

OQ EXPLORATION AND PRODUCTION SAOG AND ITS SUBSIDIARIES

Condensed parent company and consolidated interim financial statements

for the nine months ended 30 September 2024

Registered office

P.O Box 200, P.C 102
Bawsher, Muscat
Sultanate of Oman

OQ EXPLORATION AND PRODUCTION SAOG

Condensed interim financial statements

for the nine months ended 30 September 2024 (Unaudited)

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OQ Exploration and Production SAOG and its Subsidiaries

Condensed consolidated interim statement of profit or loss and other comprehensive income

for the nine months period ended 30 September 2024

		Consolidated (Unaudited)			
		Three -month period ended		Nine -month period ended	
		30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	Notes	RO'000	RO'000	RO'000	RO'000
Continuing Operations					
Revenue	5	219,040	265,708	646,265	820,592
Cost of sales	6	(127,003)	(160,523)	(386,807)	(485,825)
Gross profit		92,037	105,185	259,458	334,767
Lease income	28	5,378	5,628	16,132	16,884
Other income	7.3	-	66	9,770	122
Administrative expenses	7.1	(11,722)	(12,335)	(26,327)	(28,806)
Operating profit		85,693	98,544	259,033	322,967
Finance income	7.2	1,990	2,136	7,850	6,565
Finance cost	8	(2,555)	(4,265)	(7,475)	(15,172)
Share of profit of joint venture	30	1,813	-	5,364	-
Profit before tax		86,941	96,415	264,772	314,360
Income tax expense	10	(1,213)	(461)	(3,296)	(2,013)
Profit from continuing operation		85,728	95,954	261,476	312,347
Profit from discontinued operation	37	-	-	10,670	11,050
Profit for the period		85,728	95,954	272,146	323,397
Other comprehensive loss:					
Items that may be reclassified subsequently to profit or					
profit or					
Effective portion of changes in fair value of cash flow hedges – net of tax for period	35	-	(1,554)	-	(1,554)
Currency translation differences		(388)	-	(1,194)	-
Items not to be reclassified to profit or loss in subsequent periods					
Remeasurements of the defined benefit liability	24	-	-	(318)	(21)
Other comprehensive loss for the period		(388)	(1,554)	(1,512)	(1,575)
Total comprehensive income for the period		85,340	94,400	270,634	321,822
Profit for the period attributable to:					
Equity holders of the Parent Company		85,728	95,954	266,918	317,983
Non-controlling interest		-	-	5,228	5,414
Total comprehensive income for the period attributable to:					
Equity holders of the Parent Company		85,340	94,400	265,406	316,408
Non-controlling interest		-	-	5,228	5,414
Earnings per share					
Basic and diluted earnings per share (Baizas)	36	10.72	11.99	33.36	39.75
Earnings per share - continuing operations					
Basic and diluted earnings per share (Baizas)	36	10.72	11.99	32.68	39.04

Independent Auditors' report on review of condensed interim financial statements is set forth on pages 1(a) – 1(b).

OQ Exploration and Production SAOG and its Subsidiaries

Condensed parent company interim statement of profit or loss and other comprehensive income

for the nine months period ended 30 September 2024

		Parent Company (Unaudited)			
		Three -month period ended	30-Sep-23	Nine -month period ended	30-Sep-23
	Notes	30-Sep-24	RO'000	30-Sep-24	RO'000
Continuing Operations					
Revenue	5	150,472	194,509	448,974	631,628
Cost of sales	6	(100,051)	(101,390)	(308,272)	(375,311)
Gross profit		50,421	93,119	140,702	256,317
Lease income	28	5,378	5,628	16,132	16,884
Other income	7.3	107	63	18,090	48,078
Administrative expenses	7.1	(10,530)	(9,087)	(25,815)	(24,522)
Operating profit		45,376	89,723	149,109	296,757
Finance income	7.2	2,046	2,136	7,895	6,477
Finance cost	8	(2,513)	(4,089)	(7,350)	(13,579)
Profit before tax		44,909	87,770	149,654	289,655
Income tax expense	10	(425)	(225)	(1,345)	(1,070)
Profit for the period		44,484	87,545	148,309	288,585
Other comprehensive loss:					
Items that may be reclassified subsequently to profit or loss					
Effective portion of changes in fair value of cash flow hedges – net of tax for period	35	-	(1,554)	-	(1,554)
Currency translation loss		(205)	-	(816)	-
Items not to be reclassified to profit or loss in subsequent periods					
Defined benefit obligation actuarial loss	24	-	-	(288)	(21)
Other comprehensive loss for the period		(205)	(1,554)	(1,104)	(1,575)
Total comprehensive income for the period		44,279	85,991	147,205	287,010
Earnings per share					
Basic and diluted earnings per share (Baizas)	36	5.56	10.94	18.54	36.07

Independent Auditors' report on review of condensed interim financial statements is set forth on pages 1(a) – 1(b).

OQ Exploration and Production SAOG and its Subsidiaries

Condensed parent company and consolidated interim statement of financial position

as at 30 September 2024

		Consolidated		Parent Company	
		30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	Notes	RO'000	RO'000	RO'000	RO'000
		(Un-audited)	(Audited)	(Un-audited)	(Audited)
Assets					
Non-current assets					
Oil and gas properties	12	877,798	930,569	388,228	385,407
Exploration and evaluation assets	13	5,967	6,675	2,055	4,819
Other property, plant and equipment	14	245	191,406	241	1
Right of use assets	27	25,355	40,751	23,934	35,249
Lease receivable	28	211,199	223,702	211,199	223,702
Deferred consideration	18	38,108	36,214	38,108	36,214
Interest in joint venture	30	8,389	-	-	-
Deferred tax assets	10	146	-	146	-
Intangible assets	15	1	232	-	-
Investments in subsidiaries	29	-	-	194,462	363,345
Other non-current assets		-	4,701	-	-
Total non-current assets		1,167,208	1,434,250	858,373	1,048,737
Current assets					
Inventories	16	66,033	99,087	56,670	65,124
Trade and other receivables	17	434,494	227,621	231,909	159,998
Advances and prepayments	19	986	13,831	106	548
Deferred consideration – Current	18	7,690	7,702	7,690	7,702
Lease receivable – current	28	9,248	5,822	9,248	5,822
Derivatives	35	-	1,554	-	1,554
Due from related party	34	28,983	-	92,875	89,062
Cash and cash equivalent	20	136,896	246,764	92,522	205,982
Restricted cash	21	-	10,079	-	10,081
Total current assets		684,330	612,460	491,020	545,873
Total assets		1,851,538	2,046,710	1,349,393	1,594,610
Equity and liabilities					
Equity					
Share capital	22.1	80,000	250	80,000	250
Statutory reserve		15,431	84	14,915	84
Hedging reserves		1,554	1,554	1,554	1,554
Other reserves		21,036	24,505	33,327	3,475
Capital reserves		103,041	103,041	103,041	103,041
Subordinated loans	22.4	-	532,774	-	532,774
Currency translation loss		(1,194)	-	(816)	-
Retained earnings		697,041	637,419	365,630	424,065
Equity attributable to equity holders of the parent		916,909	1,299,627	597,651	1,065,243
Non-controlling Interest		-	71,431	-	-
Total equity		916,909	1,371,058	597,651	1,065,243
Non-current liabilities					
Bank borrowings	23	382,617	72,060	382,617	-
Employees' end of service benefits	24	1,085	3,136	1,027	874
Provision for site restoration and abandonment	25	43,026	39,606	40,634	37,333
Lease liabilities	27	11,063	18,657	11,063	15,086
Other non-current liabilities		-	1,539	-	1,540
Deferred tax liabilities	10	-	3,870	-	47
Deferred income	31	3,339	8,368	3,339	7,218
Total non-current liabilities		441,130	147,236	438,680	62,098
Current liabilities					
Intercompany loans and borrowings		-	-	49,423	83,382
Bank borrowings	23	-	102,001	-	88,770
Lease liabilities	27	6,031	10,748	6,031	8,540
Accounts payables and accrued liabilities	26	477,738	328,478	252,705	207,468
Income tax payable	10	9,730	87,189	4,903	79,109
Total current liabilities		493,499	528,416	313,062	467,269
Total liabilities		934,629	675,652	751,742	529,367
Total equity and liabilities		1,851,538	2,046,710	1,349,393	1,594,610

Chief Financial Officer

Board Member

Chairman

The condensed interim financial statements were approved by the shareholders and authorized for issue on _____. The accompanying notes on pages 8-48 form an integral part of these financial statements.

Independent Auditors' report on review of condensed interim financial statements is set forth on pages 1(a) – 1(b).

OO Exploration and Production SAOG and its Subsidiaries

Condensed parent company and consolidated statement of cashflows

for the nine months period ended 30 September 2024

		Consolidated		Standalone	
	Notes	30-Sep-24 RO'000 (Un-audited)	30-Sep-23 RO'000 (Un-audited)	30-Sep-24 RO'000 (Un-audited)	30-Sep-23 RO'000 (Un-audited)
Cash flows from operating activities					
Profit after taxation		272,146	323,397	148,309	288,585
Adjustments for:					
Depreciation, depletion and amortization	9	204,251	295,642	146,695	216,435
Provision for obsolescence of inventories	6	665	-	665	-
Liabilities no longer payable	7.3	(9,770)	-	(9,770)	-
Exploration and evaluation assets written off block 42	6	2,828	-	2,828	-
Provision for impairment on exploration and evaluation assets of block 52	6	6,502	-	6,502	-
Employees' end of service benefits charge for the period	24	409	1,115	136	623
Deferred income	31	(5,029)	2,063	(3,879)	(1,630)
Interest on borrowings	40	3,081	13,437	3,081	9,329
Unwinding of discount on provision site restoration and abandonment costs	8	3,483	2,502	3,358	1,665
Interest on lease liabilities	40	911	3,187	911	2,523
Finance income	7.2	(7,850)	(6,565)	(7,895)	(6,477)
Share of profit of joint venture	30	(5,364)	-	(5,364)	-
Dividend income	7.3	-	-	(8,327)	(7,856)
Gain on divestment of shares of subsidiary	7.3	-	-	-	(40,222)
Income tax	10	3,296	2,013	1,345	1,070
Lease income	28	(5,378)	(5,628)	(5,378)	(5,628)
Operating cashflows before working capital changes		464,181	631,163	273,217	458,417
Working capital adjustments:					
Trade and other receivables (including advances and prepayments)	17	(275,275)	39,729	(71,469)	29,654
Due from related parties		-	-	(3,813)	(22,199)
Due to related parties		-	-	(33,959)	10,113
Inventories	16	9,268	4,656	8,454	3,992
Deferred consideration	18	(1,882)	-	(1,882)	-
Accounts payable and accrued liabilities	26	176,998	(129,443)	44,260	(15,053)
Lease receivable gross	28	14,456	16,304	14,456	16,304
Cashflows generated from operating activities		387,746	562,409	229,264	481,228
End of service benefits paid	24	(333)	(853)	(269)	(1,244)
Income tax paid		(78,528)	(2,874)	(76,667)	(2,011)
Net cash from operating activities		308,885	558,682	152,328	477,973
Cash flows from investing activities					
Expenditures on oil and gas assets and exploration assets	12,13	(184,595)	(187,342)	(145,428)	(148,109)
Proceed from disposal of shares of subsidiary		-	87,090	-	69,309
Interest on bank deposit	7.2	5,816	6,422	5,816	6,421
Dividend income	7.3	-	-	8,327	7,856
Net cash used in investing activities		(178,779)	(93,830)	(131,285)	(64,523)
Cash flows from financing activities					
Borrowings received during the period	40	382,617	65,877	382,617	-
Repayment of subordinated loan	40	(461,313)	(346,613)	(461,313)	(346,613)
Repayment of loan	40	(88,770)	(160,163)	(88,770)	(87,452)
Repayment of lease liabilities-principal portion	40	(6,497)	(13,264)	(6,497)	(11,928)
Adjustment of sub-ordinated loan against Abraj common control transaction	40	71,461	-	-	-
Decrease in subordinated loan to subsidiary		-	-	168,883	59,979
Dividend paid	11	(115,350)	-	(115,350)	-
Interest paid -including interest on lease liability	40	(3,992)	(16,624)	(3,992)	(11,852)
Restricted cash		(10,079)	(1,568)	(10,081)	(1,568)
Net cash used in financing activities		(231,923)	(472,355)	(134,503)	(399,434)
Net change in cash and cash equivalents		(101,817)	(7,503)	(113,460)	14,016
Cash and cash equivalents at beginning of the period		238,713	170,148	205,982	124,176
Cash and cash equivalents at the end of the period		136,896	162,645	92,522	138,192

Independent Auditors' report on review of condensed interim financial statements is set forth on pages 1(a) – 1(b).

