



# OQ Exploration & Production

Full Year 2025 Financial Results & Strategy Update



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# AGENDA

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**01** **Full Year 2025**  
Operational and Financial Performance

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**02** **Growth Strategy**  
Strategy and 2026 Outlook

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**03** **Q&A**  
Live and Chat Q&A





# FULL YEAR 2025



# 2025: Operational Excellence and Cost Leadership Drives Financial Resilience

01

## Operational Excellence

Maintained exemplary HSSE performance

Stable production: **224kboepd** (net working interest)  
54% oil/ 46% Gas

**2 major projects** delivered enhancing production, increase reliability and availability, and decarbonization.

- Bisat C Expansion
- Bisat Permanent Power Supply

Reserve Replacement Ratio (RRR) **160%**

02

## Cost Leadership

### Cost reduction

- Actual Capital Expenditure **₪258 million**, **₪94 million** below the plan
- Actual Operating Cost **₪253 million**, **₪76 million** below the plan

**Low-cost operator** with unit cost below **US\$10/boe (8% lower compared with 2024)** positioning OQEP among the most cost-efficient E&P operator

E&P sector **top quartile Return on Capital Employed (ROCE)** of 51%<sup>2</sup>

03

## Financial Resilience

*Despite 12.5% drop in average realized oil price from US\$ 80.8 to US\$ 70.7, OQEP able to deliver:*

**7.5% increase in Adjusted Cash Flow from Operations<sup>1</sup>** to **₪541m**, enabling investment and shareholder return

**Strong shareholder returns** consist of **₪275 million** Dividends and **₪10 million** Share repurchase

**Strong balance sheet** at Net Debt/EBITDA of **0.24x**, providing optionality of funding

# Operational Excellence: Bisat C Expansion and Bisat Permanent Power Supply



- 01 Bisat C Expansion Processing Facility commissioned June 2025
- 02 Strategic enhancement of OQEP's production and processing capability
- 03 Total oil processing capabilities increased to 95,000 bbl per day (oil) and over 800,000 bbl/day total water processing capacity
- 04 Now producing over 70 kboepd of oil – **all time high production**



- 01 Bisat Permanent Power Supply energized November 2025
- 02 Connects Block 60 to the national power grid via a 100 MW system with 107km of 132 kV overhead transmission lines
- 03
  - Ensuring reliable power supply
  - Lower diesel and gas usage resulted in reduced operational costs
  - Greenhouse Gas emissions lower by **~280,000 tons CO<sub>2</sub>e** annually

# Financial Review: Resilient Performance

	2025	YoY	2024
<b>Revenue</b> £ million	<b>1,159</b>	← -7%	<b>1,243</b>
<b>EBITDA</b> £ million	<b>941</b>	← -7%	<b>1,011</b>
<b>Net Profit</b> £ million	<b>278</b>	← -15%	<b>327</b>
<b>CAPEX</b> £ million	<b>258</b>	← +5%	<b>246</b>
<b>ROCE</b> %	<b>50.6</b>	← +1.5%	<b>49.9</b>

Sales Volumes and Prices	FY 2025	FY 2024	Variance
Oil and Condensate sales volume (mmbbl)	21.7	20.3	6.9%
Average realized sales price (US\$/bbl)	70.7	80.8	-12.5%
Gas sales volume (bcf)	121.2	124.2	-2.4%
Average realized sales price (US\$/mmbtu)	3.46	3.46	0.0%

## Year On Year Analysis

- OQEP delivered resilient financial results during 2025. Despite the drop in average oil prices by US\$10.1/bbl (12.5%) as compared to the same period in 2024, OQEP managed to increase its oil and condensate sales by around 1.4 million barrels, which helped OQEP significantly to mitigate the impact of the oil prices drop in Revenue
- Strong EBITDA margin of 81%<sup>2</sup> maintained
- FY 2025 Net Profit affected by lower oil price, higher finance costs and exclusion of ABRJ Net Profit<sup>3</sup>.
- Capex increase of 5% due to completion of Bisat C Expansion and Bisat Permanent Power Supply project (lower than the plan by 36%)
- ROCE 51% top quartile returns for E&P globally

