

Navigating M&A in Oman

A practical guide for investors and businesses



Key contacts

Leopold Zentner
Partner

+968 2468 2940
✉ lzentner@trowers.com

Li Ying Teng
Senior Associate

+968 2468 2942
✉ lteng@trowers.com

Oman at a glance

Oman occupies a distinctive position in the Gulf investment landscape. Strategically located at the crossroads of the GCC, Asia and Africa, it offers access to established and emerging markets – without the competitive saturation of the region's larger financial centres.

Political and economic stability, reinforced by targeted structural reforms under Oman Vision 2040, has created a measurably more attractive environment for both inward and outbound investment. Sectors drawing capital include logistics and integrated supply chains, underpinned by port infrastructure and free zone development; mining and natural resources, a national diversification priority with streamlined licensing; and digital infrastructure and telecommunications, driven by regional connectivity demand and data centre growth.

Budget as key M&A driver

The Oman 2026 Budget is the inaugural budget of the *Eleventh Five-Year Development Plan (2026–2030)*, and its primary aim is to transition state-led projects into the private market. This shift stimulates deal-making across several targeted industries and hence impacts the M&A environment.

Sector	Budget enabler	M&A impact
Industry	Construction of Al-Suwaiq, Al-Mudhaibi, and Al-Russail Industrial City.	Industrial JVs, anchor tenant acquisitions, potential privatisation of completed assets.
Energy	RO 1.5bn off-budget EDO investment; gas plant in Musandam.	Upstream deal flow; energy transition investments; partial privatisation of energy assets.
Health	PPP projects: Suhar Rehab Centre, diagnostics, medical supply chain, nuclear medicine.	Direct entry point for international healthcare M&A via PPP structures.
Tourism	Priority sector under 11th FDP; tourism promotion programme.	Hospitality acquisitions, eco-tourism JVs, concession transactions.
Transport & Ports	Dibba Port delivery; Sohar Airport expansion tender.	Airport and port concession M&A; logistics group entry.

Specialized Economic Zones	Duqm quay & fishery complex; Al-Rawdah and Al-Dhahirah SEZs.	Manufacturing and logistics JVs; FDI-driven acquisitions.
Digital Economy	National FinTech Strategy; digital transformation projects.	Technology M&A; FinTech investment; government tech partnerships.
Housing/Real Estate	Sultan Haitham City; A'Thuraya City.	Construction M&A; facilities management; retail/hospitality acquisitions.
Capital Markets	Investment-grade rating; Capital Market Incentive Programme.	Pre-IPO M&A; lower cost of acquisition financing; broader investor base.

Key to success – combining legal knowledge with practical experience

As lawyers and deal-makers with a long established presence in Oman (and the wider Middle East region), we know that carrying the deal from ideation, through to signing and then onto completion does not simply require knowledge of the law (most notably the [Commercial Companies Law](#) and the [Foreign Capital Investment Law](#), but also the practical experience as to the types of bottlenecks that arise from time to time, and how these can be navigated in a compliant and deal focused / target driven manner.

Detailed sequencing determines whether a transaction closes on time or stalls. Informal stakeholder alignment can matter as much as formal approvals. In this market, execution strategy is not a secondary consideration – it is as important as the deal structure itself.

Deal structuring – choosing the right entry point

The optimal approach depends on sector regulation, ownership objectives and exit strategy. Common deal structures in Oman include:

