

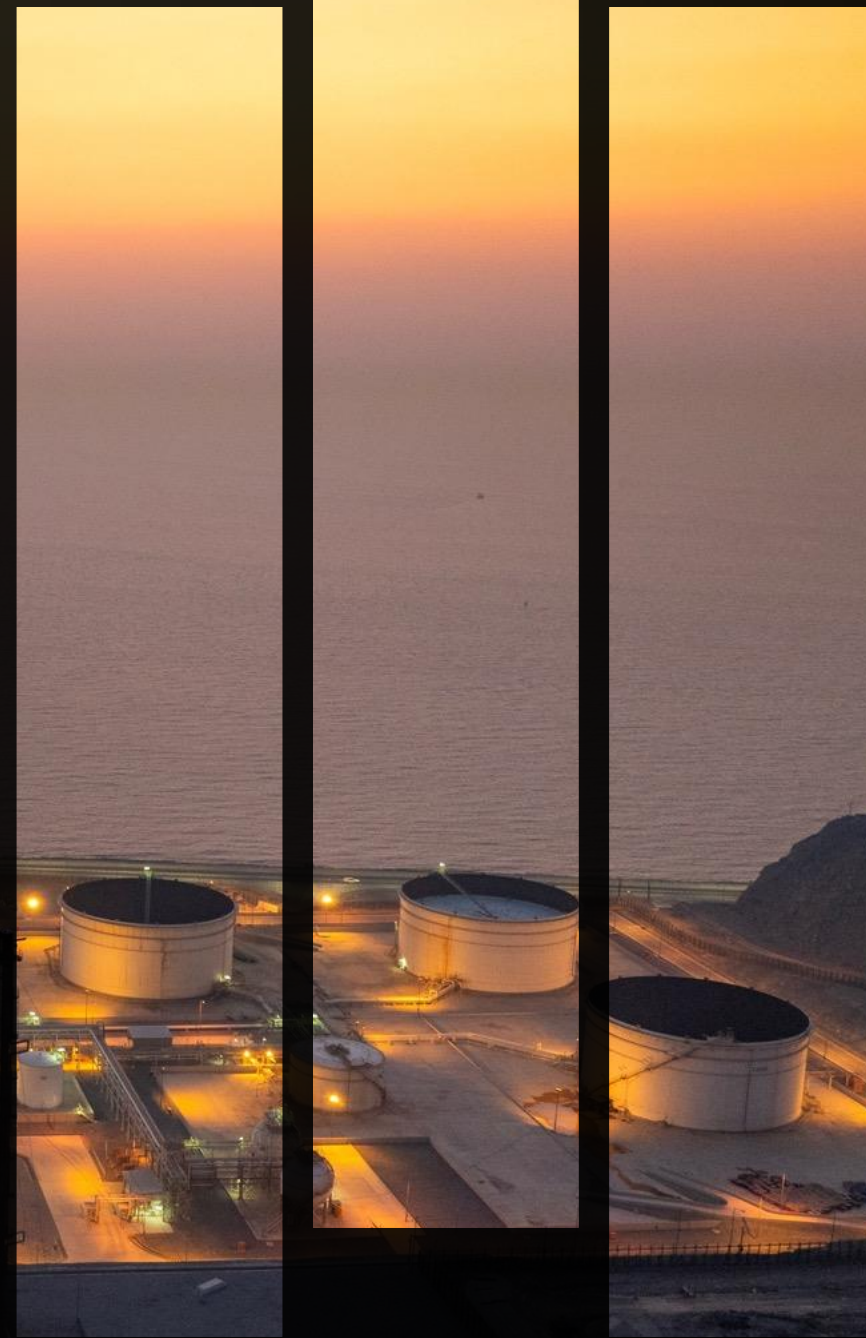


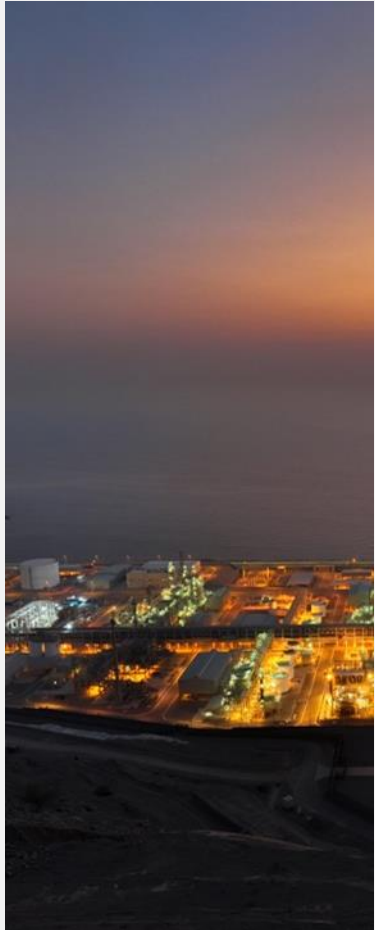
# OQ Exploration & Production (OQEP)

