

An aerial photograph of Muscat, Oman, showing a dense urban area built into a valley. In the foreground, a large, multi-lane pipeline network runs through the landscape, with several parallel pipes visible. The background features rugged mountains under a clear sky. The image is overlaid with a green-to-orange gradient and white geometric lines.

**OQ Gas Networks SAOG
(OQGN) is at the heart of
Oman's energy ecosystem.**

redefining possibilities. From pioneering green hydrogen infrastructure to leading decarbonization efforts, OQGN is committed to building a sustainable energy future that empowers future generations.

With every kilometer of its expansive pipeline network, OQGN channels the nation's energy, empowering industries and communities. This vast network is the cornerstone of Oman's energy infrastructure, enabling Oman to meet its growing energy demands while advancing towards a sustainable future.

**Energizing
Excellence**

OQGN



OQGN in Brief



OQGN | Overview – At a Glance

❖ Who we are

OQ Gas Networks (OQGN) is the sole owner, developer, and operator of Oman's Natural Gas Transportation and Distribution Network (NGTN), a critical infrastructure that supports the national economy.

EMPOWERING GROWTH

Expanding pipeline length and capacity to enhance gas transmission for power generation and a growing consumer base.

4,298km
total pipeline length

70.48 BCM
network capacity

130+
industrial customers

100%
Gas availability (as of Q2 25)

90%+
of electricity generated with OQGN-delivered gas

NURTURING TALENT

Fostering a culture of excellence through training, development, and initiatives to boost satisfaction and uphold core values.

4,171
total training hours (Q2 25)

95.28%
Omanization

ENERGIZING EXCELLENCE

Achieving business excellence through advanced digital solutions and a culture of continuous improvement.

- Long-Term Network Development Plan
- Digital Transformation Programme
- OQGN-wide innovations ecosystem
- New organizational model
- Electronic Management of Change system

REVOLUTIONIZING THE FUTURE

Leading energy transition projects to shape a sustainable future and diversify energy infrastructure.

- The National Infrastructure Provider for green hydrogen pipelines
- Collaborating with Hydrom on creating the hydrogen pipeline network
- Collaborating with Oxy Oman for the CCUS value chain

GENERATING VALUE

Maximizing margins and dividend payout to deliver exceptional returns for shareholders.

74.1%
Regulated Adjusted EBITDA margin (Q2 25)

x3.49
Adjusted Net Debt / Regulated Adjusted EBITDA (Q2 25)

28.2%
Net Profit margin (Q2 25)

YIELDING SUSTAINABILITY

Integrating ESG principles and committing to ambitious net-zero goals for a greener tomorrow.

Developed Decarbonization Strategy with a **net-zero target**

-3.4%
2024 Scope 1 & Scope 2 GHG emissions compared to 2023

E
R
N
G
E
Y



Where we operate

The NGTN spans the whole country, from Salalah in the south to Sohar in the north and Muscat, Sur, and Duqm on the East Coast.



The entire gas transportation network is controlled and monitored 24/7 from a gas dispatching centre located in Muscat



Maintaining reliability, availability, integrity and process safety are integral to OQGN's operations



Metering stations
Measure the gas flow at the connection points



Block Valve Stations (BVS)
Gate valves to stop the gas flowing in case of emergency in the network

3 compressor stations
compress the gas and increase its pressure, providing energy to move the gas through the pipeline

26 gas supply stations (GSS)
are used to treat and condition the gas to comply with consumer

- OQGN Natural gas supply station
- Compressor stations
- Gas Producers
- OQGN Natural gas transportation pipeline
- Growth projects
- Ongoing Project

50 Years
Concession agreement

Exclusive

Gas transmission operator and owner

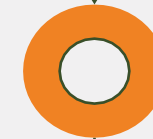
2040 Vision

Of economic diversification is in alignment with OQGN's strategy

Shareholder structure



51%
OQ SAOC



100%

OQ Gas Networks SAOG



100%

Energy Infrastructure Company Gas Transmission Comany LLC (EIC)

The Saudi Omani Investment Company (owned by Saudi Arabia's Public Investment Fund) 4.9%

