. Continued strong growth, increased utilisation or greater financial transparency could support value crystallisation over time, while strategic options such as third-party investment could further highlight its standalone value.

Successful scaling of ICT (Otech) represents a key upside lever. Faster revenue growth, improved margins or earlier-than-expected operating leverage could materially enhance domestic earnings and support a re-rating, while slower execution would delay this transition.

Company description

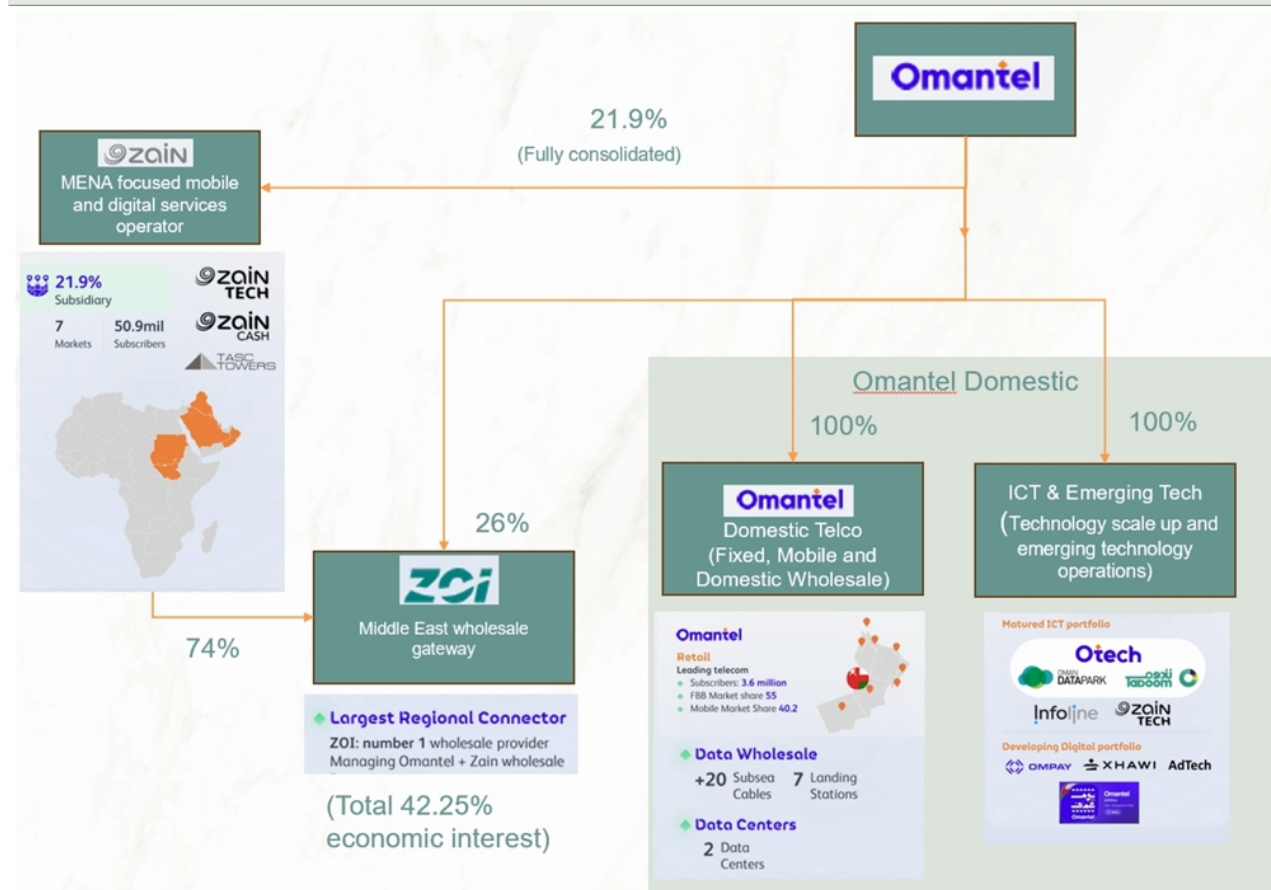
Overview of Omantel Group

Originally the incumbent national operator in Oman, Omantel has evolved into a diversified telecom and digital services provider, maintaining a strong domestic presence and strategic international investments. Importantly, it is at the forefront of the Sultanate's digital evolution, spearheading the integration of AI, IoT, cloud solutions and smart city initiatives, aligned with the Oman Vision 2040 transformation programme.

The group's ownership structure consists of two primary entities, the domestic Omantel group and Zain Group (a mobile telecommunications company), a leading regional operator with a footprint across seven Middle Eastern and African markets. Omantel's 21.9% strategic holding in Zain is fully consolidated. Zain Omantel International (ZOI) is a rapidly growing wholesale gateway operator, jointly owned by Zain (74%) and Omantel (26%, with a total economic interest of 42.2%).

Omantel's domestic operations comprise its core telecoms business, the leading integrated telecommunications operator in Oman, together with the ICT operations, which are currently substantially smaller, but growing rapidly and fundamental to the group's strategy as it transitions to an integrated digital services and technology platform, while fulfilling its role as a primary driver and ultimate beneficiary of the digitisation of the Oman economy.

Exhibit 4: Omantel group structure



Source: Omantel

Management has been clear in stating that the company's holding in Zain is strategic, rather than purely a financial investment, and that it has delivered regional scale and diversified revenue streams and enabled the creation of mutual synergies, which would have been impossible for Omantel to achieve as a standalone national operator. This is most visibly demonstrated by the creation of the joint venture, ZOI, a rapidly growing international wholesale operator that we believe has the potential to become an important value driver for Omantel.

However, as Zain is listed, with broad analyst coverage, the narrative of this report focuses mainly on the core Omantel

group and other key potential valuation drivers, including ZOI, as we believe that the valuation implications of the company's longer-term diversification and transformation strategy are potentially being overlooked.

Executive interview with Eng. Aladdin Baitfadhil, CEO Omantel



Source: Edison Investment Research

Oman: A snapshot

Oman is a stable, high-income economy with a commitment to execute a significant structural shift from oil dependence to a diversified, digital-first economy under the government's Oman Vision 2040 programme.

Neutral foreign policy and insulation from regional conflicts: Oman has remained notably insulated from regional conflicts, with a longstanding policy of strict neutrality and pragmatic diplomacy, and a reputation as a discreet regional mediator. The Sultanate has not been involved in any military conflict for more than 70 years and has been the least affected of the GCC countries by the current conflict. Regional missile activity and airspace disruptions have prompted some shelter-in-place advisories in parts of Oman and temporary precautions have been issued by foreign embassies. Internally, Oman is considered one of the safest countries in the region for foreign nationals.

Population: Oman's population is estimated at c 5.3–5.6 million in 2024/25, and is growing at a rate of 1.4–3.5% depending on expatriate fluctuations. The country has a young demographic though birth rates are stabilising. Expatriates account for c 43% of the population, although this fluctuates depending on the economic cycle. The population is highly concentrated in the capital, Muscat, and the coastal Batinah region, which affects network rollout economics.

Stable, fiscally prudent monarchy: Oman is an absolute monarchy (Sultanate) led by Sultan Haitham bin Tariq since 2020. The government is fiscally prudent, having implemented VAT in 2021 and reduced public debt to GDP 35.8% in 2025 from 67.9% in 2020. This is further strengthened by the improvement of Oman's Long-Term Foreign-Currency Issuer Default Rating to 'BBB-' from 'BB+', bringing it to an investment grade rating. It has a neutral stance towards foreign policy. The primary policy vehicle is Oman Vision 2040, which prioritises privatisation, foreign investment and digital transformation, with Omantel as a key execution partner. While the oil sector remains the largest single contributor to GDP, underlying growth is currently being driven almost entirely by non-oil activities, particularly tourism.

Mid-sized, steady growth: Oman's GDP is \$105–110bn making it a mid-sized economy within the GCC, similar to Kuwait but significantly smaller than Saudi Arabia or the UAE. GDP growth is still influenced by oil prices, with the Ministry of Economy estimating the growth rate at 2.2% for 2025 and forecasting 2.6% for 2026, which is average for the broader Middle East region, with 4% growth targeted in its five-year development plan (2026–30). The country's GDP per capita was \$41,700 in 2024, a similar level to Greece or Poland. While not as hyper-wealthy as Qatar or the UAE,

the Omani consumer still has significant disposable income by global standards. The currency, the Omani rial (OMR), is effectively pegged to the US dollar at c 2.60OMR/US\$ via monetary policy.

Strategic ‘hub’ positioning: Oman’s strategic location at the south-eastern tip of the Arabian Peninsula, flanking the vital Strait of Hormuz and opening directly onto the Indian Ocean, has historically defined it as a maritime trade hub bridging Asia, Africa and Europe. This is now reflected in Oman’s position as a critical ‘subsea crossroads’ and one of the most connected landing points globally. Omantel (together with its ZOI JV) has more than 20 international subsea cable systems landing in Oman, principally in Muscat and Salalah.

Targeting emerging market classification by 2027: Oman is currently classified as a frontier market. Ongoing initiatives to modernise capital markets, deepen liquidity and expand the free float, supported by recent IPOs, have doubled the Muscat Stock Exchange’s market capitalisation since 2020. The exchange is targeting inclusion in emerging market indices in the 2026 to 2027 timeframe.

Oman Vision 2040: A roadmap for sustainable development and transformation

Oman Vision 2040 is the Sultanate’s long-term roadmap for sustainable development and national transformation. Approved in 2020 after extensive consultation and launched in January 2021, it guides Oman’s development through 2040, providing a blueprint for modernising the nation, enhancing competitiveness and improving quality of life while safeguarding cultural identity and values.

Oman Vision 2040 is built around four pillars, economy, society, environment and governance, each with defined objectives and performance indicators.

Economically, Vision 2040 aims to shift Oman from hydrocarbon dependence to a diversified, knowledge-driven economy. It sets an ambitious target to reduce oil’s contribution to GDP from c 39% in 2017 to 8.4% by 2040. To deliver this transition, Oman is developing five strategic growth clusters: logistics, tourism, manufacturing, fisheries and mining, each selected for their potential to leverage the country’s geographic advantages, natural resources and human capital.

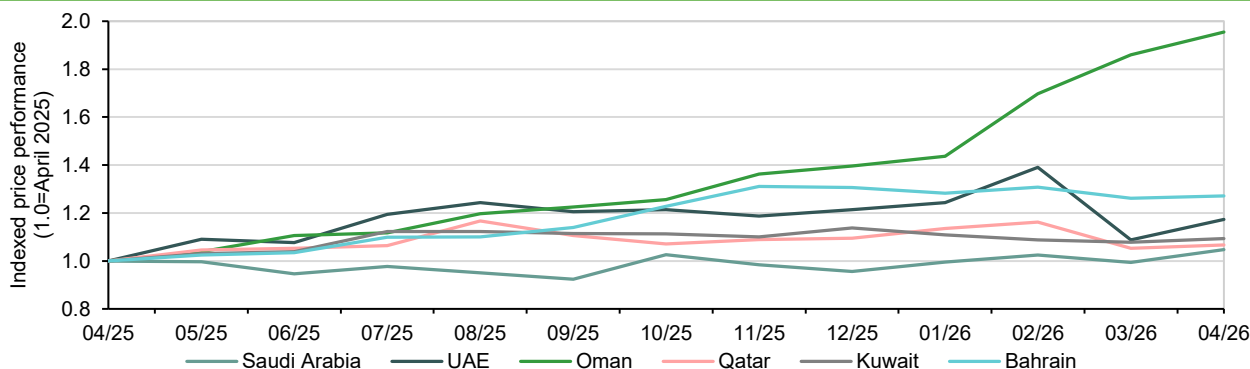
Crucially for Omantel, the Vision places strong emphasis on innovation and technology, targeting an increase in the digital economy’s share of GDP from c 2% in 2021 to 10% by 2040. Achieving this requires major investment in ICT infrastructure, digital skills and emerging technologies, including AI, cloud computing and cybersecurity, areas where Omantel plays a central enabling role.

