IMPORTANT NOTICE

THE ATTACHED BASE OFFERING CIRCULAR IS AVAILABLE ONLY TO (1) QIBs (AS DEFINED BELOW), WHICH ARE ALSO QPs (AS DEFINED BELOW) OR (2) NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT (AS DEFINED BELOW) ("**REGULATION S**")) OUTSIDE THE UNITED STATES.

IMPORTANT: You must read the following disclaimer notice before continuing. The following notice applies to the attached base offering circular (the "**Base Offering Circular**") following this notice, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Base Offering Circular. In accessing the Base Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Trustee, EDO Gas, the Guarantor, the Arrangers or the Dealers (each, as defined in the Base Offering Circular), as a result of such access. You acknowledge that this electronic transmission and the delivery of the Base Offering Circular is confidential and intended only for you, and you agree you will not forward, reproduce or publish this electronic transmission or the Base Offering Circular to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION. THE TRUST CERTIFICATES DESCRIBED IN THE ATTACHED BASE OFFERING CIRCULAR HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

RESTRICTIONS ON THE SALE OF THE SECURITIES TO U.S. PERSONS UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940 (THE "**INVESTMENT COMPANY ACT**") ARE APPLICABLE.

THE BASE OFFERING CIRCULAR AND ANY OFFER OF THE TRUST CERTIFICATES DESCRIBED IN THE BASE OFFERING CIRCULAR WHEN MADE ARE ONLY ADDRESSED TO, AND DIRECTED AT, PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("**EEA**") WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(E) OF REGULATION (EU) 2017/1129 (THE "**PROSPECTUS REGULATION**") ("**EEA QUALIFIED INVESTORS**").

ANY TRUST CERTIFICATES TO BE ISSUED UNDER THE PROGRAMME WHICH DO NOT CONSTITUTE "ALTERNATIVE FINANCE INVESTMENT BONDS" ("**AFIBs**") WITHIN THE MEANING OF ARTICLE 77A OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (REGULATED ACTIVITIES) ORDER 2001 (SI 2001/544), AS AMENDED, WILL REPRESENT INTERESTS IN A COLLECTIVE INVESTMENT SCHEME (AS DEFINED IN THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE "**FSMA**")), WHICH HAS NOT BEEN AUTHORISED, RECOGNISED OR OTHERWISE APPROVED BY THE UNITED KINGDOM FINANCIAL CONDUCT AUTHORITY. ACCORDINGLY, ANY TRUST CERTIFICATES TO BE ISSUED UNDER THE PROGRAMME SHOULD NOT BE MARKETED IN THE UNITED KINGDOM TO THE GENERAL PUBLIC AND THE BASE OFFERING CIRCULAR IS NOT BEING DISTRIBUTED TO, AND MUST NOT BE PASSED ON TO, THE GENERAL PUBLIC IN THE UNITED KINGDOM.

THE DISTRIBUTION IN THE UNITED KINGDOM OF THIS BASE OFFERING CIRCULAR, ANY PRICING SUPPLEMENT (AS DEFINED HEREIN) AND ANY OTHER MARKETING MATERIALS RELATING TO THE TRUST CERTIFICATES IS BEING ADDRESSED TO, OR DIRECTED AT: (A) IF

THE DISTRIBUTION OF THE TRUST CERTIFICATES (WHETHER OR NOT SUCH TRUST CERTIFICATES ARE AFIBS) IS BEING EFFECTED BY A PERSON WHO IS NOT AN AUTHORISED PERSON UNDER THE FSMA, ONLY THE FOLLOWING PERSONS: (I) PERSONS WHO ARE INVESTMENT PROFESSIONALS AS DEFINED IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "**FINANCIAL PROMOTION ORDER**"); (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF PERSONS DESCRIBED IN ARTICLE 49 (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE FINANCIAL PROMOTION ORDER; AND (III) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE MADE IN ACCORDANCE WITH THE FINANCIAL PROMOTION ORDER; AND (B) IF THE TRUST CERTIFICATES ARE NOT AFIBs AND THE DISTRIBUTION IS EFFECTED BY A PERSON WHO IS AN AUTHORISED PERSON UNDER THE FSMA, ONLY THE FOLLOWING PERSONS: (I) PERSONS FALLING WITHIN ONE OF THE CATEGORIES OF INVESTMENT PROFESSIONAL, AS DEFINED IN ARTICLE 14(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (PROMOTION OF COLLECTIVE INVESTMENT SCHEMES) (EXEMPTIONS) ORDER 2001 (THE "**PROMOTION OF CISS ORDER**"); (II) PERSONS FALLING WITHIN ANY OF THE CATEGORIES OF A PERSON DESCRIBED IN ARTICLE 22 (HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC.) OF THE PROMOTION OF CISS ORDER; AND (III) ANY OTHER PERSON TO WHOM IT MAY OTHERWISE LAWFULLY BE PROMOTED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). THIS COMMUNICATION IS BEING DIRECTED (I) IN THE UNITED KINGDOM, ONLY AT RELEVANT PERSONS AND (II) IN THE EEA, AT PERSONS WHO ARE EEA QUALIFIED INVESTORS, AND ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS COMMUNICATION RELATES WILL BE ENGAGED IN ONLY WITH SUCH PERSONS. NO PERSON OTHER THAN A RELEVANT PERSON SHOULD RELY ON IT.

THE BASE OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE BASE OFFERING CIRCULAR IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE SECURITIES DESCRIBED THEREIN.

Confirmation of your Representation: By accessing the attached Base Offering Circular, you confirm to the Trustee, EDO Gas, the Guarantor, the Arrangers and the Dealers that: (i) you understand and agree to the terms set out herein; (ii) you consent to delivery of the Base Offering Circular and any amendments or supplements thereto by electronic transmission; (iii) you will not transmit the attached Base Offering Circular (or any copy of it or part thereof) or disclose, whether orally or in writing, any of its contents to any other person; and (iv) you acknowledge that you will make your own assessment regarding any credit, investment, legal, taxation or other economic considerations with respect to your decision to subscribe or purchase any of the Trust Certificates (as defined in the Base Offering Circular). In order to be eligible to view the attached Base Offering Circular or make an investment decision with respect to the securities, you must be either (1) a qualified institutional buyer (a "**QIB**") (within the meaning of Rule 144A under the Securities Act) ("**Rule 144A**"), which is also a qualified purchaser (a "**QP**"), as defined in Section 2(a)(51)(A) of the Investment Company Act and the rules and regulations thereunder, that is acquiring the securities for your own account or the account of another QIB, which is also a QP, or (2) not a U.S. person and outside the United States. The Base Offering Circular is being sent at your request and by accepting the e-mail and accessing the Base Offering Circular, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs, which are also QPs, or (b) not U.S. persons and outside the United States, (2) unless you are a QIB, which is also a QP or acting on behalf of a QIB, which is also a QP, the electronic mail address

that you gave us and to which this e-mail has been delivered is not located in the United States, and (3) you are a person who is permitted under applicable law and regulation to receive the Base Offering Circular.

