



**NOT FOR RELEASE, PUBLICATION, OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, SOUTH AFRICA OR JAPAN OR ANY JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL.**

*This announcement is not a prospectus and is not an offer of securities for sale or subscription in any jurisdiction, including in or into the United States, Canada, Australia, South Africa or Japan.*

*Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Any offer to acquire shares pursuant to the potential offering will be made pursuant to, and any investor should make its investment decision solely on the basis of the information that is contained in, as the case may be, the final prospectus or international offering memorandum (each an "Offering Document", including in each case any supplement thereto), which may be published by OQ Exploration and Production SAOG (under transformation) ("OQEP" or the "Company") in due course in connection with the Listing of its ordinary shares to trading on the Muscat Stock Exchange (the "MSX"). Any published final prospectus is subject to approval of the Financial Services Authority of the Sultanate of Oman (the "FSA").*

---

## **OQ Exploration and Production SAOG (under transformation) Announces its Intention to Float ("ITF") on the Muscat Stock Exchange**

- OQ SAOC intends to offer up to 25% of the shares in OQ Exploration & Production SAOG (under transformation) through an initial public offering (IPO).
- Upon regulatory approval, the intended listing would provide investors with the opportunity to invest in Oman's largest pure-play oil and gas exploration and production company.
- The subscription period is expected to commence in September 2024, on receipt of required approval from the Financial Services Authority ("FSA") of the Sultanate of Oman.
- The Listing is expected to take place in October 2024 on the Muscat Stock Exchange.

**Muscat, Oman, 09 September 2024:** OQ Exploration and Production ("OQEP"), Oman's largest pure-play oil and gas exploration and production company and its only wholly-Government owned upstream oil and gas operator, today announces its intention to proceed with an initial public offering (the "IPO" or the "Offering") and to list its ordinary shares (the "Shares") for trading on the Muscat Stock Exchange ("MSX").

HSBC, Natixis, OIB and Sohar International have been appointed as joint global coordinators (the "Joint Global Coordinators"). Sohar International has been appointed as the issue manager ("Issue Manager").

The Offering provides investors exposure to a top three oil and gas producer and one of the largest holders of reserves in the Sultanate of Oman. The Company has witnessed significant growth, expanding its average daily production nearly 14 times from its inception in 2009 to 2023. OQEP's portfolio includes successful joint venture partnerships. The Company has been the partner of choice for international oil & gas companies that explore and develop hydrocarbon resources in the Sultanate of Oman.

OQEP benefits from Oman's fundamental advantages, including (i) its strategic location in a prolific hydrocarbon province with direct access to global shipping routes and logistics hubs; (ii) its well-developed oil and gas sector; (iii) a stable and highly prospective oil and gas operating environment which has attracted many international investors; (iv) the Government of Oman's encouragement of investment in gas-intensive industries to support economic diversification and hydrocarbon value optimisation; and (v) an established and competitive regulatory and fiscal framework for the hydrocarbon sector.

The Company has a proven track record of delivering value and growth. The Company's strong cashflows and optimal capital structure supports self-funded growth and attractive shareholder returns.



**Commenting on the ITF, Ashraf Hamed Al Mamari, Group CEO of OQ, said:**

“Today marks a significant milestone in our journey towards enhancing the value of OQ’s portfolio through strategic divestments. The intention to float OQ Exploration and Production reflects our commitment to unlocking new opportunities for growth, both for the company and for the Sultanate of Oman. Together with our ultimate shareholders at the Oman Investment Authority, we continue to broaden the reach of OQ companies, offering an attractive and robust investment case to the global market. OQ Exploration and Production, with its leading position in maximising Oman’s natural resources, underscores our focus on sustainable development and local value creation. By empowering local communities and supporting small and medium-sized enterprises, we not only maximise local value but also contribute to the long-term economic stability of Oman.”

**OQEP Chief Executive Officer, Ahmed Al-Azkawi, added:**

“We are pleased to announce OQEP’s intention to float on MSX. Since our inception in 2009, we have worked tirelessly to pursue growth opportunities and strengthen our market position. This milestone represents the success of all those years of hard work. Our enterprise core values of operational excellence and sustainability have allowed us to build the company we are now taking public. OQEP is a reliable partner for 13 reputable international companies owing to our significant growth trajectory, robust portfolio of assets, and record-breaking production of nearly 14 times higher since inception. Our strategic goals, aligned with Oman’s Vision 2040, focus on monetising the country’s hydrocarbon resources while supporting the energy transition. Additionally, stimulating the local economy is central to our sustainability initiatives, which includes developing local talent and supporting our CSI projects to increase our contributions to In-Country Value. We continue to build on our success and invite investors to be part of this unique opportunity and successful journey.”

