

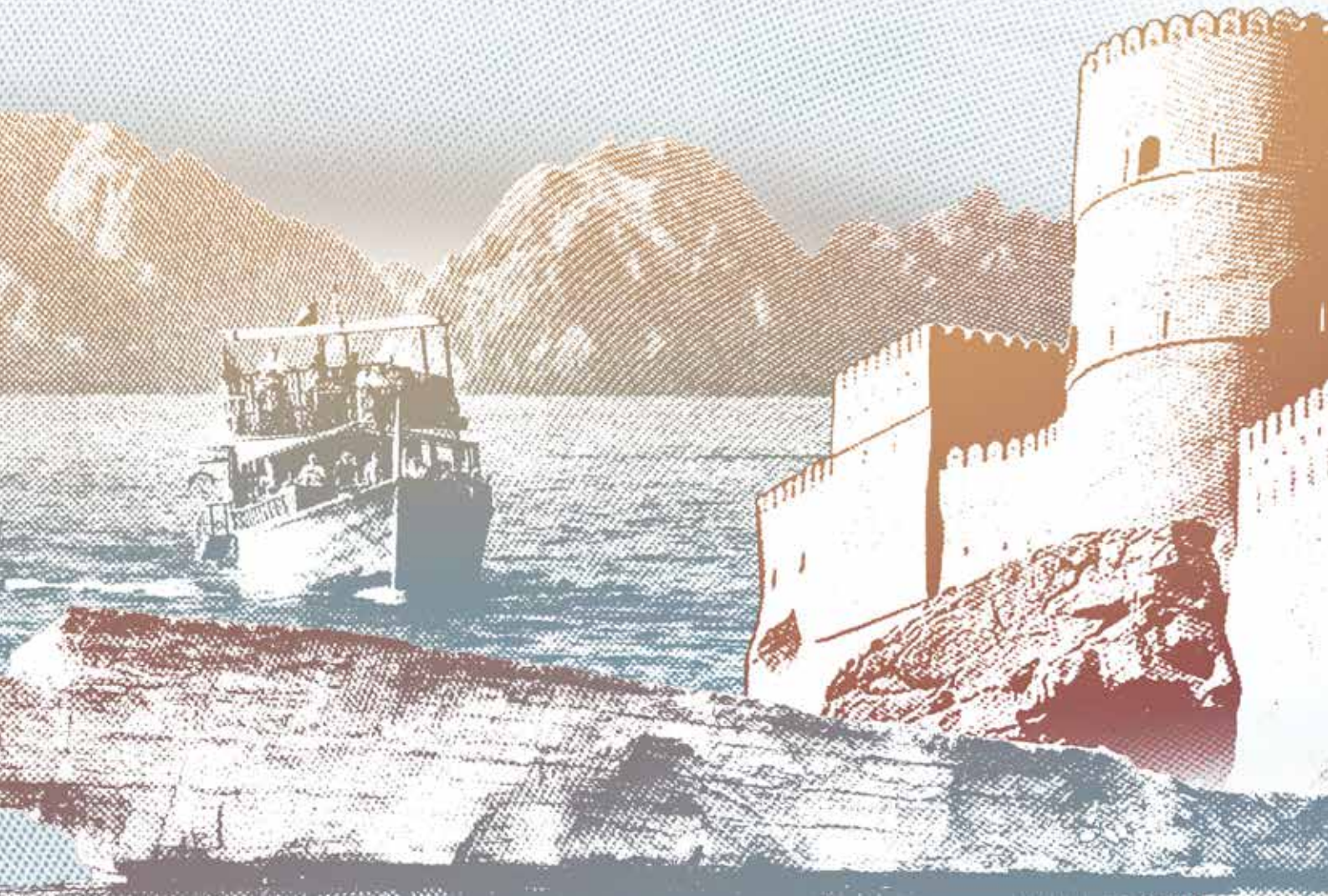
وزارة المالية
Ministry of Finance



Fiscal Performance

A Quarterly Bulletin Issued by the Ministry of Finance

Third Quarter 2025



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Overview of the State's General Budget Performance