Prospective purchasers of the securities that are QIBs, which are also QPs, are hereby notified that sellers of the securities will be relying on the exemption from the provisions of Section 5 of the Securities Act pursuant to Rule 144A thereunder and the exception from the provisions of the Investment Company Act provided by Section 3(c)(7) thereof.

You are reminded that the Base Offering Circular has been delivered to you on the basis that you are a person into whose possession the Base Offering Circular may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver the Base Offering Circular to any other person. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

The Base Offering Circular does not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that an offering of securities described herein be made by a licensed broker or dealer and the Arrangers and Dealers or any affiliate of the applicable Arrangers or Dealers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by such Arrangers or Dealers or such affiliate on behalf of the Trustee or holders of the applicable securities in such jurisdiction.

The Base Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and, consequently, none of the Trustee, EDO Gas, the Guarantor, the Arrangers or the Dealers, any person who controls any of the Trustee, EDO Gas, the Guarantor, the Arrangers or the Dealers, any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Base Offering Circular distributed to you in electronic format and the hard copy version available to you on request from the Trustee, EDO Gas, the Guarantor, the Arrangers and the Dealers. Please ensure that your copy is complete. If you received the Base Offering Circular by e-mail, you should not reply by e-mail to this communication. Any reply e-mail communications, including those you generate by using the “reply” function on your e-mail software, will be ignored or rejected. You are responsible for protecting against viruses and other destructive items. Your use of this document is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.



EDO Sukuk Limited

(an exempted company incorporated with limited liability in the Cayman Islands)

TRUST CERTIFICATE ISSUANCE PROGRAMME

Under this Trust Certificate Issuance Programme (the "**Programme**"), EDO Sukuk Limited (in its capacities as issuer of the Trust Certificates (as defined below) and trustee for the Certificateholders (as defined below), the "**Trustee**") may from time-to-time issue Trust Certificates (as defined below) denominated in any currency agreed between the Trustee and the relevant Dealer(s) (as defined below). Trust Certificates may only be issued in registered form.

Trust Certificates may be issued on a continuing basis to one or more of the Dealers specified under "*Overview*" and any additional Dealer appointed under the Programme from time-to-time by the Trustee, Energy Development Oman SAOC (the "**Guarantor**", and together with its subsidiaries, "**EDO Group**" or the "**Group**") and EDO Gas SPC (the "**Obligor**" and "**EDO Gas**") (each, a "**Dealer**" and together, the "**Dealers**"), which appointment may be for a specific issue of Trust Certificates or on an ongoing basis. References in this Base Offering Circular to the "**relevant Dealer**" shall, in the case of an issue of Trust Certificates being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe for such Trust Certificates.

An investment in Trust Certificates issued under the Programme involves risks. For a discussion of certain of these risks, see "*Risk Factors*".

Obligations under the Trust Certificates will be limited recourse obligations of the Trustee. Obligations under the Transaction Documents (as defined below) are obligations of EDO Gas and the Guarantor and limited recourse obligations of the Trustee. Petroleum Development Oman LLC ("PDO") is not an obligor with respect to the Trust Certificates and holders of the Trust Certificates have no recourse to PDO.

Each Tranche (as defined in the terms and conditions of the Trust Certificates (the "**Conditions**")) of Trust Certificates will be constituted by: (i) a master declaration of trust **(**the **"Master Declaration of Trust**") dated 17 March 2025 entered into by the Trustee, EDO Gas and Citibank N.A., London Branch, as delegate of the Trustee (in such capacity, the "**Delegate**"); and (ii) a supplemental declaration of trust (the "**Supplemental Declaration of Trust**") in relation to the relevant Tranche. Trust Certificates of each Series confer on the holders of the Trust Certificates (the "**Certificateholders**") the right to receive certain payments (as more particularly described herein) arising from the assets of a trust declared by the Trustee in relation to the relevant Series (the "**Trust**"). The Trustee, the Delegate and the Guarantor entered into the Deed of Guarantee on 17 March 2025, whereby the Guarantor agreed to guarantee the performance of all of EDO Gas' payment obligations under the Transaction Documents to which EDO Gas is a party (the "**Guarantee**").

Application has been made to the London Stock Exchange plc (the "**London Stock Exchange**") for Trust Certificates issued under the Programme during the period of 12 months from the date of this Base Offering Circular to be admitted to the London Stock Exchange's International Securities Market (the "**ISM**"). This Base Offering Circular comprises admission particulars for the purposes of admission to trading of the Trust Certificates on the ISM. The ISM is not a United Kingdom ("**UK**") regulated market for the purposes of Regulation (EU) № 600/2014, as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MiFIR**"). **The ISM is a market designated for professional investors. Trust Certificates admitted to trading on the ISM are not admitted to the Official List of the Financial Conduct Authority (**the **"FCA"). The London Stock Exchange has not approved or verified the contents of this Base Offering Circular**. References in this Base Offering Circular to Trust Certificates being "admitted to trading" (and all related references) shall mean that such Trust Certificates have been admitted to trading on the ISM, so far as the context permits.

Notice of the aggregate nominal amount of the Trust Certificates, profit (if any) payable in respect of Trust Certificates, the issue price of Trust Certificates and certain other information, which is applicable to each Tranche, will be set out in a pricing supplement (the "**Pricing Supplement**"), which (in the case of Trust Certificates to be admitted to trading on the ISM) will be delivered to the London Stock Exchange. Copies of Pricing Supplements in relation to Trust Certificates to be admitted to trading on the ISM will also be published on the website of the London Stock Exchange through a regulatory information service or will be published in such other manner permitted by the International Securities Market Rulebook effective as of 1 January 2021 (as may be modified or restated from time-to-time, the "**ISM Rulebook**").

This Base Offering Circular does not constitute a base prospectus for the purposes of listing or an admission to trading on any market in the European Economic Area (the "**EEA**"), which has been designated as a regulated market for the purposes of Directive № 2014/65/EU (as amended, "**MiFID II**"). This Base Offering Circular does not constitute a base prospectus for the purposes of a listing or an admission to trading on any market in the UK, which has been designated as a UK regulated market for the purposes of UK MiFIR.

The Programme provides that Trust Certificates may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the Trustee, EDO Gas, the Guarantor and the relevant Dealer(s). The Trustee may also issue unlisted Trust Certificates or Trust Certificates not admitted to trading on any market.

The Trust Certificates have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "**Securities Act**"), or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")). Accordingly, the Trust Certificates are being offered and sold only (i) outside the United States in "offshore transactions", as defined in, and in accordance with, Regulation S, to investors that are not U.S. persons or persons acquiring Trust Certificates for the account or benefit of U.S. persons, in each case outside the United States in accordance with Regulation S, in a form initially represented by a global trust certificate (a "**Unrestricted Global Trust Certificate**") and (ii) within the United States, only to persons who are "qualified institutional buyers" ("**QIBs**"), as defined in, and in reliance, on Rule 144A under the Securities Act ("**Rule 144A**"), which are also "qualified purchasers" ("**QPs**"), as defined in Section 2(a)(51)(A) of the U.S. Investment Company Act of 1940 (the "**Investment Company Act**"), and the rules and regulations thereunder, in a form initially represented by one or more global trust certificates (each, a "**Restricted Global Trust Certificate**", and together with the Unrestricted Global Trust Certificates, the "**Trust Certificates**"). See "*Form of the Trust Certificates*" for a description of the manner in which Trust Certificates will be issued. The Trust Certificates are subject to certain restrictions on transfer, see "*Subscription and Sale and Transfer and Selling Restrictions*".