Falcon Investments LLC (the Qatar Investment Authority subsidiary) 4.9%

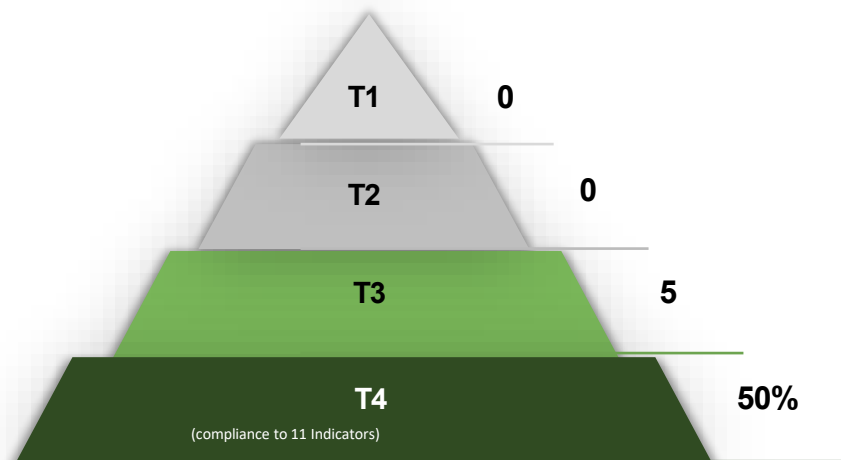
Fluxys International 4.9%

Other investors 34.3%



49%
Public shareholders

Process Safety Indicators



Safe Manhours

LTI Free Manhours

Cummulative Manhours since the last LTI in OQGN

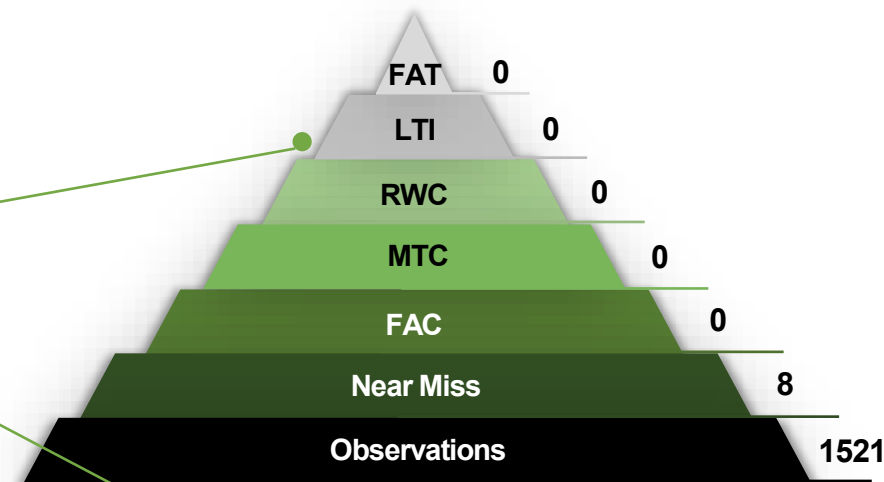


Manhours

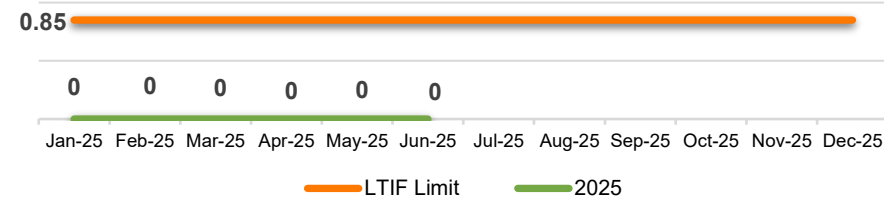
Cummulative Manhours for 2025



HSSE Indicators



TRCF



Kilometers Driven

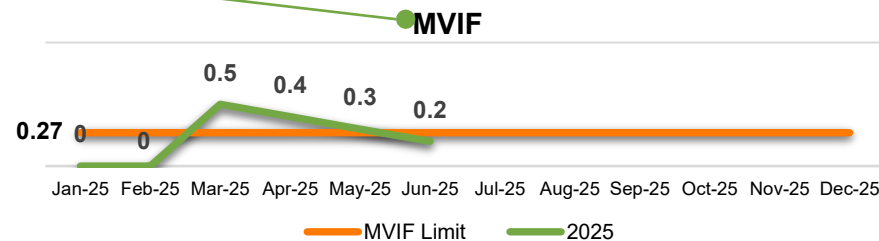
MVI Free Kilometers

Cummulative Kilometers since the last MVI in OQGN



Kilometers

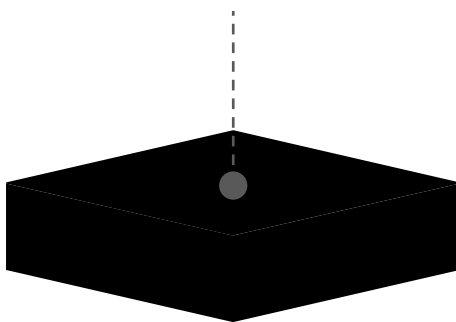
Cummulative Kilometers driven in 2025





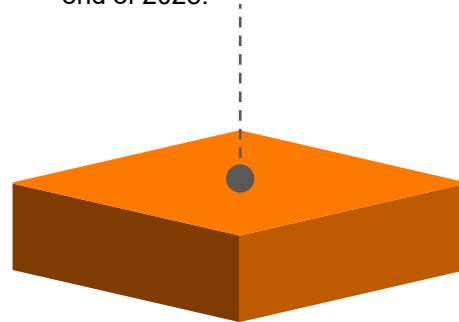
BUSINESS

- Maintained **100% gas availability**, with no interruption to consumers.
- OQGN achieved an **overall score of 4.65** in its **2024 Customer Satisfaction Survey**, with its highest rating of **4.95** awarded for effective operational response.



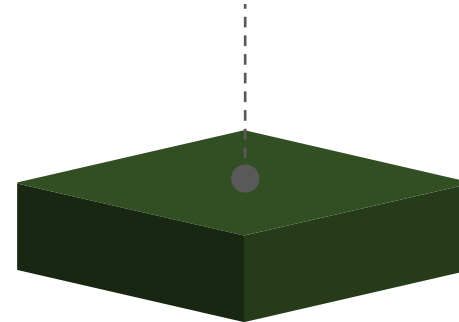
GAS NETWORK GROWTH & PROJECTS

- Successfully reached Substantial Completion of the **Central 48" Rich and Lean Gas Segregation Project**.
- Successfully **commissioned Oman Oil Seeds & Sugar Refinery**.
- **IGC approval** has been granted for the **asset transfer of Fahud NGLE** project, with handover planned by end of 2025.



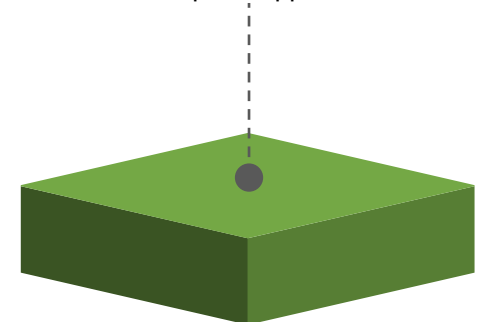
FINANCIAL

- **Total Income** generated amounted to **OMR 90.1 Mn**, while **Net Profit** reached **OMR 25.4 Mn surpassing H1's target**, mainly driven by OpEx optimization and lower finance costs.
- **Lowered finance costs** are due to the repricing of both the **OMR and USD facilities**.
- Successfully **capitalized 28 projects**, with a cumulative total value of **USD 193.9 million**.



SUSTAINABILITY & ENERGY TRANSITION

- OQGN took part in **Oman Sustainability Week** as a strategic partner, engaging in sessions focused on ESG and decarbonization. The company was also honored with the **Silver Award for Sustainability**.
- Signed a **cooperation agreement with Fluxys**, to jointly develop the **hydrogen transportation infrastructure** in Oman.
- On the Carbon Capture front, **Ibri Power Plant** was identified as a key priority and OQGN coordinated with Oxy on the way forward to jointly assess capture opportunities.

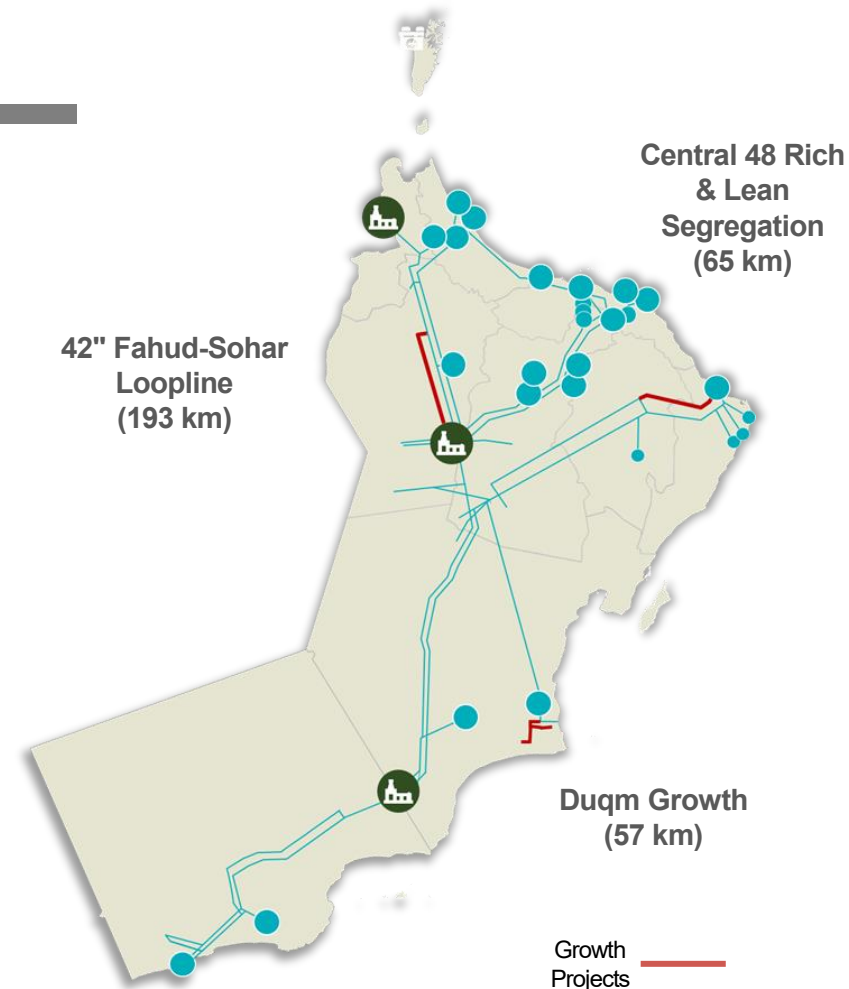
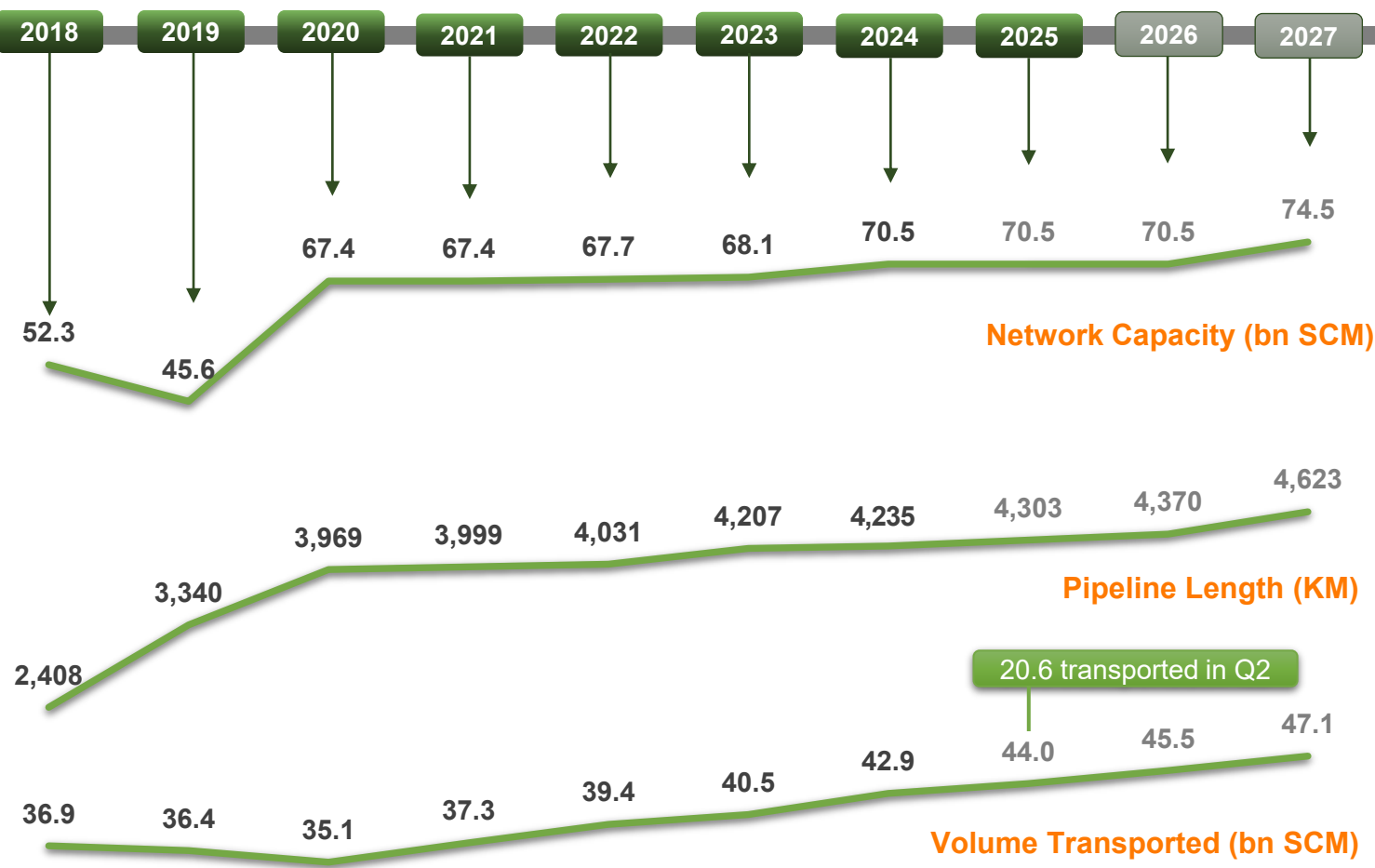