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Q1 2025 Financial Results

8 May 2025





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## RESILIENCE

### PROVEN PERFORMANCE THROUGH CYCLES

- 13x production increase since 2009<sup>1</sup>
- 22% ROCE<sup>3</sup>, exceeding Peers average (15%<sup>2</sup>)

### LONG-TERM CONTRACTS

- Predictable, long-term revenue streams from Gas Sales Agreements
- Supplying growth markets of Oman & Asia

### COST ADVANTAGE

- Competitive fiscal regime
- Opex < \$10/boe consolidated
- Continual operational and technical excellence

### ROBUST CASHFLOWS AND CAPITAL STRUCTURE

- Q1 2025 Adjusted CFFO \$369m
- Conservative through-the-cycle leverage as compared to peer average



## AGILITY

### BALANCE SHEET STRENGTH

- Low leverage ~0.4x EBITDA provide flexibility
- Cash balance ~\$309 million

### CAPEX AND OPEX

- Optimize and enhance opex and capex
- Ability to flex capex dependent on economic conditions

### LONG-TERM INVESTMENT AND VALUE GENERATION

- Protect long-term growth opportunities of OQEP's high quality portfolio of assets



## VALUE

**Continue to generate robust cash flows for shareholder value and growth**

**Maintaining guidance for FY25 and FY26 dividend of \$600m**

<sup>1</sup> As of December 31, 2024

<sup>2</sup> Wood Mackenzie 2023

<sup>3</sup> Using annualised operating profit



## GROWTH

Marsa LNG plant groundbreaking

**Block 54:** signed EPSA and JOA to operate exploration Block 54

**Block 61:** discussions ongoing to develop up to 2Tcf (gross) additional discovered gas resources

**Block 47:** granted 6 months extension by Ministry of Energy and Mineral to complete exploration drilling

**Block 53:** engaged with its stakeholders to enhance technical plans and fiscal terms, which includes the potential extension of the block.



## OPERATIONS

**HSE:** continued reduction in TRIF

Production 221 kbopd net working interest

**Block 60:** 86% completion of Bisat C Expansion project: additional 37 kboepd oil processing capacity; commissioning Q325

**Block 8:** a new well is being drilled and expected to add gas and condensate in 2025

In Country Value (ICV) retained of US\$ 54 million (41% of total procurement spend).



## FINANCIAL

Q1 2025 dividend distribution to shareholders in May 2025

Adjusted CFFO ~\$369 million

EBITDA ~\$397 million

ROCE ~22%

Published the first 2024 Annual Report

# SUMMARY FINANCIAL PERFORMANCE: YEAR-ON-YEAR

## YEAR ON YEAR ANALYSIS

Operational	Q1-25	Q1-24	Variance
Oil and Condensate volume (mmbbl)	5.4	5.1	4.9%
Average realized sales price (\$/bbl)	75.3	79.7	-5.5%
Gas Volume (bscf)	30.5	32.2	-5.2%
Average realized sales price (\$/mscf)	3.21	3.36	-4.4%

Financial	Q1-25 OMR '000	Q1-24 OMR '000	Variance
Revenue	205,470	209,527	-1.9%
Gross Profit	75,465	78,778	-4.2%
EBITDA excluding ABRJ <sup>3</sup>	152,692	145,101	5.2%
EBITDA	152,692	151,050	1.1%
Net Profit excluding ABRJ <sup>3</sup>	74,867	76,211	-1.8%
Net Profit	74,867	82,160	-8.9%
Adjusted Cash Flow From Operations <sup>1</sup>	141,820	145,102	-2.3%
Capital Expenditure	57,438	65,922	-12.9%
Net Debt	264,167	(132,741)	-
ROCE <sup>2</sup>	22.2%	20.8%	6.6%

Revenue remained stable despite lower oil and gas price compared to Q1 2024

Adjusting for the ABRJ disposal (discontinued operation), net profit after tax also remained stable at OMR 74.9 million compared to an adjusted OMR 76.2 million for Q1 2024

Adjusted Cash Flow from Operation stable at OMR 141.8 million.