The Guarantor has been assigned a long-term foreign currency rating of BBB- (stable outlook) and a standalone credit profile of BBB- by S&P Global Ratings Europe Limited ("**S&P**") and a long-term foreign currency rating of BB+ (positive outlook) and a Standalone Credit Profile of BBB+ by Fitch Ratings Ireland Limited ("**Fitch**"). The Programme received a rating of BBB- and BB+ by S&P and Fitch, respectively. Fitch and S&P are each established in the European Union (the "**EU**"), included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**") and registered under the CRA Regulation. The rating issued by S&P has been endorsed by S&P Global Ratings UK Limited. S&P Global Ratings UK Limited is established in the UK and is registered in accordance with Regulation (EC) № 1060/2009 as it forms part of UK domestic law by virtue of the EUWA (the "**UK CRA Regulation**"). The rating issued by Fitch has been endorsed by Fitch Ratings Ltd. Fitch Ratings Ltd is established in the UK and is registered in accordance with the UK CRA Regulation. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

The transaction structure relating to the Trust Certificates (as described in this Base Offering Circular) has been approved by the Internal Sharia Supervisory Committee of Dubai Islamic Bank P.J.S.C., the Shariah Advisory Board of Citi Islamic Investment Bank E.C., the *Shari'a* advisers of J.P. Morgan Securities plc and the Global Shariah Supervisory Committee of Standard Chartered Bank as, in their view, complying with *Shari'a* principles as applicable to, and interpreted by, them. Prospective Certificateholders should not rely on such approvals in deciding whether to make an investment in the Trust Certificates and should consult their own *Shari'a* advisers as to whether the proposed transaction described in such approvals referred to above, including the tradability of the Trust Certificates in the secondary market, is in compliance with their individual standards of compliance with *Shari'a* principles. Prospective investors are reminded that, as with any *Shari'a* views, differences in opinion are possible and different *Shari'a* standards may be applied by different *Shari'a* boards.

None of the Trustee, EDO Gas, the Guarantor, the Arrangers, the Dealers, the Delegate or any of the Agents makes any representation as to the *Shari'a* compliance of the Trust Certificates and/or any trading thereof.

Investors should also note that Trust Certificates will be delisted from the ISM and/or any further stock exchanges following the occurrence of a Tangibility Event (see Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*)).

Arrangers

Citigroup | **J.P. Morgan** | **Standard Chartered Bank**

Dealers

Citigroup | **Dubai Islamic Bank** | **J.P. Morgan**

Standard Chartered Bank

Shari'a Structuring Adviser

Dubai Islamic Bank

The date of this Base Offering Circular is 17 March 2025.

IMPORTANT NOTICE

This Base Offering Circular comprises admission particulars in respect of all Trust Certificates issued under the Programme and admitted to trading, in accordance with the ISM Rulebook. This Base Offering Circular does not comprise a prospectus for the purposes of either Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or Regulation (EU) 2017/1129, as it forms part of UK domestic law by virtue of the EUWA (the "**UK Prospectus Regulation**") and has not been approved as such by the competent authority in any member state of the EEA (each, a "**Member State**") or the FCA.

Each of the Trustee, EDO Gas and the Guarantor accepts responsibility for the information contained in this Base Offering Circular and the applicable Pricing Supplement for each Tranche of Trust Certificates issued under the Programme. Having taken all reasonable care to ensure that such is the case, the information contained in this Base Offering Circular is, to the best of the knowledge of each of the Trustee, EDO Gas and the Guarantor, in accordance with the facts and contains no omission likely to affect its import.

In compliance with paragraph 1.2 of Schedule 1 of the ISM Rulebook, Sproule B.V. confirms it has taken all reasonable care to ensure the information contained in the Third-Party Reserves Report (as defined herein and included as Appendix C to this Base Offering Circular) for which it is responsible, is to the best of its knowledge in accordance with the facts and contains no omission likely to affect its import.

The foregoing statement is required by, and given solely for the purpose of complying with, the ISM Rulebook. Except for the responsibility arising under paragraph 1.2 of Schedule 1 of the ISM Rulebook, to the fullest extent permitted by law, Sproule B.V. does not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with the third-party reserve report on 1P and 2P reserves attributable to EDO the Guarantor as of 1 January 2024 prepared by Sproule B.V. (the "**Third-Party Reserves Report**") or statements contained therein.

Each Tranche of Trust Certificates will be issued on the terms set out herein under "*Terms and Conditions of the Trust Certificates*", as supplemented by the applicable Pricing Supplement. This Base Offering Circular must be read and construed together with any amendments or supplements hereto and, in relation to any Tranche of Trust Certificates that is the subject of the applicable Pricing Supplement, must be read and construed together with the applicable Pricing Supplement.

Certain information under the headings "*Risk Factors*", "*Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Industry Overview*" and "*Clearing and Settlement*" has been extracted from the following public official sources, including: the National Centre for Statistics and Information, the World Bank, Fitch Ratings, Inc., the Oman Ministry of Finance, the Oman Ministry of Energy and Minerals, the Organisation of the Petroleum Exporting Countries, the U.S. Energy Information Administration and the 2022 BP Statistical Review of World Energy.

Each of the Trustee, EDO Gas and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the relevant sources referred to, no facts have been omitted, which would render the reproduced information inaccurate or misleading.

The information on the websites to which this Base Offering Circular refers do not form part of this Base Offering Circular and has not been scrutinised or approved by the FCA.

Subject as provided in the applicable Pricing Supplement, the only persons authorised to use this Base Offering Circular in connection with an offer of Trust Certificates are the persons named in the applicable Pricing Supplement as the relevant Dealer or Arrangers, as the case may be.

No representation, warranty or undertaking, express or implied, is made, and no responsibility or liability is accepted, by any of the Arrangers (as defined below), the Dealers, the Delegate or the Agents (as defined in the "*Terms and Conditions of the Trust Certificates*") as to the accuracy or completeness of the information contained in this Base Offering Circular, any Pricing Supplements or any other information provided by the Trustee, EDO Gas or the Guarantor in connection with the Programme or the Trust Certificates.

None of the Arrangers, the Dealers, the Delegate or the Agents or their respective affiliates accept any responsibility or liability for and make any representation, warranty or undertaking, express or implied, as to (i) the accuracy or completeness of the information contained in this Base Offering Circular (including, without limitation, the Third-Party Reserves Report), (ii) any acts or omissions of the Trustee, EDO Gas or the Guarantor or any other person in connection with this Base Offering Circular or the issue and offering of the Trust Certificates or (iii) any other information provided in connection with the Trustee, EDO Gas, the Guarantor or any Trust Certificates issued and offered hereunder or their distribution. Each of the Arrangers, the Dealers, the Delegate and the Agents and their respective affiliates accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above), which it might otherwise have in respect of this Base Offering Circular, the Third-Party Reserves Report or any other information provided by the Trustee, EDO Gas or the Guarantor in connection with the Programme, the Trust Certificates or their distribution.