OQGN

Growth And Future Aspiration

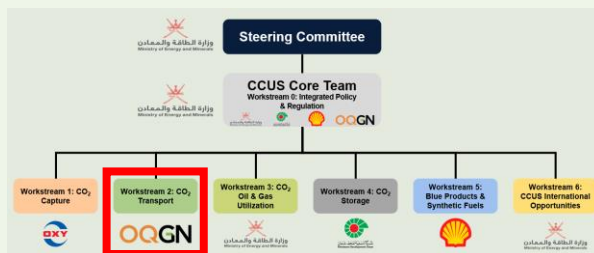


OQGN continues expanding its natural gas network to meet growing natural gas demand in the medium-term



National CCUS Regulatory & Policy Framework

- ✓ OQGN lead transportation workstream for Oman's national CCUS Regulatory & Policy Framework.
- ✓ Commercial Models were endorsed in principal as well as preliminary CO2 pipeline development masterplans
- ✓ OQGN is recognised as the CO2 transporter: owning, operating, and maintaining Oman's CO2 transmission network



OQGN is conceptualizing CO2 pipeline network to meet first movers' requirements

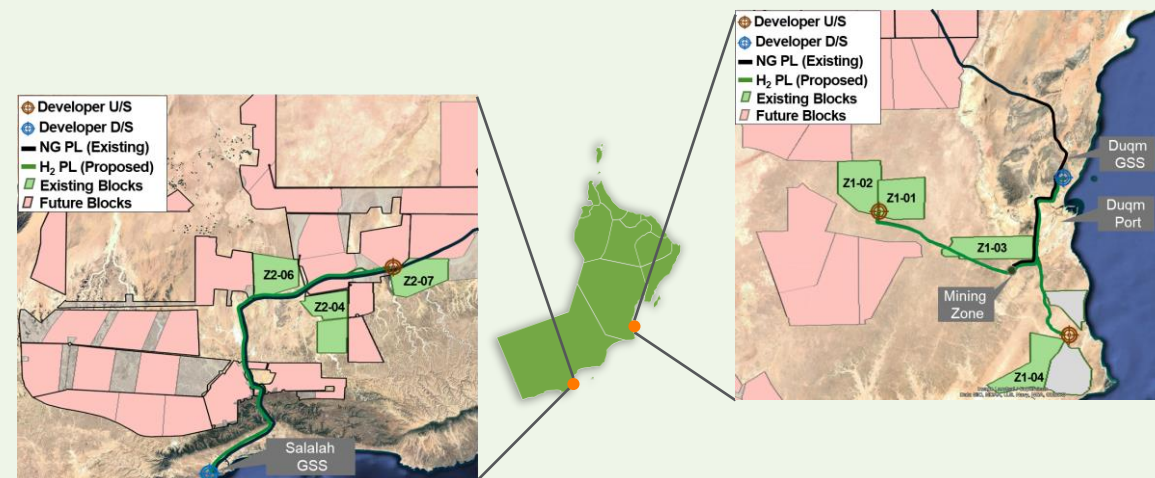


CCUS Northern Ecosystem:

- ✓ OQGN working with key partners in progressing the Northern CCUS Ecosystem opportunity. The first phase of development was identified to pursue potential capture of CO2 from a power plant.
- ✓ OQGN is collaborating with Oxy to develop an attractive CCUS value chain to meet Oxy's CO2-EOR requirements, including commercial aspects with regards to the CO2 transport pipeline.

OQGN continues master planning the development of Oman's gH2 infrastructure

- ✓ OQGN is planning to develop an optimal hydrogen pipeline network to cater to announced & future green hydrogen blocks, taking advantage of economies of scale & Right of Way (ROW) efficiencies to lower transportation costs.
- ✓ OQGN is actively involved in Hydrom's feasibility study, aligning on technical, commercial, financial, and legal considerations.
- ✓ OQGN and Fluxys signed a Cooperation Agreement to work on jointly developing the Hydrogen Transportation Network in Oman, and highlighting OQGN's commitment in enabling the rapid and efficient development of hydrogen infrastructure to cater to Oman's need in line with Oman's vision 2040 and hydrogen production targets.



OQGN



Q2 2025 Performance



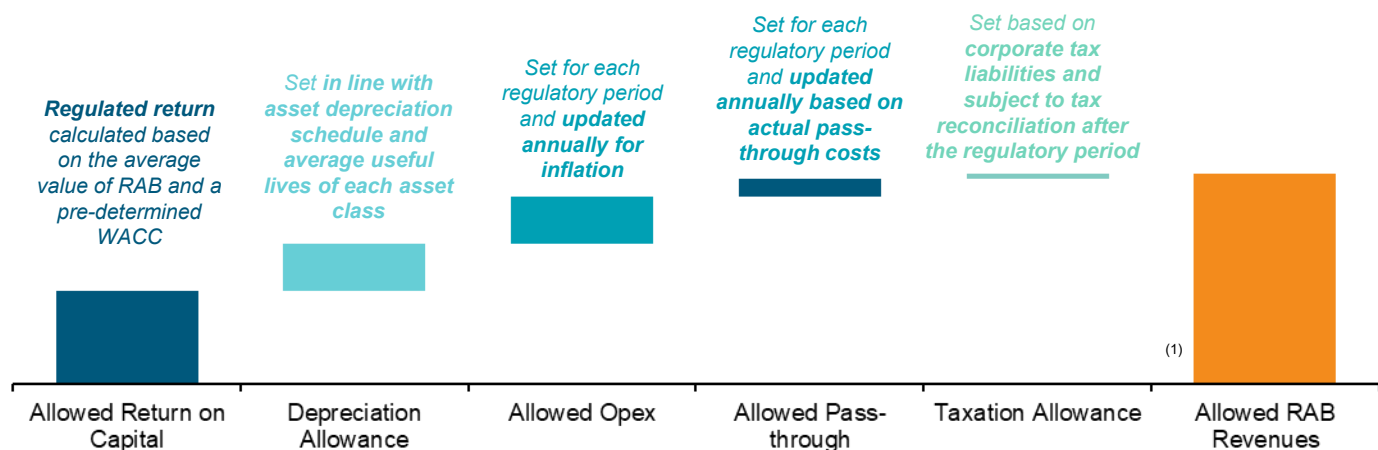
● ● oqgn.om

| @weareoqgn



RAB Framework Pillars Driving a Reliable, Stable and Cost-Reflective Revenue

Well-defined RAB framework in place since 2018 **allowing lower risk and more predictable returns...**



