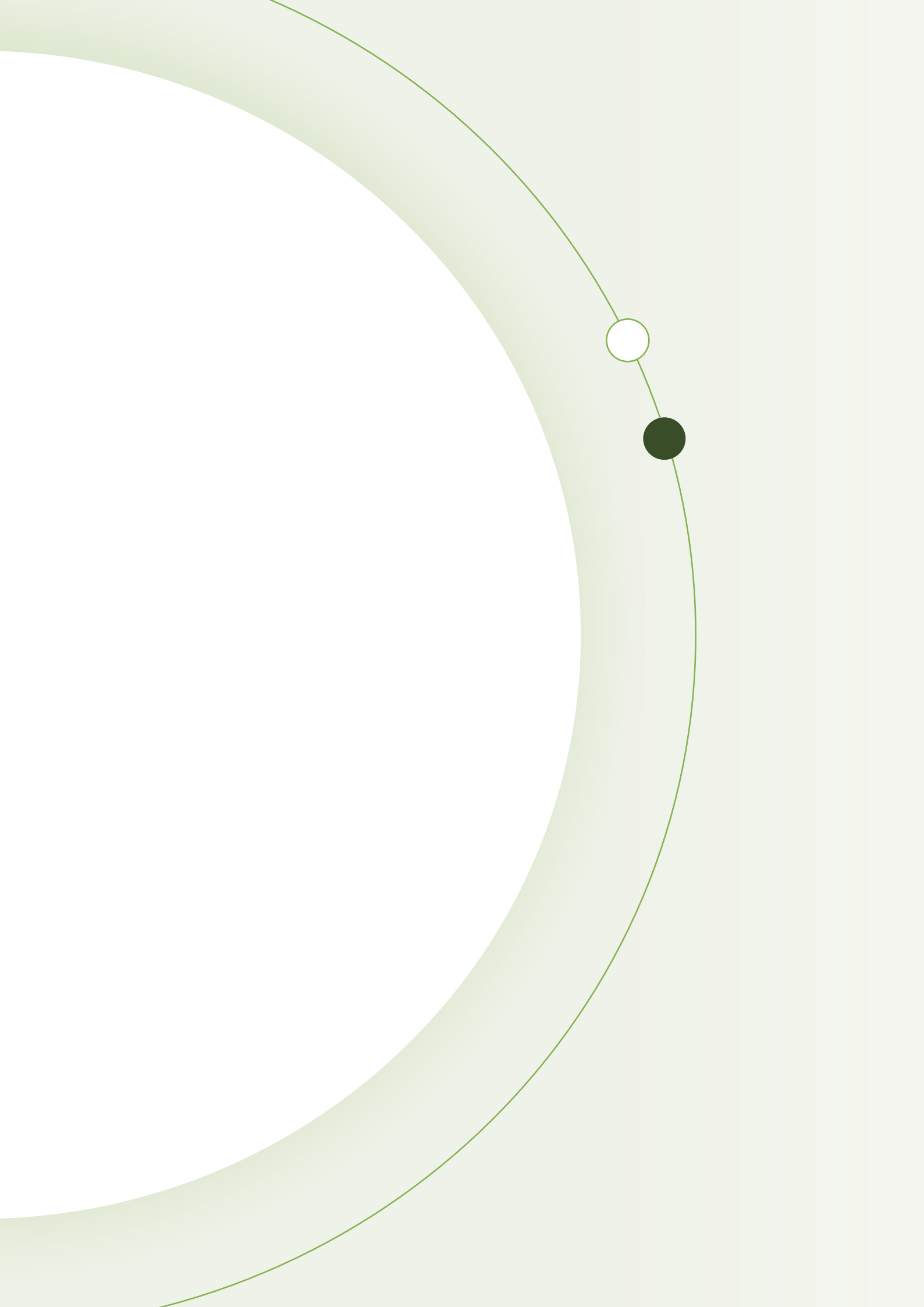


Decades of experience Centuries of impact








His Majesty Sultan
Haitham bin Tariq

May Allah protect him

Introduction

Decades of experience Centuries of impact

As OQGN marks a quarter century of excellence, our eyes are focused on the far horizon. We are already preparing our energy network for the energy systems of tomorrow, integrating digital intelligence, powering the energy transition and raising the infrastructure designed to serve generations to come.



Building a sustainable multi-energy future to power Oman's next chapter.

OQGN's network underpins Oman's industrial output, powers its cities, and fuels its LNG exports, while new strategic partnerships with global hydrogen and CCUS leaders signal a bold expansion into the energies of tomorrow. As Oman's acknowledged Hydrogen Network Operator, OQGN is not only meeting today's energy demands. It is engineering the infrastructure for what comes next.

About the Report

The Board of Directors of OQGN is pleased to present the Annual Report for the fiscal year ended December 31, 2025.

This Annual Report, together with the accompanying financial statements, has been prepared in accordance with International Financial Reporting Standards (IFRS), the requirements of the Commercial Companies Law of 2019, the Code of Corporate Governance for Public Listed Companies, and the Financial Services Authority (FSA)¹ requirements.

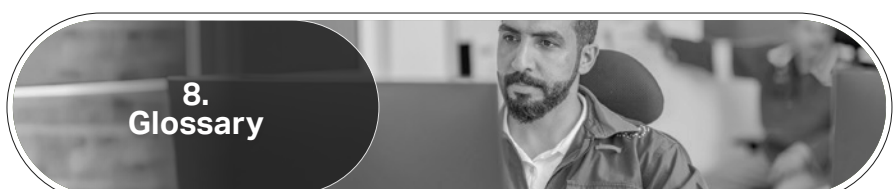
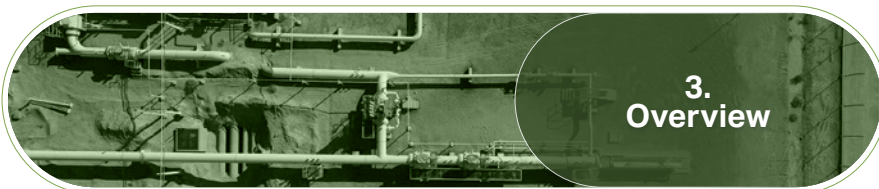
Corporate Information

OQ Gas Networks SAOG (OQGN), incorporated in 2000 as Oman Gas Company SAOC and subsequently renamed OQ Gas Networks in 2020, is the sole owner and operator of Oman's National Gas Transportation and Distribution Network (NGTN). The Company is responsible for acquiring, constructing, operating, and maintaining gas transportation pipelines, facilitating natural gas distribution from producers to end-consumers, and serves Oman's Liquefied Natural Gas (LNG) complexes, oil and gas operations, power and desalination plants, industrial clusters, free zones, and a broad range of commercial customers.

In June 2020, the Company entered into an amended Concession Agreement with the Government of Oman, ratified by Royal Decree 122/2020 in October 2020. This agreement grants OQGN gas transportation concession rights for 50 years. It also provides a right of first offer on any future gas transportation infrastructure concessions until October 30, 2070 under the Regulatory Asset Based (RAB) Framework.



Contents



At a Glance

Who we are

OQGN is the sole owner, developer, and operator of Oman's National Gas Transportation and Distribution Network (NGTN) – the circulatory system of Oman's energy economy. Spanning 4,368 km and serving every corner of the country, OQGN's infrastructure underpins Oman's power generation, industrial growth, LNG exports, and the nation's emerging clean-energy ambitions.

Empowering Growth

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

4,368 km

total pipeline length (+133 km vs 2024)

76.3 BCM

network capacity

130+

industrial customers

42.4 BCM

total gas delivered

100%

gas availability – zero outages

Nurturing Talent

More than doubling training investment – fostering a culture of excellence through development, internships, and Omanization leadership.

51,106

total training hours (+110% YoY)

107.4

average training hours per employee

95.8%

Omanization rate (above mandate)

98

interns hosted (+21% from 24)

Energizing Excellence

Achieving business excellence through advanced digital solutions, AI-powered operations, and a best-ever safety record.

0.00

TRIF — all-time best safety record

20 million+

safe man-hours, zero LTIs

60

manual processes fully automated

290+

hours saved monthly via AI dashboards

Revolutionizing the Future

Leading energy transition projects as Oman's designated Hydrogen Network Operator – shaping a sustainable and diversified energy future.

- Fluxys (Belgium) – Hydrogen Pipeline Cooperation Agreement signed
- Gasunie (Netherlands) – hydrogen & CCUS MoU signed
- Recognized as the CO₂ Transporter in Oman to transport CO₂ from sources to sinks
- Launch of CO₂ Network Expression of Interest as a market engagement exercise to assess potential CO₂ transportation infrastructure

Generating Value

Maximizing margins and dividend yield to deliver exceptional returns for shareholders in OQGN's second full year as a listed company.

72.76%

Regulated Adjusted EBITDA margin¹

₹ 48.50 Mn.

Dividends declared for 2025

9.6%

Regulatory Asset Base (RAB)² Growth

₹ 51.2 Mn.

Net Profit Value

5.77%

Dividend yield

₹ 840.14 Mn.

Market capitalization (MSX: OQGN)

Yielding Sustainability

Integrating ESG principles across every business decision – from emissions reduction to community investment and energy certification.

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

-12.4%

Scope 1 & 2 GHG emissions vs 2024

31

Social contribution programmes

₹ 229,216

Community investment committed

ISO 50001

Energy Management System certified

¹ Regulated Adjusted EBITDA and Net Profit Margin are based on Regulatory Financial Statements prepared in accordance with the Ministerial Agreement and applicable Concession Agreement.

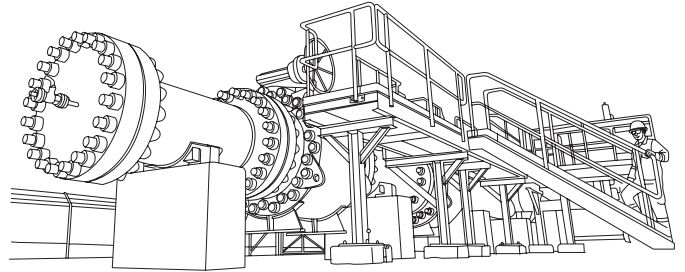
² Regulatory Asset Base reflects concession receivables and contract assets due from the Government. GHG emissions figures for 2025 are pending final verification and will be disclosed in the 2025 Sustainability Report. ICV figure covers Q1–Q3 2025 only; full-year data pending confirmation by the Contracts & Procurement team.

25 Years of Excellence

2000

The 'Spark': A nation builds its energy backbone

- The establishment of the Oman Gas Company (SAOC) through Royal Decree 78/2000
- Initial pipelines laid down from Muscat, with a vision to **connect production to industry** and **power national growth**



2006-2010

Testing, strengthening, and expanding

- The impact of Cyclones Gonu (2007) and Phet (2010) demonstrates the Company's capacity for rapid recovery of operations following disaster situations
- **250 km** loop-line laid down from Saihrol to BVS9
- New compressors & metering stations installed to secure supply

2001-2005

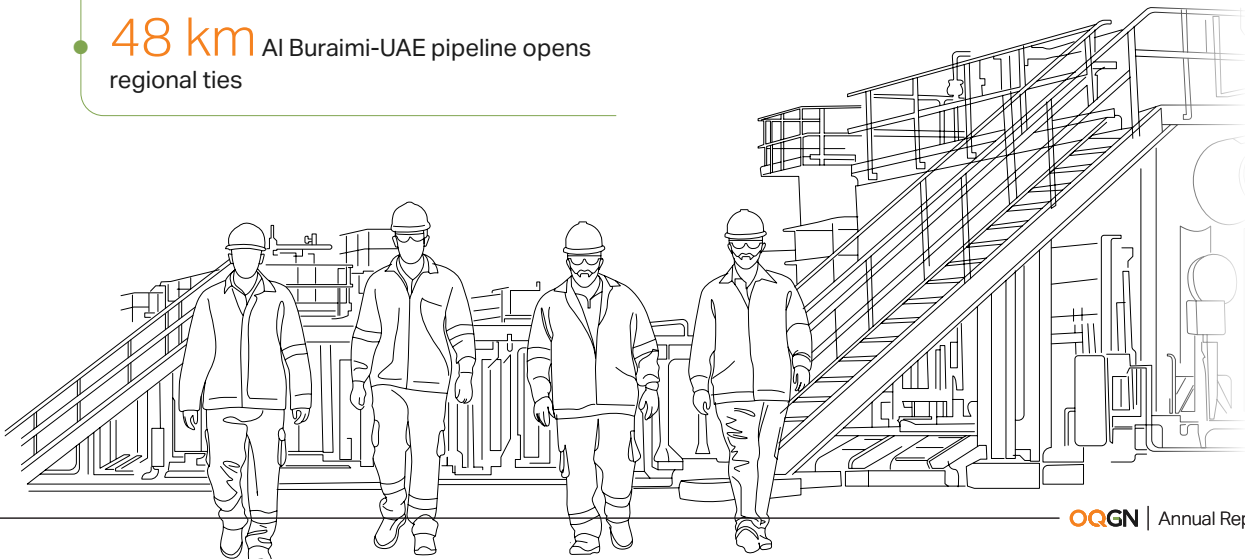
Building: Foundations of scale and trust

- SCADA introduced for real-time monitoring
- Omani engineers receive international training
- Gas reaches power, fertilizer, and desalination plants
- Sohar and Salalah pipelines commissioned
700 km to Salalah | **300 km** to Sohar
- **48 km** Al Buraimi-UAE pipeline opens regional ties

2011-2019

Powering Oman's industrial growth

- **Network now expands** across most of Oman's governorates, powering national aluminium, iron, cement, and petrochemicals industries
- Projects meet **global standards**
- Automation, predictive maintenance, and smart monitoring systems technologies incorporated



25 Years of Excellence

2020-2022

Operational excellence

- **99.99% gas availability** across the country
- 3 compressor stations & 26 supply chains currently in operation
- A '**Zero Harm Path**' safety culture
- An Omani workforce of **94%**
- **100% Omani** senior leadership
- Rising inclusion of women in leadership roles

2024

Scaling smart and scaling green

- A pipeline network of **4,235 km** achieved
- Production capacity increased by **60%**
- AI-driven predictive systems deployed
- **83,000scm gas saved** using RTP technology
- **45% emissions reduction**
- First ESG rating received

2023

Largest IPO in Oman history

- **₹ 288 Mn. raised**
- 49% public shareholders
- Strategic investors from Saudi Arabia, Qatar and Belgium
- Strengthened governance frameworks, transparency and global confidence following IPO

2025 and beyond

The energy transition in action

- Pipelines adapted for green hydrogen and carbon capture
- The **Net Zero Pathway** launched
 - 42% emissions reduction by 2030
 - 82% reduction by 2040
 - Net Zero by 2050
- Pipeline expansion beyond 4,700 km
- An annual target of 80bcm
- Incorporation of digital twin, smart sensors, and AI technologies



Energy in Motion

Over 25 years, OQGN has scaled gas delivery more than 2.5 times, maintaining industry-leading reliability with average gas availability of 99.99%. In 2025, we continued to strengthen network resilience, optimize asset performance, and advance infrastructure that supports Oman's evolving energy mix.

- Advanced the 42" Fahud–Sohar Loop Line (193 km), adding 11 MMSCMD capacity to the North gas network by 2027.
- Signed Cooperation Agreement with Fluxys (Belgium) and MoU with Gasunie (Netherlands) for hydrogen infrastructure.
- Launched Expression of Interest (EOI) for a national CO₂ network; advanced Northern CCUS Ecosystem towards feasibility stage.
- Completed 6 growth projects including Central 48" Rich/Lean gas segregation and Jindal Shadeed gas connection.
- Zero gas interruptions – 100% gas availability achieved for the full year.
- Approved Budoor Tayseer Gas Plant pipeline project (31 km, AED 9.66 Mn.) and Gas Supply to Port of Duqm (13 km, AED 14.06 Mn.).
- Completed AI-driven IDS, drone RoW inspections, and VR digital twin proofs of concept.
- Achieved 95.8% Omanization rate; total workforce grew to 475 employees.

Tomorrow

- Acquisition of remaining third-party gas infrastructure assets
- Financial feasibility studies and commercial framework development for hydrogen and CO₂ transportation
- Progress CCUS ecosystems in Oman to connect sources to sinks
- Completion of the 42" Fahud–Sohar Loop Line and Marsa LNGB pipeline by 2027
- Scaling AI, digital twin, and Intelligent Operations Centre (IOC) across the network

Vision

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

Mission

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



Ownership & Market Information

Shareholder Structure

51% OQ SAOC

34.4%

Public shareholders

4.9%

Saudi Public Investment Fund

4.9%

Falcon Investments LLC

4.9%

Fluxys

OQGN completed its IPO on the Muscat Stock Exchange in October 2023, raising **ﷲ 288 Mn.** for 49% of share capital with ~14x oversubscription. 2025 marks OQGN's second full year as a publicly listed company.

Market & Financial Data

MSX: OQGN

Ticker – Muscat Stock Exchange

72.8%

Regulated Adjusted EBITDA margin

ﷲ 840.14 Mn.

Market capitalisation

ﷲ 51.2 Mn.

Net Profit Value

ﷲ 0.195

Share price as of December 31, 2025

ﷲ 1.158 Bn.

Regulatory Asset Base (RAB)

5.77%

Dividend yield

ﷲ 48.5 Mn.

Dividends declared for 2025

2

Executive Messages

OQGN's leadership reflects on a 25-year journey of innovation, reaffirming their strategic commitment to driving Oman's sustainable economic growth, advancing the green energy transition, and building national capabilities.



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15 CEO's Statement

Chairman's Statement

Dear Shareholders and Stakeholders,

A Quarter Century of Strength and National Contribution

It is my privilege to present the Annual Report for the year ended December 31, 2025, marking the 25th anniversary of OQGN. This milestone reflects not only the longevity of our operations, but the strength of our governance, the resilience of our business model, and our consistent ability to deliver value in an evolving global energy landscape. Indeed, OQGN has evolved from a traditional gas network operator into a modern national infrastructure company grounded in safety, reliability, and disciplined value creation.

Consistent Performance in a Changing Environment

Amid continued global uncertainty, OQGN has remained a predictable and stable platform for investors. The Company delivered steady financial performance in 2025 and maintained an attractive dividend profile, reinforcing the reliability of its regulated revenue model. This balance enables us to reward shareholders while retaining flexibility to support future strategic priorities. Market performance during the year reflected growing investor confidence, with improved liquidity and a broader shareholder base. These developments underscore recognition of OQGN's resilient cash flows, low-risk profile, and clearly defined long-term strategy.

Strong Foundations for Sustainable Growth

Our 2025 results demonstrate the strength of regulatory frameworks underpinning our operations and the stability of our core business. Performance continues to be supported by resilient national gas demand and a transparent, predictable revenue model, complemented by prudent financial management. Furthermore, OQGN's long-term outlook remains closely linked to its central role in supporting Oman's economic development, industrial growth, and energy security. As the Sultanate advances its diversification agenda, our network will continue to provide the dependable infrastructure required to enable investment across strategic sectors.

Positioned for the Energy Transition

The world's rapidly evolving energy landscape presents both responsibilities and opportunities. While natural gas will remain a key component of Oman's energy mix for the

foreseeable future, we recognize that the long-term trajectory will change. Our strategy therefore focuses on two priorities:

- 1) Delivering secure and efficient supply today, and
- 2) Preparing for future energy pathways aligned with national policy and regulatory direction.

By maintaining a future-ready infrastructure platform and strengthening our operational capabilities, we enhance resilience and long-term competitiveness while preserving the stability valued by our investors.

Looking Ahead

As OQGN enters its next 25-year chapter, the Company is well positioned to build on strong fundamentals and continue delivering sustainable long-term value. Our priorities remain clear: safeguard performance stability, strengthen infrastructure resilience, and pursue disciplined growth opportunities that create lasting shareholder and national impact.

Acknowledgements

On behalf of the Board, I extend our sincere appreciation to His Majesty Sultan Haitham bin Tariq for his visionary leadership and continued support. We also thank our employees, regulators, customers, and shareholders for their trust and partnership in advancing OQGN's progress.



Ayad Al Balushi
Chairman

CEO's Statement

Dear Shareholders and Stakeholders,

The year 2025 marked a defining milestone for OQGN as we celebrated 25 years of supporting and strengthening Oman's energy system. This anniversary underscored a quarter century of national contribution and our evolution into the backbone of the Sultanate's gas transmission network. Throughout the year, OQGN delivered strong operational performance, disciplined execution, and sustained excellence across safety, operations, project delivery, and financial management.

A Landmark Year of Reliability and Impact

In our 25th year, we upheld our commitment to safe, reliable operations, achieving 20 million man-hours without LTI. Network performance remained robust, with 42.4 BCM of gas delivered, 100% asset availability, and zero customer interruptions across more than 4,368 km of pipelines – clear evidence of OQGN's critical national role.

Project execution continued to reflect operational excellence. Major milestones included completion of the Central 48" project and commissioning of the largest Flow Measurement System in our history, enhancing system resilience and energy efficiency. The award of future strategic projects further strengthens our ability to meet rising demand and support long-term growth.

We also advanced business development initiatives aligned with our growth strategy, including the acquisition of BP Ghazeer pipeline assets (65 km) and Fahud NGL gas transportation and connection assets.

Building National Talent & Capability

In 2025, OQGN strengthened its human capital base, with a workforce of 475 employees and a 95.8% Omanization rate, ensuring strong national ownership of critical capabilities. Women represented 14.7% of our workforce, supported by focused women leadership development and succession planning initiatives.

Capability building remained a priority, with 284 training programs delivered and over 51,000 training hours completed – averaging 107 hours per employee. We also hosted 98 interns and maintained strong academic partnerships to develop a future-ready talent pipeline. National recognition – including the Oman Best Employer Brand Award and the OSHRM Best CHRO Award – affirmed our commitment to empowering our people.



Mansoor Al Abdali
CEO

Technology, Discipline, and Sustainable Value

Digital transformation continued to strengthen our network. The establishment of our data center, deployment of advanced monitoring tools, and introduction of AI-enabled security solutions enhanced reliability, cybersecurity, and data-driven decision-making.

Furthermore, financial discipline remained central to stability and value creation. Revenue increased to **₹ 209 Mn.** (vs. **₹ 154.8 Mn.**) and EBITDA rose to **₹ 82.4 Mn.**, supported by efficient operations and cost management. The Board approved a dividend of 5.6 baiza per share for the first half of 2025, balancing shareholder returns with long-term investment needs; and RAB grew by 9.5% year-on-year, reflecting continued expansion.