OQ Exploration and Production SAOG and its Subsidiaries

Condensed consolidated interim statement of changes in equity (unaudited)

for the nine months period ended 30 September 2024

Group	Share capital RO'000	Statutory reserve RO'000	Hedging reserve RO'000	Capital reserves RO'000	Other reserve RO'000	Subordinated loans RO'000	Currency translation reserve RO'000	Retained earnings RO'000	Equity attributable to equity holders RO'000	Non- controlling interest (NCI) RO'000	Total RO'000
At 1 January 2023 - audited	250	84	4,828	103,041	-	986,089	-	325,388	1,419,680	-	1,419,680
<i>Total comprehensive income for the period - un-audited</i>											
Net profit for the period	-	-	-	-	-	-	-	317,983	317,983	5,415	323,398
Changes in fair value on cashflow hedges – net of tax for period	-	-	(1,554)	-	-	-	-	-	(1,554)	-	(1,554)
Remeasurements of the defined benefit liability	-	-	-	-	-	-	-	(21)	(21)	-	(21)
<i>Transactions with owners of the Company- un-audited</i>											
<i>Contributions and distributions</i>											
Repayment of subordinated loan	-	-	-	-	-	(346,613)	-	-	(346,613)	-	(346,613)
<i>Changes in ownership interests</i>											
NCI at time of disposal of 49% shares of subsidiary	-	-	-	-	-	-	-	-	-	72,141	72,141
Reserve on divestment of 49% shares of subsidiary	-	-	-	-	21,030	-	-	-	21,030	-	21,030
At 30 September 2023 - un-audited	<u>250</u>	<u>84</u>	<u>3,274</u>	<u>103,041</u>	<u>21,030</u>	<u>639,476</u>	<u>-</u>	<u>643,350</u>	<u>1,410,505</u>	<u>77,556</u>	<u>1,488,061</u>
 At 1 January 2024 - audited	250	84	1,554	103,041	24,505	532,774	-	637,419	1,299,627	71,431	1,371,058
<i>Total comprehensive income for the period - un-audited</i>											
Net profit for the period	-	-	-	-	-	-	-	266,918	266,918	5,228	272,146
Remeasurements of the defined benefit liability	-	-	-	-	-	-	-	(318)	(318)	-	(318)
Currency translation differences	-	-	-	-	-	-	(1,194)	-	(1,194)	-	(1,194)
<i>Transactions with owners of the Company- un-audited</i>											
<i>Contributions and distributions</i>											
Increase in share capital (note 22.1)	79,750	-	-	-	-	-	-	(79,750)	-	-	-
Adjustment of sub-ordinated loan against transfer of 51% shares of Abraj to OQSAOC (note 37.1)	-	-	-	-	-	(71,461)	-	-	(71,461)	-	(71,461)
Repayment of subordinated loan	-	-	-	-	-	(461,313)	-	-	(461,313)	-	(461,313)
Dividends paid (note 10)	-	-	-	-	-	-	-	(115,350)	(115,350)	(8,001)	(123,351)
<i>Changes in ownership interests</i>											
Elimination of NCI on transfer of 51% shares of Abraj to OQSAOC	-	-	-	-	-	-	-	-	-	(68,658)	(68,658)
<i>Other movements</i>											
Transfer to retained earnings	-	-	-	-	(3,469)	-	-	3,469	-	-	-
Transfer to legal reserve (note 22.2)	-	15,347	-	-	-	-	-	(15,347)	-	-	-
At 30 September 2024- un-audited	<u>80,000</u>	<u>15,431</u>	<u>1,554</u>	<u>103,041</u>	<u>21,036</u>	<u>-</u>	<u>(1,194)</u>	<u>697,041</u>	<u>916,909</u>	<u>-</u>	<u>916,909</u>

OQ Exploration and Production SAOG and its Subsidiaries

Condensed parent company interim statement of changes in equity (unaudited)

for the nine months period ended 30 September 2024

Parent	Share capital RO'000	Statutory reserve RO'000	Capital reserve RO'000	Hedging reserve RO'000	Other reserve RO'000	Subordinated loans RO'000	Currency translation reserve RO'000	Retained earnings RO'000	Total equity RO'000
At 1 January 2023 - audited	250	84	103,041	4,828	-	986,089	-	121,646	1,215,938
<i>Total comprehensive income for the period - un- audited</i>									
Net profit for the period	-	-	-	-	-	-	-	288,585	288,585
Changes in fair value on cashflow hedges – net of tax for period	-	-	-	(1,554)	-	-	-	-	(1,554)
Remeasurements of the defined benefit liability	-	-	-	-	-	-	-	(21)	(21)
<i>Transactions with owners of the Company- un- audited</i>									
<i>Contributions and distributions</i>									
Repayment of subordinated loan	-	-	-	-	-	(346,613)	-	-	(346,613)
At 30 September 2023 - un-audited	250	84	103,041	3,274	-	639,476	-	410,210	1,156,335
At 1 January 2024 - audited	250	84	103,041	1,554	3,475	532,774	-	424,065	1,065,243
<i>Total comprehensive income for the period - un- audited</i>									
Net profit for the period	-	-	-	-	-	-	-	148,309	148,309
Remeasurements of the defined benefit liability	-	-	-	-	-	-	-	(288)	(288)
Currency translation difference	-	-	-	-	-	-	(816)	-	(816)
<i>Transactions with owners of the Company- un- audited</i>									
<i>Contributions and distributions</i>									
Increase in share capital (note 22.1)	79,750	-	-	-	-	-	-	(79,750)	-
Adjustment of sub-ordinated loan against transfer of 51% shares of Abraj to OQSAOC (note 37.1)	-	-	-	-	-	(71,461)	-	-	(71,461)
Repayment of subordinated loan	-	-	-	-	-	(461,313)	-	-	(461,313)
Dividends paid (note 10)	-	-	-	-	-	-	-	(115,350)	(115,350)
<i>Changes in ownership interests</i>									
Reserve on transfer of 51% shares of Abraj to OQSAOC	-	-	-	-	33,327	-	-	-	33,327
<i>Other movements</i>									
Transferred to the retained earning	-	-	-	-	(3,475)	-	-	3,475	-
Increase in legal reserve(note 22.2)	-	14,831	-	-	-	-	-	(14,831)	-
At 30 September 2024- un-audited	80,000	14,915	103,041	1,554	33,327	-	(816)	365,630	597,651

Independent Auditors' report on review of condensed interim financial statements is set forth on pages 1(a) – 1(b).

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements

for the nine months ended 30 September 2024 (unaudited)

1 Corporate and general information

Legal status and principal activities

OQ Exploration and Production SAOG (the “Parent Company” or “OQEP” or the “Company”) is public joint stock company registered in the Sultanate of Oman. The Parent Company was incorporated on 20 May 2009. The Parent Company was a limited liability Company till 31 December 2023. On 30 July 2024, the Parent Company transferred from a limited private company to a closed joint stock company. Further on 23 October 2024, OQEP successfully listed its shares in a secondary sale and become public joint stock Company. The registered address of the Parent Company is P O Box 200, Muscat Governorate, Bawshar, Postal Code 102, Muscat, Sultanate of Oman). The immediate parent of the Group is OQ SAOC (the “Holding Company”), a closed joint stock company registered in the Sultanate of Oman which is wholly owned by the Oman Investment Authority (“OIA” or the shareholder) which is ultimately owned and controlled by the Government of the Sultanate of Oman. OQ SAOC (“the Holding Company”) owns 75% of the shares of OQ EP and remaining 25% of the shares has been issued to the general public in secondary sale as part of the initial public offering during the period.

The Parent Company, together with its subsidiaries (collectively the “Group”), is engaged in identifying, acquiring, managing, and operating interests in petroleum and other related enterprises. The list of subsidiaries of the Group are shown under Related Parties (refer note 29).

2 Basis of preparation

These condensed parent company and consolidated interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and the minimum disclosure requirements issued by the Capital Market Authority (“CMA”) now known as the Financial Services Authority (FSA). The accounting policies used in the preparation of the condensed parent company and consolidated interim financial statements are consistent with those used in the preparation of the annual parent company and consolidated financial statements for the year ended 31 December 2023 except for the adoption of new and amended standards as disclosed in note 4 below. The condensed parent company and consolidated interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with annual parent company and consolidated financial statements for the year ended 31 December 2023.

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

3 Change in accounting policy

Except as described below in note 4, the accounting policies used in the preparation of the condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2023. The interim financial information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

3.1 Functional and presentation currency

The functional currency of the Parent Company is US Dollar (“US\$”) which is the currency in which the majority of transactions are denominated, while the presentation currency is Omani Rial (“RO”) which is used to meet the requirement of the Financial Service Authority. The exchange rate used for conversion is US\$ 1 = RO 0.3845. RO is effectively pegged to US\$. Until December 31, 2023, management applied an exchange rate of USD 1 = OMR 0.3851 for currency conversions. Due to changes in the exchange rate over the period, the difference between the opening and closing rates has been recorded as a currency translation adjustment, reflected in other comprehensive income and in the statement of changes in equity. All financial information presented in RO has been rounded to the nearest thousands, unless otherwise indicated.

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

3.2 Estimates

The preparation of condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Company/Group's accounting policies and the key sources of estimating uncertainty were the same as those that were applied to the annual audit financial statements for the year ended 31 December 2023.