As of End-Q3 2025

* Preliminary Data

As of end-Q3 2024



As of end-Q3 2025

83

Average Oil Price (per barrel)

72



1,000

Average Oil Production
(thousand bbl/d)

993



9,198

Revenue (RO Million)

8,481



8,722

Spending (RO Million)

8,914



476

Deficit/Surplus (RO Million)

(433)



14.4

Public Debt (RO Billion)

14.7



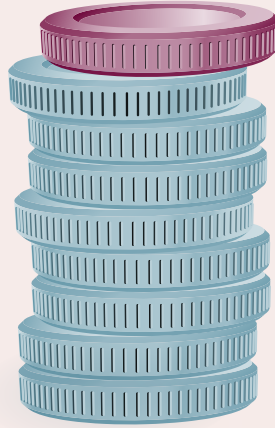
Overview of the State's General Budget Performance

As of End-Q3 2025



Deficit
(433)

Revenue
8,481



Spending
8,914

RO Million

- 1** Average realized oil price stood at US\$ 72 per barrel, while average oil production reached 993 thousand barrels per day.
- 2** Total public revenue amounted to RO 8,481 million.
- 3** Total public spending amounted to RO 8,914 million.
- 4** The state's general budget recorded a deficit of RO 433 million.

Fiscal performance as of End-Q3 2025

as of End-Q3 2025

Public Revenue

By the end of Q3 2025, public revenue totalled **RO 8,481 million**, reflecting an **8% decrease** from **RO 9,198 million** recorded during the same quarter of 2024. The decline is largely due to a fall in hydrocarbon revenue.

RO Million

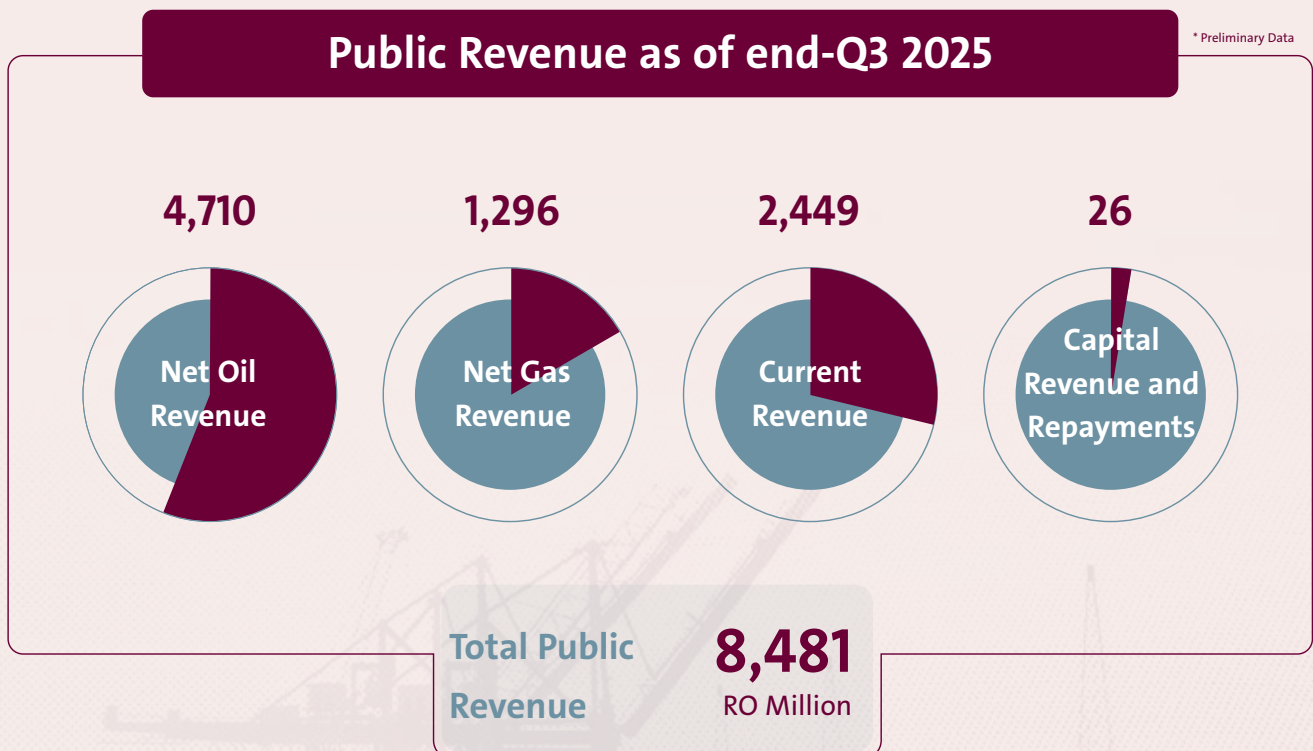
2024	Statement	2025			Change %
As of end-Q3 (Actual)		Approved Budget	As of end-Q3	Ratio to the Approved Budget	As of end-Q3 (2024/2025)
5,436	Net Oil Revenue	5,830	4,710	81%	(13%)
1,345	Net Gas Revenue	1,777	1,296	73%	(4%)
2,399	Current Revenue	3,520	2,449	70%	2%
18	Capital Revenue & Repayments	53	26	49%	44%
9,198	Total Public Revenue	11,180	8,481	76%	(8%)