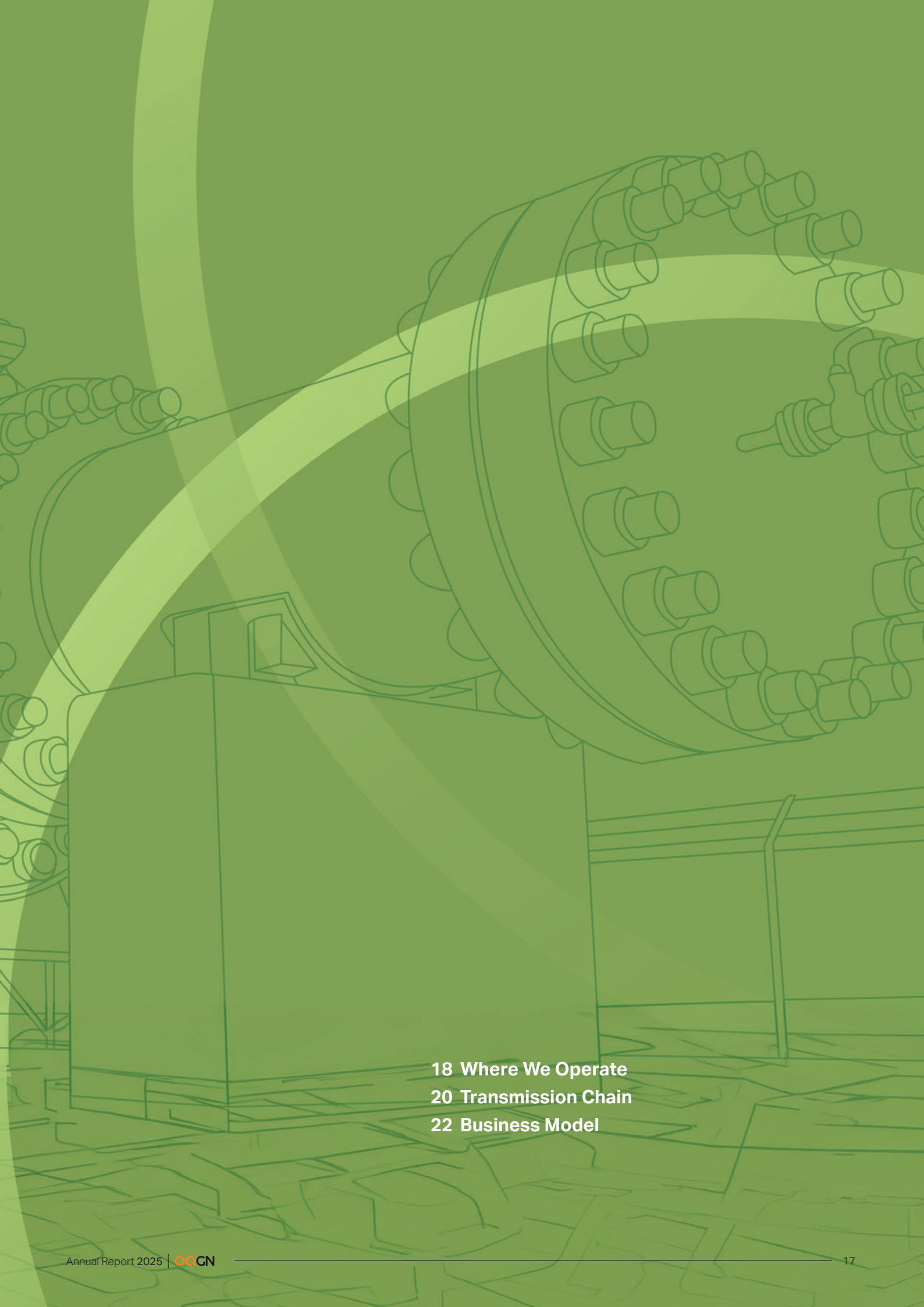
Sustainability and governance remained integral to our operations, marked by the issuance of our Sustainability Report, joining the UN Global Compact, and further strengthening compliance and risk management.

OQGN's achievements in our 25th year reflect the dedication of our people and our mission to operate safely, deliver reliably, and invest wisely. As we enter our next chapter, we remain committed to supporting Oman's energy security and Vision 2040 through resilient and efficient operations, and sustainable infrastructure.

3

Overview

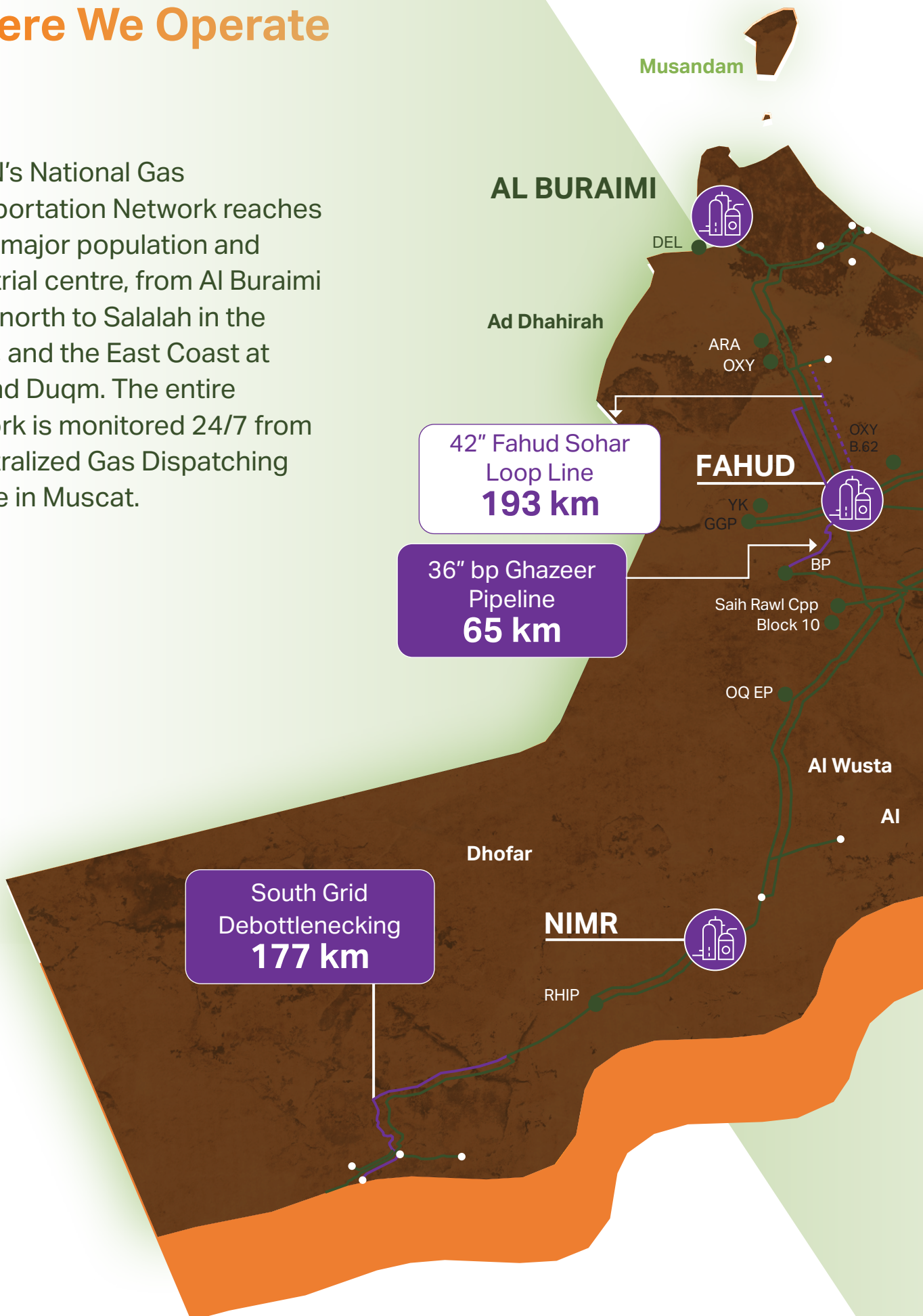
As the sole operator of Oman's 4,368 km natural gas transportation network, the Company achieved a flawless operational record with 100% gas availability and zero gas outages.

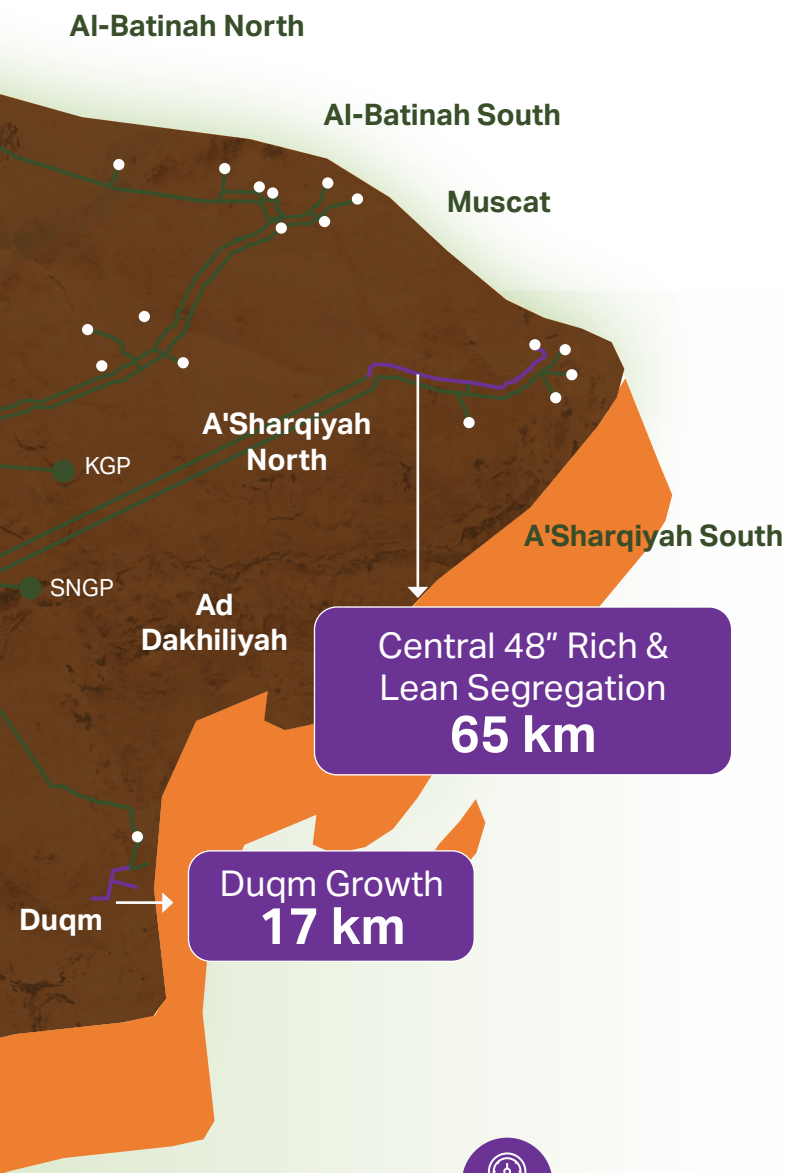


18 Where We Operate
20 Transmission Chain
22 Business Model

Where We Operate

OQGN's National Gas Transportation Network reaches every major population and industrial centre, from Al Buraimi in the north to Salalah in the south, and the East Coast at Sur and Duqm. The entire network is monitored 24/7 from a centralized Gas Dispatching Centre in Muscat.





Central 48" Rich & Lean Segregation
65 km

Duqm Growth
17 km



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.

2025 Project Highlights

42" Fahud–Sohar Loop Line (193 km) 🏗️ 104.22 Mn. | +11 MMSCMD | In Progress

Marsa LNGB — Sohar Port
~1 MTPA marine LNG bunkering | In Progress

Budoor Tayseer Gas Plant (31 km) 🏗️ 9.66 Mn. | +2 MMSCMD | Approved

Duqm Port Gas Supply (13 km)
🏗️ 14.06 Mn. | Approved

Duqm & Misfah IPPs
+12.8 MMSCMD combined | Customer-funded | Approved

Network Infrastructure

3 compressor stations managing gas pressure across the network

26 gas supply stations treating and conditioning gas at delivery points

4,368 km of high-pressure pipeline spanning Oman's terrain

136+ metering stations monitoring flow at connection points

24/7 centralized monitoring from the Gas Dispatching Centre, Muscat

Transmission Chain

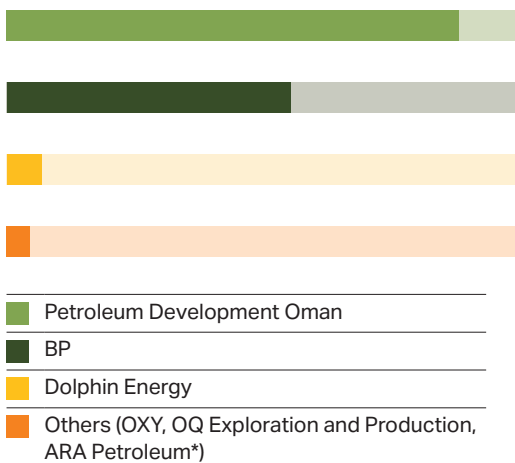
As Oman’s primary energy infrastructure provider, OQGN operates at the heart of the national gas transmission chain, connecting gas producers to a broad base of industrial, commercial, and power consumers. In 2025, the network transported 42.4 BCM of natural gas across 4,368 km of pipeline, reinforcing its role as an indispensable enabler of Oman’s economic and energy transition ambitions.

Integrated Gas Company (IGC)

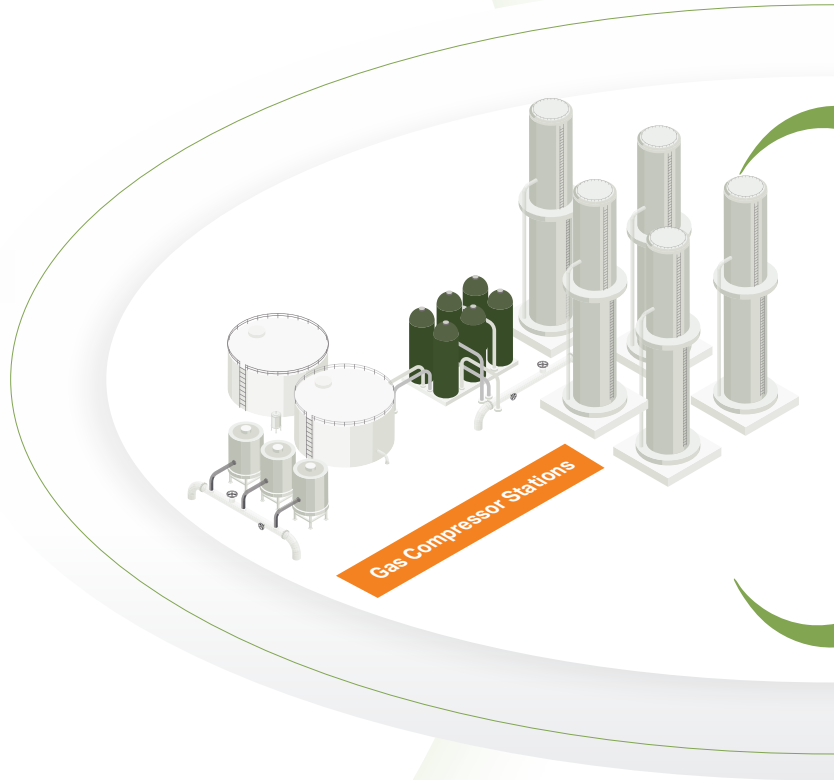
100%

owned by the Government

Total gas received by Supplier (BCM)



*Production has stopped since March 2025



Value proposition

- 1 Attractive investment destination with stable economic growth.
- 2 Near-term expansion and transformative long-term projects.
- 3 Stable financial performance with a growing asset base and efficient capital structure.
- 4 Predictable and long-term cash flows supported by a robust regulatory framework.

The Government of Oman

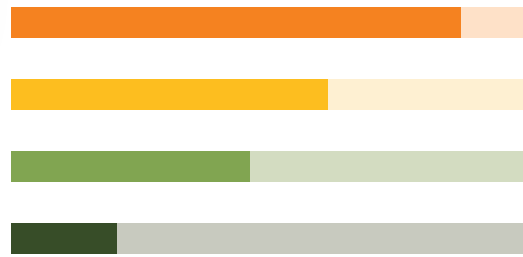
OQGN gas transmission system

Pipeline Network

Gas Supply Stations



Total gas delivery (BCM)



- Oman LNG
- Industrial and commercial
- Power generation and desalination
- Oil and gas operations

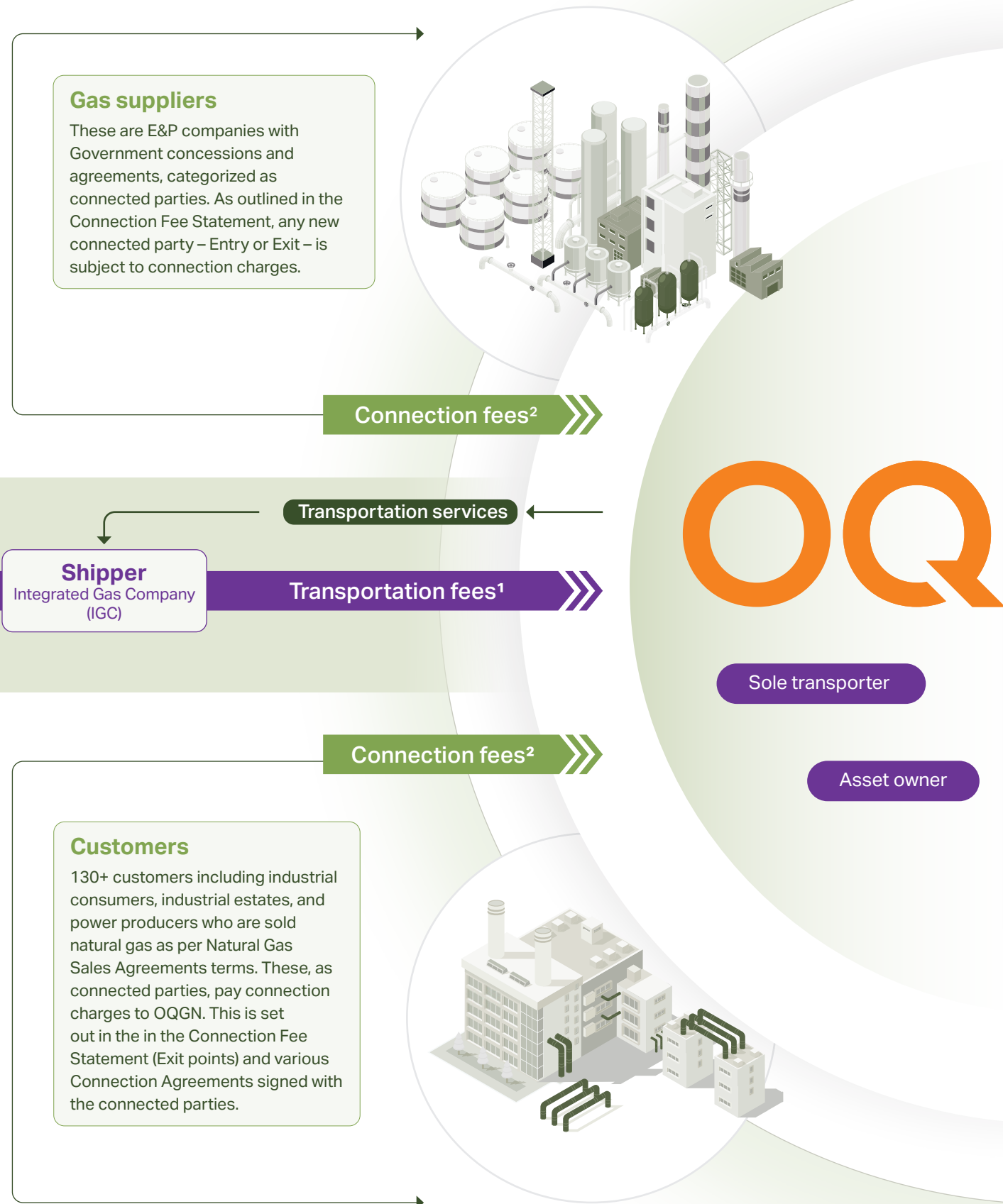
The indispensable link between Omani gas producers and end-consumers, with stable long-term demand and supply

5 Natural monopoly over critical gas transportation infrastructure under a 50-year concession (up to 2070).

6 Enabling energy transition with hydrogen transportation and carbon-capture solutions.

7 ESG principles deeply integrated into the strategy.

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.

GN

Developer

O&M provider

Grants/
Concession/
Agreements

Ownership

Dividends

Regulates allowed
revenues and RAB tariff
structure

Transportation
services

Government of Oman

Government signs agreements and ratifies them by Royal Decree including signing the Concession Agreement with OQGN for ownership and operatorship of the Natural Gas Transportation Network

Shareholders

51% of the shares are owned by OQ SAOC, while the remaining 49% is owned by international, regional, and local institutions as well as individuals

Authority for Public Services Regulation (APSR)

Independent gas transportation economic and operational regulator as appointed by the Royal Decree 78/2020

Other stakeholders

Citizens and Local Communities


OQGN considers the people of Oman as key stakeholders – benefiting from safe, reliable gas services and contributing to the nation's broader economic and energy transition goals

Potential other shipper(s)

Scope for additional shippers via a multi-shipper agreement

4

Business

In FY2025, OQGN successfully delivered 42.4 billion cubic meters of gas, expanded its portfolio through strategic acquisitions, and injected  14.86 Mn. of In-Country Value into the local economy.



26 Market Landscape
27 Strategic Business Objectives
30 Operational Excellence
32 Financial Overview

Market Landscape

Over a quarter of a century, OQGN continued to demonstrate the same unwavering commitment to operational excellence that has defined its journey since inception. The Company has evolved into the backbone of Oman's gas infrastructure, delivering safe, efficient, and intelligent energy transportation across the nation.

