

## 1 Legal status and principal activities

OQ Gas Networks SAOG (“the Company”) was incorporated as a closely held joint-stock company under the Commercial Companies Law of Oman on May 23, 2000. On October 24, 2023, the Company was listed on the Muscat Stock Exchange (MSX) following the OQ SAOC’s (Parent Company) decision to undertake a secondary sale of up to 49% of its shares through an Initial Public Offering (IPO). Since 2023, the Parent Company, which is wholly owned by the Government of the Sultanate of Oman via the Oman Investment Authority (“OIA” / “Ultimate Parent Company”), retains a 51% ownership stake in the Company.

The Company's operations were initially governed by the Concession Agreement dated August 22, 2000, ratified by Royal Decree 78/2000 on August 28, 2000. From January 1, 2018, a new revenue and tariff mechanism, the Regulatory Asset Base (RAB), was introduced via an amendment to the August 22, 2000 Tariff and Transportation Agreement (“Amended TTA”). On June 9, 2020, the Company signed an Amended Concession Agreement with the Government of the Sultanate of Oman, which was ratified on October 28, 2020 by Royal Decree 122/2020. This Amended Concession Agreement, which supersedes the Amended TTA, maintains the same terms for determining and charging transportation charges, resulting in no change to the accounting treatment.

The Company’s objective is to acquire, construct, operate, maintain, repair and augment gas transportation pipelines and perform other activities relating to the gas transportation.

The Company holds 100% ownership of Energy Infrastructure Company LLC (“EIC”) (Previously Gas Transmission Company LLC (“GTC”)) registered in the Sultanate of Oman which is non-operational and hence not consolidated. The Company plans to use EIC to conduct any non-regulated business in the future.

## 2. Basis of preparation

These condensed interim financial information for the nine months period ended 30 September 2025, have been prepared in accordance with IAS 34 Interim Financial Reporting, applicable provisions of the requirements of the Commercial Companies Law of Oman 2019 and Ministerial Decision 146/2021 issuing Commercial Companies Regulations and the applicable requirements of Capital Market Authority (CMA), and should be read in conjunction with the Company’s last annual financial statements as at and for the year ended 31 December 2024 (‘last annual financial statements’). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual financial statements.

## 3. Application of new and revised International Financial Reporting Standards

### a. New and amended standards adopted by the Company

A number of new standards, amendments to standards and interpretations are effective for the periods beginning on 1 January 2025. Those which are relevant to the Company are set out below.

- Amendments to IAS 21, Lack of exchangeability.

### 3. Application of new and revised International Financial Reporting Standards (Continued)

#### b. New and revised IFRS in issue but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's condensed interim financial information are disclosed below.

The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7). Effective date of this amendment is for annual periods beginning on or after 1 January 2026.
- Subsidiaries without public accountability (IFRS 19). Effective date of this amendment is for annual periods beginning on or after 1 January 2027.
- Presentation and disclosure in financial statements (IFRS 18). Effective date of this standard is annual periods beginning on or after 1 January 2027.

### 4. Summary of significant accounting policies

Except as described in note 3, the accounting policies applied in these interim condensed financial information are the same as those applied in the Company's financial statements as at and for the year ended 31 December 2024.

The policy for recognising and measuring income taxes in interim period is disclosed in note 12.

### 5. Critical judgments and key sources of estimation uncertainty

In preparing these interim condensed financial information, management has made judgements and estimates 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.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

#### Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## 6. Revenue

|                                        |              | <i>For the three months<br/>period ended 30 September</i> |             | <i>For the nine months<br/>period ended 30 September</i> |             |
|----------------------------------------|--------------|-----------------------------------------------------------|-------------|----------------------------------------------------------|-------------|
|                                        |              | <i>2025</i>                                               | <i>2024</i> | <i>2025</i>                                              | <i>2024</i> |
|                                        | <i>Notes</i> | <i>RO</i>                                                 | <i>RO</i>   | <i>RO</i>                                                | <i>RO</i>   |
| <i>Services transferred over time:</i> |              |                                                           |             |                                                          |             |
| Construction revenue                   | 15.2         | <b>28,770,528</b>                                         | 6,780,333   | <b>61,719,159</b>                                        | 25,333,858  |
| Allowance for expenditures             | 27.1         | <b>7,770,964</b>                                          | 7,635,844   | <b>23,645,211</b>                                        | 23,442,154  |
| Allowance for pass-through cost        | 27.1         | <b>1,223,596</b>                                          | 1,209,533   | <b>3,539,711</b>                                         | 3,646,679   |
| Project management and other services  |              | <b>58,500</b>                                             | 15,500      | <b>58,500</b>                                            | 60,040      |
|                                        |              | <b>37,823,588</b>                                         | 15,641,210  | <b>88,962,581</b>                                        | 52,482,731  |

6.1 Construction revenue is recognised on market-based margin on the construction cost of RO 57,257,660 (30 September 2024: RO 23,502,978) equal to the rate of return on assets pre-agreed with the regulator.