The Gulf conflict

At the time of writing, the Middle East is experiencing an active phase of regional conflict centred on the Gulf, with intermittent but significant disruption to shipping flows through the strategically critical Strait of Hormuz, alongside fragile ceasefire efforts and ongoing diplomatic negotiations. This is contributing to reduced visibility and heightened economic risk globally, with the Gulf States particularly exposed. While disruption has been significant at points following the escalation, with reported vessel traffic falling sharply, the situation remains fluid and represents a clear source of macroeconomic uncertainty, reducing near-term earnings visibility across the region.

As mentioned previously, compared to other Gulf states, Oman has remained politically stable and largely insulated from direct involvement, reflecting Oman’s longstanding policy of neutrality, and its role as a regional mediator. There has been no clear evidence of material population outflows from Oman linked to regional tensions, in contrast with more exposed Gulf states. In certain respects, this may enhance Oman’s relative attractiveness as a stable destination for capital and infrastructure within the Middle East and North Africa (MENA) region.

This has been reflected in a sharp divergence in GCC equity market performance since the onset of the conflict in late February 2026. The MSCI Oman Index rose from 1.44x to 1.95x (April 2025 = 1.0 in Exhibit 5) between January and April 2026, a gain of approximately 36%, while most GCC peers moved in the opposite direction over the same period, with the UAE falling 6%, Qatar declining 6%, and Bahrain and Kuwait broadly flat with declines of c 1%. Saudi Arabia, which edged up 5%, was the only peer to post a comparable positive return.

Exhibit 5: GCC equity index performance


Source: LSEG Data & Analytics, Edison Investment Research

Omantel's domestic business is relatively insulated, Zain more directly exposed

We anticipate that the performance of Omantel's domestic operations will be relatively shielded from the conflict, while some areas, for example wholesale, may benefit from redirected investment and traffic flows. However, the risk of disruption to Zain, with its greater exposure to countries caught up in the conflict (Kuwait, Iraq and Saudi Arabia) is substantially higher. A key risk factor is the potential for expatriate outflows in affected markets, which could weigh on subscriber growth and demand for telecom services.

There are increasing indications of expatriate outflows across parts of the GCC, although the scale remains difficult to quantify precisely. GCC governments are highly sensitive to expatriate mobility and the potential reputational impact of perceived instability, and as such timely and reliable data on population movements is limited.

However, a range of real-time indicators suggests a meaningful, if potentially temporary, reduction in expatriate presence in certain markets, with anecdotal evidence suggesting that expatriate departures may be material, potentially in the double-digit percentage range in certain segments of the workforce. These include reports of school closures, lower hotel occupancy rates in key hubs such as the UAE, and anecdotal evidence from corporates indicating that a proportion of non-GCC expatriate staff have returned to home markets on a temporary basis. While these signals are inherently imperfect, they point to a noticeable, possibly temporary, decline in population in more exposed areas.

We have not ascribed a material risk to physical damage to Omantel's domestic infrastructure as a result of the conflict. Telecoms networks are inherently distributed, with a large proportion of assets (towers and access equipment) geographically dispersed and relatively quick to repair or replace. While core network elements are more centralised and critical, they are typically better protected and redundant by design.

To date, we have not seen evidence of telecoms infrastructure being directly targeted in GCC markets, in contrast to certain conflict-affected regions such as Iran, where communications networks have reportedly been disrupted or degraded. As such, we view any potential impact in Omantel's core markets as more likely to arise through indirect channels (eg demand, mobility or investment flows) rather than from physical infrastructure damage.

ZOI has significant committed revenues but could also be affected by changes in planned infrastructure investment in the region.

At present, we believe that it remains too early to quantify any sustained financial impact, especially given the unpredictable nature of the conflict.

Omantel: A key execution partner and long-term beneficiary of Oman Vision 2040

Portal to the future, telco to techco

Omantel has positioned itself as a key execution partner for Oman Vision 2040 and through its own 'Portal to the Future' strategy, designed to transform Omantel from a traditional connectivity provider into a diversified technology company, and expand revenue streams beyond core telecoms into cloud, AI, cybersecurity and digital services. The key elements of this plan are:

- **Innovation orchestration:** scaling next-generation capabilities through emerging technologies, strategic partnerships and advanced platforms, positioning Omantel at the centre of Oman's digital ecosystem.
- **ICT and infrastructure expansion:** Omantel has set a goal of capturing a 25% share of Oman's domestic ICT market, which, in turn, the government hopes to grow from 2% to 10% of GDP. To achieve this the company has created Otech, a unified technology platform bringing together cloud, cybersecurity, AI, IoT and systems integration under one operating model.
- **Regional AI leadership:** establishing an AI Centre of Excellence and AI Studio, building a unified data mesh, and developing Arabic LLM use cases to drive growth in average revenue per user (ARPU), retention and customer experience.
- **Digital ventures and ecosystem:** monetising Omantel's 1.4 million customer base through new digital businesses including OmPay (fintech) and Zawi Marketplace, alongside a new regional R&D centre to anchor long-term innovation.

Exhibit 6: Steps in Omantel's telco to techco transformation



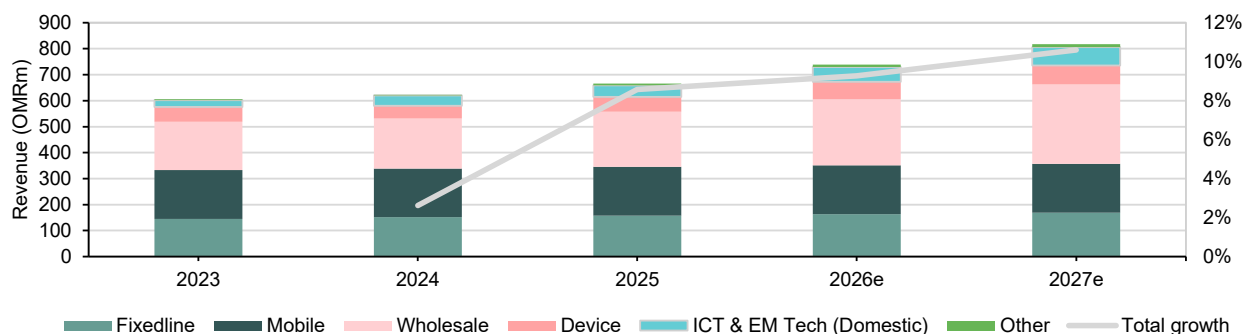
Source: Omantel

It is important to note that the 'Portal to the Future' strategy builds on foundations established over the past few years as part of the company's 'Shift Gear' strategy, which focused on reinforcing domestic leadership in mobile and fixed broadband while establishing the foundations of a technology business, acquiring stakes in businesses such as Tadom (IOT, Smart city), establishing businesses such as Ompay (payments) and disposing of tower assets. 'Portal to the Future' is about scaling from those foundations into a materially larger and more diversified revenue model.

Omantel's domestic operations (Omantel ex-Zain)

Omantel's domestic business has two operating segments. The core telecommunications operation provides nationwide mobile, fixed and wholesale connectivity and underpins the group's scale, cash generation and financial stability, while the ICT and emerging technology arm (Otech) is significantly smaller, is growing rapidly and is fundamental to Omantel's longer-term diversification and transformation toward higher-value digital and technology-led services.

Exhibit 7: Revenue composition (ex Zain)



Source: Omantel, Edison Investment Research

Omantel domestic telco: Strong leadership in the Omani market

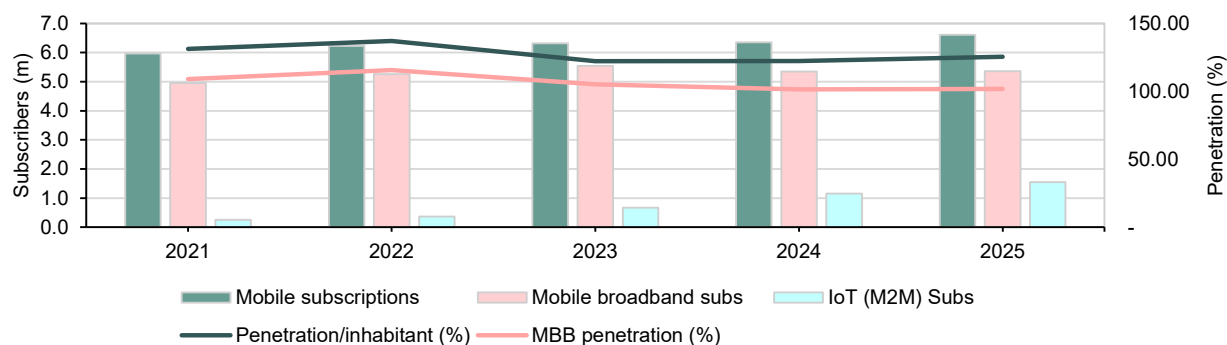
Omantel's core domestic operations are structured across four primary reporting segments: mobile, fixed-line, wholesale and devices.

- **Mobile:** Omantel is the leading mobile operator in Oman with more than 3.6 million subscribers. In a highly competitive market, the company is focused on competing for value share and migrating prepaid users to higher-value postpaid contracts, 5G data bundles, value-added services and digital ecosystems.
- **Fixed-line:** Omantel is a strong market leader in fixed-line service, including high-speed broadband (FTTH and 5G FWA) for residential customers and connectivity solutions for enterprises, including leased lines, MPLS and SIP trunking.
- **Wholesale:** Omantel capitalises on Oman's strategic location to sell international capacity and transit services to global carriers and hyperscalers, now largely managed through the ZOI JV.
- **Devices:** This is a lower-margin segment focused on handset sales and equipment to drive data adoption and customer retention.

A liberalised, competitive domestic market, particularly in mobile

Oman's telecommunications market is liberalised and competitive, regulated by the Telecommunications Regulatory Authority (TRA), which has overseen the sector's transition from a historical monopoly to a multi-player market through infrastructure-sharing mandates and the licensing of new entrants. The most significant structural change occurred in late 2021, when the TRA issued a third mobile licence, ending the long-standing Omantel–Ooredoo duopoly and transforming the mobile sector into a fully competitive triopoly with the entry of Vodafone Oman in January 2022.