## **KEY DETAILS OF THE OFFERING**

OQ SAOC (“OQ” or the “Selling Shareholder”) expects to sell up to 25% of the total issued share capital of OQEP, with the Company and the Selling Shareholder retaining the right to amend the size of the Offering at any time before the end of the subscription period at their sole discretion, subject to applicable laws and the approval of the FSA. Immediately following the Offering, a minimum of 75% shareholding will continue to be held by OQ.

All the shares being sold by the Selling Shareholder are existing ordinary shares and the Company will not receive any proceeds from the sale of the shares in the Offering, all of which will be paid to the Selling Shareholder. The Offering expenses will be paid by the Selling Shareholder.

The Offering will be offered in two tranches to eligible investors in Oman and qualified institutional and other investors in a number of countries (the “Category I Investors”) and retail investors in Oman (“Category II Investors”). It will be conducted in the manner approved by the FSA and will be carried out concurrently.

- **Category I (Institutional Tranche)** Offer represents 60% of the total Offering and will be made to eligible investors in Oman and qualified institutional and other investors in a number of countries, which is expected to be allocated on a pro-rata basis relative to an investor’s order size.
- **Category II (Retail Tranche)** Offer represents 40% of the total Offering for retail investors in Oman. Retail investors in the Category II Offer will be assigned as either a large retail investor or a small retail investor depending on the size of their subscription amount. A portion of the Category II Offer will be made available to large retail investors and the remainder of the Category II Offer will be made available to small retail investors.
- If the aggregate demand in Category II is less than 40% of the Offer, then after full allocation to the Category II investors, the balance of the shares shall be made available to Category I investors, if there is oversubscription in Category I.



The Offering is being offered: (i) in Oman in accordance with Omani laws (including the SAOG Executive Regulations); and (ii) outside the United States to certain institutional investors in reliance on Regulation S (“Regulation S”) under the U.S. Securities Act of 1933, as amended (the “Securities Act”). Further information on the eligibility requirements for participation in the Offering will be available in the Offering Document upon its publication.

The subscription period for Category I and Category II investors is expected to commence in September 2024, after receiving the required approval from the FSA. Admission of the Shares on the MSX is expected in October 2024 (“Listing”).

Sohar Islamic Shariah Supervisory Board has issued a pronouncement confirming that, in its view, based on the circumstances as at the date of this pronouncement, the Offering is Sharia compliant in accordance with pertinent Sharia principles of the AAOIFI Sharia standards as of the date of this statement.

Further details of the Offering, the Category I Offer and the Category II Offer (including large retail and small retail thresholds) will be included in the Offering Document which is expected to be published by the Company prior to the start of the subscription period. The completion of the Offering and Listing of the shares to trading on the MSX is expected in October 2024, subject to market conditions and obtaining relevant regulatory approvals in Oman, including approval of the Listing.

The shares held by the Selling Shareholder following completion of the Offering shall be subject to a lockup which starts on the date of Listing and ends 180 calendar days thereafter, subject to customary exceptions and waiver by the Joint Global Coordinators. The Company will also be subject to a lock-up starting on the date of the Listing and ending 180 calendar days thereafter.

### **Dividend policy**

- The Company has adopted a quarterly dividend distribution policy to pay dividends after the Offering.
- The Company has a track record of robust and sustainable cashflow generation and intends to maintain a dividend policy designed to return substantially all of its distributable free cash flow after providing for growth opportunities and investments.
- The Company expects to pay the first dividend distribution of approximately OMR 57.7 million (US\$150 million) in or around December 2024 in respect of Q3 2024 and approximately OMR 57.7 million (US\$150 million) in or around March 2025 in respect of Q4 2024, equivalent to an annualised dividend payment of approximately OMR 230.7 million (US\$600 million).
- Thereafter, for the next two financial years ending 31 December 2025 and 31 December 2026, the Company expects to pay quarterly dividends:
  - a base dividend equivalent to approximately OMR 230.7 million (US\$600 million) per annum; and
  - a performance linked dividend equal to 90% of expected free cash flow, plus net proceeds from any potential asset disposals minus the base dividend. For this purpose, “free cash flow” means net cash flow from operations minus capital expenditure (which includes any potential investments in oil and gas and the exercising of Government participation rights).
- The Company expects to pay the performance-linked dividend over the next two subsequent quarters, beginning in respect of the first half results for 2025. For example, the first performance linked dividend (with respect to the first half results for 2025) is expected to be paid in two instalments in September 2025 and December 2025.
- The Company has declared and will pay a pre-IPO dividend in respect of first half 2024 financial results of US\$300 million.