The achievements of 2025 reflect not only this year's strong performance but also a legacy of disciplined operations, strategic infrastructure development, and continuous improvement that has positioned OQGN as one of Oman's most trusted and mission-critical energy operators. From maintaining exceptional system availability, to expanding national pipeline capacity, OQGN's 2025 results are a testament to the excellence cultivated over 25 years of service.



Strategic Business Objectives

In 2025, OQGN made significant progress toward its strategic agenda by strengthening and expanding its national gas network, advancing new growth ventures, and driving operational excellence across the business.

The Company continued to accelerate innovation and digital transformation, invest in its people, and actively support Oman's sustainability and energy-transition objectives. These efforts collectively reinforced OQGN's financial resilience and positioned the Company for sustainable long-term value creation.

Strategic Objectives	Rationale
1 Gas Network Growth	Expand the natural gas network to meet peak demand by 2030, while leveraging regional opportunities to grow the footprint , boost service efficiency , and ensure reliable delivery of energy commodities
2 New Venture Developments	Expand and optimize the infrastructure for hydrogen, CCUS, hydrocarbons, NGL and other infrastructure, aligning with national energy transition priorities and future delivery demands.
3 Business Excellence	Improve efficiency through operational excellence, innovation and digitalization
4 People & Culture Development	Develop OQGN's talent by fostering a nourishing culture, promoting learning and development and attracting top talent
5 Sustainability Leadership	Consolidate sustainability (incl. ESG) related efforts to work towards Oman's Net Zero and decarbonization vision
6 Financial Excellence	Given success of the IPO, financial focus is shifting towards new financing mechanisms, debt restructuring, and ensurance of Sharia compliance

Operational Excellence and System Integrity

100%

Zero outages in 2025
Gas Availability

4,368 km

total network
Pipeline Length

42.4

BCM in 2025
Total Gas Delivered

130+

annual gas consumers
Consumers Served

OQGN's performance in 2025 continued to set a national benchmark for reliability and system stability, ensuring that gas flows were optimally balanced and efficiently delivered across Oman's industrial, commercial, power generation, and LNG sectors. Availability of gas was successfully maintained at 100% with zero interruptions, an improvement over the previous year, which recorded one outage.

The national pipeline length increased to 4,368 km, up from 4,235 km in the previous year, reflecting the Company's continuous expansion of its infrastructure footprint to meet future demand. Simultaneously, total gas delivered during the year reached 42.4 BCM, underpinned by robust offtake from key segments. Delivery volumes were primarily driven by Oman LNG (17.0 BCM) and the Industrial & Commercial sector (11.8 BCM).

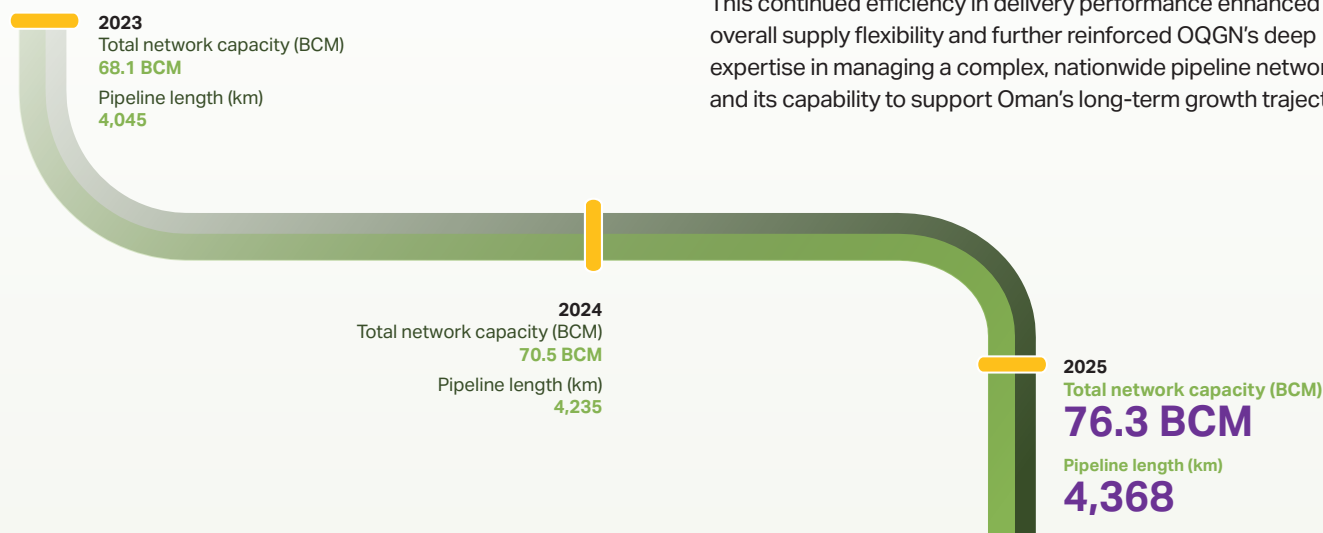
Strategic Business Objectives

Gas Volumes — Three-Year Comparison

In line with this operational strength, OQGN also advanced several key initiatives to reinforce system integrity and enhance efficiency. A key achievement to the Company is obtaining the ISO 50001 Energy Management System certification, reflecting its commitment to responsible and efficient energy use. The Alarm Management Solution elevated safety and reliability by reducing nuisance alarms, improving operator response,

minimizing downtime, and supporting industrial standards. The rollout of Cathodic Protection (CP) Online/Remote Monitoring introduced an automated and proactive monitoring system for transformer rectifiers and solar cathodic protection controllers, ensuring the correct levels of protection across the network. Additionally, the implementation of KW Signal to Distributed Control System introduced reliable, real-time monitoring of electrical heater energy consumption, providing high-quality data to support benchmarking, reporting, and ongoing performance improvement.

This continued efficiency in delivery performance enhanced overall supply flexibility and further reinforced OQGN's deep expertise in managing a complex, nationwide pipeline network and its capability to support Oman's long-term growth trajectory.



Infrastructure Expansion Through Project Delivery

In 2025, OQGN continued to advance in its strategic infrastructure agenda, with several large-scale national projects moving through engineering and construction phases.

Project	Scope & Impact	CAPEX (Mn.)	Capacity Add	Status
Marsa LNGB	2.8 km, 20" pipeline + fiscal metering at Sohar Port. Enables ~1 MTPA LNG for marine bunkering (green-fuel hub). Customer-funded.	13.98 Mn.	1 MTPA LNG	In Progress
42" Fahud-Sohar Loop Line	193 km loop line, Fahud to Sohar. Adds 11 MMSCMD to North Gas Network by 2027, supporting Sohar & Ibri industrial growth.	104.22 Mn.	11 MMSCMD	In Progress
Budoor Tayseer Gas Plant	31 km, 14" pipeline from Budoor Tayseer to SGL PL tie-in at BVS-15.	9.66 Mn.	2 MMSCMD	Approved
Duqm Port Gas Supply	13 km, 32" pipeline serving Jindal Steel Duqm and Duqm Port customers.	14.06 Mn.*	–	Approved
Duqm & Misfah IPPs	Gas connection for two IPPs: Duqm (4.4 MMSCMD) + Misfah (8.4 MMSCMD). Customer-funded.	38.33 Mn.	12.8 MMSCMD	Approved

*Combined CAPEX including both transportation and connection projects.

Strategic Business Objectives

Driving Network Growth, Energy Transition Infrastructure, and Business Excellence

OQGN's strategic ambitions are mainly aimed at strengthening the national gas network, enabling major future-oriented energy transition initiatives, and embedding business excellence and digital innovation across the organization. Through a combination of infrastructure expansion, strategic studies, international partnerships, and digital transformation efforts, the Company demonstrated strong performance aligned with its long-term goals. The accomplishments highlighted underscore the importance in ensuring that OQGN continues to operate as a trusted and future-ready steward of Oman's gas transportation system.

OQGN actively progressed growth opportunities by completing several concept studies and business cases.

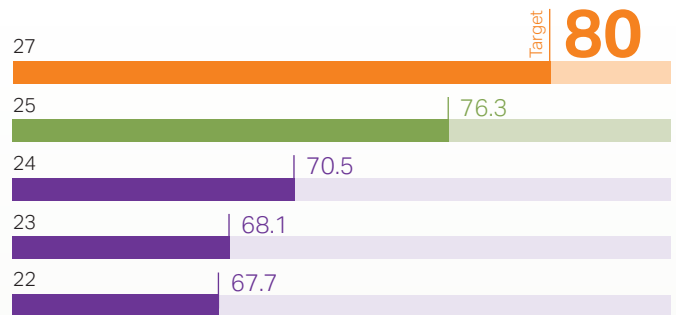
These included studies to connect new potential suppliers, maximize natural projects and secure high-quality gas supply for future mega-projects, and develop curtailment philosophy support studies in collaboration with IGC. These studies serve as the foundation for future system expansion and ensure OQGN remains ready to meet anticipated demand growth.

OQGN strengthened its national network consolidation by achieving several key asset acquisitions, including the 65 km 36" BP Ghazeer pipeline and the Fahud NGL gas transportation and connection asset, valued at OMR 39.90 Mn. and OMR 1.26 Mn. respectively.

The Company has also managed to secure the necessary internal and external approvals for several major capital projects forming part of the network's 2025 expansion pipeline. These approvals enabled the progression of key growth opportunities such as the Budoor Tayseer Gas Plant Project (31 km, 14" pipeline, CAPEX OMR 9.66 Mn., adding 2 MMSCMD of capacity) and the Duqm Port Gas Supply Project (13 km, 32" pipeline, CAPEX OMR 14.06 Mn.). In addition, connection project proposals for the Duqm and Misfah IPPs were endorsed, paving the way for a combined 12.8 MMSCMD of new transmission capacity to be incorporated into future network planning.

These network growth projects align the Company's vision with the long-term objective of expanding pipeline capacity to nearly 80 BCM by 2027.

Network capacity growth (BCM)



Energy Transition Infrastructure

In 2025, OQGN strengthened its role as a national enabler of Oman's energy transition by progressing major initiatives in green hydrogen, carbon capture, utilization and storage (CCUS), and low-carbon infrastructure development. This work reflects OQGN's strategic mandate as the National Hydrogen and CO₂ Network Operator (HNO/CNO) and its growing role in shaping Oman's future energy corridors.

OQGN worked on developing the national Green Hydrogen Pipeline Infrastructure Masterplan, ensuring that the pipeline network concept aligns with the technical and commercial needs of emerging hydrogen projects. The Company successfully engaged with key stakeholders across the hydrogen value chain, achieving consensus on the equity-risk considerations necessary for national champions participating in early-stage hydrogen pipeline projects.

On the Carbon Capture, Utilization, and Storage (CCUS) front, the Company advanced the development of the Northern CCUS Ecosystem, driven by strong CO₂ demand from oil operators seeking CO₂ for Enhanced Oil Recovery (EOR) and meaningful supply sources from major industrial emitters. OQGN also launched a CO₂ Network Expression of Interest as a market engagement exercise to assess CO₂ supply and demand dynamics across the country and understand user requirements for a potential CO₂ network.



Operational Excellence

Business Excellence

OQGN advanced its Business Excellence agenda through targeted innovation and POC deployments:

- AI-driven Intrusion Detection System (IDS)
- Drones for emergency response and Right-of-Way inspection
- Virtual Reality (VR) for digital twinning of flow measurement systems
- Phantom Flow Phenomena identification and resolution – reducing unnecessary GHG emissions and improving measurement integrity

Innovation and Digitalization: Accelerating Intelligent Transformation

In 2025, OQGN strengthened its position as a digitally enabled energy infrastructure operator by expanding the scope, maturity, and impact of its innovation and digitalization efforts. Through the establishment of structured governance mechanisms, the deployment of transformative technologies, and the integration of advanced analytics and automation, the organization continued progressing toward a fully digital operating model.

5

Enterprise platforms

6

Analytical dashboards

60

Manual tasks eliminated

20+

In the innovation funnel

Through this framework, OQGN developed an innovation and digitalization funnel that managed over 20 active innovative solutions, representing one of the Company's most productive years in fostering transformation. Several high-impact Proofs of Concept demonstrated OQGN's forward-looking

approach, including the deployment of an AI-driven Intrusion Detection System, the use of drones for emergency response and right-of-way inspection, and the introduction of Virtual Reality (VR)-enabled digital twinning to enhance flow measurement operations. These initiatives delivered measurable improvements in accuracy, safety, and operational responsiveness. OQGN's innovative efforts also extended to solving technical challenges, most notably identifying and addressing the Phantom Flow Phenomena, a breakthrough that reduced unnecessary greenhouse gas emissions and improved measurement integrity. By embedding innovation into business processes, operational systems, and strategic decision-making, OQGN demonstrated its commitment to continuous improvement and reaffirmed its role as a technologically progressive operator shaping the future of Oman's energy infrastructure.

The overall innovation digital transformation journey was anchored by the Digital Transformation Committee, which is responsible for overseeing the integration of digital technologies, analytics, and innovative practices across all operational areas. In 2025, the committee refined the Company's digital transformation strategy to ensure alignment with OQGN's broader organizational goals, including operational excellence, QHSSE enhancement, and long-term sustainability. It also monitored the progress of digital initiatives within domains such as asset management, maintenance, monitoring, and safety, ensuring that digital solutions were delivered efficiently and contributed measurable value. The committee emphasized data-driven decision-making, strengthened change management, and ensured that cyber and regulatory compliance considerations were built into every digital initiative.

The year 2025 marked one of the Company's most productive periods in digital delivery. OQGN introduced five new systems, launched six analytical dashboards, and automated sixty manual processes across departments. These efforts collectively improved efficiency, reduced manual workload, and strengthened real-time operational insight.

Significant progress was made in sustainability-related analytics through the enhancement of ESG dashboards. AI-driven modules for fuel and electricity CO₂ calculations saved over 240 hours per month combined, demonstrating the value of integrating intelligent automation into reporting processes. The social and water dashboards improved the

Operational Excellence

structure, accessibility, and visibility of critical non-financial data. In operational areas, the Process Safety Management Dashboard and the Gas Measurement Dashboard provided clearer, consolidated insights while saving nearly 50 hours per month in combined manual effort. These enhancements strengthened OQGN's ability to monitor operational integrity and safety performance.

Cybersecurity remained an integral component of innovation and digitalization throughout 2025. OQGN continued its comprehensive approach to cybersecurity by adhering to international standards such as ISO 27001 and ensuring compliance with all Omani regulatory requirements. The organization strengthened its risk identification framework through regular cybersecurity risk assessments, vulnerability scans, and the use of trusted threat-intelligence sources. In parallel, quarterly cybersecurity awareness programs were conducted internally, achieving completion rates consistently above 95 percent across all quarters. The Company also delivered an industrial automation and control systems (IACS) cybersecurity awareness campaign that achieved 99.2 percent completion, highlighting the success of its continuous cybersecurity education initiatives. These efforts ensured that cybersecurity remained embedded across OQGN's digital transformation.

Dashboard Achievements & Monthly Time Savings

Dashboard/System	Key Outcome	Monthly Saving
ESG Dashboard – Fuel CO ₂ Model (AI)	Automated CO ₂ calculations for fuel consumption using AI	120 hrs
ESG Dashboard – Electricity CO ₂ Model (AI)	4 automated calculations leveraging AI; removes manual effort	121 hrs
Process Safety Management Dashboard (Phase 2)	Clear, trackable process safety data across operations	17.3 hrs
Gas Measurement Dashboard	Centralized gas measurement data; simplified decision-making	32 hrs
ESG Social/Water Dashboards	Centralised social/water data; improved visibility of non-financial KPIs	—

Combined AI-ESG dashboard saving: 241 hrs/month | Process Safety + Gas Measurement saving: 49.3 hrs/month

Key Partnerships and Agreements

Partner	Agreement & Strategic Significance	Focus Area
Fluxys (Belgium)	Cooperation Agreement – jointly develop hydrogen transportation infrastructure in Oman; Fluxys to be minority shareholder in the hydrogen network, reinforcing OQGN's decarbonization commitment	Green Hydrogen
Gasunie (Netherlands)	MoU – collaboration on hydrogen infrastructure development and exchange of expertise in CCUS technologies	Hydrogen/CCUS
IGC	Cost Reimbursement Mechanism Agreement – real-time gas consumption and supply data connectivity via API, with access to historical records for all consumers and suppliers	Gas Data/Ops
OQ RPI	Technical Memorandum – new operational philosophy to run NGL Rich and Lean meters in parallel, eliminating pipeline vibrations between metering system and plant	Gas Measurement



Financial Overview

In 2025, OQGN demonstrated financial resilience and adaptability with strong core performance and continued efficiency improvements.

OQGN achieved a 35.0% increase in total income in 2025, primarily driven by the increase in construction activity, despite the absence of last year's one-off gain of ₪ 5.3 Mn. from the reimbursement of Price Control 2 OpEx.

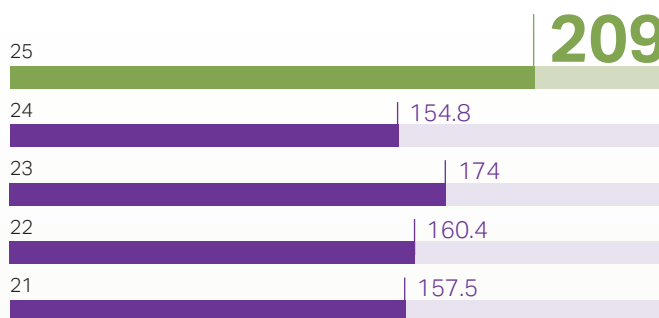
The overall period recurring profit, excluding the one-off event, has increased by 20.5%, reflecting the strong operational performance. Absence of the one-off income has resulted in an overall increase in profit of 7.2%. Income and profit remain robust, reflecting the Company's core operational strength and growth in the Regulatory Asset Base.

OQGN's Regulatory Asset Base (representing concession receivable and contract assets due from the Shipper) increased by 9.6%, to ₪ 1,158 Mn. compared with FY 2024.

Financial Performance, ₪ Mn.

Metric	The full year ended on December 31		
	2024	2025	Change
Total income for the period	154.8	209.0	35.0%
Total income excluding one-off events	149.5	209.0	39.8%
Total expenses	(107.0)	(157.7)	47.5%
Profit excluding one-off events	42.5	51.2	20.5%
Profit for the year	47.8	51.2	7.2%

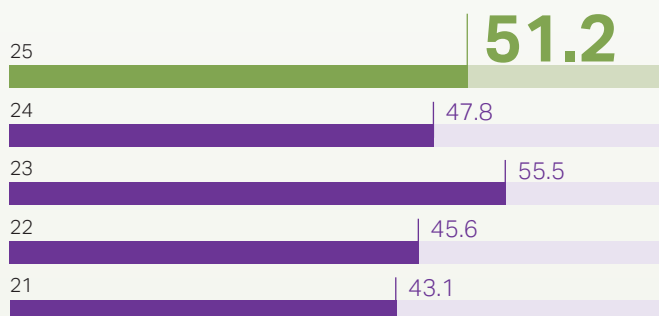
Total income for the year (₪ Mn.)



EBITDA improved to ₪ 82.4 in FY2025 from ₪ 81.8 in FY2024, reflecting stable operational performance despite the prior year including a one-off gain.

The net profit increased by 7.2% to ₪ 51.2 Mn. OQGN achieved a 20.5% increase in profit excluding one-off events, demonstrating strong operational performance, mainly driven by higher asset base and savings in finance costs.

Net profit for the year (₪ Mn.)



The Company's operational efficiency improvements, robust asset management, and cost controls position it well for future growth and resilience in 2025. This is supported by strong CAPEX plans related to new growth projects.

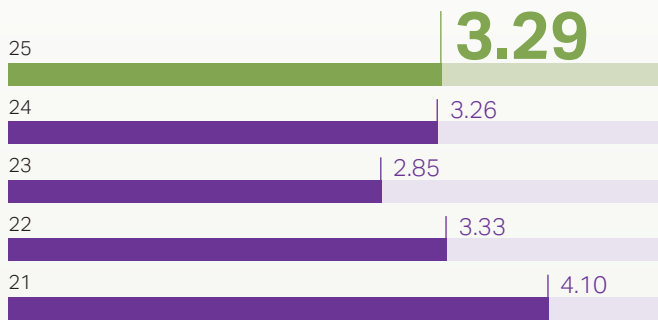
OQGN maintains a conservative and healthy long-term capital structure to support its ambitious growth needs and enable strong shareholder returns. Moreover, the Company successfully repriced its USD loan facilities, reducing the margin from 1.90% to 1.25%, and repriced its OMR facilities from 5.70% to 5.15%.

Financial Overview

Efficient Capital Structure, **₹ Mn.**

	2024	2025
Term loan	354.9	381.2
Total debt	354.9	381.2
Cash and cash equivalents	(15.8)	(23.5)
Net debt	339.1	357.7
Net debt/Regulated adjusted EBITDA (ratio)	3.26x	3.29x

Net debt / Regulated adjusted EBITDA Ratio (₹ Mn.)



OQGN announced dividends of **₹ 48.5 Mn.** for 2025 and **₹ 46.2 Mn.** for 2024. The dividend yield for 2025 was 5.77%.

Dividend History

	2024			2025		
	H1	H2	Total	H1	H2	Total
Dividend per share, Bz	5.75	4.92	10.67	5.6	5.6	11.20
Total announced dividends, ₹ Mn.	24.9	21.3	46.2	24.25	24.25	48.5



5

Sustainability

In FY2025, OQGN reinforced its sustainability leadership building on its first ESG rating by achieving a 12.4% year-on-year reduction in greenhouse gas emissions.



- 36 Approach to Sustainability**
- 37 Quality, Health, Safety,
Security and Environment (QHSSE)**
- 39 Human resources**
- 40 Local Spend and Community Engagement**

Approach to Sustainability

The Company's sustainability strategy is built on a comprehensive Double Materiality Assessment, ensuring that every priority reflects both the organization's broader impact on society and its long-term financial resilience. This approach provides a clear and balanced understanding of what matters most – today and in the years ahead. Through this foundation, three strategic pillars shape the Company's sustainability direction: Greening, Guarding, and Grounding.