None of the Dealers or the Arrangers will regard any actual or prospective holders of Trust Certificates (whether or not a recipient of this Base Offering Circular and/or the relevant Pricing Supplement) as their client in relation to the offering described in this Base Offering Circular and/or the relevant Pricing Supplement and will not be responsible to anyone other than the Trustee for providing the protections afforded to its clients nor for providing the services in relation to the offering described in this Base Offering Circular and/or the relevant Pricing Supplement or any transaction or arrangement referred to herein or therein.

No person is, or has been authorised, to give any information or to make any representation not contained in, or not consistent with, this Base Offering Circular or any other information supplied in connection with the Programme or the Trust Certificates or otherwise, or such other information as is in the public domain, and, if given or made, such information or representation must not be relied upon as having been authorised by the Trustee, EDO Gas, the Guarantor, the Delegate or any of the Arrangers, the Dealers or the Agents.

Neither this Base Offering Circular, any Pricing Supplements nor any other information supplied in connection with the Programme or any Trust Certificates (a) is intended to provide the basis of any credit or other evaluation; or (b) should be considered as a recommendation by the Trustee, EDO Gas, the Guarantor, the Delegate or any of the Arrangers, the Dealers or the Agents that any recipient of this Base Offering Circular, any Pricing Supplements or any other information supplied in connection with the Programme or any Trust Certificates should purchase any Trust Certificates. Each investor contemplating purchasing any Trust Certificates should make its own independent investigation of the financial condition and affairs and its own appraisal of the creditworthiness, of the Trustee, EDO Gas and the Guarantor. See "*Risk Factors*". Neither this Base Offering Circular, any Pricing Supplements nor any other information supplied in connection with the Programme or the issue of any Trust Certificates constitutes an offer or invitation by or on behalf of the Trustee, EDO Gas, the Guarantor, the Delegate or any of the Arrangers, the Dealers or the Agents to any person to subscribe for, or to purchase, any Trust Certificates.

Neither the delivery of this Base Offering Circular or any Pricing Supplements nor the offering, sale or delivery of any Trust Certificates shall in any circumstances imply that the information contained in the Base Offering Circular concerning the Trustee, EDO Gas or the Guarantor is correct at any time subsequent to its date, or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Trustee, EDO Gas or the Guarantor since the date thereof or, if later, the date upon which this Base Offering Circular has been most recently amended or supplemented, or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date

indicated in the document containing the same. The Arrangers, the Dealers, the Delegate and the Agents expressly do not undertake to review the financial condition or affairs of the Trustee, EDO Gas or the Guarantor during the life of the Programme or to advise any purchaser of Trust Certificates of any information coming to their attention.

This Base Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Trust Certificates in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Offering Circular and the offer or sale of Trust Certificates may be restricted by law in certain jurisdictions. The Trustee, EDO Gas, the Guarantor, the Delegate, the Arrangers, the Dealers and the Agents do not represent that this Base Offering Circular may be lawfully distributed or that any Trust Certificates may be lawfully offered in compliance with any applicable registration or other requirements in any such jurisdiction or pursuant to an exemption available thereunder, nor do any of them assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Trustee, EDO Gas, the Guarantor, the Delegate, the Arrangers, the Dealers or the Agents, which is intended to permit a public offering of any Trust Certificates or distribution of this Base Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Trust Certificates may be offered or sold, directly or indirectly, and neither this Base Offering Circular, any Pricing Supplements nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Offering Circular or any Trust Certificates may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Offering Circular and the offering and sale of Trust Certificates. In particular, there are restrictions on the distribution of this Base Offering Circular and the offer or sale of Trust Certificates in the United States, the EEA, the United Kingdom, Oman, the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the United Arab Emirates (excluding the Dubai International Financial Centre), the Dubai International Financial Centre, the State of Qatar (including the Qatar Financial Centre), Singapore, Japan, Hong Kong, Switzerland and the Cayman Islands. See "*Subscription and Sale and Transfer and Selling Restrictions*".

This Base Offering Circular has been prepared on the basis that any Trust Certificates with a minimum denomination of less than €100,000 (or the equivalent in another currency) will only be offered to the public pursuant to an exemption under Section 86 of the Financial Services and Markets Act 2000 (the "**FSMA**").

EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN SHARI'A ADVISER, TAX ADVISER, LEGAL ADVISER AND BUSINESS ADVISER AS TO SHARI'A, TAX, LEGAL, BUSINESS AND RELATED MATTERS CONCERNING THE PURCHASE OF ANY TRUST CERTIFICATES.

STABILISATION

In connection with the issue of any Tranche of Trust Certificates, the Dealer or Dealers (if any) named as the stabilisation manager(s) (the "Stabilisation Manager(s)") (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Pricing Supplement may effect transactions with a view to supporting the market price of the Trust Certificates at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the issue date of the relevant Tranche of Trust Certificates is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Trust Certificates and 60 days after the date of the allotment of the relevant Tranche of Trust Certificates. Any stabilisation action must be conducted by the relevant Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

MiFID II PRODUCT GOVERNANCE/TARGET MARKET

The Pricing Supplement in respect of any Tranche of Trust Certificates will include a legend entitled "MiFID II product governance", which will outline the target market assessment in respect of the Trust Certificates and which channels for distribution of the Trust Certificates are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID II Product Governance Rules**"), any Dealer subscribing for any Trust Certificates is a manufacturer in respect of such Trust Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID II Product Governance Rules.

UK MiFIR PRODUCT GOVERNANCE/TARGET MARKET

The Pricing Supplement in respect of any Tranche of Trust Certificates will include a legend entitled "UK MiFIR product governance", which will outline the target market assessment in respect of the Trust Certificates and which channels for distribution of the Trust Certificates are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR Product Governance Rules, any Dealer subscribing for any Trust Certificates is a manufacturer in respect of such Trust Certificates, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MiFIR Product Governance Rules.

VOLCKER RULE

The Trustee may be deemed to be a "covered fund" for purposes of Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (in particular, by Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act 2010), and any implementing regulations and related guidance (the "**Volcker Rule**"). Further, the Trust Certificates may constitute an "ownership interest" for the purposes of the Volcker Rule. As a result, the Volcker Rule may, subject to certain exemptions, prohibit certain banking institutions from, directly or indirectly, acquiring or retaining the Trust Certificates. This prohibition may adversely affect the liquidity and market price of the Trust Certificates. In addition, any entity that is a "banking entity" under the Volcker Rule and is considering an investment in the Trust Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally.

NOTIFICATION UNDER SECTION 309B(1)(C) OF THE SECURITIES AND FUTURES ACT 2001 OF SINGAPORE, AS MODIFIED OR AMENDED FROM TIME TO TIME (THE "SFA")

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 (the "**CMP Regulations 2018**"), unless otherwise specified in the applicable Pricing

Supplement, the Trustee has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Trust Certificates are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

U.S. INFORMATION

This Base Offering Circular is being submitted on a confidential basis in the United States to a limited number of QIBs, which are also QPs, for information use solely in connection with the consideration of the purchase of certain Trust Certificates issued under the Programme. Its use for any other purpose in the United States is not authorised. It may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted.