The mobile market is now highly saturated, with penetration exceeding 120% due to multi-SIM usage in a population of about five million. Vodafone has rapidly captured an estimated 14–16% market share by targeting price-sensitive prepaid and youth segments through a digital-first model, while MVNO's Friendi Mobile and Renna Mobile (hosted on Omantel's network) add further competition, particularly among expatriate users. In contrast, the fixed-line market remains more consolidated, with Omantel retaining a clear leadership position in a three-player landscape alongside Ooredoo and fibre-focused Awasr. Household fixed broadband penetration was 83% as of December 2025, leaving some scope for organic growth as new housing developments come online.

Exhibit 8: Mobile subscribers and penetration in Oman


Source: Telecommunications Regulatory Authority of Oman

Mobile: Successfully retaining value share in a competitive market

Omantel is the largest and most premium-positioned operator in Oman, retaining a leading share of both subscribers and sector revenue. The company appears to have weathered the competitive storm created by Vodafone Oman's entry into the market in 2021 relatively well, through successfully executing a strategy of maintaining value share through disciplined pricing and a focus on high-quality, high-ARPU postpaid segments. The company benefits from strong brand equity with most cohorts, deep penetration in government, enterprise and postpaid consumer segments and generally superior network performance. The Omani market is highly competitive, but we believe there are signs that aggressive price-based market penetration strategies will start to ease, resulting in less pressure on growth and returns in the near to medium term.

Successfully competing for value over volume

While Vodafone's entry has applied additional pressure to market economics, Omantel has been successfully executing a disciplined 'value share' strategy, rather than engaging in a price war for low-value prepaid customers, to the extent that Omantel's value share (revenue market share) has remained resilient and stable around the 51–53% range, while quarterly mobile revenues have also remained remarkably stable in the OMR46–47m range since early 2024.

There are a number of factors and strategies underpinning this resilience:

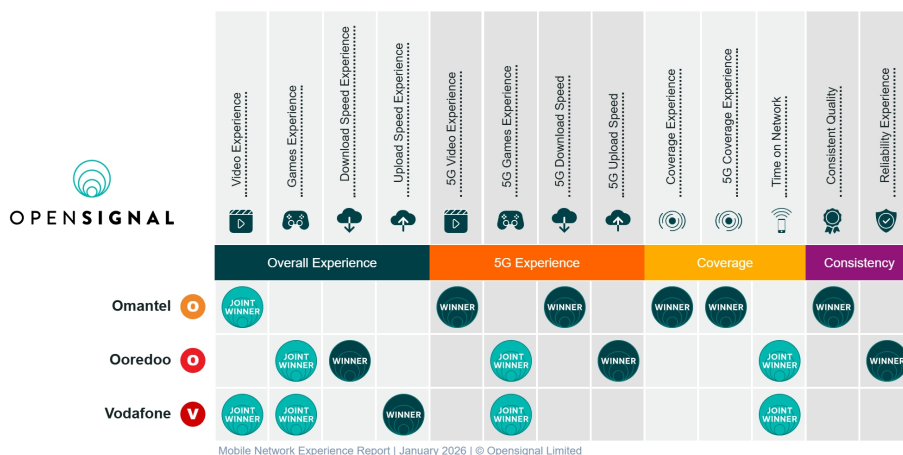
Premium network and brand authority

Omantel leverages its heritage and superior infrastructure to position itself as the most reliable operator, a critical factor for government, enterprise and high-usage customers. In January 2026, Opensignal rated Omantel as the number one operator for overall coverage, 5G coverage and joint winner (with Vodafone) for overall experience. The report highlighted that Omantel users enjoy the fastest average 5G speeds (252.3Mbps, compared to Ooredoo at 191.8Mbps), reinforcing the brand's premium positioning.

Exhibit 9: Overview of Opensignal's mobile experience awards, Oman

Mobile Experience Awards

JANUARY 2026, OMAN REPORT



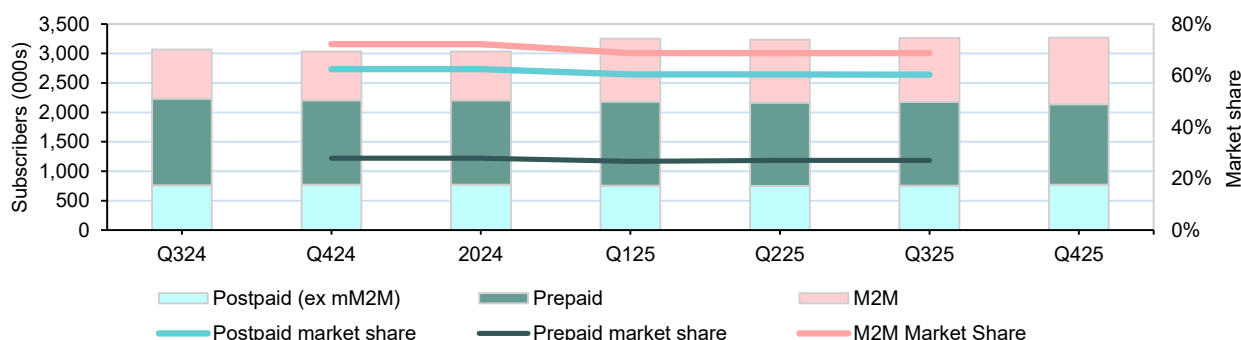
Source: Opensignal Limited

Migration from prepaid to higher-value postpaid services

Omantel indicates that it has successfully migrated a significant portion of its prepaid base to higher-ARPU postpaid contracts and has captured postpaid share from the competition. This has been achieved through a deliberate 'more-for-more' strategy that incentivises customers to upgrade from prepaid to higher-value contracts by bundling connectivity with lifestyle benefits, while improving customer 'stickiness' or lock-in:

- Data & content bundling: Omantel offers generous data allowances paired with free subscriptions to premium streaming services (like OSN+, Shahid VIP and Anghami) and gaming passes.
- Handset financing: Omantel uses its balance sheet strength to offer instalment plans for high-end smartphones, securing 12–24 month commitments.
- 5G fixed-wireless access (FWA): Omantel aggressively markets 5G home broadband routers as a 'plug-and-play' alternative to fibre, capturing households that want high-speed internet without the wait for physical installation.

Exhibit 10: Subscribers and market share evolution



Source: Omantel, Edison Investment Research. Note: M2M, machine to machine.

Machine to machine (M2M) connections are growing rapidly, driven by the expansion of IoT and enterprise use cases, including smart cities projects. Revenue per connection is very significantly lower than for postpaid and prepaid services, however, and therefore M2M is not yet a significant driver of mobile revenues.

Differentiation through digital ecosystems

The successful launch and evolution of Omantel's 'SuperApp' has enabled the company to migrate its core connectivity offering into a comprehensive digital lifestyle ecosystem. The SuperApp now has over 1.4 million active users and integrates features such as the OmPay fintech wallet, the Makasib loyalty programme and exclusive content partnerships (eg, OSN+, Shahid VIP), thus creating a 'sticky' platform that incentivises the migration from prepaid to

postpaid and reduces churn among premium subscribers.

Signs of a more benign outlook

Omantel has weathered the competitive disruption triggered by Vodafone Oman's market entry relatively well so far, successfully stabilising its subscriber base while preserving the strongest economics in the sector. Vodafone's rapid market share gains in the prepaid and youth segments since 2021 have been driven by aggressive pricing and promotions, but these gains have come predominantly at the expense of Ooredoo Oman, rather than Omantel. The impact of this pricing pressure is increasingly evident in Ooredoo's recent financial performance, with the business's FY25 revenues falling by 3.8%, EBITDA declining by 15.2% and a restructuring instigated, although investment in the network is not expected to be affected. Economics suggests that Vodafone will increasingly prioritise financial returns over market share gains at some stage in the future.

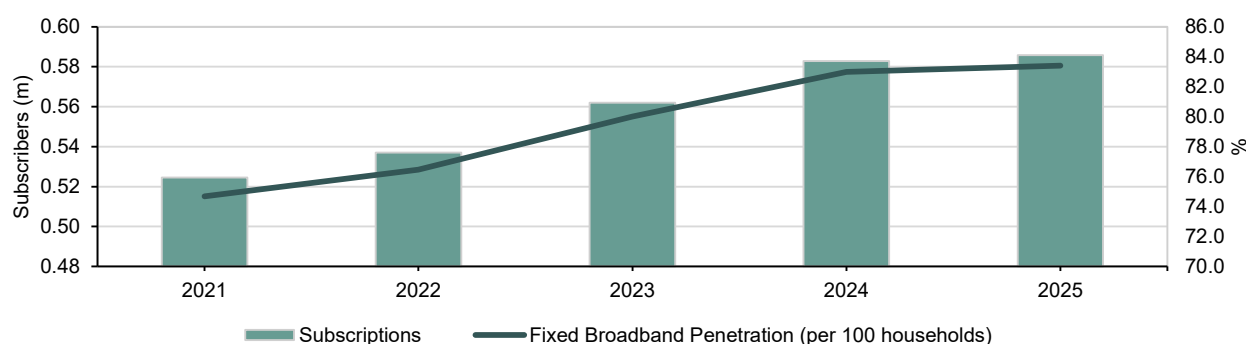
The market will remain competitive, but this dynamic suggests that the period of acute price competition, particularly in the low-value prepaid segment, may be approaching its peak, underpinning our forecast of 0.0–1.0% revenue growth in mobile over our forecast period.

Fixed line: Driving growth through fibre and 5G leadership

Market structure and competitive dynamics

In contrast to the saturated mobile sector, Oman's fixed-line market offers good headroom for growth, with household broadband penetration estimated at around 75%. The landscape is a consolidated three-player race dominated by Omantel, which holds a commanding market share, followed by Ooredoo Oman and Awast, a specialised fibre provider (launched in 2016). Competition is primarily infrastructure-based, driven by the rapid rollout of the Oman Broadband Company (OBC) open-access fibre network, which allows all operators to compete on service quality and speed rather than just last-mile ownership. This has triggered a mass migration from legacy copper to high-speed fibre-to-the-home (FTTH) and 5G fixed wireless access (FWA).

Exhibit 11: Broadband subscriptions and penetration in Oman



Source: Telecommunications Regulatory Authority of Oman

Strategy: Capitalising on the high-speed migration

Omantel has successfully capitalised on the nation's digital acceleration by positioning itself as the premier provider of high-speed connectivity. Rather than competing solely on price, the company has focused on speed leadership and convergence, ensuring that as customers migrate from copper to fibre/5G, they are inclined to choose Omantel for the superior experience. This strategy has allowed Omantel to consistently grow its fixed revenue base even as legacy voice revenues decline.

There are a number of factors and strategies underpinning this growth:

- **Infrastructure advantage and 5G FWA leadership:** Omantel leverages the most extensive domestic network to reach underserved areas faster than competitors. A critical growth engine has been 5G FWA, which serves as a 'fibre-like' alternative for households outside the immediate reach of FTTH. By aggressively marketing plug-and-play 5G routers, Omantel has captured a new segment of the market – tenants and expatriates who value flexibility over long-term installation contracts – driving double-digit growth in its FWA subscriber base.