Fiscal performance

as of End-Q3 2025

The main public revenue budget items are as follows:

- 1 **Net oil revenue** amounted to RO 4,710 million as of the end of Q3 2025, representing a 13% decrease from RO 5,436 million collected during the same quarter of 2024, due to lower average oil prices and production.
- 2 **Net gas revenue** reached RO 1,296 million as of the end of Q3 2025, reflecting a 4% decline from RO 1,345 million recorded in the same quarter of 2024. This decline is attributed to the Integrated Gas Company's methodology for collecting gas revenue.
- 3 **Current revenue** totalled RO 2,449 million as of the end of Q3 2025, indicating a 2% increase, i.e., RO 50 million, from RO 2,399 million collected during the same quarter in 2024.



Fiscal performance

as of End-Q3 2025

Public Spending

By the end of Q3 2025, public spending totalled RO 8,914 million, marking a 2% increase, i.e., RO 191 million, from RO 8,722 million recorded during the same quarter of 2024. This increase is attributed to higher development expenditure, which rose by RO 263 million, i.e., 31% compared to the same period in 2024.

RO Million

2024	Statement	2025			Change % As of end-Q3 (2024/2025)
As of end-Q3 (Actual)		Approved Budget	As of end-Q3 (preliminary Data)	Ratio to the Approved Budget	
6,152	Current Expenditure	8,555	6,227	73%	1%
840	Development Expenditure	900	1,103	123%	31%
1,731	Contributions & Other Expenses	2,345	1,583	68%	(9%)
8,722	Total Public Spending	11,800	8,914	76%	2%