# Financial Review: Resilient Performance

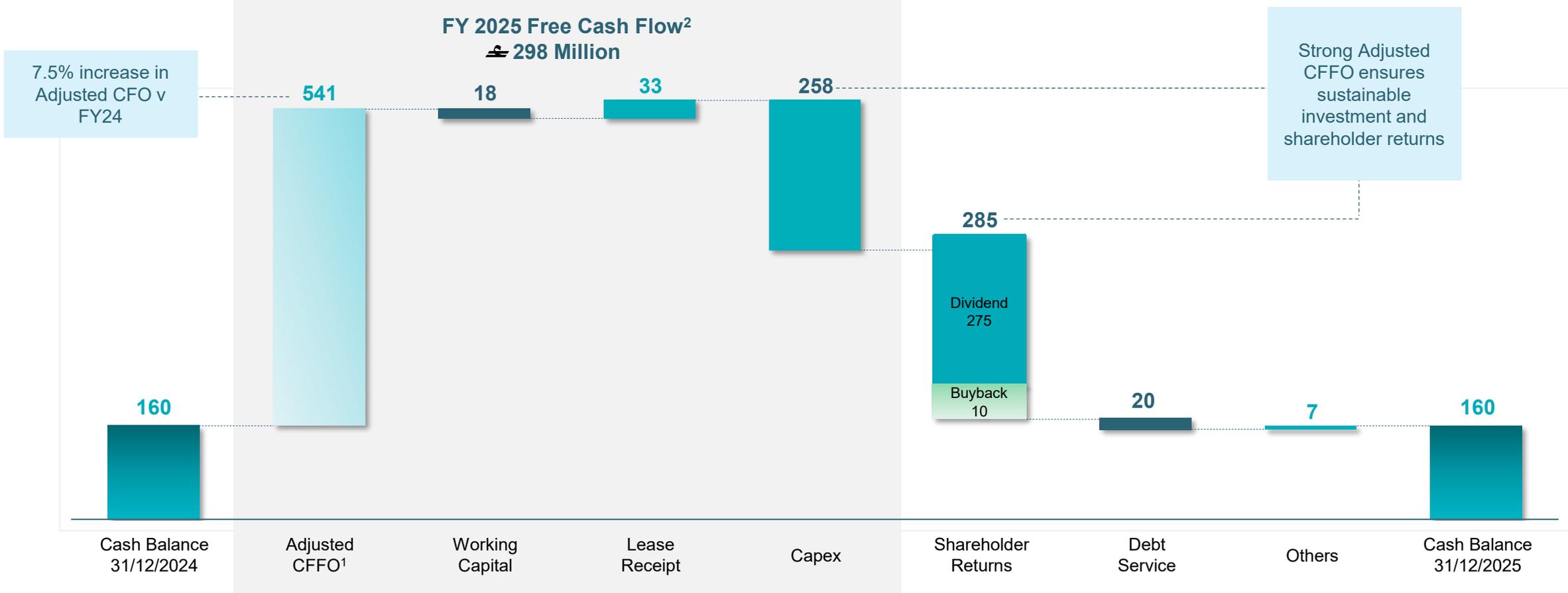
	Q4-25	QoQ	Q3-25
<b>Revenue</b> £ million	<b>250</b>	-15%	<b>297</b>
<b>EBITDA</b> £ million	<b>195</b>	-20%	<b>245</b>
<b>Net Profit</b> £ million	<b>41</b>	-41%	<b>70</b>
<b>CAPEX</b> £ million	<b>59</b>	-25%	<b>78</b>
<b>ROCE</b> %	<b>38.7</b>	-17.5%	<b>46.9</b>

Sales Volumes and Prices	FY 2025	FY 2024	Variance
Oil and Condensate sales volume (mmbbl)	4.6	5.7	-19.4%
Average realized sales price (US\$/bbl)	64.9	68.3	-5.0%
Gas sales volume (bcf)	29.6	32.2	-7.8%
Average realized sales price (US\$/mmbtu)	3.45	3.51	-1.7%

## Quarter On Quarter Analysis

- Lower volumes due to oil and condensate underlift adjustment: 1.1m/bbl of production not lifted or sold booked as Inventory on balance sheet
- Strong EBITDA margin performance 78%
- Net Profit affected by higher administrative expenses and provision reversals
- Capex reduced by 25%: completion of Bisat C Expansion in Q3
- Net debt stable post November dividend
- ROCE decreased to 38.7% on lower Revenue

# Operational Excellence and cost Leadership Drives Robust Cash Flows



<sup>1</sup> Adjusted cash flow from operations (Adjusted CFO) represent operating cashflows before working capital changes – End of service benefits paid – Income tax paid

