

OQ BASE INDUSTRIES (SFZ) SAOG (FORMERLY KNOWN AS OQ METHANOL (SFZ) SAOC)

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

1. Legal status and principal activities

OQ Base Industries (SFZ) SAOG (the “Parent Company” or “OQ BI” or the “Company”), formerly known as OQ Methanol (SFZ) SAOC, is a Public Joint Stock Company registered in the Sultanate of Oman. The Parent Company was originally incorporated in the Sultanate of Oman on 27 February 2006 as a Limited Liability Company and later converted to Closed Joint Stock Company. On 15 December 2024, the Parent Company successfully listed its shares in a secondary sale and become Public Joint Stock Company.

OQ BI is a subsidiary of OQ SAOC (“the Holding Company”), a Closed Joint Stock Company incorporated in the Sultanate of Oman. The Holding company is wholly owned and controlled by the Government of the Sultanate of Oman (“the Government”) through the Oman Investment Authority (“OIA”). The Government of the Sultanate of Oman is identified as the “Ultimate Controlling Party.”

The Holding Company owns 51% of the shares of OQ BI and the remaining 49% of the shares have been issued to the general public in secondary sale as part of the initial public offering.

On 17 July 2024, OQ BI has acquired 100% stake of OQ LPG (SFZ) SPC (the “subsidiary” or “OQ LPG”), formerly known as OQ LPG (SFZ) SAOC and is a wholly owned subsidiary of OQ BI. OQ BI and OQ LPG together referred to as the “Group”.

Both OQ BI and OQ LPG are located in the Salalah Free Zone. OQ BI’s principal business activities involve the production of methanol and ammonia through its Methanol Plant and Ammonia Plant, respectively. OQ LPG’s principal business activities involve the production of propane, butane, condensate and cooking gas through its LPG Plant.

This condensed interim unaudited financial information was approved for issue by the Board of Directors on 12 August 2025.

2. Basis of preparation

The condensed consolidated and separate interim financial statements have been prepared in accordance with the requirement of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting'. They do not include all disclosure that would be required in a complete set of financial statements and should be read in conjunction with audit 2024 annual report.

3. Summary of significant accounting policies

The accounting policies used in the preparation of the condensed consolidated and separate interim financial statements are consistent with those applied in the preparation of the annual financial statements of the Group for the year ended 31 December 2024. These condensed consolidated and separate interim financial statements do not contain all the information and disclosures as required for the financial statements prepared in accordance with the International Financial Reporting Standards.

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (continued)

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4. Revenue

		Consolidated			
		Three months period ended		Six months period ended	
		30 June	30 June	30 June	30 June
		2025	2024	2025	2024
		RO	RO	RO	RO
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Gross revenue		56,073,897	58,727,143	110,829,100	105,276,790
Less: premium / (discount)		761,334	(732,336)	1,541,982	(979,932)
		<u>56,835,231</u>	<u>57,994,807</u>	<u>112,371,082</u>	<u>104,296,858</u>
		Parent Company			
		Three months period ended		Six months period ended	
		30 June	30 June	30 June	30 June
		2025	2024	2025	2024
		RO	RO	RO	RO
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Gross revenue		37,559,635	38,216,434	73,515,461	69,277,779
Less: premium / (discount)		761,334	(732,336)	1,541,982	(979,932)
		<u>38,320,969</u>	<u>37,484,098</u>	<u>75,057,443</u>	<u>68,297,847</u>