Not affected by natural gas prices



Not affected by gas volumes transported



Inflation adjusted



Incentives for cost efficiencies



Enabling predictable cash flow profile

WACC determined by the regulator during periodic reviews every 4 years
Capex plan approved by regulator for each regulatory period

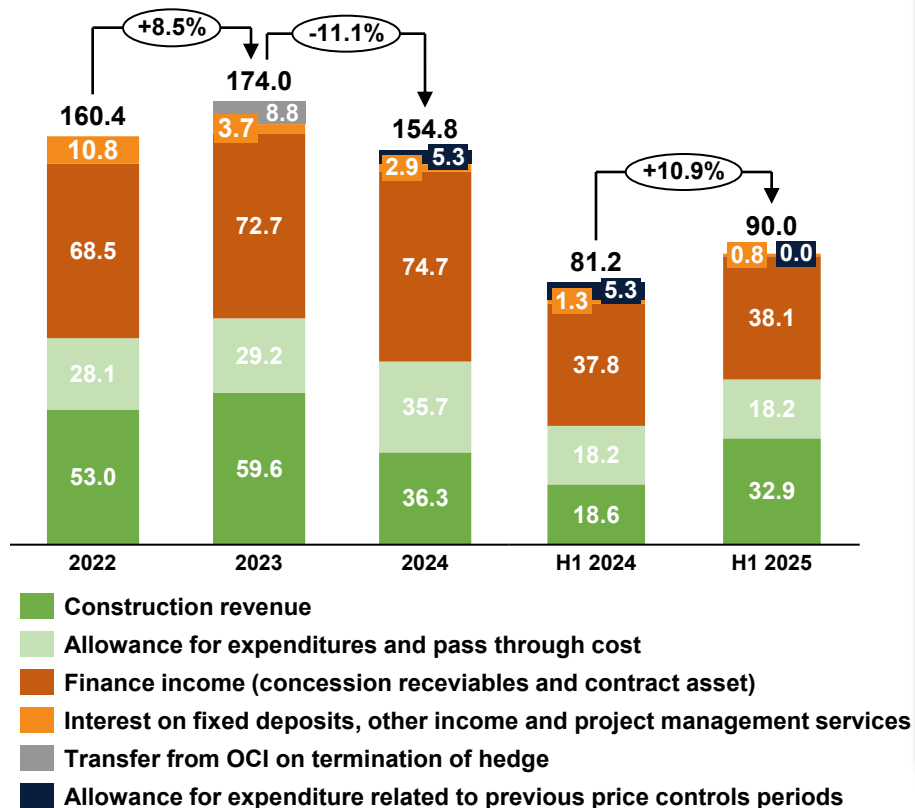
Current Approved WACC: 7.79%
Current Regulatory Period: 2024 – 2027

Regulated and predictable cash flows not affected by natural gas price or volumes transported

OMR Mn

Net Profit 45.6 55.5 47.8 27.7 25.4

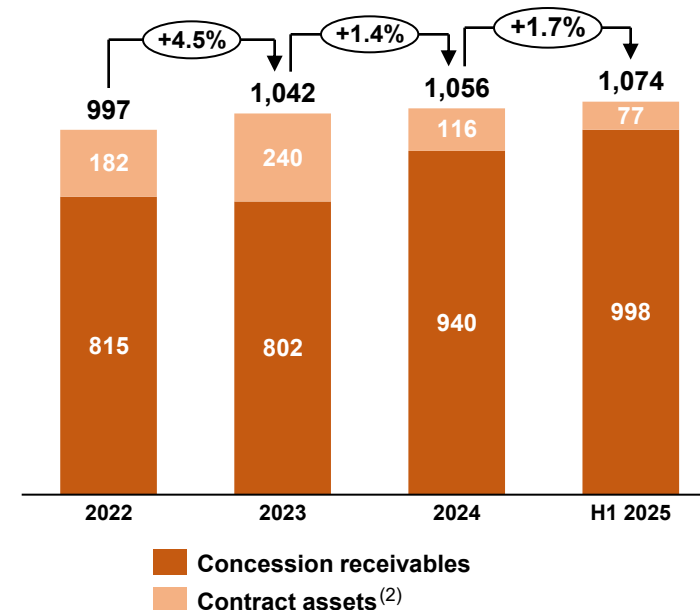
Net Profit Margin 28.4% 31.9% 30.9% 28.1% 34.1%



- OQGN achieved an 11.5% revenue increase in the first half of 2025, primarily driven by the increase in construction activity, despite the absence of last year's one-off gain of RO 5.3 million from the reimbursement of Price Control 2 OpEx.
- The overall period recurring profit, excluding the one-off event, has increased by 13.4% reflecting the strong operational performance. However, the absence of the one-off income has resulted in an overall decrease in profit of 8.3%.
- Concession receivables and contract assets have been increasing since 2022

Finance Income⁽¹⁾ 68.5 72.7 74.7 75.1⁽³⁾

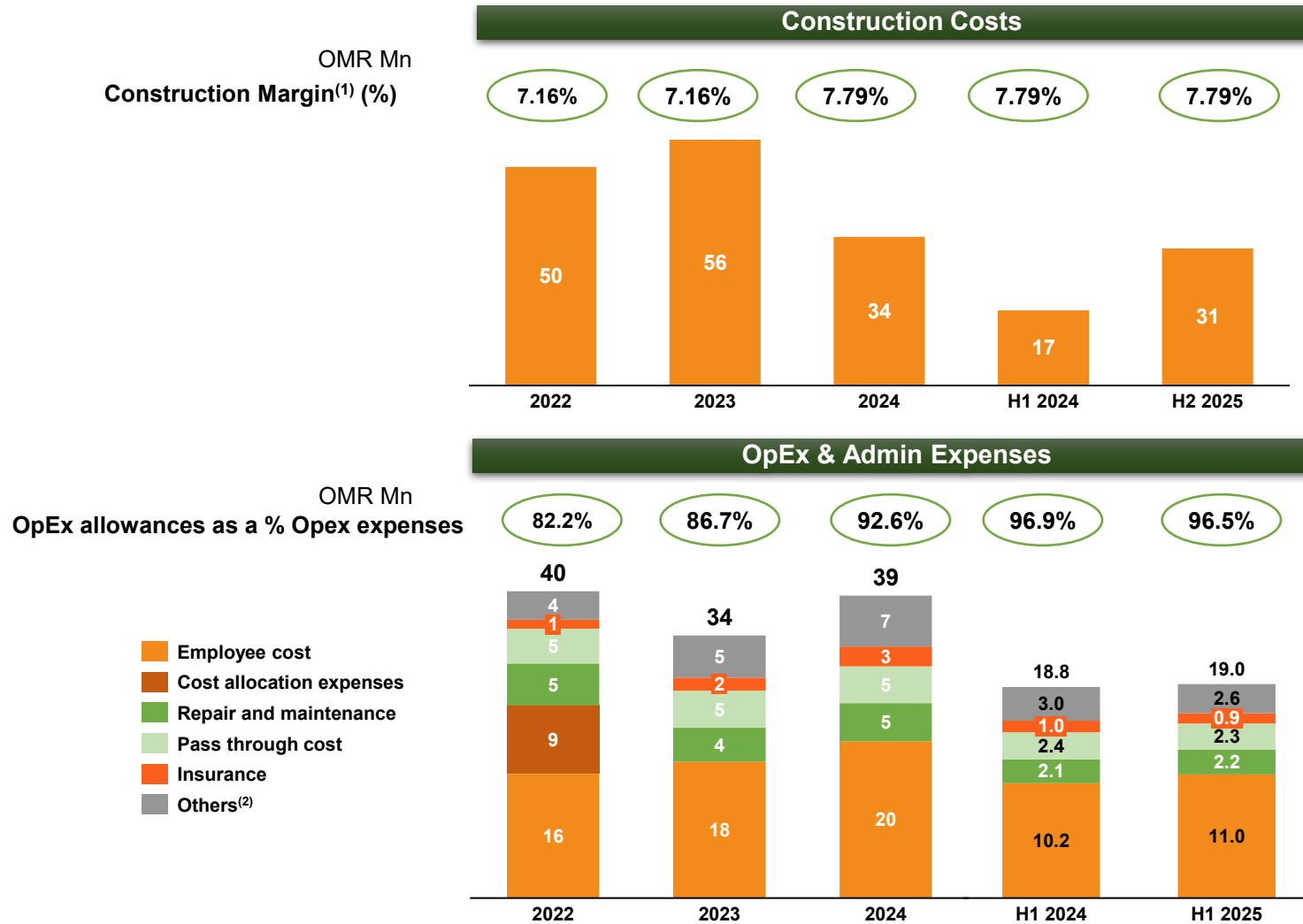
Effective Interest Rate 7.23% 7.43% 7.42% 7.41%