- **Enterprise dominance and ICT integration in the B2B segment:** Omantel's fixed-line dominance is reinforced by its 'techco' capabilities, enabling it to bundle connectivity with cloud services (via Oman Data Park), IoT solutions (via Tadoom) and cybersecurity. This integrated approach has made Omantel the default partner for the public sector and large enterprises, creating high switching costs and long-term contract stability that pure-play connectivity rivals cannot easily match.
- **Convergence and smart home ecosystems:** Similar to its mobile strategy, Omantel increases customer stickiness in the fixed market through convergence. By bundling high-speed fibre with mobile postpaid plans, smart home devices (cameras, sensors) and entertainment content (TV/streaming), the company increases the average revenue per household (ARPH). This 'whole home' approach insulates the customer base from churn, as untangling a multi-service bundle is significantly harder for a competitor to incentivise than switching a standalone internet connection.

Competitive outlook: Sustained leadership

Omantel remains the leading player in Oman's fixed-line market, with a scale and infrastructure footprint that exceeds its competitors. However, competition is becoming more targeted and credible, with Awasr focusing on fibre deployments in higher-density urban areas and Ooredoo competing more actively on price. Omantel's ability to offer a broad mix of fibre and 5G FWA provides nationwide coverage across both urban and rural segments, supporting its position across the full market spectrum. As Oman progresses its Vision 2040 digital transformation agenda, Omantel's established infrastructure and alignment with national priorities position it well to benefit from continued broadband adoption, although competitive intensity in key urban areas is likely to remain.

ICT and emerging tech: A central transformation pillar

Omantel's ICT and emerging technologies segment remains relatively small in the context of group earnings (c 7% of FY25 domestic revenues and essentially break even at the EBITDA level), but is growing rapidly and represents the core of its long-term 'telco to techco' transition.

The segment combines established enterprise-focused businesses with a portfolio of earlier-stage digital platforms. The core ICT offering is anchored by Otech, integrating Oman Data Park (cloud, data centres, cybersecurity) and Tadoom (IoT and smart solutions), alongside Infoline (customer experience/business process outsourcing) and ZainTech (regional enterprise services). These represent the more mature, revenue-generating components. In parallel, Omantel is developing a digital portfolio including fintech (Ompay), marketplaces (Xhawi) and AdTech platforms, which remain in the investment phase but are intended to drive longer-term growth and monetisation of the group's customer base and data assets.

Otech (Oman Data Park and Tadoom)

Otech sits at the centre of Omantel's ICT strategy, consolidating previously separate digital assets into a single platform. Formally established in early 2026, it brings together Oman Data Park (founded 2012) and Tadoom (launched 2023), reflecting a shift towards a more integrated, scalable model aligned with rising demand for cloud, AI, IoT and cybersecurity services.

The platform combines Oman Data Park's infrastructure capabilities with Tadoom's application layer, enabling end-to-end enterprise solutions spanning connectivity, hosting, analytics and automation. Hosting IoT platforms within domestic data centre infrastructure reinforces data sovereignty while supporting integration across devices, networks and cloud environments.

Oman Data Park serves c 800 enterprise and government customers, while Tadoom has scaled to over 800k connected IoT devices across multiple verticals within two years of launch.

Infoline (customer experience/BPO)

Infoline provides customer experience and BPO services, forming a key component of Omantel's enterprise offering. The business employs c 1,200 staff and handles more than 4m customer interactions annually, supported by AI-driven analytics and omnichannel platforms. Growth is underpinned by increasing demand for outsourced customer experience and digital transformation.

ZainTech (regional enterprise services)

ZainTech was established in 2021 as Zain Group's B2B digital arm, delivers enterprise solutions across cloud,

cybersecurity, IoT and digital services. It is 100% owned by Zain but extends Omantel's ICT capabilities through Zain's regional footprint. While financial disclosure is limited, growth is supported by ongoing enterprise digitisation across Zain's core markets.

Emerging digital portfolio

The group's emerging technology portfolio comprises earlier-stage businesses operating in high-growth domains:

- **Ompay (fintech):** mobile payments and digital wallet platform targeting monetisation of Omantel's customer base.
- **Khawi (marketplace):** digital marketplace platform focused on e-commerce and service aggregation.
- **AdTech:** data-driven digital advertising platform leveraging customer insights.
- **Digital platforms/AI initiatives:** AI, analytics and engagement tools aimed at driving ARPU and retention.

ICT financial performance: High-growth, early-stage profitability

ICT remains a relatively small and currently margin-dilutive contributor, but is growing rapidly and gaining importance within the domestic business.

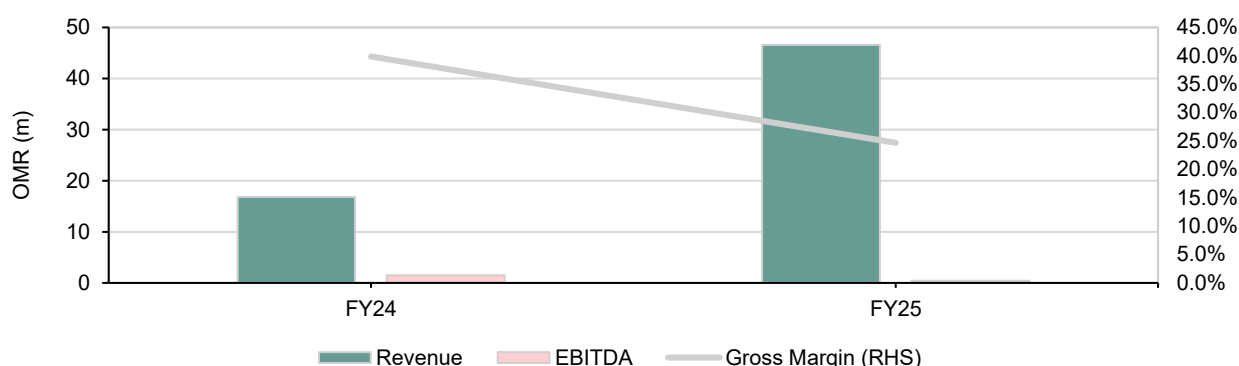
Revenues reached c OMR47m in 2025 (c 6.9% of domestic revenues), growing 16.5% y-o-y, driven by cloud, hosting and smart solutions. This highlights strong demand for digital infrastructure, albeit from a low base.

Profitability remains constrained as the business continues to invest. Gross margins improved (up c 210bp y-o-y to 24.7%), supported by co-location and cloud, but EBITDA declined due to ongoing investment in early-stage platforms, with fintech and marketplace businesses currently loss-making.

Management expects a gradual shift from investment to monetisation. Growth in digital engagement across the telecom base should support fintech and marketplace revenues, while scaling data centre capacity and IoT deployments is expected to drive operating leverage. As utilisation improves and the revenue mix matures, margins are expected to expand.

Management is targeting a c 25% share of Oman's ICT market in the long term, positioning Omantel to gain share within a structurally growing sector. Third-party forecasts suggest a CAGR of c 9%, although this may prove conservative given the Oman Vision 2040 ambitions to increase the digital economy's GDP contribution from c 2% to 10%, implying significant long-term upside.

Exhibit 12: ICT and emerging tech – growth and margin progression



Source: Omantel, Edison Investment Research

Wholesale: Infrastructure-led growth with regional hub positioning

Omantel's wholesale business includes its international connectivity and infrastructure services, including data transit, capacity leasing and subsea cable assets, as well as the contribution from ZOI. The segment is underpinned by Omantel's strategic geographic position, at the gateway to the GCC, which allows it to adopt a role as a regional connectivity hub linking Asia, the Middle East and Europe.

Omantel's infrastructure footprint includes interests in nine subsea cable systems, a network of international points

of presence and six Tier III-certified data centres. This asset base supports its positioning as a carrier-neutral transit hub, enabling international traffic routing, capacity services and interconnection for global operators, hyperscalers and enterprise customers.

Of particular note is Omantel's involvement in a large-scale international connectivity project linking India to Europe via the Middle East. The system is designed to enhance capacity, reduce latency and provide route diversity for global data traffic. Omantel's participation reinforces its strategic positioning and is expected to support wholesale revenues through increased capacity availability and utilisation over the medium term.

From an accounting perspective, it is important to distinguish between reported wholesale revenues and the contribution from ZOI. While wholesale revenues reflect Omantel's directly consolidated activities, ZOI is accounted for as an associate and therefore contributes below EBITDA via share of profit rather than within reported revenue. As a result, the full economic contribution of the wholesale platform is not immediately visible in the top line.

Within reported wholesale revenues, the mix includes both capacity-driven income and more stable recurring streams, such as MVNO network hosting arrangements, providing some degree of revenue visibility. The combination of infrastructure investment and growing demand for international connectivity has driven strong recent growth in wholesale revenues. We forecast wholesale revenues of OMR230m in 2026 (6.0% of group), growing 25% to OMR288m in 2027, driven primarily by the continued ramp-up of ZOI and the scaling of international connectivity revenues, reflecting both capacity additions and increasing utilisation. However, we do not view this growth level as sustainable. We estimate a decline of 15% in 2028 as ZOI's expansion normalises. From 2029, we expect the wholesale segment to return to more stable growth of 1.0% per year, supported by underlying demand for regional and international data traffic.

ZAIN: Strategic synergies becoming more apparent

A distinctive ownership structure

Omantel's 21.9% stake in Zain is a distinctive feature of the investment case, combining minority ownership with effective strategic influence through board representation. For reporting purposes, Zain is fully consolidated in Omantel's financial statements, with Zain contributing the larger share of reported revenue, and the share of earnings attributable to non-controlling interests adjusted through minority interests below the net income line, which complicates interpretation of Omantel's underlying financial performance. However, management has now evolved its disclosures to improve transparency, providing more segmental detail and standalone accounts for the domestic business.