6.2 All revenue is generated from customers within the Sultanate of Oman.

## 7. Finance income

|                                                          |     |                   |            |                   |            |
|----------------------------------------------------------|-----|-------------------|------------|-------------------|------------|
| Income on concession assets                              | 7.1 | <b>19,417,656</b> | 18,319,964 | <b>57,563,663</b> | 56,079,595 |
| Interest income on short term deposits and call accounts | 7.2 | <b>289,410</b>    | 283,757    | <b>688,091</b>    | 671,947    |
|                                                          |     | <b>19,707,066</b> | 18,603,721 | <b>58,251,754</b> | 56,751,542 |

7.1 Income on concession assets is as follows:

|                        |                   |            |                   |            |
|------------------------|-------------------|------------|-------------------|------------|
| Concession receivables | <b>15,669,350</b> | 14,100,454 | <b>51,722,254</b> | 43,477,813 |
| Contract assets        | <b>3,748,306</b>  | 4,219,510  | <b>5,841,409</b>  | 12,601,782 |
|                        | <b>19,417,656</b> | 18,319,964 | <b>57,563,663</b> | 56,079,595 |

Income on concession assets are presented in the statement of cashflows as cashflow from operating activities as below:

|                                               | Notes | <i>For the nine months<br/>period ended 30 September</i> |              |
|-----------------------------------------------|-------|----------------------------------------------------------|--------------|
|                                               |       | <i>2025</i>                                              | <i>2024</i>  |
|                                               |       | <i>RO</i>                                                | <i>RO</i>    |
| Billed during the period                      | 15    | <b>82,392,834</b>                                        | 81,774,974   |
| Income on concession assets during the period | 15    | <b>(57,563,663)</b>                                      | (56,079,595) |
|                                               |       | <b>24,829,171</b>                                        | 25,695,379   |

7.2 Profit on call accounts in Islamic banks is RO 674,207 (30 September 2024: RO 637,372) and interest on call accounts in conventional banks is RO 13,884 (30 September 2024: RO 34,575).

**8. Other income**

|                                                             | <i>Notes</i> | <i>For the three months<br/>period ended 30 September</i> |                | <i>For the nine months<br/>period ended 30 September</i> |                  |
|-------------------------------------------------------------|--------------|-----------------------------------------------------------|----------------|----------------------------------------------------------|------------------|
|                                                             |              | <b>2025</b>                                               | <b>2024</b>    | <b>2025</b>                                              | <b>2024</b>      |
|                                                             |              | <b>RO</b>                                                 | <b>RO</b>      | <b>RO</b>                                                | <b>RO</b>        |
| Allowance for operating expenditures related to prior years |              | -                                                         | -              | -                                                        | 5,276,189        |
| Tender fee and others                                       |              | <b>199,717</b>                                            | 146,562        | <b>432,607</b>                                           | 490,255          |
| Income from investment property                             | 27.2         | <b>74,278</b>                                             | 74,278         | <b>222,834</b>                                           | 222,834          |
| Amortization of deferred income                             | 25           | <b>31,567</b>                                             | 8,904          | <b>100,392</b>                                           | 33,246           |
| Net exchange gain                                           |              | -                                                         | 347,749        | -                                                        | 347,749          |
|                                                             |              | <b>305,562</b>                                            | <b>577,493</b> | <b>755,833</b>                                           | <b>6,370,273</b> |

During 2024, the regulator agreed to provide an adjustment for additional allowance for operating expenditures related to prior years.

**9. Operating expenses**

|                                     | <i>Notes</i> | <i>For the three months<br/>period ended 30 September</i> |                  | <i>For the nine months<br/>period ended 30 September</i> |                   |
|-------------------------------------|--------------|-----------------------------------------------------------|------------------|----------------------------------------------------------|-------------------|
|                                     |              | <b>2025</b>                                               | <b>2024</b>      | <b>2025</b>                                              | <b>2024</b>       |
|                                     |              | <b>RO</b>                                                 | <b>RO</b>        | <b>RO</b>                                                | <b>RO</b>         |
| Employee costs                      |              | <b>3,143,421</b>                                          | 2,948,224        | <b>10,046,801</b>                                        | 9,518,374         |
| Pass through costs                  | 9.1          | <b>1,223,596</b>                                          | 1,209,533        | <b>3,539,711</b>                                         | 3,646,679         |
| Repair and maintenance              |              | <b>1,066,399</b>                                          | 1,406,522        | <b>3,205,022</b>                                         | 3,519,257         |
| Insurance                           |              | <b>462,305</b>                                            | 523,877          | <b>1,381,435</b>                                         | 1,554,391         |
| Depreciation of right of use assets | 16           | <b>202,226</b>                                            | 195,249          | <b>582,988</b>                                           | 620,165           |
| Catering and accommodation          |              | <b>173,881</b>                                            | 162,686          | <b>515,014</b>                                           | 388,987           |
| Health and safety costs             |              | <b>23,973</b>                                             | 21,083           | <b>78,434</b>                                            | 49,126            |
| Provision for obsolete inventories  | 18           | -                                                         | 1,172            | <b>(798)</b>                                             | 2,264             |
|                                     |              | <b>6,295,801</b>                                          | <b>6,468,346</b> | <b>19,348,607</b>                                        | <b>19,299,243</b> |

9.1 Pass through costs represents fuel gas and regulator fees which are reimbursable on actual incurred basis presented as "Allowance for pass-through cost" in note 6.