(1) Finance income on contract assets and concession receivables.

(2) Only including contract assets due from IGC.

(3) Rolling year ended 30 June 2025 (Q3 2024 to Q2 2025)



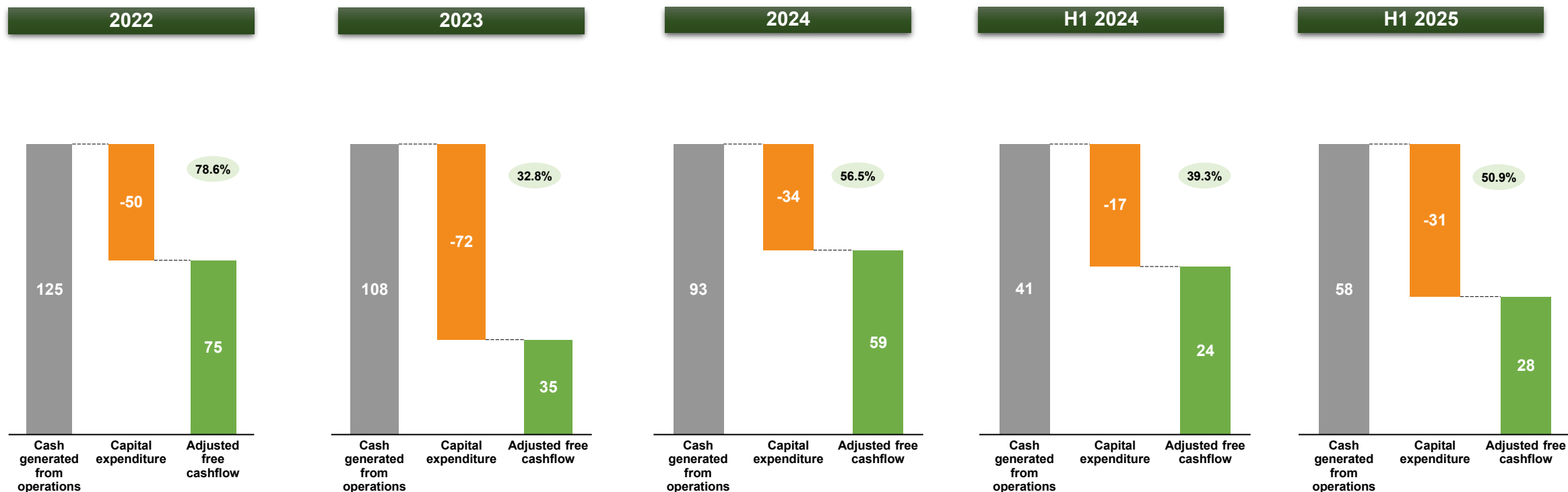
- Construction margin is equal to the CWIP WACC.
- OQGN recorded an increase in Construction Costs in 2025 compared to 2024 following the commencement of Fahud Sohar Second Loop Line Project – 42”
- Increase in Employee costs as a result of meeting the headcount capacity to align the optimum business needs.

(1) $(\text{Construction Revenue} - \text{Construction Costs}) / \text{Construction Costs}$.

(2) Others includes IT related expenses and depreciation

Cash Generation Supported By Attractive RAB Terms

OMR Mn



Regulated Adjusted Cash Conversion⁽¹⁾

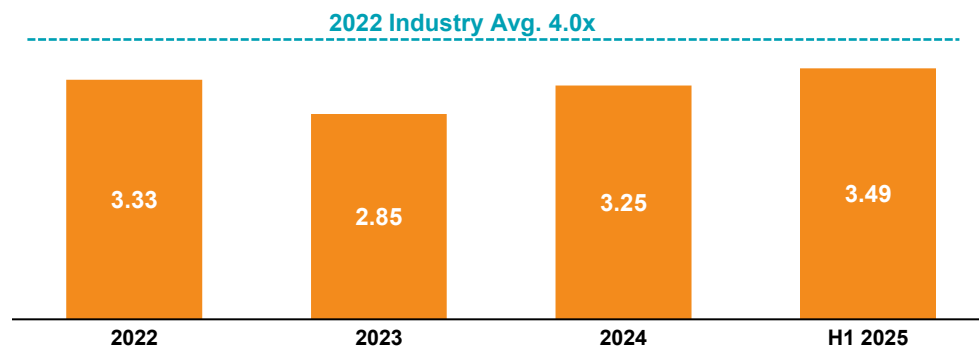
(1) Regulated Adjusted Cash Conversion = Adjusted FCF (i.e., cash generated from operations (before deducting income tax paid, employees' end of service benefits paid, interest paid, interest income received on fixed deposits and receipt of Connection Fee) minus Capital Expenditures) / Regulated Adjusted EBITDA.

Commitment To A Robust Capital Structure Allowing For Future CAPEX Funding And Sustainable Dividend Distribution

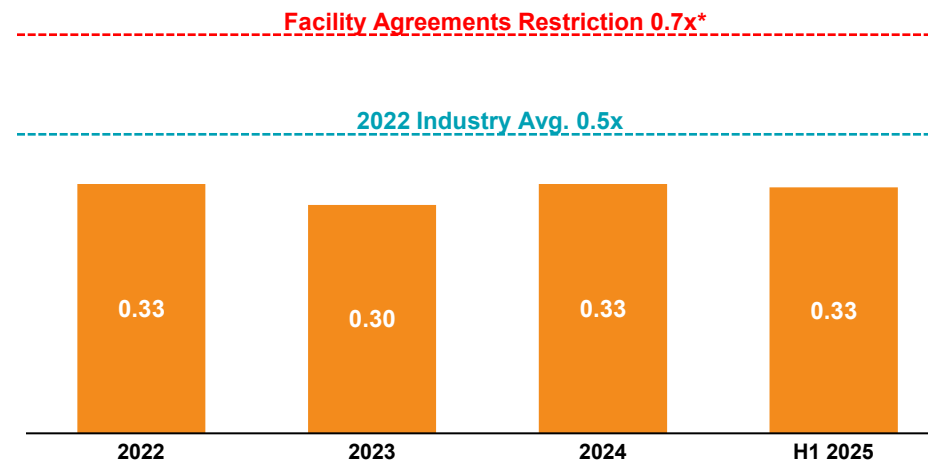
Efficient Capital Structure...

