

1 Corporate and general information

1.1 Legal status and principal activities

OQ Exploration and Production SAOG (the “Parent Company” or “OQEP” or the “Company”) is a public joint stock company registered in the Sultanate of Oman. The Parent Company was incorporated as a limited liability company on 20 May 2009. On 30 July 2024, the Parent Company transferred from a limited private company to a closed joint stock company. Further on 28 October 2024, OQEP successfully listed its shares on the Muscat Stock Exchange and became a public joint stock company. The registered address of the Parent Company is P.O. Box 200, Muscat Governorate, Bawshar, Postal Code 102, Muscat, Sultanate of Oman.

The immediate parent of the Group is OQ SAOC (the “Holding Company”), a closed joint stock company registered in the Sultanate of Oman which is wholly owned by the Oman Investment Authority (“OIA” or the “Shareholder”) which is ultimately owned and controlled by the Government of the Sultanate of Oman. The Holding Company owns 75% of the shares of OQEP and remaining 25% of the shares has been issued to the general public as part of the initial public offering during the year.

The Parent Company, together with its subsidiaries (collectively the “Group”), is engaged in identifying, acquiring, managing, and operating interests in petroleum and other related enterprises.

The list of subsidiaries of the Group are shown under note 29 – *investment in subsidiaries*.

1.2 Basis of preparation

These condensed parent company and consolidated interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and the minimum disclosure requirements issued by the Capital Market Authority (“CMA”) now known as the Financial Services Authority (FSA). The accounting policies used in the preparation of the condensed parent company and consolidated interim financial statements are consistent with those used in the preparation of the annual parent company and consolidated financial statements for the year ended 31 December 2024 except for the adoption of new and amended standards as disclosed in note 4 below. The condensed parent company and consolidated interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with annual parent company and consolidated financial statements for the year ended 31 December 2024.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the parent company and consolidated financial position and performance since the last annual financial statements.

1.3 Change in accounting policy

Except as described below in note 4, the accounting policies used in the preparation of the condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2024. The interim financial information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

1 Corporate and general information (Continued)**1.3.1 Functional and presentation currency**

The functional currency of the Parent Company is US Dollar (“US\$”) which is the currency in which the majority of transactions are denominated, while the presentation currency is Omani Rial (“RO”) which is used to meet the requirement of the Financial Services Authority (formerly the Capital Market Authority). The exchange rate used for conversion is US\$ 1 = RO 0.3845. RO is effectively pegged to US\$. All financial information presented in RO has been rounded to the nearest thousands, unless otherwise indicated.

1.3.2 Estimates

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company/Group’s accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the annual audit financial statements for the year ended 31 December 2024.

2 Significant agreements

The Group has the following significant agreements:

- Block 9 Exploration and Production Sharing Agreement (EPSA) was entered on 23 Jan 2017 between Occidental Oman BV (Occidental) (55% participating interest), and OQEP (participating interest 45%).
- Block 53 EPSA was entered on 21 June 2005 between Occidental Oman BV (47% participating interest), Oman Oil Company SAOC (20% participating interest), Liwa Energy Limited (15% participating interest), IOCL Exploration and Production Oman Limited (17% participating interest) and Partex Oman Corporation (1% participating interest). On 15 December 2010, Oman Oil Company SAOC had assigned its interest to OQEP.
- Block 60 EPSA was entered on 19 March 2011 with 100% participating interest. During 2023, OQEP sold 40% participating right to MedcoEnergi Oman (20%) and Medco Daya Oman (20%). At year end, OQEP has 60% participating right in the block 60 (2023: 60% participating interest).
- Block 47 EPSA was entered on 14 January 2019 between ENI Oman BV (90% participating interest), and OQEP (10% participating interest).
- Block 52 EPSA was entered between ENI Oman BV (ENI) (55% participating interest), OQEP (15% participating interest) and Others (30% participating interest) on 14 November 2017. During the year due to commercial non-viability this block has been impaired.
- Block 65 EPSA was entered between Occidental Oman BV (51% participating interest) and OQEP (49% participating interest) on 16 December 2018.
- Block 48 EPSA was entered on 31 January 2017 with 100% of participating interest. During 2023, OQEP divested 40% participating interest to MedcoEnergi Oman (20%) and Medco

2 Significant agreements (continued)

Daya Oman (20%). At year end, OQEP has 60% participating right in the block 48 (2024: 60% participating interest).

- Block 61 EPSA was signed on 20 February 2014 with BP (60% participating interest) and Makarim Gas Development LLC (100% owned by OQEP) had 40% participating interest. During the year 2018, Makarim Gas Development LLC divested 10% interest to PC Oman Ventures Limited.
- Musandam Gas Plant entered into a Supplemental Tariff Agreement on June 2012 between the Government of Sultanate of Oman and Musandam Gas Plant LLC which is an wholly owned subsidiary of Parent Company. All the rights and the obligations under Supplementary Tariff Agreement have been assigned by Musandam Gas Plant in favor of Parent Company. Further there is a processing fee agreement between the OQEP, the Government of Sultanate of Oman and Musandam Oil and Gas Company LLC.
- Block 10 Concession Agreement was entered on 21 Dec 2021 between Almajd Gas Development (13.36%) subsidiary of OQEP, Shell Integrated Gas Oman (Shell, 53.45%), Marsa Liquefied Natural Gas LLC (Marsa LNG, 33.19%) and Shell Development Oman LLC (SDO, Operator). Refer note 30 regarding change in Marsa LNG operations.
- Block 11 EPSA was entered on 15 September 2022 between Shell Integrated Gas Oman BV (67.5% participating interest), and Alizz Gas Development LLC (10% participating interest) and Total Energies EP Oman (22.5% participating interest).
- The Parent Company also has gas purchase and sale contracts relating to the Dolphin field with Dolphin Energy Limited where Parent Company purchase from Dolphin field and sell to the Government of Oman.

3 Activities of the Group

The Group has the following material interests, all of which are located within the Sultanate of Oman.

	Participating Interest		Operator	Activity
	31 March 2025	31 December 2024		
Block 60	60%	60%	OQEP	Exploration and production
Block 48	60%	60%	OQEP	Exploration
Block 9	45%	45%	Occidental	Exploration and production
Block 61	30%	30%	BP	Exploration and production
Block 65	49%	49%	Occidental	Exploration
Block 53	20%	20%	Occidental	Exploration
Block 52	15%	15%	ENI	Exploration
Block 47	10%	10%	ENI	Exploration
Block 11	10%	10%	SDO	Exploration
Block 10	13.36%	13.36%	Shell Exploration and Production	Exploration

All interests of less than 100% are Joint Operations.

4 Application of new and revised International Financial Reporting Standards (IFRS)

For the period ended 31 March 2025, the Group has adopted all the new and revised standards, that are relevant and effective for periods beginning on or after 1 January 2025. The Group has not early adopted any other standard, or amendment that has been issued but is not yet effective. There is no material impact on the adoption of new standards.

5 Revenues

The Group derives its revenue from contracts with its customers for the transfer of goods and services. Revenue from sale of oil and condensate and gas has been recognised point- in- time whereas revenue from processing and service fees has been recognised over the time.

	Consolidated		Parent	
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000
Revenue recognised point-in-time				
Sale of oil and condensate	155,276	156,505	133,693	131,331
Sale of gas	37,644	41,533	1,494	846
Revenue recognised over time	192,920	198,038	135,187	132,177
Processing and service fees	12,550	11,489	11,927	11,166
Total revenue	205,470	209,527	147,114	143,343
Primary geographical markets				
Export – United Arab Emirates	155,276	156,505	133,693	131,331
Local – Sultanate of Oman	50,194	53,022	13,421	12,012
	205,470	209,527	147,114	143,343

6 Cost of sales

	Consolidated		Parent	
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000
Operating costs	58,053	61,819	51,177	51,967
Depreciation, depletion, and amortisation (note 9)	68,130	65,176	49,414	45,830
Amortisation - right of use asset (note 27)	3,822	3,754	3,822	3,754
	130,005	130,749	104,413	101,551

6 Cost of sales**6.1 Operating cost (Continued)**

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000
Field and Support Costs	2,340	3,123	1,808	1,996
Utilities	10,914	8,567	10,914	8,568
Repairs & Maintenance	14,033	13,237	13,956	12,658
Overheads	11,468	18,723	9,654	15,390
Material Cost	3,273	3,539	3,273	3,540
Employee Related costs	1,624	2,940	18	16
Other Expenses	14,401	11,690	11,554	9,799
	58,053	61,819	51,177	51,967

7 Administrative expenses, finance income and other income**7.1 Administrative expenses**

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000
Employee related expenses (note 7.1.1)	5,864	5,238	5,864	5,238
Communication expense	51	124	51	124
Professional and technical fees	140	742	140	742
Consultancy fees	456	477	456	477
Audit and other services fee	20	7	6	7
Insurance	448	482	448	482
Board sitting fees	138	-	138	-
Other expense	486	787	445	787
	7,603	7,857	7,548	7,857

7.1.1 Employee related expenses

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000
Salaries and allowances	4,391	3,476	4,430	3,668
Other benefits	586	669	586	669
End of service benefits	555	794	516	602
Contribution for social insurance	332	299	332	299
	5,864	5,238	5,864	5,238

7 Administrative expenses, finance income and other income (Continued)**7.2 Finance income**

	Consolidated		Parent	
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000
Interest income – bank deposits (note i)	1,501	3,572	1,474	3,571
Net foreign exchange gain	-	-	163	-
Unwinding of deferred consideration (note 18)	580	656	580	656
	2,081	4,228	2,217	4,227

- i.* Interest income pertains to call deposits denominated in Rial Omani and carry annual effective interest rate of between 0.25% to 5.55% (2024 – 1.25% to 5.80%). The Group has the flexibility to liquidate the call deposits before the scheduled maturity dates.