# Delivering High Shareholder Value

High Quality Asset Portfolio in Partnership



Successful operator **partnered with world-leading IOCs**



**~9x** Production Growth in Block 60<sup>1</sup>

Leveraging OQEP's **operational expertise** and **NOC status**

Robust Financial Performance with Strong Cash Flow Generation



**Low-cost** asset base with high cashflow efficiency

Self-funded, **low leverage** with material **dividend distribution**

Seasoned Leadership Team with Significant Industry Experience and Track Record



**Experienced management** driving the **growth strategy**

Circa **25** years<sup>3</sup>

## High Returns

Total Shareholder Return<sup>2</sup>

**~20%**

Dividend Yield<sup>4</sup>

**6-7%**

<sup>1</sup> Production growth from 8kboepd in 2015 to over 70kboepd in 2025

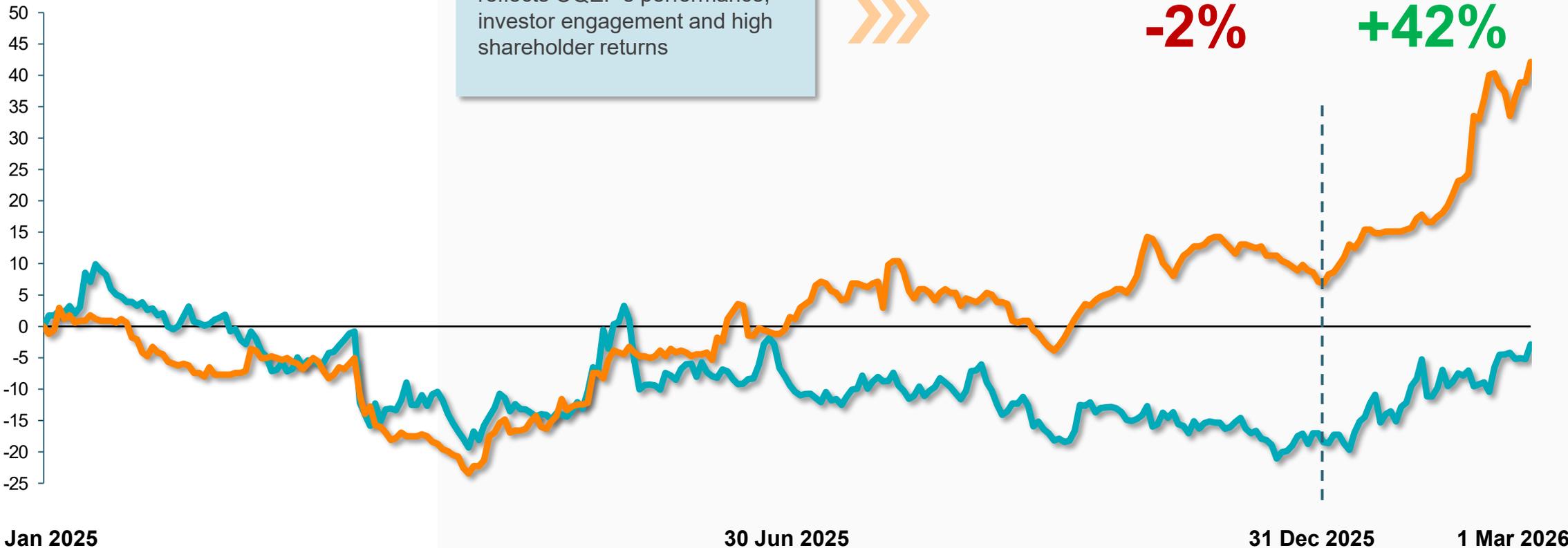
<sup>2</sup> Total Shareholder Returns 1.1.25 – 31.12.25

<sup>3</sup> Average senior management experience

<sup>4</sup> Approximate dividend yield based on last twelve months and current share price

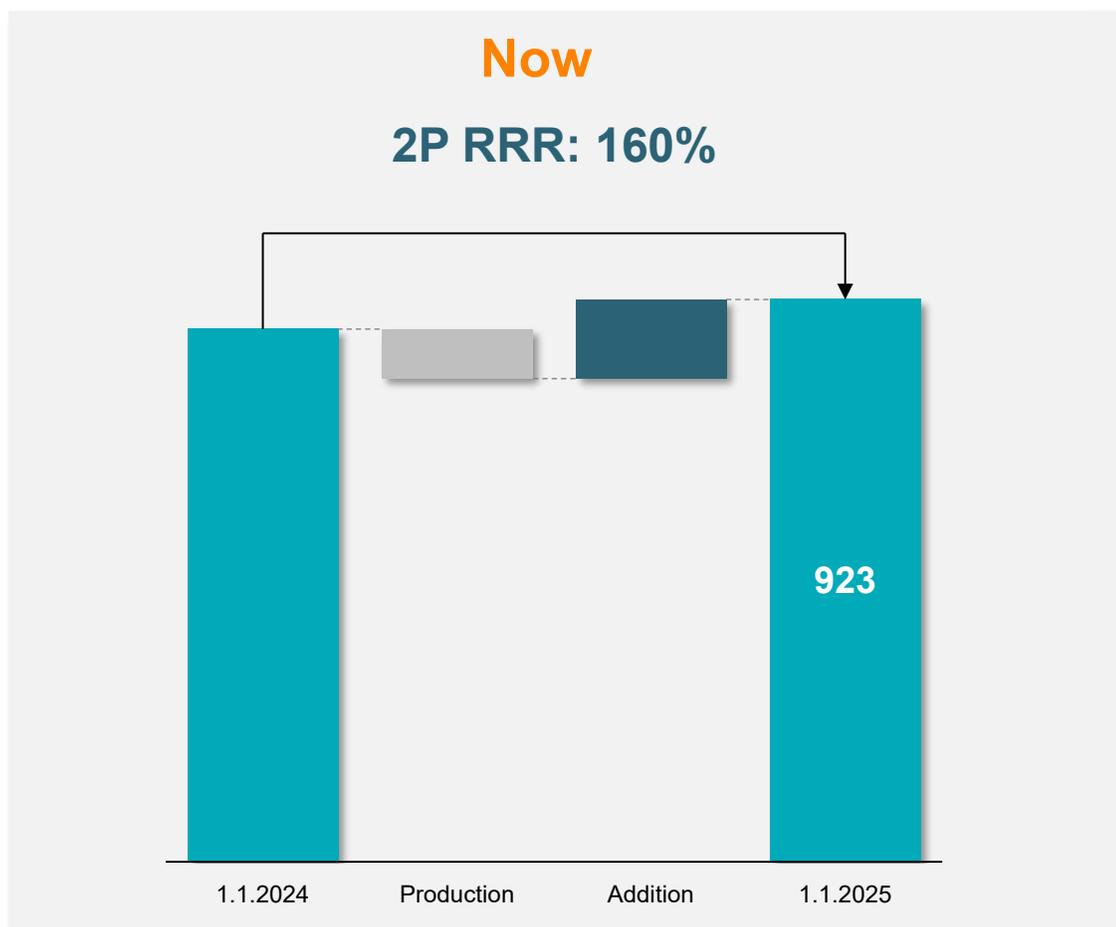
# Ability to Deliver in a Low Price Environment Differentiates OQEP