5. Cost of sales

		Consolidated			
		Three months period ended		Six months period ended	
		30 June	30 June	30 June	30 June
		2025	2024	2025	2024
		RO	RO	RO	RO
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Natural gas consumption		17,912,885	15,349,926	32,574,313	28,519,183
Notional cost of rich gas (note 21)		10,181,011	14,206,939	20,677,640	22,062,493
Changes in inventory of LPG		(1,046,602)	1,307,850	(1,488,939)	(1,106,342)
Depreciation and amortization		8,476,257	9,097,435	16,789,897	16,146,923
Staff salaries and related costs (note 7)		2,576,823	2,877,965	4,978,444	5,194,042
Repair and maintenance		794,850	1,368,821	960,791	1,734,908
Spare parts and tools		377,794	206,113	614,883	460,074
Process, laboratory chemicals and other materials		141,471	126,698	222,999	247,662
Utilities cost		1,315,571	1,980,669	1,615,054	401,996
Hired services cost		216,447	845,149	341,512	589,244
Reversal for inventory obsolescence		(234,486)	(43,349)	(234,486)	(43,349)
Other costs		1,715,215	76,110	1,983,990	3,600,179
		<u>42,427,236</u>	<u>47,400,326</u>	<u>79,036,098</u>	<u>77,807,013</u>
		Parent Company			
		Three months period ended		Six months period ended	
		30 June	30 June	30 June	30 June
		2025	2024	2025	2024
		RO	RO	RO	RO
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Natural gas consumption		17,912,885	15,349,926	32,574,313	28,519,183
Depreciation and amortization		5,651,524	6,303,836	11,172,585	10,767,571
Staff salaries and related costs (note 7)		1,858,033	2,451,378	3,561,935	4,066,082
Repair and maintenance		562,388	1,149,405	660,782	1,388,813
Spare parts and tools		205,951	143,706	356,929	316,516
Process, laboratory chemicals and other materials		173,163	126,698	254,691	247,662
Utilities		1,144,572	1,595,371	1,296,544	2,465,868
Hired services		190,840	518,932	301,276	783,466
Reversal for inventory obsolescence		(234,486)	(43,349)	(234,486)	(43,349)
Other costs		1,235,779	88,845	1,403,753	127,822
		<u>28,700,649</u>	<u>27,684,748</u>	<u>51,348,322</u>	<u>48,639,634</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(continued)*

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6. Administrative and general expenses

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Staff salaries and related costs (note 7)	1,104,353	600,841	2,133,619	1,593,445
Depreciation and amortization	18,875	83,130	110,623	164,938
Insurance	233,801	486,967	938,850	989,005
Repair and maintenance	342,614	74,644	462,065	117,672
Corporate social responsibility	92,957	43,946	93,507	47,243
Advertisement and public relations	118,239	4,331	132,344	5,931
Travelling expenses	68,050	53,137	143,324	92,216
Short-term lease car rentals	42,843	33,480	62,867	41,756
Professional fees	99,684	109,795	255,315	116,981
Office supplies	21,653	86,803	52,086	144,920
Communications	2,424	9,353	2,440	9,978
Other expenses	384,160	219,543	827,444	505,865
	2,529,653	1,805,970	5,214,484	3,829,950

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Staff salaries and related costs (note 7)	796,300	591,034	1,526,543	1,283,050
Depreciation and amortization	780	65,348	74,483	129,079
Insurance	251,023	393,551	634,870	760,691
Repair and maintenance	161,048	65,807	272,204	101,303
Corporate social responsibility	72,407	43,946	72,957	47,243
Advertisement and public relations	79,933	4,331	92,920	5,931
Travelling expenses	42,244	45,344	105,764	74,505
Short-term lease car rentals	24,531	33,480	44,555	41,756
Professional fees	188,503	85,141	197,958	91,891
Office supplies	30,830	72,915	30,830	113,544
Communications	1,692	2,597	1,708	3,222
Other expenses	272,062	120,265	665,345	189,481
	1,921,353	1,523,759	3,720,137	2,841,696

7. Staff salaries and related costs

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Wages and salaries	2,981,923	2,991,703	5,840,475	5,807,806
Employees' end of service benefits	27,356	2,218	137,440	94,459
Contributions to defined contribution retirement plan	228,076	214,593	455,358	431,901
Other benefits	443,821	270,292	678,790	453,321
	3,681,176	3,478,806	7,112,063	6,787,487

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

7. Staff salaries and related costs (continued)

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Wages and salaries	2,113,871	2,369,648	4,108,642	4,311,758
Employees' end of service benefits	21,909	18,944	124,278	90,203
Contributions to defined contribution retirement plan				293,028
Other benefits	157,587	144,946	314,278	
	360,966	508,874	541,280	654,143
	<u>2,654,333</u>	<u>3,042,412</u>	<u>5,088,478</u>	<u>5,349,132</u>

8. Other income

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Miscellaneous income	641,895	36,494	642,322	38,494

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Shared services income	43,383	-	82,151	-
Dividend income from subsidiary	6,175,153	-	6,175,153	-
Other miscellaneous income	641,895	36,494	642,322	38,494
	<u>6,860,431</u>	<u>36,494</u>	<u>6,899,626</u>	<u>38,494</u>