7.3 Other income

	Consolidated		Parent	
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000
Income on Funds Held in SPV	2,873	-	2,871	-
Others	-	65	-	62
	2,873	65	2,871	62

8 Finance cost

	Consolidated		Parent	
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000
Interest on borrowings	5,349	1,506	5,349	1,506
Unwinding of discount on provision for site restoration and abandonment costs (note 25)	836	940	743	898
Interest on lease liabilities (note 27)	222	335	222	335
Unrealized loss on foreign exchange	(163)	33	-	34
Others	2	6	2	5
	6,246	2,820	6,316	2,778

9 Depreciation, depletion, and amortization

The depreciation, depletion and amortisation charged to the statement of profit or loss is:

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000
Depreciation and depletion – oil & gas properties (note 12)	68,119	65,176	49,403	45,830
Depreciation – other property, plant & equipment (note 14)	11		11	
	68,130	65,176	49,414	45,830
Amortisation – right-of-use of assets (note 27) *	3,822	3,754	3,822	3,754
	71,952	68,930	53,236	49,584

*The depreciation on right of use asset has been allocated to cost of sale because as it pertains to the assets used for the commercial activity. Depreciation, depletion, and amortisation cost are allocated as follows:

Cost of sales (note 6)	71,952	68,930	53,236	49,584
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10 Income tax

The Group and its subsidiaries (other than concession blocks noted above) are subject to income tax in accordance with the income tax law of the Sultanate of Oman at the enacted tax rate of 15% (2023: 15%). For the purpose of determining the tax expense for the period, the accounting result has been adjusted for tax purposes. The reconciliation of tax as per accounting profit to effective tax is set out below:

	Consolidated		Parent	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Current liability	1,708	11,411	1,148	5,617

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Tax expense charged to Profit and Loss	1,708	1,368	1,148	898
Deferred tax – profit or loss	-	-	-	-
Deferred tax – other comprehensive income	-	-	-	-
Tax charge for the period	1,708	1,368	1,148	898

10 Income tax (continued)

	Consolidated		Parent	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
Net deferred tax asset/(liability)	Unaudited	Unaudited	Unaudited	Unaudited
Opening balance	998	(3,870)	256	(47)
Movement for the period	-	1,045	-	303
Abraj common control adjustment (note 37.1)	-	3,823	-	-
Closing balance	998	998	256	256

	Consolidated-Unaudited		
	As at 1 January 2025 RO'000	Movement RO'000	31-Mar-25 RO'000
Deferred tax asset/(liability)			
Oil & Gas Properties	741	-	741
Plant and equipment	33	-	33
Provision for trade receivable	38	-	38
Provision for inventory	186	-	186
	998	-	998

	Consolidated-Audited		
	As at 1 January 2024 RO'000	Movement RO'000	31-Dec-24 RO'000
Deferred tax asset/(liability)			
Oil and gas properties	-	741	741
Plant and equipment	55	(22)	33
Provision for trade receivable	38	-	38
Provision for inventory	86	100	186
Derivatives	(226)	226	-
Abraj Common control adjustment (note 37.1)	(3,823)	3,823	-
	(3,870)	4,868	998

	Parent -Unaudited		
	As at 1 January 2025 RO'000	Movement RO'000	31-Mar-25 RO'000
Deferred tax asset/(liability)			
Plant and equipment	32	-	32
Provision for trade receivable	38	-	38
Provision for inventory	186	-	186
	256	-	256

10 Income tax (continued)

	Parent - Audited		
	As at 1 January 2024 RO'000	Movement RO'000	31-Dec-24 RO'000
Deferred tax asset/(liability)			
Plant and equipment	55	(23)	32
Provision for trade receivable	38	-	38
Provision for inventory	86	100	186
Derivatives	(226)	226	-
	<u>(47)</u>	<u>303</u>	<u>256</u>

	Consolidated		Parent	
	31-Mar-25 RO'000 Unaudited	31-Mar-24 RO'000 Unaudited	31-Mar-25 RO'000 Unaudited	31-Mar-24 RO'000 Unaudited
Profit before tax	<u>76,575</u>	<u>77,579</u>	<u>39,039</u>	<u>40,823</u>
Income tax	<u>11,485</u>	<u>11,637</u>	<u>5,856</u>	<u>6,123</u>
Non-deductible expenses				
Effect of tax specific disallowances				
Tax exempt income	<u>(9,777)</u>	<u>(10,269)</u>	<u>(4,708)</u>	<u>(5,225)</u>
Effective tax	<u><u>1,708</u></u>	<u><u>1,368</u></u>	<u><u>1,148</u></u>	<u><u>898</u></u>

The deferred tax has been computed at the tax rate of 15% (2024: 15%).

11 Dividends

Dividend of RO 115.36 million (per share RO 0.014) has been declared and RO 57.68 has been paid by the parent company during the period (Mar 2024: Nil).

12 Oil and gas properties

	Consolidated RO'000	Parent RO'000
Cost		
As at 1 January 2024 - audited	3,388,034	2,360,276
Additions made during the period	60,056	46,769
Currency translation differences	(5,279)	(3,677)
As at 31 March 2024-unaudited	<u>3,442,811</u>	<u>2,403,368</u>
As at 1 January 2024 - audited	3,388,034	2,360,276
Additions made during the period	234,365	187,805
Change in provisioning for decommissioning (note 25)	(189)	(3,312)
Reversal of Almuzn assets depreciation	(36,782)	-
Currency translation differences	(5,279)	(3,677)
As at 31 December 2024 - audited	<u>3,580,149</u>	<u>2,541,092</u>
As at 1 January 2025 - audited	3,580,149	2,541,092
Additions made during the period	55,848	46,750
As at 31 March 2025-unaudited	<u>3,635,997</u>	<u>2,587,842</u>
Accumulated depreciation and impairment		
As at 1 January 2024 - audited	(2,457,465)	(1,974,869)
Charge for the period (note 9)	(65,176)	(45,830)
Currency translation differences	3,829	3,077
As at 31 March 2024-unaudited	<u>(2,518,812)</u>	<u>(2,017,622)</u>
As at 1 January 2024 - audited	(2,457,465)	(1,974,869)
Charge for the period	(262,829)	(184,081)
Reversal of Almuzn assets depreciation	2,488	-
Currency translation differences	3,829	3,077
As at 31 Dec 2024-audited	<u>(2,713,977)</u>	<u>(2,155,873)</u>
As at 1 January 2025 - audited	(2,713,977)	(2,155,873)
Charge for the period (note 9)	(68,119)	(49,403)
As at 31 March 2025-unaudited	<u>(2,782,096)</u>	<u>(2,205,276)</u>
Net book value		
As at 31 March 2025-Unaudited	<u>853,901</u>	<u>382,566</u>
As at 31 March 2024 - Unaudited	<u>923,999</u>	<u>385,746</u>
As at 31 December 2024-Audited	<u>866,172</u>	<u>385,219</u>

* The reversal pertains to the Almuzn assets due to change in accounting treatment from joint operations to joint venture.

13 Exploration and evaluation assets

	Consolidated RO'000	Parent RO'000
Cost		
As at 1 January 2024 - audited	6,675	4,819
Additions made during the period	838	401
Currency translation adjustment	(10)	(8)
As at 31 March 2024-unaudited	<u>7,503</u>	<u>5,212</u>
As at 1 January 2024 - audited	6,675	4,819
Additions made during the period	11,027	7,339
Asset written off block 42	(2,828)	(2,828)
Provision for impairment against block 52 assets	(6,502)	(6,502)
Currency translation adjustment	(10)	(8)
As at 31 December 2024 - audited	<u>8,362</u>	<u>2,820</u>
As at 1 January 2025 - Audited	8,362	2,820
Additions made during the period	1,590	714
As at 31 March 2025-unaudited	<u>9,952</u>	<u>3,534</u>
Net book value		
As at 31 March 2025-Unaudited	<u>9,952</u>	<u>3,534</u>
As at 31 March 2024 - Unaudited	<u>7,503</u>	<u>5,212</u>
As at 31 December 2024 - audited	<u>8,362</u>	<u>2,820</u>

The exploration and evaluation assets (E&E) closing balance primarily pertains to Blocks 47 and 48 which are under exploration stage and accounted as per requirements of IFRS 6.

14 Other property, plant and equipment

	Consolidated		
	Other property, plant and equipment RO'000	Capital work in progress (CWIP) RO'000	Total RO'000
Cost			
As at 1 January 2024 - Unaudited	366,633	10,445	377,078
Additions made during the period	304	4,724	5,028
Transfers	357	(357)	-
Disposals / written off	(739)	-	(739)
As at 31 March 2024 -unaudited	<u>366,555</u>	<u>14,812</u>	<u>381,367</u>
As at 1 January 2024 - audited	366,633	10,445	377,078
Additions made during the year	769	22,188	22,957
Transfers	9,928	(9,928)	-
Disposals / written off	(1,429)	-	(1,429)
Abraj common control adjustment (note 37.1)	(370,784)	(22,705)	(393,489)
Currency translation adjustment	(571)	-	(571)
As at 31 December 2024 - audited	<u>4,546</u>	<u>-</u>	<u>4,546</u>
As at 1 January 2025 - audited	4,546		4,546
Additions made during the period	-	-	-
As at 31 March 2025 -unaudited	<u>4,546</u>	<u>-</u>	<u>4,546</u>