3.3 Significant agreements

The Group has following significant agreements:

- Block 9 Exploration and Production Sharing Agreement (EPSA) was entered in 23 Jan 2017 between Occidental Oman BV (participating interest 55%), and OQEP (participating interest 45%).
- Block 53 EPSA was entered on 21 June 2005 between Occidental Oman BV (47%), OQEP (participating interest 20%), Liwa Energy Limited (participating interest 15%), IOCL Exploration and Production Oman Limited (participating interest 17%) and Partex Oman Corporation (participating interest 1%).
- Block 60 EPSA was entered on 19 March 2011 with 100% participating interest. During the year 2023 the OQ EP sold 40% participating right to Medco Energi Oman (20%) and Medco Daya Oman (20%). At period end the OQEP has 60% participating right in the block 60.
- Block 47 EPSA was entered on 14 January 2019 between ENI Oman BV (90%), and OQEP (10%).
- Block 52 EPSA was entered between ENI Oman BV (55%), OQEP (15%) and Others (30%) on 14 November 2017.
- Block 65 (EPSA) was entered between Occidental Oman BV (participating interest 51%) and OQEP (participating interest 49%) on 16 December 2018.
- Block 48 (EPSA) was entered on 31 January 2017 by OQEP holds 100% of participative interest at that time but during the year 2023, the Parent Company has divested its 40% participative interest to Medco Energi Oman (20%) and Medco Daya Oman (20%) leaving 60% with the Company.
- Block 62 (EPSA) was entered in 22nd Nov 2008 between OQEP (participating interest 20%) and Occidental Oman Gas Company LLC (participating interest 80%).
- Block 61 EPSA was signed on 20 February 2014 with BP (60% participating interest) and Makarim Gas Development LLC (100% owned by OQEP LLC) had 40% interest. During the year 2018, Makarim Gas Development LLC had divested 10% interest to PC Oman Ventures Limited.
- Musandam Gas Plant entered into Supplemental Tariff Agreement on June 2012 between Government of Sultanate of Oman and
- Musandam Gas Plant LLC. Further there is a processing fee agreement between the OQEP, Government of Sultanate of Oman and Musandam oil and gas.
- Block 10 Concession Agreement was entered on 21 Dec 2021 between Almajd Gas Development (OQA, 13.36%), Shell Integrated Gas Oman (Shell, 53.45%), Marsa Liquefied Natural Gas LLC (Marsa LNG, 33.19%) and Shell Development Oman LLC (SDO, Operator). During the period, this has been converted from Joint Operation to Joint Venture.
- Block 11 (EPSA) was entered on 15 Sep 2022 between Shell Integrated Gas Oman BV (participating interest 67.5%), and Alizz Gas Development LLC (participating interest 10%) and Total Energies EP Oman (participating interest 22.5%).

The Parent Company also has gas purchase and sale contracts relating to the Dolphin field with Dolphin Energy Limited.

3.4 Activities of the Group

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

3.4 Activities of the Group *(continued)*

	Participating Interest		Operator	Activity
	30 September 2024	31 December 2023		
Block 60	60%	100%	OQEP	Exploration and production
Block 48	60%	100%	OQEP	Exploration
Block 9	45%	45%	Occidental	Exploration and production
Block 61	30%	30%	BP	Exploration and production
Block 62	20%	20%	Occidental	Exploration and production
Block 65	49%	49%	Occidental	Exploration
Karim small fields -Block 6	25%	25%	Medco	Production service agreement
Rima small fields – Block 6	25%	25%	Petrogas	Production service agreement
Block 53	20%	20%	Occidental	Exploration
Block 11	10%	10%	SDO	Exploration

All interests of less than 100% are Joint Operations.

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

4.1 Following are the standards that are effective from 1 January 2024.

Non-current liabilities with Covenants - Amendments to IAS 1 and Classification of Liabilities as Current or Non-current - Amendments to IAS 1.

Amendment to IAS 7 and IFRS 7, Supplier Finance Arrangements.

Amendments to IFRS 16, Lease liability in a sale and leaseback.

The Group has adopted Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1, as issued in 2020 and 2022. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024. They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period. This resulted in a change in the accounting policy for classification of liabilities that can be settled in a group entity's own shares (e.g. convertible notes issued by the Group). Previously the Group ignored all the counterparty conversion options when classifying the related liabilities as current or non-current. Under the revised policy, when a liability includes a counterparty conversion option that may be settled by a transfer of a group entity's own shares, the Group takes into account the conversion option in classifying the host liability as current or non-current except when it is classified as an equity component of a compound instrument. The Group's other liabilities were not impacted by the amendments.

Despite the change in policy, there is no retrospective impact on the comparative statement of financial position, as the Group had no outstanding convertible notes as at 31 December 2023.

4.2 New and revised IFRS issued but not yet effective

A number of new accounting standards and amendments to accounting standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted. The Group and the parent company have not early adopted any of the forthcoming new or amended accounting standards in preparing these condensed consolidated and separate interim financial statements.

The Group and the parent company is currently assessing the impact of the below not yet effective amendments on consolidated and separate financial statements:

New standards or amendments	Effective date
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/effective date deferred indefinitely

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

5 Revenue

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

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue recognised point-in-time				
Sale of oil and condensate	162,300	209,615	483,215	666,232
Sale of gas	43,854	40,244	124,424	113,284
	<u>206,154</u>	<u>249,859</u>	<u>607,639</u>	<u>779,516</u>
Revenue recognised over time				
Processing and service fees	12,886	15,849	38,626	41,076
Total revenue	<u>219,040</u>	<u>265,708</u>	<u>646,265</u>	<u>820,592</u>
Primary geographical markets				
Export – United Arab Emirates	162,300	209,615	483,215	666,232
Local – Sultanate of Oman	56,740	56,093	163,050	154,360
	<u>219,040</u>	<u>265,708</u>	<u>646,265</u>	<u>820,592</u>
Parent Company only				
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Revenue recognised point-in-time				
Sale of oil and condensate	137,714	183,459	409,934	598,129
Sale of gas	1,029	1,178	2,562	5,057
	<u>138,743</u>	<u>184,637</u>	<u>412,496</u>	<u>603,186</u>
Revenue recognised over time				
Processing and service fees	11,729	9,872	36,478	28,442
Total revenue	<u>150,472</u>	<u>194,509</u>	<u>448,974</u>	<u>631,628</u>
Primary geographical markets				
Export – United Arab Emirates	137,714	183,459	409,934	598,129
Local – Sultanate of Oman	12,758	11,050	39,040	33,499
	<u>150,472</u>	<u>194,509</u>	<u>448,974</u>	<u>631,628</u>

6 Cost of sales

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Operating costs	55,460	56,924	172,561	190,183
Depreciation, depletion, and amortisation (note 9)	71,543	103,599	204,251	295,642
Exploration and evaluation assets written off in Block 42	-	-	2,828	-
Provision for impairment on exploration and evaluation assets of Block 52	-	-	6,502	-
Provision against inventory of Block 52	-	-	665	-
	<u>127,003</u>	<u>160,523</u>	<u>386,807</u>	<u>485,825</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

6 Cost of sales (continued)

	Parent Company only			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Operating costs	47,570	45,498	151,582	158,876
Depreciation, depletion, and amortisation (note 9)	52,481	55,892	146,695	216,435
Exploration and evaluation assets written off in Block 42	-	-	2,828	-
Provision for impairment on exploration and evaluation assets of Block 52	-	-	6,502	-
Provision against inventory of Block 52	-	-	665	-
	<u>100,051</u>	<u>101,390</u>	<u>308,272</u>	<u>375,311</u>

7.1 Administrative expenses

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Employee related expenses (note 7.1.1)	4,009	7,028	15,231	19,728
Communication expenses	156	84	375	289
Professional and technical fees	243	1,373	1,390	1,442
Consultancy fee	182	343	670	1,560
Audit and other services fee	134	9	223	62
Insurance	4	69	436	69
Other expenses	6,994	3,429	8,002	5,656
	<u>11,722</u>	<u>12,335</u>	<u>26,327</u>	<u>28,806</u>

	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Employee related expenses (note 7.1.1)	3,709	6,804	14,958	19,003
Communication expenses	156	84	375	283
Professional and technical fees	213	65	1,381	154
Consultancy fee	174	323	636	1,505
Audit and other services fee	134	9	223	62
Insurance	3	724	435	724
Other expenses	6,141	1,078	7,807	2,791
	<u>10,530</u>	<u>9,087</u>	<u>25,815</u>	<u>24,522</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

7.1.1 Employee related expenses

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Salaries and allowances	2,868	5,530	11,268	16,745
Other benefits	678	1,052	2,335	1,688
End of service benefits	48	65	409	98
Contribution for social insurance	415	381	1,219	1,197
	<u>4,009</u>	<u>7,028</u>	<u>15,231</u>	<u>19,728</u>

	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Salaries and allowances	2,568	4,022	11,268	14,812
Other benefits	678	2,355	2,335	2,954
End of service benefits	48	62	136	89
Contribution for social insurance	415	365	1,219	1,148
	<u>3,709</u>	<u>6,804</u>	<u>14,958</u>	<u>19,003</u>

7.2 Finance income

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Interest income – bank deposits (note i)	1,249	2,088	5,816	6,422
Unwinding of deferred consideration	601	-	1,882	-
Net foreign exchange gain	140	48	152	143
	<u>1,990</u>	<u>2,136</u>	<u>7,850</u>	<u>6,565</u>

	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Interest income – bank deposits (note i)	1,411	2,088	5,816	6,421
Unwinding of deferred consideration	601	-	1,882	-
Net foreign exchange gain	34	48	197	56
	<u>2,046</u>	<u>2,136</u>	<u>7,895</u>	<u>6,477</u>

- i. Interest income pertains to call deposits denominated in Rial Omani and carry annual effective interest rate of between 1.5% to 5.55% (2023 – 1.25% to 5.80%). The Group has the flexibility to liquidate the call deposits before the scheduled maturity dates.

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

7.3 Other income

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Liabilities no longer payable Others	-	66	9,770	122

	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Dividend income	-	-	8,327	7,856
Liabilities no longer payable	107	-	9,763	-
Gain on divestment-shares in Abraj	-	63	-	40,222
	107	63	18,090	48,078

8 Finance cost

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Interest on borrowings	676	2,653	3,081	9,329
Unwinding of discount on provision for site restoration and abandonment costs (note 25)	1,607	766	3,483	2,502
Foreign exchange losses	-	49	-	154
Interest on lease liabilities (note 27)	272	797	911	3,187
	2,555	4,265	7,475	15,172

	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Interest on borrowings	676	2,653	3,081	9,329
Unwinding of discount on provision for site restoration and abandonment costs (note 25)	1,565	759	3,358	1,665
Foreign exchange losses	-	46	-	62
Interest on lease liabilities (note 27)	272	631	911	2,523
	2,513	4,089	7,350	13,579

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

9 Depreciation, depletion, and amortisation

The depreciation, depletion and amortisation charged in the profit or loss account is:

	Consolidated			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Depreciation and depletion – oil & gas properties (note 12)	67,801	90,876	192,990	257,474
Depreciation – other property, plant & equipment (note 14)	-	4	-	7
Amortisation – other intangible assets	-	-	-	4
Amortisation – right-of-use of assets (note 27) *	3,742	12,719	11,261	38,157
	71,543	103,599	204,251	295,642

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

Cost of sales (note 6)	71,543	103,599	204,251	295,642
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	Parent Company			
	Three -month period ended		Nine -month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Depreciation and depletion – oil & gas properties (note 12)	48,739	46,982	135,434	180,871
Depreciation – other property, plant & equipment (note 14)	-	5	-	7
Amortisation – other intangible assets	-	-	-	4
Amortisation – right-of-use of assets (note 27) *	3,742	8,905	11,261	35,553
	52,481	55,892	146,695	216,435
Cost of sales (note 6)	52,481	55,892	146,695	216,435

10 Income tax

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

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Current liability				
Current tax	9,730	87,189	4,903	79,109

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

10 Income tax *(continued)*

	Consolidated		Parent Company	
	Nine month ended		Nine month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Current tax	3,489	1,705	1,538	1,448
Deferred tax – profit or loss	33	777	33	(465)
Deferred tax – other comprehensive income	(226)	(470)	(226)	87
Tax charge for the period	3,296	2,013	1,345	1,070

	Consolidated		Parent Company	
	Nine month ended		Nine month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Current tax	1,271	426	483	385
Deferred tax – profit or loss	10	152	10	(186)
Deferred tax – other comprehensive income	(68)	(117)	(68)	26
Tax charge for the period	1,213	461	425	225

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Net deferred tax asset/(liability)				
Opening balance	(3,870)	(4,281)	(47)	(551)
Movement for the period	193	411	193	504
Abraj common control adjustment (note 37.1)	3,823	-	-	-
Closing balance	146	(3,870)	146	(47)