**10. Administrative expenses**

|                                       | <i>Notes</i> | <i>For the three months<br/>period ended 30 September</i> |             | <i>For the nine months<br/>period ended 30 September</i> |             |
|---------------------------------------|--------------|-----------------------------------------------------------|-------------|----------------------------------------------------------|-------------|
|                                       |              | <i>2025</i>                                               | <i>2024</i> | <i>2025</i>                                              | <i>2024</i> |
|                                       |              | <i>RO</i>                                                 | <i>RO</i>   | <i>RO</i>                                                | <i>RO</i>   |
| Employee costs                        |              | <b>2,233,706</b>                                          | 1,780,079   | <b>6,376,105</b>                                         | 5,421,134   |
| Information technology costs          |              | <b>288,149</b>                                            | 163,387     | <b>910,930</b>                                           | 963,260     |
| Travel                                |              | <b>238,997</b>                                            | 223,112     | <b>461,061</b>                                           | 524,367     |
| Subscription and membership fee       |              | <b>128,138</b>                                            | 39,062      | <b>338,238</b>                                           | 274,458     |
| Legal and professional                |              | <b>114,387</b>                                            | 87,829      | <b>227,756</b>                                           | 182,018     |
| Director remuneration and sitting fee | 27.3         | <b>50,100</b>                                             | 49,749      | <b>162,800</b>                                           | 208,148     |
| Building and maintenance services     |              | <b>28,642</b>                                             | 85,296      | <b>214,029</b>                                           | 390,716     |
| Depreciation of investment property   | 17           | <b>36,236</b>                                             | 36,236      | <b>108,708</b>                                           | 135,910     |
| Utilities and office expenses         |              | <b>49,298</b>                                             | 62,613      | <b>85,066</b>                                            | 145,466     |
| Corporate social responsibility       |              | <b>13,800</b>                                             | 16,000      | <b>31,790</b>                                            | 34,024      |
| Other expenses                        |              | <b>11,160</b>                                             | 109,501     | <b>249,133</b>                                           | 370,631     |
|                                       |              | <b>3,192,613</b>                                          | 2,652,864   | <b>9,165,616</b>                                         | 8,650,132   |

**11. Finance cost**

|                                       | <i>Notes</i> | <i>For the three months<br/>period ended 30 September</i> |             | <i>For the nine months<br/>period ended 30 September</i> |             |
|---------------------------------------|--------------|-----------------------------------------------------------|-------------|----------------------------------------------------------|-------------|
|                                       |              | <i>2025</i>                                               | <i>2024</i> | <i>2025</i>                                              | <i>2024</i> |
|                                       |              | <i>RO</i>                                                 | <i>RO</i>   | <i>RO</i>                                                | <i>RO</i>   |
| Interest on term loan                 |              | <b>5,141,053</b>                                          | 6,189,689   | <b>15,464,799</b>                                        | 18,328,330  |
| Interest on lease liabilities         | 24           | <b>155,265</b>                                            | 152,364     | <b>460,997</b>                                           | 430,030     |
| Amortization of deferred finance cost | 22.2         | <b>136,269</b>                                            | 119,467     | <b>408,259</b>                                           | 358,400     |
| Net exchange loss                     |              | <b>799</b>                                                | 355,774     | <b>19,573</b>                                            | 8,025       |
|                                       |              | <b>5,433,386</b>                                          | 6,817,294   | <b>16,353,628</b>                                        | 19,124,785  |

## 12. Taxation

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year. As such, the effective tax rate in the interim condensed interim financial information may differ from management's estimate of the effective tax rate for the annual financial statements.

The taxation charge for the period is comprised of:

|                                | <i>For the three months<br/>period ended 30 September</i> |                  | <i>For the nine months<br/>period ended 30 September</i> |                  |
|--------------------------------|-----------------------------------------------------------|------------------|----------------------------------------------------------|------------------|
|                                | <i>2025</i>                                               | <i>2024</i>      | <i>2025</i>                                              | <i>2024</i>      |
|                                | <i>RO</i>                                                 | <i>RO</i>        | <i>RO</i>                                                | <i>RO</i>        |
| Deferred tax                   |                                                           |                  |                                                          |                  |
| - in respect of current period | 2,184,202                                                 | 2,179,557        | 6,344,081                                                | 6,944,553        |
| - in respect of prior period   | 260,000                                                   | -                | 370,000                                                  | -                |
|                                | <u>2,444,202</u>                                          | <u>2,179,557</u> | <u>6,714,081</u>                                         | <u>6,944,553</u> |

## 13. Earnings per share

|                                              | <i>For the three months<br/>period ended 30 September</i> |                      | <i>For the nine months<br/>period ended 30 September</i> |                      |
|----------------------------------------------|-----------------------------------------------------------|----------------------|----------------------------------------------------------|----------------------|
|                                              | <i>2025</i>                                               | <i>2024</i>          | <i>2025</i>                                              | <i>2024</i>          |
|                                              | <i>RO</i>                                                 | <i>RO</i>            | <i>RO</i>                                                | <i>RO</i>            |
| Profit for the period                        | 13,778,938                                                | 10,414,045           | 39,130,576                                               | 38,082,855           |
| Weighted average number of shares            | <u>4,330,623,920</u>                                      | <u>4,330,623,920</u> | <u>4,330,623,920</u>                                     | <u>4,330,623,920</u> |
| Basic and diluted earnings per share (Baiza) | <u>3.18</u>                                               | <u>2.40</u>          | <u>9.04</u>                                              | <u>8.79</u>          |