The Trust Certificates may be offered or sold in the United States only to QIBs, which are also QPs, in transactions exempt from the registration requirements of the Securities Act in reliance on, and in accordance with, Rule 144A or any other applicable exemption from the Securities Act. Prospective purchasers are hereby notified that sellers of the Trust Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder and the exception from the provisions of the Investment Company Act provided by Section 3(c)(7) thereof. Each purchaser or holder of Trust Certificates represented by a Restricted Global Trust Certificate or any Trust Certificates issued in exchange or substitution therefor (together, "Legended Certificates") will be deemed, by its acceptance or purchase of any such Legended Certificates, to have made certain representations and agreements intended to restrict the resale or other transfer of such Trust Certificate, as set out in "*Subscription and Sale and Transfer and Selling Restrictions*". Unless otherwise stated, terms used in this paragraph have the meanings given to them in "*Form of Pricing Supplement*".

NEITHER THE PROGRAMME NOR THE TRUST CERTIFICATES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION OR ANY SECURITIES COMMISSION OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF TRUST CERTIFICATES OR THE ACCURACY OR ADEQUACY OF THIS BASE OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

SERVICE OF PROCESS, IMMUNITY AND ENFORCEABILITY OF ARBITRAL AWARDS

Service of Process

The Trustee is an exempted company incorporated in the Cayman Islands with limited liability under the Companies Act (As Revised) of the Cayman Islands with company registration number 401083. The Guarantor is a closed joint stock company incorporated pursuant to Royal Decree 128/2020. EDO Gas is a sole proprietor company incorporated in Oman with commercial registration number 1491751. All of the Trustee's, the Guarantor's and EDO Gas' directors and executive officers reside outside the United Kingdom and the United States, and the Trustee, EDO Gas, the Guarantor and such persons may have limited assets in the United States and the United Kingdom. Accordingly, it may not be possible for investors to effect service of process within the United States or the United Kingdom on the directors and executive officers of the Trustee, EDO Gas or the Guarantor or to enforce judgments against the Trustee, EDO Gas, the Guarantor or such persons.

Immunity from suit

Under Omani law, no legal person in Oman is immune from suit. Further, any sovereign immunity of the government of Oman (the "**Government**") and its administrative units (including quasi-governmental entities) from process before the Oman courts was abrogated in relation to commercial claims by virtue of Article 1 of the Royal Decree 13/1997, amending the Royal Decree 79/1981. This position is confirmed by Royal Decree 29/2002, as amended (the "**Oman Civil Procedure Law**"), which, pursuant to its Article 13, confirms that summons may be delivered to departments of the state and public bodies, and Article 46, which confirms that suits against departments of state and public authorities and public bodies shall be filed before the Court located in the areas within which the head offices of such authorities and bodies are situated.

Immunity of public assets from attachment

Although EDO Gas and the Guarantor are not immune from suit, public assets are protected from attachment in the event of legal proceedings against EDO Gas and Guarantor pursuant to Article 366 of the Oman Civil Procedure Law. This position was reinforced by the Civil Transactions Law (promulgated by Royal Decree 29/2013) (the "**Civil Code**") which, at Article 56, provides that immovable or movable assets owned by the state or public legal persons who have been allocated such assets for public benefit by virtue of law or by a Royal decree or by a resolution of the Minister of Finance, shall be deemed to be public assets, and such assets shall not be the subject of dispositions, attachment or acquisitive prescription. There can, therefore, be no assurance that any waiver of immunity from legal proceedings and attachments of EDO Gas and Guarantor will be enforced by the Omani courts. See also "*Risk Factors—Risks Related to Enforcement—EDO Gas' and the Guarantor's waivers of immunity may not be effective under the laws of Oman*".

Enforcement of Arbitral Awards in Oman

Foreign arbitration awards may be enforced in Oman pursuant to: (i) treaty obligations; or (ii) the Oman Civil Procedure Law.

Oman has acceded to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 1958 (the "**New York Convention**") through Royal Decree 36/1998 and ratified the Riyadh Arab Convention of 1983 (the "**Riyadh Convention**") through Royal Decree 34/1999. Oman has been a party to the New York Convention since 1998, and the courts of Oman have recognised and enforced a number of foreign arbitral awards. However, the Trustee, EDO Gas and the Guarantor are also aware of a recent case (*Vijay Tanks & Co LLC v Cape East Limited Company*) for the annulment of a foreign arbitral award in which the Supreme Court of Oman (the "**Supreme Court**") held that the courts of Oman did have jurisdiction to consider the substantive grounds on which the case for annulment is based. In reaching its ruling, the Supreme Court relied upon its interpretation of Article 29 of the Oman Civil Procedure Law which provides that the courts of Oman have jurisdiction over claims that are filed against Omani persons, regardless of their place of residency. Whilst it should be noted that there is no doctrine of binding precedent under Omani law, the decisions of the Supreme Court may be persuasive. The decision of the Supreme Court in this instance raises risks about the enforceability of awards rendered in respect of foreign arbitration proceedings involving Omani individuals or entities as such awards may be vulnerable to annulment proceedings by the courts of Oman. The Trustee, EDO Gas and the Guarantor have otherwise no reason to believe that the courts of Oman would not enforce an arbitral award passed in a contracting state (without the need to re-examine or re-litigate), subject only to no valid argument being raised that the enforcement of that arbitral award should be refused on one or more of the grounds set out in Article V of the New York Convention or that the subject matter of the award is against public order or morality in Oman. The enforcement in Oman of any of the obligations of EDO Gas and the Guarantor under the Transaction Documents (irrespective of whether the courts of Oman have given a judgment in favour of a party) will ultimately require an order for enforcement by the courts of Oman, which order is subject to discretion, including as to the manner in which such court would interpret and apply the New York Convention.

If a foreign arbitral award is not enforceable pursuant to a treaty obligation (for example, an award is passed in a country that is not a signatory to the New York Convention or Riyadh Convention), it may nevertheless be possible to enforce such award in Oman subject to the satisfaction of the conditions set out in Articles 352 to 355 of the Oman Civil Procedure Law, pursuant to which the courts of Oman possess an inherent jurisdiction to enforce foreign awards. When considering the enforcement of arbitral awards in the above circumstances, the courts of Oman will need to be satisfied that the following conditions have been met (reading "judgment" as "award"):

- it is passed by a competent judicial authority in accordance with the international jurisdiction rules applicable in the country in which the judgment or order is passed, and becomes final according to that law and was not grounded on deception;
- the parties to the dispute were summoned to appear and were properly represented;
- it does not include any requests, the basis of which breaches the laws enforced in Oman;
- it does not contradict any judgment or order previously issued by the courts of Oman, and it does not include anything contravening public order or morals;
- the country in which the said judgment or award was signed accepts the execution of judgments of courts of Oman within its territories; and
- the matter that has been arbitrated upon in the foreign jurisdiction is capable of being determined by arbitration under Omani law (Article 353).