	Consolidated-Unaudited		
	As at 1		
	January	Movement	30-Sep-24
	2024		
	RO'000	RO'000	RO'000
Deferred tax asset/(liability)			
Plant and equipment	55	(13)	42
Provision for trade receivable	38	1	39
Provision for inventory	86	(21)	65
Derivatives	(226)	226	-
Abraj	(3,823)	3,823	-
	(3,870)	4,016	146

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

10 Income tax (continued)

	Consolidated-Audited		
	As at		
	1 January		
	2023	Movement	31-Dec-23
	RO'000	RO'000	RO'000
Deferred tax asset/(liability)			
Plant and equipment	(3,972)	(821)	(4,793)
Provision for trade receivable	37	-	37
Provision for impairment	46	(21)	25
Provision for inventory	(84)	(77)	(161)
Tax losses	116	(116)	-
Deferred expenses	(39)	32	(7)
Derivatives	(852)	626	(226)
Deferred income	467	788	1,255
	<u>(4,281)</u>	<u>411</u>	<u>(3,870)</u>

	Parent Company-Unaudited		
	As at 1		
	January		
	2024	Movement	30-Sep-24
	RO'000	RO'000	RO'000
Deferred tax asset/(liability)			
Plant and equipment	55	(13)	42
Provision for trade receivable	38	1	39
Provision for inventory	86	(21)	65
Derivatives	(226)	226	-
	<u>(47)</u>	<u>193</u>	<u>146</u>

	Parent Company-Audited		
	As at		
	1 January		
	2023	Movement	31-Dec-23
	RO'000	RO'000	RO'000
Deferred tax asset/(liability)			
Plant and equipment	52	3	55
Provision for trade receivable	38	-	38
Provision for inventory	95	(9)	86
Derivatives	(852)	626	(226)
Brought forward losses	116	(116)	-
	<u>(551)</u>	<u>504</u>	<u>(47)</u>

	Consolidated			
	Three -month period ended		Nine month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit before tax	86,941	96,415	264,772	314,360
Income tax	13,041	14,462	39,716	47,154
Non-deductible expenses	513	408	1,140	1,020
Incremental deferred tax impact on account of difference in carry forward losses	-	-	-	116
Tax exempt income	(12,341)	(14,409)	(37,560)	(46,278)
Effective tax	<u>1,213</u>	<u>461</u>	<u>3,296</u>	<u>2,013</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

10 Income tax (continued)

	Parent Company			
	Three -month period ended		Nine month period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit before tax	44,909	87,770	149,654	289,655
Income tax	6,736	13,166	22,448	43,448
Non-deductible expenses	513	408	1,140	1,020
Incremental deferred tax impact on account of difference in carry forward losses	-	-	-	116
Tax exempt income	(6,824)	(13,348)	(22,243)	(43,514)
Effective tax	425	225	1,345	1,070

The deferred tax has been computed at the tax rate of 15% (2023: 15%).

11 Dividends

Dividend of RO 112.5 million (per share RO 0.014) has been paid during the period ended 30 September 2024 (30 September 2023: Nil).

12 Oil and gas properties

	Consolidated RO'000	Parent Company RO'000
Cost- audited		
As at 1 January 2023 - Audited	3,522,459	2,636,356
Additions	185,980	148,109
As at 30 September 2023 - unaudited	3,708,439	2,784,465
As at 1 January 2023 - Audited	3,522,459	2,636,356
Additions	247,973	197,479
Transfer from E&E assets	90,558	-
Change in site restoration and abandonment provision	20,917	20,314
Divestment of block 60	(493,873)	(493,873)
As at 31 December 2023 - Audited	3,388,034	2,360,276
As at 1 January 2024 - Audited	3,388,034	2,360,276
Additions made during the period	175,963	138,855
Reversal of Almuzn assets*	(36,782)	-
Currency translation differences	(5,279)	(3,677)
As at 30 September 2024-unaudited	3,521,936	2,495,454
Accumulated depreciation and impairment		
As at 1 January 2023 - Audited	(2,475,579)	(2,069,063)
Charge for the period (note 9)	(257,474)	(180,871)
As at 30 September 2023 - unaudited	(2,733,053)	(2,249,934)
As at 1 January 2023 - Audited	(2,475,579)	(2,069,063)
Charge for the year	(323,045)	(246,965)
Divestment of block 60	341,159	341,159
As at 31 December 2023 - Audited	(2,457,465)	(1,974,869)

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

12 Oil and gas properties *(continued)*

	Consolidated RO'000	Parent Company RO'000
Accumulated depreciation and impairment		
As at 1 January 2024 - Audited	(2,457,465)	(1,974,869)
Charge for the period (note 9)	(192,990)	(135,434)
Reversal of Almuzn assets depreciation	2,488	-
Currency translation differences	3,829	3,077
As at 30 September 2024-unaudited	<u>(2,644,138)</u>	<u>(2,107,226)</u>
Net book value		
As at 30 September 2024-Unaudited	<u>877,798</u>	<u>388,228</u>
As at 31 December 2023 - Audited	<u>930,569</u>	<u>385,407</u>
As at 30 September 2023 - Unaudited	<u>975,386</u>	<u>534,531</u>

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

*The depletion for the three months ended 30 September 2024 for the consolidated and standalone level has been OMR 67 million (2023 : OMR 90 million) and OMR 48.7 million(2023: OMR 46.9 million).

13 Exploration and evaluation (E&E) assets

	Consolidated RO'000	Parent Company RO'000
Cost- audited		
As at 1 January 2023 - audited	12,310	12,270
Additions	1,362	-
As at 30 September 2023 -unaudited	<u>13,672</u>	<u>12,270</u>
As at 1 January 2023 - audited	12,310	12,270
Additions	1,816	-
Divestment	(7,451)	(7,451)
As at 31 December 2023 - audited	<u>6,675</u>	<u>4,819</u>
As at 1 January 2024 - audited	6,675	4,819
Additions made during the period	8,632	6,573
Asset written off block 42	(2,828)	(2,828)
Provision for impairment against block 52 assets	(6,502)	(6,501)
Currency translation adjustment	(10)	(8)
As at 30 September 2024-unaudited	<u>5,967</u>	<u>2,055</u>
Net book value		
As at 30 September 2024-unaudited	<u>5,967</u>	<u>2,055</u>
As at 31 December 2023 - audited	<u>6,675</u>	<u>4,819</u>
As at 30 September 2023-unaudited	<u>13,672</u>	<u>12,270</u>

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

14 Other property, plant and equipment

	Consolidated		
	Other property, plant and equipment RO'000	Capital work in progress (CWIP) RO'000	Total RO'000
Cost- audited			
As at 1 January 2023 - audited	355,434	10,971	366,405
Transfers	9,118	-	9,118
Disposals	(2,510)	-	(2,510)
As at 30 September 2023 - unaudited	362,042	10,971	373,013
As at 1 January 2023 - audited	355,434	10,971	366,405
Additions	4,113	10,783	14,896
Transfers	11,309	(11,309)	-
Disposals	(4,223)	-	(4,223)
As at 31 December 2023 - audited	366,633	10,445	377,078
As at 1 January 2024 - audited	366,633	10,445	377,078
Additions made during the period	773	22,188	22,961
Transfers	9,928	(9,928)	-
Disposals / written off	(1,429)	-	(1,429)
Abraj common control adjustment (note 37.1)	(370,784)	(22,705)	(393,489)
Currency translation adjustment	(571)	-	(571)
As at 30 September 2024 -unaudited	4,550	-	4,550
Accumulated depreciation and impairment			
As at 1 January 2023 - audited	(170,598)	(2)	(170,600)
Charge for the period	(14,309)	-	(14,309)
Disposal	(1,827)	-	(1,827)
Reversal of impairment	(457)	-	(457)
As at 30 September 2023 - unaudited	(187,191)	(2)	(187,193)
As at 1 January 2023 - audited	(170,598)	(2)	(170,600)
Charge for the period	(18,834)	-	(18,834)
Disposal	3,005	-	3,005
Reversal of impairment	757	-	757
As at 31 December 2023 - audited	(185,670)	(2)	(185,672)
As at 1 January 2024 - audited	(185,670)	(2)	(185,672)
Charge for the period	(10,015)	-	(10,015)
Disposals	1,381	-	1,381
Provision for asset write off	(336)	-	(336)
Abraj common control adjustment (note 37.1)	190,045	2	190,047
Currency translation adjustment	290	-	290
As at 30 September 2024-unaudited	(4,305)	-	(4,305)
Net book value			
As at 30 September 2024-unaudited	245	-	245
As at 31 December 2023 - audited	180,963	10,443	191,406
As at 30 September 2023 - unaudited	174,851	10,969	185,820

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

14 Other property, plant and equipment *(continued)*

	Parent Company		
	Other property, plant and equipment RO'000	PPE – CWIP RO'000	Total RO'000
Cost- audited			
As at 1 January 2023 - audited	4,554	-	4,554
As at 30 September 2023 - unaudited	4,554	-	4,554
As at 1 January 2023 - audited	4,554	-	4,554
As at 31 December 2023 - audited	4,554	-	4,554
As at 1 January 2024 - audited	4,554	-	4,554
Additions made during the period	241	-	241
Disposals / written off	(240)	-	(240)
Currency translation difference	(7)	-	(7)
As at 30 September 2024 -unaudited	4,548	-	4,548
Accumulated depreciation and impairment			
As at 1 January 2023 – audited	(4,546)	-	(4,546)
Charge for the period	(7)	-	(7)
As at 30 September 2023 - unaudited	(4,553)	-	(4,553)
As at 1 January 2023 - audited	(4,546)	-	(4,546)
Charge for the year	(7)	-	(7)
As at 31 December 2023 - audited	(4,553)	-	(4,553)
As at 1 January 2024 - audited	(4,553)	-	(4,553)
Currency translation adjustment	246	-	246
As at 30 September 2024- unaudited	(4,307)	-	(4,307)
Net book value			
As at 30 September 2024-unaudited	241	-	241
As at 31 December 2023 - audited	1	-	1
As at 30 September 2023 - unaudited	-	-	-

15 Intangible assets

	Consolidated RO'000	Standalone RO'000
Cost- audited		
As at 1st January 2023 - audited	7,600	6,964
Additions	105	-
Transfer from WIP	2	-
As at 30 September 2023 - unaudited	7,705	6,964
As at 1st January 2023 - audited	7,600	6,964
Additions	113	-
As at 31 December 2023 - audited	7,713	6,964

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

15 Intangible assets (continued)

	Consolidated RO'000	Standalone RO'000
Cost- audited		
As at 1st January 2024 - audited	7,713	6,964
Abraj common control adjustment (note 37.1)	(747)	-
Currency translation adjustment	(12)	(11)
As at 30 September 2024-unaudited	<u>6,954</u>	<u>6,953</u>
Accumulated depreciation and impairment		
As at 1st January 2023 - audited	(7,403)	(6,960)
Charge for the period (note 9)	(51)	(4)
As at 30 September 2023 - unaudited	<u>(7,454)</u>	<u>(6,964)</u>
As at 1st January 2023 - audited	(7,403)	(6,960)
Charge for the period (note 9)	(78)	(4)
As at 31 December 2023 - audited	<u>(7,481)</u>	<u>(6,964)</u>
As at 1st January 2024 - audited	(7,481)	(6,964)
Charge for the year	(42)	-
Abraj common control adjustment	558	-
Currency translation adjustment	12	11
As at 30 September 2024-unaudited	<u>(6,953)</u>	<u>(6,953)</u>
Net book value		
As at 30 September 2024-unaudited	<u>1</u>	<u>-</u>
As at 31 December 2023 - audited	<u>232</u>	<u>-</u>
As at 30 September 2023-unaudited	<u>251</u>	<u>-</u>

16 Inventories

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Oil, gas and condensates	2,458	4,578	2,172	4,393
Materials, spares and consumables	64,810	95,583	55,735	61,302
Provision for obsolescence	(1,235)	(1,074)	(1,237)	(571)
	<u>66,033</u>	<u>99,087</u>	<u>56,670</u>	<u>65,124</u>
Provision for obsolescence				
Opening balance	1,074	565	571	635
Charge for the period/year	666	509	666	(64)
Abraj common control adjustment (note 37.1)	(504)	-	-	-
Foreign currency difference	(1)	-	-	-
Closing balance	<u>1,235</u>	<u>1,074</u>	<u>1,237</u>	<u>571</u>

* During the current period the Group has created an additional provision amounting to RO 666,000 against the stores and spares inventory of block 52.