- The Company's dividend policy is designed to reflect the Company's expectation of strong cash flow and expected long-term earnings potential while allowing the Company to retain sufficient capital to fund ongoing operating requirements and continued investment for long-term growth.
- The Company's ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves, its capital expenditure plans and other cash requirements in future periods, as well as the necessary approvals.

## Overview of OQEP

OQEP is Oman's largest pure-play oil and gas exploration and production company and its only upstream oil and gas operator wholly owned by the Government of Oman. The Company, founded in 2009, currently ranks among the top three oil and gas producers and is one of the largest holders of oil and gas reserves in Oman.

Since inception, the Company has witnessed significant growth, expanding its average daily production nearly 14 times, and averaging 249 kboe/d on a working interest basis by 2023. In 2023, its total production constituted approximately 14 per cent. of Oman's total oil, gas and condensate production for the year. The Company has 2P working interest reserves of approximately 0.974 billion barrels of oil equivalent ("bboe") and 2C working interest contingent resources of 820 million barrel of oil equivalent ("mmboe"), based on Company estimates as of 30 June 2024.

The Company has also been the beneficiary of being the only entity since 2009 that has been assigned or nominated by the Government to exercise its participation rights in oil and gas developments in Oman once a declaration of commerciality has been made. The participation right offers the Company an unrivalled avenue to increase resources and de-risk growth, as the participation interest is acquired at historical cost – representing a profitable acquisition opportunity and a valuable source of growth.

## Investment highlights

OQEP is a crucial player in Oman's oil and gas landscape

- Oman is an attractive destination for foreign investment including but not limited to the oil and gas sector where global majors have maintained long-established and large-scale positions.
- OQEP is a crucial player in the Sultanate of Oman, having contributed approximately 14% of Oman's total oil, condensate and gas production in 2023 and represented approximately 40% of OQ Group's Adjusted EBITDA in 2023.

State-owned operator with strategic, high-impact joint venture partners

- OQEP is Oman's only wholly state-owned operator and it has a demonstrable track record of success in exploration, appraisal and development of oil and gas fields.
- OQEP is the partner of choice for IOCs and new entrants in the Sultanate of Oman through successful joint venture partnerships, where partners benefit from experience with key in-country stakeholders.
- OQEP has successfully partnered with peers such as Shell, TotalEnergies, BP and ENI, acting as the gateway to Oman.

Top-tier asset portfolio

- The OQEP portfolio comprises 14 upstream oil and gas exploration and production assets in Oman and includes both onshore and offshore operations as well as assets under service contracts.
- The portfolio is both high quality and provides the right mix of hydrocarbons with oil exposure providing upside in high oil price environments and gas which provides baseload revenue certainty through long-term gas sales contracts.
- The portfolio is strategically weighted towards gas. It has the largest percentage of remaining gas reserves amongst the top three oil and gas producers in Oman, at approximately 59%.



- OQEP represented approximately 14% gas production market share in 2023, up from approximately 5% in 2017, and gas making up approximately 43% of OQEP's total production in 2023, up from approximately 29% in 2017.

#### Proven track record of delivering value and growth

- History of delivering growth, with a nearly 14x increase in average daily production since the Company's inception in 2009.
- Proven track record as the Omani Government's preferred partner for participation rights that provide opportunity for further de-risked upside.
- Focus on cost discipline and has achieved operational improvements: 48% reduction in well construction duration and a 32% reduction in development well costs since 2020.

#### OQEP has robust cashflows and a capital structure that is driving shareholder returns

- Low-cost operations profile which compares favourably with peers – with operating expenditures of approximately \$9/boe in 2023 due to favourable geography, strong operatorship and learnings shared with partner-operated blocks.
- Low operating cost along with a supportive fiscal regime helped generate free cash flow of \$16/bbl in 2023. ROCE of 32% in 2023 is a leading result versus the OQEP peer group and is a strong positive indicator.
- OQEP leverage has historically been extremely low and decreasing over the years, reaching net cash in 2023.

#### Entrepreneurial management team with an exceptional track record and strong ESG focus

- OQEP benefits from a management team with significant experience and unique capabilities, having worked within the industry for an average of 25 years within various OQ entities as well as IOCs.
- Management team has delivered numerous growth projects at OQEP as well as other organisations and are ready to lead the business into the next phase of growth.
- Decarbonisation and health & safety are two critical areas of focus. OQEP operational scope 1 and scope 2 GHG intensity for operated assets in 2023 was ~15 kgCO<sub>2</sub>e/boe, 19% lower than the 2021 baseline, and ahead of the market-recognised Oil and Gas Climate Initiative (OGCI) 2025 target of 17 kgCO<sub>2</sub>e/boe.