OQGN Sustainability Framework Pillars

Greening Networks Accelerating a Low-Carbon Transformation

- Operational emissions reduction
- Climate strategy & ecarbonization
- Energy-transition initiatives
- Infrastructure resilience

Guarding Needs Strengthening Communities & Protecting People

- Occupational health & safety
- Human rights & fair practices
- Reliable energy supply to communities
- Local capability development

Grounding Norms Advancing Governance & Innovation

- Strong governance & organizational integrity
- Business ethics
- Cybersecurity resilience
- Innovation & operational excellence
- Transparent and disciplined performance

Key Highlights in 2025

Climate & Environmental Performance

- Achieved over 52% reduction in Scope 1 and Scope 2 emissions compared to 2021 baseline through operational optimization, including compressor efficiency improvements, reduced flaring and venting, and deployment of energy efficient technologies.
- Enhanced energy efficiency and emissions management through solar installations at selected facilities and digital monitoring systems across operations.

Climate Governance & Risk Management

Integrated climate related physical and transition risks into the Enterprise Risk Management (ERM) framework to strengthen proactive response capabilities to three risk vectors: extreme weather events, regulatory changes, and energy transition dynamics.

Global Sustainability Commitments

Joined the United Nations Global Compact (UNGC), reinforcing alignment with ten principles of responsible business encompassing human rights, labour standards, environmental stewardship, and anti-corruption. This membership signals OQGN's commitment to internationally recognized ESG standards and positions the Company within a global community of sustainable enterprises.

Awards & Recognition

Received the Silver ESG Award at Oman Sustainability Week. A remarkable achievement in the Company's first year of participation, acknowledging the breadth and quality of its sustainability disclosures and program delivery.

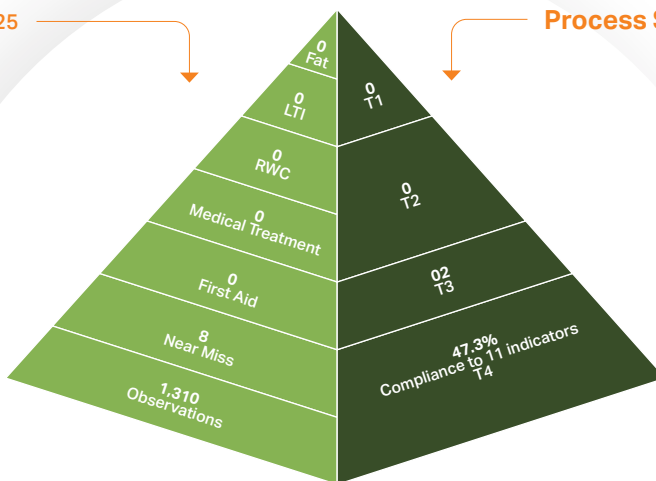
Quality, Health, Safety, Security and Environment (QHSSE)



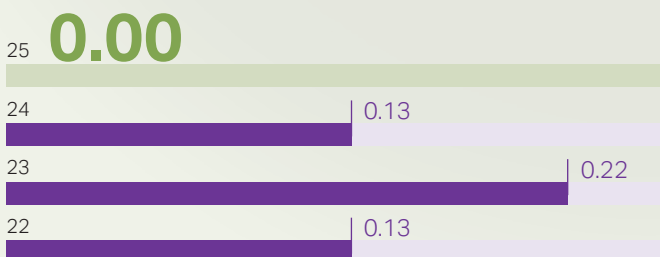
OQGN's commitment to excellence is reflected in an unwavering focus on safety, health, and environmental stewardship, principles embedded in daily operations and demonstrated by a major milestone in 2025: 20 million safe man-hours with zero LTIs. This strong performance is supported by a disciplined QHSSE approach anchored in a collaboratively developed and regularly reviewed QHSSE Plan, integrating safety, quality, environmental management, and operational integrity. Active governance, leadership oversight, and targeted risk-based initiatives continue to strengthen accountability and drive continuous improvement across the organization.

HSSE Indicators – YTD 2025

Process Safety Indicators – YTD 2025



Total recordable injury frequency (TRIF)



Quality, Health, Safety, Security and Environment (QHSSE)

HSE Digital Transformation

Building on its safety foundation, OQGN accelerated the digital transformation of its QHSSE functions in 2025, deploying advanced technologies that enhance pipeline integrity, operational efficiency, regulatory compliance, and real-time decision-making. The Company's MUEEN digital Right-of-Way inspection platform earned recognition for Operational Excellence at the annual Best Practices Awards, underscoring OQGN's leadership in innovation.

Enhanced RoW Digital Surveillance

Upgraded satellite-based monitoring with AI analytics and expanded system integrations, supported by AI-powered drones and tethered emergency drones to improve anomaly detection, situational awareness, and reduce manual patrolling.

Strengthened Digital Governance & Workflow Efficiency

Advanced EDRMS implementation with improved governance structures and automated retention; fully deployed the Electronic NOC (E-NOC) system to streamline approvals and improve traceability.

Improved Risk & Hazard Management Tools

Completed deployment of the digital Process Hazard Analysis (PHA) tool and progressed multi-layer pipeline intrusion detection trials combining fiber-optic sensing, long-range cameras, and AI analytics.

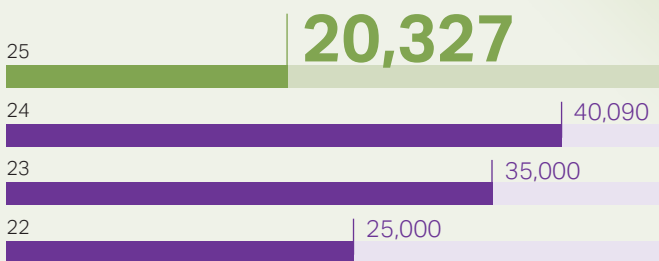
Upgraded HSE Reporting & Oversight Systems

Enhanced Intellex modules with improved dashboards, redesigned MoC workflows, and upgraded digital inspection tools.

HSE Training and Capability Development

OQGN invested 20,327 HSE training hours in 2025 across employees and contractors, delivered through the Corporate Training Matrix and Development Needs Analysis (DNA). Training was designed to strengthen operational discipline, reinforce safety culture, and enhance workforce capability.

HSE Training (hours)



7
new E-learning modules launched

5+
HSE Campaigns across 2025

New E-Learning Modules

- E-Learning Module
- Chemical Hazard Management & Safety Data Sheets (SDS)
- Heat Stress Prevention
- Personal Protective Equipment (PPE)
- Occupational Health Awareness
- Electronic Management of Change (E-MOC)
- Environment Awareness
- Process Safety Rules (PSR)



Environmental Stewardship

OQGN strengthened its environmental stewardship in 2025 by embedding Environmental Impact Assessments (EIAs) and Environmental Social Impact Assessments (ESIAs) early in project planning, and by issuing a dedicated EIA Guideline to ensure consistent and proactive environmental evaluation. The Company continued to conduct regular environmental risk assessments and Best Available Technique (BAT) studies to minimize impacts across the asset lifecycle, while continuously monitoring environmental performance through robust tracking systems.

Human Resources

People are the driving force behind OQ Gas Networks SAOG (OQGN), forming the foundation of the Company's performance, resilience, and long term success.

Recognizing the critical role of its workforce, OQGN maintains employment practices aligned with applicable laws and Oman Vision 2040, ensuring a strong and capable organization that supports national priorities.

In 2025, the Company sustained an agile organizational structure that enhanced regulatory compliance and operational effectiveness, while continuing to prioritize the development and advancement of Omani talent.

By the end of 2025, OQGN had 475 on seat employees and achieved an Omanization rate of 95.8% (2024: 93.8%).

Talent Development

During 2025, OQGN delivered 284 training and development sessions covering leadership, technical competencies, risk management, digitalization, sustainability, and energy transition. Training programs also strengthened organizational capability through organizational development, functional and soft skill programs, and individual niche skill development.

Total training hours reached 51,106, with an average of 107 training hours per employee, surpassing the global benchmark of 52 hours per employee.

The Company finalized the NAHJ Leadership Program, a tailor made initiative designed specifically to meet OQGN's future leadership requirements. The program will officially launch in 2026.

OQGN also expanded cooperation with academic institutions, offering internship opportunities to 98 students across various functions, providing meaningful exposure to real operational environments. Additional industry focused initiatives supported students from leading Omani and global universities. The Company further delivered coaching and career readiness sessions to local universities, equipping students with essential skills for future employment.

Employee Well-being and Recognition

The Company continued to provide employee benefits and well being initiatives aligned with regional best practices, supported by family friendly policies and structured onboarding to ensure a positive employee experience.

In 2025, 81 employees were honored under the Long Service Award program. OQGN also developed an enhanced rewards scheme to reinforce a high performance culture across the organization.



Local Spend and Community Engagement

OQGN continues to strengthen its commitment to Oman's socio-economic development by prioritizing in-country value (ICV) and supporting local businesses. In parallel, the Company advances community-focused initiatives that promote environmental stewardship, education, and social well-being, contributing to sustainable national development.

Local Spend

In 2025, OQGN reinforced its commitment to supporting Oman's local economy by embedding ICV principles across its procurement and contracting processes. The Company implemented enhanced measures to increase the participation of Small and Medium Enterprises (SMEs), including dedicated tendering opportunities and targeted provisions for Riyada Card holders. A total of 54 contracts/purchase orders were directly awarded to Riyada-registered companies, with a cumulative spend of **﷮** 1.85 Mn.

Strategic sourcing practices were refined to deepen engagement with local suppliers, while major contracts incorporated defined ICV objectives to maximize local economic impact. During the year, OQGN recorded local procurement spend of **﷮** 14.86 Mn., representing 23% of total procurement expenditure, underscoring its continued commitment to supporting domestic businesses and value retention within the Sultanate.

Community Engagement

In 2025, OQGN strengthened its Corporate Social Responsibility (CSR) efforts through initiatives designed to deliver measurable and lasting social value. With a focus on education, skills development, environmental awareness, health, and community cohesion, the Company contributed to sustainable socio-economic progress across the Sultanate of Oman. Overall, 6 different governorates in the Sultanate of Oman benefited from those initiatives and about 13,500 people were directly impacted.

Education and Youth Development

OQGN advanced educational outcomes through targeted interventions, including the provision of interactive digital tools at Al Subaikhi School and the construction of a modern multi-purpose hall serving students of Balj bin Okbah School, Ateka Basic School, and the surrounding community.

The Company also supported the Annual Youth Bootcamp, equipping young participants with practical skills in the use of artificial intelligence, entrepreneurship, clean energy, and leadership, initiatives aligned with Oman Vision 2040.



Local Spend and Community Engagement

Environmental Stewardship

Environmental stewardship remained a priority throughout the year. Through the Turtle Mandoos program, OQGN delivered experiential marine conservation education to more than 700 students, using tools tailored to Oman's biodiversity. Program impact will continue to be monitored to inform future expansion and maximize long-term environmental awareness.

SME Development

OQGN continued the implementation of Tasaud 2.0, its SME development program, in partnership with Sharakah. The program provides structured training, mentorship, business model development, and post-program incubation support for up to 60 SMEs, strengthening local entrepreneurial capabilities and economic participation.

Health and Well-being

As part of its commitment to community health, OQGN supported the launch of an Obesity Clinic at Bidbid Health Center. The clinic provides structured treatment plans, nutritional guidance, and ongoing follow-ups, and was equipped with a body composition analysis device in collaboration with the Oman Cancer Association. The initiative reinforces the Company's focus on preventive healthcare and long-term community well-being.

Community, Sports, and Cultural Engagement

OQGN also promotes community cohesion and healthy lifestyles through active engagement in sports and cultural initiatives. The Company sponsored 200 government school students to participate in the Muscat Marathon 2025, encouraging youth participation in physical activity.

In addition, OQGN supported key national and regional events, including Al Jabal Al Akhdar Tourism Festival, Himam Trail Run, and the Pomegranate Harvest Festival. These partnerships strengthened stakeholder relationships, supported local tourism, enhanced government engagement, and contributed to the mitigation of social risks in communities located near pipeline corridors.





6

Corporate Governance

In FY2025, OQGN upheld a strong, regulatory-aligned corporate governance framework, championed by a 100% Omani senior leadership team and a diverse Board of Directors with 57% independent representation.



44 Board of Directors
50 Executive Management
53 Compliance Statements and Disclosures

Board of Directors

The principles of Corporate Governance at OQ Gas Networks SAOG ("OQGN" or the "Company") guide the manner in which the Company is directed and controlled, ensuring transparency, accountability and the creation of sustainable long-term value for its Shareholders and stakeholders. OQGN's Board of Directors (the "Board") is committed to maintaining the highest standards of governance in line with best market practices and fully complies with all applicable legal and regulatory requirements, including the FSA Code of Corporate Governance for Public Joint Stock Companies in the Sultanate of Oman (Referred to as the "Code").

The Board, elected at the Ordinary General Meeting held on August 24, 2023, will continue to serve until the Annual General Meeting in 2026. The Board provides strategic oversight, approves key policies, and monitors the performance of the Company to ensure alignment with its objectives and fiduciary responsibilities.

Following the resignation of Mr. Talal Al Awfi as Chairman on March 3, 2025, the Board appointed Mr. Ayad Al Balushi as Chairman and Mr. Abdulwahab Al Hinai, who was elected to fill the newly vacant seat, was appointed by the Board as Deputy Chairman. All members of the Board do not assume a management role at OQGN and therefore identified as non-executive directors.

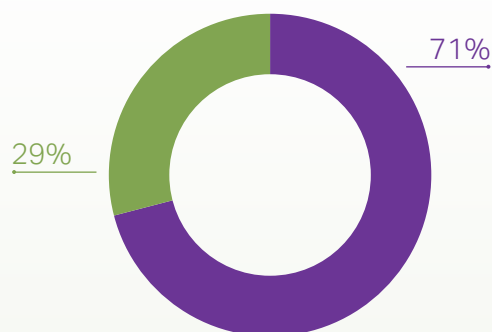
Board Structure

Board Composition by Independence



■ Independent ■ Non-Independent

Board Composition by gender



■ Men ■ Women

Board of Directors

Talal Al Awfi

Former Chairman¹

Non-independent



Position/s: Chief Executive Commercial, OQ SAOC (2010-Q4 2024)
Chief Commercial Officer, OQ Supply & Trading
Chairman, Oman LNG LLC
Chairman, OQ Trading Ltd.

Board Roles: Director, MOL Hungarian Oil & Gas PLC (since 2019)
Director, Oman Oil Marketing Co.
Marketing Director, Oman Ministry of Oil & Gas

Education: Degree in Business and Finance, Salford University, UK
Master's Degree in Marketing, Salford University, UK.

Ayad Al Balushi

Chairman

Non-independent

Committee membership:
The Board Executive Committee (Chairman)



Position/s: CEO, OMRAN Group
CFO, Oman Investment Authority

Board Roles: Chairman, Abraj Energy Services SAOG

Experience: 23 years in the oil and gas sector; program leadership roles at OQ; previous CFO appointments

Education: BEng Mechanical Engineering, University of Nottingham.

Abdulwahhab Al Hinai

Deputy Chairman

Non-independent

Committee membership:
The Nomination and Remuneration Committee (Chairman)

The Board Executive Committee (Member)



Position/s: General Counsel, OQ

Board Roles: Deputy Chairman

Experience: 21 years of experience in legal and regulatory practice within the energy and network industries.

Education: Bachelor's degree in law, Master's degree in law, and Master's degree in business administration

Fathi Al Balushi

Member

Independent

Committee membership:
The Audit Risk Committee (Chairman)



Position/s: Chief Executive Officer, Oman Brunei Investment Company

Board Roles: Board Member, Nama Electricity Distribution Company

Experience: 21 years of experience in finance; led over USD 10 billion in debt financing; senior leadership roles in Oman and Brunei

Education: Master's degree in Finance

¹ Resigned effective from March 26, 2025

Board of Directors

Raiya Al Salmi

Member

Non-independent

Committee membership:
The Nomination and Remuneration Committee (Member) (Chairman)²
The Audit Risk Committee (Member)



Position/s: VP Corporate Strategy, OQ.

Board Roles: Board Member, GS EPS Ltd.

Experience: 18 years of experience across oil and gas, asset management, and advisory roles; transformation leadership

Education: MBA, University of Houston; Bsc, University of Kent

Hanaa Al Hinai

Member

Independent

Committee membership:
The Audit Risk Committee (Member)
The Nomination and Remuneration Committee (Member)



Position/s: Chief Executive Officer, Liva Insurance

Board Roles: Board Member, Outward Bound Oman, Omani Unified Bureau for the Orange Card SAOC; Oman Insurance Association

Experience: 24 years of experience in insurance and banking; focus on strategic growth and innovation

Education: Master's degree in Business Finance, Victoria University; Executive education programs

Irfan Mian

Member

Independent

Committee membership:
The Audit Risk Committee (Member)



Position/s: Head of Regional Investments Portfolio, Saudi Public Investment Fund

Experience: Up to 26 years in private equity and portfolio management

Education: Bachelor's degree in Economics, London School of Economics; Master's degree in Industrial Relations (specializing in Economics), University of Oxford; MBA, IESE Business School, Spain

Ben De Waele

Member

Independent

Committee membership:
The Nomination and Remuneration Committee (Member)
The Board Executive Committee (Member)



Position/s: Senior Vice President, Belgian Operations, Fluxys

Board Roles: Board Memberships in gas transmission companies

Experience: 22 years of experience at Fluxys; extensive experience in the gas transmission industry

Education: Chemical Engineering; MBA, Vlerick Leuven Gent Management School.

² Until 14 May 2025

Board of Directors

Role and Election of the Board

The Board provides strategic oversight of OQGN by supporting management through the implementation of robust internal control frameworks, effective risk management practices, and strict adherence to all applicable statutory and regulatory requirements. Acting in the best interests of Shareholders, the Board upholds the Company's integrity while ensuring balanced consideration of the interests of all stakeholders.

Board members are elected through a transparent and well-defined process at the Annual or Ordinary General Meeting, with voting rights exercised in proportion to shareholdings. Directors serve three-year terms and are required to meet clear eligibility criteria, including:

- A minimum age of 25 years;
- A record of good conduct and sound professional standing;
- Registration as a shareholder with Muscat Clearing & Depository Co. (MCDC); and
- The absence of unresolved indebtedness to the Company or any history of serious criminal convictions or bankruptcy, unless fully rehabilitated

Independent Directors are required to retain their independence throughout their tenure, with Board membership ceasing should this status change. Additional requirements include serving on no more than four SAOG boards in Oman, chairing no more than two, and avoiding employment or board membership in companies with similar objectives. These provisions align with the Commercial Company Law (the "CCL"), the Code, and the FSA Executive Regulations for Joint Stock Company (the "SAOG Regulations"), reinforcing high standards of integrity, accountability, and strategic expertise.

Annual meetings reinforce transparency and engagement between the Board, Shareholders, and Executive Management. Detailed agendas and comprehensive reports are circulated in advance to encourage informed participation and meaningful dialogue. Consistently high attendance at these meetings reflects OQGN's strong commitment to effective governance and transparency.

Attendance for the Board meetings and the latest General Meeting

Meeting	OGM October 9, 2025	BOD 1 March 5, 2025	BOD 2 April 29, 2025	BOD 3 July 30, 2025	BOD 4 September 14, 2025	BOD 5 October 27, 2025
Talal Al Awfi	N/A	Yes	N/A	N/A	N/A	N/A
Ayad Al Balushi	Yes	Yes	Yes	Yes	Yes	Yes
Abdulwahhab Al Hinai	Yes	N/A	Yes	Yes	Yes	Yes
Fathi Al Balushi	Yes	Yes	Yes	Yes	Yes	Yes
Raiya Al Salmi	Yes	Yes	Yes	Yes	Yes	Yes
Hanaa Al Hinai	Yes	Yes	Yes	Yes	Yes	Yes
Irfan Mian	Yes	Yes	Yes	Yes	Yes	Yes
Ben De Waele	Yes	Yes	Yes	Yes	Yes	Yes

Board of Directors

Board Committees

Audit and Risk Committee

The Audit and Risk Committee (ARC) comprises of four (4) members, three (3) of whom are independent Directors and is chaired by an Independent Director in line with the Independence definition and the requirement of the Code. ARC also includes at least one member with relevant financial and accounting expertise, ensuring effective oversight of financial reporting and risk management. ARC oversees internal and external audit activities, including recommending the appointment and remuneration of the Head of internal audit and external audit activities. It reviews and approves audit plans, key findings/audit reports, and endorses financial statements to ensure compliance with international standards including Financial reporting (IFRS), Auditing (ISA), Internal audit (IIA Standards), etc.).

In addition, the ARC oversees the Company's risk management framework, accounting policies, and fraud prevention measures. By reviewing related-party transactions and acting as a key liaison between the Board and the auditors, the ARC supports informed Board decision-making and reinforces transparency, accountability, and strong governance practices.

Meetings and Attendance

ARC Composition	Position	Meeting 1 March 2, 2025	Meeting 2 April 27, 2025	Meeting 3 July 24, 2025	Meeting 4 September 2, 2025	Meeting 5 October 23, 2025
Fathi Al Balushi	Chairman	Yes	Yes	Yes	Yes	Yes
Hanaa Al Hinai	Member	Yes	Yes	Yes	Yes	Yes
Raiya Al Salmi	Member	Yes	Yes	Yes	Yes	Yes
Irfan Mian	Member	Yes	No	Yes	Yes	Yes

Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC), established in 2023 in line with the requirements of the Code, it supports the Board in maintaining effective leadership, strong succession planning, and fair, transparent remuneration practices. The NRC oversees the nomination and election of suitably qualified directors and sets clear policies for Board and executive remuneration, including Board sitting fees.

The NRC is responsible for Board succession planning, with particular focus on the Chairperson role, the development of clear role descriptions, and the recommendation of interim appointments when required. It also oversees executive leadership planning by identifying and recommending candidates for key management positions, implementing performance-linked remuneration frameworks, and reviewing incentive structures to ensure alignment with market practices, shareholder interests, and the Company's long-term performance.

Meetings and Attendance

NRC Composition	Position	Meeting 1 March 3, 2025	Meeting 2 July 15, 2025	Meeting 3 October 16, 2025	Meeting 4 December 16, 2025
Raiya Al Salami	Former Chairman	Yes	N/A	N/A	N/A
Abdulwahhab Al Hinai ³	Chairman	N/A	Yes	Yes	Yes
Hanaa Al Hinai	Member	Yes	Yes	Yes	Yes
Ben De Waele	Member	Yes	Yes	Yes	Yes

³ Abdulwahhab Al Hinai is a member of NRC from May 15, 2025

Executive Committee

Board of Directors

The Board Executive Committee (BEC) operates as an extension of the Board, exercising delegated authority to ensure timely and effective decision-making. Its mandate includes reviewing, endorsing, and approving critical financial, contractual, and strategic matters, such as the 5-Year Business Plan, major investments, and legal proceedings. In addition, the BEC addresses settlement agreements, excluding procurement-related claims, and undertakes any other responsibilities assigned by the Board, ensuring operational efficiency and continuity in Board decision-making.