**14 Capital work in progress**

|                                    | <b>30 September</b> | <b>31 December</b> |
|------------------------------------|---------------------|--------------------|
|                                    | <b>2025</b>         | <b>2024</b>        |
|                                    | <b>RO</b>           | <b>RO</b>          |
|                                    | <i>unaudited</i>    | <i>audited</i>     |
| Cost                               |                     |                    |
| At 1 January                       | <b>940,337</b>      | -                  |
| Additions during the period / year | <b>54,332</b>       | 940,337            |
| Disposals                          | <b>(119,901)</b>    | -                  |
| At 30 September/ 31 December       | <b>874,768</b>      | <b>940,337</b>     |

14.1 Capital work in progress represents work done on projects to construct pipelines to transport hydrogen and carbon dioxide. This relates to projects under construction not covered under the service concession agreement.

**15. Concession assets****15.1 Concession receivables**

|                                                  |              | <b>30 September</b> | <b>31 December</b> |
|--------------------------------------------------|--------------|---------------------|--------------------|
|                                                  |              | <b>2025</b>         | <b>2024</b>        |
|                                                  |              | <b>RO</b>           | <b>RO</b>          |
|                                                  | <i>Notes</i> | <i>unaudited</i>    | <i>audited</i>     |
| At 1 January                                     |              | <b>940,134,629</b>  | 801,750,879        |
| Transferred from contract assets upon completion | 15.2         | <b>76,339,040</b>   | 163,311,810        |
| Transferred from investment property             | 17           | -                   | 893,295            |
| Disposals                                        |              | <b>(55,450)</b>     | -                  |
| Finance income                                   | 7            | <b>51,722,254</b>   | 62,079,110         |
| Billed during the period/year                    |              | <b>(77,796,830)</b> | (87,900,465)       |
| At 30 September / 31 December                    |              | <b>990,343,643</b>  | <b>940,134,629</b> |
| <b>Non-current / current:</b>                    |              |                     |                    |
| Non-current asset                                |              | <b>959,474,360</b>  | 909,265,346        |
| Current asset                                    |              | <b>30,869,283</b>   | 30,869,283         |
|                                                  |              | <b>990,343,643</b>  | <b>940,134,629</b> |

**15. Concession assets (continued)****15.2 Contract assets**

|                                                       |              | <b>Due from<br/>shipper<br/>RO</b> | <b>Due from<br/>others<br/>RO</b> | <b>Total<br/>RO</b>       |
|-------------------------------------------------------|--------------|------------------------------------|-----------------------------------|---------------------------|
|                                                       | <i>Notes</i> |                                    |                                   |                           |
| At 1 January 2025                                     |              | <b>116,145,377</b>                 | <b>899,950</b>                    | <b>117,045,327</b>        |
| Additions during the period                           | 6            | <b>61,719,159</b>                  | -                                 | <b>61,719,159</b>         |
| Transferred to concession receivables upon completion | 15.1         | <b>(76,339,040)</b>                | -                                 | <b>(76,339,040)</b>       |
| Transferred to a related party                        |              | -                                  | <b>(432,455)</b>                  | <b>(432,455)</b>          |
| Finance income                                        | 7            | <b>5,841,409</b>                   | -                                 | <b>5,841,409</b>          |
| Billed during the period                              |              | <b>(4,596,004)</b>                 | -                                 | <b>(4,596,004)</b>        |
| At 30 September 2025 (unaudited)                      |              | <b><u>102,770,901</u></b>          | <b><u>467,495</u></b>             | <b><u>103,238,396</u></b> |
|                                                       |              |                                    |                                   |                           |
| At 1 January 2024                                     |              | 240,290,734                        | 899,950                           | 241,190,684               |
| Additions during the year                             | 6            | 36,254,860                         | -                                 | 36,254,860                |
| Transferred from a related party                      |              | 2,183,268                          | -                                 | 2,183,268                 |
| Transferred to concession receivables upon completion | 15.1         | (163,311,810)                      | -                                 | (163,311,810)             |
| Finance income                                        | 7            | 12,588,042                         | -                                 | 12,588,042                |
| Billed during the year                                |              | <u>(11,859,717)</u>                | <u>-</u>                          | <u>(11,859,717)</u>       |
| At 31 December 2024 (audited)                         |              | <b><u>116,145,377</u></b>          | <b><u>899,950</u></b>             | <b><u>117,045,327</u></b> |

Concession receivables and contract assets have effective interest rate of 7.39% (2024: 7.42%) per annum and will be settled / recovered over the term of the Concession Agreement.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance.



**16. Right of use assets**

The Company leases building, land for various infrastructure and vehicles for operations.