### Capital Structure

The Company intends to retain a prudent capital structure in order to support a strong dividend payout capacity. As of 30 June 2024, the Company had net external debt of minus \$329 million. Since June 2024, the Company has entered into two long term financing facilities for a total of \$1 billion comprising a \$500 million conventional bridge facility for a two year term at U.S. Dollar Term SOFR plus a fixed margin (85bps) and a \$500 million Islamic financing facility for a seven year term structured as a wakala bil-istithmar, paying a variable return set by reference to U.S. Dollar Term SOFR plus a fixed margin (125bps). The facility will be re-paid in semi-annual instalments commencing in January 2027 and with a balloon payment in July 2031. The proceeds from these financing facilities have been used to repay the remaining portion of the shareholder loan.

As of the IPO, taking into account the refinancing, repayment of the shareholder loan and PXF facility and payment of the pre-IPO dividend, the Company has a net debt of \$943 million (representing a leverage of 0.5 times EBITDA) which remains low and below the average of similar oil & gas companies.

### Summary of OQEP's Financial Performance & Operating Highlights

OQEP's high-quality asset base, experienced management team, and commitment to operational excellence have supported an impressive operational performance. At 249 kboepd, current average daily production volumes are nearly 14 times higher than in OQEP's first year of inception. Further, in 2023, OQEP's Block 61 asset contributed approximately 33% of total gas production for Oman, and the Company's Block 9 asset accounted for 10% of Oman's total oil production.





This operational success has enabled OQEP to deliver a highly resilient financial performance through oil cycles, with a 14% revenue compound annual growth rate since 2010 and a 19% Adjusted EBITDA (including Abraj<sup>(1)</sup>) compound annual growth rate over the same period. Additionally, the Company's sharp focus on maintaining a high-quality, low-cost operating asset base allowed it to record operating costs of US\$9.4/boe in 2023, versus a universe of peers selected by Wood Mackenzie<sup>2</sup> of US\$12.5/boe. This low operating cost base, coupled with a stable and attractive fiscal regime, supported Adjusted Free Cash Flow generation of US\$16.0/boe in 2023, which compares favourably to its select peer group's median of US\$11.0/boe in 2023.

### Key Financial Highlights (excluding Abraj) <sup>(3)</sup>

	As at and for the year ended 31 December			As at and for the six months ended 30 June	
	2021	2022	2023	2023	2024
Adjusted Revenue (OMR '000).....	843,873	1,266,290	1,087,762	554,884	427,892
of which oil and condensate sales (OMR '000) .....	642,172	1,027,140	867,181	456,617	321,416
of which gas sales (OMR '000) .....	169,964	199,525	136,044	73,040	80,696
Adjusted Profit before tax (OMR '000).....	491,044	619,426	690,396	217,759	179,161
Adjusted EBITDA (OMR '000) .....	648,304	1,025,474	789,774	416,416	317,365
Adjusted Profit for the year/period	488,190	617,330	610,449	216,666	176,100
Adjusted Free Cash Flow (OMR '000).....	326,542	767,466	510,958	258,808	85,388
Adjusted Total assets (OMR '000).....	1,867,240	1,960,658	1,770,663		1,781,072

The six month financial results as of 30 June 2024 exclude the 40% stake in Block 60 that the Company sold in December 2023, whilst the six month financial results as of 30 June 2023 do not. On a comparative basis, i.e. adjusting the H1 2023 results for the 40% divestment of Block 60, the Adjusted Revenue would have been approximately 6% lower whilst profit for the period would have been approximately 6% higher.

### Key Reserves Data

1) For a discussion of how Adjusted EBITDA (including Abraj) is calculated, see "Presentation of Financial, Industry and Market Data—Non-IFRS Information and Certain Other Financial and Operational Data—Non-IFRS Information" and "Chapter XIII—Selected Historical Financial, Operating and Other Information—Other Financial and Operational Data" in the Company's Prospectus, which is expected to be published in due course.

2) Peer group defined by Wood Mackenzie. For further information, refer to the "public peers of the Company" table in "Chapter X—Industry Overview and Regulatory Framework" in the Company's Prospectus, which is expected to be published in due course.