9. Finance income and finance cost

i) Finance income

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Interest income on bank deposits	2,009,448	1,545,389	2,969,731	2,830,503
Unwinding of discount - rich gas	2,648,674	-	1,429,530	-
Other finance income	132,726	504,870	137,424	513,992
	<u>4,790,848</u>	<u>2,050,259</u>	<u>4,536,685</u>	<u>3,344,495</u>

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Interest income on bank deposits	1,258,471	919,487	1,887,982	1,448,173
Other finance income	132,688	284,363	137,240	293,484
	<u>1,391,159</u>	<u>1,203,850</u>	<u>2,025,222</u>	<u>1,741,657</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS *(continued)*

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9. Finance income and finance cost *(continued)*

ii) Finance cost

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Interest on term loan	4,949,344	8,738,060	9,716,698	17,078,294
Reclassification of cash flow hedge	1,528,396	(3,553,809)	(355,531)	(7,032,943)
Interest on lease liabilities (note 11.2)	208,968	250,878	423,980	428,139
Deferred finance cost	92,074	238,024	184,149	479,443
Unwinding of discount - rich gas	-	4,265,843	-	5,473,603
Interest on sub-ordinated loan	-	(1,057,438)	-	-
Foreign exchange loss	9,434	53,036	12,028	182,760
	<u>6,788,216</u>	<u>8,934,594</u>	<u>9,981,324</u>	<u>16,609,296</u>

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Interest on term loan	2,513,261	4,305,884	4,871,303	8,343,088
Reclassification of cash flow hedge	-	(1,716,281)	-	(3,396,732)
Interest on lease liabilities (note 11.2)	125,498	162,583	255,114	259,234
Deferred finance cost	31,976	151,159	63,952	305,713
Foreign exchange loss	-	74,945	-	109,848
	<u>2,670,735</u>	<u>2,978,290</u>	<u>5,190,369</u>	<u>5,621,151</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

10. Property, plant and equipment

Consolidated (Un-audited)	Building and civil facilities RO	Furniture and fixture RO	Plant and equipment RO	Vehicles RO	Capital work- in-progress RO	Capital spares RO	Total RO
Cost							
Balance at 1 January 2024	50,656,394	789,456	788,618,230	1,123,862	28,676,451	1,935,676	871,800,069
Additions	23,025,856	-	-	-	9,429,358	-	32,455,214
Transfer	179,330	154,134	22,452,486	-	(22,785,950)	-	-
Transfer to intangible assets	-	-	-	-	(105,700)	-	(105,700)
Balance at 31 December 2024	<u>73,861,580</u>	<u>943,590</u>	<u>811,070,716</u>	<u>1,123,862</u>	<u>15,214,159</u>	<u>1,935,676</u>	<u>904,149,583</u>
Balance at 1 January 2024	50,656,394	789,456	788,618,230	1,123,862	28,676,451	1,935,676	871,800,069
Additions	23,025,856	-	-	-	3,941,887	-	26,967,743
Transfer	-	-	16,360,339	-	(16,360,339)	-	-
Balance at 30 June 2024	<u>73,682,250</u>	<u>789,456</u>	<u>804,978,569</u>	<u>1,123,862</u>	<u>16,257,999</u>	<u>1,935,676</u>	<u>898,767,812</u>
Balance at 1 January 2025	73,861,580	959,991	813,373,116	1,123,862	12,895,358	1,935,676	904,149,583
Additions	-	-	-	-	3,175,804	-	3,175,804
Transfers	276,216	15,631	5,666,417	15,000	(5,997,877)	24,613	-
Transfer to intangible assets	-	-	-	-	(251,513)	-	(251,513)
Balance at 30 June 2025	<u>74,137,796</u>	<u>975,622</u>	<u>819,039,533</u>	<u>1,138,862</u>	<u>9,821,772</u>	<u>1,960,289</u>	<u>907,073,874</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