Information about leases for which the Company is a lessee is presented below.

|                                              | <i>Notes</i> | <b>Leasehold<br/>land<br/>RO</b> | <b>Motor<br/>vehicles<br/>RO</b> | <b>Building<br/>RO</b> | <b>Total<br/>RO</b> |
|----------------------------------------------|--------------|----------------------------------|----------------------------------|------------------------|---------------------|
| Balance at 1 January 2024                    |              | 7,932,536                        | -                                | 402,741                | 8,335,277           |
| Additions                                    | 24           | 1,779                            | 1,828,128                        | 20,645                 | 1,850,552           |
| Depreciation                                 | 9            | <u>(261,258)</u>                 | <u>(369,781)</u>                 | <u>(182,287)</u>       | <u>(813,326)</u>    |
| At 31 December 2024<br>(audited)             |              | <u>7,673,057</u>                 | <u>1,458,347</u>                 | <u>241,099</u>         | <u>9,372,503</u>    |
| Balance at 1 January 2025                    |              | <b>7,673,057</b>                 | <b>1,458,347</b>                 | <b>241,099</b>         | <b>9,372,503</b>    |
| Adjustment due to revision of<br>lease terms | 24           | <b>(453,446)</b>                 | -                                | -                      | <b>(453,446)</b>    |
| Additions                                    | 24           | -                                | <b>234,845</b>                   | <b>32,952</b>          | <b>267,797</b>      |
| Depreciation                                 | 9            | <u>(183,001)</u>                 | <u>(261,570)</u>                 | <u>(138,417)</u>       | <u>(582,988)</u>    |
| At 30 September 2025<br>(unaudited)          |              | <u>7,036,610</u>                 | <u>1,431,622</u>                 | <u>135,634</u>         | <u>8,603,866</u>    |

**17. Investment properties**

|                                     |              | <b>30 September<br/>2025<br/>RO<br/><i>unaudited</i></b> | <b>31 December<br/>2024<br/>RO<br/><i>audited</i></b> |
|-------------------------------------|--------------|----------------------------------------------------------|-------------------------------------------------------|
| <i>Cost</i>                         | <i>Notes</i> |                                                          |                                                       |
| At 1 January                        |              | <b>4,064,768</b>                                         | 5,060,140                                             |
| Transfers to concession receivables | 15.1         | <u>-</u>                                                 | <u>(995,372)</u>                                      |
| At 30 September / 31 December       |              | <u><b>4,064,768</b></u>                                  | <u>4,064,768</u>                                      |
| <i>Accumulated depreciation</i>     |              |                                                          |                                                       |
| At 1 January                        |              | <b>394,480</b>                                           | 324,412                                               |
| Depreciation for the period/ year   | 10           | <b>108,708</b>                                           | 172,145                                               |
| Transfers to concession receivables | 15.1         | -                                                        | (102,077)                                             |
| At 30 September / 31 December       |              | <u><b>503,188</b></u>                                    | <u>394,480</u>                                        |
| Carrying amount                     |              | <u><b>3,561,580</b></u>                                  | <u>3,670,288</u>                                      |

**18. Inventories**

|                                          |              | <b>30 September</b>     | 31 December      |
|------------------------------------------|--------------|-------------------------|------------------|
|                                          |              | <b>2025</b>             | 2024             |
|                                          |              | <b>RO</b>               | RO               |
|                                          | <i>Notes</i> | <i>unaudited</i>        | <i>audited</i>   |
| Stores, spares and consumables           |              | <b>3,099,183</b>        | 2,980,426        |
| Less: Provision for obsolete inventories | 18.1         | <b>(11,719)</b>         | (11,813)         |
|                                          |              | <b><u>3,087,464</u></b> | <u>2,968,613</u> |

18.1 Movement in provision for obsolete inventories is as follows:

|                              |   |                      |               |
|------------------------------|---|----------------------|---------------|
| At 1 January                 |   | <b>11,813</b>        | 17,309        |
| Provision written back/off   |   | <b>704</b>           | (2,555)       |
| Charge for the period/year   | 9 | <b>(798)</b>         | (2,941)       |
| At 30 September/ 31 December |   | <b><u>11,719</u></b> | <u>11,813</u> |

**19. Trade and other receivables**

|                                                      |      |                          |                   |
|------------------------------------------------------|------|--------------------------|-------------------|
| Receivables from IGC                                 | 27.4 | <b>12,385,436</b>        | 11,866,225        |
| Due from related parties                             | 27.5 | <b>108,408</b>           | 462,967           |
|                                                      |      | <b>12,493,844</b>        | 12,329,192        |
| Prepayments                                          |      | <b>399,493</b>           | 310,328           |
| Project management fee receivable from third parties |      | <b>342,344</b>           | 757,384           |
| Provision for doubtful debt                          |      | <b>(21,010)</b>          | (21,010)          |
| Advance to liquidity provider                        | 21.4 | <b>1,714,329</b>         | -                 |
| Advances to contractors                              |      | <b>2,530,666</b>         | 37,687            |
| Advances to employees                                |      | <b>2,399</b>             | 76,403            |
| Accrued revenue                                      |      | <b>88,660</b>            | 60,625            |
| Other receivables                                    |      | <b>316,059</b>           | 133,526           |
|                                                      |      | <b><u>17,866,784</u></b> | <u>13,684,135</u> |

**20. Cash and cash equivalents**

|              |      |                          |                   |
|--------------|------|--------------------------|-------------------|
| Cash at bank | 20.1 | <b>40,237,053</b>        | 15,807,469        |
| Cash in hand |      | <u><b>13,503</b></u>     | <u>8,842</u>      |
|              |      | <u><b>40,250,556</b></u> | <u>15,816,311</u> |

20. Cash at bank comprises of cash at Islamic banks of RO 37,757,269 (31 December 2024: RO 15,167,816) and cash at conventional banks of RO 2,479,784 (31 December 2024: RO 639,653).