14 Other property, plant and equipment (continued)

As at 1 January 2024 - audited	(185,670)	(2)	(185,672)
Charge for the period (note 9)	(5,124)	-	(5,124)
Provision for asset write off	685	-	685
As at 31 March 2024-unaudited	<u>(190,109)</u>	<u>(2)</u>	<u>(190,111)</u>
As at 1 January 2024 - audited	(185,670)	(2)	(185,672)
Charge for the year	(10,015)	-	(10,015)
Disposal	1,381	-	1,381
Provision for asset write off	(336)	-	(336)
Abraj common control adjustment (note 37.1)	190,045	2	190,047
Currency translation adjustment	289	-	289
As at 31 December 2024 - audited	<u>(4,306)</u>	<u>-</u>	<u>(4,306)</u>
As at 1 January 2025 - audited	(4,306)	-	(4,306)
Charge for the period (note 9)	(10)		(10)
As at 31 March 2025-unaudited	<u>(4,316)</u>	<u>-</u>	<u>(4,316)</u>
Net book value			
As at 31 March 2025-unaudited	<u>230</u>	<u>-</u>	<u>230</u>
As at 31 March 2024 - Unaudited	<u>176,446</u>	<u>14,810</u>	<u>191,256</u>
As at 31 December 2024 - audited	<u>240</u>	<u>-</u>	<u>240</u>
	Parent		
	Other property, plant and equipment RO'000	PPE - CWIP RO'000	Total RO'000
Cost			
As at 1 January 2024 - audited	4,554	-	4,554
As at 31 March 2024 -unaudited	<u>4,554</u>	<u>-</u>	<u>4,554</u>
As at 1 January 2024 - audited	4,554	-	4,554
Additions	241	-	241
Disposals / written off	(247)	-	(247)
As at 31 December 2024 - audited	<u>4,548</u>	<u>-</u>	<u>4,548</u>
As at 1 January 2025 - audited	4,548	-	4,548
As at 31 March 2025 -unaudited	<u>4,548</u>	<u>-</u>	<u>4,548</u>
Accumulated depreciation and impairment			
As at 1 January 2024 - audited	(4,553)	-	(4,553)
As at 31 March 2024- Unaudited	<u>(4,553)</u>	<u>-</u>	<u>(4,553)</u>

14 Other property, plant and equipment (continued)

As at 1 January 2024 - audited	(4,553)	-	(4,553)
Disposals / written off	240	-	240
Charge for the period (note 9)	1	-	1
Currency translation adjustment	4	-	4
As at 31 December 2024 - audited	<u>(4,308)</u>	<u>-</u>	<u>(4,308)</u>
As at 1 January 2025 - audited	(4,308)	-	(4,308)
Charge for the period (note 9)	(10)	-	(10)
As at 31 March 2025- Unaudited	<u>(4,318)</u>	<u>-</u>	<u>(4,318)</u>
Net book value			
As at 31 March 2025-unaudited	<u>230</u>	<u>-</u>	<u>230</u>
As at 31 March 2024-unaudited	<u>1</u>	<u>-</u>	<u>1</u>
As at 31 December 2024 - audited	<u>240</u>	<u>-</u>	<u>240</u>

* There is no depreciation for the period as the addition happened at the period end and the depreciation related to Abraj assets has been transferred under common control transaction to the Holding Company.

15 Intangible assets

	Consolidated RO'000	Parent RO'000
Cost		
As at 1 January 2024 - audited	<u>7,713</u>	<u>6,964</u>
As at 31 March 2024-unaudited	<u>7,713</u>	<u>6,964</u>
As at 1 January 2024 - audited	7,713	6,964
Abraj common control adjustment (note 37.1)	(748)	-
Currency translation adjustment	(12)	(11)
As at 31 December 2024-audited	<u>6,953</u>	<u>6,953</u>
As at 1 January 2025 - audited	<u>6,953</u>	<u>6,953</u>
As at 31 March 2025-unaudited	<u>6,953</u>	<u>6,953</u>
Accumulated depreciation and impairment		
As at 1 January 2024 - audited	(7,481)	(6,964)
Charge for the year	(22)	-
As at 31 March 2024-unaudited	<u>(7,503)</u>	<u>(6,964)</u>
As at 1 January 2024 - audited	(7,481)	(6,964)
Charge for the year	(42)	-
Abraj common control adjustment	558	-
Currency translation adjustment	12	11
As at 31 December 2024-audited	<u>(6,953)</u>	<u>(6,953)</u>

15 Intangible assets (continued)

As at 1 January 2025 - audited	(6,953)	(6,953)
As at 31 March 2025-unaudited	(6,953)	(6,953)
Net book value		
As at 31 March 2025-unaudited	-	-
As at 31 March 2024-unaudited	210	-
As at 31 December 2024 - audited	-	-

16 Inventories

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Oil, gas and condensates	3,462	4,571	5,697	3,292	4,386	5,704
Materials, spares and consumables	73,349	92,426	72,204	64,257	55,525	63,346
Provision for obsolescence	(1,236)	(1,093)	(1,236)	(1,235)	(570)	(1,236)
	75,575	95,904	76,665	66,314	59,341	67,814
Provision for obsolescence						
Opening balance	1,236	1,074	1,074	1,236	571	571
Charge for the period/year	-	21	665	-	-	665
Abraj common control adjustment (note 37.1)	-	-	(503)	-	-	-
Foreign currency difference	-	(2)	-	-	(1)	-
Closing balance	1,236	1,093	1,236	1,236	570	1,236

17 Trade and other receivables

	Consolidated			Parent		
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000
Trade receivables – third party	35,322	34,267	34,910	11,898	16,065	9,180
Trade receivables – related party	70,506	62,459	61,067	64,169	46,250	52,750
Expected Credit Loss (ECL)	(258)	(258)	(258)	(258)	(258)	(258)
	105,570	96,468	95,719	75,809	62,057	61,672
Other receivables	174,002	135,361	123,699	92,906	58,854	42,453
	<u>279,572</u>	<u>231,829</u>	<u>219,418</u>	<u>168,715</u>	<u>120,911</u>	<u>104,125</u>

Trade receivables are non-interest bearing and are generally on 15-to-90 day terms. Other receivables include accrued revenue, receivables from employees and receivables from operators. Other receivables balance at the period end is not past due and is not considered to be credit impaired. Out of these other receivables, there are four individual corporate customers (operators) who have large exposures having credit rating of BB+.

Movements in the Expected credit loss (ECL):

	Consolidated			Parent		
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000
Balance at the beginning of the period/year	(258)	(258)	(258)	(258)	(258)	(258)
(Reversal) / charge during the year	-	-	-	-	-	-
Balance at the end of the period/year	<u>(258)</u>	<u>(258)</u>	<u>(258)</u>	<u>(258)</u>	<u>(258)</u>	<u>(258)</u>

The aging analysis of trade receivable at consolidated level that were not impaired is as follows:

	Total	Not past due	Less than 90 days	91 – 270 days	271 – 360 days	More than 1 year
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Trade receivables March 2025	105,570	85,013	9,003	10,499	633	422
Trade receivables Dec 2024	95,719	76,576	18,295	-	70	778

17 Trade and other receivables (Continued)

The aging analysis of trade receivable at Parent level that were not impaired is as follows:

	Total	Not past due	Less than 90 days	91 – 270 days	271 – 360 days	More than 1 year
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Trade receivables March 2025	75,809	55,250	9,003	10,499	633	424
Trade receivables Dec 2024	79,527	56,335	14,090	8,930	8	164

18 Deferred consideration

During the year 2023 the OQEP sold 40% participating right of Block 60 to Medco Energi Oman (20%) and Medco Daya Oman (20%). As per the sale agreement, the buyers (Medco) will pay the Group deferred payments in time period of 6 years starting from 1st December 2024 and last payment will be received on 1st December 2029. The installment will be due annually on 1st December of each respective year. As the amount will be received beyond one year so the Group has discounted the future cashflows by using 6% rate.

	Consolidated			Parent		
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000
Unwinding income on deferred consideration (note 7.2)	580	656	2,538	580	656	2,538
Presented as:						
Current receivable	7,690	7,690	7,690	7,690	7,690	7,690
Non-current receivable	31,570	36,712	30,990	31,570	36,712	30,990
	39,260	44,402	38,680	39,260	44,402	38,680

18 Deferred considerations (continued)

	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000
As at 1 January	38,680	43,916	43,916	38,680	43,916	43,916
Interest charged (note 7.2)	580	656	2,538	580	656	2,538
Payment Received	-	-	(7,690)	-	-	(7,690)
Currency translation difference	-	(170)	(84)	-	(170)	(84)
Closing balance	39,260	44,402	38,680	39,260	44,402	38,680
Deferred consideration receivable						
2024	-	7,690	-	-	7,690	-
2025-26	9,613	9,613	9,613	9,613	9,613	9,613
2026-27	9,613	9,613	9,613	9,613	9,613	9,613
2027-28	9,613	9,613	9,613	9,613	9,613	9,613
2028-29	9,613	9,613	9,613	9,613	9,613	9,613
2029	7,690	7,690	7,690	7,690	7,690	7,690
Total deferred consideration-gross	46,142	53,832	46,142	46,142	53,832	46,142
Less: unearned finance income	(6,882)	(9,430)	(7,462)	(6,882)	(9,430)	(7,462)
Present value of deferred consideration receivable	39,260	44,402	38,680	39,260	44,402	38,680

Medco is a well-established entity with a strong financial standing and a track record of timely payments. The Group has evaluated the creditworthiness of Medco based on recent financial information and historical performance with credit rating of BB-. Deferred consideration balance at the year-end is not past due. Group has calculated the expected credit loss for this receivable based on a 12-month expected credit loss model. Given Medco's strong credit profile and historical payment behaviour, the Group does not anticipate a significant increase in credit risk. The impact of the expected credit loss on the separate and consolidated financial statements is not material.

19 Advances and prepayments

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000
Advances to employees	143	150	177	149	144	181
Advances to suppliers	803	585	404	920	125	169
Prepaid expenses		135	-	1,011	13	-
Accrued revenue	-	8,724	-	-	-	-
Other	7,103	3,042	4,784	-	-	-
	8,049	12,636	5,365	2,080	282	350

20 Cash and cash equivalents

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Cash on hand	152	160	149	152	160	149
Cash at bank	118,677	273,686	160,005	87,202	241,785	111,121
	118,829	273,846	160,154	87,354	241,945	111,270

Bank balances consist of call and fixed deposits denominated in Rial Omani and carry annual effective interest rate of between 0.5% to 4.5% (2024– 0.25% to 5.55%). These deposits have maturity of three months or less from date of acquisition. However, the Group has the flexibility to liquidate the deposits before the scheduled maturity dates without any penalty.