10. Property, plant and equipment *(continued)*

Consolidated (Un-audited)	Building and civil facilities RO	Furniture and fixture RO	Plant and machineries RO	Vehicles RO	Capital work- in-progress RO	Capital spares RO	Total RO
Accumulated depreciation							
Balance at 1 January 2024	17,115,754	679,098	272,720,615	707,655	-	298,216	291,521,338
Depreciation	3,002,838	52,479	29,747,234	59,082	-	186,642	33,048,275
Balance at 31 December 2024	20,118,592	731,577	302,467,849	766,737	-	484,858	324,569,613
Balance at 1 January 2024	17,115,754	679,098	272,720,615	707,655	-	298,216	291,521,338
Depreciation	1,487,516	9,876	14,517,777	29,540	-	93,321	16,138,030
Balance at 30 June 2024	18,603,270	688,974	287,238,392	737,195	-	391,537	307,659,368
Balance at 1 January 2025	20,118,592	731,577	302,467,849	766,737	-	484,858	324,569,613
Depreciation	1,499,265	22,733	15,063,764	30,048	-	93,321	16,709,131
Balance at 30 June 2025	21,617,857	754,310	317,531,613	796,785	-	578,179	341,278,744
Carrying amount							
At 30 June 2025 (Un-audited)	52,519,939	221,312	501,507,920	342,077	9,821,772	1,382,110	565,795,130
At 30 June 2024 (Un-audited)	55,078,980	100,482	517,740,177	386,667	16,257,999	1,544,139	591,108,444
At 31 December 2024 (Audited)	53,742,988	212,013	508,602,867	357,125	15,214,159	1,450,818	579,579,970

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

10. Property, plant and equipment *(continued)*

Parent Company (Un-audited)	Building and civil facilities RO	Furniture and fixture RO	Plant and equipment RO	Vehicles RO	Capital work- in-progress RO	Capital spares RO	Total RO
Cost							
Balance at 1 January 2024	31,102,534	635,519	522,510,102	561,862	25,515,713	1,935,676	582,261,406
Additions	2,868,836	-	-	-	4,064,059	-	6,932,895
Transfer	179,330	154,134	22,452,486	-	(22,785,950)	-	-
Transfer to intangible assets	-	-	-	-	(105,700)	-	(105,700)
Balance at 31 December 2024	<u>34,150,700</u>	<u>789,653</u>	<u>544,962,588</u>	<u>561,862</u>	<u>6,688,122</u>	<u>1,935,676</u>	<u>589,088,601</u>
Balance at 1 January 2024	31,102,534	635,519	522,510,102	561,862	25,515,713	1,935,676	582,261,406
Additions	2,868,836	-	-	-	(307,175)	-	2,561,661
Transfer	-	-	16,360,339	-	(16,360,339)	-	-
Balance at 30 June 2024 (audited)	<u>33,971,370</u>	<u>635,519</u>	<u>538,870,441</u>	<u>561,862</u>	<u>8,848,199</u>	<u>1,935,676</u>	<u>584,823,067</u>
Balance at 1 January 2025	34,150,700	789,653	544,962,588	561,862	6,688,122	1,935,676	589,088,601
Additions	-	-	-	-	1,045,849	-	1,045,849
Transfer	276,216	7,943	1,392,414	15,000	(1,716,185)	24,613	-
Transfer to intangible assets	-	-	-	-	(251,513)	-	(251,513)
Balance at 30 June 2025 (Un-audited)	<u>34,426,916</u>	<u>797,596</u>	<u>546,355,002</u>	<u>576,862</u>	<u>5,766,273</u>	<u>1,960,289</u>	<u>589,882,938</u>
Accumulated depreciation							
Balance at 1 January 2024	15,542,288	571,579	249,654,103	561,862	-	298,216	266,628,048
Depreciation	1,620,275	38,792	20,148,817	-	-	186,642	21,994,526
Balance at 31 December 2024	<u>17,162,563</u>	<u>610,371</u>	<u>269,802,920</u>	<u>561,862</u>	<u>-</u>	<u>484,858</u>	<u>288,622,574</u>
Balance at 1 January 2024	15,542,288	571,579	249,654,103	561,862	-	298,216	266,628,048
Depreciation	805,654	9,876	9,876,800	-	-	93,321	10,785,651
Balance at 30 June 2024 (audited)	<u>16,347,942</u>	<u>581,455</u>	<u>259,530,903</u>	<u>561,862</u>	<u>-</u>	<u>391,537</u>	<u>277,413,699</u>
Balance at 1 January 2025	17,162,563	610,371	269,802,920	561,862	-	484,858	288,622,574
Depreciation	807,984	15,704	10,200,586	938	-	93,321	11,118,533
Balance at 30 June 2025 (Un-audited)	<u>17,970,547</u>	<u>626,075</u>	<u>280,003,506</u>	<u>562,800</u>	<u>-</u>	<u>578,179</u>	<u>299,741,107</u>
Carrying amount							
At 30 June 2025 (Un-audited)	<u>16,456,369</u>	<u>171,521</u>	<u>266,351,496</u>	<u>14,062</u>	<u>5,766,273</u>	<u>1,382,110</u>	<u>290,141,831</u>
At 30 June 2024 (Un-audited)	<u>17,623,428</u>	<u>54,064</u>	<u>279,339,538</u>	<u>-</u>	<u>8,848,199</u>	<u>1,544,139</u>	<u>307,409,368</u>
At 31 December 2024 (Audited)	<u>16,988,137</u>	<u>179,282</u>	<u>275,159,668</u>	<u>-</u>	<u>6,688,122</u>	<u>1,450,818</u>	<u>300,466,027</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