**21. Share capital and reserves****21.1 Share capital**

The Company's authorized share capital is RO 500,000,000 (31 December 2024: RO 500,000,000).

The paid-up share capital comprises of 4,330,623,920 shares of RO 0.100 each (31 December 2024: 4,330,623,920 shares of RO 0.100 each).

Details of shareholders who hold 10% or more of the Company's shares are as follows:

|         | <b>Number of<br/>shares<br/>30<br/>September<br/>2025<br/><i>unaudited</i></b> | <b>% of share<br/>holding<br/>30<br/>September<br/>2025<br/><i>unaudited</i></b> | <b>Number of<br/>shares<br/>31 December<br/>2024<br/><i>audited</i></b> | <b>% of share<br/>holding<br/>31 December<br/>2024<br/><i>audited</i></b> |
|---------|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------|
| OQ SAOC | <u><b>2,208,618,200</b></u>                                                    | <u><b>51</b></u>                                                                 | <u>2,208,618,200</u>                                                    | <u>51</u>                                                                 |

**21.2 Legal reserve**

Article 132 of the Commercial Companies Law of Sultanate of Oman requires that 10% of the Company's net profit after tax to be transferred to a non-distributable legal reserve until the amount of the legal reserve equals one-third of the Company's share capital. This reserve is not available for distribution. During the period, RO 3.91 million (30 September 2024: RO 3.81 million) has been transferred to legal reserve.

**21.3 Dividend**

On 26 March 2025, the shareholders approved to pay a final dividend of 4.92 baiza per share amounting to RO 21,306,670 relating to the third and fourth quarter of the year 2024.

On 14 September 2025, the board of directors proposed an interim dividend of 5.6 baiza per share amounting to RO 24,259,073 relating to the six-month period ended on 30 June 2025. On 9 October 2025 at the Ordinary General Meeting, the shareholders approved the payment of this interim dividend.

**21. Share capital and reserves (continued)****21.4 Treasury shares**

During 2025, the Company engaged a third party licensed liquidity provider on Muscat Securities Exchange (MSX) to facilitate the selling and buying of its own shares. At 30 September 2025, the liquidity provider held 2.88 million shares on behalf of the Company at par value.

The premium recognised on trading in its shares is recorded as "Reserve on trading in own shares". Such reserve which amounted to RO 27,598 is classified under equity. Included under the reserve is a net gain of RO 141,272 realised during the period.

**22. Term loans**

|                                    |      | <b>30 September</b> | <b>31 December</b> |
|------------------------------------|------|---------------------|--------------------|
|                                    |      | <b>2025</b>         | <b>2024</b>        |
|                                    |      | <b>RO</b>           | <b>RO</b>          |
|                                    |      | <b>unaudited</b>    | <b>audited</b>     |
| Term loans                         | 22.1 | <b>371,854,400</b>  | 358,488,300        |
| Less: unamortised transaction cost | 22.2 | <b>(3,142,307)</b>  | (3,550,566)        |
|                                    |      | <b>368,712,093</b>  | 354,937,734        |
| <i>Presented as:</i>               |      |                     |                    |
| Non-current liability              |      | <b>359,444,293</b>  | 345,669,934        |
| Current liability                  |      | <b>9,267,800</b>    | 9,267,800          |
|                                    |      | <b>368,712,093</b>  | 354,937,734        |

**22.1 The movement in term loan is as follows:**

|                               |  |                    |             |
|-------------------------------|--|--------------------|-------------|
| At January                    |  | <b>358,488,300</b> | 333,124,380 |
| Drawdown                      |  | <b>18,000,000</b>  | 35,000,000  |
| Repayment                     |  | <b>(4,633,900)</b> | (9,267,800) |
| Exchange gain                 |  | -                  | (368,280)   |
| At 30 September / 31 December |  | <b>371,854,400</b> | 358,488,300 |

**22.2 The movement of unamortised transaction cost is as follows:**

|                                  |    |                  |           |
|----------------------------------|----|------------------|-----------|
| At January                       |    | <b>3,550,566</b> | 3,656,025 |
| Paid during the period/year      |    | -                | 373,445   |
| Amortised during the period/year | 11 | <b>(408,259)</b> | (478,904) |
|                                  |    | <b>3,142,307</b> | 3,550,566 |

**22. Term loans (continued)****22.3 At the reporting date, the unutilized balance of the term loans was RO 73 million (31 December 2024: RO 91 million).**

- 22.4 With effect from 17 June 2025, the interest rate on Omani denominated facilities has been reduced from 5.70% to 5.15% per annum until the fifth anniversary (15 June 2028) and thereafter at the base rate (the monthly “Private Sector OMR Time Deposit” rate as published in the most recent CBO Bulletin) plus 1.0% per annum till 15 June 2030 and base rate plus 1.20% thereafter.