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

17 Trade and other receivables

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Trade receivables – third party	16,683	28,596	3,175	37,569
Trade receivables – related party	72,801	42,416	64,388	42,216
Expected Credit Loss (ECL)	(258)	(258)	(258)	(258)
Other receivables	345,268	156,867	164,604	80,471
	434,494	227,621	231,909	159,998

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

Movements in the Expected credit loss (ECL):

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Balance at the beginning of the period/year	(258)	(258)	(258)	(258)
Balance at the end of the period/year	(258)	(258)	(258)	(258)

	Consolidated				
	Total	Not	Less than	91 – 360	More than
	RO'000	past due	90 days	days	1 year
	RO'000	RO'000	RO'000	RO'000	RO'000
As at 30 September 2024-unaudited	118,209	102,803	7,104	8,133	169
As at 31 December 2023- audited	70,754	56,603	7,764	5,812	575

	Parent				
	Total	Not	Less than	91 – 360	More than
	RO'000	past due	90 days	days	1 year
	RO'000	RO'000	RO'000	RO'000	RO'000
As at 30 September 2024-unaudited	67,305	51,904	11,132	4,105	164
As at 31 December 2023- audited	79,527	56,335	14,090	8,939	164

18 Deferred consideration

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

18 Deferred consideration (continued)

	Nine - month period ended - unaudited			
	Consolidated		Parent Company	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Unwinding income on deferred consideration (note 7.2)	1,882	-	1,882	-
The unwinding income on deferred consideration for the three months ended 30th September 2024 has been RO 601,000 (2023:Nil).				
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Presented as:				
Current receivable	7,690	7,702	7,690	7,702
Non-current receivable	38,108	36,214	38,108	36,214
	45,798	43,916	45,798	43,916
As at 1 January	43,916	43,916	43,916	43,916
Addition during the year	-	-	-	-
Interest charged (note 7.2)	1,882	-	1,882	-
Closing balance	45,798	43,916	45,798	43,916
Deferred consideration receivable				
2024	7,690	7,702	7,690	7,702
2025	7,690	7,702	7,690	7,702
2026	9,613	9,628	9,613	9,628
2027	9,613	9,628	9,613	9,628
2028	9,613	9,628	9,613	9,628
2029	9,700	9,628	9,700	9,628
Total deferred consideration-gross	53,919	53,916	53,919	53,916
Less: unearned finance income	(8,121)	(10,000)	(8,121)	(10,000)
Present value of deferred consideration receivable	45,798	43,916	45,798	43,916

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

19 Advances and prepayments

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Advances to employees	186	149	106	147
Advances to suppliers	292	1,305	-	401
Prepaid expenses	508	344	-	-
Accrued revenue	-	8,650	-	-
Other	-	3,383	-	-
	986	13,831	106	548

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

20 Cash and cash equivalents

	Consolidated		Standalone	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Cash on hand	158	8	158	148
Cash at bank	136,738	246,756	92,364	205,834
	136,896	246,764	92,522	205,982

Bank balances consist of call and fixed deposits denominated in Rial Omani and carry annual effective interest rate of between 1.5% to 5.55% (2023– 1.25% to 5.80%). These deposits have maturity of three months or less from date of acquisition. However, the Group has the flexibility to liquidate the deposits before the scheduled maturity dates without any penalty.

21 Restricted Cash

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

22 Capital and reserves

22.1 Share capital

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Paid up share capital 8 billion shares of RO .0010 each (2023: 250,000 shares of RO 1 each).	80,000	250	80,000	250
	80,000	250	80,000	250

The shareholding pattern of the Parent Company is as follows:

OQ SAOC	75%	100%	75%	100%
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During the current period, the Parent Company has split the shares to 1:100 and consequently nominal value per share has been decreased from RO 1.00 to 10 Baizas. Total number of outstanding shares has been increased to 8 billion. The share capital increase of RO 79.5 million has been funded from the Parent Company's retained earnings. Also, the Parent Company has issued 25% of the paid up share capital to the general public as secondary sale under initial public offering.

22.2 Statutory reserve

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

22.3 Capital reserves

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

22 Capital and reserves (continued)

22.4 Subordinated loans

As a part of capital management to ensure the business continuity, the Group has arrangements with the Ultimate Holding Company in funding its cash requirements, either through loans and / or other current borrowings. These are non-interest-bearing loan arrangements which are subordinated and repayable only at the discretion of the Parent Company. Accordingly, these have been classified as equity in the financial statements. During the period the Group has repaid RO 348 million (2023: RO 453.31 million) and the balance amount has been settled against the transfer of 51% shares of Abraj to the Holding Company under common control transaction (refer note 37.1).

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Non-interest bearing				
Opening 1st January	532,774	986,089	532,774	986,089
Abraj common control adjustment (note 37.1)	(71,461)	-	(71,461)	-
Repayment during the period/year	(461,313)	(453,315)	(461,313)	(453,315)
Closing balance	-	532,774	-	532,774

23 Borrowings

		Consolidated		Parent Company	
		30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
		RO'000	RO'000	RO'000	RO'000
		Unaudited	Audited	Unaudited	Audited
PXF facility	23.1	-	88,870	-	88,870
Bridge-to-bond credit facility	23.2	192,250	-	192,250	-
Islamic finance facility	23.3	192,250	-	192,250	-
Term loans	23.4	-	85,291	-	-
		384,500	174,161	384,500	88,870
Less: deferred financing costs relating to term loan facility		(1,883)	(100)	(1,883)	(100)
		382,617	174,061	382,617	88,770
Long term borrowings - current portion		-	102,001	-	88,770
Long term borrowings - non current portion		382,617	72,060	382,617	-
Total Borrowings		382,617	174,061	382,617	88,770
Movement of borrowings is as follows:					
Balance as at 1 January		174,061	303,776	88,770	207,262
Proceeds from loan		382,617	83,835	382,617	-
Payment of loan		(88,770)	(213,550)	(88,770)	(118,492)
Abraj common control adjustment (note 37.1)		(85,291)	-	-	-
Total changes from financing cash flows		382,617	174,061	382,617	88,770

23.1 PXF facility

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

23 Borrowings (continued)

23.1 PXF facility (continued)

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

23.2 Bridge-to-bond credit facility

In September 2024, OQEP obtained US\$ 500 million conventional Bridge-to-Bond credit facility of for a term of two years from a syndicate of commercial banks, with a floating rate of interest set by reference to US\$ at SOFR plus 85 basis points, repayable on maturity;

23.3 Islamic finance facility

In September 2024, OQEP obtained US\$500 million term Islamic financing facility for a term of seven years with a syndicate of banks, structured as a wakala bil-istithmar. The Parent Company pays a variable return on this facility, set by reference to US\$ at SOFR plus 125 basis points, and the facility is repayable in semi-annual instalments commencing from January 2027, with a balloon repayment of US\$ 162.5 million in July 2031. The Bridge-to-bond credit facility and islamic finance facility is unsecured and not guaranteed.

23.4 Term Loans

	Note	Consolidated		Parent Company	
		30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Terms Loan II	Dec-27	-	6,395	-	-
Terms Loan IV	Dec-29	-	18,770	-	-
Terms Loan VI	Feb-30	-	28,626	-	-
Terms Loan VII	Dec-30	-	31,500	-	-
		-	85,291	-	-
Less: Current portion		-	(13,232)	-	-
Non-Current portion		-	72,059	-	-

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

Unamortised Financing costs

	Consolidated		Parent Company	
	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Opening balance	100	1,418	100	1,418
Incurred in period/year	1,883	(720)	1,883	(720)
Amortised	(100)	(598)	(100)	(598)
Closing balance	1,883	100	1,883	100

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

24 Employees' end of service benefits

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

Movement in liability

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Balance at the beginning of the period/year	3,136	2,815	872	831
Service cost	409	1,115	136	623
Defined benefit obligation actuarial loss	318	59	288	59
Less: Abraj common control adjustment	(2,440)	-	-	-
Paid during the period/year	(333)	(853)	(269)	(639)
Currency translation adjustment	(5)	-	-	-
	<u>1,085</u>	<u>3,136</u>	<u>1,027</u>	<u>874</u>

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

Service cost (note 7.1.1)	<u>409</u>	<u>1,115</u>	<u>136</u>	<u>623</u>
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The amount recognized in condensed separate and consolidated interim statement of other comprehensive income:

Defined benefit obligation actuarial loss	<u>318</u>	<u>59</u>	<u>288</u>	<u>59</u>
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25 Provision for site restoration and abandonment costs

	Consolidated			Parent Company		
	30-Sep-24	31-Dec-23	30-Sep-23	30-Sep-24	31-Dec-23	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Unaudited	Audited	Unaudited
Movement in liability						
Balance at the beginning of the period/year	39,605	37,020	37,020	37,334	35,505	35,505
Charge during the period/year	-	20,917	-	-	20,314	-
Unwinding of discount(note 8)*	3,483	3,502	2,502	3,358	3,347	1,665
Divestment of block 60	-	(21,833)	-	-	(21,833)	-
Currency translation adjustment	(62)	-	-	(58)	-	-
	<u>43,026</u>	<u>39,606</u>	<u>39,522</u>	<u>40,634</u>	<u>37,333</u>	<u>37,170</u>

*The unwinding of discount at consolidated and standalone level for the three months ended on 30th September 2024 has been OMR 1.6 million (2023: OMR 706,00) and OMR 1.5 million (2023:OMR 759,000).

The Group makes provision for the future cost of site restoration and abandonment oil and gas assets by discounting the future expected cash flows at a rate that reflect current market assessment of the time value of money and the risk specific to the liability. The site restoration and abandonment provision represent the present value of site restoration and abandonment costs relating to oil and gas assets, which are expected to be incurred when the producing oil and gas assets are expected to cease operations. These provisions have been created based on the Group's internal estimates or through the joint venture operator.

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

25 Provision for site restoration and abandonment costs *(continued)*

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

Furthermore, the timing of decommissioning is likely to depend on when the fields cease to produce at economically viable. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain. The discount rate used in the calculation of the provision as at 31 December 2023 equaled 7.34% (2022: 9.38%). The outflow of resources from the settlement of provision are expected to occur between 2027 to 2043.