In the event that the conditions of Articles 352 to 355 of the Oman Civil Procedure Law are not met by a foreign arbitral award, such foreign arbitral award may be of evidentiary value only in a full hearing before the courts of Oman, and the matter may have to be litigated de novo before the courts of Oman.

NOTICE TO UK RESIDENTS

Any Trust Certificates to be issued under the Programme which do not constitute "alternative finance investment bonds" ("**AFIBs**") within the meaning of Article 77A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544), as amended, will represent interests in a collective investment scheme (as defined in the FSMA), which has not been authorised, recognised or otherwise approved by the FCA. Accordingly, any Trust Certificates to be issued under the Programme must not be marketed in the UK to the general public, and this Base Offering Circular is not being distributed to, and must not be passed on to, the general public in the UK.

The distribution in the UK of this Base Offering Circular, any Pricing Supplement and any other marketing materials relating to the Trust Certificates is being addressed to, or directed at: (A) if the distribution of the Trust Certificates (whether or not such Trust Certificates are AFIBs) is being effected by a person who is not an authorised person under the FSMA, only the following persons: (i) persons who are Investment Professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Financial Promotion Order**"); (ii) persons falling within any of the categories of persons described in Article 49 (High net worth companies, unincorporated associations, etc.) of the Financial Promotion Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Financial Promotion Order; and (B) if the Trust Certificates are not AFIBs and the distribution is effected by a person who is an authorised person under the FSMA, only the following persons: (i) persons falling within one of the categories of Investment Professional as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 (the "**Promotion of CISs Order**"); (ii) persons falling within any of the categories of person described in Article 22 (High net worth companies,

unincorporated associations, etc.) of the Promotion of CISs Order; and (iii) any other person to whom it may otherwise lawfully be made in accordance with the Promotion of CISs Order.

Persons of any other description in the UK may not receive and should not act or rely on this Base Offering Circular, any Pricing Supplement or any other marketing materials in relation to the Trust Certificates.

Prospective investors in the UK in any Trust Certificates are advised that all, or most, of the protections afforded by the UK regulatory system will not apply to an investment in such Trust Certificates and that compensation will not be available under the UK Financial Services Compensation Scheme.

Any prospective investor intending to invest in any investment described in this Base Offering Circular should consult its professional adviser and ensure that it fully understands all the risks associated with making such an investment and that it has sufficient financial resources to sustain any loss that may arise from such investment.

NOTICE TO OMAN RESIDENTS

THE INFORMATION CONTAINED IN THIS BASE OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER OF SECURITIES IN OMAN, AS CONTEMPLATED BY THE COMMERCIAL COMPANIES LAW OF OMAN (ROYAL DECREE 18/2019) (THE "**OMAN COMMERCIAL COMPANIES LAW**") OR THE SECURITIES LAW OF OMAN (ROYAL DECREE 46/2022) NOR DOES IT CONSTITUTE A BOND OR SUKUK OFFERING PURSUANT TO THE BOND AND SUKUK REGULATIONS (DECISION E/21/2024). THIS BASE OFFERING CIRCULAR WILL ONLY BE MADE AVAILABLE TO INVESTORS IN OMAN IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 139 OF THE EXECUTIVE REGULATIONS OF THE CAPITAL MARKET LAW (ISSUED BY DECISION № 1/2009, AS AMENDED) (THE "**EXECUTIVE REGULATIONS**") BY AN ENTITY DULY LICENSED BY THE OMAN FINANCIAL SERVICES AUTHORITY (THE "**OMAN FSA**") TO MARKET NON-OMANI SECURITIES IN OMAN.

THIS BASE OFFERING CIRCULAR HAS NOT BEEN (AND WILL NOT BE) FILED WITH THE OMAN FSA (EXCEPT IN ACCORDANCE WITH ARTICLE 139 OF THE EXECUTIVE REGULATIONS (IF REQUIRED)), THE CENTRAL BANK OF OMAN (THE "**CENTRAL BANK**") OR ANY OTHER REGULATORY AUTHORITY IN OMAN AND NEITHER THE OMAN FSA NOR THE CENTRAL BANK ASSUMES RESPONSIBILITY FOR THE ACCURACY AND ADEQUACY OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS BASE OFFERING CIRCULAR AND SHALL NOT HAVE ANY LIABILITY TO ANY PERSON FOR DAMAGE OR LOSS RESULTING FROM RELIANCE ON ANY STATEMENTS OR INFORMATION CONTAINED HEREIN.

ANY PERSON IN OMAN INVESTING IN ANY TRUST CERTIFICATES WILL BE DEEMED TO HAVE REPRESENTED AND WARRANTED THAT THEY ARE ACQUAINTED WITH THE DOCUMENTS RELATING TO THE TRUST CERTIFICATES AND AWARE OF THE REWARDS AND RISKS OF INVESTING IN THE TRUST CERTIFICATES.

NOTICE TO THE RESIDENTS OF THE KINGDOM OF BAHRAIN

In relation to investors in the Kingdom of Bahrain, Trust Certificates issued in connection with this Base Offering Circular and any related offering documents may only be offered in registered form to existing accountholders and accredited investors, as defined by the Central Bank of Bahrain (the "**CBB**"), in the Kingdom of Bahrain, where such investors make a minimum investment of at least US$100,000 or any equivalent amount in any other currency or such other amount as the CBB may determine.

This Base Offering Circular does not constitute an offer of securities in the Kingdom of Bahrain pursuant to the terms of Article (81) of the Central Bank and Financial Institutions Law 2006 (decree Law № 64 of 2006 as amended from time to time). This Base Offering Circular and any related offering documents have not been and will not be registered as a prospectus with the CBB. Accordingly, no securities may be offered, sold or made the subject of an invitation for subscription or purchase nor will this Base Offering Circular or any other related document or material be used in connection with any offer, sale or invitation to subscribe or purchase securities, whether directly or indirectly, to persons in the Kingdom of Bahrain, other than as marketing to accredited investors (as such term is defined by the CBB) for an offer outside the Kingdom of Bahrain.

The CBB has not reviewed, approved or registered this Base Offering Circular or any related offering documents, and the CBB has not in any way considered the merits of the Trust Certificates to be offered for investment, whether in or outside the Kingdom of Bahrain. Therefore, the CBB assumes no responsibility for the accuracy and completeness of the statements and information contained in this Base Offering Circular and expressly disclaims any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the content of this Base Offering Circular. No offer of Trust Certificates will be made to the public in the Kingdom of Bahrain and this Base Offering Circular must be read by the addressee only and must not be issued, passed to or made available to the public generally.

NOTICE TO THE RESIDENTS OF THE KINGDOM OF SAUDI ARABIA

This Base Offering Circular may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Markets Authority of the Kingdom of Saudi Arabia (the "**CMA**").

The CMA does not make any representation as to the accuracy or completeness of this Base Offering Circular and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Base Offering Circular. Prospective purchasers of Trust Certificates issued under the Programme should conduct their own due diligence on the accuracy of the information relating to the Trust Certificates. If you do not understand the contents of this Base Offering Circular, you should consult an authorised financial adviser.