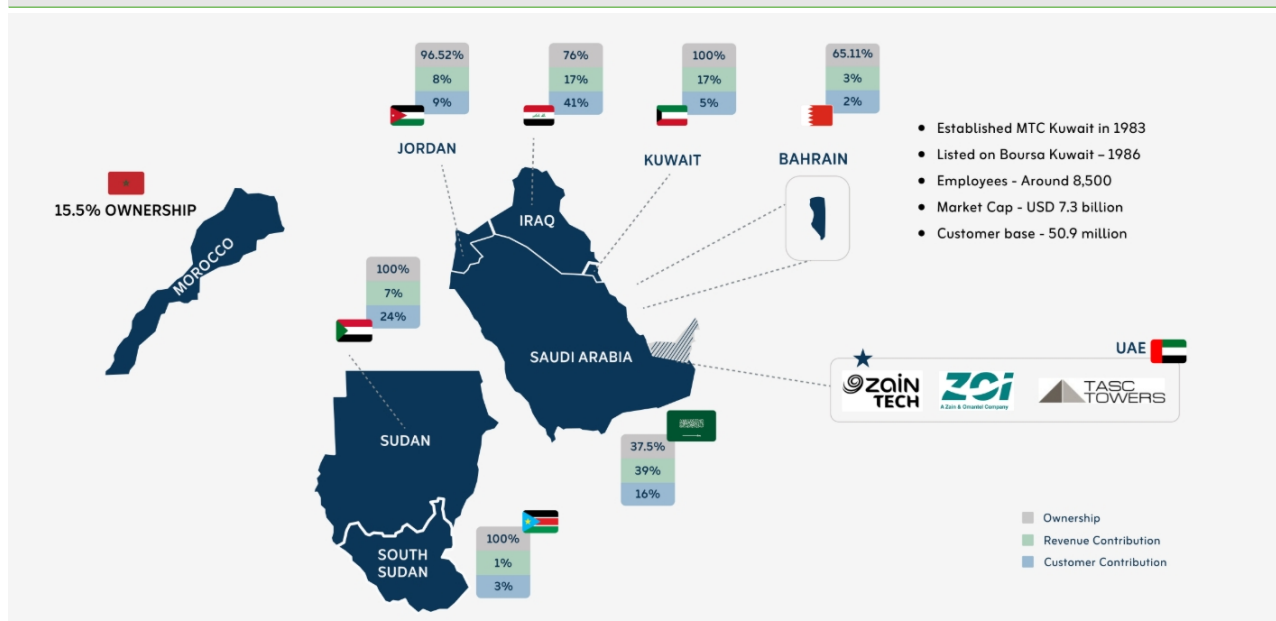
Management has consistently positioned the Zain stake as a strategic investment rather than purely a financial holding, providing Omantel with regional scale, diversified revenue streams and access to growth opportunities beyond the mature Omani market, while enabling synergies in areas such as wholesale, ICT and digital services that would not be achievable on a standalone basis. While synergies are not explicitly quantified, there is growing evidence of operational integration across multiple areas. The establishment of the ZOI joint venture is the most obvious example, which we discuss in more detail later. Additional synergies cited by management or emerging across the broader platform include:

- **Wholesale and infrastructure:** leveraging Omantel's subsea cable and connectivity assets across Zain markets.
- **Technology and ICT:** collaboration between ZainTech and Otech in areas such as cloud, cybersecurity and IoT.
- **Procurement and sourcing:** ongoing cost efficiencies through joint purchasing initiatives.
- **Digital platforms:** alignment in fintech, digital banking and insurtech across multiple markets.

About Zain

Zain Group is headquartered in Kuwait and listed on Boursa Kuwait, where it is one of the largest listed telecom operators with a market capitalisation of c \$7.5bn. The group operates across eight Middle East and North African markets – Kuwait, Saudi Arabia, Iraq, Jordan, Bahrain, Sudan and South Sudan – serving c 50.9 million customers.

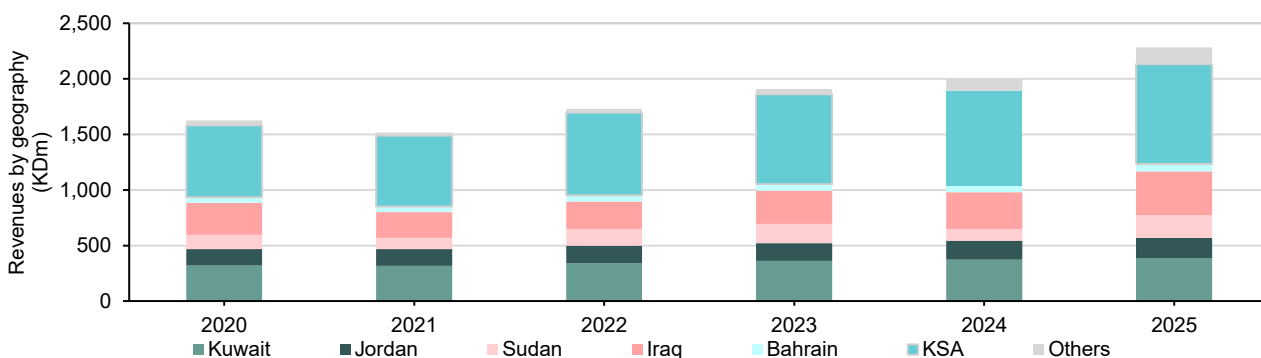
Exhibit 13: An overview of Zain



Source: Zain Group

Geographically, revenue is diversified, with Saudi Arabia (~39%) the largest contributor, followed by Kuwait and Iraq (each ~17%), and smaller contributions from Sudan, Jordan and Bahrain.

Exhibit 14: Zain revenues by geography



Source: Zain Group

Robust financial performance

Over the past five years, Zain has delivered a steady recovery in revenue and profitability, supported by data growth, improving performance in key markets such as Saudi Arabia and Iraq, and ongoing cost optimisation. Like Omantel, the group is executing a multi-year transformation under its '4WARD' framework, expanding beyond traditional telecom services into higher-growth digital verticals including enterprise ICT (via ZainTECH), fintech and digital infrastructure, while continuing to invest in core connectivity and 5G networks.

Momentum has accelerated more recently, with FY25 revenues increasing c 14% y-o-y to KD2.3bn (\$7.44bn) and EBITDA rising c 10%, driven by strong demand for data, enterprise and digital services alongside continued operational discipline. Net income more than doubled to KD239m (\$777m), supported by both underlying growth and one-off items. Revenues from growth verticals increased 67% y-o-y to KD229m (\$743m), representing just under 10% of group revenue, highlighting early progress in shifting the revenue mix towards higher-value digital services.

Strong guidance, but Middle East conflict increases risk

We have used LSEG Data & Analytics consensus estimates to build our Omantel consolidated financial estimates. At the time of the results, Zain's management issued robust guidance for revenues to grow from 10–15% and net income to grow 8–10%, with capex expected at 17–20% of revenue. The company has a good recent track record of exceeding

estimates, although this is offset by the current conflict in the Middle East, which heightens the risk to these forecasts. While telecoms business models have proven demonstrably resilient in conflict areas, the significant exodus of expat populations from Zain geographies such as Kuwait and parts of KSA could fundamentally reduce Zain's addressable market, even if this is temporary.

ZOI: A material potential value driver

Fast-growing regional wholesale infrastructure operator

Zain Omantel International (ZOI) is a rapidly growing JV formed in May 2023 (operational from 2024) to consolidate the wholesale operations of Zain and Omantel into a single commercial entity designed to monetise increasing regional data traffic by creating a specialised wholesale vehicle with greater breadth and scale. The JV is owned 74% by Zain and 26% by Omantel, equating to a 42% economic interest for Omantel. Omantel's domestic wholesale operations continue to function as a wholly-owned unit of Omantel.

The JV was formed to combine key strengths of its two parent companies:

- Omantel contributes the physical infrastructure: the JV utilises and markets Omantel's extensive network of over 20 subsea cable landing stations in Muscat and Salalah, a terrestrial 'Silk Route' network, connecting East and West, and data centre assets (MC1/SN1) that function as regional gateways.
- Zain contributes the regional footprint: with an established presence across eight countries (including Kuwait, Saudi Arabia, Iraq and Jordan), Zain provides access to more than 50.9m subscribers and the commercial relationships to aggregate voice and data traffic through Omantel's network.

ZOI now consolidates all new international wholesale for group activities across an eight-country footprint and acts as a pure-play, conflict-free wholesale carrier, serving global operators, hyperscalers and cloud platforms. It serves as Omantel's dedicated wholesale and submarine cable infrastructure arm, essentially Omantel's investment in meeting the surging demand for international data capacity across the Middle East and beyond.

One of the most ambitious infrastructure build-outs in the Middle East and beyond

Since its establishment in 2023, ZOI has moved from a concept-stage JV to one of the fastest-scaling wholesale operators in the Middle East, rapidly building operational scale across subsea, terrestrial and data centre infrastructure. Operationally, the company has unified the international wholesale activities of eight Zain and Omantel markets, grown its customer base to roughly 900 global and regional operators, and become the most-connected IP network in the region, ranked 79th globally out of more than 70,000 networks.

ZOI has executed an aggressive build-out programme, signing and investing in four new subsea cable systems, establishing new terrestrial corridors linking the Indian Ocean to the Mediterranean and the Gulf, and initiating the rollout of eight carrier-neutral, AI-ready data centres, with the first four entering construction in 2026.

Collectively, this build out has established ZOI as a major partner for hyperscalers and global carriers within just two years of launch.

The joint venture is executing one of the most ambitious infrastructure build-outs in the Middle East. The company plans to deploy c \$750m in capex over five years to build at least four new submarine cables, multiple terrestrial corridors and eight AI-ready data centres (Phase 1 in Salalah, Dubai, and Iraq; Phase 2 in 2027), with the long-term goal of accessing 27 submarine cable systems and becoming the region's premier end-to-end connectivity provider.

Exceptional financial momentum

ZOI's strong operational momentum is translating into rapid financial growth. According to Zain's 2025 annual report, since its establishment in 2023, revenues have scaled from \$250m in 2024 to \$401m in 2025. This growth is driven by the monetization of existing and investment in new subsea systems, expansion of its new network and continued strengthening its voice and mobility wholesale revenues. The mobility segment, spanning voice, SMS, roaming and signalling, has expanded across Zain's footprint to eight markets and is emerging as a key contributor to both revenue and profitability, supported by Zain's large subscriber base and instances of exclusivity in certain routes. Management expects this trajectory to be sustained or potentially accelerate, although the extent to which Middle East conflict risks are reflected in these projections remains uncertain.

Management has also outlined a disciplined, largely self-funded approach to financing its multi-year network rollout, supporting continued growth and value creation.

Profitable and cash generative, with no external funding required

While near-term P&L margins are relatively immaterial to the ZOI investment case at this high growth, investment stage, the business is profitable. Zain's management has stated that ZOI's operating margins are currently running at 10%, compressed from 16% a year ago due to investment costs. In the near term, management expects profitability to grow more or less in line with revenues and then to expand once new subsea systems, terrestrial corridors and data centres scale towards full commercial utilisation.

Pre-selling capacity and indefeasible right of use (IRU) contracts: A defining feature of ZOI's funding strategy is its policy that no new subsea cable or terrestrial corridor proceeds unless more than 50% of capacity is pre-sold, significantly reducing peak funding requirements. IRU contracts, under which customers pay most of the contract value upfront for long-term capacity rights, generate substantial early cash inflow. This provides a strong internal funding base that covers a meaningful portion of annual capex. Because IRU revenue is recognised over many years, cash flow materially exceeds accounting profit during the expansion phase.

Debt financing from local and regional banks: ZOI is complementing internal cash generation with moderate leverage through project and corporate facilities across its markets. The company has already secured c \$35m to fund the Oman network and is engaged in advanced discussions with banks in other jurisdictions to support data centre and backbone investments.

Third-party investors may be brought in to crystallise value once scale has been reached

While management has been clear that no new equity is required to fund ZOI's expansion, it acknowledges that third-party investors may be welcomed once the business reaches full commercial scale, either to crystallise shareholder value or to support later phases of the growth strategy. It emphasises that ZOI should be 'ready' for a minority investor around 2028, once revenues exceed \$1bn and governance structures mature. Any such investor is most likely to be a digital infrastructure or infrastructure private equity fund, rather than a generalist financial buyer or an IPO route.

Significant potential value driver

We believe that ZOI is potentially an underappreciated asset in Omantel's portfolio. Although it is not possible to assign a tight valuation range to the business at this stage (neither Zain nor Omantel disclose a standalone book value), we believe the asset has the potential to become a material value driver for the group. It is the fastest-growing vertical and has reached material scale within just three years. That said, the impact of the Middle East conflict on network build-out and capacity procurement remains an important uncertainty.