21 Restricted Cash

As per the PXF agreement between OOCEP PXF 1 BV and the Parent Company, OOCEP PXF 1 BV must retain the cash received from the ultimate sale of oil to fund the debt obligations. As the PXF facility has been matured and repaid during the current period so the restricted cash has been settled against the last installment of the loan.

22 Capital and reserves**22.1 Share capital**

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Paid up share capital 8 billion shares of RO .0010 each (2024: 250,000 shares of RO 1 each).	80,000	80,000	80,000	80,000	80,000	80,000
	80,000	250	80,000	80,000	250	80,000

OQ SAOC holds more than 10% of the OQEP's capital, and the shareholding pattern of the Parent Company is as follows:

	31-Mar-25		31-Mar-24		31-Dec-24	
	No. of shares	% holding	No. of shares	No. of shares	No. of shares	% holding
OQ SAOC	6,000,000,000	75%	250,000	100%	6,000,000,000	75%

22 Capital and reserves (continued)**22.1 Share capital (continued)**

In 2024, the Parent Company has split the shares to 1:100 and consequently nominal value per share has been decreased from RO 1.00 to 10 Baizas. Total number of outstanding shares has been increased to 8 billion. The share capital increase of RO 79.5 million has been funded from the Parent Company's retained earnings. Also, the Parent Company has issued 25% of the paid up share capital to the general public as secondary sale under initial public offering.

22.2 Statutory reserve

As required under the Article 274 of the Commercial Companies Law of the Sultanate of Oman, 10% of the Parent Company's net profit to be transferred to a non-distributable legal reserve until the amount of the legal reserve becomes equal to at least one-third of the Parent's Company issued share capital.

22.3 Capital reserves

Capital reserve relates to fair valuation of Block 9 amounting to RO 103 million transferred to the Group by the Government as an equity contribution.

22.4 Subordinated loans

As a part of capital management to ensure the business continuity, the Group has arrangements with the Holding Company in funding its cash requirements, either through loans and / or other current borrowings. These are non-interest-bearing loan arrangements which are subordinated and repayable only at the discretion of the Parent Company. Accordingly, these have been classified as equity in the financial statements. During the year the Group has repaid RO 461 million (2023: RO 453.31 million) and the balance amount has been settled against the transfer of 51% shares of Abraj to the Holding Company under common control transaction (refer note 37.1).

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Non-interest bearing						
Opening 1st January	-	532,774	532,774	-	532,774	532,774
Abraj common control adjustment (note 37.1)	-	-	(71,461)	-	-	(71,461)
Repayment during the period/year	-	-	(461,313)	-	-	-
Foreign currency difference	-	(831)		-	(831)	
Closing balance	-	531,943	-	-	531,943	-

23 Borrowings

	Note	Consolidated			Parent		
		31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
		Unaudited RO'000	Unaudited RO'000	Audited RO'000	Unaudited RO'000	Unaudited RO'000	Audited RO'000
PXF facility	23.1	-	59,154	-	-	59,154	-
Bridge-to-bond credit facility	23.2	192,250	-	192,250	192,250	-	192,250
Islamic finance facility	23.3	192,250	-	192,250	192,250	-	192,250
Term loans	23.4	-	81,984	-	-	-	-
		384,500	141,138	384,500	384,500	59,154	384,500
Less: Unamortised financing costs		(1,504)	(33)	(1,694)	(1,504)	(33)	(1,694)
		382,996	141,105	382,806	382,996	59,121	382,806
Long term borrowings - current portion		-	72,353	-	-	59,121	-
Long term borrowings - non current portion		382,996	68,752	382,806	382,996	-	382,806
Total Borrowings		382,996	141,105	382,806	382,996	59,121	382,806

23.1 PXF facility

In December 2017, OQEP obtained PXF loan facility from certain financial institutions of RO 38 million (the PXF Facility). As per original facility agreement, the loan amount was to be settled in 13 equal quarterly instalments starting from 30 September 2019 to 13 September 2022. During 2019, Group restructured the facility and extended the term of facility by 2 years. Accordingly, the repayment of the loan will be settled in 13 equal instalments starting from 30 September 2021 to 30 September 2024. The respective modification was accounted for in accordance with IFRS 9. The facility carries interest at 3-month Compounded SOFR + applicable margin (2022: 3-month Compounded SOFR + applicable margin).

In order to obtain PXF loan facility, OQ EP entered into a Forward Sales Agreement ("FSA") and other ancillary contracts. Also, SPV was set up with the name OCEP PXF 1 B.V. (the "SPV"). The financial institutions provided the facility proceeds to the SPV. Under the agreement, the SPV will retain cash received from the ultimate sale of oil to fund its debt service obligations and administrative expenses, with the balance being paid to OQ EP conditional on meeting certain banks covenants. The loan has been fully repaid in August 2024.

23.2 Bridge-to-bond credit facility

In September 2024, OQEP obtained RO 192.25 million conventional Bridge-to-Bond credit facility of for a term of two years from a syndicate of commercial banks, with a floating rate of interest set by reference to US\$ at SOFR plus 85 basis points, repayable on maturity.

23 Borrowings (continued)**23.3 Islamic finance facility**

In September 2024, OQEP obtained RO 192.25 million term Islamic financing facility for a term of seven years with a syndicate of banks, structured as a wakala bil-istithmar. The Parent Company pays a variable return on this facility, set by reference to US\$ at SOFR plus 125 basis points, and the facility is repayable in semi-annual instalments commencing from January 2027, with a balloon repayment of RO 62.385 million in July 2031.

The Bridge-to-bond credit facility and Islamic finance facility is unsecured and not guaranteed. Further, there are no covenants attached to these loans outstanding at year end.

23.4 Term loans

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Terms Loan II	-	6,140	-	-	-	-
Terms Loan IV	-	17,987	-	-	-	-
Terms Loan VI	-	27,482	-	-	-	-
Terms Loan VII	-	30,375	-	-	-	-
	-	81,984	-	-	-	-
Less: Current portion	-	-13,232	-	-	-	-
Non-current portion	-	68,752	-	-	-	-

These term loans pertain to the Abraj that has been transferred to the Holding Company under common control transaction.

Unamortised Financing costs

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Opening balance	1,694	100	100	1,694	100	100
Incurred in period/year	-	-	1,883	-	-	1,883
Amortised	(190)	(67)	(289)	(190)	(67)	(289)
Closing balance	1,504	33	1,694	1,504	33	1,694

There are no covenants for the loan outstanding at period end and there is no exposure coverage through any security.

24 Employees' end of service benefits

The Group entities operating in Oman and provide end-of-service benefits to its expatriate employees. End-of-service benefits are in accordance with the terms of employment of the Group's employees at the reporting date, having regard to the requirements of the Oman Labour Law 2003 and its amendments subject to the completion of a minimum service period. The amount of obligation is computed by actuarial valuations using the projected unit credit method as per IAS 19.

Movement in liability

	Consolidated			Parent		
	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000	31-Mar-25 Unaudited RO'000	31-Mar-24 Unaudited RO'000	31-Dec-24 Audited RO'000
Balance at the beginning of the period/year	995	3,136	3,136	956	874	874
Service cost	555	794	777	516	602	527
Defined benefit obligation	-	-	31	-	-	31
actuarial loss	-	-	-	-	-	-
Less: Abraj common control adjustment	-	-	(2,440)	-	-	-
Paid during the period/year	(504)	(548)	(504)	(474)	518	(474)
Currency translation adjustment	(5)	(5)	(5)	(2)	(2)	(2)
	<u>1,041</u>	<u>3,377</u>	<u>995</u>	<u>996</u>	<u>956</u>	<u>956</u>

The amount recognized in the condensed separate and consolidated interim statement of profit and loss is as follows:

Service cost (note 7.1.1)	555	794	777	516	602	527
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The amount recognized in condensed separate and consolidated interim statement of other comprehensive income:

Defined benefit obligation	-	-	31	-	-	31
actuarial loss						

25 Provision for decommissioning

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Movement in liability						
Balance at the beginning of the period/year	42,532	39,606	39,606	36,792	37,333	37,333
Additions/(reversals) during the period/year (note 12)	-	-	(189)	-		(3,312)
Unwinding of discount(note 8)	836	940	3,177	743	898	2,829
Currency translation adjustment	-	(62)	(62)	-	(58)	(58)
	<u>43,368</u>	<u>40,484</u>	<u>42,532</u>	<u>37,535</u>	<u>38,173</u>	<u>36,792</u>

The Group makes provision for the future cost of decommissioning of oil and gas assets by discounting the future expected cash flows at a rate that reflect current market assessment of the time value of money and the risk free rate specific to the liability. The decommissioning provision represent the present value of decommissioning costs relating to oil and gas assets, which are expected to be incurred when the producing oil and gas assets are expected to cease operations.

These provisions have been created based on the Group's internal estimates or through the joint venture operator. Group's internal estimates or through the joint venture operator. Assumptions based on the current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required that will reflect market conditions at the relevant time

26 Accounts payable and accrued liabilities

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Dec-24	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Accrued expenses	65,719	121,243	45,701	56,387	65,212	40,904
Trade payables - third party	33,755	77,069	41,246	15,598	19,203	22,711
Trade payables - related party	1,213	1,003	351	51,033	20,484	50,089
Other payables	23,673	23,151	25,359	23,362	20,004	25,281
Payable to operator	152,690	91,967	175,282	43,131	29,808	47,231
Retentions	86	89	89	84	80	80
	<u>277,136</u>	<u>314,522</u>	<u>288,028</u>	<u>189,595</u>	<u>154,791</u>	<u>186,296</u>

Trade payables are non-interest bearing and are normally settled on 60- 90 day terms. Other payables are non-interest bearing and have an average term of six months. All accrued expenses are settled within an average term of six months. All retention payables will be settled as per the underlying contracts. Other payables to joint operations partners mainly represent joint expenses that were paid by the joint operations partner, which are non-interest bearing and are normally settled against future cash calls in normal business operation cycle.