26 Accounts payable and accrued liabilities

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Accrued expenses	56,019	69,182	44,968	44,983
Trade payables - third party	31,315	39,159	28,205	24,859
Trade payables - related party	3,871	2,368	5,568	7,012
Other payables	19,925	66,476	18,583	51,633
Payable to operator	366,519	151,137	155,301	78,981
Retentions	89	156	80	-
	477,738	328,478	252,705	207,468

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

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

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

- Drilling and land rigs
- Tankers and other equipment
- Office space and warehouse: rented spaces for office and warehouses
- Vehicles, Oil and gas.
- Plant and equipment

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

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

	Consolidated				
	Drilling and land rigs RO'000	Equipment and tankers RO'000	Vehicles RO'000	Plant and equipment RO'000	Total RO'000
Cost:					
As at 1 January 2023 - audited	7,719	3,015	11,472	5,081	27,287
Additions	-	-	2,195	74,231	76,426
As at 30 September 2023 - unaudited	7,719	3,015	13,667	79,312	103,713
As at 1 January 2023 - audited	7,719	3,015	11,472	5,081	27,287
Additions	-	-	2,926	98,975	101,901
Divestment of block 60	-	-	-	(39,590)	(39,590)
Termination & modification adjustment	-	-	(745)	-	(745)
As at 31 December 2023 - audited	7,719	3,015	13,653	64,466	88,853
As at 1st January 2024-audited	7,719	3,015	13,653	64,466	88,853
Abraj common control adjustment (note 37.1)	(2,094)	(2,883)	(12,317)	-	(17,294)
Currency translation adjustment	(12)	(5)	(21)	(100)	(138)
As at 30 September 2024-audited	5,613	127	1,315	64,366	71,421
Accumulated depreciation and impairment					
As at 1st January 2023 - audited	5,769	3,015	7,426	5,081	21,291
Charge for the period (note 9)	214	-	2,390	35,553	38,157
As at 30 September 2023 - unaudited	5,983	3,015	9,816	40,634	59,448
As at 1st January 2023 - audited	5,769	3,015	7,426	5,081	21,291
Charge for the year	285	-	2,390	40,227	42,902
Divestment of block 60	-	-	-	(16,091)	(16,091)
As at 31 December 2023 - audited	6,054	3,015	9,816	29,217	48,102
As at 1 January 2024 - audited	6,054	3,015	9,816	29,217	48,102
Charge for the period	161	2	1,258	9,840	11,261
Abraj common control adjustment(note 37.1)	(592)	(2,885)	(9,744)	-	(13,221)
Currency translation adjustment	(10)	(5)	(15)	(46)	(76)
As at 30 September 2024-unaudited	5,613	127	1,315	39,011	46,066
Net book value					
As at 30 September 2024-unaudited	-	-	-	25,355	25,355
As at 31 December 2023 - audited	1,665	-	3,837	35,249	40,751
As at 30 September 2023-unaudited	1,736	-	3,851	38,678	44,265

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

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

	Parent Company				
	Drilling and land rigs RO'000	Equipment and tankers RO'000	Vehicles RO'000	Oil and gas assets RO'000	Total RO'000
Cost:					
As at 1 January 2023 - audited	5,622	134	1,317	5,081	12,154
Additions	-	-	-	74,231	74,231
As at 30 September 2023-unaudited	5,622	134	1,317	79,312	86,385
As at 1 January 2023 - audited	5,622	134	1,317	5,081	12,154
Additions	-	-	-	98,975	98,975
Divestment of block 60	-	-	-	(39,590)	(39,590)
As at 31 December 2023 - audited	5,622	134	1,317	64,466	71,539
As at 1 January 2024 - audited	5,622	134	1,317	64,466	71,539
Currency translation adjustment	(9)	-	(2)	(100)	(111)
As at 30 September 2024-unaudited	5,613	134	1,315	64,366	71,428
Accumulated depreciation and impairment					
As at 1 January 2023 - audited	5,622	134	1,317	5,081	12,154
Charge for the period (note 9)	-	-	-	35,553	35,553
As at 30 September 2023-unaudited	5,622	134	1,317	40,634	47,707
As at 1 January 2023 - audited	5,622	134	1,317	5,081	12,154
Charge for the year	-	-	-	40,227	40,227
Divestment of block 60	-	-	-	(16,091)	(16,091)
As at 31 December 2023-audited	5,622	134	1,317	29,217	36,290
As at 1 January 2024 - audited	5,622	134	1,317	29,217	36,290
Charge for the period (note 9)	-	-	-	11,261	11,261
Currency translation adjustment	(9)	-	(2)	(46)	(57)
As at 30 September 2024-unaudited	5,613	134	1,315	40,432	47,494
Net book value					
As at 30 September 2024-unaudited	-	-	-	23,934	23,934
As at 31 December 2023 - audited	-	-	-	35,249	35,249
As at 30 September 2023-unaudited	-	-	-	38,678	38,678

	Consolidated			Parent Company		
	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-23 RO'000 Unaudited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-23 RO'000 Unaudited
Lease Liabilities Presented as						
Lease liabilities – current portion	6,031	10,748	19,542	6,031	8,540	15,766
Lease liabilities – non current portion	11,063	18,657	33,922	11,063	15,086	27,851
	17,094	29,405	53,464	17,094	23,626	43,617

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

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

	Consolidated			Parent Company		
	30-Sep-24	31-Dec-23	30-Sep-23	30-Sep-24	31-Dec-23	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Unaudited	Audited	Unaudited
As at 1st January	29,405	6,206	6,206	23,626	-	-
Addition during the period/year	-	60,522	60,522	-	57,545	57,545
Divestment of block 60	-	(15,778)	-	-	(15,778)	-
Interest charged (note 8)*	911	4,118	3,187	911	3,794	2,523
Termination and modification related adjustment	-	(745)	-	-	-	-
Payment of lease liability	(7,408)	(24,918)	(16,451)	(7,408)	(21,935)	(14,451)
Abraj common control adjustment (note 37.1)	(5,779)	-	-	-	-	-
Currency translation adjustment	(35)	-	-	(35)	-	-
As at 30 September	17,094	29,405	53,464	17,094	23,626	45,617

Interest charged for three months is as follows:

	Consolidated		Parent Company	
	Nine month ended		Nine month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit or loss	272	797	272	631

Total amortisation cost for the period is allocated to:

	Consolidated		Parent Company	
	Nine month ended		Nine month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit or loss	11,261	38,157	11,261	35,553

	Consolidated		Parent Company	
	Three month ended		Three month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Profit or loss	3,742	12,719	3,747	8,905

The Group leases several assets including buildings, land, equipment and vehicles. The average lease term is 5 to 10 years (2022: 5 to 10 years).

28 Lease receivables

	Consolidated & Parent Company			
	01 July 24	01 July 23	01 Jan 24	01 Jan 23
	to 30 Sep 24	to 30 Sep 23	to 30 Sep 24	to 30 Sep 23
	RO'000	RO'000	RO'000	RO'000
Lease income				
Finance income on net investment in lease	5,378	5,628	16,132	16,884
	5,378	5,628	16,132	16,884

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

28 Lease receivables (continued)

Net investment in lease

	Consolidated & Parent Company			
	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
As at 1st January	229,524	240,200	229,524	240,200
Receipts	(8,720)	(10,676)	(8,720)	(10,676)
Currency translation adjustment	(357)	-	(357)	-
As at 30 September	220,447	229,524	220,447	229,524
Presented as				
Lease receivable - current	9,248	5,822	9,248	5,822
Lease receivable - non current	211,199	223,702	211,199	223,702
	220,447	229,524	220,447	229,524
Amount receivable under finance lease				
Amount receivable under finance lease				
2024-25	33,136	33,188	33,136	33,188
2025-26	33,136	33,188	33,136	33,188
2026-27	33,136	33,188	33,136	33,188
2027-28	33,136	33,188	33,136	33,188
2028-29	33,136	33,188	33,136	33,188
Remaining	201,089	234,277	201,089	234,277
	366,769	400,217	366,769	400,217
Less: unearned finance income	(146,322)	(170,693)	(146,322)	(170,693)
Present value of minimum lease payment receivable	220,447	229,524	220,447	229,524

29 Investment in subsidiaries

Subsidiary	Principle activities	Country of Incorporation	Ownership interest (%) 30-Sep-24 RO'000	Ownership Interest (%) 31-Dec-23 RO'000
Abraj Energy Services SAOG*1	Oilfield services	Sultanate of Oman	-	51
Abutubul LLC	Exploration and production	Sultanate of Oman	100	100
Musandam Gas Plant LLC	Oil and gas processing	Sultanate of Oman	100	100
Makarim Gas Development LLC	Exploration and production	Sultanate of Oman	100	100
Musandam Oil and Gas Company LLC	Exploration and production	Sultanate of Oman	100	100
Almajd Gas Development LLC	Exploration and production	Sultanate of Oman	99	99
Almuzn Liquified Natural Gas LLC	Exploration and production	Sultanate of Oman	99	99
Alizz Gas Development LLC	Exploration and production	Sultanate of Oman	99	99
			30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Abraj Energy Services SAOC (Abraj)*			-	38,188
Abu Tubul LLC (ABB LLC)			150	150
Musandam Gas Plant LLC (MGP LLC)			150	150
Musandam Oil & Gas company LLC (MOGC LLC)			250	250
Makarim Gas Development LLC (MGD)*			193,171	323,863
Almajd Gas Development LLC			247	248
Almuzn Liquified Natural Gas LLC			247	248
Alizz Gas Development LLC			247	248
			194,462	363,345

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

29 Investment in subsidiaries *(continued)*

*In 2023, Parent Company has sold the 49% shares of Abraj Energy Services SAOG ("Abraj") to the general public through IPO. However, the remaining 51% shares has been transferred to the Holding Company during the current period under common control transaction.

30 Interest in joint venture

	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Initial cost	3,025	-
Share of profit for the period	5,364	-
At the end of the period	8,389	-

OQ Exploration and Production LLC owns 99% shares of Almuzn Liquifies Natural Gas LLC (the "Company") directly and 1% via Musandam Gas Plant LLC which is also 100% owned by OQ Exploration and Production LLC. Almuzn Liquifies Natural Gas LLC hold 20% shares in Marsa Liquefied Natural Gas LLC. So, OQ Exploration and Production LLC effectively owns 20% shares of Marsa Liquefied Natural Gas LLC. Till last year Group management has accounted for investment as Joint operation at consolidation level. Effective from 1st January 2024 there is change in status due to which joint control no longer exists. The Group has established that it has significant influence, therefore, accounted for this investment as investment in associate under equity accounting method as per IAS 28 guideline.

The summarized financial position and results of the joint venture is as follows:

	30-Sep-24 RO'000 Unaudited
Statement of financial position:	
Non-current assets	292,866
Current assets	14,955
Non-current liabilities	242,386
Current liabilities	23,490
Net assets of the joint venture	41,945
Proportionate of the Parent Company's ownership interest in joint venture (20%)	8,389
	Three months Nine months
	30-Sep-24 30-Sep-24
	RO'000 RO'000
	Unaudited Unaudited
Statement of profit and loss and other comprehensive income:	
Revenue	19,597 56,591
Depreciation & amortisation	(1,965) (14,424)
Income tax expenses	(2,113) (5,218)
Profit & total comprehensive income (100%)	9,063 26,820
Profit & total comprehensive income (20%)	1,813 5,364

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

31 Deferred Income

An analysis of deferred income is set out below:

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Balance at the beginning of the period/year	8,368	3,114	7,218	1,377
Over lifting of oil	3,339	7,218	3,339	7,218
Deferred income booked by Abraj	719	(570)	770	-
Income received during the period/year	(7,975)	(1,394)	(7,975)	(1,377)
Abraj common control adjustment	(1,099)	-	-	-
Currency translation adjustment	(13)	-	(13)	-
	<u>3,339</u>	<u>8,368</u>	<u>3,339</u>	<u>7,218</u>

In line with the Group accounting policy, deferred income is accounted over the firm contract period and income pertaining to future period is deferred.

32 Financial instruments

Fair values

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

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

Financial risk management

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

Market risk

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

32 Financial instruments *(continued)*

Foreign currency risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group adopts a policy of ensuring that between 50% and 70% of its interest rate risk exposure is at a fixed rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at a floating rate and using interest rate swaps as hedges of the variability in cash flows attributable to movements in interest rates.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates, and maturities and the notional or par amounts.