11. Leases

The consolidated and separate statements of financial position and profit or loss shows the following amounts relating to lease of right of use assets and related lease liabilities:

11.1 Right-of-use assets

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Cost				
Balance at beginning of the period / year	10,571,456	8,219,777	6,414,671	4,361,622
Modification	-	2,351,679	-	2,053,049
Balance at end of the period / year	10,571,456	10,571,456	6,414,671	6,414,671
Accumulated depreciation				
Balance at beginning of the period / year	2,124,784	1,777,122	1,309,638	1,087,681
Charge for the period/ year	173,831	347,662	110,979	221,957
Balance at end of the period / year	2,298,615	2,124,784	1,420,617	1,309,638
Carrying amount at end of the period/year	8,272,841	8,446,672	4,994,054	5,105,033

11.2 Lease liabilities

Movement in lease liabilities are as follows;

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Balance at beginning of the period / year	14,020,766	11,798,920	8,504,610	6,580,583
Modification	-	2,351,679	-	2,053,049
Accretion of interest (note 9 (ii))	423,980	858,343	255,114	518,467
Payments	(988,497)	(988,176)	(647,488)	(647,489)
Balance at end of the period / year	13,456,249	14,020,766	8,112,236	8,504,610
Less: current portion	(138,463)	(138,463)	(137,259)	(137,259)
Lease liabilities – non current	13,317,786	13,882,303	7,974,977	8,367,351

12. Investment in a subsidiary

	Parent Company	
	30	31
	June	December
	2025	2024
	RO	RO
	(Un-audited)	(Audited)
Investment in a subsidiary – OQ LPG	500,000	500,000

During 2024, OOFDC transferred its 100% shareholding in OQ LPG to OQ BI with effect from 17 July 2024 and therefore became the wholly owned subsidiary of the Parent Company. The transfer was executed at the carrying value of OQ LPG net assets as of 30 June 2024 and commercial registration was completed on 28th July 2024. the Parent Company completed its acquisition of the shares for consideration of RO 61,628,676 which was settled in the form of 1,540,716,900 shares issued to OQ SAOC at RO 40 baiza each.

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

13. Inventories

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Finished products:				
Methanol products	3,251,605	1,691,371	3,251,605	1,691,371
LPG products	3,602,751	2,113,812	-	-
	<u>6,854,356</u>	<u>3,805,183</u>	<u>3,251,605</u>	<u>1,691,371</u>
Store, supplies and consumables:				
Spare parts	6,683,070	5,937,624	5,873,424	5,511,881
Consumables	1,355,649	1,329,779	1,264,677	1,329,779
Chemicals and other materials	30,961	225,183	30,961	225,183
	<u>14,924,036</u>	<u>11,297,769</u>	<u>10,420,667</u>	<u>8,758,214</u>
Less: Allowance for slow moving inventories	(116,716)	(346,566)	(116,716)	(346,566)
	<u>14,807,320</u>	<u>10,951,203</u>	<u>10,303,951</u>	<u>8,411,648</u>

14. Other receivables and prepayments

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Advances to vendors	167,101	457,290	140,398	457,290
Advances to employees	-	1,275	-	1,275
Prepayment and other receivables	4,789,534	3,907,799	1,606,343	1,091,191
At end of the period / year	<u>4,956,635</u>	<u>4,366,364</u>	<u>1,746,741</u>	<u>1,549,756</u>