% price movement



Note: From 1 January 2025 to 1 March 2026

# Sustaining Growth through Active Reserves Replacement > 100%



## 2025 Initiatives for the Future

- New and amended petroleum agreements securing **future growth**: Blocks 53, 54, 47 and 48
- **Active exploration** across Blocks 60, 48, 11, 47 and 54, with initial findings showing positive results
- Secured new **Long-Term GSA** Block 65 and GSA Marsa LNG
- Three MOUs signed with Turkish Petroleum Corporation, Petronas, and CNPC.
- **Marketing of 15 Blocks** together with the Ministry of Energy and Minerals
- Advancing the MOU with Petronas into the **Block 18** Offshore Concession Agreement

<sup>1</sup> As of 1 January 2025

<sup>2</sup> GSA: Gas Sales Agreement

QQEP

# GROWTH STRATEGY



# 2030 Strategy: Creating a Global Energy Champion

## PURPOSE

Energize Sustainable Progress -  
Delivering reliable, lower-carbon  
energy and resilient value

## VISION

To become the global energy  
champion of choice by  
maximizing stakeholders value  
through growth and innovation



## MISSION

Build on Oman's potential and expand internationally  
Maintain business resilience while delivering a robust portfolio, and  
improving our operational, financial and people excellence

# 2030 Strategic Drivers

01

## Grow cash flow

To enhance dividends and deliver sustainable shareholder returns

02

## Sustain long-term growth

By adding new reserves (RRR > 100%) and expanding the portfolio.

03

## Diversify the upstream base

To enhance resilience across geographies and commodity mix (oil + gas).



### Oman Expansion

## Maximizing the Domestic Opportunity

Strategic Driver: Oman Vision 2040



Growing oil and domestic need for gas to fuel Oman's industrial and to supply planned increase in LNG exports



Integrating value chains to capture value and decarbonisation



Developing Oman's growing leadership in advanced E&P technology to build Omani talent



Drive cash flows and returns

### International Expansion

## Securing Growth, Building Resilience

Strategic Driver: Diversification



Diversification of asset portfolio in relevant geography regions



Supplying the growing demand for oil globally as energy needs increase due to urbanization and electrification



Capital deployment to low-risk, producing, cash generative minority positions to drive cash flow and returns



Transfer and deployment of OQEP's operational capabilities and projects excellence into new horizons

# 2030 Strategy: Growth Pillars

2026

2030

01

## Ambition 300kboepd

2030 ambition of ~300 kboepd production

Maintain reserves replenishment at 100% level



02

## Domestic & International Growth

Domestic growth complemented by international expansion through disciplined M&A

Leverage Government and existing strategic partners



03

## Financial Discipline

Prudent leverage of Net Debt/EBITDA below 1.5x enables growth strategy and ensuring a robust financial position at all times



04

## Dividends

Continue to deliver shareholder return for 2027 and beyond with dividend payment ranging between 25-35% of cashflow from operations (CFFO)





# 2026 OUTLOOK



# Full Year 2026 Guidance

## Production



- 220 – 230 kboepd, net working interest
- Production mix, Oil/Gas: 54%/46%

## Operating Expenditure



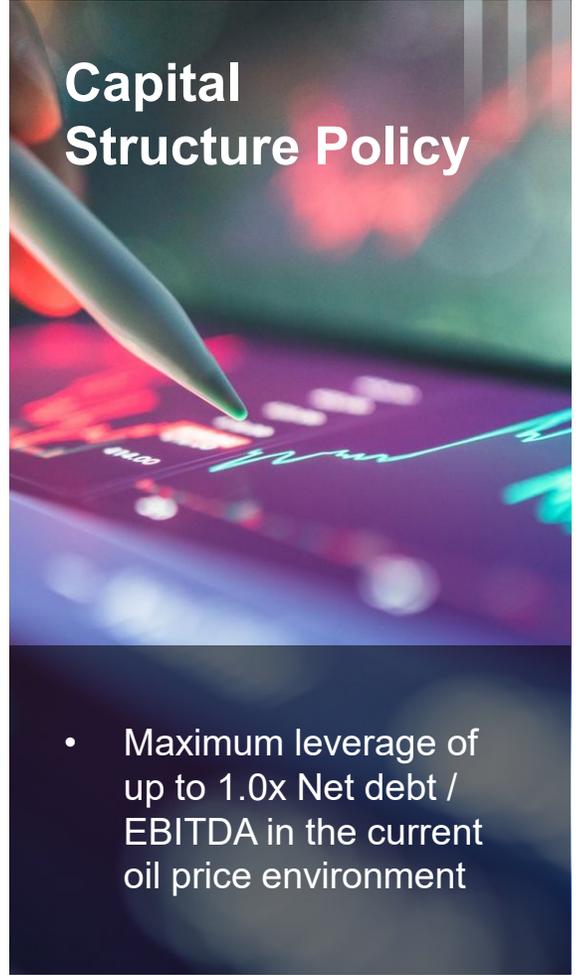
- Less than US\$10/boe

## Capital Expenditure



- US\$0.8 – US\$0.9 billion, net working interest

## Capital Structure Policy



- Maximum leverage of up to 1.0x Net debt / EBITDA in the current oil price environment

OQEP

Q&A



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# APPENDIX



# Summary Financial Performance: Year-on-Year

Operational	FY 2025	FY 2024	Variance
Oil and Condensate sales volume (mmbbl)	21.7	20.3	6.9%
Average realized sales price (\$/bbl)	70.7	80.8	-12.5%
Gas sales volume (bscf)	121.2	124.2	-2.4%
Average realized sales price (\$/mscf)	3.46	3.46	0.0%