3) "Adjusted Revenue" is defined as revenue excluding revenue attributable to Abraj, further adjusted to add intercompany revenue with Abraj, in respect of the years ended 31 December 2021, 2022 and 2023. "Adjusted Profit before tax" as profit before tax excluding the profit before tax attributable to Abraj in respect of the years ended 31 December 2021, 2022 and 2023; "Adjusted EBITDA (including Abraj)" as profit before tax minus finance income plus finance costs and depreciation, depletion and amortisation, further adjusted for, in respect of the year ended 31 December 2021, the net reversal of impairment of oil and gas assets and other property, plant and equipment and, in respect of the year ended 31 December 2023, the net reversal of impairment of oil and gas assets and other property, plant and equipment and the gain on divestment of Block 60; "Adjusted EBITDA" as Adjusted EBITDA (including Abraj) minus the profit before tax, finance costs, depreciation, depletion and amortisation and plus the finance income attributable to Abraj in respect of the years ended 31 December 2021, 2022 and 2023 and further adjusted for, in respect of the year ended 31 December 2021, the net impairment of oil and gas assets and other property, plant and equipment attributable to Abraj, in respect of the year ended 31 December 2023, the net reversal of impairment of oil and gas assets and other property, plant and equipment attributable to Abraj and, in respect of the six months ended 30 June 2024, the exploration and evaluation assets written off Block 42 and the provision for impairment on exploration and evaluation assets of Block 52; "Adjusted Free Cash Flow" as net cash generated from operating activities, adjusted for the reversal of assets related to associate in respect of the six months ended 30 June 2024, minus the net cash generated from operating activities attributable to Abraj in respect of the years ended 31 December 2021, 2022 and 2023, minus Adjusted Capital Expenditure; "Adjusted Total assets" as total assets excluding the portion of total assets attributable to Abraj in respect of the years ended 31 December 2021, 2022 and 2023. "Adjusted Profit for the year/period" as profit for the year/period excluding the profit for the year/period attributable to Abraj in respect of the years ended 31 December 2021, 2022 and 2023.

For a discussion of how Non-IFRS information is calculated, see "Presentation of Financial, Industry and Market Data—Non-IFRS Information and Certain Other Financial and Operational Data—Non-IFRS Information" and "Chapter XIII—Selected Historical Financial, Operating and Other Information—Other Financial and Operational Data" in the Company's Prospectus, which is expected to be published in due course.



The following table sets out certain key reserves data of the Company as at 31 December 2021, 2022 and 2023 and 30 June 2024.

	As at 31 December			As at
	2021	2022	2023	30 June
	2021	2022	2023	2024
1P reserves (bboe) <sup>(1)</sup> .....	0.614	0.705	0.675	0.632
of which oil (mmbbl).....	266	252	262	240
of which gas (bscf).....	2,019	2,628	2,394	2,274
2P reserves (bboe) <sup>(1)</sup> .....	0.917	1.076	1.016	0.974
of which oil (mmbbl).....	400	407	422	400
of which gas (bscf).....	3,001	3,879	3,449	3,330
3P reserves (bboe) <sup>(1)</sup> .....	1.218	1.449	1.338	1.296
of which oil (mmbbl).....	554	614	578	556
of which gas (bscf).....	3,855	4,845	4,411	4,291
2C resources (bboe) <sup>(1)</sup> .....	N/A	0.950	0.820	0.820
of which oil (mmbbl).....	N/A	395	323	323
of which gas (bscf).....	N/A	3,223	2,882	2,882

Note:

- (1) Reserves and resources are shown on a working interest basis, which is calculated based on the Company's percentage of working interest multiplied by the relevant reserves or resources figure for the contract area and aggregated across contract areas.

## Corporate Governance

The Board of Directors of OQEP are committed to standards of corporate governance that are in line with best practice and to comply fully with the FSA's Code of Corporate Governance for Public Joint Stock Companies (the "Code"). The Board of Directors consists of five members, of which two are independent directors as per the Code. The Board of Directors have established an audit committee and a nomination and remuneration committee, each comprising of three directors and have been established in accordance with the provisions of the Code.

## About OQEP

OQEP is Oman's largest pure-play oil and gas exploration and production company and its only upstream oil and gas operator wholly owned by the Government of Oman. It is a key part of global energy company OQ. Founded in 2009, the Company's 655 employees (as of June 30, 2024) focus exclusively on the exploration, drilling, and extraction of oil and gas in the Sultanate. OQEP has a proven track record of growth, with production volumes increasing nearly 14 times by 2023 from the Company's inception, and successful collaboration with leading international energy companies. The Company's operations are closely aligned with Oman's Vision 2040 framework, driving Oman's economic growth by maximising the use of its natural resources. Entrepreneurship and an ESG-centric perspective define the company's strategy and its approach to new projects. For more information about OQEP, please visit: [www.oqep.om](http://www.oqep.om)



## **Decarbonisation approach**

OQEP's environmental and decarbonisation strategy is in line with Oman's Vision 2040 and its commitment to net zero by 2050. Its overarching goal is supported by specific quantitative targets, including:

- achieve net zero greenhouse gas emissions (Scope 1 and 2) by 2050 from its operated assets (i.e., Block 60 and Block 8) and MGP, its operated processing facility and export terminal; and
- eliminating routine flaring by 2027.