15. Term deposits

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
At beginning of the period / year	200,569	84,185,279	175,608	36,201,752
Deposits made	107,714,392	171,774,889	76,954,392	91,435,967
Withdrawals	-	(255,759,599)	-	(127,462,111)
At end of the period / year	<u>107,914,961</u>	<u>200,569</u>	<u>77,130,000</u>	<u>175,608</u>

16. Cash and cash equivalents

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Cash in hand	24,872	23,397	22,555	22,422
Cash at bank	49,632,054	167,290,394	26,670,274	112,494,299
	<u>49,656,926</u>	<u>167,313,791</u>	<u>26,692,829</u>	<u>112,516,721</u>

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

17. Share capital

	Consolidated		Parent Company	
	30 June 2025 RO (Un-audited)	31 December 2024 RO (Audited)	30 June 2025 RO (Un-audited)	31 December 2024 RO (Audited)
OQ BI - authorised and issued capital				
3,459,490,850 ordinary shares of 40 Baiza each (31 December 2024: 3,459,490,850 ordinary shares of 40 Baiza each)	<u>138,379,634</u>	<u>138,379,634</u>	<u>138,379,634</u>	<u>138,379,634</u>

Shareholders of the OQ BI who own 10% or more of OQ BI's shares, as at year end whether in their name, or through a nominee account, and the number of shares they hold are as follows;

	30 June 2025		31 December 2024	
	No. of shares	%	No. of shares	%
OQ SAOC	1,764,340,333	51	1,764,340,333	51
Social Protection Fund	180,884,129	5.3	180,884,129	5.3

17.1 Common control transaction reserve

As disclosed in note 13, during the year, the Parent Company acquired OQ LPG in a transaction accounted for as a business combination under common control. In accordance with the Group's accounting policy for such transactions, the assets and liabilities of OQ LPG have been recognized at their existing carrying amounts, without revaluation to fair value. As a result, the difference between the consideration transferred and the carrying value investment was recognized directly in the common control transaction reserve within equity at 31 December 2024. At 30 June 2025, the Group transferred the entire amount of common control reserve to the retained earnings.

18. Legal reserves

As per Article 274 of the Commercial Companies Law of the Sultanate of Oman, 10% of the profit for the year is required to be transferred to non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the Consolidated entities' issued share capital. The reserve is not available for distribution. A transfer to legal reserve has been made by the Parent company.

19. Term loan

	Consolidated		Parent Company	
	30 June 2025 RO (Un-audited)	31 December 2024 RO (Audited)	30 June 2025 RO (Un-audited)	31 December 2024 RO (Audited)
Syndicated facilities	329,139,344	343,117,014	162,412,800	165,796,400
Less: deferred transaction cost	(2,381,427)	(2,565,575)	(1,289,488)	(1,353,440)
Total term loan	<u>326,757,917</u>	<u>340,551,439</u>	<u>161,123,312</u>	<u>164,442,960</u>
Less: current portion	<u>(28,419,684)</u>	<u>(28,419,684)</u>	<u>(6,767,200)</u>	<u>(6,767,200)</u>
	<u>298,338,233</u>	<u>312,131,755</u>	<u>154,356,112</u>	<u>157,675,760</u>

The Group and the Parent Company have syndicated long-term loan facilities from a consortium of financial institutions, with aggregate maximum amounts of RO 355.7 million and RO 169.1 million, respectively, as of the reporting date (2024: RO 355.7 million and RO 169.1 million).

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

20. Subordinated loan from shareholder (OQ LPG)

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
At beginning of the period / year	-	55,631,081	-	-
Novated from OOFDC	-	-	-	38,240,958
Settled by equity shares	-	(38,240,958)	-	(38,240,958)
Waiver of loan	-	(17,390,123)	-	-
At end of the period / year	-	-	-	-
Accrued interest				
At beginning of the period / year	-	11,737	-	-
Waiver of interest on loan	-	(11,737)	-	-
At end of the period / year	-	-	-	-
Total amount classified as non-current liabilities	-	-	-	-

21. Provision for rich gas

	Consolidated	
	30	31
	June	December
	2025	2024
	RO	RO
	(Un-audited)	(Audited)
Balances at beginning of the period / year	101,388,946	54,720,429
Provision made (note 5)	20,677,640	41,837,479
Net of discounting and unwinding of provision (note 9 (ii))	(1,429,530)	4,831,038
Less: amount paid	(24,700,280)	-
Balance at end of the period / year	95,936,776	101,388,946
Less: current portion	(51,736,391)	(24,691,127)
Non-current portion	44,200,385	76,697,819