Financial	FY 2025 \$'000	FY 2024 \$'000	Variance
Revenue <sup>2</sup>	1,159,012	1,242,756	-6.7%
Gross Profit <sup>2</sup>	657,024	719,855	-8.7%
EBITDA <sup>2</sup>	941,084	1,010,969	-6.9%
Net Profit	278,036	326,563	-14.9%
Adjusted Cash Flow from Operations <sup>1</sup>	540,538	502,908	7.5%
Capital Expenditure	257,541	245,633	4.8%
Net Debt	222,774	222,652	0.1%
ROCE <sup>2</sup>	50.6%	49.9%	1.5%

<sup>1</sup> Adjusted cash flow from operations represent net cash from operating activities excluding working capital changes

<sup>2</sup> The Company has revised the presentation of taxes under its EPSAs. Effective 2025, this notional tax is presented as an income tax in accordance with IAS 12, resulting in a gross-up of revenue (as EPSA Tax Revenue) with a corresponding tax expense; the change has no impact on Net Profit and EPS.

<sup>3</sup> OQEP divested its ownership in Abraj in a transfer to OQ SAOC, OQEP's Holding Company, in July 2024 as part of OQEP's IPO.

## YEAR ON YEAR ANALYSIS

OQEP delivered strong operational and financial results during 2025. Despite the drop in average oil prices by US\$10.1/bbl (12.5%) as compared to the same period in 2024, OQEP managed to increase its oil and condensate sales by around 1.4 million barrels, which helped OQEP significantly to mitigate the impact of the oil prices drop in Revenue

Gross Profit affected by lower Revenue offset with lower cost of sales

Strong EBITDA margin of 81%<sup>2</sup> maintained; FY 2025 Net Profit affected by lower oil price, higher finance costs and exclusion of ABRJ Net Profit<sup>3</sup>.

Low-cost structure drives 7.5% increase in Adjusted Cash Flow from Operations.

Capex increase of 4.8% due to completion of Bisat C Expansion and Bisat Power Plan project

The balance sheet remains solid and broadly unchanged on a year-over-year basis, maintaining a strong equity base and stable net leverage ratio at 0.24x EBITDA<sup>2</sup>

ROCE 50.6% top quartile returns for E&P globally

# Summary Financial Performance: Quarter-on-Quarter

Operational	Q4-25	Q3-25	Variance
Oil and Condensate sales volume (mmbbl)	4.6	5.7	-19.4%
Average realized sales price (\$/bbl)	64.9	68.3	-5.0%
Gas sales volume (bscf)	29.6	32.2	-7.8%
Average realized sales price (\$/mscf)	3.45	3.51	-1.7%

Financial	Q4-25 \$ '000	Q3-25 \$ '000	Variance
Revenue <sup>2</sup>	250,246	296,692	-15.6%
Gross Profit <sup>2</sup>	141,164	167,422	-15.7%
EBITDA <sup>2</sup>	194,853	244,792	-20.4%
Net Profit	41,167	70,231	-41.4%
Adjusted Cash Flow from Operations <sup>1,4</sup>	115,727	127,354	-9.1%
Capital Expenditure	58,860	78,447	-25.0%
Net Debt	222,774	222,106	0.3%
ROCE <sup>2</sup>	38.7%	46.9%	-17.5%

<sup>1</sup> Adjusted cash flow from operations represent net cash from operating activities excluding working capital changes

<sup>2</sup> The Company has revised the presentation of taxes under its EPSAs. Effective 2025, this notional tax is presented as an income tax in accordance with IAS 12, resulting in a gross-up of revenue (as EPSA Tax Revenue) with a corresponding tax expense; the change has no impact on Net Profit and EPS.

<sup>3</sup> OQEP divested its ownership in Abraj in a transfer to OQ SAOC, OQEP's Holding Company, in July 2024 as part of OQEP's IPO.

<sup>4</sup> Reclassified Lease Receipt from Working Capital to Cash Flow from Investing

## QUARTER ON QUARTER ANALYSIS

Lower volumes due to oil and condensate underlift adjustment: 1.1m/bbl of production not lifted or sold booked as Inventory on balance sheet

Gross profit declined due to lower Revenue, despite an  $\downarrow$  20 million reduction in cost of sales in Q4 2025; EBITDA margin remained strong at 78%