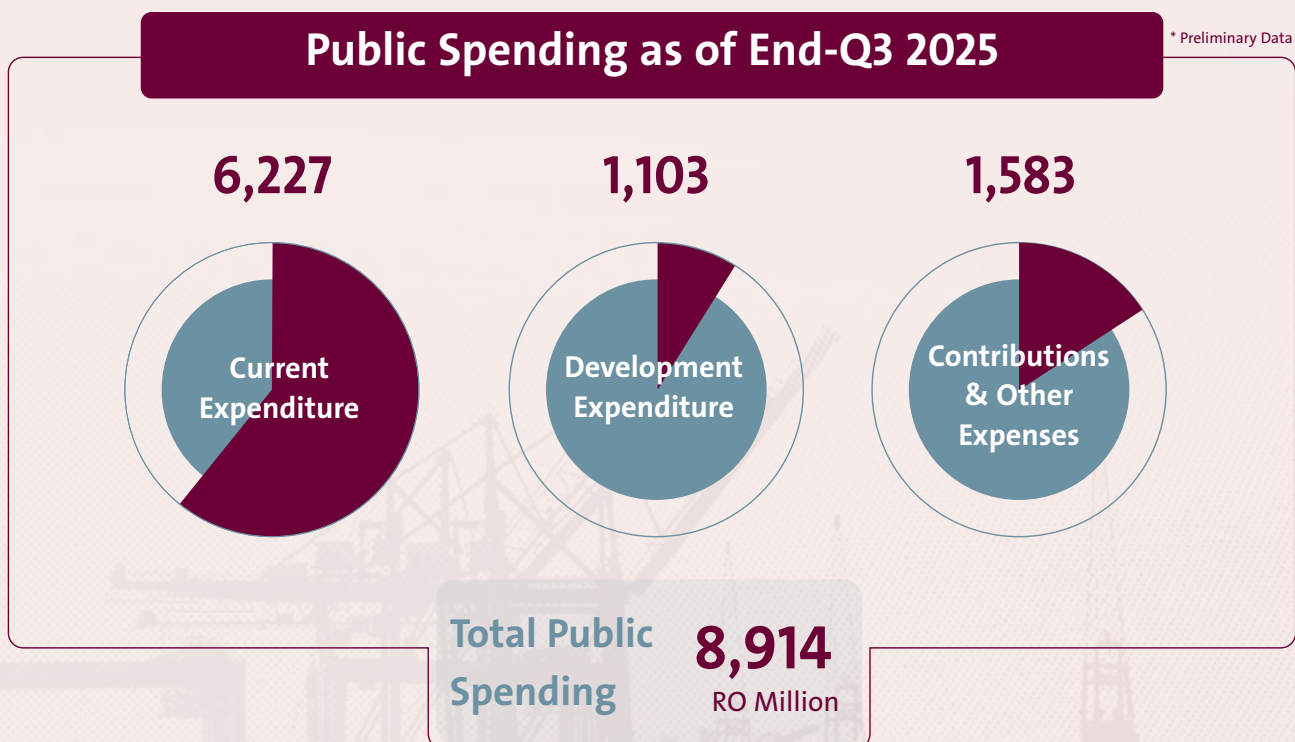


Fiscal performance

as of End-Q3 2025

The main public spending budget items are as follows:

- 1 **Current expenditure** amounted to RO 6,227 million as of the end of Q3 2025, reflecting a 1% decrease, i.e., RO 75 million, from RO 6,152 million reported during the same quarter of 2024.
- 2 **Development expenditure** of the ministries and government units reached RO 1,103 million as of the end of Q3 2025, exceeding the allocated spending ceiling by 23% against the total development budget of RO 900 million for 2025, driven by the accelerated execution of ongoing development projects.
- 3 **Contribution and other expenses** totalled RO 1,583 million as of the end of Q3 2025, indicating a 9% decrease, i.e., RO 148 million, from RO 1,731 million recorded in the same quarter of 2024. Subsidy allocations included RO 378 million to the electricity sector, RO 424 million to the social protection system, and RO 55 million for oil products. Furthermore, RO 300 million was transferred to the future debt obligations budget item.



Fiscal Performance

as of End-Q3 2025

Spending on Social Sectors and Basic Services

By the end of Q3 2025, spending on social sectors and basic services totalled RO 3,817 million, **distributed as follows:**



Private Sector Dues

By the end of Q3 2025, the Ministry of Finance had paid over RO 1,225 million to the private sector, received through the financial system with complete documentation. This reflects the Ministry's commitment to settling fully documented private sector dues within an average of five working days.

Public Debt Repayment

By the end of Q3 2025, public debt stood at RO 14.7 billion, up from RO 14.4 billion at the end of the same quarter in 2024. This is mainly due to:

- Refinancing of domestic debt instruments in accordance with the borrowing plan.
- Proactive management of obligations due in the fourth quarter of the current year, capitalizing on improved debt market conditions.
- Continued government efforts to develop the domestic debt market by building a benchmark yield curve for public debt.