New debt facilities established in September 2024 to refinance a subordinated loan

Post ABRJ transfer, strong operating profit offset the decrease in assets, leading to higher ROCE

<sup>1</sup> Adjusted cash flow from operations represent operating cashflows before working capital changes

<sup>2</sup> Using annualised operating profit

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

# SUMMARY FINANCIAL PERFORMANCE: QUARTER-ON-QUARTER

## QUARTER ON QUARTER ANALYSIS

Operational	Q1-25	Q4-24	Variance
Oil and Condensate volume (mmbbl)	5.4	5.1	5.1%
Average realized sales price (\$/bbl)	75.3	75.4	-0.2%
Gas Volume (bscf)	30.5	35.4	-13.8%
Average realized sales price (\$/mscf)	3.21	3.22	-0.3%

Financial	Q1-25 OMR '000	Q4-24 OMR '000	Variance
Revenue	205,470	195,000	5.4%
Gross Profit	75,465	58,906	28.1%
EBITDA	152,692	131,500	16.1%
Net Profit	74,867	54,417	37.6%
Adjusted Cash Flow From Operations <sup>1</sup>	141,820	114,291	24.1%
Capital Expenditure	57,438	61,038	-5.9%
Net Debt	264,167	222,652	18.6%
ROCE <sup>2</sup>	22.2%	16.4%	34.9%

Revenue increased by 5.4% to OMR 205m, driven by a 5.1% increase in oil and condensate sales, balancing the decrease in gas volume due to planned maintenance at key JV asset

Gross Profit increased by 28.1%, and Net Profit rose by 37.6%, reflecting improved margins

Adjusted cash flow from operations remained strong at OMR 141.8 million, up from OMR 114.3 million in Q4 2024.

Strong operating profit driven by higher margin, leading to an increase ROCE to 22.2%

<sup>1</sup> Adjusted cash flow from operations represent operating cashflows before working capital changes

<sup>2</sup> Using annualised operating profit

# FY2025 GUIDANCE (1/2) – GROSS FIELD LEVEL



Blocks include	Block 60	Block 61	Block 9	Block 53	Block 65	Block 10
Volumes				2025		
	Gross production ( <i>kboepd</i> ) of which Oil and Condensate ( <i>kboepd</i> ) of which Gas (bcf/d) Oil/Gas split (%)			660-690 320 2.0-2.2 45/55		
Price	Crude	• Oman Selling Price (OSP)				
	Gas	• \$3.20/mmbtu (2025 real), target 1.75%-2.0% escalation p.a. (volume weighted average of current GSAs)				
Costs	Gross opex	• Target < \$10/boe – expected to remain stable in nominal terms				
	Gross capex	• Capex of \$2.0 - 3.0bn				
	Cost recovery	• Fully recoverable up to a ceiling of 65-70% of gross revenue (weighted on lifetime production)				
Government profit share	Oil and Condensate	<ul style="list-style-type: none"> <li>• Weighted average government share of 65-75% (based on lifetime production)</li> <li>• Higher end of the range in the medium term and drops to lower end beyond</li> </ul>				
	Gas	• Weighted average government share of 45-50% based on lifetime production				

# FY2025 GUIDANCE (2/2) – OQEP LEVEL



<b>OQEP's Working Interest</b>		<b>2025</b>
	OQEP's volume weighted average working interest	33%
<b>Other income</b>		<b>2025</b>
	Service contracts for Block 8, RSF and KSF and tariff agreement for MGP	c.\$100m
<b>Working capital</b>	Working capital is not expected to be subject to significant movements	
<b>Capital structure policy</b>	<ul style="list-style-type: none"> <li>• Maximum leverage of up to 1.0x net debt / EBITDA in the current oil price environment</li> <li>• Conservative through-the-cycle leverage as compared to Peers average</li> </ul>	



# STRATEGY - REINFORCE COMPETITIVE POSITIONING AND LEAD IN GAS AND DECARBONISATION

Grow hydrocarbon portfolio through new developments, acquisitions and **leveraging Government's participation rights**



**De-risk asset portfolio and maintain competitiveness** and differentiation



**Maintain reserves replenishment** with time, achieving or exceeding the industrial benchmark



Invest and expand gas business **to meet the growing demand** for low-cost, lower carbon intensity energy and **promote the energy transition**