27 Right-of-use assets (ROU) and lease liability

The Group has entered into lease arrangements with various counter parties which include arrangements for:

- Drilling and land rigs
- Tankers and other equipment
- Vehicles
- Plant and equipment

	Consolidated				
	Drilling and land rigs RO'000	Equipment and tankers RO'000	Vehicles RO'000	Plant and equipment RO'000	Total RO'000
Cost:					
As at 1st January 2024-audited	7,719	3,015	13,653	64,466	88,853
Currency translation adjustment	(12)	(5)	(21)	(100)	(138)
As at 31 March 2024-Unaudited	7,707	3,010	13,632	64,366	88,715
As at 1st January 2024-audited	7,719	3,015	13,653	64,466	88,853
Lease reassessment	-	-	-	-	2,155
Abraj common control adjustment (note 37.1)	(2,094)	(2,876)	(12,317)	-	(17,287)
Currency translation adjustment	(12)	(5)	(21)	(100)	(138)
As at 31 December 2024-Unaudited	5,613	134	1,315	66,521	73,583
As at 1st January 2025-audited	5,613	134	1,315	66,521	73,583
Lease reassessment	-	-	-		
As at 31 March 2025-Unaudited	5,613	134	1,315	66,521	73,583

27 Right-of-use assets (ROU) and lease liability (continued)**Accumulated
depreciation and
impairment**

As at 1 January 2024 - audited	6,054	3,015	9,816	29,217	48,102
Charge for the period	81	2	634	3,754	4,471
Currency translation adjustment	(10)	(5)	(15)	(46)	(76)
As at 31 March 2024- unaudited	<u>6,125</u>	<u>3,012</u>	<u>10,435</u>	<u>32,925</u>	<u>52,497</u>

As at 1 January 2024 - audited	6,054	3,015	9,816	29,217	48,102
Charge for the period	161	2	1,258	15,083	16,504
Abraj common control adjustment(note 37.1)	(592)	(2,878)	(9,744)	-	(13,214)

Currency translation adjustment	(10)	(5)	(15)	(46)	(76)
As at 31 December 2024- unaudited	<u>5,613</u>	<u>134</u>	<u>1,315</u>	<u>44,254</u>	<u>51,316</u>

As at 1 January 2025 - audited	5,613	134	1,315	44,254	51,316
Charge for the period	-	-	-	3,822	3,822
As at 31 March 2025- unaudited	<u>5,613</u>	<u>134</u>	<u>1,315</u>	<u>48,076</u>	<u>55,138</u>

Net book value

As at 31 March 2025- unaudited	-	-	-	18,445	18,445
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As at 31 March 2024 - audited	1,582	(2)	3,197	31,441	36,218
As at 31 December 2024 - audited	-	-	-	22,267	22,267

27 Right-of-use assets (ROU) and lease liability (continued)

	Parent				
	Drilling and land rigs RO'000	Equipment and tankers RO'000	Vehicles RO'000	Oil and gas assets RO'000	Total RO'000
Cost:					
As at 1 January 2024 - audited	5,622	134	1,317	64,466	71,539
Currency translation adjustment	(9)	-	(2)	(100)	(111)
As at 31 March 2024- unaudited	5,613	134	1,315	64,366	71,428
As at 1 January 2024 - audited	5,622	134	1,317	64,466	71,539
Lease re-assessment				2,155	2,155
Currency translation adjustment	(9)	-	(2)	(100)	(111)
As at 31 December 2024- unaudited	5,613	134	1,315	66,521	73,583
As at 1 January 2025 - audited	5,613	134	1,315	66,521	73,583
As at 31 March 2025- unaudited	5,613	134	1,315	66,521	73,583
Accumulated depreciation and impairment					
As at 1 January 2024 - audited	5,622	134	1,317	29,217	36,290
Charge for the period (note 9)				3,754	3,754
Currency translation adjustment	(9)	-	(2)	(46)	(57)
As at 31 March 2024- unaudited	5,613	134	1,315	32,925	39,987
As at 1 January 2024 - audited	5,622	134	1,317	29,217	36,290
Charge for the period (note 9)	-	-	-	15,083	15,083
Currency translation adjustment	(9)	-	(2)	(46)	(57)
As at 31 December 2024- unaudited	5,613	134	1,315	44,254	51,316

27 Right-of-use assets (ROU) and lease liability (continued)

As at 1 January 2025 - audited	5,613	134	1,315	44,254	51,316
Charge for the period (note 9)				3,822	3,822
Currency translation adjustment					
As at 31 March 2025- unaudited	5,613	134	1,315	48,076	55,138
Net book value					
As at 31 March 2025- unaudited	-	-	-	18,445	18,445
As at 31 March 2024 - audited	-	-	-	31,441	31,441
As at 31 December 2024 - audited	-	-	-	22,267	22,267

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Lease Liabilities Presented as						
Lease liabilities – current portion	7,788	8,941	4,963	7,788	6,384	4,963
Lease liabilities – non current portion	5,920	15,932	11,062	5,920	13,426	11,062
	13,708	24,873	16,025	13,708	19,810	16,025

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
As at 1st January	16,025	29,405	29,405	16,025	23,626	23,626
Addition during the period/year	2,155		2,155	2,155	-	2,155
Divestment of block 60	-	-	-	-	-	-
Interest charged (note 8)*	222	413	1,167	222	335	1,167

27 Right-of-use assets (ROU) and lease liability (continued)

Termination and modification related adjustment			-		-	-
Payment of lease liability	(4,694)	(4,908)	(10,886)	(4,694)	(4,114)	(10,886)
Abraj common control adjustment (note 37.1)	-	-	(5,779)	-	-	-
Currency translation adjustment	-	(37)	(37)	-	(37)	(37)
As at 31 December	13,708	24,873	16,025	13,708	19,810	16,025

Total amortisation cost for the period is allocated to:

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Profit or loss	3,822	3,754	15,083	3,822	3,754	15,083
	3,822	3,754	15,083	3,822	3,754	15,083

The Group leases several assets including buildings, land, equipment and vehicles. The average lease term is 5 to 10 years (2024: 5 to 10 years).

28 Lease receivables

The lease payments are being made to the Group under the Supplementary Tariff Agreement (STA) which became effective from 1 January 2017, to cover the cost of infrastructure development and the annual operating cost of the Musandam Gas Plant and comprise of monthly payments over a period of 20 years.

	Consolidated & Parent	
	31-Mar-25	31-Mar-24
Lease income	Unaudited	Unaudited
	RO'000	RO'000
Finance income on net investment in lease	5,114	5,377
	5,114	5,377

28 Lease receivables (Continued)**Net investment in lease**

	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	Unaudited	Audited
	RO'000	RO'000	RO'000
As at 1st January	217,540	229,524	229,524
Receipts	(2,812)	(2,812)	(11,626)
Currency translation adjustment	(358)		(358)
As at 31 December	214,370	226,712	217,540

Presented as

Lease receivable - current	9,512	2,907	12,682
Lease receivable - non current	204,858	223,353	204,858
	214,370	226,260	217,540

Amount receivable under finance lease

Amount receivable under finance lease

2024-25	33,136	33,188	33,136
2025-26	33,136	33,188	33,136
2026-27	33,136	33,188	33,136
2027-28	33,136	33,188	33,136
2028-29	33,136	33,188	33,136
Remaining	176,350	234,277	201,201
	342,030	400,217	366,881
Less: unearned finance income	(127,660)	(173,957)	(149,341)
Present value of minimum lease payment receivable	214,370	226,260	217,540

The credit risk associated with this receivable has not increased significantly, given that the Government of Oman has maintained a stable BB+ credit rating and has shown historical growth. The balances of lease receivables are not past due and hence have not been considered as credit impaired. The expected credit loss on these receivables is assessed based on a 12-month expected loss model and the impact is not material.

29 Investment in subsidiaries

Subsidiary	Country of Incorporation	Ownership interest (%) 31-Mar-25 RO'000	Ownership interest (%) 31-Mar-24 RO'000	Ownership interest (%) 31-Dec-24 RO'000
Abraj Energy Services SAOG*	Sultanate of Oman	-	51	-
Abutubul LLC	Sultanate of Oman	100	100	100
Musandam Gas Plant LLC	Sultanate of Oman	100	100	100
Makarim Gas Development LLC	Sultanate of Oman	100	100	100
Musandam Oil and Gas Company LLC	Sultanate of Oman	100	100	100
Almajd Gas Development LLC	Sultanate of Oman	99	99	99
Almuzn Liquified Natural Gas LLC	Sultanate of Oman	99	99	99
Alizz Gas Development LLC	Sultanate of Oman	99	99	99
		31-Mar-25 RO'000 Unaudited	31-Mar-24 RO'000 Unaudited	31-Dec-24 RO'000 Audited
Abraj Energy Services SAOC (Abraj)*		-	38,188	-
Abu Tubul LLC (ABB LLC)		150	150	150
Musandam Gas Plant LLC (MGP LLC)		150	150	150
Musandam Oil & Gas company LLC (MOGC LLC)		250	250	250
Makarim Gas Development LLC (MGD)**		84,543	264,659	127,454
Almajd Gas Development LLC		247	247	247
Almuzn Liquified Natural Gas LLC		247	247	247
Alizz Gas Development LLC		247	247	247
		85,834	304,138	128,745

**In 2023, Parent Company has sold the 49% shares of Abraj Energy Services SAOG ("Abraj") to the general public through IPO. The remaining 51% shares has been transferred to the Holding Company in June 2024 under common control transaction. The difference between the net assets value transferred and the cost of investments has been recorded in other reserve in equity

****This includes the sub-ordinated loan given to the Makarim gas development LLC by the Parent Company amounting to RO 84.543 million (2024: RO 127.2 million).