Meetings and Attendance

EC Composition	Position	Meeting 1 July 29, 2025	Meeting 2 September 3, 2025	Meeting 5 October 22, 2025
Ayad Al Balushi	Chairman	Yes	Yes	Yes
Abdulwahhab Al Hinai	Member	Yes	Yes	Yes
Ben De Waele	Member	Yes	Yes	Yes

Remuneration

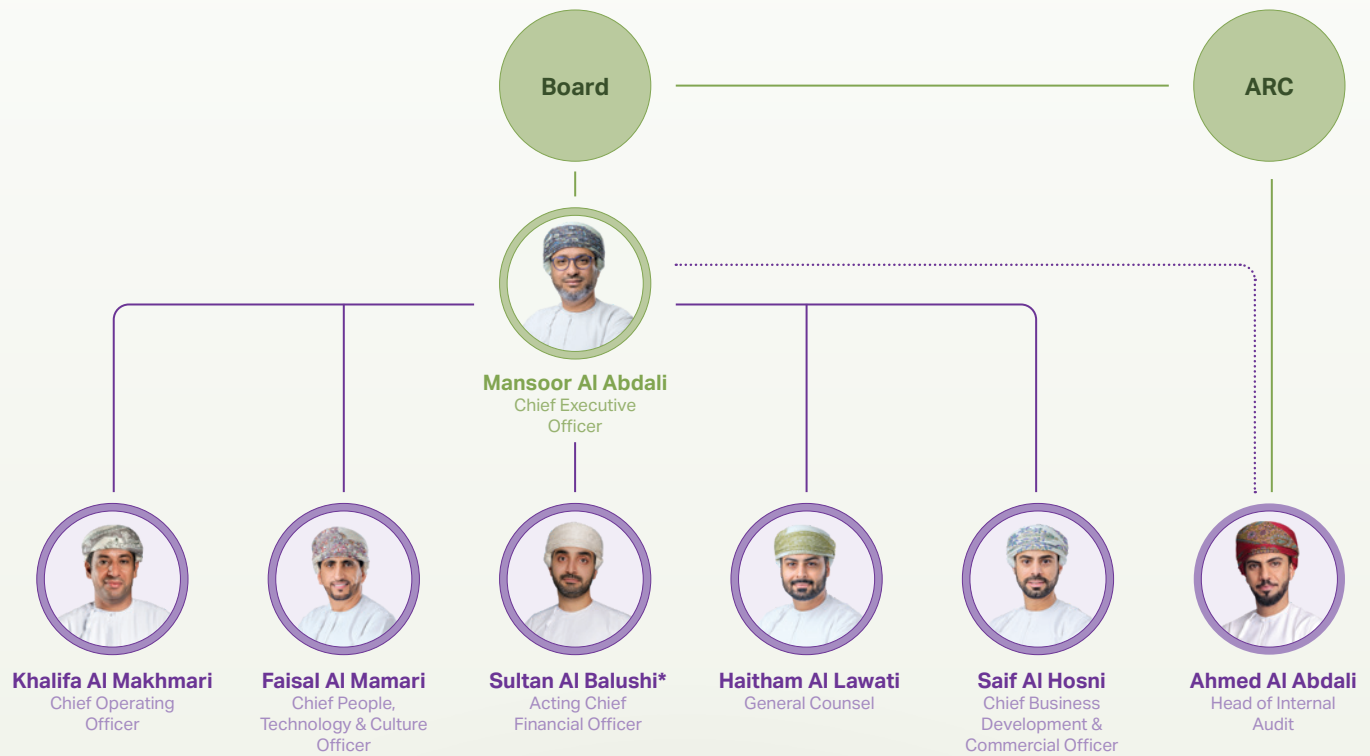
The total remuneration paid to the Board Members in 2025 has amounted to **₪** 150,000. The sitting fees, totaling **₪** 30,900, paid to the Board Members for the meetings held in 2025 were as follows:

Director's Name	Board Sitting fees (₪)	ARC Sitting fees (₪)	NRC Sitting fees (₪)	BEC Sitting fees (₪)	Total (₪)
Talal Al Awfi	700	N/A	N/A	N/A	700
Ayad Al Balushi	3,500	N/A	N/A	900	4,400
Abdulwahhab Al Hinai	2,800	N/A	900	900	4,600
Fathi Al Balushi	3,500	1,500	N/A	N/A	5,000
Raiya Al Salmi	3,500	1,500	300	N/A	5,300
Hanaa Al Hinai	3,500	1,500	1,200	N/A	6,200
Irfan Mian	3,500	1,200	N/A	N/A	4,700
Ben De Waele	Waived	N/A	Waived	Waived	Nil



Executive Management

OQGN's Executive Management team is responsible for the execution of the Company's strategy and the management of its daily operations. The team works closely with the Board to ensure sound governance, regulatory compliance, and operational discipline.



*Appointed with effect from October 1, 2025

Executive Management

Mansoor Al Abdali

Chief Executive Officer



Year of Joining: 2009

Education:

- Bachelor's degree in Mechanical Engineering, University of Manchester Institute of Science & Technology, UK

Experience:

- Close to 31 years of experience in operations, maintenance, and the engineering of oil and gas facilities, with skills in pipeline management at OQGN.
- As CEO of OQGN, he led OQGN's asset acquisitions of PDO and Madayn (PEIE)
- 15 years at PDO, overseeing the inspection and maintenance of all PDO assets and operational sites (including oil and gas pipelines and terminal facilities).

Khalifa Al Makhmari

Chief Operating Officer



Year of Joining: 2025

Education:

- Bachelor's degree in Mechanical Engineering (Hons.)
- Master's degree in Materials Science – Physical Metallurgy, University of Leeds (UK)

Experience:

- Vice President of Technical Services at OQ Refining & Petrochemicals.
- A distinguished career of over 24 years marked by influential leadership across the upstream, midstream, and downstream segments of the oil and gas industry. His strategic vision and leadership have contributed significantly to asset enhancement, institutional value creation, strengthened governance, and the development of robust operational strategies.

Sultan Al Balushi

Acting Chief Financial Officer



Year of Joining: 2014

Education:

- Bachelor's degree in accounting and finance from the University of Bradford in the United Kingdom
- ACCA certified

Experience:

- 12 years of experience in the oil and gas industry.
- Expert in treasury management, including capital structuring, debt fund-raising, credit rating, and debt optimization.
- Led business planning for different entities, achieving operational and financial improvements.
- Delivered holistic treasury system implementation and ERP migration.
- Managed end-to-end preparation of financial statements for several entities.

Saif Al Hosni

Chief Business Development and Commercial Officer



Year of Joining: 2021

Education:

- Master of Science in Process Control (UK)
- Master of Business Administration, University of Economics and Business (Vienna)
- National CEO Program, London Business School, UK

Experience:

- 14 years of experience in the oil and gas industry, including at Shell, PDO, and OQEP.
- Experience as a Business Development senior executive, results-driven with a proven record in Upstream & Midstream Business Development, Commercial negotiations, Operations Management, and Technical Services.
- Extensive hands-on experience with LEAN, Interface Management, Continuous Improvement, and Digitalization initiatives.
- Award-winning professional in the Omani Oil and Gas sector.

Executive Management

Haitham Al Lawati

General Counsel



Year of Joining: 2018

- Education:**
- Bachelor's degree in Business Studies and Law, University of Bradford, (UK)
 - Master's degree in International Business Law, City London University, (UK)
 - Global Executive MBA at IE University

Experience:

- 14 years of experience across private practice and in-house counsel roles as a legal practitioner.
- Key positions at Saraya Bandar Jissah SAOC, Al Hosn Investment Company SAOC, Trowers and Hamblins, and Said Al Shahry & Partners. Provided professional support to the Government of Oman – Ministry of Finance on key transformational projects.
- Lecturer in Law at the Modern College of Business and Science.
- Played a pivotal role in governance, infrastructure reform, and other national initiatives in his professional capacity in aligning legal frameworks with strategic goals.

Faisal Al Mamari

Chief People, Technology & Culture Officer



Year of Joining: 2022

- Education:**
- Bachelor of Science in Civil Engineering
 - Master's in Science in Petroleum Engineering, Sultan Qaboos University

Experience:

- 24 years of experience in the energy sector, leading key projects such as the OQ Gas Networks IPO campaign and expanding V2 Trenching and Co. LLC from Oman to regional operations by securing a contract in Qatar.
- Revitalized the Supply Chain department for Oman Oil Company Exploration & Production LLC, supporting the Bisat E&P oil production project.
- Contributions to major gas pipeline projects, doubling assets, and boosting value through negotiations and relationship-building.

Management Remuneration

During the year ended December 31, 2025, the aggregate remuneration paid to the Company's top five members of management amounted to **₹ 590,023.545**, comprising salaries, allowances, and performance-based incentives.

Internal Regulations

OQGN is committed to implementing the best practices and principles of corporate governance following the Sultanate of Oman's Financial Services Authority (FSA) guidance.

According to the provisions of Article 117 of the Commercial Companies Law (CCL), the Company must adopt internal regulations for its management, business, and personnel affairs through its Board of Directors. Accordingly, the Company has implemented corporate governance processes that meet the FAS's requirements for an SAOG as required by the CCL and by FSA regulations, which cover the following:

- Organizational structure of the Company, including responsibilities related to various posts within the Company and its reporting structure and/or procedures
- Specifying the extent of expense approval authority vested in each post
- Specifying the allowance for meetings, remuneration, and other privileges as prescribed in respect of Board members

and Board Committee members, and the basis for their calculations

- Policies related to procurement and other transactions concerning the Company, like the Works and Procurement manual and service contracts
- Authorities, duties, and responsibilities relevant to Executive Management and Board Committees
- Policies related to human resources, including salaries, appointments, development, training, promotions, and termination of services
- Investment policies
- Terms of Reference for the Audit and Risk Committee
- Terms of Reference for the Nomination and Remuneration Committee
- Rules related to related party transactions
- Board communication policy
- The minimum level of information required for submission to the Board
- Policies and measures for the submission of disclosure and insider trading policies transparently to the FSA and the MSX within the specified time.
- Any other information or other regulations that the Board may deem necessary to add for achieving adequate levels of corporate governance.

Compliance Statements and Disclosures

Disclosures

As a listed company, OQGN has established the necessary systems and processes to meet FSA regulatory and disclosure requirements. The Company also continues to enhance its compliance framework in line with evolving obligations.

Disclosure Policy

The Company's disclosure practices are designed to support informed and realistic market expectations by ensuring that information provided to the market is accurate, balanced, and consistent with market regulatory requirements, without undue reference to forward-looking statements.

Related Party Transactions

Related party	Transaction	
Integrated Gas Company	Invoiced to IGC under RAB revenue rules	147,636,546
Integrated Gas Company	Construction revenue	92,596,979
Integrated Gas Company	Concession income	78,218,229
OQ Polymers	Income from investment property	297,113
Duqm Refinery and Petrochemical Industries Company	Income from the operation of the gas connection facility	69,210
OQ Polymers	Reimbursement of expenses related to investment property	462,608
OQ LPG (SFZ)	Sale of asset to related party	432,455
OQ Polymers	Purchase of assets from related party	1,262,408
Ministry of Energy and Minerals	Purchase of BP Ghazeer Pipeline	39,991,378
Integrated Gas Company	Fuel gas cost	4,194,486
Takatuf Oman	Training cost	79,772
OQ SAOC	IT-related services cost	1,828,624
LIVA Group	Insurance cost	398,086

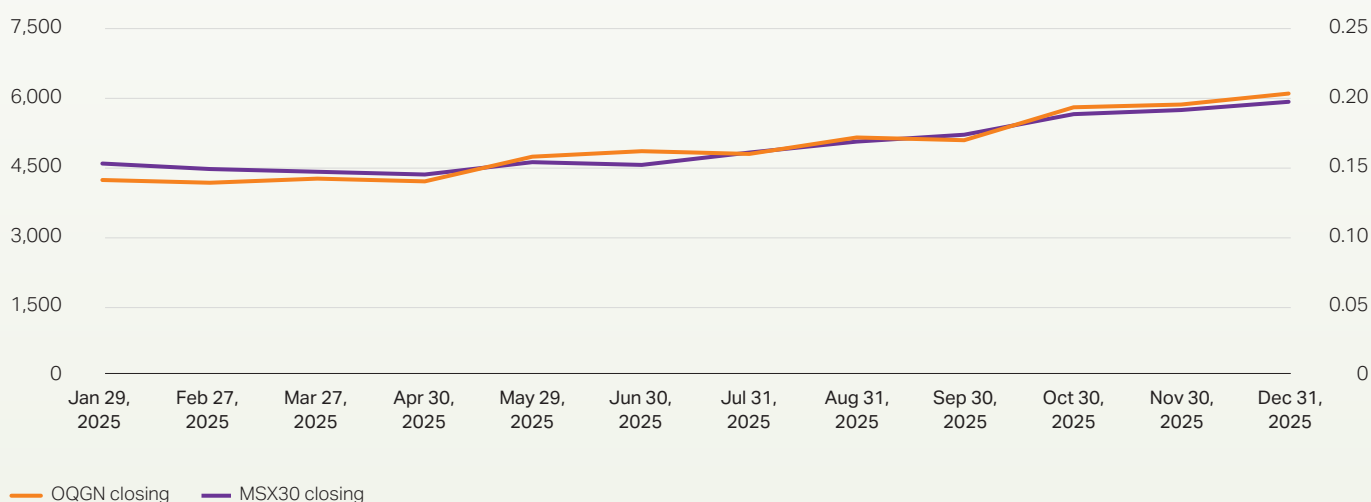
Compliance Statements and Disclosures

Share Performance

In 2025, OQGN's share showed a positive performance, outperforming the more moderate recovery observed in the broader MSX30 Index.

Throughout the year, OQGN's closing share price demonstrated steady and consistent growth with limited short-term fluctuations, rising from its January levels and maintaining a gradual upward trajectory through to December. This performance reflects sustained market interest in the Company's shares and indicates a consistent valuation trend during the year.

Market performance overview – 2025



OQGN Share Performance

Date	Open	High	Low	Trades	Volume	Turnover	Close	Net Change	%
January 29, 2025	0.131	0.134	0.131	2,067	41,063,733	5,525,531	0.132	0	0.00
February 27, 2025	0.13	0.131	0.13	2,026	26,624,937	3,478,111	0.13	0	0.00
March 27, 2025	0.129	0.133	0.129	1,852	69,310,708	9,178,948	0.133	0	0.00
April 30, 2025	0.129	0.131	0.129	2,306	86,069,056	11,009,144	0.131	0.002	1.55
May 29, 2025	0.146	0.148	0.146	3,651	110,283,789	15,407,905	0.148	0	0.00
June 30, 2025	0.153	0.154	0.151	5,313	204,913,378	31,606,981	0.152	-0.002	-1.30
July 31, 2025	0.148	0.15	0.147	5,650	247,495,404	36,959,130	0.15	0.002	1.35
August 31, 2025	0.163	0.163	0.16	6,197	348,618,984	54,472,382	0.162	-0.002	-1.22
September 30, 2025	0.161	0.161	0.159	9,747	265,787,211	42,304,394	0.16	-0.001	-0.62
October 30, 2025	0.184	0.187	0.182	19,766	822,838,193	138,617,849	0.184	0.001	0.55
November 30, 2025	0.186	0.187	0.184	13,710	264,326,006	48,892,313	0.186	0.002	1.09
December 31, 2025	0.195	0.195	0.193	13,086	360,791,227	70,047,598	0.194	-0.001	-0.51

Compliance Statements and Disclosures



General Meetings

In 2025, OQGN SAOG held two General Meetings, including the Annual General Meeting and one Ordinary Meeting.

Date	Type	Method
March 26, 2025	Annual General Meeting	Online (via Muscat Clearing and Depository electronic platform)
October 9, 2025	Ordinary General Meeting	Online (via Muscat Clearing and Depository electronic platform)

Dividends

Dividend Year	Cut Off Date	Payout (in baizas)
2023	January 07, 2024	7.62
2023	March 18, 2024	2.54
2024	October 20, 2024	5.75
2024	March 26, 2025	4.92
2025	October 09, 2025	5.6
Total Payout		26.43

Compliance Statements and Disclosures

Details of Non-compliance

No penalties for non-compliance were imposed in the year 2025. Additionally, there were no instances of non-compliance.

Channels of Communication with Shareholders and Investors

The Company prioritizes clear, reliable, and accessible communication with shareholders, investors, and analysts to support informed investment decisions in compliance with the disclosure rules under Part VII of the 2009 Executive Regulations of the Capital Market Law and the Rules for Interaction between Public Joint Stock Companies, the Media, Investors, and Analysts (Decision No. E/109/2021). The Investor Relations department ensures corporate transparency and open communication. Information is shared via the MSX and Company websites, and timely disclosure of quarterly financials, annual reports, and material updates as required by the FSA. Executive Management remains available to meet shareholders and analysts upon request.

External Auditor

The shareholders of the Company appointed Ernst & Young EY as its auditors for 2025. The total fee for audit-related services paid to auditors for the year ending December 31, 2025 was **₪ 44,400**.

EY is a global leader in assurance, tax, strategy & transactions, and consulting services. EY is committed to doing its part in building a better working world. The insights and quality services which EY delivers help build trust and confidence in the capital markets and in economies the world over.

The MENA practice of EY has been operating in the region since 1923. For over 100 years, we have grown to over 8,500 people united across 26 offices and 15 countries, sharing the same values and an unwavering commitment to quality. EY MENA forms part of EY's EMEIA practice. Globally, EY operates in more than 150 countries and employs 400,000 professionals in 700 offices.



Compliance Statements and Disclosures

The Board of Directors Acknowledgment

The Board of Directors of OQGN affirms the following:

- Board Members are aware of the Code of Corporate Governance and its requirements.
- The Company's financial position and operational and business performance are regularly reported to the Board.
- The actual performance achieved against budgets and the prior period is reported and closely monitored.
- Financial information is prepared using appropriate accounting policies that are consistently applied.
- The Board of Directors is responsible for ensuring that all financial statements are prepared following the Commercial Companies Law of the Sultanate of Oman 18/2019 requirements and follow rules for disclosure requirements prescribed by the FSA, formerly known as the Capital Market Authority (CMA).
- The Board has a collective responsibility for establishing, maintaining, and reviewing a system of internal controls that provides reasonable assurance of effective and efficient operations, internal financial control, and compliance with the relevant laws and regulations.
- The Board attaches great importance to maintaining a strong control environment, and their review covers all controls, including financial, operational, compliance, and risk management.
- The Company has formally documented systems and procedures in place. Operational procedures and controls have been established to facilitate the complete, accurate, and timely processing of transactions and the safeguarding of assets. They are monitored through compliance with policies and procedures manuals.
- The Board has established a management structure that clearly defines roles, responsibilities, and reporting lines and has approved the updated policies, including credit, expenditure, disclosure, and corporate governance.
- The Board is committed to ensuring that all material information relating to the Company's business operations will be communicated regularly to stakeholders and investment community members.
- No material events affect the continuation of the Company and its operations during the next financial year.



7

Financial Statements





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Independent Auditors' Report



Ernst & Young LLC
P.O. Box 1750, Ruwi 112
5th Floor, Landmark Building
Opposite Al Ameen Mosque
Bowsher, Muscat
Sultanate of Oman
Tax Card No. 8218320

Tel: +968 22 504 559
Fax: +968 22 060 810
muscat@om.ey.com
ey.com

C.R. No. 1224013
PR No. HMH/15/2015; HMA/9/2015

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OQ GAS NETWORKS SAOG

Report on the audit of the financial statements

Opinion

We have audited the financial statements of OQ Gas Networks SAOG (the "Company"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025 and its financial performance and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Sultanate of Oman. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent Auditors' Report



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OQ GAS NETWORKS SAOG (CONTINUED)

Report on the audit of the financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the key audit matter
<p>Recognition of revenue from construction services provided under service concession arrangement.</p> <p>(Refer to Notes 2, 3.3(d) and 4 to the financial statements.)</p> <p>The Company's operations are governed by a concession arrangement with the Government of Sultanate of Oman (GOSO) whereby the Company has the exclusive right to "Build-Operate-Transfer (BOT)" the Natural Gas Transportation Network ("Infrastructure") in the Sultanate of Oman. Furthermore, the Company's revenues are regulated under the price control framework established by the Authority for Public Services Regulation (APSR).</p> <p>For BOT arrangements under the scope of IFRS Interpretations Committee ("IFRIC") 12 "Service Concession arrangement", the Company accounted for their construction revenue by reference to the "allowed return on assets" on the construction services delivered in the construction phase.</p> <p>The Company's financial statements include revenue from construction services amounting to ₹ 92.6 million representing 72% of the Company's total revenue.</p> <p>We focused on auditing the revenue from construction services under concession arrangement because it can be materially affected by the assumptions and estimates used (i.e. the estimates on projected construction costs and the gross margin). The process of recognizing these costs and revenues involves significant management judgment and estimates, particularly concerning the percentage of completion of construction projects.</p>	<p>Our audit procedures in this area included the following:</p> <ul style="list-style-type: none"> - Inspected the agreements relating to the Service Concession and price control framework and discussing with the Company's management their review procedures exercised thereon. - Understood and evaluated the management's policies, key controls and processes in allocation of the considerations for the construction of the infrastructure among the different services as provided by the Company under concession arrangement. - Assessed the reasonableness of the key assumptions and estimates as applied by management in determining the amounts of construction services revenue by comparing the projected construction costs as estimated by management against the total approved budget costs and inspected the relevant signed construction contracts on a sample basis. - Performed test of details on construction cost samples, ensuring documentation accuracy and adherence to accounting policies and completion calculations. - Tested the mathematical accuracy of the calculations of the amounts of construction services revenue recognized by the Company. <p>Based on our audit procedures, we found the key assumptions and estimates used by management in determining the recognition amount of construction services revenue to be supportable by the evidence obtained and procedures performed.</p>

Independent Auditors' Report



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OQ GAS NETWORKS SAOG (CONTINUED)

Report on the audit of the financial statements (continued)

Other information included in the Company's 2025 Annual Report

Other information consists of the information included in the Company's 2025 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. We obtained the following information prior to the date of our auditor's report, and we expect to obtain the published 2025 Annual Report after the date of our auditor's report:

- Chairman's report
- Corporate governance report
- Management discussion and analysis

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of the auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Audit Committee for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by IASB and their preparation in compliance with the relevant requirements of the Commercial Companies Law of 2019 and the Financial Services Authority (the "FSA") of the Sultanate of Oman, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Independent Auditors' Report



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF OQ GAS NETWORKS SAOG (CONTINUED)

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

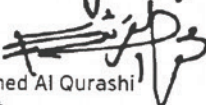
We communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated to Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

We report that the financial statements comply, in all material respects, with the relevant requirements of the Commercial Companies Law of 2019 and FSA of the Sultanate of Oman.