The Company's Scope 1 and 2 CO<sub>2</sub> intensity of 15 kgCO<sub>2</sub>e/boe in 2023 is already below the market recognised Oil and Gas Climate Initiative target of 17 kgCO<sub>2</sub>e/boe by 2025. OQEP has reduced its operational Scope 1 and 2 CO<sub>2</sub> intensity by 19% in 2023 from a 2021 baseline. OQEP has identified various GHG reduction opportunities over the next 10 years, including flare reduction projects, energy efficiency projects, process optimisation and renewable energy projects. The Company also intends to implement additional emission reduction initiatives in the future that are expected to deliver a reduction of up to 40% of Scope 1 and 2 GHG emissions from a 2021 baseline.

The Company's commitments are aligned with OQ's decarbonisation plan and are a critical component of its strategy to enhance environmental, social and governance ("ESG") practices and reduce the OQ Group's environmental impact. Moreover, the Company plans to increase visibility regarding its ESG-related performance indicators, by preparing annual sustainability reporting, which is expected to be published from 2025 onwards.

## **Health & Safety**

OQEP is committed to maintaining robust health and safety practices. The Company's senior management provides oversight of, and is committed to, upholding an HSSE culture and implementing related policies. To ensure rigorous HSSE standards are met, the Company conducts regular HSSE audits and provides comprehensive annual training and awareness campaigns for employees as well as contractors, with a focus on continuous improvement. OQEP believes its strong safety culture has delivered tangible results, most notably by reducing its Lost Time Injury Frequency (LTIF) from 0.30 in 2020 to 0.08 in 2023.

###





## **JOINT GLOBAL COORDINATORS**

HSBC Bank Middle East Limited

Natixis Corporate and Investment Banking

Oman Investment Bank

Sohar International

## **ISSUE MANAGER**

Sohar International

## **FINANCIAL COMMUNICATIONS ADVISOR**

- **Kevin Soady**,  
Partner, Kekst CNC
- **Gregor Riemann**,  
Snr. Consultant, Kekst CNC

E: [kevin.soady@kekstcnc.com](mailto:kevin.soady@kekstcnc.com)

E: [gregor.riemann@kekstcnc.com](mailto:gregor.riemann@kekstcnc.com)

---

---

## ELECTRONIC TRANSMISSION DISCLAIMER

*This announcement is an advertisement for the purposes of the Prospectus Regulation EU 2017/129 and underlying legislation. It is not a prospectus. A copy of any prospectus published by OQ Exploration and Production SAOG (under transformation) (the “Company”) will, if approved and published, be made available for inspection on the issuer’s website subject to certain access restrictions.*

*The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change. No obligation is undertaken to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company to proceed with the Offering or any transaction or arrangement referred to herein. This announcement has not been approved by any competent regulatory authority. None of the Joint Global Coordinators, the Issue Manager, the Collection Agents and/or any of their respective subsidiaries, affiliates or any of their respective directors, officers, employees, advisers and/or agents are responsible for the contents of this announcement.*

*This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or any other securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever. Investors should not purchase any shares referred to in this announcement except on the basis of information in the Prospectus to be published by the Company in due course in connection with the proposed admission of the shares to listing and trading on the Muscat Stock Exchange. The Offering and the distribution of this announcement and other information in connection with the Offering in certain jurisdictions may be restricted by law and persons into whose possession this announcement, any document or other information referred to herein comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

*This announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Canada, Australia, South Africa or Japan. This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for, or otherwise invest in, securities in the United States. The securities mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933 (the “**Securities Act**”) or with any securities regulatory authority of any state or other jurisdiction in the United States.*

*The securities may not be offered or sold in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There will be no public offer of securities in the United States.*

*This announcement is being distributed to and is only directed only at (i) persons who are outside the United Kingdom; (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (iii) high net worth entities falling within Article 49(2)(a) to (d) of the Orders; and (iv) other persons to whom it may lawfully be communicated (all such persons in (i), (ii), (iii) and (iv) above) together being referred to as “**relevant persons**”). Any invitation, offer or agreement to subscribe for, purchase or otherwise acquire securities will be engaged in only with*



*relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.*

*In any member state of the European Economic Area, this announcement is only addressed to and is only directed at qualified investors in such member state within the meaning of the Prospectus Regulation EU 2017/1129 (the “**Prospectus Regulation**”), and no person that is not a qualified investor may act or rely on this announcement or any of its contents. In the United Kingdom, this announcement is only addressed to and is only directed at qualified investors within the meaning of the Prospectus Regulation as it forms part of domestic law by virtue of European Union (Withdrawal) Act 2018, and no person that is not a qualified investor may act or rely on this announcement or any of its contents.*

*In the Sultanate of Oman: This announcement and the information contained in it is strictly private and confidential and is being distributed to a select number of investors/recipients and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you are in any doubt about the contents of this announcement, you should consult an authorised financial adviser. This announcement does not constitute an offer of securities in Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 18/2019) or Article 28 of the Omani Securities Law (Royal Decree 46/2022) (the “**Relevant Oman Laws**”). This announcement will only be made available to investors in Oman in accordance with the provisions of Relevant Oman Laws.*

*This announcement has not been filed with or approved by the Omani Financial Services Authority or any other regulatory authority in Oman. Any person in Oman to whom this announcement is made available and who invests in the securities concerned will be deemed to have represented and warranted that they are sophisticated investors (i.e., investors that have experience in investing in local and international securities, are financially solvent and have knowledge of the risks associated with investing in securities) and are acquainted with the announcements relating to the concerned issuance and the risks and rewards associated with investment in such securities.*

*In the United Arab Emirates (outside of the financial free zones established pursuant to UAE Federal Law No.8 of 2004): This announcement is strictly private and confidential and is being distributed to a limited number of investors/recipients and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. If you are in any doubt about the contents of this announcement, you should consult an authorised financial adviser. By receiving this announcement, the person or entity to whom it has been issued understands, acknowledges and agrees that this announcement has not been approved by or filed with the United Arab Emirates (“**UAE**”) Central Bank, the Securities and Commodities Authority (the “**SCA**”) or any other authorities in the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE.*

*Securities may not be marketed, offered or sold directly or indirectly to the public in the UAE without the approval of the SCA. This announcement does not constitute a public offer of securities in the UAE in accordance with the Federal Commercial Companies Law, No. 32 of 2021 (as amended or replaced from time to time) or otherwise.*

*This announcement may be distributed in the UAE only to “professional investors” (as defined in SCA Board of Directors’ Chairman Decision No.13/R.M of 2021 (as amended from time to time)) and may not be provided to any person other than the original recipient.*

*Nothing contained in this announcement is intended to constitute investment, legal, tax, accounting or other professional advice. This announcement is for your information only and nothing in this announcement is intended to endorse or recommend a particular course of action. Any person considering acquiring securities*



*should consult with an appropriate professional for specific advice rendered based on their respective situation.*

*In the Dubai International Financial Centre: This document relates to an offer (“**Offer**”) which is not subject to any form of regulation or approval by the Dubai Financial Services Authority (“**DFSA**”).*

*The DFSA has not approved this announcement nor has any responsibility for reviewing or verifying any announcement or other announcements in connection with this the Offer. Accordingly, the DFSA has not approved this announcement or any other associated documents nor taken any steps to verify the information set out in this announcement, and has no responsibility for it.*

*The Offer has not been offered and will not be offered to any persons in the Dubai International Financial Centre except on that basis that an offer is:*

- (i) an “Exempt Offer” in accordance with the Markets Rules (“**MKT**”) module of the DFSA Rulebook; and*
- (ii) made only to persons who meet the “Deemed Professional Client” criteria set out in the Conduct of Business (“**COB**”) Module of the DFSA Rulebook (the “**COB Module**”).*

*This announcement must not, therefore, be delivered to, or relied on by, any other type of person.*

*The Offer to which this announcement relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the Offer:*

*The DFSA has not taken steps to verify the information set out in this announcement, and has no responsibility for it. If you do not understand the contents of this Offer or are unsure whether the securities to which this Offer relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.*

*This announcement is only addressed to and is only directed at “Deemed Professional Clients” as defined in the DFSA Rulebook, COB Module. This announcement is not directed at Retail Clients as defined in the COB Module.*

*In the Abu Dhabi Global Market (“**ADGM**”): This announcement relates to an offer (“**Offer**”) which is not subject to any form of regulation or approval by the Financial Services Regulatory Authority (“**FSRA**”).*