Global and National Economic Performance

Global Economy

Global economic growth is projected to reach 3% in 2025 and 3.1% in 2026, while global inflation is expected to continue to decline to 4.2% in 2025 and 3.6% in 2026.

World Economic Outlook report, International Monetary Fund, October 2025

Global Oil Markets

The average spot price of Brent crude is projected to reach US\$ 62 per barrel in 2025, while the average spot price is expected to decline to US\$ 52 per barrel in 2026, driven by an oversupply of oil relative to global demand.

Short-Term Energy Outlook report, U.S. Energy Information Administration, October 2025

National Economy

By the end of Q2 2025, GDP growth at constant prices reached RO 9,363 million, reflecting a 2.1% increase from RO 9,168 million recorded during the same quarter of 2024.

National Centre for Statistics and Information, July 2025.

Oman's Return to International Capital Markets

Sovereign Issuance Details

The Sultanate of Oman has successfully returned to international capital markets with a sovereign sukuk issuance of RO 385 million (US\$ 1 billion) on the following terms:

Maturity	Yield spread	Annual coupon rate
7.5 years	60 basis points over U.S. Treasury bonds	4.525%

Allocation of Proceeds



117

RO Million
(US\$ 303 million)

Buyback a portion of Eurobonds maturing in June 2026, totalling RO 117 million at par value



268

RO Million
(US\$ 697 million)

Partial repayment of international sukuk maturing in October 2025.



Well-Planned Debt Management Strategy

This issuance reflects the effectiveness of Oman's medium-term public debt management strategy, focused on:

- Lowering debt servicing costs by leveraging favorable market conditions.
- Reducing debt-related risks by diversifying financing sources and extending maturity profiles.
- Adopting a proactive approach to liability management and capitalizing on market opportunities.

Oman's Return to International Capital Markets



Indicators of Issuance Success

1 Improved Creditworthiness

Oman capitalized on the notable improvement in its credit profile following an upgrade to investment grade by global rating agencies, supported by:

- Enhanced financial resilience against economic shocks.
- Improved economic growth indicators.
- A lower public debt-to-GDP ratio.

2 Strong Market Response

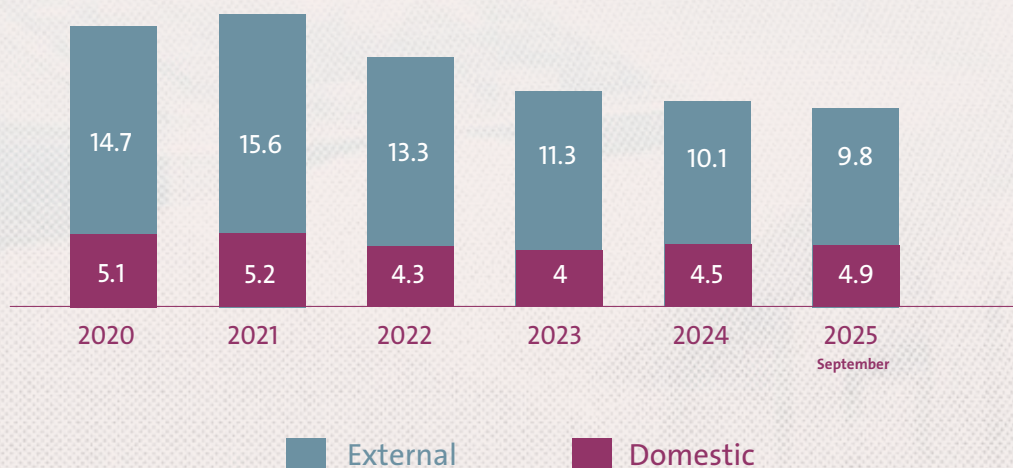
The issuance drew strong demand from regional and international investors, as:

- The orderbook exceeded four times the amount offered.
- A diversified investor base across regional and international markets.
- Investor confidence reaffirmed in Oman's strong fiscal position.