OMR Mn (1 OMR = 2.6 USD)	As of Dec-24	As of Jun-25
Term Loan	355	369
Total Debt	355	367
Cash and Cash Equivalents	(16)	(25)
Adjusted Net Debt	339	342
<i>Adjusted Net Debt / Regulated Adjusted EBITDA</i>	<i>3.25x</i>	<i>3.49x</i>
<i>Adjusted Net Debt / RAB</i>	<i>0.33x</i>	<i>0.33x</i>

Historical Net Debt / Adjusted EBITDA



Historical Net Debt / RAB

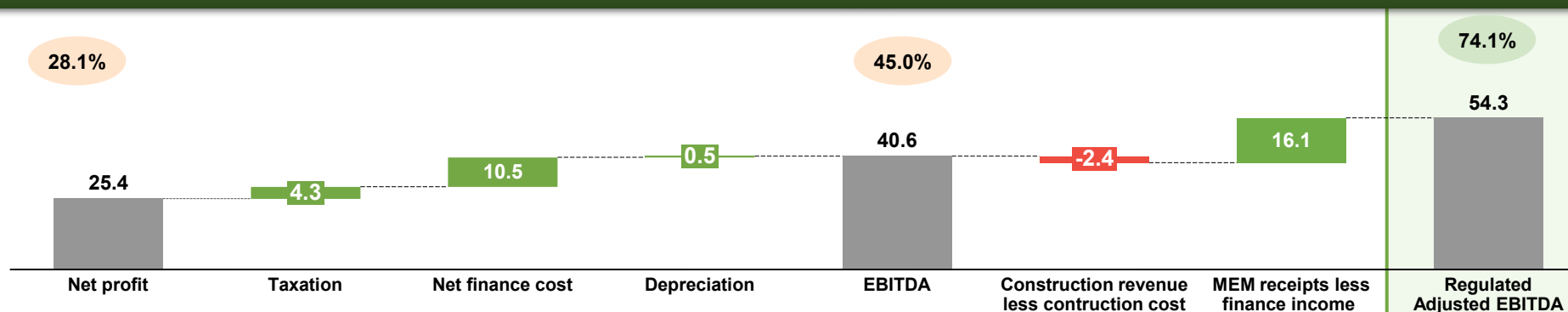


*Not to exceed 70% of the RAB value

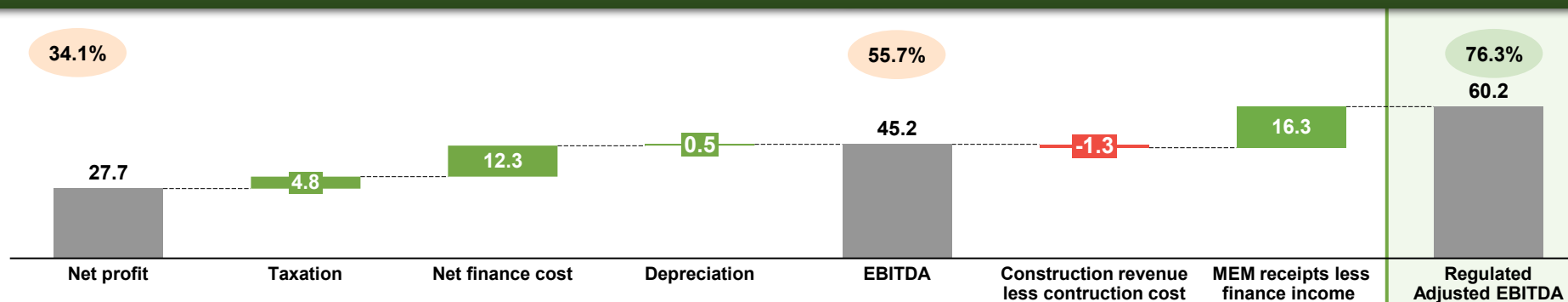
Net Profit to Regulated Adjusted EBITDA Bridge

OMR Mn

H1 2025



H1 2024

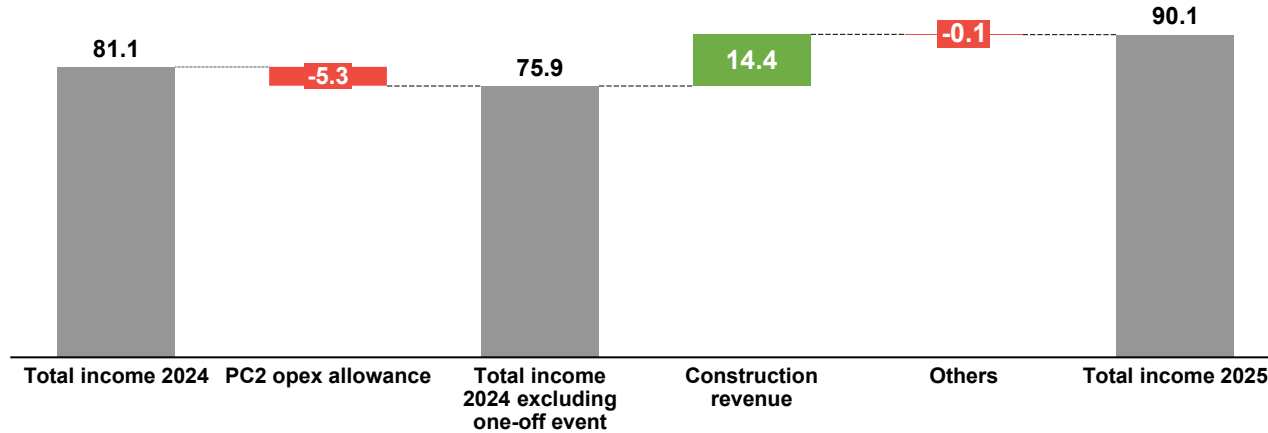


Margin on total Income Margin on Regulated Adjusted Income

Regulatory Measures

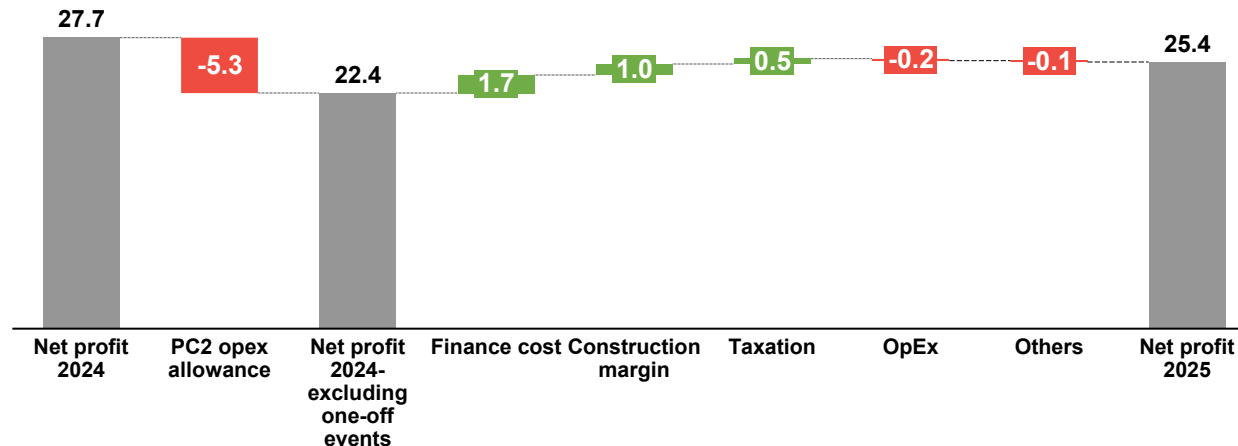
Total Income H1 2024 vs Total Income H1 2025