Ernst & Young

 Mohamed Al Qurashi
 Muscat

05 March 2026



Statement of Financial Position

As at 31 December 2025

	Notes	2025 €	2024 €
Assets			
Non-current assets			
Capital work in progress	12	1,005,412	940,337
Concession receivables	13	1,002,537,386	909,265,346
Contract assets	13	122,767,676	117,045,327
Right of use assets	14	8,401,726	9,372,503
Investment property	15	3,525,345	3,670,288
Deferred tax asset	11	9,135,585	7,195,979
		1,147,373,130	1,047,489,780
Current assets			
Concession receivables	13	32,311,836	30,869,283
Inventories	16	3,178,763	2,968,613
Trade and other receivables	17	18,227,378	13,684,135
Short term deposits	18	1,700,000	–
Cash and cash equivalents	19	21,780,811	15,816,311
		77,198,788	63,338,342
Total assets		1,224,571,918	1,110,828,122
Equity and liabilities			
Equity			
Share capital	20	433,062,392	433,062,392
Treasury shares	20	(274,490)	–
Reserve on trading of treasury shares	20	(4,419)	–
Legal reserve	20	46,035,127	40,910,742
Actuarial reserve		17,857	75,721
Retained earnings		152,342,311	151,781,006
Total equity		631,178,778	625,829,861
Liabilities			
Non-current liabilities			
Term loan	21	371,946,662	345,669,934
Employees' end of service benefits	22.2	340,000	578,153
Lease liabilities	23	9,655,917	10,448,558
Deferred income	24	14,161,783	5,262,377
Deferred tax liabilities	11	71,839,431	60,443,332
		468,943,793	422,402,354
Current liabilities			
Term loan	21	9,267,800	9,267,800
Lease liabilities	23	489,879	198,210
Trade and other payables	25	115,691,668	53,129,897
		125,449,347	62,595,907
Total liabilities		593,393,140	484,998,261
Total equity and liabilities		1,224,571,918	1,110,828,122

These financial statements were approved by the Company's Board of Directors on 2026 and were signed on their behalf by:

Chairman

Board Member

The attached notes 1 to 37 form part of these financial statements.

Statement of Profit or Loss and other Comprehensive Income

For the year ended 31 December 2025

	Notes	2025 €	2024 €
Income			
Revenue		128,778,461	72,194,715
Finance income		79,156,409	75,628,554
Other income		1,053,760	6,946,194
		208,988,630	154,769,463
Expenses			
Construction costs	5	(85,904,981)	(33,634,716)
Operating expenses	8	(26,474,407)	(24,953,565)
Administrative expenses	9	(14,193,073)	(14,374,495)
Finance cost	10	(21,715,822)	(25,230,003)
		(148,288,283)	(98,192,779)
Profit before income tax		60,700,347	56,576,684
Taxation	11	(9,456,493)	(8,781,259)
Profit for the year		51,243,854	47,795,425
Other comprehensive loss:			
Items that will not be reclassified to profit or loss			
Defined benefit obligation actuarial loss	22.2	(57,864)	(44,919)
Other comprehensive loss for the year		(57,864)	(44,919)
Total comprehensive income for the year		51,185,990	47,750,506
Basic and diluted earnings per share (Baiza)	28	11.84	11.04

The attached notes 1 to 37 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 December 2025

	Notes	Share capital	Treasury shares	Reserve on trading of treasury shares	Legal reserve	Actuarial reserve	Retained earnings	Total equity
		₹	₹	₹	₹	₹	₹	₹
At 1 January 2024		433,062,392	-	-	36,131,199	120,640	177,665,996	646,980,227
Total comprehensive income for the year								
Net profit for the year		-	-	-	-	-	47,795,425	47,795,425
Other comprehensive income							-	-
Defined benefit obligation actuarial loss	22.2	-	-	-	-	(44,919)	-	(44,919)
Total comprehensive income for the year		-	-	-	-	(44,919)	47,795,425	47,750,506
Transfer to legal reserve	20	-	-	-	4,779,543	-	(4,779,543)	-
Transactions with owners of the Company								
Dividend		-	-	-	-	-	(68,900,872)	(68,900,872)
At December 31, 2024		433,062,392	-	-	40,910,742	75,721	151,781,006	625,829,861
At January 1, 2025		433,062,392	-	-	40,910,742	75,721	151,781,006	625,829,861
Total comprehensive income for the year								
Net profit for the year		-	-	-	-	-	51,243,854	51,243,854
Other comprehensive income		-	-	-	-	-	-	-
Defined benefit obligation actuarial loss	22.2	-	-	-	-	(57,864)	-	(57,864)
Total comprehensive income for the year		-	-	-	-	(57,864)	51,244,981	51,185,990
Transfer to legal reserve	20	-	-	-	5,124,385	-	(5,124,385)	-
Transactions with owners of the Company								
Trading of treasury shares	20	-	(274,490)	(4,419)	-	-	-	(278,909)
Dividend	20	-	-	-	-	-	(45,558,164)	(45,558,164)
At December 31, 2025		433,062,392	(274,490)	(4,419)	46,035,240	17,857	152,343,325	631,178,778

The attached notes 1 to 37 form part of these financial statements.

Statement of Cash Flows

For the year ended 31 December 2025

	Note	2025 €	2024 €
Operating activities			
Profit before tax		60,700,347	56,576,684
Adjustments for:			
Depreciation of right of use of assets	14	785,128	813,326
Depreciation of investment property	15	144,943	172,145
Reversal of provision for obsolete inventories	16	(799)	(2,941)
Provision for employees' end of service benefits	22	84,322	99,471
Income on concession assets – net billed during the year	6	32,925,918	25,093,030
Deferred income	24	(141,118)	(279,022)
Interest income on call accounts and short-term deposits	6	(938,180)	(961,402)
Exchange gain		–	(324,562)
Finance cost	10	21,715,822	25,230,003
Operating cash flows before working capital changes		115,276,383	106,416,732
Working capital changes:			
Inventories	16	(209,350)	(224,540)
Trade and other receivables	17	(502,656)	1,100,732
Trade and other payables	25	35,365,428	(13,961,888)
Cash generated from operations		149,929,804	93,331,036
Employees' end of service benefits paid	22	(382,175)	(78,593)
Interest paid		(20,205,320)	(24,212,674)
Interest income received on fixed deposits	6	938,180	961,402
Receipt of connection fee	24	7,635,125	1,028,875
Net cash generated from operating activities		137,915,614	71,030,046
Investing activities			
Addition in contract asset	5.1	(67,952,125)	(33,634,716)
Additions in concession receivable		(41,253,786)	–
Disposal of capital work in progress		150,246	–
Disposal of concession asset		55,450	–
Additions in capital work in progress	12	(215,321)	(940,337)
Investment in short term deposits		(1,700,000)	–
Net cash used in investing activities		(110,915,536)	(34,575,053)
Financing activities			
Repayment of term loan	21	(9,267,800)	(9,267,800)
Proceeds from term loan	21	35,000,000	35,000,000
Payment of loan issuance cost	21	–	(373,445)
Net movement in treasury shares	21	(278,909)	–
Dividends paid		(45,558,164)	(68,900,872)
Payment of lease liabilities	23	(930,705)	(867,528)
Net cash used in financing activities		(21,035,578)	(44,409,645)
Net increase/(decrease) in cash and cash equivalents		5,964,500	(7,954,652)
Cash and cash equivalents at 1 January	19	15,816,311	23,770,963
Cash and cash equivalents at December 31	19	21,780,811	15,816,311

The attached notes 1 to 37 form part of these financial statements.

Notes to the Financial Statements

As at 31 December 2025

1. Corporate Information

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. Significant agreements

2.1 Concession agreement

Amended Concession Agreement

On June 9, 2020, the Government of Sultanate of Oman (the "Government" or "GOSO"), acting through the Ministry of Energy and Minerals (MEM) and the Ministry of Finance (MOF), entered into an Amended Concession Agreement (the "Concession Agreement") with the Company (acting as an "Operator") to regulate the Natural Gas Transportation Network which mainly consists of gas transportation pipelines, gas supply stations and compressor stations.

As per the terms of the Concession Agreement, the Company will:

- design, finance, construct, acquire and own Natural Gas Transportation Network ("the Concession assets" or "Infrastructure" or "Regulated Asset Base" or "NGTN");
- maintain and repair the NGTN;
- protect the NGTN against all external interferences including physical and cyber related;
- use the NGTN to transport gas on behalf of MEM (the "Shipper") to the industrial consumers of the gas in Oman;
- connect new customers to the NGTN; and
- undertake all other technical and operational tasks to ensure the efficient operation of the NGTN.

In return, the Company charges a cost reflective tariff to the Shipper based on:

- a pre-determined rate of return on the Regulated Asset Base;
- an allowance for depreciation of the Regulated Asset Base; and
- an allowance to cover the operating expenses and pass through cost.

The term of the Concession Agreement is 50 years. At the end of the term of the Concession Agreement, the Infrastructure will be transferred to the Government against purchase consideration equal to the higher of gross value of Regulated Asset Base or the outstanding debt.

In 2023, MEM transferred their rights and obligations under the Concession Agreement to Integrated Gas Company ("IGC"), a state-owned company. Following the transfer, IGC started acting as the Shipper under the Concession Agreement.

The following key documents form part of the Concession Agreement:

RAB Revenue Rules

These rules describe the Price Control Tariff Setting process, provide regulatory accounting guidelines and provide the computation mechanism of maximum allowed revenues.

Notes to the Financial Statements

RAB Tariff Rules

These rules focus on cost reflectivity and a stable tariff development and establish gas transportation tariff charges payable by the shippers and connected parties by reference to maximum allowed revenues.

Price Control Regulation

The Company's revenue is regulated under the price control framework established by the Authority for Public Service Regulation (APSR). The current Price Control Regulation 3 (PC3) agreement is effective from January 1, 2024, through December 31, 2027.

Transportation Framework Agreement ("TFA")

TFA entered between the Company (as gas transporter) and the MEM (as the Shipper). The purpose of TFA is to establish the contractual framework between the Company and the Shipper making the Transportation Code binding.

Previous Concession Agreement

The Previous Concession Agreement with the Government of the Sultanate of Oman was for a period of 27 years starting from 22 August 2000. Under the Previous Concession Agreement, the Company was granted a concession for the construction, ownership, operation and maintenance of two gas pipelines from Fahud to Sohar and from Saih Rawl to Salalah and the ownership, operation and maintenance of the Government Gas Transportation System. Under the Previous Concession Agreement, the Company was operating as an Agency of the Government. The terms of the Previous Concession Agreement have been amended by the Concession Agreement to implement fully the RAB structure.

2.2 Asset transfer agreements

The Company entered into an asset transfer agreement (the "Asset Transfer Agreement" or "ATA") with the Government of the Sultanate of Oman dated 13 May 2018, whereby the Company acquired the ownership of gas transportation facilities from the Government with effect from 1 January 2018 for a purchase price of OMR 288,344,063 of which OMR 174,821,600 was settled by issuing the shares to the Company's shareholders and remaining was settled in cash.

The Company entered into two separate ATAs with the Government of the Sultanate of Oman effective from 1 July 2019 and 31 December 2019 for purchase of gas transportation pipeline system and ancillary assets at a

purchase price amounting to OMR 183,669,552 and OMR 42,616,114 respectively. As per the ATAs, 50% of the purchase price was settled by issuing the shares to the Company's shareholders and remaining was settled in cash.

The Company entered into an ATA on 3 August 2023 to acquire infrastructure assets from a related party for purchase price amounting to OMR 16,828,427.

3. Accounting Policies

3.1 Basis of preparation

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by IASB, and the applicable requirements of the Commercial Companies Law of Oman 2019 and Ministerial Decision 146/2021 issuing Commercial Companies' Regulations and the applicable requirements of Financial Services Authority (FSA). These financial statements have been prepared on historical cost basis except for end of service benefits which have been measured at present value of defined benefit obligation using on actuarial valuation methodology.

3.2 Adoptions of new and revised International Financial Reporting Standards (IFRS)

New standards, interpretations and amendments adopted by the Company

New standards, amendments to standards and interpretations effective for the periods beginning on or after 1 January 2025 are set out below.

Lack of exchangeability – Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cashflows.

The above amendments had no impact on the Company's financial statements.

Notes to the Financial Statements

New and amended IFRSs 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 financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

IFRS 18, Presentation and disclosure in financial statements.

Effective date of this standard is annual periods beginning on or after 1 January 2027. The new standard introduces the following key requirements:

- Companies are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Company's net profit will not change.
- Management-defined Performance Measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Company is still in the process of assessing the impact of new standard on the Company's statement of profit or loss, the statement of cash flows and the additional disclosures required for MPMs.

The following new and amended accounting standards are not expected to have any impact on the Company's financial statements.

- Classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7)
- Annual improvements to IFRS Accounting Standards (Volume 11)
- Subsidiaries without public accountability (IFRS 19)

3.3 Summary of accounting policies

(a) 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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

(b) Functional and presentation currency

These financial statements are presented in Omani Rials (﷮), which is the Company's functional and presentation currency. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(c) Service concession arrangement

As disclosed in note 2 of these financial statements, during 2020, the GOSO acting through the MEM has entered into a Concession Agreement with the Company.

Management has evaluated the applicability of IFRIC 12 and concluded that the concession agreement falls within the purview of the "financial assets" model as defined in IFRIC 12.

IFRIC 12 applies to public service concession contracts in which the grantor of the concession controls/ regulates:

- the services to be rendered by the operator (through utilization of the infrastructure), to whom and at what price; and
- any residual interest over the infrastructure at the end of the contract.

The Company's concession agreement is covered by IFRIC 12 for the following reasons:

- the Company has a service concession agreement signed with Government of Oman for a 50-year period;
- the Company renders transport services through utilization of NGTN;
- the grantor controls the services rendered and the conditions under which they are rendered, through the regulator APSR; and

Notes to the Financial Statements

- (iv) the assets used to render the services revert to the conceding entity at the end of the concession period.

IFRIC 12 defines the following models to account for the concession agreement:

- (i) Financial asset model – when the operator has the unconditional contractual right to receive cash or other financial asset from the grantor;
- (ii) Intangible asset model – when the operator receives from the conceding entity the right to collect a tariff based on use of the structure;
- (iii) Bifurcated mixed model when the concession includes simultaneously commitments of guaranteed remuneration by the grantor and commitments of remuneration dependent on the level of utilization of the concession infrastructures.

Management decided that the most suitable model for its concession agreement is the financial asset model as the company has unconditional right to receive the cash for the construction services and there is no demand risk. As disclosed in note 2, the Company receives return on assets based on a pre-determined rate of return and an allowance for depreciation of the assets which is not dependent on the utilization of the assets.

In accordance with the requirements of the IFRIC 12, the Company recognised the assets recorded under the old arrangement as property, plant and equipment, as financial asset. The financial asset is increased by the various projects relating to the concession being recorded based on construction revenue, acquisition of infrastructure assets, finance income recognised using the effective interest rate method on the financial asset, and decreased by the payments received from the grantor. The financial asset is accounted for in line with the accounting policies stated below relating to the financial assets.

Contract asset

A contract asset is initially recognised for revenue earned from construction services. Upon completion of construction, the amount recognised as contract assets is reclassified to concession receivables.

Contract liability

A contract liability is recognised if the payments received or payments due (whichever is earlier) from the grantor exceed the revenue which the Company is entitled to under RAB revenue rules re-calculated based on the actual cost drivers.

Income on concession assets

Income on concession receivable and contract assets is recognized using the effective interest method. This income is only notional income and does not represent actual interest income received by the Company.

If the arrangement had not fallen under IFRIC 12, the Company would have recorded property, plant and equipment and revenue calculated under the RAB revenue rules. Further the cash outflows relating to construction services have been classified under investing activities in the cashflow statement as they reflect cash outflows resulting in the recognition of assets.

(d) Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Construction of infrastructure

In accordance with IFRIC 12, construction of the infrastructure by the Company is a service that it provides to the grantor, distinct from the transportation, operation and maintenance service and, as such, will be remunerated by it. The Company assumes that there is a market based margin on the construction services equal to the rate of return on assets pre-agreed with the regulator. Construction costs and income relating to construction are recorded in the statement of profit or loss for the year, considering the requirements of IFRIC 12 in the captions "construction revenue" and "construction cost".

Revenue from construction of the Infrastructure is recognised over time on a surveys of performance completed to date or milestones reached. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Under the Concession Agreement, the Company invoices to the Shipper for the revenue allowed under the RAB revenue rules.

No revenue is recognised if it is not probable that the Company will collect the consideration to which the Company will be entitled in exchange for the services that will be provided to customers. In evaluating whether collectability of an amount of consideration is probable, the Company considers only the Shipper's ability and intention to pay that amount of consideration when it is due.

Notes to the Financial Statements

Allowance for expenditures

Allowance for expenditure represents the Company's entitlement for a fixed allowance for operating and administrative expenses as per the RAB revenue rules. Revenue is recognised when the related costs are incurred satisfying the performance obligations.

Allowance for pass-through cost

Allowance for pass-through cost represents the reimbursement of fuel gas and regulator fees (together presented as pass through cost under operating expenses) and current tax expense, at actuals, as per the RAB revenue rules. Revenue is recognised when the related costs are incurred satisfying the performance obligations.

Project management services

Project management services fee has been accrued for providing supervision services on construction of various gas related projects to related and third parties. The revenue for these services is booked overtime.

(e) Capital work in progress

Capital work in progress is the cost incurred on project under construction not covered under the service concession agreement. Capital work-in-progress is measured at cost, net of accumulated impairment losses, if any, and is not depreciated until it is transferred to completed assets, which occurs when the underlying asset is ready for its intended use.

(f) Investment property

Investment property is initially measured at cost and subsequently in accordance with the cost model i.e. cost less accumulated depreciation and less accumulated impairment losses.

Any gain or loss on disposal of investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. Rental income from investment property is recognised as other income.

The estimated useful life of investment property is 30 years.

(g) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(h) Inventories

Stores and spares, raw materials and chemicals are valued at cost or net realisable value which is less. The cost of stores and spares is based on the weighted average cost principle and includes expenditure incurred in acquiring and bringing the items of inventory to their existing location and condition.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Notes to the Financial Statements

(i) Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand that are held for the purpose of meeting short-term cash commitments and are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash in bank and at hand, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(j) Contribution in aid of construction

When capital contributions in aid of construction are received toward the cost of constructing connection or any other assets, they are initially recorded at fair value as deferred income in the statement of financial position. These contributions are recorded as revenue over the useful life of the constructed asset.

(k) Financial instruments

Initial recognition and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets, unless it is a trade receivable without a significant financing component, or financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. A trade receivable without significant financing component is initially measured at the transaction price.

For the transactions that has significant financing component the company has a policy choice to apply either the simplified approach or the general approach in accordance with IFRS 9.

Financial assets

Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets that meet both of the following conditions are measured at amortised cost and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The Company does not have any financial assets classified as measured at FVOCI debt instruments or FVOCI – equity instruments.

Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Amortised cost and effective interest rate method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is

Notes to the Financial Statements

the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Impairment of financial assets

The Company applies IFRS 9 Expected Credit Loss (ECL) Model;

Under IFRS 9, loss allowances are measured on either of the following bases:

- General approach (12 month ECL): these are ECLs that result from possible default events within 12 months after the reporting date; and
- Simplified approach (Lifetime ECL): these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Company applies simplified approach to measuring credit losses, which uses a lifetime expected loss allowance for trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

General approach

The Company applies three-stage approach to measuring ECL. Assets migrate through the three stages based on the change in credit quality since initial recognition. Financial assets with significant increase in credit risk since initial recognition, but not credit impaired, are transitioned to stage 2 from stage 1 and ECL is recognised based on the probability

of default (PD) of the counter party occurring over the life of the asset. All other financial assets are considered to be in stage 1 unless it is credit impaired and an ECL is recognised based on the PD of the customer within next 12 months. Financial assets are assessed as credit impaired when there is a detrimental impact on the estimated future cash flows of the financial asset. The Company applies general approach to all financial assets except trade receivables.

(i) Significant increase in credit risk

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the company considers reasonable and supportable information that is relevant and available without undue cost or effort.

This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

To determine whether a financial instrument has low credit risk, the Company uses internal credit ratings which are mapped to the external credit rating agencies such as Moody's etc. The Company considers that rating within the investment grade are financial instruments with a low risk and have less likelihood of default. Where the external rating of a financial instrument is not available, the Company reviews the ability of the counterparty by reviewing their financial statements and other publicly available information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held) or the financial asset is more than 90 days past due. The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Notes to the Financial Statements

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event (see (ii) above);
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(v) Measurement of ECLs

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Derecognition of financial assets

The Company derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Classification of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Company does not have financial liabilities that are classified as at FVTPL.

Notes to the Financial Statements

Subsequent measurement

All financial liabilities are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Off-setting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(l) Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the reserve on trading of treasury shares.

(m) Provisions

Provisions are recognised on the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that it will result in an outflow of economic benefit that can be reliably estimated.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

(n) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the interest rate implicit in the lease or, if that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Notes to the Financial Statements

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- uses a build-up approach that starts with a risk-free interest rate; and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is presented as a separate line item in the statement of financial position.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The company has made modification adjustment to reflect the change in lease rentals.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease. Vehicle leases run for a period of 3 years and infrastructure leases run for periods ranging from 3 to 30 years.