*The FSRA has not approved this announcement nor has any responsibility for reviewing or verifying any announcement or other announcements in connection with this the Offer. Accordingly, the FSRA has not approved this announcement or any other associated documents nor taken any steps to verify the information set out in this announcement, and has no responsibility for it.*

*The offered shares have not been offered and will not be offered to any persons in the ADGM except on the basis that an offer is: (i) an “Exempt Offer” in accordance with the FSRA Financial Services and Markets Regulations 2015 and Markets Rules; and (ii) made only to persons who meet the “Deemed Professional Client” criteria set out in the FSRA Conduct of Business Rulebook.*

*The FSRA has not taken steps to verify the information set out in this announcement, and has no responsibility for it. If you do not understand the contents of this Offer or are unsure whether the securities to which the Offer relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial adviser.*

If you do not understand the contents of this announcement, you should consult an authorised financial adviser.

None of the Selling Shareholder, the Company, the Joint Global Coordinators, the Issue Manager, the Collection Agents and/or any of their respective subsidiaries, affiliates or any of their respective directors, officers,



employees, advisers, agents or any other person(s) accepts any responsibility or liability whatsoever for, or makes any representation or warranty, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the Company or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

This announcement does not constitute a recommendation concerning the Offering. The price and value of securities and any income from them can go down as well as up and you could lose your entire investment. Past performance is not a guide to future performance. Information in this announcement cannot be relied upon as a guide to future performance. Before purchasing any securities in the Company, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Offering Document, when published. There is no guarantee that the Offering will take place and potential investors should not base their financial or investment decisions on the intentions of the Company or any other person in relation to the Offering at this stage. Nothing contained herein constitutes or should be construed as: (i) investment, tax, financial, accounting or legal advice; (ii) a representation that any investment or strategy is suitable or appropriate to your individual circumstances; or (iii) a personal recommendation to you. Potential investors should consult a professional adviser as to the suitability of the Offering for the person(s) concerned.

This announcement contains “forward looking” statements, beliefs or opinions, including statements with respect to the business, financial condition, results of operations, liquidity, prospects, growth, strategy and plans of The Company, and the industry in which the Company operates. These forward looking statements involve known and unknown risks and uncertainties, many of which are beyond the Company's control and all of which are based on the Company's current beliefs and expectations about future events. Forward looking statements are sometimes identified by the use of forward looking terminology such as “believes”, “expects”, “may”, “will”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “targets”, “ongoing”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts and involve predictions. Forward looking statements may and often do differ materially from actual results. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the directors or the Company with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, concerning, amongst other things, the results of operations, financial condition, prospects, backlog, growth and strategies of The Company and the industry in which it operates.

No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing the Company. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. The forward-looking statements contained in this announcement speak only as of the date of this announcement. The Selling Shareholder, the Company, the Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents, the Phase II Collection Agents and/or their respective affiliates, expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward looking statements contained in this announcement to reflect any change in its expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.

HSBC Bank Middle East Limited (“**HSBC**”), Oman Investment Bank SAOC (“**OIB**”), Natixis SA and Natixis DIFC Branch (together, “**Natixis**”) and Sohar International Bank SAOG (“**Sohar International**”) have been appointed as Joint Global Coordinators of the Offering. HSBC is authorised and regulated in the UAE by the Central Bank of the UAE and the Securities and Commodities Authority and lead regulated by the Dubai Financial Services Authority. Natixis SA is regulated in France by both the Autorité de Contrôle Prudentiel et de Résolution



(ACPR) and by the Autorité des Marchés Financiers (AMF). Natixis DIFC Branch is regulated by the Dubai Financial Services Authority (“**DFSA**”) for the conduct of its business in and from the Dubai International Financial Centre (“**DIFC**”). OIB is licenced and regulated by the Central Bank of Oman (the “**CBO**”) and the FSA. Sohar International is authorised and regulated by the CBO and the FSA.

The Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents and the Phase II Collection Agents are acting exclusively for the Company and the Selling Shareholder and no-one else in connection with the Offering. They will not regard any other person as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, each of the Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents, the Phase II Collection Agents and any of their affiliates may take up a portion of the shares in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Offering Document, once published, to the shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, each of the Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents, the Phase II Collection Agents and any of their affiliates acting in such capacity. In addition, certain of the Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents, the Phase II Collection Agents or their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which they or their affiliates may from time to time acquire, hold or dispose of shares. None of the Joint Global Coordinators, the Issue Manager, the Phase I Collection Agents, the Phase II Collection Agents or any of their respective affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The contents of the Company’s website are not incorporated by reference into, and do not form part of, this announcement.