NOTICE TO THE RESIDENTS OF THE STATE OF QATAR

Any Trust Certificates to be issued under the Programme will not be offered, sold or delivered, at any time, directly or indirectly, in the State of Qatar, including the Qatar Financial Centre ("**Qatar**") in a manner that would constitute a public offering. This Base Offering Circular has not been and will not be reviewed or approved by or registered with the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, the Qatar Stock Exchange or the Qatar Central Bank in accordance with their regulations or any other regulations in Qatar. The Trust Certificates are not and will not be traded on the Qatar Stock Exchange. The Trust Certificates and interests therein will not be offered to investors domiciled or resident in Qatar and do not constitute debt financing in the Qatar under the Commercial Companies Law № (11) of 2015 (the "**Commercial Companies Law**") or otherwise under any laws of Qatar.

NOTICE TO RESIDENTS OF CANADA

Trust Certificates may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario) and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Trust Certificates must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Base Offering Circular or any applicable Pricing Supplement (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to Section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"), so long as a concurrent distribution of the Trust Certificates is made to investors in the United States, the Dealers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with the offering. In the event that Trust Certificates are distributed to investors in Canada without a concurrent distribution of Trust Certificates to investors in the United States, the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest may apply.

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for the Trust Certificates and this Base Offering Circular shall not be construed as an invitation to any member of the public of the Cayman Islands to subscribe for any Trust Certificates issued under the Programme.

TRUST CERTIFICATES MAY NOT BE A SUITABLE INVESTMENT FOR ALL INVESTORS

The Trust Certificates issued under the Programme may not be a suitable investment for all investors. Generally, investment in emerging markets such as Oman is only suitable for sophisticated investors who fully appreciate the significance of the risks involved in, and are familiar with, investing in emerging markets. Each potential purchaser of Trust Certificates must determine the suitability of that investment in light of its own circumstances. In particular, each prospective investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- has sufficient knowledge and experience to make a meaningful evaluation of the relevant Trust Certificates and the complex structure thereof, the merits and risks of investing in the relevant Trust Certificates and the information contained in this Base Offering Circular including, *inter alia*, in the Section captioned "*Risk Factors*", or any applicable supplement;
- has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Trust Certificates and the impact the relevant Trust Certificates will have on its overall investment portfolio;
- has sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Trust Certificates, including where the currency of payment is different from the prospective investor's currency;
- understands thoroughly the terms and conditions of the relevant Trust Certificates and is familiar with the behaviour of any relevant indices and financial markets; and
- is able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, rate of return and other factors that may affect its investment and its ability to bear the applicable risks; and
- is able to evaluate the compliance of the relevant Trust Certificates with *Shari'a* principles.

The Trust Certificates are complex financial instruments and such instruments may be purchased as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Trust Certificates unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Trust Certificates will perform under changing conditions, the resulting effects on the value of such Trust Certificates and the impact this investment will have on the potential investor's overall investment portfolio.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential purchaser should consult its legal advisers to determine whether and to what extent: (i) Trust Certificates are legal investments for it; (ii) Trust Certificates can be used as collateral for various types of financing; and (iii) other restrictions apply to its purchase or pledge of any Trust Certificates. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Trust Certificates under any applicable risk-based capital or similar rules.

No comment is made or advice given by the Trustee, EDO Gas, the Guarantor, the Delegate the Arrangers, the Dealers or the Agents in respect of taxation matters relating to any Trust Certificates or the legality of the purchase of Trust Certificates by an investor under any applicable laws. Any investor in the Trust Certificates should be able to bear the economic risk of an investment in the Trust Certificates for an indefinite period of time.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Some statements in this Base Offering Circular (and any amendments or supplements thereto) may be deemed to be forward-looking statements. Forward-looking statements include statements concerning the Trustee's, EDO Gas' and the Guarantor's plans, objectives, goals, strategies, future operations and performance and the assumptions underlying these forward-looking statements. When used in this document, the words "anticipates", "estimates", "expects", "believes", "intends", "plans", "aims", "seeks", "may", "will", "should", "shall" and any similar expressions generally indicate forward-looking statements. Forward-looking statements are contained in the Sections entitled "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*" and other sections of this document. The Trustee, EDO Gas and the Guarantor have based these forward-looking statements on the current view of their respective management with respect to future events and financial performance. Although the Trustee, EDO Gas and the Guarantor believe that the expectations, estimates and projections reflected in its forward-looking statements are reasonable as at the date of this Base Offering Circular (or any amendment or supplement), if one or more of the risks or uncertainties materialise, including those identified below or which the Trustee, EDO Gas and the Guarantor have otherwise identified in this Base Offering Circular (or any amendment or supplement), or if any of the Trustee's, EDO Gas' and the Guarantor's underlying assumptions prove to be incomplete or inaccurate, the Trustee's, EDO Gas' and the Guarantor's actual results of operation may vary, potentially significantly, from those expected, estimated or predicted. Investors are therefore strongly advised to read the Sections "*Risk Factors*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Overview of Oman and the Economy*", "*Industry Overview*", "*Business*", "*Material Agreements*" and "*Regulation of the Oil and Gas Industry in Oman*", which include a more detailed description of the factors that might have an impact on the EDO Gas' and the Guarantor's business development and on the industry sector in which the EDO Gas and the Guarantor operate.

The risks and uncertainties referred to above include, among others:

- global energy prices;
- global economic disruptions, supply chain interruptions and new financial sanctions;

- climate change concerns and potential impacts on the global demand for hydrocarbons and hydrocarbon-based products;
- the ability of each of the EDO Gas and the Guarantor to realise its strategy, as well as the benefits it expects from existing and future projects and investments it is undertaking or plans to or may undertake;
- the ability of each of the EDO Gas and the Guarantor to achieve and manage the growth of its business and to meet its investment objectives;
- exposure from EDO Gas' and the Guarantor's ongoing projects, which expose them to a range of financial, regulatory, construction and other risks;
- changes in political, social, legal or economic conditions in the markets in which EDO Gas and the Guarantor and their customers operate;
- competitive pressures impacting the price at which EDO Gas and the Guarantor sell their products;
- the performance of the markets in which EDO Gas and the Guarantor operate and export their products to; and
- the ability of each of EDO Gas and the Guarantor to obtain external financing or maintain sufficient capital to fund its existing and future investments and projects.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "*Risk Factors*".

Any forward-looking statements contained in this Base Offering Circular (or any amendment or supplement) speak only as at the date of this Base Offering Circular. Without prejudice to any requirements under applicable laws and regulations, each of the Trustee, EDO Gas and the Guarantor expressly disclaims any obligation or undertaking to update, revise, amend or correct any such forward-looking statements to reflect any change in expectations thereof or any change in events, conditions or circumstances on which any forward-looking statement is based.

PRESENTATION OF FINANCIAL, RESERVES AND OTHER INFORMATION

Certain terms

See Appendix A for a glossary of certain defined terms used in this Base Offering Circular and Appendix B for a glossary of certain measurement and technical terms used in this Base Offering Circular.