At each reporting date, the Company reviews the carrying value of right of use assets to determine if there is any indication of impairment. If any such indication exists, then the assets recoverable amount is estimated. If the recoverable amount is less than the carrying value, then an impairment loss is recognized in profit or loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Operating expenses' in the statement of profit and loss and other comprehensive income.

(o) Employees' end of service benefits

Defined contribution plan

Company makes payment to the Omani Government Social Security scheme under Royal Decree 72/91 for Omani employees, calculated as a percentage of the employees' salary. The Company's obligations are limited to these contributions, which are expensed when due.

Notes to the Financial Statements

Defined benefit plan

The Company also provides end-of-service benefits to its expatriate employees in accordance with the terms of employment of the Company'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 Company's obligation in respect of the defined benefit plan is calculated by a qualified actuary under projected unit credit method, by estimating the amount of future benefit that employees have earned in the current or prior periods and discounting that amount.

Actuarial gains or losses arising from experience-based adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Service costs and interest costs are recognized in profit or loss.

(p) Taxation

Income tax on the results for the year comprises current and deferred tax. Income tax is recognised in the profit or loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in OCI. Current tax is the expected tax payable on the taxable income for the year, using the tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that:
 - is not a business combination; and
 - at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a

deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates and tax law that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(q) Foreign currency

Items included in the Company's financial statements are measured in Omani Rial (﷋) which is the functional currency, being the economic environment in which the Company operates (the functional currency). These financial statements are presented in Omani Rial (the presentation currency).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss as they arise.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and

Notes to the Financial Statements

liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

(r) Earnings per share

The Company presents basic earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. If the number of shares changes as a result of a stock split or reverse stock split, the earnings per share for all periods presented is adjusted retrospectively as if the new shares had been outstanding during those periods.

(s) Dividend distribution

Dividend distribution is recognized as a liability in the period in which the dividends are approved by the Company's shareholders.

(s) Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. Substantially, all the assets of the Company form part of one concession agreement and one regulatory asset base model. The Company's assets and services are managed as one segment. The chief operating decision maker considers the business of the Company as one operating segment and monitors accordingly. During the year, the company invested in pipelines for transporting hydrogen and carbon dioxide which are not part of the concession agreement (note 12). Since these assets are below the quantitative threshold specified in IFRS 8: Operating Segments, these are not reported as a separate segment.

4. Critical judgements and key sources of estimation uncertainty

In preparing these financial statements, 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 estimates and underlying assumptions

are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty are as follows:

The following are the critical judgements, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements:

Concession Arrangement

Management has evaluated the applicability of IFRIC 12 and concluded that the concession agreement falls within the purview of the "financial assets" model as defined in IFRIC 12. The evaluation is disclosed in detail in note 3.3 (c).

Recognition of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

End of service benefits

The end of service benefits obligation is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Notes to the Financial Statements

5. Revenue

		2025 ₹	2024 ₹
Services transferred overtime:			
Construction revenue	13.2	92,596,979	36,254,860
Allowance for expenditures	26.1	31,588,468	30,920,241
Allowance for pass through cost	26.1	4,534,514	4,791,378
Project management and other services		58,500	228,236
		128,778,461	72,194,715

5.1 Construction revenue is recognized on market-based margin on the construction cost of ₹ 85,904,981 (2024: ₹ 33,634,716), equal to the rate of return on assets pre-agreed with the regulator.

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

6. Finance income

	Note	2025 ₹	2024 ₹
Income on concession assets	6.1	78,218,229	74,667,152
Interest income on call accounts and short term deposits	6.3	938,180	961,402
		79,156,409	75,628,554

6.1 Income on concession assets is as follows:

		2025 ₹	2024 ₹
Concession receivables	13.1	70,072,609	62,079,110
Contract assets	13.2	8,145,620	12,588,042
		78,218,229	74,667,152

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

		2025 ₹	2024 ₹
Billed during the year	13.3	111,144,147	99,760,182
Income on concession assets during the year	6.1	(78,218,229)	(74,667,152)
		32,925,918	25,093,030

6.3 Profit on call accounts in Islamic banks is ₹ 902,835 (2024: ₹ 920,894) and interest on call accounts in conventional banks is ₹ 26,591 (2024: ₹ 40,508). The call accounts had an interest / profit rate of 0.70% to 4.85% (2024: 0.70% to 5.75%).

Notes to the Financial Statements

7. Other income

	Note	2025 ₹	2024 ₹
Allowance for operating expenditures related to prior years	7.1	–	5,276,189
Tender fee and others		614,730	766,367
Income from investment property	26.2	297,113	297,113
Amortization of deferred income	24	141,118	279,022
Reversal of provision for obsolete inventories	16.1	799	2,941
Net exchange gain		–	324,562
		1,053,760	6,946,194

7.1 During 2024, the Regulator agreed to provide an additional allowance for expenditure of ₹ 5.3 million to the Company in price control regulation 3 agreement related to the price control regulation 2 period.

8. Operating expenses

	Note	2025 ₹	2024 ₹
Employee costs	22.1	13,256,915	11,402,138
Repair and maintenance		5,011,644	4,905,068
Pass through costs	8.1	4,534,514	4,791,378
Insurance		1,837,928	2,553,555
Catering and accommodation		797,163	429,764
Depreciation of right of use assets	14	785,128	813,326
Health and safety cost		144,835	58,336
Other expenses		106,280	–
		26,474,407	24,953,565

8.1 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 5.

Notes to the Financial Statements

9. Administrative expenses

	Note	2025 ₹	2024 ₹
Employee costs	22.1	8,887,201	8,972,563
Information technology costs		1,626,528	1,698,424
Travel		724,778	635,219
Legal and professional	9.1	706,747	663,028
Subscription and membership fee		393,238	313,671
Building and maintenance services		328,685	604,624
Utilities and office expenses		283,405	308,565
Directors remuneration and sitting fee		243,500	216,550
Corporate social responsibility		199,894	159,489
Depreciation of investment property	15	144,943	172,145
Other expenses		654,154	630,216
		14,193,073	14,374,495

9.1 This represents the total fees paid to the auditors during the year for audit and non-audit related services including agreed upon-procedures and tax related Services, amounting to ₹ 46,700 (2024: ₹ 52,823).

10. Finance costs

	Note	2025 ₹	2024 ₹
Interest on term loan	10.1	20,523,584	24,162,611
Interest on lease liabilities	23	615,382	588,488
Amortization of deferred finance cost	21.2	544,528	478,904
Net exchange loss		32,328	–
		21,715,822	25,230,003

10.1 Interest on term loan from commercial banks was ranging from 5.2% and 5.7% (2024: 5.7% and 7.25).

11. Taxation

As per Article 4 of the RAB Revenue Rules of the Amended Concession Agreement with the Government of Sultanate of Oman, the Shipper will reimburse all Oman income tax liabilities to the Company. Any current tax expense is recognised and reimbursement of same from the Shipper is recognised under allowance for expenditures as revenue.

The Company is subject to income tax in accordance with the Income Tax Law of the Sultanate of Oman at the enacted tax rate of 15% (2024: 15%) of taxable income. For the purpose of determining the taxable results for the year, the accounting profit has been adjusted for tax purposes. Adjustments for tax purposes includes items related to both income and expense. These adjustments are based on the current understanding of the existing tax laws, regulations and practices.

Notes to the Financial Statements

The Company's tax assessments have been completed and agreed with Oman Taxation Authorities for all years up to December 31, 2021. The Company's management is of the opinion that additional taxes, if any, assessed for the open tax years would not be material to the Company's financial position as at December 31, 2025.

On December 31, 2024, Oman issued Royal Decree Number 70/2024, enacting new global minimum tax rules to align with the Organization for Economic Co-operation and Development (OECD) Base Erosion and Profit Shifting ("BEPS") Pillar Two project. Under Pillar Two, multinational enterprises (MNEs) whose group annual revenue exceeds EUR 750 Mn. (in two of the last four years) are liable to pay corporate income tax at a minimum effective tax rate of 15% in each jurisdiction they operate. The enacted law includes the implementation of a Domestic Minimum Top-up Tax (DMTT) and Income Inclusion Rule (IIR). These rules are effective for fiscal years beginning on or after January 1, 2025.

For the year ended December 31, 2025, the Company did not recognise any current tax expense related to Pillar Two income taxes, on the basis that the effective tax rate for the Group in Oman jurisdiction exceeds the minimum threshold of 15%.

Based on the assessment performed to date, the Company does not expect the application of Pillar Two to result in a material top-up tax liability.

11.1 Tax expense

The taxation charge for the year is comprised of:

	2025 =	2024 =
Deferred tax		
– in respect of current year	9,086,493	8,431,259
– in respect of prior year	370,000	350,000
	9,456,493	8,781,259

11.2 Tax reconciliation

The reconciliation of taxation on the accounting profit at the applicable rate of 15% and the taxation charge in these financial statements is as under:

	2025 =	2024 =
Profit before tax	60,700,347	56,576,684
Tax on accounting profit @15%	9,105,052	8,486,503
Add / (less) tax effect of:		
Tax exempt revenues	(18,559)	(55,244)
Prior period deferred tax	370,000	350,000
	9,456,493	8,781,259

Notes to the Financial Statements

11.3 Deferred tax

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15% (December 31, 2024 – 15%).

The deferred tax liability and deferred tax charge in the profit or loss and other comprehensive income are attributable to the following items:

	1 January 2025	Charge to profit or loss	31 December 2025
Taxable temporary differences			
Effect of accelerated tax depreciation	59,037,457	11,541,715	70,579,172
Right of use assets	1,405,875	(145,616)	1,260,259
Deferred tax liabilities	60,443,332	11,396,099	71,839,431
Deductible temporary differences			
Brought forward losses	5,598,964	2,014,752	7,613,716
Lease liability	1,597,015	(75,146)	1,521,869
Deferred tax assets	7,195,979	1,939,606	9,135,585

	1 January 2024	Charge to profit or loss	31 December 2024
Taxable temporary differences			
Effect of accelerated tax depreciation	59,037,457	11,541,715	70,579,172
Right of use assets	1,405,875	(145,616)	1,260,259
Deferred tax liabilities	60,443,332	11,396,099	71,839,431
Deductible temporary differences			
Brought forward losses	3,013,341	2,585,623	5,598,964
Lease liability	1,361,288	235,727	1,597,015
Deferred tax assets	4,374,629	2,821,350	7,195,979

At the reporting date, the Company has cumulative tax losses of ₺ 51 million (2024: ₺ 37 million) available for adjustment from future taxable profits. The management has determined that the cumulative tax losses will expire from 2026 to 2030.

12. Capital work in progress

	2025 ₺	2024 ₺
At January 1	940,337	–
Additions during the year	215,321	940,337
Disposals during the year	12.2 (150,246)	–
At December 31	1,005,412	940,337

Notes to the Financial Statements

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

12.2 OQ Gas Networks SAOG has entered into a Cooperation Agreement with Fluxys SA to jointly develop the hydrogen transportation infrastructure in the Sultanate of Oman. Fluxys and OQGN, shall own and operate the hydrogen network. The agreement entails that OQGN will cover 75% and Fluxys 25% of the expenses related to the development of hydrogen transportation infrastructure. Accordingly, partial interest in the hydrogen transportation project for the value of $\text{AED } 150,246$ has been transferred to Fluxys under this agreement.

13. Concession assets

13.1 Concession receivables

	Note	2025 AED	2024 AED
At January 1		940,134,629	801,750,879
Transferred from contract assets	13.2	88,637,565	163,311,810
Additions during the year	26.2	41,253,786	–
Disposals during the year		(55,450)	–
Transfer from investment property		–	893,295
Income on concession assets during the year	6.1	70,072,609	62,079,110
Billed during the year	13.3	(105,193,917)	(87,900,465)
At December 31		1,034,849,222	940,134,629
Non-current asset		1,002,537,386	909,265,346
Current asset		32,311,836	30,869,283
		1,034,849,222	940,134,629

13.2 Contract assets

	Note	Due from Shipper AED	Due from others AED	Total AED
At January 1, 2025		116,145,377	899,950	117,045,327
Additions during the year	5	92,596,979	–	92,596,979
Transferred to concession receivables upon completion	13.1	(88,637,565)	–	(88,637,565)
Transferred to receivable from related party	13.5 & 26.2	–	(432,455)	(432,455)
Transferred from other party		467,495	(467,495)	–
Income on concession assets during the year	6.1	8,145,620	–	8,145,620
Billed during the year	13.1	(5,950,230)	–	(5,950,230)
At December 31, 2025		122,767,676	–	122,767,676

Notes to the Financial Statements

	Note	Due from Shipper ₹	Due from others ₹	Total ₹
At 1 January 2024		240,290,734	899,950	241,190,684
Additions during the year	5	36,254,860	–	36,254,860
Adjustment		2,183,268	–	2,183,268
Transferred to concession receivables upon completion	13.1	(163,311,810)	–	(163,311,810)
Income on concession assets during the year	6.1	12,588,042	–	12,588,042
Billed during the year	13.3	(11,859,717)	–	(11,859,717)
At December 31, 2024		116,145,377	899,950	117,045,327

13.3 This represents the revenue under the RAB revenue rules, calculated based on the actual cost drivers, and comprises of:

	Note	2025 ₹	2024 ₹
Return on RAB assets and working capital		79,374,915	76,438,050
Depreciation allowance		31,769,232	23,322,132
		111,144,147	99,760,182

Billed during the year has been categorized in concession receivables and contract assets as below:

	Note	2025 ₹	2024 ₹
Billed during the year against concession receivables	13.1	105,193,917	87,900,465
Billed during the year against contract assets	13.2	5,950,230	11,859,717
		111,144,147	99,760,182

13.4 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.

13.5 During 2025, contract assets due from others of ₹ 432,455 transferred to receivable from related party on account of the Pipe rack constructed at Salalah Port on behalf of that related party.

13.6 For the purposes of impairment assessment, the concession receivables are considered to have low credit risk as the counterparty of this receivable is Integrated Gas Company (which is considered as equivalent of the Government of Oman). For the purpose of impairment assessment for these financial assets, the loss allowance is measured at an amount equal to 12 months ECL using general approach.

None of the balances at the end of the reporting period are past due and taking into account the historical default experience and the current credit ratings, the management of the Company has assessed that ECL is insignificant, and hence have not recorded any loss allowances on these balances.

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

Notes to the Financial Statements

14. Right-of-use assets

The Company leases building, land for various infrastructure and vehicles for operations. Vehicle leases run for a period 3 years and infrastructure leases run for periods ranging from 3 to 30 years.

(i) Set out below the are the carrying amounts of right-of-use assets

	Note	Leasehold land ₹	Motor vehicles ₹	Building ₹	Total ₹
At January 1, 2025		7,673,057	1,458,347	241,099	9,372,503
Modification due to Revision of lease rentals		(453,446)	–	–	(453,446)
Additions	23	–	234,845	32,952	267,797
Depreciation	8	(244,001)	(356,748)	(184,379)	(785,128)
At December 31, 2025		6,975,610	1,336,444	89,672	8,401,726

At January 1, 2024		7,932,536	–	402,741	8,335,277
Additions	23	1,779	1,828,128	20,645	1,850,552
Depreciation	8	(261,258)	(369,781)	(182,287)	(813,326)
At December 31, 2024		7,673,057	1,458,347	241,099	9,372,503

15. Investment properties

	Note	2025 ₹	2024 ₹
Cost			
At January 1		4,064,768	5,060,140
Transfer to concession receivable	13.1	–	(995,372)
At December 31		4,064,768	4,064,768
Accumulated depreciation			
At January 1		394,480	324,412
Depreciation for the year	9	144,943	172,145
Transfers to concession receivables	13.1	–	(102,077)
At December 31		539,423	394,480
Carrying amount		3,525,345	3,670,288

15.1 During 2023, the Fahud accommodation building was transferred to investment property because it was no longer used by the Company in rendering services under the concession arrangement. The accommodation is rented out to a related party and the rent is recorded as other income. The fair value assessment of the investment property was carried out by management resulting in fair value of ₹ 4.9 million in 2025 (2024: ₹ 3.6 million) which is higher than the carrying value.

Notes to the Financial Statements

15.2 Fair value measurement

The fair value measurement of the investment property is a level 3 fair value measurement calculated based on discounted cash flows using significant unobservable inputs.

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Property description	Valuation technique	Significant unobservable inputs 2025	Inter-relationship between key unobservable inputs and fair value measurement
80 room accommodation in Fahud	Income capitalization: The valuation model uses the income the property generates to estimate fair value.	<ul style="list-style-type: none"> Rent per month at SAR 61,680 Maintenance expenses per month at SAR 37,500 Annual yield 5.88% 	<p>The estimated fair value would increase/ (decrease) if:</p> <ul style="list-style-type: none"> Monthly rent was higher/(lower); Maintenance expense was (higher)/lower Annual yield is higher/(lower);

16. Inventories

	Note	2025 SAR	2024 SAR
Stores, spares and consumables		3,190,479	2,980,426
Less: Provision for obsolete inventories	16.1	(11,716)	(11,813)
		3,178,763	2,968,613

16.1 Movement in the provision for obsolete inventories is as follows:

	Note	2025 SAR	2024 SAR
At January 1		11,813	17,309
Charge /(reversal) for the year		702	(2,555)
Provision written off	7	(799)	(2,941)
At December 31		11,716	11,813

Notes to the Financial Statements

17. Trade and other receivables

	Note	2025 ₹	2024 ₹
Receivables from IGC	26.4	11,973,882	11,866,225
Due from related parties	26.5	288,547	462,967
		12,262,428	12,329,192
Advances to contractors		2,240,420	37,687
Advance to liquidity Provider		1,771,946	-
Project management fee receivable from third parties		1,169,963	757,384
Prepayments		483,535	310,328
Advances to employees		371	76,403
Accrued revenue		118,214	60,625
Other receivables		201,510	133,526
Allowance for expected credit losses	17.2	(21,010)	(21,010)
		18,227,378	13,684,135

17.1 Receivable from IGC represents revenue receivable on account of invoices billed to IGC. The average credit period on invoices raised to the customer is 30 days. No interest is charged on outstanding trade receivables.

17.2 As at reporting date, the Company had recognized an allowance for expected credit losses of ₹ 21,010 (₹ 21,010) against project management fee receivable from third parties. There is no movement in the allowance for expected credit loss during the period.

17.3 The Company measures the loss allowance for trade receivables at an amount equal to lifetime ECL using the simplified approach. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment, that includes forward-looking information. There has been no change in the estimation techniques or significant assumptions made during the current year.

17.4 All trade and other receivables are expected to be realized within one year of the reporting date.

18. Short term deposits

	Note	2025 ₹	2024 ₹
Short term deposits	18.1	1,700,000	-

18.1 These deposits are denominated in Omani Rial EO and held with Islamic bank. They carry interest at effective annual rate of 4.5% with maturities having less than twelve months from the reporting date. Interest on deposits accrues monthly.

Term deposits are assessed to have low credit risk of default since these are placed with banks that are highly regulated by the central bank. Accordingly, the management of the Company estimates the loss allowance on balances with banks short term deposits at the end of the reporting year at an amount equal to 12- month ECL. None of the short term deposits at the end of the reporting year are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no significant impairment loss.

Notes to the Financial Statements

19. Cash and cash equivalents

	Note	2025 ₹	2024 ₹
Cash at bank	19.1	21,768,462	15,807,469
Cash in hand		12,349	8,842
Cash and cash equivalents		21,780,811	15,816,311

19.1 Cash at bank comprises of cash at Islamic banks of ₹ 21,309,498 (2024: ₹ 15,167,816) and cash at conventional banks of ₹ 458,964 (2024: ₹ 639,653).

19.2 Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, the management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no significant impairment loss.

20. Share capital and reserves

20.1 Share capital

The Company's authorised share capital is ₹ 500,000,000 (2024: ₹ 500,000,000).

The paid-up share capital comprises of 4,330,623,920 shares of ₹ 0.1 each (2024: 4,330,623,920 shares of ₹ 0.1 each).

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

The shareholding at the reporting date is as follows:

	Number of shares 2025	% of share holding 2025	Number of shares 2024	% of share holding 2024
OQ SAOC	2,208,618,200	51.00	2,208,618,200	51.00

20.2 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 to one-third of the Company's share capital. This reserve is not available for distribution. During the year, ₹ 5,124,385 (2024: ₹ 4,779,543) has been transferred to legal reserve.

20.3 Dividends

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

On October 9, 2025, the shareholders approved to pay an interim dividend of 5.6 baiza per share amounting to ₹ 24,251,494 relating to the six-month period ended June 31, 2025.

Dividends proposed subsequent to the reporting date are disclosed in note 35.

Notes to the Financial Statements

20.4 Treasury shares

During the year, the Company engaged a third party licensed liquidity provider on Muscat Securities Exchange (MSX) to facilitate the selling and buying of its own shares. Under the agreement, the gains and losses on trading of shares by the liquidity provider will accrue to the Company. At December 31, 2025, the liquidity provider held 2.74 million shares on behalf of the Company at par value.

The premium recognized on trading in its shares is recorded as "Reserve on trading of treasury shares". Such reserve which amounted to $\text{MUS} 4,419$ is classified under equity. Included under the reserve is a net gain of $\text{MUS} 256,097$ realized during the period ended 31 December 2025.

Net movement in treasury shares is presented in the statement of cashflows as cashflow from financing activities as below:

	2025 MUS	2024 MUS
Movement in treasury shares at par value	274,490	-
Movement in reserve on trading of treasury shares	4,419	-
	278,909	-

21. Term loans

	Note	2025 MUS	2024 MUS
Term loans	21.1	384,220,500	358,488,300
Less: unamortized transaction cost	21.2	(3,006,038)	(3,550,566)
		381,214,462	354,937,734
Analysed as follows:			
Non-current		371,946,662	345,669,934
Current		9,267,800	9,267,800
		381,214,462	354,937,734

21.1 The movement in the term loans during the year are as follows:

	Note	2025 MUS	2024 MUS
At January 1		358,488,300	333,124,380
Drawdowns during the year		35,000,000	35,000,000
Repayment during the year		(9,267,800)	(9,267,800)
Exchange gain		-	(368,280)
At December 31		384,220,500	358,488,300

21.2 The movements in unamortized transaction cost are as follows:

	Note	2025 MUS	2024 MUS
At January 1		3,550,566	3,656,025
Paid during the year		-	373,445
Amortised during the year	10	(544,528)	(478,904)
At December 31		3,006,038	3,550,566

At the reporting date, the unutilized balance of the term loans was $\text{MUS} 56$ million (2024: $\text{MUS} 91$ million).