22. Trade and other payables

	Consolidated		Parent Company	
	30	31	30	31
	June	December	June	December
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Trade payable	786,665	2,477,392	362,252	1,885,461
Employee benefits payable	-	1,320,766	-	938,738
Accruals	23,985,793	23,333,315	12,062,100	16,827,246
Other payable	482,841	466,987	135,815	205,648
	25,255,299	27,598,460	12,560,167	19,857,093

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

23. Earnings per share

a) Basic earnings per share

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Profit attributable to ordinary shareholders for the period	10,522,869	(3,382,946)	23,318,183	4,109,972
Number of shares for basic EPS	3,459,490,850	2,503,466,900	3,459,490,850	2,503,466,900
Basis earnings per share	0.003	(0.001)	0.007	0.002

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Profit attributable to ordinary shareholders for the period	13,279,822	6,537,645	23,723,463	12,975,517
Number of shares for basic EPS	3,459,490,850	2,503,466,900	3,459,490,850	2,503,466,900
Basis earnings per share	0.004	0.003	0.007	0.005

b) Diluted earnings per share

	Consolidated			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Profit attributable to ordinary shareholders (diluted)				
Profit attributable to ordinary shareholders for the period	10,522,869	(3,382,946)	23,318,183	4,109,972
	10,522,869	(3,382,946)	23,318,183	4,109,972
Number of ordinary shares (diluted)				
- Number of ordinary shares	3,459,490,850	2,503,466,900	3,459,490,850	2,503,466,900
- Number of shares on conversion of subordinated loan	-	956,023,950	-	956,023,950
Total number of shares for diluted earnings per share	3,459,490,850	3,459,490,850	3,459,490,850	3,459,490,850
Diluted earnings per share	0.003	(0.001)	0.007	0.001

	Parent Company			
	Three months period ended		Six months period ended	
	30 June	30 June	30 June	30 June
	2025	2024	2025	2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Profit attributable to ordinary shareholders (diluted)				
Profit attributable to ordinary shareholders for the period	13,279,822	6,537,645	23,723,463	12,975,517
	13,279,822	6,537,645	23,723,463	12,975,517
Number of ordinary shares (diluted)				
- Number of ordinary shares	3,459,490,850	2,503,466,900	3,459,490,850	2,503,466,900
- Number of shares on issued to acquire the loan	-	956,023,950	-	956,023,950
Total number of shares for diluted earnings per share	3,459,490,850	3,459,490,850	3,459,490,850	3,459,490,850
Diluted earnings per share	0.004	0.002	0.007	0.004

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

24. Derivative financial instruments

The Group manages its cashflow interest rate risk by using floating-to-fixed interest rate swaps (IRS). The terms of the IRS agreements have been negotiated to match the terms of the loan commitments.

Carrying amounts of derivative instruments recognized in the consolidated and separate statement of financial position:

	Consolidated		Parent Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	RO	RO	RO	RO
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
Derivative asset- current	3,119,832	6,582,625	-	-

25. Related party transactions and balances

i) Transactions with related parties

	Consolidated		Parent Company	
	30 June 2025	30 June 2024	30 June 2025	30 June 2024
	RO	RO	RO	RO
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Sales of goods				
Entities under common control (OQT)				
- <i>Sales – Export</i>	107,735,539	100,144,200	75,057,443	68,297,847
Purchases of goods and services				
Entities under common control				
- <i>Purchase of gas (IGC)</i>	32,574,313	28,519,183	32,574,313	28,519,183
- <i>IT centralized services (OQ SAOC)</i>	627,210	601,149	468,749	367,558
- <i>Royalty fee (trademark) (OQ SAOC)</i>	288,375	-	288,375	-
Financing related				
Entities under common control				
- <i>Waiver of loan and interest (OOFDC)</i>	-	17,390,123	-	-
Parent company (OQ SAOC)				
- <i>Cash flow hedge settlement received</i>	3,863,328	7,032,943	-	3,396,732
Investing related				
- <i>Transfer of assets from related party</i>	-	23,025,451	-	2,868,836
Financing related				
Entities under common control				
- <i>Issue of share – OQ LPG</i>	-	250,000	-	-