30 Interest in joint venture

	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Audited
Opening Balance	10,647	-	-
Initial cost	-	-	3,025
Share of profit for the period	4,930	-	7,622
At the end of the period	15,577	-	10,647

Marsa Liquefied Natural Gas LLC is a joint venture in which the group has joint control and a 20% ownership interest. Till last year Group has accounted the investment as Joint operation. Effective from 1st January 2024, the Marsa is structured as a separate vehicle and the Group has residual interest in the net assets of Marsa. Accordingly, the Group has classified its interest in Marsa as a Joint Venture.

The following table summarises the financial information of Marsa as included in its own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Marsa:

	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000
Statement of financial position:	Unaudited	Unaudited	Audited
Non-current assets	337,572	-	311,356
Current assets	23,222	-	14,459
Non-current liabilities	268,858	-	258,410
Current liabilities	14,050	-	14,168
Net assets of the joint venture	77,886	-	53,237
Proportionate of the Parent Company's ownership interest in joint venture (20%)	15,577	-	10,647

Statement of profit and loss and other comprehensive income:

	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Audited
Revenue	20,193	-	75,782
Depreciation & amortisation	-	-	17,962
Income tax expenses	572	-	6,324
Profit & total comprehensive income (100%)	24,651	-	38,112
Profit & total comprehensive income (20%)	4,930	-	7,622

*Effective from 1 January 2024, the arrangement is no longer joint operation therefore as per guideline of IAS 28, the net carrying amount of RO 3.3 million assets and liabilities (operating assets, advance and other current assets of RO 43.3 million less liabilities to the other operators and suppliers of RO 40 million) previously recorded under IFRS 11 has been considered as deemed cost.

31 Deferred Income

An analysis of deferred income is set out below:

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	Unaudited	RO'000	Audited	Unaudited	RO'000	Audited
	RO'000	Unaudited	RO'000	RO'000	Unaudited	RO'000
Balance at the beginning of the period/year	4,783	8,368	8,368	4,783	7,218	7,218
Over lifting of oil	6,275	4,156	4,783	6,275	4,156	4,783
Deferred income booked by Abraj		944	719	-	-	-
Income received during the period/year	(4,783)	(8,368)	(7,205)	(4,783)	(7,218)	(7,205)
Abraj common control adjustment		-	(1,869)	-	-	-
Currency translation adjustment		(13)	(13)		(13)	(13)
	6,275	5,087	4,783	6,275	4,143	4,783

Deferred income is accounted as per contractual term and this represent the income pertaining to future period.

32 Financial instruments**Fair values**

The management believes that the fair values of financial assets and liabilities are not significantly different from their carrying amounts at the reporting date. Interest bearing loans carry interest at market rates. Non-interest-bearing shareholder loan is classified as equity due to their terms and conditions. All assets and liabilities for which fair value is measured or disclosed in these condensed financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

At period end there are no assets and liabilities for which the fair value has been measure or otherwise disclosed. However, for comparative period only derivative was recorded at fair value.

32 Financial instruments (continued)

Financial risk management

The Group's activities expose it to a variety of financial risks including the effects of changes in market risk, (including foreign exchange risk and interest rate risk) liquidity risk and credit risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the management under policies approved by the Board of Directors. The Group's principal financial liabilities comprise accounts payable, borrowings and lease liabilities. The main purpose of these financial instruments is to manage short-term cash flow and raise finance for the Group's capital expenditure programme. The Group's principal financial assets comprise finance lease receivables, trade and other receivables and cash and short-term deposits that arise directly from its operations.

Market risk

Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. Foreign currency risk is minimal as substantially all transactions are either denominated in RO and US Dollars. Since the Omani Rial is pegged to the US Dollar, management believes that the currency rate fluctuations would have an insignificant impact on the post-tax profit.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group adopts a policy of ensuring that between 50% and 70% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates. As of 31 March 25 there are no hedges for the outstanding loans.

The Group's hedging relationships have been directly affected by the interest rate benchmark reform. Prior to 2023, the Group's interest rate swaps were primarily exposed to USD LIBOR. During the year 2023, all the swaps that previously referenced USD LIBOR transitioned to referencing Secured Overnight Financing Rate (SOFR) through adhering to the ISDA 2020 IBOR Fallbacks Protocol as published by the ISDA on 23 October 2020. The transition was enacted on an "economically equivalent" basis. No other changes were made to the terms of the swap contracts upon transition to SOFR.

The hedge relationships were not discontinued and SOFR is now evaluated as the hedged interest rate benchmark risk. The interest rate benchmark reform did not change the risk management strategy of the Group. The Group is exposed to interest rate risk as it borrows funds at floating interest rates.

32 Financial instruments (continued)**Interest rate risk (Continued)**

At the end of reporting period, the interest rate risk profile of the Group's interest-bearing financial instrument was:

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Variable rate instruments						
Borrowings	382,996	141,105	382,806	382,996	59,121	382,806
Less: exposure hedged	-	(41,408)	-	-	(41,408)	-
	382,996	99,697	382,806	382,996	17,713	382,806

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates, and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from IBOR reform, then the Group assumes for this purpose that the benchmark interest rate is not altered because of interest rate benchmark reform. The Group hedging derivative financial instrument was matured during 2024 and there is no open derivative contracts at the end of current reporting period.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis point in interest rates at the reporting date would have increased / (decreased) equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	31-Mar-25		31-Dec-24	
	100 bp	100 bp	100 bp	100 bp
	Increase	Decrease	Increase	Decrease
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Audited	Audited
Net Profit	3,828	3,828	3,828	-3,828
	3,828	3,828	3,828	-3,828

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation

The following tables detail the Group's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

32 Financial instruments (continued)**Liquidity risk (continued)**

Unaudited		Consolidated					
		Carrying amount RO'000 Unaudited	Contractual cashflows RO'000 Unaudited	6 months or less RO'000 Unaudited	6-12 months RO'000 Unaudited	1 – 2 years RO'000 Unaudited	More than 2 years RO'000 Unaudited
As at 31 March 2025							
Interest bearing loans		382,996	446,903	10,188	9,796	220,348	206,571
Accounts payable and accrued liabilities		277,136	277,136	277,136	-	-	-
Lease liabilities		13,708	14,514	4,955	3,405	6,154	-
		<u>673,840</u>	<u>738,553</u>	<u>292,279</u>	<u>13,201</u>	<u>226,502</u>	<u>206,571</u>
Audited							
		Carrying amount RO'000 Audited	Contractual cashflows RO'000 Audited	6 months or less RO'000 Audited	6-12 months RO'000 Audited	1 – 2 years RO'000 Audited	More than 2 years RO'000 Audited
As at 31 December 2024							
Interest bearing loans		382,806	454,712	10,646	10,531	223,498	210,037
Accounts payable and accrued liabilities		277,136	277,136	277,136	-	-	-
Lease liabilities		16,025	17,053	2,692	2,892	11,469	-
		<u>675,967</u>	<u>748,901</u>	<u>290,474</u>	<u>13,423</u>	<u>234,967</u>	<u>210,037</u>
Unaudited		Parent					
		Carrying amount RO'000 Unaudited	Contractual cashflows RO'000 Unaudited	6 months or less RO'000 Unaudited	6-12 months RO'000 Unaudited	1 – 2 years RO'000 Unaudited	More than 2 years RO'000 Unaudited
As at 31 March 2025							
Interest bearing loans		382,996	446,903	10,188	9,796	220,348	206,571
Accounts payable and accrued liabilities		189,595	189,595	189,595	-	-	-
Lease liabilities		13,708	14,514	4,955	3,405	6,154	-
		<u>586,299</u>	<u>651,012</u>	<u>204,738</u>	<u>13,201</u>	<u>226,502</u>	<u>206,571</u>

32 Financial instruments (continued)**Liquidity risk (continued)**

Audited

	Carrying amount RO'000 Unaudited	Contractual cashflows RO'000 Unaudited	6 months or less RO'000 Unaudited	6-12 months RO'000 Unaudited	1 – 2 years RO'000 Unaudited	More than 2 years RO'000 Unaudited
As at 31 December 2024						
Interest bearing loans	382,806	454,712	10,646	10,531	223,498	210,037
Accounts payable and accrued liabilities	186,296	186,296	186,296	-	-	-
Lease liabilities	16,025	17,053	2,692	2,892	11,469	-
	<u>585,127</u>	<u>658,061</u>	<u>199,634</u>	<u>13,423</u>	<u>234,967</u>	<u>210,037</u>

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

As of period end, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises principally from the Group's receivables from customers, lease receivables, deferred consideration and bank balances as stated in the statement of financial position.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition,	Lifetime ECL – not credit-impaired
In default	Amount is >90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

32 Financial instruments (continued)**Credit risk (continued)**

The carrying amount of financial assets that represents the maximum credit exposure is as follows:

	Consolidated		Parent	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Trade receivables and other receivables (net)	279,572	219,418	168,715	104,125
Lease receivable	214,370	217,540	168,715	217,540
Due from related party	32,452	32,452	109,595	114,421
Deferred consideration	39,260	38,680	39,260	38,680
Bank balances	118,829	160,005	87,354	111,121
	684,483	668,095	573,639	585,887

To measure the expected credit losses, trade receivables are assessed based on credit risk characteristics and days past due. Refer to note 17 for an analysis of ageing of trade receivables. The Group limits its credit risk with regard to bank deposits by only dealing with reputable banks.

To measure the expected credit losses, trade receivables are assessed based on credit risk characteristics and days past due. Refer to Note 18 for an analysis of ageing of trade receivables. The Group limits its credit risk with regard to bank deposits by only dealing with reputable banks.