**Grow financial performance** across **EBITDA** and **free cash flow**



**Continued commitment to Oman upstream landscape** via selected growth opportunities



# POSITIONED TO DELIVER VALUE THROUGH CYCLES

01	02	03	04	05	06
<p><b>Crucial Player in Oman's Upstream Landscape</b></p> <p>Operating in an <b>attractive investment destination</b> with an established Oil &amp; Gas industry</p> <p><b>c.5%</b> FDI<sup>1</sup></p> <p><b>Significant contributor</b> to the economy and society</p> <p><b>14%</b> of Oman O&amp;G production<sup>2</sup></p>	<p><b>Proven Track Record of Delivering Value and Growth</b></p> <p><b>Proven track record</b> of portfolio and production growth since inception</p> <p><b>13x</b> Growth<sup>5</sup></p> <p>Historically the preferred partner for the <b>Government's participation rights</b></p> <p>Blocks <b>61 &amp; 65</b></p>	<p><b>High Quality Asset Portfolio in Partnership</b></p> <p>Successful operator with a <b>commercial "IOC-like" mindset</b></p> <p><b>8x</b> Growth in Block 60<sup>3</sup></p> <p>Leveraging OQEP's <b>operational expertise</b> and <b>NOC status</b></p> 	<p><b>Committed to Decarbonization and supporting the local community</b></p> <p><b>Prominent position</b> in key Oman upstream assets</p> <p><b>9</b> Producing blocks</p> <p><b>Gas weighted</b>, positioned for the future with stable floor revenues</p> <p><b>59%</b> Gas WI 2P Reserves<sup>4</sup></p>	<p><b>Robust Financial Performance with Strong Cash Flow Generation</b></p> <p><b>Low-cost</b> asset base with <b>high cashflow efficiency</b></p> <p><b>&lt; 10</b> \$/boe<sup>6</sup></p> <p>Self-funded, <b>low leverage</b> with material <b>dividend distribution</b></p> <p><b>22%</b> ROCE<sup>7</sup></p>	<p><b>Seasoned Leadership Team with Significant Industry Experience and a Track Record</b></p> <p><b>Experienced management</b> driving the <b>growth strategy</b></p> <p><b>c.25</b> years<sup>8</sup></p> <p>Emission profile <b>below industry target</b> and <b>focused HSSE</b> governance</p> <p><b>14</b> kgCO<sub>2</sub>/boe (Block 60)<sup>9</sup></p>

Source: Wood Mackenzie and World Bank

1. FDI as % of GDP in 2022, World Bank data

2. Wood Mackenzie 2023

3. Production growth from 8kboepd in 2015 to 61kboepd in 2024

4. Proportion of gas in 2P Reserves on WI basis as of June 2024, based on company information

5. Increase in net working interest production between 2009 and 2024

6. 2024 opex/boe data

7. ROCE: Calculated as Operating Profit / Capital Employed, where Capital Employed = Total Assets – Current Liabilities

8. Average senior management experience

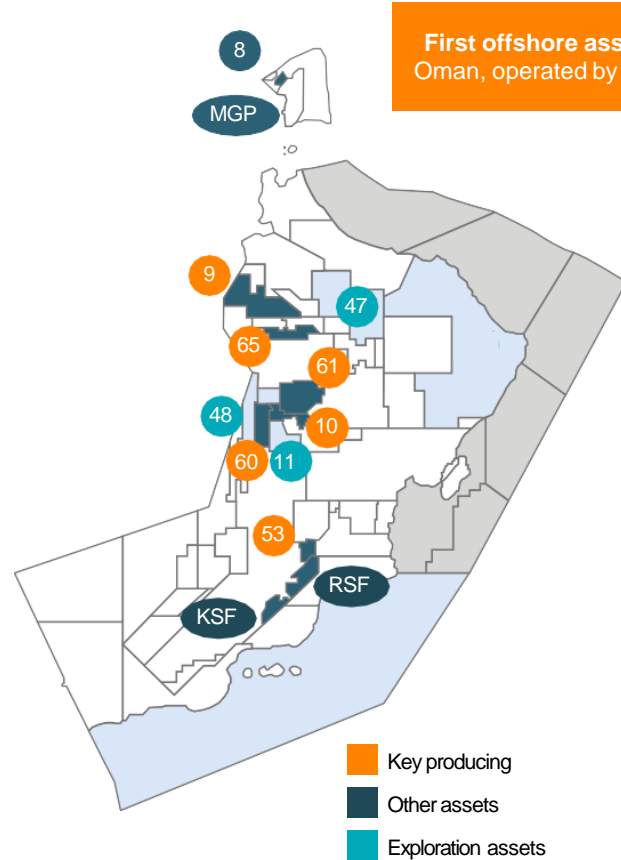
9. Scope 1 and scope 2 for Block 60 in 2024