Notes to the Financial Statements

21.3 On June 19, 2023, the Company entered into two unsecured conventional term financing facilities of **₹** 60 million, denominated in Omani Rial and **₹** 86.65 million (USD 225 million), denominated in US Dollars, with a syndicate of financial institutions.

On 19 and June 20, 2023, the Company entered into two Wakala Facility Agreements with local and regional banks, of **₹** 165 million, denominated in Omani Rial and **₹** 152.11 million (USD 395 million), denominated in US Dollars.

21.4 Repayments

These facilities are repayable in semi-annual instalments commencing six months after the date of execution of the relevant agreement, with the final instalment of the Omani Rial denominated facilities representing 70% of the relevant facility amount repayable on their 10th anniversary; and the final instalment of the USD denominated facilities representing 82% of the relevant facility amount repayable on their 7th anniversary.

21.5 Interest

Interest profit on Omani Rial denominated facilities is payable at the rate of 5.70% per annum until the 4th anniversary and thereafter at the base rate (the monthly "Private Sector OMR Time Deposit" rate as published in the most recent CBO Bulletin) plus 2% per annum. With effect from 17 June 2025, the interest profit rate has been reduced to 5.15% per annum till 5th anniversary (June 15, 2028) and thereafter at the base rate plus 1.0% per annum till June 15, 2030 and base rate plus 1.20% thereafter.

Interest/profit on USD denominated facilities is payable at the compounded SOFR rate, plus the applicable margin, which is set at 1.9% per annum, amended in December 2024 to 1.25%.

21.6 Covenants

The Company is not subject to any financial ratio covenant in relation to these facilities.

22. Employee costs

22.1 Employee costs comprise the following:

	Note	2025 ₹	2024 ₹
Wages and salaries		13,728,262	13,156,891
Current service cost on long term benefits	22.2	84,322	99,471
Contributions into unfunded defined contribution plan		1,288,981	1,240,687
Other benefits		7,042,551	5,877,652
		22,144,116	20,374,701
Employee cost is classified as below:			
Operating expenses	8	13,256,915	11,402,138
Administrative expenses	9	8,887,201	8,972,563
		22,144,116	20,374,701

Notes to the Financial Statements

22.2 Employee end of service benefits

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

	Note	2025 €	2024 €
At January 1		578,153	512,356
Charge for the year	22.1	84,322	99,471
Capitalized during the year		1,836	
Un-realised actuarial loss		57,864	44,919
Paid during the year		(382,175)	(78,593)
At December 31		340,000	578,153

The amount of actuarial gain or loss recognised in the statement of other comprehensive income is as follows:

	2025 €	2024 €
Experience adjustment	49,242	23,280
Change in financial assumption (discount rate)	8,622	21,639
	57,864	44,919

At reporting date, the amount of obligation for expatriate employees is computed by actuarial valuations using the projected unit credit method as per IAS 19. Following are the key assumptions used in the actuarial valuation:

	2025 %	2024 %
Discount rate	4.75%	5.25%
Future salary increase	3%	3%
Retirement age in years	60	60

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	2025		2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% points)	(8,620)	9,030	(16,693)	18,013
Projected salary (0.50% points)	9,141	(8,802)	18,212	(16,590)

Notes to the Financial Statements

23. Lease liabilities

(i) The movement in lease liabilities is as follows:

	Note	2025 ₹	2024 ₹
As at January 1		10,646,768	9,075,256
New leases during the year	14	267,797	1,850,552
Modification due to revision of lease rentals		(453,446)	–
Interest expense	10	615,382	588,488
Payments		(930,705)	(867,528)
At December 31		10,145,796	10,646,768
Interest expense recognised in profit or loss	9	615,382	588,488
Total cash out flows for leases		930,705	867,528

(ii) Analyzed as:

	Note	2025 ₹	2024 ₹
Gross lease liabilities		22,223,921	34,783,132
Future finance charges		(12,078,125)	(24,136,364)
		10,145,796	10,646,768

(iii) Amounts recognized in statement of financial position

	2025 ₹	2024 ₹
Non-current	9,655,917	10,448,558
Current	489,879	198,210
	10,145,796	10,646,768

(iv) The Company does not face a significant liquidity risk with regard to its liabilities. Lease liabilities are monitored within the Company's treasury function. Maturity analysis of the lease liabilities is disclosed in note 30.

24. Deferred income

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

	Note	2025 ₹	2024 ₹
At January 1		5,262,377	4,673,519
Contributions received during the year		9,040,524	1,028,875
Contribution reversed during the year		–	(160,995)
Recognized as income during the year	7	(141,118)	(279,022)
At December 31		14,161,783	5,262,377

Notes to the Financial Statements

25. Trade and other payables

	Note	2025 ₹	2024 ₹
Trade payables	25.1	45,983,658	4,251,900
Payables to contractors for construction contracts		37,097,570	16,582,271
Contract liability		18,180,233	17,810,816
Accrued expenses and provisions		9,509,727	10,566,109
Interest payable on term loan		1,071,490	753,226
Due to related parties	26.6	285,854	108,440
Other payables		3,563,135	3,057,135
		115,691,667	53,129,897

25.1 All trade payables are unsecured and expected to be settled within one year of the reporting.

26. 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.

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.

26.1 Transactions with shipper

	Note	2025 ₹	2024 ₹
Invoiced to IGC under RAB revenue rules		147,636,546	145,596,087
Classified as:			
Allowance for expenditures	5	31,588,468	30,920,241
Allowance for pass-through costs	5	4,534,514	4,791,378
Allowance for operating expenditures related to prior years	7	–	5,276,189
Billed during the year against concession receivables	13.3	105,193,917	87,900,465
Billed during the year against contract assets	13.3	5,950,230	11,859,717
Recognized in contract liability		369,417	4,848,097
		147,636,546	145,596,087
Revenue and expenses from IGC			
Construction revenue	5	92,596,979	36,254,860
Concession income	6.1	78,218,229	74,667,152
Fuel gas cost		4,194,486	4,591,362

Notes to the Financial Statements

26.2 Transactions with other related parties

	Note	2025 ₹	2024 ₹
Income from investment property	7	297,113	297,113
Purchase of assets from related party	13.1	1,262,406	–
Purchase of BP Ghazeer Pipeline	13.1	39,991,378	–
Sale of assets to related party	13.2	432,455	–
Other income		69,210	345,450
Training cost		79,772	107,263
Insurance cost		398,086	–
IT related services cost to Parent Company		1,828,624	1,459,114

26.3 Key management personnel compensation is as follows:

Key management compensation and board remuneration during the year are as below:

	Note	2025 ₹	2024 ₹
Short term benefits	26.3.1	653,451	131,007
Other benefits	26.3.1	175,725	45,817
Board remuneration	9	243,500	216,550
		1,072,676	393,374

26.3.1 Short term and other benefits of key management personnel reflects changes in the organization structure, including title changes and appointment within key management roles.

26.4 Receivables from IGC

	2025 ₹	2024 ₹
Receivables from Integrated Gas Company (Note 17)	11,973,882	11,866,225

26.5 Amounts due from Parent Company and other related parties under common control (note 17)

	2025 ₹	2024 ₹
Parent Company	800	–
Subsidiaries of the Parent Company	287,747	462,967
	288,547	462,967

Notes to the Financial Statements

26.6 Amounts due to Parent Company and other related parties under common control (note 25)

	2025 €	2024 €
Parent Company	197,032	107,180
Subsidiaries of the Parent Company	88,822	1,260
	285,854	108,440

27. Commitments and contingencies

The Company is currently defending a legal claim filed by MEM, which seeks indemnification for penalties incurred due to delays in project delivery. While the Company does not admit liability, if the defence is unsuccessful, it may be required to pay an amount of € 19.5 million (2024: € 20.9 million).

The Parent Company has provided an undertaking to indemnify the Company against any amount that may become payable in relation to the MEM claim.

Based on legal advice received, management believes that the Company has strong grounds for defence and that it is probable the claim will be successfully contested.

As at reporting date, the Company had commitments pertaining to the capital projects under construction of € 45.7 million. (2024: € 15.8 million).

28. Earnings per share

Earnings per share are calculated by dividing the profit for the year by number of weighted average shares issued during the year.

	2025 €	2024 €
Profit for the year (€)	51,243,854	47,795,425
Weighted average number of shares (i)	4,327,879,020	4,330,623,920
Basic and diluted earnings per share (Baizas)	11.84	11.04

(i) The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year

29. Financial instruments

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 3 to the financial statements.

Notes to the Financial Statements

	Note	2025 ₹	2024 ₹
Financial assets (at amortised cost)			
Concession receivables	13.1	1,034,849,222	940,134,629
Trade and other receivables (excluding advances and prepayments)	17	13,731,106	13,259,717
Short term deposits	18	1,700,000	–
Bank balances	19	21,768,462	15,807,469
		1,072,048,790	969,201,815
Financial liabilities (at amortised cost)			
Term loans	21	381,214,462	354,937,734
Lease liabilities	23	10,145,796	10,646,768
Trade and other payables (excluding contract liability)	25	97,511,435	35,319,081
		488,871,693	400,903,583

The carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair value unless stated otherwise.

30. Financial risk management

The Company'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 Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. Risk management is carried out by the management under policies approved by the Board of Directors.

30.1 Market risk

Market risk is the risk that changes in market prices, such as foreign currency rates and interest rates will affect the Company'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.

(i) Foreign exchange 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. The Company is exposed to foreign currency risk arising from currency exposures primarily with respect to the US Dollar. The Omani Rial is pegged to the US Dollar. Since most of the foreign currency transactions are in US Dollars, management believes that the currency rate fluctuations would have an insignificant impact on the post-tax profit.

(ii) Interest rate risk

The Company is exposed to interest rate risk as it borrows funds at floating interest rates. Further, the Company is exposed to interest rate risk on its interest bearing assets (bank deposits) and term loans from banks. The Company manages interest rate risk by placing deposits for short periods to earn interest at market rates. The management monitors the interest rate risk by setting limits on the interest rate gaps for stipulated periods.

Notes to the Financial Statements

At the reporting date, interest rate risk profile of the Company's interest-bearing financial instrument was:

	Note	2025 ₹	2024 ₹
Fixed rate instruments			
Term loan from commercial banks	21	157,750,000	127,250,000
Floating rate instruments			
Term loan from commercial banks	21	226,470,500	231,238,300

Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial instruments at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss.

Sensitivity analysis for floating rate instruments

For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. At reporting date, if interest rates on USD denominated borrowings had been 1% higher/lower with all other variables held constant, profit for the year would have been lower higher, mainly as a result of higher lower interest expense on floating rate liabilities as shown below:

	Note	2025 ₹	2024 ₹
Term loan	21	2,264,705	2,312,383

30.2 Liquidity risk

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

Responsibility for liquidity risk management rests with the Board of Directors. The Board has built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows.

The following tables detail the Company'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.

2025	Carrying amount ₹	Contractual cash flows ₹	Up to 1 year ₹	1 to 5 years ₹	Over 5 years ₹
Term loans	381,214,462	487,860,032	30,214,291	123,337,336	334,308,405
Lease liabilities	10,145,796	21,712,280	1,083,810	3,375,686	17,252,785
Trade and other payables excluding contract liability	97,511,435	97,511,435	97,511,435	–	–
	488,871,693	607,083,747	128,809,536	126,713,022	351,561,190

Notes to the Financial Statements

2024	Carrying amount	Contractual cash flows	Up to 1 year	1 to 5 years	Over 5 years
	₹	₹	₹	₹	₹
Term loans	354,937,734	487,751,648	31,463,069	141,573,993	314,714,586
Lease liabilities	10,646,768	34,783,132	1,579,616	5,583,230	27,620,286
Trade and other payables excluding contract liability	35,319,081	35,319,081	35,319,081	–	–
	400,903,583	557,853,861	68,361,766	147,157,223	342,334,872

Trade payables are interest free. The amounts included above for variable interest rate instruments for financial liabilities (as disclosed in interest rate risk section of this note) is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

30.3 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the receivables from customers.

As at reporting date, the Company'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 Company due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the statement of financial position.

The Company has significant concentration of credit risk with the Government of the Sultanate of Oman represented by the Shipper. The management continues to monitor the willingness of the customer to pay the amount receivable and provide for any amounts deemed unrecoverable, therefore the Company considers the credit risk to be minimal.

With respect to credit risk arising from the other financial assets of the Company, including cash and cash equivalents, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. The Company limits its credit risk with regard to bank balances by only dealing with banks with acceptable credit rating.

In order to minimise credit risk, the management develop and maintain the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the Company uses other publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Company'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 Company has no realistic prospect of recovery	Amount is written off

Notes to the Financial Statements

The tables below details the credit quality of the Company's financial assets carried at amortised cost and contract assets, as well as the Company's maximum exposure to credit risk by credit risk rating grades. Based on ECL model, loss allowance on other financial assets are not recognised being not material.

2025	12-month or lifetime ECL ⌌	Gross carrying amount ⌌	ECL %	Loss allowance ⌌	Net carrying amount ⌌
Concession receivables	12 months	1,034,849,222	–	–	1,034,849,222
Bank balances	12 months	21,768,462	–	–	21,768,462
Short term deposits	12 months	1,700,000	–	–	1,700,000
Trade and other receivables (excluding advances and prepayments)	Lifetime	13,752,116	–	(21,010)	13,731,106
		1,072,069	–	(21,010)	1,072,048,790

2024	12-month or lifetime ECL ⌌	Gross carrying amount ⌌	ECL %	Loss allowance ⌌	Net carrying amount ⌌
Concession receivables	12 months	940,134,629	–	–	940,134,629
Bank balances	12 months	15,807,469	–	–	15,807,469
Trade and other receivables (excluding advances and prepayments)	Lifetime	13,280,727	–	(21,010)	13,259,717
		969,222,825		(21,010)	969,201,815

The status of past due balances of financial assets are as follows:

2025	Gross carrying amount ⌌	Not due ⌌	Past due Up to 30 days ⌌	Up to 365 days ⌌	Over 365 days ⌌
Concession receivables	1,034,849,222	1,034,849,222	–	–	–
Bank balances	21,768,462	21,768,462	–	–	–
Short term deposits	1,700,000	1,700,000	–	–	–
Trade and other receivables (excluding advances and prepayments)	13,752,116	12,047,486	882,604	132,508	689,517
	1,072,069,800	1,070,365,170	882,604	132,508	689,517

2024	Gross carrying amount:	Not due	Past due Up to 30 days	Up to 365 days	Over 365 days
Concession receivables	940,134,629	940,134,629	–	–	–
Bank balances	15,807,469	15,807,469	–	–	–
Trade and other receivables (excluding advances & prepayments)	13,280,727	11,907,000	380,092	390,179	603,456
	969,222,825	967,849,098	380,092	390,179	603,456

Details of basis of ECL allowance on each financial asset is given in note 3 and notes of respective financial asset.

The exposure to credit risk for trade and other receivables at the reporting date relates customers originating from Oman only.

Notes to the Financial Statements

31. Capital risk management

The Company'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.

The Board of Directors monitors the return on equity. The Board of Directors also monitors the level of dividends to ordinary shareholders. There were no changes in the Company's approach to capital management during the year.

The capital structure of the Company consists of gearing ratio being net debt (interest bearing borrowings offset by cash and bank balances and term deposits) and equity of the Company (comprising issued capital, reserves and retained earnings). Lease liabilities are excluded from the calculation of net debt.

The Company's management reviews the capital structure of the Company on a semi-annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

Gearing ratio

The gearing ratio at year end was as follows:

	2025 =	2024 =
Net debt	357,733,651	339,121,423
Total equity	631,178,778	625,829,861
Total capital employed	988,912,429	964,951,284
Gearing ratio	36%	35%

32. 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 financial statements. 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 statement of financial position, statement of profit and loss and other comprehensive income and also in notes 1 to 4 to these financial statements.

33. Reconciliation of changes in liabilities to cashflows arising from financing activities

The below table details changes in in the Company's liabilities arising from financing activities including both cash and non-cash changes:

2025	At January 1	Financing cash inflow	Financing cash outflow	Non cash items	At December 31
Term loan from commercial banks	358,488,300	35,000,000	(9,267,800)	–	384,220,500
Loan issuance cost	(3,550,566)	–	–	544,528	(3,006,038)
Finance lease liability	10,646,768	–	(930,705)	429,733	10,145,796
	365,584,502	35,000,000	(10,198,505)	974,261	391,360,258

Notes to the Financial Statements

2024	At January 1	Financing cash inflow	Financing cash outflow	Non cash items	At December 31
Term loan from commercial banks	333,124,380	35,000,000	(9,267,800)	(368,280)	358,488,300
Loan issuance cost	(3,656,025)	–	(373,445)	478,904	(3,550,566)
Finance lease liability	9,075,256	–	(867,528)	2,439,040	10,646,768
	338,543,611	35,000,000	(10,508,773)	2,549,664	365,584,502

34. Climate related risks

The Company and its customers may face significant climate-related risks in the future. These risks include the threat of financial loss and adverse non-financial impacts that encompass the political, economic and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts and rising sea levels. Transition risks may arise from the adjustments to a net-zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities, products and services due to changes in consumer behaviour and investor demand. These risks are receiving increasing regulatory, political and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation. For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in consumer demands and supply chains.

The Company is currently in the process of embedding climate related risks in its Risk Management Framework as part of its commitment towards OQGN's Sustainability strategy, that includes setting proper risk appetite metrics and maintaining policies, processes and controls to incorporate environmental and climate change risks in the management of its risk categories.

The Company acknowledges the need for further efforts to fully integrate climate in the Company's risk assessments and management protocols.

35. Subsequent event

In a meeting held on March 05, 2026, the board of directors proposed a final dividend of 5.6 baizas per share for the second half of the year ended December 31, 2025.

36. Comparative information

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

37. General

Figures have been rounded off to the nearest ₪ unless otherwise stated.

8

Glossary



شركة الغاز العمانية ش.م.ع.
OMAN GAS COMPANY S.A.O.C

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Glossary of Terms

Acronym	English Definition	ERM	Enterprise Risk Management
APSR	Authority for Public Services Regulation	ERP	Enterprise Resource Planning
ARC	Audit Risk Committee	ESG	Environmental, Social, and Governance
ATA	Asset Transfer Agreement	ESIA	Environmental and Social Impact Assessment
BAT	Best Available Techniques	FSA	Financial Services Authority
BCM	Billion Cubic Meters	FVTPL	Fair Value Through Profit and Loss
BEC	Board Executive Committee	GHG	Greenhouse Gas
BEPS	Base Erosion and Profit Shifting	HNO	Hydrogen Network Operator
BOD	Board of Directors	HSE	Health, Safety, and Environment
BVS	Block Valve Station	IASB	International Accounting Standards Board
Bz	Baisa	IFRIC	International Financial Reporting Interpretations Committee
CAPEX	Capital Expenditure	IFRS	International Financial Reporting Standards
CBO	Central Bank of Oman	ICV	In-Country Value
CCL	Commercial Company Law	IDS	Intrusion Detection System
CCUS	Carbon Capture, Utilization, and Storage	IGC	Integrated Gas Company
CEO	Chief Executive Officer	IIA	Institute of Internal Auditors
CFO	Chief Financial Officer	IIR	Income Inclusion Rule
CHRO	Chief Human Resources Officer	IPO	Initial Public Offering
CMA	Capital Market Authority	IPP	Independent Power Producer
CNO	Carbon Network Operator	ISA	International Standard on Auditing
CP	Cathodic Protection	ISO	International Organization for Standardization
CSR	Corporate Social Responsibility	KPI	Key Performance Indicator
CSI	Corporate Social Investment	KW	Kilowatt
DMTT	Domestic Minimum Top-up Tax	LFI	Learning from Incidents
DNA	Development Needs Analysis tool	LNG	Liquefied Natural Gas
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization	LPG	Liquefied Petroleum Gas
ECL	Expected Credit Loss	LTI	Lost Time Injury
EDRMS	Electronic Document Record Management System	MCDC	Muscat Clearing & Depository Company
EIA	Environmental Impact Assessment	MEM	Ministry of Energy and Minerals
EIC	Energy Infrastructure Company	MNEs	Multinational Enterprises
EOI	Expression of Interest	MOF	Ministry of Finance
EOR	Enhanced Oil Recovery	MOU	Memorandum of Understanding
E&P	Exploration & Production	MPMs	Management-defined Performance Measures
E-PTW	Electronic Permit to Work	MSX	Muscat Stock Exchange

Glossary of Terms

MTPA	Million Tons Per Annum
MVIF	Motor Vehicle Incident Frequency
NGL	Natural Gas Liquids
NGTN	Natural Gas Transportation Network
NRC	Nomination and Remuneration Committee
OGM	Ordinary General Meeting
OIA	Oman Investment Authority
OPEX	Operating Expenditure
OSHRM	Omani Society for Human Resource Management
OXY	Occidental Petroleum Corporation
PC	Price Control Period
PDO	Petroleum Development Oman
PL	Pipeline
POC	Proof of Concept
PPE	Personal Protective Equipment
QHSSE	Quality, Health, Safety, Security, and Environment
RAB	Regulated Asset Base
RO	Omani Rials
ROW	Right of Way
RTP	Remote Techno Plug technology
SAOC	Closed joint-stock company
SAOG	Public joint-stock company
SCADA	Supervisory Control and Data Acquisition
SCM	Standard Cubic Meter
SMEs	Small and Medium Enterprises
SOFR	Secured Overnight Financing Rate
TFA	Transportation Framework Agreement
TRIF	Total Recordable Injury Frequency
TTA	Tariff and Transportation Agreement
UNGC	United Nations Global Compact
VR	Virtual Reality
WACC	Weighted Average Cost of Capital

Corporate Information

Head office/Registered office

OQ Gas Networks SAOG P.O. Box 799, Postal Code 133,
Al Khuwair, Muscat, Sultanate of Oman

Phone

+968 24466000

Email

gn.info@oq.com

Web

<https://oqgn.om/>

Commercial registration

1644130

Auditors

Ernst & Young

Legal form

Public Joint-stock Company
Stock exchange listing: Muscat Stock Exchange

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www.gsarn.org

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OQGN

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