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

25. Related party transactions and balances *(continued)*

ii) Balances due from related parties (current)

Party name	Nature of the transactions	Consolidated		Parent Company	
		30 June 2025	31 December 2024	30 June 2025	31 December 2024
		RO (Un-audited)	RO (Audited)	RO (Un-audited)	RO (Audited)
Entities under common control					
- OQ Trading LLC	Sales - Export	25,522,639	34,254,405	20,342,302	25,787,906
- OQ LPG	Expenses	-	-	4,035,336	2,757,568
- Ministry of Finance (IGC)	Sale – Local	6,393,174	6,529,438	-	-
- OQ Gas Networks SAOG	Current account	10,102	10,102	9,545	9,545
- OQ Refineries LLC	Services	-	41,172	-	41,172
- Others	Sale of products & services	43,615	2,349	43,615	2,349
Parent Company (OQ SAOC)	Current account	4	38	4	37
		31,969,534	40,837,504	24,430,802	28,598,577
Provision for impairment		(5,323,616)	(5,323,616)	-	-
		26,645,918	35,513,888	24,430,802	28,598,577

iii) Balances due to related parties (current)

Party name	Nature of the transactions	Consolidated		Parent Company	
		30 June 2025	31 December 2024	30 June 2025	31 December 2024
		RO (Un-audited)	RO (Audited)	RO (Un-audited)	RO (Audited)
Parent Company (OQ SAOC)	Current account	-	218,280	-	218,280
- OQ Refineries LLC	Current account	87,471	10,615	81,262	8,781
- OQ LPG	Subsidiary	-	-	40,067	1,177,799
- OQ Exploration & Production LLC	Current account	-	19,897	-	19,897
- OQ Gas Networks SAOG	Expenditure funded	135,744	135,744	135,744	135,744
- Takatuf Oman LLC	Current account	40,000	65,691	40,000	65,691
		263,215	450,227	297,073	1,626,192

26. Operating segment information

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Methanol integrated Plant	Producing and selling methanol and ammonia products
LPG Plant	Producing and selling LPG products

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NOTES TO THE CONDENSED CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (CONTINUED)

26. Operating segment information *(continued)*

Information related to each reportable segment is set out below.

	Methanol Integrated Plant (Parent Company)		LPG Plant		Consolidated	
	30 June 2025 RO (Un-audited)	30 June 2024 RO (Un-audited)	30 June 2025 RO (Un-audited)	30 June 2024 RO (Un-audited)	30 June 2025 RO (Un-audited)	30 June 2024 RO (Un-audited)
Revenue						
- Export	75,057,443	68,297,847	32,678,096	31,846,353	107,735,539	100,144,200
- Local	-	-	4,635,543	4,152,658	4,635,543	4,152,658
	75,057,443	68,297,847	37,313,639	35,999,011	112,371,082	104,296,858
EBITDA	38,135,677	27,751,633	13,702,817	5,935,001	45,663,341	33,686,634
Depreciation and amortization	(11,247,067)	(10,896,627)	(5,653,452)	(5,415,234)	(16,900,519)	(16,311,861)
Finance cost	(5,190,369)	(5,621,151)	(4,790,955)	(10,988,145)	(9,981,324)	(16,609,296)
Finance income	2,025,222	1,741,657	2,511,463	1,602,838	4,536,685	3,344,495
Net Profit / (loss)	23,723,463	12,975,512	5,769,873	(8,865,540)	23,318,183	4,109,972

30 June 2025/ 31 December 2024

	Methanol Integrated Plant (Parent Company)		LPG Plant		Consolidated	
	30 June 2025 RO (Un-audited)	31 Dec 2024 RO (Audited)	30 June 2025 RO (Un-audited)	31 Dec 2024 RO (Audited)	30 June 2025 RO (Un-audited)	31 Dec 2024 RO (Audited)
Total assets	436,258,724	454,650,362	345,229,355	358,389,280	781,488,079	813,039,642
Total liability	183,631,989	194,633,664	279,645,728	290,820,604	463,277,717	485,454,268
Other disclosures						
Cash and cash equivalents	26,692,829	112,516,721	22,964,097	54,797,070	49,656,926	167,313,791
Term loan	161,123,312	164,442,960	165,634,605	176,108,479	326,757,917	340,551,439
Capital Expenditure	1,045,849	6,932,895	2,129,955	25,522,319	3,175,804	32,455,214