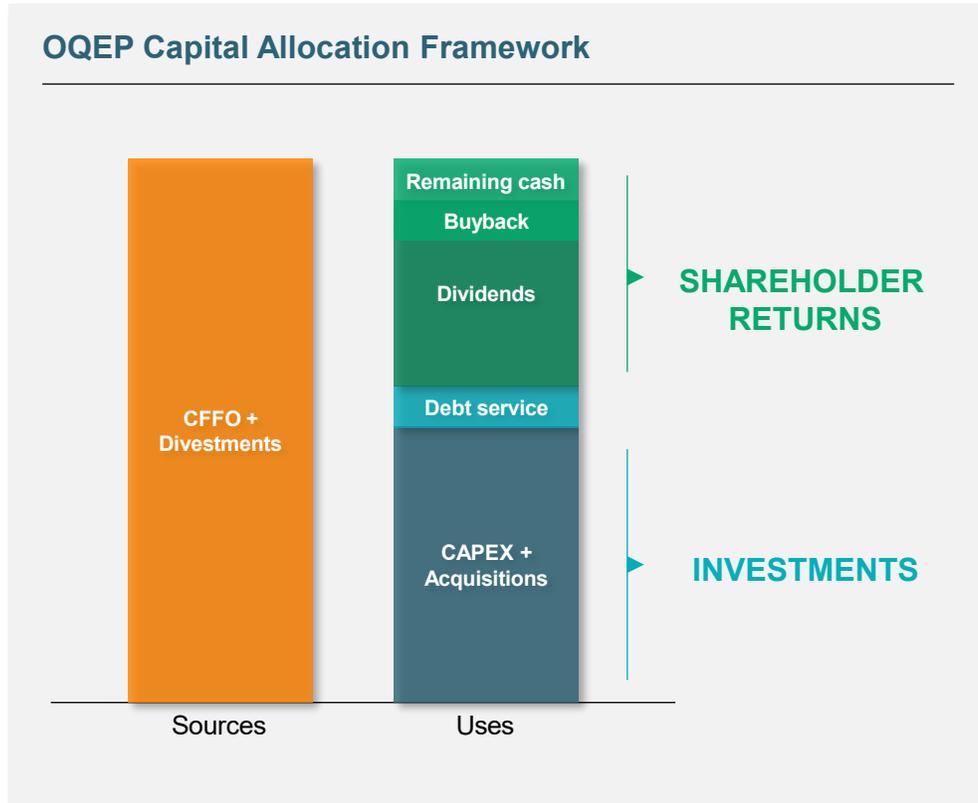
Higher administrative expenses and the reversal of excess site-restoration provisions in Q4 2025 contributed to lower net profit for the quarter

Capex decreased in Q4 2025 following the completion of Bisat C Expansion in Q3 2025

Net debt remained stable in Q4 2025, supported by a steady cash balance despite the dividend payment in November

ROCE decreased to 38.7%, driven by lower Revenue.

# 2024-2026 Capital Allocation Framework



### Shareholder Returns



#### Base Dividend

- Annual base dividend equivalent to ~\$ 230.7 million
- Paid quarterly.



#### Performance Linked Dividend (“PLD”)

- PLD equal to 90% of expected free cash flow, plus proceeds from asset disposals, minus the base dividend.
- PLD based on first half and second half annual performance.
- Subject to performance and market conditions.



#### Share Buybacks

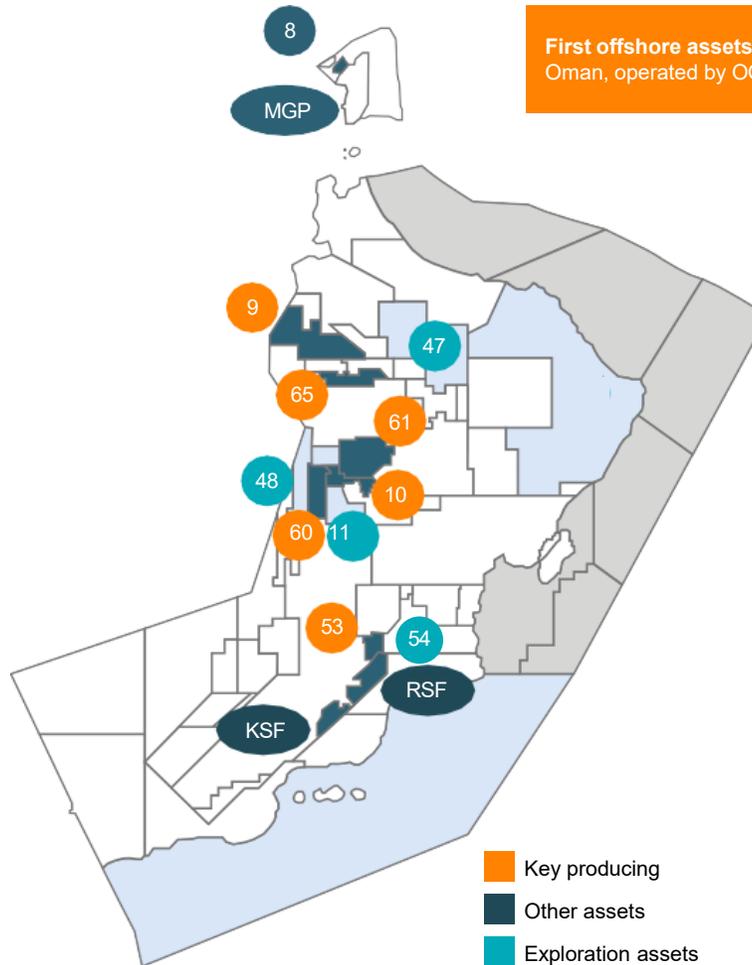
- Following an amendment to QOEP’s Articles of Association, approved at an EGM held on 24 June 2025, the Company is authorized to purchase its own shares.
- Share buybacks do not form part of QOEP’s Dividend Policy.