The Group's hedging relationships have been directly affected by the interest rate benchmark reform. Prior to 2023, the Group's interest rate swaps were primarily exposed to USD LIBOR. During the period 2023, all the swaps that previously referenced USD LIBOR transitioned to referencing Secured Overnight Financing Rate (SOFR) through adhering to the ISDA 2020 IBOR Fallbacks Protocol as published by the ISDA on 23 October 2020. The transition was enacted on an "economically equivalent" basis. No other changes were made to the terms of the swap contracts upon transition to SOFR. The hedge relationships were not discontinued and SOFR is now evaluated as the hedged interest rate benchmark risk. The interest rate benchmark reform did not change the risk management strategy of the Group. The Group is exposed to interest rate risk as it borrows funds at floating interest rates.

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

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Variable rate instruments				
Borrowings	382,617	88,770	382,617	88,770
Less: exposure hedged	-	(57,133)	-	(57,133)
	382,617	31,637	382,617	31,637

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates, and maturities and the notional or par amounts. If a hedging relationship is directly affected by uncertainty arising from IBOR reform, then the Group assumes for this purpose that the benchmark interest rate is not altered because of interest rate benchmark reform. The Group hedging derivative financial instrument has been matured as at 30 September 2024 and there is no open derivative contracts at the end of current reporting period.

Cash flow sensitivity analysis for variable rate instruments

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

32 Financial instruments (continued)

Interest rate risk (continued)

Cash flow sensitivity analysis for variable rate instruments (continued)

	30-Sep-24		31-Dec-23	
	Un-hedged portion		Un-hedged portion	
	100 bp	100 bp	100 bp	100 bp
	increase	decrease	increase	decrease
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Net profit	<u>3,826</u>	<u>(3,826)</u>	<u>316</u>	<u>(316)</u>

Liquidity risk

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

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

	Consolidated					
	Carrying amount RO'000	Contractual cashflows RO'000	6 months or less RO'000	6 - 12 months RO'000	1 – 2 years RO'000	More than 2 years RO'000
Unaudited						
As at 30 September 2024						
Interest bearing loans	382,617	439,795	10,192	8,810	204,463	216,330
Accounts payable and accrued liabilities	477,738	477,738	477,738	-	-	-
Lease liabilities	17,094	18,340	4,492	4,289	6,809	2,750
	<u>877,449</u>	<u>935,873</u>	<u>492,422</u>	<u>13,099</u>	<u>211,272</u>	<u>219,080</u>
Audited						
As at 31 December 2023						
Interest bearing loans	174,061	194,072	70,809	38,893	78,498	5,872
Accounts payable and accrued liabilities	328,478	328,478	328,478	-	-	-
Other non-current liabilities	1,539	1,539	-	-	-	-
Lease liabilities	29,405	25,745	4,938	4,753	8,198	7,856
	<u>533,483</u>	<u>549,834</u>	<u>404,225</u>	<u>43,646</u>	<u>86,696</u>	<u>13,728</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

32 Financial instruments (continued)

Liquidity risk (continued)

	Parent Company					
	Carrying amount RO'000	Contractual cashflows RO'000	6 months or less RO'000	6 - 12 months RO'000	1 – 2 years RO'000	More than 2 years RO'000
Unaudited						
As at 30 September 2024						
Interest bearing loans	382,617	439,795	10,192	8,810	204,463	216,330
Accounts payable and accrued liabilities	252,705	252,705	252,705	-	-	-
Lease liabilities	17,094	18,340	4,492	4,289	6,809	2,750
	<u>652,416</u>	<u>710,840</u>	<u>267,389</u>	<u>13,099</u>	<u>211,272</u>	<u>219,080</u>
Audited						
As at 31 December 2023						
Interest bearing loans	88,870	91,931	61,873	30,058	-	-
Accounts payable and accrued liabilities	207,468	207,468	207,468	-	-	-
Other non-current liabilities	1,539	1,539	-	-	-	-
Lease liabilities	23,626	25,745	4,938	4,753	8,198	7,856
	<u>321,503</u>	<u>326,683</u>	<u>274,279</u>	<u>34,811</u>	<u>8,198</u>	<u>7,856</u>

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets that represents the maximum credit exposure is as follow:

	Consolidated		Parent Company	
	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Trade receivables and other receivables (net)	434,494	227,621	231,909	159,998
Lease receivable	220,447	229,524	220,447	229,524
Due from related party	28,983	-	92,875	89,062
Deferred consideration	45,798	43,916	45,798	43,916
Bank balances	136,738	246,756	92,364	205,834
Derivative	-	1,554	-	1,554
Restricted cash	-	10,079	106	10,079
	<u>866,460</u>	<u>759,450</u>	<u>683,499</u>	<u>739,967</u>

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

Bank Name	Banks rating	Consolidated		Parent Company	
		30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Bank Muscat	Ba1	119,517	212,396	75,143	171,474
Ahli Bank	A2	9,117	18,245	9,117	18,245
Central Bank of Oman	Ba1	150	15,812	150	15,812
Sohar International Bank	Ba1	7,954	303	7,954	303
		<u>136,738</u>	<u>246,756</u>	<u>92,364</u>	<u>205,834</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

32 Financial instruments *(continued)*

Credit risk *(continued)*

The Group has applied the general approach in IFRS 9 to measure the loss allowance at 12 months ECL on its financial assets except for trade receivable which simplified approach is followed, the expected credit losses on these items by using a PD rating approach model where internal ratings is developed which are mapped to determination of probability of default, based on the external credit rating agencies such as Moody's. Where the external rating of a financial instrument is not available, the Group reviews the ability of the counterparty by reviewing their financial statements and other publicly available information and consider a proxy rating benchmarking sovereign external rating of the country where customers reside. The expected credit losses as at 30 September 2024 and 31 December 2023 is not accounted on lease receivable, other receivable and balance due from related parties, balance in banks as the impact is not significant.

Capital management

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

33 Contingencies and commitments

Contingent liabilities

At 30 September 2024, the Group has nil contingent liabilities and guarantees and legal claims during the current and previous period.

Capital commitments

The Group has the following capital commitments:

	Consolidated		Parent Company	
	30-Sep-24	31-Dec-23	30-Sep-24	31-Dec-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Audited	Unaudited	Audited
Capital commitments	<u>385,755</u>	<u>354,393</u>	<u>390,106</u>	<u>310,391</u>

34 Related Party disclosure

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

Outstanding balances at the period/year-end are unsecured and interest free and settlement occurs in cash and repayable in demand. There have been no guarantees provided or received for any related party receivables or payables. For the period ended 30 September 2024, the Group has not recorded any impairment on receivables relating to amounts owed by related parties (2023: Nil). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related parties operates.

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

34 Related Party disclosure (continued)

Related Party disclosure (continued)					
Party Name		Consolidated		Parent Company	
		30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited
Relationship					
Sale of goods and services					
Subsidiary	Processing fee	-	-	3,461	3,461
Entity under common control	Sale of oil	483,215	666,232	409,934	598,129
Purchase of goods and services					
Subsidiary	Purchase of fuel	16,182	16,067	16,182	16,067
Expenses related to services					
Subsidiary	Services	-	-	4,453	22,792
Subsidiary	Services	-	-	6,208	26,125
Dividend related					
Subsidiary	Dividend income	-	-	8,327	7,856
Financing related					
Holding Company	Subordinated loans repaid	461,313	346,613	461,313	346,613

Transactions with key management:

The remuneration of key management of the group during the period was as follows:

	Consolidated		Parent Company	
	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited
Short term benefits	3,540	1,619	3,540	1,619
Employees end of service benefits	408	336	408	336

Receivables from the related parties

Party Name		Consolidated		Parent Company	
		30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
OQ SAOC	Holding Company	-	-	-	146
OQ Trading LTD	Entity Under common control	52,744	11,949	44,337	11,949
OQ LPG LLC	Entity Under common control	-	16	-	16
OQ Gas Networks SAOC	Entity Under common control	-	3	-	3
OQ RPI	Entity Under common control	6	151	4	151
OQ Methanol	Entity Under common control	-	19	-	19
Musandam Oil and Gas Company LLC	Subsidiary	-	-	5,263	5,909
OOCEP Holding	Subsidiary	-	11	-	11
Abu Tubul	Subsidiary	-	-	6	4
Makarim Gas Development LLC	Subsidiary	-	-	35,648	54,226
Alizz	Subsidiary	-	-	3,984	2,018
Al Majd	Subsidiary	-	-	19,954	26,560
Musandam Gas Plant LLC	Subsidiary	-	-	13	-
Al Muzn LNG LLC	Subsidiary	-	-	28,003	-
Ministry of Energy and Minerals	Affiliate	20,051	30,267	20,051	30,267
Marsa LNG	Joint Venture	28,983	-	-	-
		101,784	42,416	157,263	131,279

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

34 Related Party disclosure *(continued)*

Receivables from the related parties *(continued)*

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

As the Government of Sultanate of Oman (the Government), indirectly owns the Group via Oman Investment Authority (OIA) ("the ultimate Parent).

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

Payables to related parties

		Consolidated		Parent Company	
		30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Party Name					
OQ SAOC Holding Company		437	681	424	680
Oman Oil Marketing Co.	Entity Under common control				
SAOG		-	784	-	784
OQ Methanol LLC	Entity Under common control	-	128	-	128
OQ RPI	Entity Under common control	-	755	-	755
OQ Gas Networks	Entity Under common control	-	20	-	20
Abu Tubul LLC	Subsidiary	-	-	119	119
Makarim Gas Development	Subsidiary	-	-	49,423	83,382
Musandam Gas Plant LLC	Subsidiary	-	-	116	116
Takatuf Oman LLC	Subsidiary	-	-	13	-
ABRAJ ENERGY SERVICES SAOC	Entity Under common control	3,434	-	3,433	2,920
Musandam Oil & Gas Co.	Subsidiary	-	-	1,463	1,490
		<u>3,871</u>	<u>2,368</u>	<u>54,991</u>	<u>90,394</u>

35 Derivatives

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

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

OO Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

35 Derivatives (continued)

	Consolidated			
	Less than 6 months RO'000	6 to 12 months RO'000	More than 1 year RO'000	Total RO'000
30 September 2024	-	-	-	-
31 December 2023- audited	<u>57,133</u>	<u>-</u>	<u>-</u>	<u>57,133</u>
	Parent Company			
	Less than 6 months RO'000	6 to 12 months RO'000	More than 1 year RO'000	Total RO'000
30 September 2024	-	-	-	-
31 December 2023- audited	<u>57,133</u>	<u>-</u>	<u>-</u>	<u>57,133</u>

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

	Consolidated		Parent Company	
	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited	30-Sep-24 RO'000 Unaudited	31-Dec-23 RO'000 Audited
Cumulative changes in hedging reserve				
As at 1 January	1,554	4,828	1,554	4,828
Loss arising on changes in fair value of hedging instruments during the period/year	-	(3,900)	-	(3,900)
Deferred tax recognised	-	626	-	626
Closing balance-net	<u>1,554</u>	<u>1,554</u>	<u>1,554</u>	<u>1,554</u>
Derivative recognised in statement of financial position				
Interest rate swaps used for cashflow hedging-				
gross amount	-	-	-	-
Asset	-	-	-	-
Current portion	<u>-</u>	<u>1,554</u>	<u>-</u>	<u>1,554</u>
	<u>-</u>	<u>1,554</u>	<u>-</u>	<u>1,554</u>

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

36 Earnings per share

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

	Consolidated		Parent Company	
	Nine month ended		Nine month ended	
	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited
Earnings per share				
Profit attributable to shareholders	266,918	317,983	148,309	288,585
Number of shares for basic and diluted EPS (no. in "000")	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>	<u>8,000,000</u>
Basic and diluted earnings per share-(Baizas)	<u>33.36</u>	<u>39.75</u>	<u>18.54</u>	<u>36.07</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

36 Earnings per share (continued)

	Consolidated		Parent Company	
	Three month ended		Three month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Earnings per share				
Profit attributable to shareholders	85,728	95,954	44,484	87,545
Number of shares for basic and diluted EPS (no. in "000")	8,000,000	8,000,000	8,000,000	8,000,000
Basic and diluted earnings per share-(Baizas)	10.72	11.99	5.56	10.94
	Consolidated		Consolidated	
	Three month ended		Nine month ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000
	Unaudited	Unaudited	Unaudited	Unaudited
Earnings per share – Continuing operations				
Profit attributable to shareholders	85,728	95,954	261,476	312,347
Number of shares for basic and diluted EPS (no. in "000")	8,000,000	8,000,000	8,000,000	8,000,000
Basic and diluted earnings per share-(Baizas)	10.72	11.99	32.68	39.04

37 Profit from discontinued operations

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

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

Subsequent to the disposal, the Group has continued to procure services from Abraj. Although, intra-group transactions have been fully eliminated in the consolidated financial results, management has elected to attribute the elimination of transactions between the continuing and the discontinued operation before the disposal in a way that reflect the continuance of these transactions subsequent to the disposal, because management believes this is useful to the users of the financial information.