The valuation ceiling is high, but a meaningful risk discount remains warranted given the regional geopolitical backdrop and the early stage of development. Successful execution of the current strategy could see revenues scaling materially, potentially exceeding \$1bn over the medium term, supported by capacity expansion and increasing utilisation across the platform.

There are few clean listed comparators for ZOI, so valuation is better anchored in transaction evidence from adjacent digital infrastructure assets. Recent deals suggest EV/sales multiples in the range of c1.5–3.0x, depending on business mix and maturity. Pure backbone operators such as Arelion have transacted towards the upper end of this range, while more integrated network and enterprise platforms such as Interoute have been acquired at lower multiples, reflecting differences in scale, margin profile and growth visibility.

Applying these benchmarks to a scaled ZOI revenue base suggests meaningful valuation potential, although outcomes will depend on execution and the broader geopolitical environment. The range of potential value is likely to become clearer over time as the company's growth trajectory and operational leverage become more established.

Financials

Executive interview with Ghassan Al Hashar, CFO Omantel



Source: Edison Investment Research

Growth led by Zain, with domestic transition underway

Omantel's financial profile reflects a dual structure, with headline revenue and profitability dominated by Zain, alongside a domestic business undergoing structural transition and increasingly supported by ICT and wholesale.

Zain is fully consolidated despite Omantel's 21.9% economic stake, meaning reported revenues, EBITDA and operating profit significantly exceed the scale of the standalone domestic business. However, a substantial share of these earnings is attributed to minority interests, creating a disconnect between reported scale and underlying economic ownership, and limiting the translation of EBITDA growth into net income.

Domestic operations: Stable telecom base, supported by wholesale and ICT growth

We forecast domestic revenue growth to accelerate to c 9% annualised over 2026 and 2027, reflecting a combination of stable core telecom performance and strong expansion in wholesale and ICT.

Our forecasts for the core telecom business reflects the mature, competitive nature of the Omani market, but also our view that Omantel has established a defensible competitive position. Mobile revenues are expected to be flat in 2026, with only marginal growth of c 0–1% thereafter, as postpaid migration and value-added service uptake offsets continued pressure in prepaid. Fixed-line revenues are forecast to grow at a steady c 2.5% per year, supported by fibre and 5G FWA adoption, although growth is constrained by increasing market penetration. Device revenues have been volatile over the past few years, with a 13.5% decline in 2024 followed by 19.7% growth in 2025. Omantel expects device revenues to deliver c 2.0% growth per year in the period 2026 to 2030. At only 2% of group revenues, device revenues are small and low margin, and therefore not particularly material to the investment case.

Wholesale represents the primary near-term growth driver, with revenues expected to grow 8.0% in 2026 and 25.0% in 2027, supported by the ramp-up of capacity and utilisation linked to international connectivity infrastructure. This is followed by a temporary decline in 2028 due to the one-off nature of some of the cable related revenues, before

stabilising at 1.0% growth thereafter as the platform matures. While ZOI is consolidated within Zain at the group level, the broader wholesale platform remains a key contributor to domestic growth and strategic positioning.

ICT and emerging technologies represent the fastest-growing segment, with revenues expected to grow 40.0% in 2026, moderating to 25.0% in 2027, 22.0% in 2028 and 20.0% thereafter. This reflects continued investment in cloud, data centres and IoT platforms from a low base, consistent with the company's 'telco to techco' strategy. While the contribution is currently relatively small (6% of domestic revenues in FY26) and margin dilutive, reflecting the current investment phase, as growth compounds margin dilution should decrease and this division will make an increasingly meaningful contribution to the group's financial performance.

Exhibit 15: Summary financials

OMRm, year-end 31 December	2022	2023	2024	2025	2026e	2027e	2028e
Fixedline		145	151	170	174	179	184
Mobile		188	187	187	187	188	190
Wholesale		186	193	213	230	288	244
Device		57	49	59	60	61	63
Core Telecom		576	581	629	652	717	681
ICT & EM Tech (Domestic)		26	40	47	65	82	99
Other		4	2				
Domestic revenues	566	607	623	676	717	798	781
Zain revenues	2,117	2,337	2,407	2,737	3,108	3,324	3,620
Group revenues	2,683	2,944	3,030	3,413	3,825	4,122	4,401
Growth (%)	11.4%	9.7%	2.9%	12.6%	12.1%	7.8%	6.8%
Domestic EBITDA	170	169	180	180	197	220	215
Margin (%)	30.1%	27.8%	29.0%	26.7%	27.5%	27.5%	27.5%
Zain EBITDA	829	871	848	975	1,070	1,148	1,236
Margin (%)	39.1%	37.3%	35.2%	35.6%	34.4%	34.5%	34.1%
Group EBITDA	999	1,040	1,028	1,155	1,268	1,368	1,451
Margin (%)	37.2%	35.3%	33.9%	33.9%	33.1%	33.2%	33.0%
Operating profit	447	474	445	548	628	676	727
Margin (%)	16.7%	16.1%	14.7%	16.1%	16.4%	16.4%	16.5%
Financial income/(expense)	(149)	(180)	(188)	(188)	(180)	(182)	(177)
PBT	272	350	337	426	483	529	585
Taxes	(21)	(35)	(31)	(55)	(62)	(68)	(75)
Tax rate (%)	7.6%	9.9%	9.1%	12.8%	12.8%	12.8%	12.8%
Minority interest	(188)	(241)	(229)	(283)	(326)	(360)	(402)
Net income to shareholders	91	75	78	88	95	102	108
Capex and investments in intangibles	602	694	648	809	891	832	735
% of sales	22.4%	23.6%	21.4%	23.7%	23.3%	20.2%	16.7%
Working capital	(247)	(152)	(358)	(171)	(100)	(130)	(150)
% of sales	-9.2%	-5.2%	-11.8%	-5.0%	-2.6%	-3.2%	-3.4%
Net debt	1,836	1,939	2,344	2,443	2,519	2,425	2,174
Net debt/EBITDA (x)	1.8	1.9	2.3	2.1	2.0	1.8	1.5
EV adjustment (debt + minorities)	4,654	4,756	5,162	5,261	5,337	5,243	4,991
Free cash flow to equity	13	(168)	(174)	(82)	35	156	314
FCFE/share (OMR)	0.018	(0.224)	(0.232)	(0.110)	0.047	0.209	0.420
EPS (OMR)	0.122	0.100	0.104	0.118	0.127	0.136	0.145
P/E (x)	7.1	10.0	9.8	7.9	11.9	11.1	10.5
DPS (Baiza)	60	55	55	55	51	54	58
Dividend yield	6.9%	5.5%	5.4%	5.9%	4.8%	5.1%	5.5%

Source: Omantel, Edison Investment Research

Zain: Dominant contributor, consensus-driven forecasts

We have used consensus estimates from LSEG Data & Analytics to guide our revenue and EBITDA projections for Zain, and also to provide growth in the minority interest charge included in Omantel's consolidated group profit and loss account. Consensus estimates look for Zain revenues to generate 13.5% growth in 2026, before moderating to 8.9 in 2028. Consensus EBITDA margins for Zain currently stand at 34.4% in 2026 and remain broadly stable through to 2028. We note that changes to consensus estimates since end February 2026 have been upwards in direction, and that the war with Iran may imply some downside to current forecasts.

Profitability: Investment in growth and diversification suppresses margins

Margins reflect continued investment in growth, diversification and sustaining a defensible competitive position. Group EBITDA is expected to grow at a mid- to high single-digit rate over the medium term (+9.7% in 2026, +7.9% in 2027, +6.1% in 2028), while EBITDA margin is projected to soften from 33.9% in 2025 to 33.1% in 2026 and remain broadly stable thereafter. This reflects mix effects, with higher-growth but lower-margin segments such as ICT and wholesale increasing their contribution, alongside continued investment in early-stage digital platforms.

We expect gross margin to decline modestly from 64.6% in 2025 to 63.9% in 2026 and 63.7% in 2028, while SG&A remains stable at c 29% of revenue, indicating underlying cost discipline. At the domestic level, we expect EBITDA growth to remain solid, although margins are diluted in the near term by ICT investment. Depreciation and amortisation

continue to increase in line with the elevated capex cycle, but operating margins are expected to improve gradually, rising from 16.1% in 2025 to c 17% by 2028 as operating leverage emerges.

Below EBITDA: Investment cycle, capital structure and minority effects

Below the EBITDA line, the financial profile reflects both the recent investment cycle and the group's ownership structure.

Depreciation and amortisation continues to rise (OMR607m in 2025 to c OMR640m in 2026), driven by elevated capex in recent years, particularly in ICT and wholesale. This creates a near-term drag on earnings but is consistent with the build-out of future growth platforms.

Operating profit is expected to grow steadily (OMR548m in 2025 to c OMR628m in 2026, +c 14%), with operating margins broadly stable at c 16.1–16.5% in the near term before trending higher over time as operating leverage emerges. This reflects stable core telecom performance, the gradual scaling of higher-growth businesses and eventual stabilisation of D&A as the current investment phase moderates proportionally.

Net finance costs are expected to remain stable to slightly declining, easing from OMR188m in 2025 to c OMR180m in 2026 and falling to OMR177m in 2028. This reflects a stable funding profile following the 2024 \$500m Sukuk issuance, which diversified the capital base and refinanced existing debt. We assume broadly unchanged funding costs (c 5% on debt), with interest on debt and cash continuing to represent the majority of finance charges, consistent with historical levels. Note that the 2025 net financials charge of OMR188m included OMR33.8m interest on lease liabilities, OMR14.3m interest relating to licences and spectrum, and OMR2.3m interest payable to the Ministry of Finance KSA. Actual interest on debt and cash thus represented 79% of the net financials charge, and we expect this ratio to remain broadly the same going forward.

Minority interest increases from OMR283m in 2025 to OMR326m in 2026 (+15.4%) and OMR360m in 2027 (+10.4%), equivalent to 67.5% and 68.0% of PBT respectively. This is clearly an unusually large charge, which in Omantel's case reflects the 100% consolidation of Zain, while Omantel only owns 21.9% of the Zain stock. We use consensus revenues and EBITDA for Zain in our model, sourced from LSEG Data & Analytics.

Net income is less dominated by Zain than the rest of the P&L due to the large minority interest deduction, and therefore more closely reflects the underlying Omantel domestic business. We expect net income to increase by 7.6% from OMR88m in 2025 to c OMR95m in 2026, before growing at a lower rate of 6.8% to OMR102m in 2027 and 6.5% to OMR108m in 2028.

Cash flows: Investment in the transformation and growth moderating cash generation

Cash flow reflects the group's ongoing investment in growth and transformation. We expect capex to remain elevated in the near term (c 23% of revenue in 2026) before steadily decreasing to mid-teens as the current investment cycle matures.

At the same time, working capital is shifting from a structural inflow to an outflow as the business mix moves towards postpaid and enterprise revenues, with outflows guided at c OMR150m per year over the next five years.