# High Quality Asset Portfolio in Partnership

KEY PRODUCING ASSETS

 <b>Block 60</b> <b>60%</b> Flagship producing asset	 <b>Block 61</b> <b>30%</b> 33% <sup>3</sup> of Oman's gas production
 <b>Block 65</b> <b>49%</b> Fast-tracked production in <3 years	 <b>Block 53</b> <b>20%</b> Largest thermal EOR in the Middle East
 <b>Block 9</b> <b>45%</b> 10% <sup>3</sup> of Oman's oil production	  <b>Block 10</b> <b>20%</b> First integrated gas- to- LNG



■ Key producing  
■ Other assets  
■ Exploration assets  
■ ■ ■ OQEP WI Stake

## Other Assets<sup>4</sup>

<b>Block 8<sup>1</sup></b>		<b>100%</b>
<b>MGP<sup>2</sup></b>		<b>100%</b>
<b>RSF<sup>1</sup></b>		<b>25%</b>
<b>KSF<sup>1</sup></b>		<b>25%</b>

## Exploration assets<sup>5</sup>

	<b>Block 11</b> <b>10%</b>	 High potential gas discovery
<b>Block 48</b>	 <b>60%</b>	
<b>Block 54</b>	 <b>60%</b>	
<b>Block 47</b>	 <b>10%</b>	

Source: Wood Mackenzie  
<sup>1</sup> Under Service contract  
<sup>2</sup> Tariff arrangement

<sup>3</sup> Wood Mackenzie, 2023  
<sup>4</sup> Other assets include a long-term sale and purchase arrangement in respect of gas imported to Oman from the Dolphin field in Qatar  
<sup>5</sup> Other exploration assets include Block 30 and 62 which are currently in an exit process

# Sustainability & ESG Achievements 2025



## Driving Robust Environmental Management

Independent **audit** to ensure environmental compliance to **local regulation**

Engaged **1,671** employees and contractors for Earth Hour to save **>5.5 MWh of energy**

Switching to alternative packaging material to significantly **reduce waste**



## Empowering a Motivated & Diverse Workforce

**Development plans** and **leadership programs** for leaders and individual contributors

**Low employee turnover of 3%** since 2024

**Omanisation** plan and strategy with target to be maintain at **>90%**



## Supporting Local Communities & Creating ICV

Introducing **ESG** and **sustainability evaluation** for **suppliers**

Designing and manufacturing of the **largest inlet separator** in B60 by **Omani SME**

More than **20K beneficiaries** from CSI



## Advancing GHG Management & Energy Efficiency

Preparation for **ISO 5001** certification, including **Energy Policy** and **Energy Management Team**

Connecting to the **national grid** for cleaner permanent power supply in B60

**Renewable energy** through **JVs**: B9 to utilize solar energy supplied by OQAE



## Upholding Ethics, Strong Governance & Transparency

OQEP **QHSSE** and **Sustainability policies** both signed by BoD

Ethics ambassadors activated for OQEP, training employees on **COI, ABC, and Whistleblowing**

Published 1st standalone **sustainability report** in 2025 & MSX ESG report

# Three Types of Commercial Arrangements for Assets

	Key Assets	High-level Description
<p><b>Exploration and production sharing agreement (“EPSA”)</b></p>	<div style="display: flex; flex-wrap: wrap; justify-content: space-around;"> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 60</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 61</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 9</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 53</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 65</div> </div>	<p>Under EPSA, the Government of Oman gives permission to a contractor to explore and develop hydrocarbons in a specified area (Blocks) for a given period</p> <p>In return, the contractor provides a portion of the hydrocarbons to the government i.e. a profit share</p>
<p><b>Concession agreement</b></p>	<div style="border: 1px solid black; padding: 5px; margin: 5px; width: fit-content;">Block 10</div> <p>Independent monetisation and commercial opportunity</p>	<p>Similarly, government grants permission to contractor to develop natural resources in a given area, however, the proceeds to the government are governed by royalty and tax</p>
<p><b>Service contract</b></p>	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 5px; margin: 5px;">KSF</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">RSF</div> <div style="border: 1px solid black; padding: 5px; margin: 5px;">Block 8</div> </div>	<p>The contractor has no ownership in the resources developed, but instead receives a contracted fee in exchange for operation or assistance in the hydrocarbon production</p>