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

During the period the Group has repaid RO 348 million (2023: RO 453.31 million) and the balance amount has been settled against the transfer of 51% shares of Abraj to the Holding Company under common control transaction (refer note 37.1).

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

37 Profit from discontinued operations *(continued)*

	Nine month Period ended	
	30-Sep-24 RO'000 Unaudited	30-Sep-23 RO'000 Unaudited
Results of discontinued operations		
Revenue	77,921	106,072
Elimination of intercompany revenue	(11,206)	(16,067)
External revenue	<u>66,715</u>	<u>90,005</u>
Expenses	(65,265)	(92,647)
Elimination of expenses related to intercompany sales	11,206	16,067
External expenses	<u>(54,059)</u>	<u>(76,580)</u>
Results from operating activities	12,656	13,425
Income tax	(1,986)	(2,375)
Results from operating activities, net of tax	<u>10,670</u>	<u>11,050</u>

Transfer of Abraj net asset under common control transaction

As part of the IPO process, there was a corporate reorganisation whereby the Parent Company has transferred its investment in Abraj to OQ SAOC (the Holding Company) on 4th July 2024. This transaction is treated as the common control transaction because before and after the acquisition of the shares there is no change in the controlling party. Therefore, as per the accounting policy choice, this transaction is treated as common control transaction and accordingly the book value of Abraj net assets as given below has been transferred to the Holding Company.

	Note	30-Sept-24 RO'000 Unaudited
Other property, plant and equipment	14	203,442
Right of use asset	27	4,073
Intangible asset	15	747
Current assets		89,016
Provision against the inventory	16	(666)
Deferred tax liabilities	11	(3,823)
Borrowings	23	(85,291)
Employees' end of service benefits	24	(2,440)
Lease liability	27	(5,779)
Current liabilities		(59,160)
Non-controlling interest		(68,658)
Net assets of the Abraj transferred to the Holding Company		71,461
Consideration received- (adjustment against sub-ordinated loan-note 22.4)		<u>71,461</u>
Gain/loss on common control transaction		<u>-</u>

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

38 Interests in joint operations

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

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

		As at 30 September 2024-Unaudited					Nine-month period ended 30 September 2023-Unaudited	
		Total assets RO'000	Current assets RO'000	Total liabilities RO'000	Current liabilities RO'000	Net assets RO'000	Revenue RO'000	Profit for the period RO'000
Block 53	20%	191,792	37,874	(90,895)	(60,774)	100,897	75,494	9,338
Block 60	60%	614,843	342,535	(372,513)	(25,290)	242,330	174,048	81,301
Block 48	60%	7,440	-	(102)	(102)	7,338	-	188
Block 9	45%	437,776	51,427	(35,412)	(35,412)	402,364	136,033	22,193
Block 61	30%	510,797	49,926	(352,330)	(73,800)	158,467	171,444	101,739
Others (*)	*	88,890	202,568	(83,377)	(298,121)	5,513	89,246	57,387
		1,851,538	684,330	(934,629)	(493,499)	916,909	646,265	272,146
		As at 31 December 2023-Audited					Nine-month period ended 30 September 2023-Unaudited	
		Total assets RO'000	Current assets RO'000	Total liabilities RO'000	Current liabilities RO'000	Net assets RO'000	Revenue RO'000	Profit for the period RO'000
Block 53	20%	108,213	77,020	(53,814)	(37,092)	54,399	81,476	33,771
Block 60	60%	902,282	266,843	(224,346)	(196,046)	677,936	402,453	113,203
Block 48	60%	11,644	55,634	(8,019)	(7,649)	3,625	-	9,134
Block 9	45%	94,291	13,015	(50,726)	(45,726)	43,565	149,521	49,280
Block 61	30%	615,072	120,470	(143,164)	(130,892)	471,908	161,496	89,137
Others (*)	*	39,161	5,212	(31,927)	(30,176)	7,234	25,646	28,872
		1,770,663	538,194	(511,996)	(447,581)	1,258,667	820,592	323,397

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

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

39 Segment

	Blocks operated by OQ EP		Consolidated-Unaudited Blocks operated by other entities		Total	
	Nine months period ended		Nine months period ended		Nine months period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue						
- Export	172,215	313,424	306,889	316,090	479,104	629,514
- Local	18,785	59,712	148,376	131,366	167,161	191,078
	<u>191,000</u>	<u>373,136</u>	<u>455,265</u>	<u>447,456</u>	<u>646,265</u>	<u>820,592</u>
EBITDA	171,893	377,680	296,755	240,929	468,648	618,609
Depreciation and amortization	68,615	135,231	135,636	160,411	204,251	295,642
Finance cost	4,201	15,172	3,274	-	7,475	15,172
Finance income	7,850	6,565	-	-	7,850	6,565
Net Profit / (loss) before	106,927	233,842	157,845	80,518	264,772	314,360
Capital Expenditure	82,202	50,556	125,354	136,892	207,556	187,447
Operating Expenditure	39,421	38,606	133,140	151,577	172,561	190,183
	Blocks operated by OQ EP		Parent Company-Unaudited Blocks operated by other entities		Total	
	Nine months period ended		Nine months period ended		Nine months period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue						
- Export	172,214	313,425	209,783	245,985	381,997	559,410
- Local	38,785	47,098	28,192	25,120	66,977	72,218
	<u>210,999</u>	<u>360,523</u>	<u>237,976</u>	<u>271,105</u>	<u>448,974</u>	<u>631,628</u>
EBITDA	166,612	332,948	129,192	180,244	295,804	513,192
Depreciation and amortization	68,617	135,232	78,078	81,203	146,695	216,435
Finance cost	4,201	13,579	3,149	-	7,350	13,579
Finance income	7,895	6,477	-	-	7,895	6,477
Net profit before tax	101,689	190,614	47,965	99,041	149,654	289,655
Capital expenditure	82,202	73,670	63,467	74,439	145,669	148,109
Operating expenditure	13,693	27,967	137,889	130,909	151,582	158,876

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements (continued)

for the nine months ended 30 September 2024 (unaudited)

39 Segment (continued)

	Blocks operated by OQ EP		Consolidated-Unaudited Blocks operated by other entities		Total	
	Three months period ended		Three months period ended		Three months period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue						
- Export	59,372	72,212	101,323	100,685	160,695	172,897
- Local	11,862	30,605	46,483	62,206	58,345	92,811
	<u>71,234</u>	<u>102,817</u>	<u>147,806</u>	<u>162,891</u>	<u>219,040</u>	<u>265,708</u>
EBITDA	60,894	111,163	98,155	90,980	159,049	202,143
Depreciation and amortization	22,993	37,739	48,550	65,860	71,543	103,599
Finance cost	160	4,265	2,395	-	2,555	4,265
Finance income	1,990	2,136	-	-	1,990	2,136
Net profit before tax	39,731	71,295	47,210	25,120	86,941	96,415
Capital expenditure	31,115	5,287	55,119	15,256	86,234	20,542
Operating expenditure	7,823	5,786	47,637	51,138	55,460	56,924
	Blocks operated by OQ EP		Standalone-Unaudited Blocks operated by other entities		Total	
	Three months period ended		Three months period ended		Three months period ended	
	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23	30-Sep-24	30-Sep-23
	RO'000	RO'000	RO'000	RO'000	RO'000	RO'000
Revenue						
- Export	58,704	62,633	53,620	82,108	112,324	144,741
- Local	29,352	27,784	8,796	21,984	38,148	49,768
	<u>88,056</u>	<u>90,417</u>	<u>62,416</u>	<u>104,092</u>	<u>150,472</u>	<u>194,509</u>
EBITDA	55,429	65,544	2,428	80,071	97,857	145,615
Depreciation and amortization	22,936	36,534	29,545	19,358	52,481	55,892
Finance cost	160	4,089	2,353	-	2,513	4,089
Finance income	2,046	2,136	-	-	2,046	2,136
Net profit before tax	34,379	27,057	10,530	60,713	44,909	87,770
Capital expenditure	31,115	36,170	25,657	48,409	56,772	84,579
Operating expenditure	12,246	22,049	35,324	23,449	47,570	45,498

OQ Exploration and Production SAOG and its Subsidiaries

Notes to the interim financial statements *(continued)*

for the nine months ended 30 September 2024 (unaudited)

40 Reconciliation of liabilities arising from financing activities

	Subordinated loan RO'000	Consolidated Term loan RO'000	Lease liabilities RO'000	Subordinated loan RO'000	Parent Company Term loan RO'000	Lease liabilities RO'000
At 1 January 2024-audited	532,774	174,061	29,405	532,774	88,770	23,626
Changes from financing cash flows						
Repayment	(461,313)	(88,770)	(6,497)	(461,313)	(88,770)	(6,497)
Proceeds from loan	-	382,617	-	-	382,617	-
Interest paid	-	(3,081)	(911)	-	(3,081)	(911)
Abraj common control adjustment (note 37.1)	(71,461)	(85,291)	(5,779)	(71,461)	-	-
Total changes from financing cash flows	-	379,536	16,218	-	379,536	16,218
Other changes: liability related						
Interest expense	-	3,081	911	-	3,081	911
Foreign currency adjustments	-	-	(35)	-	-	(35)
Total liability related changes	-	3,081	876	-	3,081	876
Balance as at 30 September 2024-unaudited	-	382,617	17,094	-	382,617	17,094

	Subordinated loan RO'000	Consolidated Term loan RO'000	Lease liabilities RO'000	Subordinated loan RO'000	Parent Company Term loan RO'000	Lease liabilities RO'000
At 1 January 2023-audited	986,089	303,776	6,206	986,089	207,262	-
Changes from financing cash flows						
Repayment	(346,613)	(160,163)	(13,264)	(346,613)	(87,452)	(11,928)
Proceeds from loan	-	-	-	-	-	-
Additions during the period	-	-	60,522	-	-	57,545
Interest paid	-	(13,437)	(3,187)	-	(9,329)	(2,523)
Total changes from financing cash flows	639,476	130,177	50,277	639,476	110,481	43,094
Other changes: Liability related						
Interest expense	-	13,437	3,187	-	9,329	2,523
Total liability related changes	-	13,437	3,187	-	9,329	2,523
Balance as at 30 September 2023-unaudited	639,476	143,614	53,464	639,476	119,810	45,617