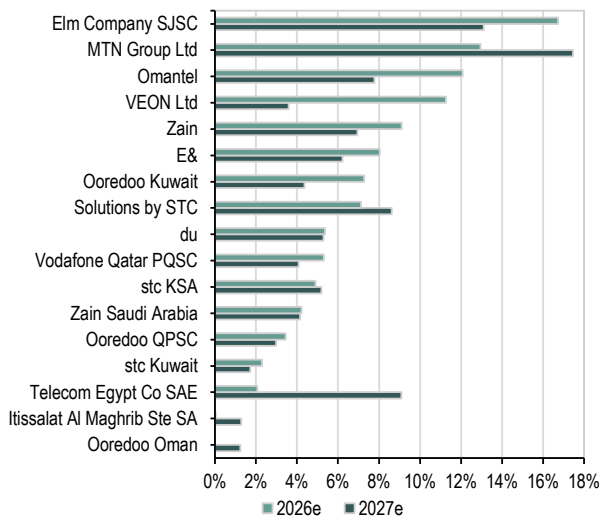
Together, we expect these factors to suppress near-term cash flow, but they are consistent with the strategic transition outlined in the note, supporting the expansion of ICT and wholesale and a more diversified, higher-quality revenue base over time.

Peer comparison: Discount rating despite stronger growth

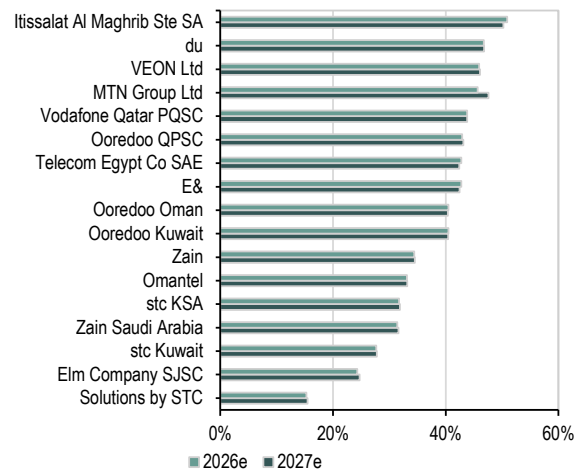
We compare Omantel's forecast financial performance and valuation versus other EMEA peers in the exhibits below.

The operational comparison indicates that Omantel's growth is expected to be above the average, but EBITDA margins slightly lower and capex more elevated. This reflects the company's investment into its future, as a more diversified digital infrastructure and technology platform.

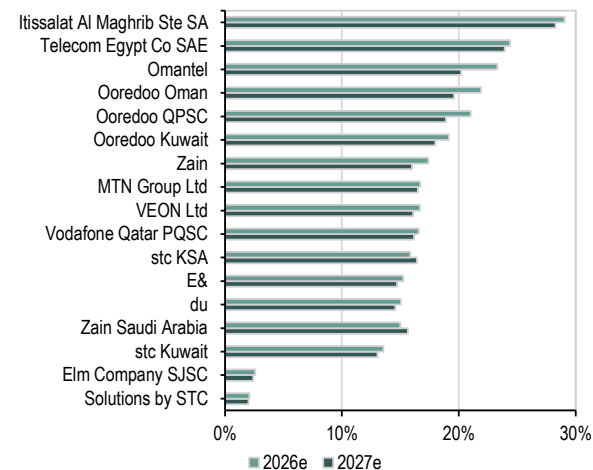
On a price to earnings basis, Omantel has one of the most attractive value ratings within the peer group, despite the company's stronger growth profile. In our view this discount is unwarranted.

Exhibit 16: Omantel peers' revenue growth


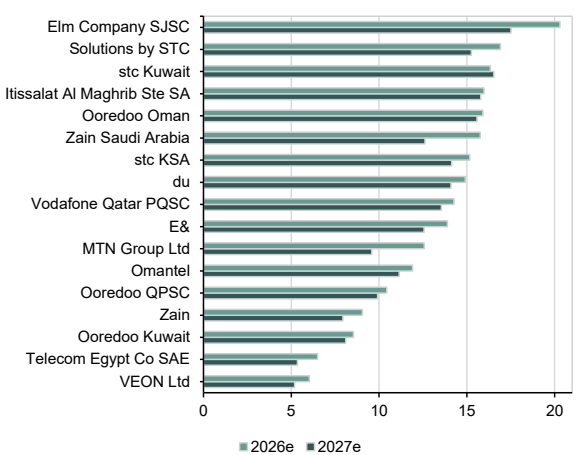
Source: Edison Investment Research, LSEG Data & Analytics

Exhibit 17: Omantel peers' EBITDA margins


Source: LSEG Data & Analytics, Edison Investment Research

Exhibit 18: Omantel peers' capex to sales


Source: LSEG Data & Analytics, Edison Investment Research

Exhibit 19: Omantel peers' P/E ratios


Source: Edison Investment Research, LSEG Data & Analytics

Valuation: DCF indicates 27% upside

Exhibit 20: DCF cash flow details

OMRm, year-end 31 December	2020	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TV
EBIT	416	378	447	474	445	548	628	676	727	844	901	919	938	957	976	995	1,023
EBIT margin	16.5%	15.7%	16.7%	16.1%	14.7%	16.1%	16.4%	16.4%	16.5%	17.6%	18.0%	17.0%	16.5%	15.9%	15.9%	15.9%	16.0%
Taxes	(38)	(34)	(21)	(35)	(31)	(55)	(62)	(68)	(75)	(91)	(100)	(102)	(104)	(107)	(109)	(111)	(131)
Tax rate	14.3%	13.6%	7.6%	9.9%	9.1%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%	12.8%
NOPAT	377	344	427	439	415	494	566	609	652	753	801	817	833	850	867	884	892
Depreciation and amortisation	613	593	552	566	583	607	640	692	724	733	744	759	774	789	805	821	838
Capex and investments in intangibles	(601)	(461)	(602)	(694)	(648)	(809)	(891)	(832)	(735)	(755)	(782)	(795)	(808)	(821)	(834)	(848)	(848)
Working capital movements and provisions	(90)	(227)	(247)	(152)	(358)	(171)	(100)	(130)	(150)	(122)	(110)	(3)	(3)	(3)	(3)	(3)	(3)
Free cash flow	299	248	129	159	(8)	121	215	338	491	609	653	778	796	815	835	854	878
Free cash flow margin	11.9%	10.3%	4.8%	5.4%	-0.3%	3.5%	5.6%	8.2%	11.2%	12.7%	13.1%	15.4%	15.6%	15.8%	16.0%	16.2%	13.7%
Free cash flow per share (OMR)	0.4	0.3	0.2	0.2	(0.0)	0.2	0.3	0.5	0.7	0.8	0.9	1.0	1.1	1.1	1.1	1.1	1.2

Source: Edison Investment Research

We value Omantel using a three-stage DCF methodology. The first stage covers an explicit forecast period from 2026 to 2030, in which we model revenues, margins, capital expenditure and working capital in detail. The second stage covers a semi-explicit period from 2031 to 2035, in which we assume a 2.0% growth rate in EBIT, and stable tax, working capital and other assumptions. In the semi-explicit period we assume a gradual decline in the EBIT margin from 18.0% in 2030

to 15.9% in 2035, to reflect normalisation for the margin to what we believe to be a sustainable long-term margin. The third stage applies a perpetuity-style terminal value from 2036 based on a 16% EBIT margin and long-term growth of 2.0%. Our model yields a total equity value of OMR1.4bn, equivalent to OMR1.9 per share, representing a 27% premium to the current share price of OMR1.5.

We assume a WACC of 12.7%, incorporating a risk-free rate of 4.6%, an equity risk premium of 5.3%, a beta of 1.0 and a weighted average country risk premium (CRP) of 5.6%, reflecting Omantel's exposure to multiple GCC countries through Zain. We derive each market's CRP using the Damodaran methodology, anchoring on sovereign credit spreads and scaling for relative equity market volatility. Oman itself carries a Moody's Baa3 rating, implying a CRP of 2.85%. However, Zain operates across eight MENA markets, several of which carry materially higher country risk. Weighting each market's CRP by its EBITDA contribution produces a blended CRP of 5.6%, which we add as an explicit adjustment to the standard CAPM formula. This gives a cost of equity of 15.5%. The after-tax cost of debt is 5.4%, based on Omantel's corporate bond yield and a 15% tax rate. Our terminal value is based on a 16% EBIT margin, consistent with Omantel's long-run historical average, a reinvestment rate of -1.6% and long-term growth of 2.0%.

We estimate Omantel's enterprise value as at 31 December 2026 at OMR6.8bn. To derive Omantel's total equity value, we deduct net debt of OMR2.5bn (2026e) and minority interests of OMR2.8bn, giving total EV adjustments of OMR5.3bn. Net debt reflects the group's consolidated net borrowings as at our forecast 2026 year-end.

Minority interests are valued using a market-based approach. We take Zain's listed market capitalisation of KD2.5bn, converted to Omani rial at a KWD/OMR exchange rate of 1.25x, giving OMR3.1bn. We take 78.1% of the total market value, as the minority stake value (ie the portion of Zain that Omantel does not own) and thus arrive at a 'market' minority interest value of OMR2.5bn (78.1% x OMR3.1bn). We then apply a 15% premium to reflect the additional consideration to acquire the remainder of Zain's stake in a potential buyout scenario (OMR2.5bn x 1.15x), which gives a minority interest valuation of OMR2.8bn. Our DCF-based valuation gives a total equity value of OMR1.4bn, or OMR1.9 per share.

Exhibit 21: DCF summary

DCF Valuation (OMRm)	
PV of FCF 2027-2035	3,291
PV of TV	2,776
Total Enterprise Value	6,772
Net debt + minorities (2026e)	5,337
Total equity value	1,435
Number of shares (m)	747
Equity value per share (OMR)	1.9
Current price (OMR)	1.5
Premium/(discount) to price	27%

Source: Edison Investment Research. Note: FCF, free cash flow.