# QUESTION & ANSWER

# APPENDIX

KEY PRODUCING ASSETS

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



### OTHER ASSETS<sup>4</sup>

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

Exploration assets<sup>5</sup>

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

■ ■ ■ OQEP WI Stake

Source: Company information, Wood Mackenzie

1. Under Service contract  
2. Tariff arrangement

3. Wood Mackenzie, 2023

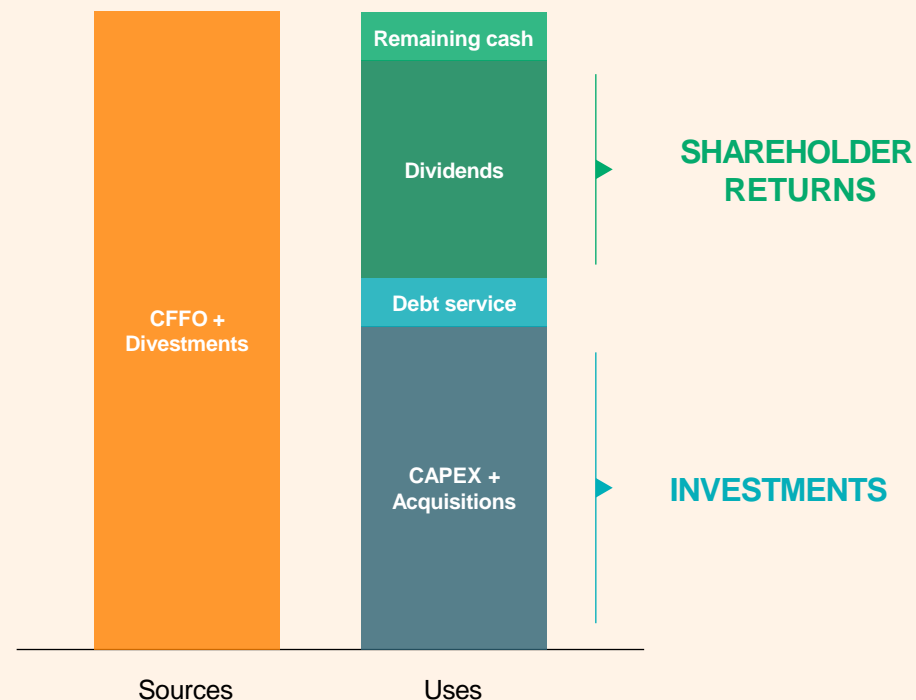
4. Other assets include a long-term sale and purchase arrangement in respect of gas imported to Oman from the Dolphin field in Qatar

5. Other exploration assets include Block 30 and 62 which are currently in an exit process

# CAPITAL ALLOCATION FRAMEWORK SUPPORTING STRONG SHAREHOLDER RETURNS



## Illustrative capital allocation (sources & uses)



## DIVIDEND POLICY

### Pre-IPO

- Pre-IPO dividend of \$300m

### Q3 and Q4 2024

- Fixed quarterly dividend amount of \$150m in December 2024 in respect of Q3 2024 and \$150m in March 2025 in respect of Q4 2024
- Representing \$600m annualised dividend

### FY 2025 & FY 2026

- Performance linked dividends for each semi-annual period, starting with respect to H1 2025 results, will be paid equally over the next two subsequent quarters. For example:
  - With respect to Q1 2025 financials, a dividend payment of \$150m is expected to be paid in May 2025
  - In each of September and December 2025, a dividend payment of \$150m plus half the performance linked element related to H1 2025 results is expected to be paid.
  - In each of March and June 2026, a dividend payment of \$150m plus half the performance linked element related to H2 2025 results is expected to be paid
- Performance linked dividend equal to 90% of expected Free Cash Flow1 plus net proceeds from any potential asset disposals, net of the base dividend

*Dividend policy, including payment frequency, subject to finalization by OQEP board and each individual dividend payments will be subject to Board discretion, market conditions and any other approvals required. There can be no assurance that the OQEP will pay dividends or, if a dividend is paid, what the amount of such dividend will be.*

Source: Company information

Note: 1. Free Cash Flow defined as net cashflow from operating activities minus capital expenditure

Capital expenditure includes any potential investments in new blocks and exercising of the government participation rights



# Thank you

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**OQ Exploration & Production**

Dauhat Al Adab St, Muscat, Oman

Email: [IR@oqep.om](mailto:IR@oqep.om) | Website: [www.oqep.om](http://www.oqep.om)