3 Positive Impact on the Debt Profile

These actions contributed to:

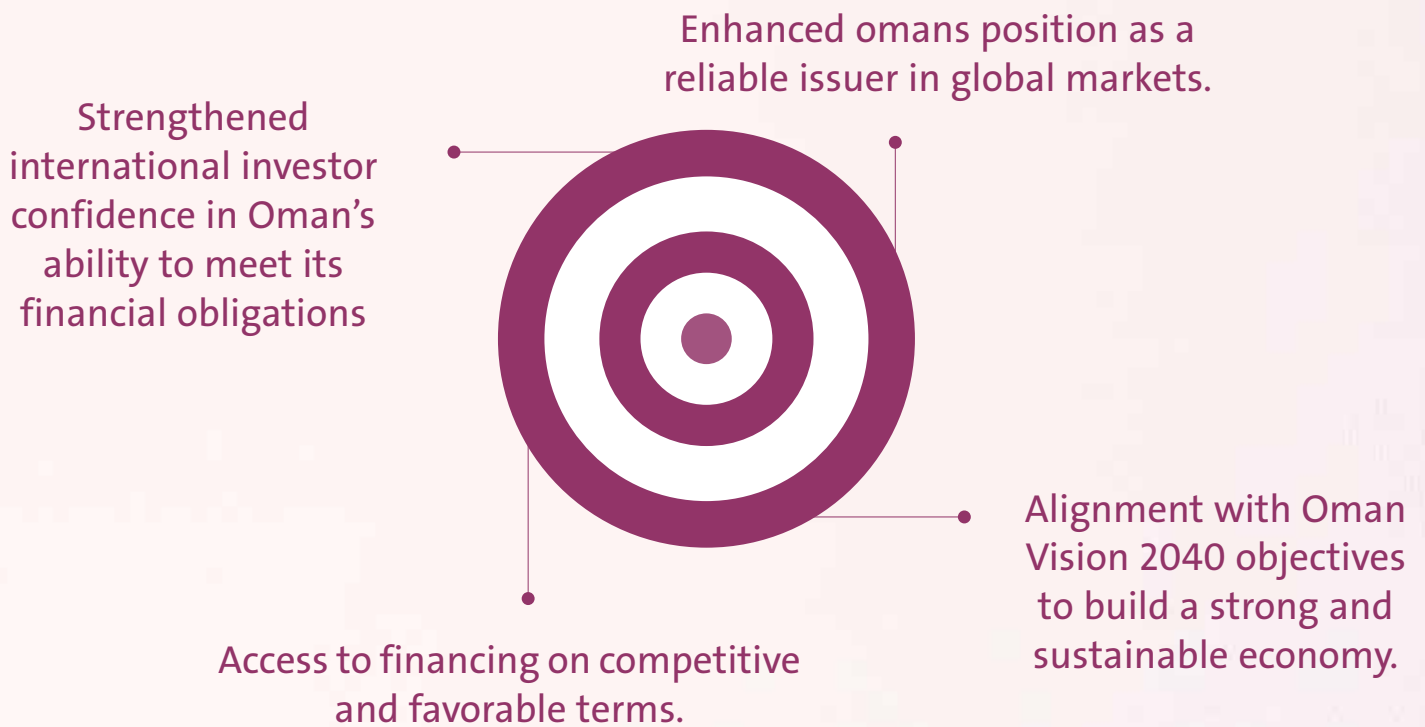
- Refinancing a portion of maturing debt with instruments at competitive interest rates.
- Reducing 2026 maturities by 12% through proactive management of government obligations.
- Mitigating debt portfolio risk by diversifying instruments and funding sources and structuring the maturity profile.



Oman's Return to International Capital Markets

Strategic Objectives

The success of this issuance underscores:



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