OMR Mn



Net profit H1 2024 vs Net profit H1 2025

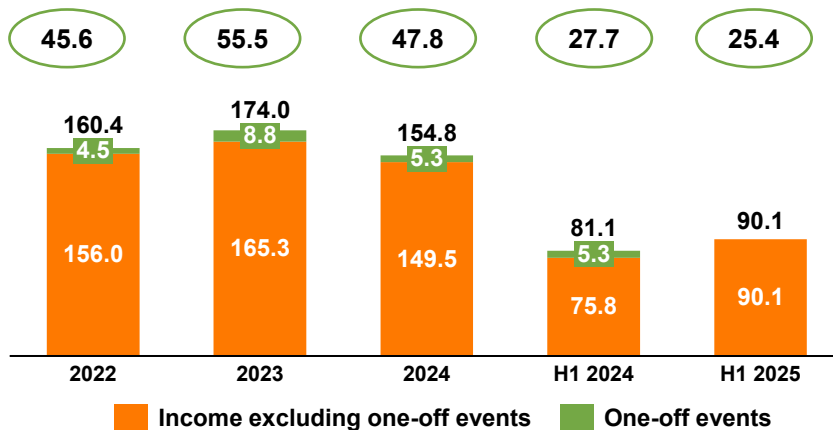
OMR Mn



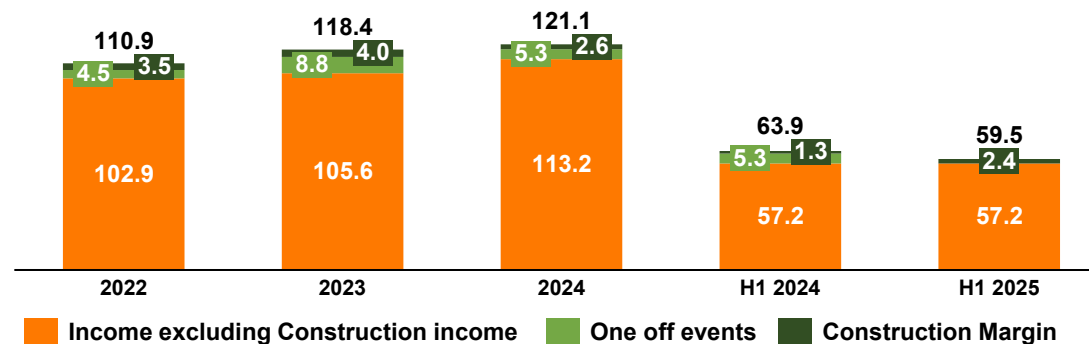
- OQGN's performance reflected a **RO 14.6 Mn increase in total income** excluding one-off events mainly due to higher construction activity in 2025.
- OQGN achieved a **13.4% increase in profit** excluding one-off events, demonstrating strong operational performance, mainly driven by higher asset base and savings in interest costs.

Income

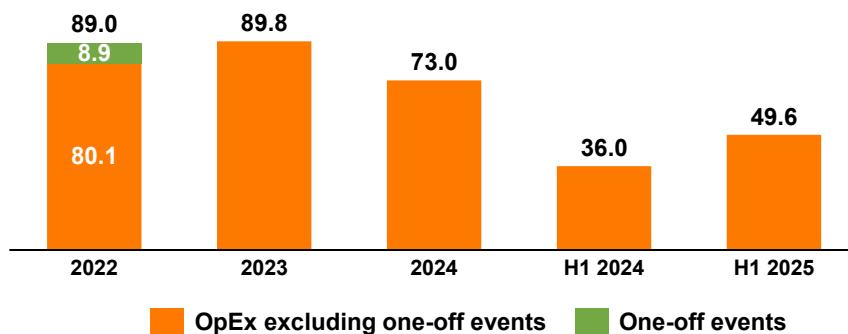
Net Profit



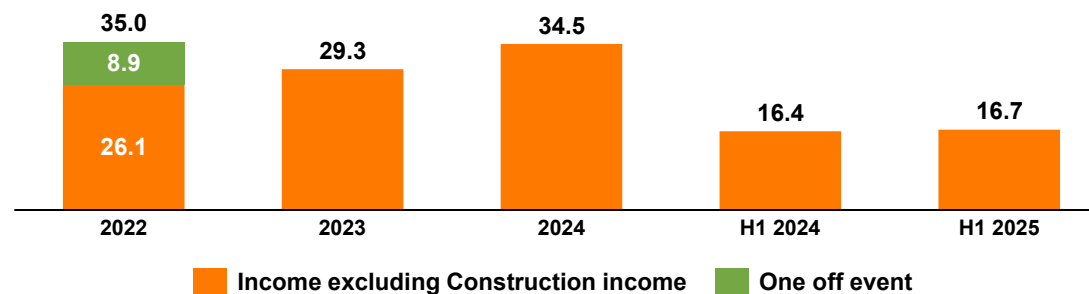
Income net of Construction Costs



OpEx



Opex excluding construction and pass-through cost



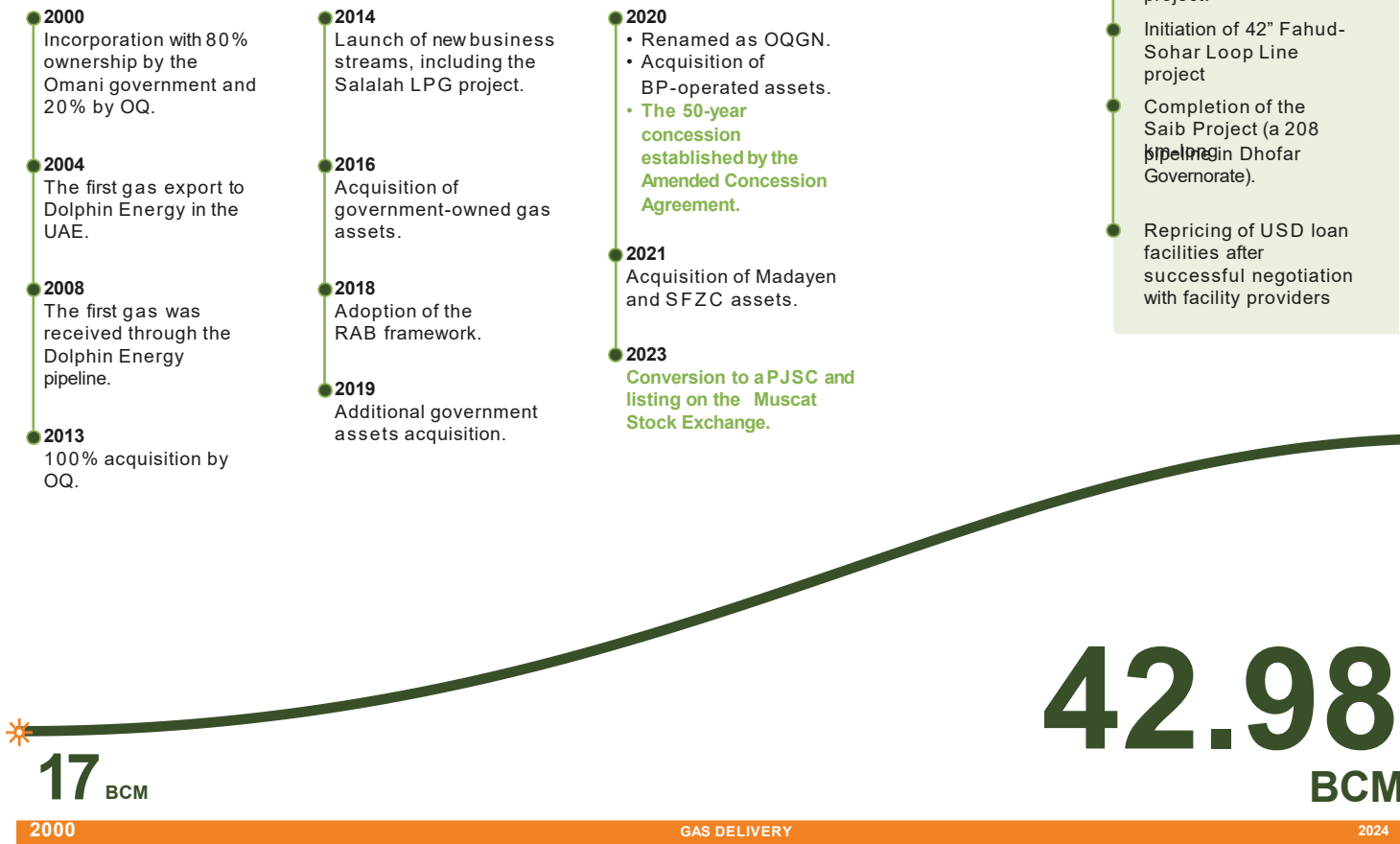
OQGN

Thank You



Evolving with purpose

In 24 years, OQGN increased gas delivery by 2.5 times, achieving an average gas availability of 99.99%.