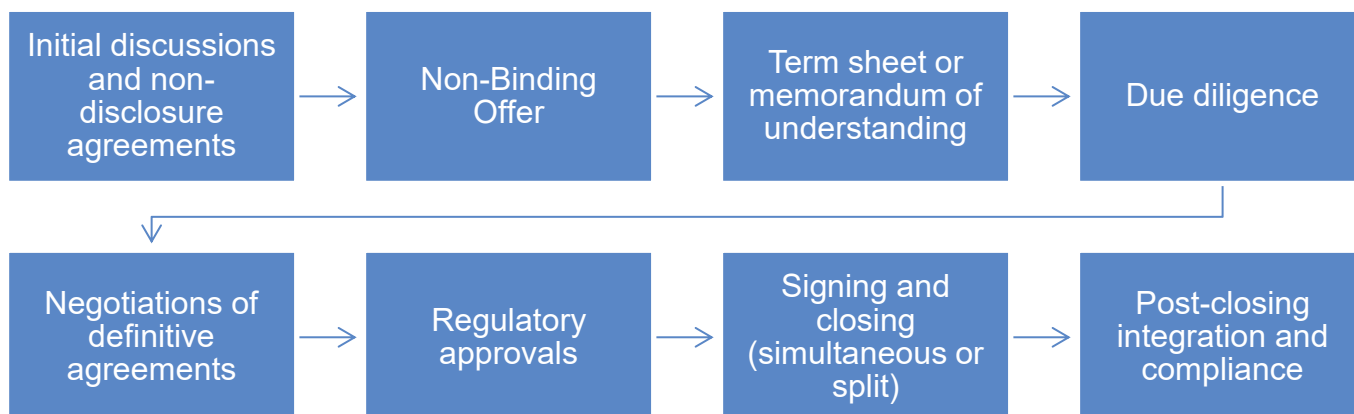
- **Share acquisitions** – preferred for operational continuity and speed;
- **Asset acquisitions** – used to isolate risk or carve out specific business lines;
- **Joint ventures** – Critical in strategic or relationship-driven sectors; and

- **Minority / majority investments** – increasingly favoured by private equity and strategic investors.

Selecting the right structure from the outset is of paramount importance as it directly affects regulatory pathways, tax treatment, third-party consent requirements and post-closing governance. We work with clients at the outset — before significant time or cost has been committed — to assess these considerations fully and to identify structural issues that may not surface until later in a less disciplined process.

The transaction process

A typical M&A process in Oman moves through the following stages:



Timelines vary considerably. Transactions requiring sector-specific approvals or involving complex multi-jurisdictional structures routinely take longer than parties anticipate — often because approval processes are sequential rather than parallel, and because informal engagement with regulators must run alongside formal filings. Teams that do not build for this at the outset tend to lose time they cannot recover.

Case Study 1 – Recent Acquisition

The buyer was acquiring interests in a holding company as part of a broader consolidation of subsidiaries spanning multiple jurisdictions. The transaction was structured at the holding company level — but one of the underlying subsidiaries was incorporated in Saudi Arabia (KSA).

Despite the acquisition being indirect, the consolidation triggered the KSA competition law notification threshold, requiring a formal filing with the Saudi General Authority for Competition as a condition precedent to closing. This filing had to run in parallel to the

wider deal's timeline, on a separate track, governed by a different regulatory process with its own timeline and documentation requirements.

Managing both simultaneously required early identification of the issue, disciplined workstream separation, and precise coordination across jurisdictions — all while maintaining closing momentum for the wider deal. The risk of getting the sequencing wrong was not abstract: a late filing or a missed condition precedent would have stalled the transaction at a point where delay carries real commercial cost.

Due diligence: beyond the documents

Thorough due diligence is non-negotiable. In Oman, certain areas warrant particular focus:

corporate and licensing compliance – confirming that the target holds valid authorisations;

financial liabilities and contingent risks – including undisclosed exposures;

material contracts with change-of-control provisions – which may trigger consent requirements or termination rights;

employment arrangements and Omanisation obligations – a frequent source of hidden liability;

real estate and asset ownership; and

litigation and regulatory exposure – including pending or threatened proceedings.

The scope and emphasis of diligence should reflect the structure. A carve-out asset acquisition, a joint venture entry and a full share purchase each carry a different risk profile. We calibrate accordingly at the outset of each mandate, rather than applying a uniform checklist.



Key transaction documents

The documentation suite for an M&A transaction in Oman typically includes:

Share Purchase Agreement (SPA) or Asset Purchase Agreement (APA) or Share Subscription Agreement (SSA)

Shareholders' Agreement (if applicable)

Disclosure Letter — qualifying the seller's warranties

Transitional Services Agreements — where operational separation requires interim support

The detail and negotiation intensity of these documents often reflects the parties' relative bargaining positions and the complexity of the regulatory environment.