Exhibit 22: DCF assumptions

WACC Calculation and TV Assumptions	
10 yr. US Treasury yield	4.6%
Borrowing spread	1.8%
Tax rate	15%
After tax cost of debt	5.4%
Risk-free rate	4.6%
Normalised Beta	1.0
Equity Risk premium	5.3%
Weighted Average Country Risk Premium	5.6%
Cost of equity	15.5%
WACC	12.7%
Actual net debt % total capital	26.4%
Target net debt % total capital	27.0%
2031-2035 growth rate	2.0%
TV growth rate	2.0%
TV margin	16.0%
TV Reinvestment rate	-1.6%

Source: Edison Investment Research

Exhibit 23: Calculation of Omantel's EBITDA-weighted country risk premium

	Revenues (H125)	EBITDA (H125)	% of EBITDA (H125)	Equity risk premium	Country risk premium
Oman	834	219	15.9%	7.1%	2.9%
Bahrain	109	29	2.1%	11.4%	7.1%
Iraq	599	222	16.2%	13.9%	9.7%
Jordan	289	112	8.2%	8.9%	4.7%
Kuwait	609	213	15.5%	5.1%	0.9%
Saudi Arabia	1,426	444	32.3%	5.0%	0.8%
Sudan	240	135	9.8%	30.9%	26.7%
Weighted average/total		1,374		9.8%	5.6%

Source: NYU-Stern

Exhibit 24: DCF sensitivity to long-term growth rate and WACC (OMR/share)

		Long-term growth rate				
WACC	10.0%	1.0%	1.5%	2.0%	2.5%	3.0%
	11.0%	4.2	4.6	5.1	5.6	6.2
	12.0%	3.0	3.4	3.7	4.1	4.5
	12.7%	2.1	2.3	2.6	2.9	3.2
	13.0%	1.5	1.7	1.9	2.2	2.4
	14.0%	1.3	1.5	1.7	1.9	2.2
	15.0%	0.6	0.8	1.0	1.1	1.3
		0.1	0.2	0.3	0.5	0.6

Source: Edison Investment Research estimates

Exhibit 25: Financial summary

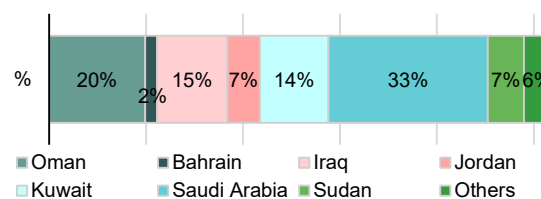
OMRm, year-end 31 December	2022	2023	2024	2025	2026e	2027e	2028e
PROFIT & LOSS							
Revenue	2,683	2,944	3,030	3,413	3,825	4,122	4,401
Cost of Sales	(930)	(1,016)	(1,050)	(1,208)	(1,381)	(1,487)	(1,597)
Gross Profit	1,753	1,927	1,980	2,205	2,444	2,635	2,804
EBITDA	999	1,040	1,028	1,155	1,268	1,368	1,451
Depreciation and amortisation	(550)	(566)	(583)	(607)	(640)	(692)	(724)
Operating Profit	447	474	445	548	628	676	727
Financial income/(expense)	(149)	(180)	(188)	(188)	(180)	(182)	(177)
Profit Before Tax	272	350	337	426	483	529	585
Tax	(21)	(35)	(31)	(55)	(62)	(68)	(75)
Minority Interest	(188)	(241)	(229)	(283)	(326)	(360)	(402)
Net income to shareholders	91	75	78	88	95	102	108
Average Number of Shares Outstanding (m)	750	750	749	747	747	747	747
EPS - Reported (OMR)	0.122	0.100	0.104	0.118	0.127	0.136	0.145
Dividend per share (Baiza)	60	55	55	55	51	54	58
Gross margin (%)	65.3	65.5	65.4	64.6	63.9	63.9	63.7
EBITDA margin (%)	37.2	35.3	33.9	33.9	33.1	33.2	33.0
Operating margin (%)	16.7	16.1	14.7	16.1	16.4	16.4	16.5
BALANCE SHEET							
Fixed Assets	6,193	5,954	6,330	6,774	7,183	7,382	7,450
Intangible Assets	3,390	3,232	3,134	3,052	2,990	2,937	2,893
Tangible Assets	1,762	1,828	1,918	2,183	2,434	2,569	2,567
Investments	600	364	593	771	771	771	771
Other assets	441	529	684	769	988	1,107	1,219
Current Assets	1,643	1,802	1,846	2,158	2,369	2,765	3,329
Inventories	70	81	116	87	98	106	113
Debtors	1,122	1,276	1,481	1,609	1,937	2,232	2,537
Cash	451	429	229	409	333	427	679
Other	0	16	20	52	0	0	0
Current Liabilities	1,622	1,732	1,849	2,251	2,490	2,663	2,824
Creditors	1,466	1,566	1,684	1,980	2,219	2,391	2,553
Short-term borrowings	156	166	165	271	271	271	271
Long-Term Liabilities	3,326	3,116	3,387	3,695	3,695	3,695	3,695
Long-term borrowings	2,288	2,367	2,574	2,853	2,853	2,853	2,853
Other long-term liabilities	1,039	749	813	843	843	843	843
Net Assets	2,887	2,907	2,941	2,986	3,366	3,790	4,259
CASH FLOW							
Operating Cash Flow	793	729	685	951	1,168	1,238	1,301
Net interest	(149)	(180)	(188)	(188)	(180)	(182)	(177)
Tax	(28)	(23)	(22)	(36)	(62)	(68)	(75)
Capex	(602)	(694)	(648)	(809)	(891)	(832)	(735)
Acquisitions/disposals	40	310	(49)	16			
Dividends	(179)	(224)	(231)	(350)	(41)	(38)	(41)
Net Cash Flow	31	70	(355)	(287)	139	274	440
Opening net debt/(cash)	2,013	1,836	1,939	2,344	2,443	2,519	2,425
Other	145	(172)	(51)	188	(215)	(180)	(188)
Closing net debt/(cash)	1,836	1,939	2,344	2,443	2,519	2,425	2,174

Source: Omantel, Edison Investment Research

Contact details

Omantel Head Office
H8JG+52V, Muscat,
Oman
<https://ir.omantel.om/>
ir@omantel.om

Revenue by geography



Management team

CEO: Eng. Aladdin Abdullah Hassan Baitfadhil

Eng. Aladdin Baitfadhil assumed the role of Chief Executive Officer of Omantel in November 2025. He is a renowned business leader in the telecom's landscape with over 20 years of strategic and operational experience in diverse multi-domain roles – spanning across marketing, sales, network operations, service delivery and customer experience. Eng. Aladdin holds several executive Board positions in prestigious organizations such as Zain Group, NAMA Water, Oman Data Park (ODP) and Infoline. After acquiring his Engineering Degree (in Electrical and Electronics) from Sultan Qaboos University, Eng. Aladdin has successfully completed executive leadership programs from globally acclaimed academic institutions such as Harvard Business School and London Business School.

CFO: Ghassan Khamis Al Hashar

Mr Ghassan Al Hashar currently serves as Chief Financial Officer (CFO) of Omantel. He joined Omantel in March 2021 as vice president-finance, bringing on board more than 25 years of expertise in finance and operations. Prior to joining Omantel, he served as Chief Investment Officer at the Public Authority for Social Insurance (PASI) in Oman. Mr. Al Hashar's professional experience spans several sectors, including banking, telecommunications, energy, real estate, electricity, and utilities. He served on the boards of several prominent Omani public joint-stock companies. He holds a Master's degree in Finance and Investment Management from the University of Aberdeen (United Kingdom). He has also obtained several specialised certifications from leading academic institutions, including Executive Leadership Programs from both Harvard Business School and London Business School, in addition to several other professional and academic qualifications.

Principal shareholders

	%
United International Telecommunication Investments and Projects Company LLC	51%
Oman Investment Authority	6%

General disclaimer and copyright

This report has been commissioned by Omantel and prepared and issued by Edison, in consideration of a fee payable by Omantel. Edison Investment Research standard fees are £60,000 pa for the production and broad dissemination of a detailed note (Outlook) following by regular (typically quarterly) update notes. Fees are paid upfront in cash without recourse. Edison may seek additional fees for the provision of roadshows and related IR services for the client but does not get remunerated for any investment banking services. We never take payment in stock, options or warrants for any of our services.

Accuracy of content: All information used in the publication of this report has been compiled from publicly available sources that are believed to be reliable, however we do not guarantee the accuracy or completeness of this report and have not sought for this information to be independently verified. Opinions contained in this report represent those of the research department of Edison at the time of publication. Forward-looking information or statements in this report contain information that is based on assumptions, forecasts of future results, estimates of amounts not yet determinable, and therefore involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of their subject matter to be materially different from current expectations.

Exclusion of Liability: To the fullest extent allowed by law, Edison shall not be liable for any direct, indirect or consequential losses, loss of profits, damages, costs or expenses incurred or suffered by you arising out of or in connection with the access to, use of or reliance on any information contained on this note.

No personalised advice: The information that we provide should not be construed in any manner whatsoever as, personalised advice. Also, the information provided by us should not be construed by any subscriber or prospective subscriber as Edison's solicitation to effect, or attempt to effect, any transaction in a security. The securities described in the report may not be eligible for sale in all jurisdictions or to certain categories of investors.

Investment in securities mentioned: Edison has a restrictive policy relating to personal dealing and conflicts of interest. Edison Group does not conduct any investment business and, accordingly, does not itself hold any positions in the securities mentioned in this report. However, the respective directors, officers, employees and contractors of Edison may have a position in any or related securities mentioned in this report, subject to Edison's policies on personal dealing and conflicts of interest.

Copyright 2026 Edison Investment Research Limited (Edison).

Australia

Edison Investment Research Pty Ltd (Edison AU) is the Australian subsidiary of Edison. Edison AU is a Corporate Authorised Representative (1252501) of Crown Wealth Group Pty Ltd who holds an Australian Financial Services Licence (Number: 494274). This research is issued in Australia by Edison AU and any access to it, is intended only for "wholesale clients" within the meaning of the Corporations Act 2001 of Australia. Any advice given by Edison AU is general advice only and does not take into account your personal circumstances, needs or objectives. You should, before acting on this advice, consider the appropriateness of the advice, having regard to your objectives, financial situation and needs. If our advice relates to the acquisition, or possible acquisition, of a particular financial product you should read any relevant Product Disclosure Statement or like instrument.

New Zealand

The research in this document is intended for New Zealand resident professional financial advisers or brokers (for use in their roles as financial advisers or brokers) and habitual investors who are "wholesale clients" for the purpose of the Financial Advisers Act 2008 (FAA) (as described in sections 5(c) (1)(a), (b) and (c) of the FAA). This is not a solicitation or inducement to buy, sell, subscribe, or underwrite any securities mentioned or in the topic of this document. For the purpose of the FAA, the content of this report is of a general nature, is intended as a source of general information only and is not intended to constitute a recommendation or opinion in relation to acquiring or disposing (including refraining from acquiring or disposing) of securities. The distribution of this document is not a "personalised service" and, to the extent that it contains any financial advice, is intended only as a "class service" provided by Edison within the meaning of the FAA (i.e. without taking into account the particular financial situation or goals of any person). As such, it should not be relied upon in making an investment decision.

United Kingdom

This document is prepared and provided by Edison for information purposes only and should not be construed as an offer or solicitation for investment in any securities mentioned or in the topic of this document. A marketing communication under FCA Rules, this document has not been prepared in accordance with the legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research.

This Communication is being distributed in the United Kingdom and is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") (ii) high net-worth companies, unincorporated associations or other bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to distribute it. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of persons and in any event and under no circumstances should persons of any other description rely on or act upon the contents of this document.

This Communication is being supplied to you solely for your information and may not be reproduced by, further distributed to or published in whole or in part by, any other person.

United States

Edison relies upon the "publishers' exclusion" from the definition of investment adviser under Section 202(a)(11) of the Investment Advisers Act of 1940 and corresponding state securities laws. This report is a bona fide publication of general and regular circulation offering impersonal investment-related advice, not tailored to a specific investment portfolio or the needs of current and/or prospective subscribers. As such, Edison does not offer or provide personal advice and the research provided is for informational purposes only. No mention of a particular security in this report constitutes a recommendation to buy, sell or hold that or any security, or that any particular security, portfolio of securities, transaction or investment strategy is suitable for any specific person.