### 23. Employees’ end of service benefits

The movement in employees’ end of service benefits is as follows:

|                               | 30 September<br>2025<br>RO<br><i>unaudited</i> | 31 December<br>2024<br>RO<br><i>audited</i> |
|-------------------------------|------------------------------------------------|---------------------------------------------|
| At 1 January                  | 578,153                                        | 512,356                                     |
| Charge for the period/year    | 10,433                                         | 99,471                                      |
| Un-realised actuarial gain    | 41,769                                         | 44,919                                      |
| Paid during the period/year   | (265,340)                                      | (78,593)                                    |
| At 30 September / 31 December | <u>365,015</u>                                 | <u>578,153</u>                              |

### 24. Leases liabilities

The movement in lease liabilities is as follows:

|                                           |    |                   |                   |
|-------------------------------------------|----|-------------------|-------------------|
| At 1 January                              |    | 10,646,768        | 9,075,256         |
| Additions                                 | 16 | 267,797           | 1,850,552         |
| Adjustment due to revision of lease terms | 16 | (453,446)         | -                 |
| Accretion of interest                     | 11 | 460,997           | 588,488           |
| Payments                                  |    | (614,306)         | (867,528)         |
| At 30 September 2025 / 31 December        |    | <u>10,307,810</u> | <u>10,646,768</u> |

*Presented as:*

|                       |                   |                   |
|-----------------------|-------------------|-------------------|
| Non-current liability | 9,786,648         | 10,448,558        |
| Current liability     | <u>521,162</u>    | <u>198,210</u>    |
|                       | <u>10,307,810</u> | <u>10,646,768</u> |

**25. Deferred income**

The Company has received contributions in aid of construction of connection assets. Movement in the liability recognised in the statement of financial position is as follows:

|                               |   | <b>30 September</b>     | <b>31 December</b>      |
|-------------------------------|---|-------------------------|-------------------------|
|                               |   | <b>2025</b>             | <b>2024</b>             |
|                               |   | <b>RO</b>               | <b>RO</b>               |
|                               |   | <b><i>unaudited</i></b> | <b><i>audited</i></b>   |
| At 1 January                  |   | <b>5,262,377</b>        | 4,673,519               |
| Contributions received        |   | <b>80,007</b>           | 1,028,875               |
| Contribution reversed         |   | -                       | (160,995)               |
| Recognised as income          | 8 | <b>(100,392)</b>        | (279,022)               |
| At 30 September / 31 December |   | <b><u>5,241,992</u></b> | <b><u>5,262,377</u></b> |

**26. Trade and other payables**

|                                                    |      |                          |                          |
|----------------------------------------------------|------|--------------------------|--------------------------|
| Payables to contractors for construction contracts |      | <b>38,287,512</b>        | 16,582,271               |
| Contract liability                                 |      | <b>18,977,975</b>        | 17,810,816               |
| Accrued expenses and provisions                    |      | <b>6,634,510</b>         | 10,566,109               |
| Trade payables                                     |      | <b>7,671,058</b>         | 4,251,900                |
| Interest payable on term loan                      |      | <b>5,853,513</b>         | 753,226                  |
| Due to related parties                             | 27.6 | <b>6,038</b>             | 108,440                  |
| Other payables                                     |      | <b><u>4,212,007</u></b>  | <u>3,057,135</u>         |
|                                                    |      | <b><u>81,642,613</u></b> | <b><u>53,129,897</u></b> |

**27. Related parties**

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. Related parties comprise the shareholders, directors, key management personnel and business entities that have the ability to control or exercise significant influence over financial and operating decisions of the Company. The Company maintains balances with these related parties which arise in the normal course of business from the commercial transactions at mutually agreed terms. Outstanding balances at year end are unsecured and settlement occurs in cash.

Government of Sultanate of Oman (the Government) indirectly owns the Company. The Company has applied the exemptions in IAS 24 related to transactions with the Government and other entities controlled, jointly controlled or significantly influenced by the Government. In this respect, the Company has disclosed certain information, to meet the disclosure requirements of IAS 24, in this note.

**27. Related parties (continued)**

Most of the related party transactions are with the Government / state owned entities (such as IGC) and with the entities under common control by the Parent Company.

## 27.1 Transactions with shipper

|                                                         |       | For the nine months Period ended 30 September |                  |
|---------------------------------------------------------|-------|-----------------------------------------------|------------------|
|                                                         |       | 2025                                          | 2024             |
|                                                         |       | RO                                            | RO               |
|                                                         | Notes | <i>unaudited</i>                              | <i>unaudited</i> |
| Invoiced to IGC under RAB revenue rules                 |       | <b>110,744,915</b>                            | 109,595,611      |
| <i>Classified as:</i>                                   |       |                                               |                  |
| Allowance for expenditures                              | 6     | <b>23,645,211</b>                             | 23,442,154       |
| Allowance for pass-through costs                        | 6     | <b>3,539,711</b>                              | 3,646,679        |
| Allowance for operating expenditures for previous years | 8     | -                                             | 5,276,189        |
| Billed during the period against concession receivable  | 15.1  | <b>77,796,830</b>                             | 69,705,182       |
| Billed during the period against contract assets        | 15.2  | <b>4,596,004</b>                              | 12,601,782       |
| Recognised in contract liability                        | 26    | <b>1,167,159</b>                              | (4,544,385)      |
|                                                         |       | <b>110,744,915</b>                            | 109,595,611      |
| <i>Revenue from shipper</i>                             |       |                                               |                  |
| Construction revenue                                    | 6     | <b>61,719,159</b>                             | 25,333,858       |
| Finance income on concession arrangement                | 7     | <b>57,563,663</b>                             | 56,079,595       |
| Fuel gas cost                                           |       | <b>3,284,690</b>                              | 3,496,667        |