A Vision

To be the national champion of energy infrastructure through innovative and sustainable solutions.

A Mission

We transport energy in a reliable, efficient, safe, and sustainable way.



Tomorrow

Our vision is a low-carbon, prosperous future:

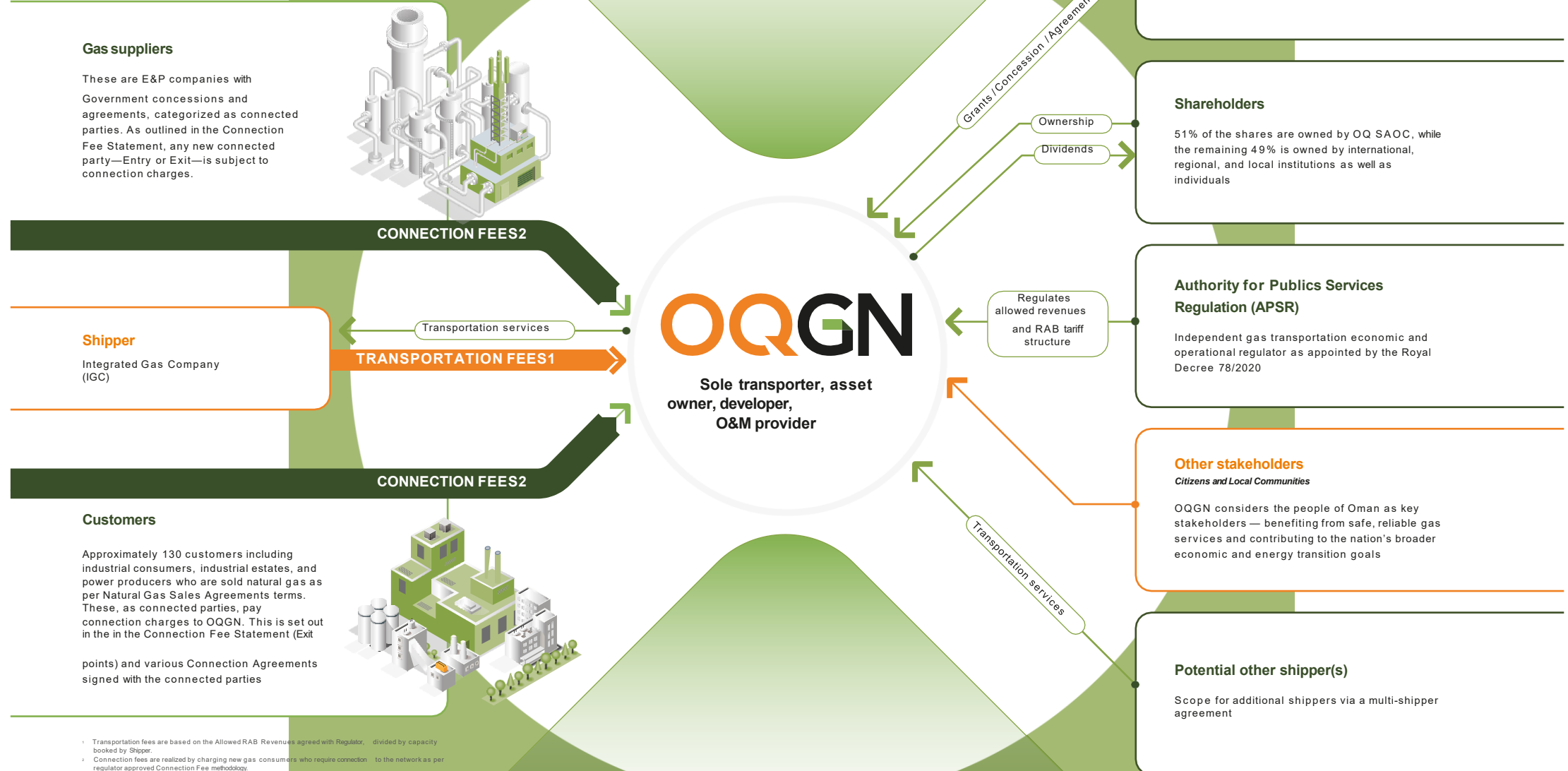
- Organic growth of the NGTN
- Acquisition of the remaining third-party gas infrastructure
- Financial feasibility studies and commercial framework development for hydrogen and CO₂ transportation
- Development of an open access network for hydrogen transportation and storage
- Development and deployment of CCUS projects in Oman

Transmission chain

As a critical element and infrastructure provider throughout the natural gas transportation chain OQGN serves as the backbone of Oman's energy and industrial ecosystem, supporting various sectors including LNG, power generation, and oil and gas operations, to create value for end users



Business model



¹ Transportation fees are based on the Allowed RAB Revenues agreed with Regulator, divided by capacity booked by Shipper.

² Connection fees are realized by charging new gas consumers who require connection to the network as per regulator approved Connection Fee methodology.

IFRS Accounts

Building Blocks	Description
Construction Revenue	▪ Percentage of projects completion recognised as revenue
+	
Allowance for Expenditures and Pass-through Costs	▪ Allowance for expenditures and pass-through costs received from the Shipper as part of price control allowances
+	
Project Management Services	▪ Supervision services on construction on construction of various gas related projected to related and third parties
=	
Revenue	
+	
On Concession Receivables	▪ Return on concession receivables recognised in the form of finance income using the effective interest method
+	
On Contract Assets	▪ Return on contract assets recognised in the form of finance income using the effective interest method
+	
On Short-term Deposits	▪ Interest income on short-term deposits
+	
Other Income	▪ Includes tender fee, shared costs income and reversal of provisions
=	
Total Income	

Regulatory Accounts

Building Blocks	Description
Asset Return	<div>Avg. Asset Base</div> <div>▪ Average of Regulated Asset Base during the period</div>
+	
WACC Return	▪ Regulated WACC approved by APSR
+	
CWIP Return	<div>Avg. CWIP Asset Base</div> <div>▪ Average of CWIP Asset Base during the period</div>
+	
CWIP Return	▪ Regulated WACC approved by APSR
+	
Other Adjustments	▪ Working capital return, previous year adjustment and deferred finance cost adjustment
=	
Allowed Return on Capital	
+	
Depreciation Allowance	<div>▪ Compensation for depreciation of assets</div> <div>▪ c.40 year useful life on average</div>
+	
Allowed Operating Expenditures	▪ APSR allowance for operation & maintenance of assets as well as G&A expenses
+	
Allowed Pass-through	▪ APSR allowance covering fuel gas cost and Regulator fee
+	
Taxation Allowance	▪ Compensation for cash tax payable
+	
Other	▪ Includes adjustment of other revenues earned from RAB resources as part of RSP reconciliation
+	
Other Regulated Adjusted Income	▪ Includes shared cost income, reversal of provisions, connection fees and interest income on fixed deposits
=	
Regulated Adjusted Income	

Company prepares separate financial statements on the bases of IFRS and RAB Revenue Rules. Both sets of financial statements are presented in OMR

IFRS Accounts	Regulatory Accounts
<ul style="list-style-type: none"> The Company prepares the Financial Statements in accordance with IFRS and applies IFRIC 12 (Service Concession Arrangements), in which the Company recognises <ul style="list-style-type: none"> Financial assets (concession receivables and contract assets) instead of property, plant and equipment in the statement of financial position Revenue and cost for construction of contract assets and finance income on the concession receivables and contract assets instead of Allowed Return on Capital in the statement of profit or loss and other comprehensive income 	<ul style="list-style-type: none"> The Company also prepares regulatory financial statements pursuant to the RAB Rules, whereby all adjustments under IFRIC 12 are reversed and property, plant and equipment and related depreciation and income and Allowed Return on Capital are recognised under the RAB Rules The Company prepares the regulatory financial statements for the purposes of submission to the Regulator in compliance with the requirements of the RAB Rules to enable the Regulator to perform the Annual Reconciliation to determine the Allowed RAB Revenue for the next year and RSP Reconciliation in order to determine the Allowed RAB Revenue for the next Price Control Period