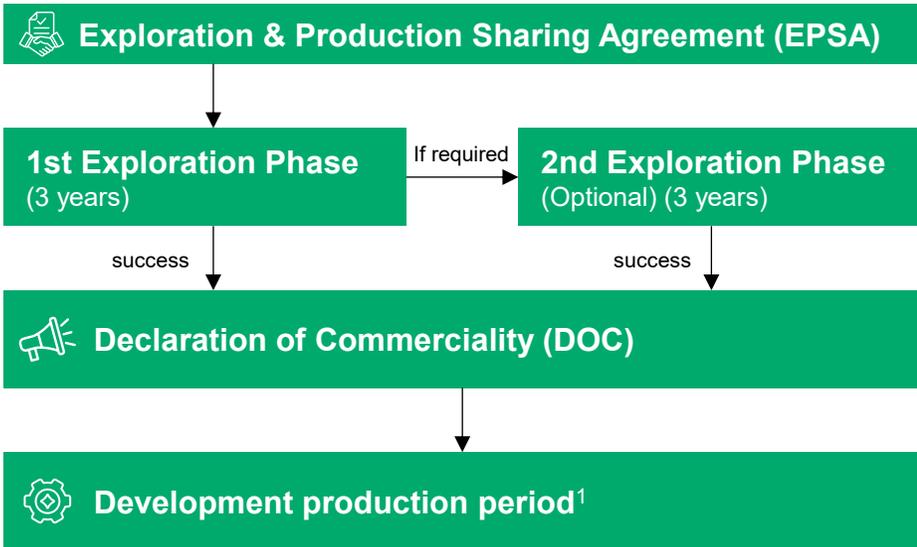
Source: Company information



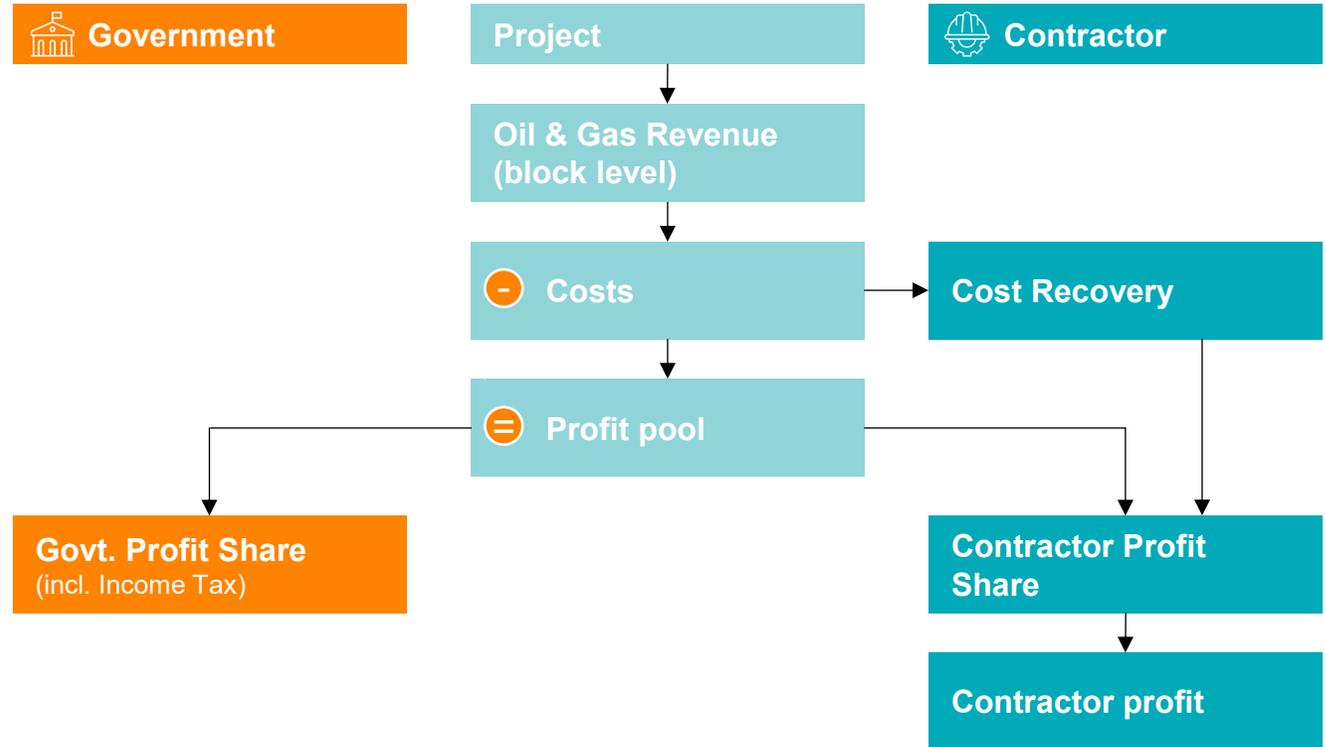
# Omani EPSA Model Overview



## Illustrative EPSA process



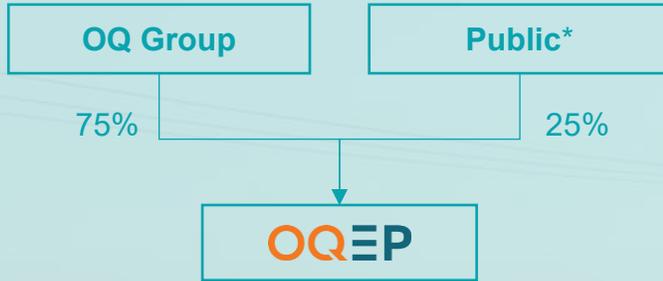
## Illustrative waterfall of EPSA fiscal terms



Source: Company information

<sup>1</sup> Typical development production period; Gas (25-30 years) and Oil (15+5 years)

# OQEP.OM



Market and Corporate Data	
<b>IPO Date</b>	October 2024 Shariah Compliant IPO Deal of the Year 2024 by IFN
<b>Market cap<sup>1</sup> (100%)</b>	~US\$ 9.6 billion
<b>Average 3M Daily Volume<sup>1</sup></b>	~17 million
<b>Indices (Weight)</b>	MSCI Oman (18%) FTSE Oman (15%) MSX30 (10%) Dow Jones Islamic Market Global ex. Americas USD Index (0.013%)

\* Including treasury shares (less than 1%)

<sup>1</sup> As of March 1, 2026

## Dividend History

Cut Off Date	Frequency	Amount ( )	Type
10 Dec 2024	Quarterly	0.00721	Cash
12 Mar 2025	Quarterly	0.00721	Cash
23 May 2025	Quarterly	0.00721	Cash
28 Aug 2025	Quarterly	0.00721	Cash
28 Aug 2025	Quarterly	0.00721	Cash
1 Sep 2025	H125 PLD (1 <sup>st</sup> instalment)	0.00276	Cash
13 Nov 2025	H125 PLD (2 <sup>nd</sup> instalment)	0.00276	Cash

## Recent Sell Side Investment Research

Company	Analyst	Recommendation	Target Price ( )
Arqaam Capital	Nour Eldin Sherif	Hold	0.395
HSBC	Ildar Khaziev	Buy	0.430
Oman Investment Bank	Boris Sinitsyn	Overweight	0.490
Ubhar Capital	Tahir Abbas	Buy	0.439



# Thank you

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