Bank Name	Banks rating	Consolidated		Parent	
		31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
		RO'000	RO'000	RO'000	RO'000
		Unaudited	Audited	Unaudited	Audited
Bank Muscat	BB+	81,261	159,764	49,786	110,880
Ahli Bank	BB	30	30	30	30
Central Bank of Oman	BB+	150	150	150	150
Bank Nizwa	BB	18,587	-	18,587	-
Sohar International Bank	BB	18,649	61	18,649	61
		118,677	160,005	87,202	111,121

The Group has applied the general approach in IFRS 9 to measure the loss allowance at 12 months ECL on its financial assets except for trade receivable which simplified approach is followed, the expected credit losses on these items by using a PD rating approach model where internal ratings is developed which are mapped to determination of probability of default, based on the external credit rating agencies such as Moody's. Where the external rating of a financial instrument is not available, the Group reviews the ability of the counterparty by reviewing their financial statements and other publicly available information and consider a proxy rating benchmarking sovereign external rating of the country where customers reside. The expected credit losses as of end of the reporting period is not accounted on lease receivable, other receivable and balance due from related parties, balance in banks as the impact is not significant.

32 Financial instruments (continued)**Capital management**

The Group's policy is to maintain an optimum capital base to maintain investor, creditor, and market confidence to sustain future growth of business as well as return on capital. Also, this includes interest free borrowings obtained from the Ultimate Holding Company and repayable at the discretion of the Group. The primary objective of the Group's capital management is to ensure to support its business continuity and maximise the shareholder value.

33 Contingencies and commitments**Contingent liabilities**

As at 31 December 2024, the Group has no contingent liabilities and guarantees and legal claims during the current and previous year.

Capital commitments

The Group has the following capital commitments:

	Consolidated		Parent	
	31-Mar-25	31-Dec-24	31-Mar-25	31-Dec-24
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Capital commitments	327,905	385,757	83,494	131,038

34 Related party disclosure

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. The Group maintains balances with these related parties which arise in the normal course of business. The sales to and purchases from related parties are made on mutually agreed terms.

Outstanding balances at the period/year-end are unsecured and interest free and settlement occurs in cash and repayable in demand. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 31 March 2025, the Group has not recorded any impairment on receivables relating to amounts owed by related parties (2024: Nil). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operates.

34 Related party disclosure (continued)

		Consolidated		Parent	
		31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Party Name		RO'000	RO'000	RO'000	RO'000
		Unaudited	Unaudited	Unaudited	Unaudited
Relationship					
Sale of goods and services					
Subsidiary	Processing fee	-	-	1,154	1,154
Entity under common control	Sale of oil	155,276	156,505	133,693	131,331
Purchase of goods and services					
Entity under common control*	Purchase of fuel	2,198	2,763	2,198	2,763
Parent company	Rent and services	103	512	103	512
Board of Directors	Sitting fees	138	-	138	-

Transactions with key management:

Key management comprises of 6 (2024: 6) personnel of the management executive committee in the year 2024. The Company considers the personnel of Management Executive Committee to be key management personnel for the purposes of IAS 24 'Related Party Disclosures'. The remuneration of key management of the group during the period was as follows:

	Consolidated		Parent	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Short term benefits	211	201	211	201
Employee end of service benefits	14	8	14	8

Year end balances arising from sale / purchase of goods and services:

	Consolidated					
	Receivables			Payables		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Parent company and subsidiaries of Parent	45,328	55,920	44,727	1,213	1,003	351
Ministry of Energy and Minerals / Ministry of Finance	25,178	6,539	16,340	-	-	-
Joint Venture	32,452	-	32,452	-	-	-
	102,958	62,459	93,519	1,213	1,003	351

34 Related Party disclosure (continued)

At period end, Group has a total receivable from related parties amounting to RO 103 million (2024: RO 94 million) ,out of which RO 71 million (2024: RO 61 million) has been disclosed in Note 17 to these financial statements and the remaining amounting to RO 32 million (2024: 32 million) has been disclosed on the face of balance sheet.

At period end, Group has a total payable to related parties amounting to RO 1.213 million (2024: RO 0.351 million) which has been disclosed in Note 26 to these financial statements.

	Parent					
	Receivables			Payables		
	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Dec-24 RO'000	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Dec-24 RO'000
Parent company and subsidiaries of Parent	148,586	70,514	150,831	51,033	20,484	50,089
Ministry of Energy and Minerals / Ministry of Finance	25,178	6,539	16,340	-	-	-
	<u>173,764</u>	<u>77,053</u>	<u>167,171</u>	<u>51,033</u>	<u>20,484</u>	<u>50,089</u>

At period end, Parent Company has a total receivable from related parties amounting to RO million 174 (2024: RO 167 million), out of which RO 64 million (2024: RO 53 million) has been disclosed in Note 17 to these financial statements and the remaining amounting to RO 110 million (2024: 114 million) has been disclosed on the face of balance sheet.

At period end, Parent Company has a total payable to related parties amounting to RO 51 million (2024: RO 50 million) which has been disclosed in Note 26 to these financial statements.

Year end balances arising from sale / purchase of goods and services:

For the purposes of impairment assessment, amount due from related parties is not deemed to be credit impaired as the counterparty of this receivables are from OIA affiliated companies which is considered as equivalent of the Government of Oman. The credit risk associated with balances due from related parties has not increased significantly, given that the Government of Oman has maintained a stable BB+ credit rating and has shown historical growth. The balances of due from related parties are not past due. The expected credit loss on these receivables is assessed based on a 12-month expected loss model and the impact is not material.

In accordance with IAS 24 "Related Party Disclosures", the Group has chosen to avail partial exemption under IAS 24 available to government entities, including the Oman Investment Authority (OIA) and other entities controlled, jointly controlled, or significantly influenced by the Government of Oman. All individually significant transactions and balances are disclosed in the notes above. However, the Group has opted to provide qualitative disclosures for transactions that are individually insignificant but collectively significant. These transactions and balances include the procurement of utilities such as electricity, internet, and telecommunications, as well as employee-related transactions such as contributions made to PASI

35 Derivatives

The Group entered into a hedge agreement with OQ SAOC (“Holding Company”) to receive interest at SOFR from the Holding Company. The Holding Company then entered into interest rate swap agreements with commercial banks, on behalf of the Group, to receive interest at SOFR from the banks. This interest rate swap between the Group and the Holding Company is designated as effective cash flow hedge and the fair value thereof is based on market values of equivalent instruments at the reporting date and has been dealt with in equity. The hedge is matured during the current period.

The below table summarise the profile tenor of the nominal amounts of derivatives designated as hedging instruments in cashflow hedge relationship.

	Consolidated			
	Less than 6 months RO'000	6 to 12 months RO'000	More than 1 year RO'000	Total RO'000
31-Mar-25	-	-	-	-
31 December 2024- audited	-	-	-	-
	Parent			
	Less than 6 months RO'000	6 to 12 months RO'000	More than 1 year RO'000	Total RO'000
31-Mar-25	-	-	-	-
31 December 2024- audited	-	-	-	-

Movement in cashflow hedge during the period/year is as follows:

	Consolidated		Parent	
	31-Mar-25 RO'000 Unaudited	31-Dec-24 RO'000 Audited	31-Mar-25 RO'000 Unaudited	31-Dec-24 RO'000 Audited
Cumulative changes in hedging reserve				
As at 1 January	-	1,554	-	1,554
Loss arising on changes in fair value of hedging instruments during the period/year	-	-	-	-
Deferred tax recognised		-		-
Reclassified to other comprehensive income		(1,554)		(1,554)
Closing balance-net	-	-	-	-

35 Derivatives (continued)**Derivative recognised in statement of financial position**

Interest rate swaps used for cashflow hedging- gross amount	-	-	-	-
Asset	-	-	-	-
Current portion	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The derivatives disclosed above are level 2 financial instruments. The level 2 description has been disclosed in Note 27 to these condensed interim financial statements.

36 Earnings per share

Earnings per share is calculated by dividing the net profit for the year attributable to the shareholders of the Parent Company by the number of shares that are issued at the time of listing as follows:

	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Earnings per share	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
Profit attributable to shareholders	74,867	79,245	321,335	37,891	39,925	170,110
Number of shares for basic and diluted EPS (no. in "000")	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Basic and diluted earnings per share-(Rial Omani)	0.00936	0.00991	0.04017	0.00474	0.00499	0.02126

36 Earnings per share (Continued)

Earnings per share - continuing operations	Consolidated			Parent		
	31-Mar-25	31-Mar-24	31-Dec-24	31-Mar-25	31-Mar-24	31-Dec-24
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Profit attributable to shareholders	74,867	76,211	315,893	37,891	39,925	170,110
Number of shares for basic and diluted EPS (no. in "000")	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Basic and diluted earnings per share-(Rial Omani)	0.00936	0.00953	0.03949	0.00474	0.00499	0.02126
Earnings per share - discontinuing operations	Consolidated					
	31-Mar-25	31-Mar-24	31-Dec-24			
	RO'000	RO'000	RO'000			
	Unaudited	Unaudited	Unaudited			
Profit attributable to shareholders						
Number of shares for basic and diluted EPS (no. in "000")	-	2,915	5,442			
Basic and diluted earnings per share-(Rial Omani)	8,000,000	8,000,000	8,000,000			
	-	0.00036	0.00068			

37 Discontinued operations

The Parent Company was holding 100% in Abraj, until 13 March 2023. Effective from 14 March 2023, through Initial Public Offering ("IPO") process, the Parent Company had divested its 49% holding in Abraj. The principal activities of Abraj are to provide Oilfield Services which mainly includes services such as onshore drilling, workover, flowback, well testing, well intervention, cementing, fracturing, coil tubing, integrated project management, drilling fluids services and training services. The immediate parent of Abraj was OQEP (the "Parent Company").