## 27.2 Transactions with other related parties

|                                            |    |                |         |
|--------------------------------------------|----|----------------|---------|
| Income from investment property            | 8  | <b>222,834</b> | 222,834 |
| Sale of assets to related party            | 15 | <b>432,455</b> | -       |
| Other income                               |    | <b>51,908</b>  | 327,350 |
| Training cost                              |    | <b>62,563</b>  | 103,861 |
| IT related services cost to Parent Company |    | <b>835,094</b> | 878,752 |

**27. Related parties (continued)**

27.3 Key management personnel compensation is as follows:

Key management compensation and board remuneration during the period is as below:

|                                          |  | <b>For the nine months Period ended 30 September</b> |                         |
|------------------------------------------|--|------------------------------------------------------|-------------------------|
|                                          |  | <b>2025</b>                                          | <b>2024</b>             |
|                                          |  | <b>RO</b>                                            | <b>RO</b>               |
| <i>Notes</i>                             |  | <b><i>unaudited</i></b>                              | <b><i>unaudited</i></b> |
| Short term benefits (Wages and salaries) |  | <b>107,019</b>                                       | 97,517                  |
| Other benefits                           |  | <b>53,215</b>                                        | 45,667                  |
| Board remuneration                       |  | <b>162,800</b>                                       | 131,250                 |
|                                          |  | <b>323,034</b>                                       | 274,434                 |

27.4 Receivables from IGC

|                                         |    | <b>30 September</b>     | <b>31 December</b>    |
|-----------------------------------------|----|-------------------------|-----------------------|
|                                         |    | <b>2025</b>             | <b>2024</b>           |
|                                         |    | <b>RO</b>               | <b>RO</b>             |
|                                         |    | <b><i>unaudited</i></b> | <b><i>audited</i></b> |
| Receivables from Integrated Gas Company | 19 | <b>12,385,436</b>       | 11,866,225            |

27.5 Amounts due from Parent Company and other related parties under common control

|                                    |                |         |
|------------------------------------|----------------|---------|
| Subsidiaries of the Parent Company | <b>108,408</b> | 462,967 |
|                                    | <b>108,408</b> | 462,967 |

27.6 Amounts due to Parent Company and other related parties under common control

|                                    |              |         |
|------------------------------------|--------------|---------|
| Parent Company                     | -            | 107,180 |
| Subsidiaries of the Parent Company | <b>6,038</b> | 1,260   |
|                                    | <b>6,038</b> | 108,440 |



## 28. Commitments and contingencies

The Company is defending an action brought by MEM for indemnification of penalties MEM incurred due to delays in project delivery. Although liability is not admitted, if the defence against the action by MEM is unsuccessful, then the Company may be liable for an amount of RO 19.5 million (31 December 2024: RO 20.9 million). The Parent Company has agreed to indemnify the Company from and against any amount determined to be payable by the Company in respect of the MEM claim. Based on legal advice, the Company's management believes that the defence against the actions will be successful.

As at reporting date, the Company had commitments pertaining to the capital projects under construction of RO 40.3 million (31 December 2024: RO 15.8 million).

## 29. Financial instruments

### Accounting classifications and fair values

Details of significant policies and methods adopted including the criteria for recognition for the basis of measurement in respect of each class of financial assets and financial liabilities are disclosed in note 5 to the condensed interim financial information.

|                                                         | 30 September<br>2025 | 31 December<br>2024 |
|---------------------------------------------------------|----------------------|---------------------|
| <i>Notes</i>                                            | <i>unaudited</i>     | <i>audited</i>      |
|                                                         | RO                   | RO                  |
| Categories of financial instruments                     |                      |                     |
| <b>Financial assets (at amortised cost)</b>             |                      |                     |
| Concession receivables                                  | 990,343,643          | 940,134,629         |
| Trade and other receivables (excluding advances)        | 13,619,390           | 13,570,045          |
| Short-term deposits                                     | 1,700,000            | -                   |
| Cash and bank balances                                  | 40,250,556           | 15,816,311          |
|                                                         | <u>1,045,913,589</u> | <u>969,520,985</u>  |
| <b>Financial liabilities (at amortised cost)</b>        |                      |                     |
| Term loan                                               | 368,712,093          | 354,937,734         |
| Lease liability                                         | 10,307,810           | 10,646,768          |
| Trade and other payables (excluding contract liability) | 62,664,638           | 35,319,081          |
|                                                         | <u>441,684,541</u>   | <u>400,903,583</u>  |

**30. Segment information**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ("COD"). COD, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic decisions maker. The Company's operating activities are disclosed in note 1 to these condensed interim financial information. The strategic business unit is managed as one segment. For the strategic business unit, COD reviews internal management reports on a monthly basis. Performance is measured based on the profit before income tax, as included in the internal management reports. COD considers the business of the Company as one operating segment and monitors accordingly. The requirements of IFRS 8: Operating Segments - paragraphs 31 to 34 relating to entity wide disclosures have been covered under condensed statement of financial position, condensed statement of profit and loss and other comprehensive income and also in notes 1 to 5 to these condensed interim financial information.

**30 Comparative information**

Certain comparative information has been reclassified to conform to the presentation for the current period. Such reclassifications were made to improve the quality of presentation and do not affect previously reported profit or equity.