Common Transaction Challenges

Recurring themes in the Oman market include:

regulatory timing and approval sequencing

sector-specific ownership restrictions

legacy operational liabilities

governance alignment between shareholders

integration planning and operational continuity

balancing international transaction standards with local market practice

The most consistent challenge is managing the expectations of sophisticated foreign investors operating in a market that does not behave the way their home jurisdiction does. In Oman, authorities carry meaningful discretionary power that is not always constrained or

defined by statute. Advising effectively here means being direct with clients about that reality — and building a strategy that accounts for it.

Case Study 2 - Oil and Gas Sector Transaction

It was clear under the law that regulatory approval is needed for the transaction. What it does not establish is the criteria the authorities will apply. In practice, the outcome rests significantly on the discretion of the individual officer handling the matters, with no checklist to satisfy or administrative track record that reliably predicts the result.

Managing expectations in the face of genuine legal ambiguity — and persuading an investor to adopt a strategy that looks different from what they would expect at home — is part of what it means to advise effectively in this market. The approval was obtained.

W&I Insurance

In line with other regional developments, the use of W&I insurance (whether buy-side or sell-side) is becoming more prominent in Oman. We are well versed in factoring in W&I insurance in a transaction and the associated complexities involved (such as negotiating policy coverage and exclusions etc...).

Dispute resolution and enforcement

Omani courts retain jurisdiction over most commercial disputes. However, arbitration is increasingly common, particularly in transactions involving foreign parties.

Oman is a signatory to the New York Convention, facilitating enforcement of foreign arbitral awards. Dispute resolution clauses – specifying seat, rules and governing law – should be negotiated carefully at term sheet stage, not treated as boilerplate at the back of the investment agreement or SPA.

How we can help

Our international corporate and M&A team combines deep local market knowledge in Oman with the reach and resources of an international legal platform operating across the GCC and Asia. Lawyers on the ground in Oman working alongside colleagues in Dubai, Abu Dhabi, Bahrain, Saudi Arabia, Singapore and Malaysia — delivering integrated, multi-jurisdictional support under a single coordinated team structure, with a single point of accountability for clients.

This structure is particularly well-suited to transactions involving multiple jurisdictions, offshore holding structures, international financing arrangements or regionally regulated businesses. We coordinate legal workstreams across markets while maintaining a commercially aligned approach throughout — and our time zone coverage across the GCC and Asia allows us to sustain momentum on time-sensitive mandates.



We support clients across the full transaction lifecycle, including:

deal structuring and market entry strategy

acquisitions, disposals and strategic investments

joint ventures and shareholder arrangements

legal due diligence and transaction risk analysis

drafting and negotiation of transaction documents

regulatory approvals and stakeholder engagement

transaction management and cross-border coordination

signing and completion support

post-closing integration, governance and ongoing advisory support

Our experience covers both inbound investment into Oman and outbound regional expansion across the GCC — enabling us to advise on complex, multi-jurisdictional transactions where international standards and local market understanding both matters.

Our M&A team in Oman

**Leopold Zentner****Partner**

International Corporate and Commercial

☎ +968 2468 2940

✉ lzentner@trowers.com

**Li Ying Teng****Senior Associate**

International Corporate and Commercial

☎ +968 2468 2942

✉ lteng@trowers.com

**Aida Al Jahdhami****Associate**

International Corporate and Commercial

☎ +968 2468 2916

✉ aaljahdhami@trowers.com

Linna Al Kendi**Associate**

International Corporate and Commercial

✉ lalkendi@trowers.com

**AlShaima Al Hinai****Trainee Lawyer**

International Corporate and Commercial

☎ +968 2468 2902

✉ aalhinai@trowers.com

**Fatma Al Mataani****Trainee Lawyer**

International Corporate and Commercial

☎ +968 2468 2985

✉ falmataani@trowers.com

**Ali Al Toki****Paralegal**

International Corporate and Commercial

☎ +968 2468 2917

✉ aaltoki@trowers.com