37 Discontinued operations (continued)

In 2024, the Parent Company has undergone an Initial Public Offering ("IPO"). As part of the IPO process, there was a corporate reorganisation whereby the Parent Company transferred its investment in Abraj to OQ SAOC (the Holding Company) on 4th July 2024. The transaction was recorded as common control transaction. Abraj was not previously classified as held for sale or as a discontinued operation. The comparative condensed interim consolidated statement of profit and loss and OCI has been re-presented to show the discontinued operation separately from continuing operations.

To achieve this presentation, management has eliminated from the results of the discontinued operations the intercompany sales, costs less unrealized profits, made before its disposal.

During 2024 the Group has repaid RO 461 million and the balance amount has been settled against the transfer of 51% shares of Abraj to the Holding Company under common control transaction (refer note 37.1)

	31-Mar-25	31-Mar-24
Results of discontinued operations	RO'000	RO'000
	Unaudited	Unaudited
Revenue		39,312
Elimination of intercompany revenue	-	(5,801)
External revenue	-	33,511
Expenses	-	(32,308)
Elimination of expenses related to intercompany sales	-	5,801
External expenses	-	(26,507)
Results from operating activities	-	7,004
Income tax	-	(1,055)
Results from operating activities, net of tax	-	5,949

Impact of discontinued operation on the Group cashflow is as follows:	31-Mar-25	31-Mar-24
	RO'000	RO'000
	Unaudited	Unaudited
Net cash used in operating activities	-	10,959
Net cash from investing activities	-	(9,407)
Net cash from financing activities	-	(4,022)

37 Discontinued operations (continued)**37.1 Transfer of Abraj net asset under common control transaction**

Following net asset has been transferred to OQ SAOC ("the Holding Company") under a common control transaction.

		31-Dec-24
		RO'000
	<i>Note</i>	Unaudited
Other property, plant and equipment	14	203,442
Right of use asset	27	4,073
Intangible asset	15	190
Current assets		85,174
Provision against the inventory	16	(503)
Deferred tax liabilities	10	(3,823)
Deferred Income	31	(1,869)
Borrowings	23	-
Employees' end of service benefits	24	(2,440)
Lease liabilities	27	(5,779)
Current liabilities		(57,291)
Non-controlling interest		(68,658)
Net assets of the Abraj transferred to the Holding Company		71,461
Consideration received, adjustment of sub-ordinated loan (note 22.4)		-
Gain/loss on common control transaction		<u>71,461</u>

38 Interests in joint operations

The Group's interests in joint operations are detailed in note 1. In accordance with these joint operating agreements, in any given year, the Group's entitlement to oil and service fee from each project as specified in each underlying contract will fluctuate depending upon factors including cumulative capital expenditure, inflation and oil prices.

The details of the Group's share of joint operations' assets and liabilities are as follows:

		As at 31 March 2025-Unaudited					31 March 2025-Unaudited	
		Total assets	Current assets	Total liabilities	Current liabilities	Net assets	Revenue	Profit for the period
		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Block 53	20%	64,923	60,964	(124,325)	(106,458)	(59,402)	20,983	(860)
Block 60	60%	622,344	333,104	(76,330)	(46,226)	546,014	62,791	23,785
Block 48	60%	15,234	12,642	7	7	15,241	-	(93)
Block 9	45%	154,987	56,792	(162,825)	(162,825)	(7,838)	43,215	5,685
Block 61	30%	599,558	170,004	(266,068)	(135,221)	333,490	49,956	28,944
Others (*)	*	210,164	(101,826)	(108,102)	152,679	102,062	28,524	17,406
		<u>1,667,210</u>	<u>531,679</u>	<u>(737,643)</u>	<u>(298,043)</u>	<u>929,567</u>	<u>205,470</u>	<u>74,867</u>
		As at 31 March 2024-Unaudited					31 March 2024-Unaudited	
Block 53	20%	16,583	8,812	(39,468)	(22,772)	(22,885)	25,371	3,191
Block 60	60%	614,268	320,226	(81,378)	(61,039)	532,890	46,413	17,207
Block 48	60%	14,165	12,890	(619)	(619)	13,546	-	(88)
Block 9	45%	98,587	(4,970)	(48,848)	(48,848)	49,738	49,322	8,430
Block 61	30%	535,602	82,159	(304,056)	(37,318)	231,546	55,966	33,559
Others (*)	*	784,240	215,684	(147,325)	(312,193)	636,915	32,455	19,861
		<u>2,063,444</u>	<u>634,800</u>	<u>(621,694)</u>	<u>(482,789)</u>	<u>1,441,750</u>	<u>209,527</u>	<u>82,160</u>

38 Interests in joint operations (Continued)

		As at 31 December 2024 - Audited					31 December 2024-Audited	
		Total assets	Current assets	Total liabilities	Current liabilities	Net assets	Revenue	Profit for the period
		RO'000	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Block 53	20%	50,197	44,946	(104,967)	(87,397)	(54,770)	100,039	6,692
Block 60	60%	615,083	322,117	(81,776)	(51,959)	533,307	222,735	95,724
Block 48	60%	14,088	12,493	(769)	(769)	13,319	-	-229
Block 9	45%	133,918	31,686	(128,116)	(128,116)	5,802	185,229	38,496
Block 61	30%	599,558	170,004	(266,068)	(135,221)	333,490	227,454	135,903
Others (*)	*	235,469	(66,570)	(164,884)	(38,716)	70,585	69,908	30,187
		<u>1,648,313</u>	<u>514,676</u>	<u>(746,580)</u>	<u>(442,178)</u>	<u>901,733</u>	<u>805,365</u>	<u>306,773</u>

* Other includes aggregate of interest in Block 10, 42, 47, 52, Karim small field and Rima satellite field and head office expenses. Refer note 1 for Group's interest in these joint arrangements

39 Segment Reporting

	Consolidated					
	Blocks operated by OQ EP		Blocks operated by other entities		Total	
	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Mar-25 RO'000	31-Mar-24 RO'000
Revenue						
- Export	62,062	48,934	93,214	107,572	155,276	156,505
- Local	10,204	6,651	39,990	46,372	50,194	53,022
	<u>72,266</u>	<u>55,584</u>	<u>133,204</u>	<u>153,944</u>	<u>205,470</u>	<u>209,528</u>
EBITDA	55,146	42,801	97,547	102,300	152,692	145,101
Depreciation and amortization	27,978	22,280	43,974	46,650	71,952	68,930
Finance cost	3,644	2,820	2,602	-	6,246	2,820
Finance income	2,081	4,228	-	-	2,081	4,228
Net Profit / (loss) before tax	25,604	21,929	50,970	55,650	76,575	77,579
Capital Expenditure	24,253	25,544	37,731	40,378	61,984	65,922
Operating Expenditure	7,095	7,625	-	-	58,053	61,819
	Parent					
	Blocks operated by OQ EP		Blocks operated by other entities		Total	
	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Mar-25 RO'000	31-Mar-24 RO'000	31-Mar-25 RO'000	31-Mar-24 RO'000
Revenue						
- Export	62,062	48,934	71,632	82,398	133,693	131,331
- Local	1,284	2,071	12,138	9,941	13,421	12,012
	<u>210,999</u>	<u>210,999</u>	<u>237,976</u>	<u>237,976</u>	<u>147,114</u>	<u>143,343</u>
EBITDA	54,384	42,436	41,991	46,519	96,375	88,956
Depreciation and amortization	27,978	22,280	25,258	27,303	53,236	49,583
Finance cost	3,643	2,778	2,673	-	6,316	2,778
Finance income	2,217	4,228	-	-	2,217	4,228
Net profit before tax	24,980	21,607	14,060	19,216	39,039	40,823
Capital expenditure	24,253	25,644	23,211	21,626	47,464	47,170
Operating expenditure	7,017	4,341	42,397	41,489	51,172	51,967

40 Reconciliation of liabilities arising from financing activities

	Consolidated			Parent		
	Subordinated loan	Term loan	Lease liabilities	Subordinated loan	Term loan	Lease liabilities
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
At 1 January 2025-audited	-	382,806	16,025	-	382,806	16,025
Changes from financing cash flows						
Repayment	-	-	(4,472)	-	-	(4,472)
Proceeds from loan	-	-	-	-	-	-
Additions during the period	-	-	2,155	-	-	2,155
Interest paid	-	(5,349)	(222)	-	(5,349)	(222)
Total changes from financing cash flows	-	377,457	13,486	-	377,457	13,486
Other changes: liability related						
Interest expense	-	5,349	222	-	5,349	222
Amortisation of Finance Cost	-	190	-	-	190	-
Foreign currency adjustments	-	-	-	-	-	-
Total liability related changes	-	5,539	222	-	5,539	222
Balance as at 31 March 2025- unaudited	-	382,996	13,708	-	382,996	13,708

40 Reconciliation of liabilities arising from financing activities (Continued)

	Consolidated			Parent		
	Subordinated loan	Term loan	Lease liabilities	Subordinated loan	Term loan	Lease liabilities
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
At 1 January 2024-audited	532,774	174,061	29,405	532,774	88,770	23,626
Changes from financing cash flows						
Repayment	-	(32,956)	(4,532)	-	(29,649)	(3,816)
Proceeds from loan	-			-	-	
Additions during the period	-	-	-	-	-	-
Interest paid	-	(1,506)	(413)	-	(1,506)	(335)
Total changes from financing cash flows	532,774	139,599	24,460	532,774	57,615	19,475
Other changes: liability related						
Abraj common control adjustment (note 37.1)	-	-		-		
Interest expense	-	1,506	413	-	1,506	335
Adjustment against restricted cash		-			-	
Foreign currency adjustments	(831)	-	-	(831)	-	
Total liability related changes	(831)	1,506	413	(831)	1,506	335
Balance as at 31 March 2024-unaudited	531,943	141,105	24,873	531,943	59,121	19,810