The Formation of EDO and the Establishment of EDO Gas and the Trustee

On 3 December 2020, the Guarantor was established, and, on 24 December 2020, it was registered as a company that is wholly-owned by the Government of the Sultanate of Oman (the "**Government**") for the purpose of holding the Government's interests in Block 6. Block 6 is Oman's largest and most significant crude oil ("Oil") and gas operation. Prior to the incorporation of the Guarantor, the Ministry of Energy and Minerals directly owned a 60 per cent. participating interest in the Block 6 concession for Oil, associated gas ("**AG**") and AG condensate (collectively, the "**Oil Concession**"), and a 100 per cent. interest in the Block 6 non-associated gas ("**NAG**") and NAG condensate operations. The remaining 40 per cent. participating interest in the Oil Concession was and continues to be owned by Private Oil Holdings Oman Limited ("**POHOL**"), in which Shell Petroleum Company Ltd. ("**Shell**") owns 85 per cent., TotalEnergies S.E. ("**TotalEnergies**") owns 10 per cent. and PTTEP Oman E&P Corporation ("**PTTEP**") owns 5 per cent.

The Oil Operations and the Gas Operations (both as defined below) of Block 6 are conducted by PDO, a limited liability company registered in Oman. PDO is an operating company in which, prior to the incorporation of the Guarantor, the Ministry of Energy and Minerals directly owned 60 per cent., Shell owned 34 per cent., TotalEnergies owned 4 per cent. and PTTEP owned 2 per cent. Pursuant to Royal Decree № 21/2021 issued on 24 February 2021 and a new Block 6 gas concession for NAG and NAG condensate (the "**Gas Concession**"), ratified by Royal Decree № 43/2021 issued on 6 May 2021, the Government's 60 per cent. ownership interest in PDO and the Oil Operations (as defined below) was transferred from the Ministry of Energy and Minerals to the Guarantor on 24 February 2021, and its 100 per cent. interest in the Gas Operations (as defined below) was transferred to the Guarantor on 6 May 2021. POHOL's interest in the Oil Concession and the ownership interests of Shell, TotalEnergies and PTTEP in PDO were unchanged. The Guarantor and the Government also entered into an agreement for the sale of 100 per cent. of the NAG produced by PDO in Block 6 (the "**NAG Sales Agreement**").

On 21 June 2023, the Guarantor incorporated EDO Gas, as a wholly-owned subsidiary and a sole proprietor company incorporated in Oman, to own the Gas Operations. EDO Gas was registered on the commercial register on 25 June 2023. The Guarantor owns 100 per cent. of EDO Gas. EDO Gas' primary commercial activities include extraction of natural gas, service activities incidental to extraction of petroleum and natural gas, excluding surveying, exploration services and drilling of oil and natural gas wells. EDO Gas is 100 per cent. owned by the Guarantor. Effective 1 July 2023, EDO Gas has assumed all of the Guarantor's responsibilities with respect to the Gas Operations, as summarised below.

EDO Gas is intended to unlock additional value in the Gas Operations (as defined below) by optimising NAG development and production costs, enhancing governance, mitigating risks, accelerating exploration activities and facilitating the achievement of Oman's NAG production potential. EDO Gas' primary commercial activities include extraction of natural gas, service activities incidental to extraction of petroleum and natural gas, excluding surveying, exploration services and drilling of oil and natural gas wells. On 7 September 2023, the Guarantor novated all of its rights, obligations and undertakings under the Gas Concession Agreement (as defined below) and the NAG Sales Agreement to EDO Gas. This transfer of rights, obligations and undertakings relating to the Gas Operations from the Guarantor to EDO Gas is effective from 1 July 2023 (the "**Gas Operations Transfer Date**"). See "*Management's Discussion and Analysis of Financial Condition and Results*

of Operations—Recent Developments" and "*Material Agreements*". Prior to the Gas Operations Transfer Date, the Gas Operations described in this Base Offering Circular were owned by the Government or the Guarantor (as described above) and operated by PDO. Following the Gas Operations Transfer Date, the Gas Operations are owned by EDO Gas and continue to be operated by PDO using the same policies and procedures in place before the Gas Operations Transfer Date. References to the Gas Operations prior to the Gas Operations Transfer Date are to the operations owned by the Government or the Guarantor, while references to the Gas Operations on and after the Gas Operations Transfer Date are to the operations owned by EDO Gas.

PDO is responsible for the following activities:

- undertaking all projects, operations and activities directly or indirectly related to the exploration, development, extraction, transportation, storage and delivery of Oil in accordance with the terms of the Oil Concession Agreement for Block 6 (the "**Oil Operations**"); and
- undertaking all projects, operations and activities directly or indirectly related to the exploration, development, extraction and transportation of NAG in accordance with the terms of the Gas Concession Agreement (as defined below) between the Government and PDO (the "**Gas Operations**"). PDO manages the Gas Operations.

On 26 June 2023, the Guarantor established the Trustee, a special purpose vehicle incorporated in the Cayman Islands. The Trustee was established as a means to fund EDO Gas by acting as issuer of, and trustee for, the Trust Certificates.

For the purposes of this Base Offering Circular, the "**Formation**" refers to the formation of the Guarantor and the effects of events that are directly attributable to the formation of the Guarantor, principally the transfer of an Extension and Consolidation of Concession Agreement related to Oil (the "**Oil Concession Agreement**"), the grant of a concession agreement related to NAG and NAG condensate (the "**Gas Concession Agreement**"), the new fiscal regime for the Guarantor's participating interest in Oil Operations adopted by the Government (the "**Fiscal Protocol**") and other related agreements (together, the "**Formation**"). For summaries of these documents, see "*Material Agreements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Fiscal Terms—Fiscal Terms Applicable to Oil and Condensate (AG and NAG) Revenues*". The Government's interest in the Oil Operations and Gas Operations as held through the Ministry of Energy and Minerals is referred to in this Base Offering Circular as the "**Block 6 Operations**".

Presentation of Financial Information

The financial information set out in this Base Offering Circular is financial information of the Group. This Base Offering Circular does not include standalone financial information for the Trustee or EDO Gas. EDO Gas has not prepared standalone financial statements. Beginning with the Group's consolidated financial statements for the year ended 31 December 2023, EDO Gas financial information is consolidated in the Group's financial statements. See "*Description of the Trustee—Financial Statements*" for a description of financial information of the Trustee.

This Base Offering Circular includes the Audited 2024 Financial Statements and the Audited 2023 Financial Statements, each as defined below. The financial information included in this Base Offering Circular is not intended to comply with the applicable accounting requirements of the Securities Act and the related rules and regulations, which would apply if Trust Certificates were being registered with the SEC.

The Group's financial year ends on 31 December and references in this Base Offering Circular to 2024, 2023 and 2022 or any other specific year are to the 12-month period ended on 31 December of such year, unless otherwise indicated.

Audited Financial Statements

The financial information in this Base Offering Circular includes the audited consolidated financial statements of the Group as at and for the year ended 31 December 2024 (including comparative financial information as at and for the year ended 31 December 2023) and the notes thereto (the "**Audited 2024 Financial Statements**"), and as at and for the year ended 31 December 2023 (including comparative financial information as at and for the year ended 31 December 2022) and the notes thereto (the "**Audited 2023 Financial Statements**", together with the Audited 2023 Financial Statements, the "**Audited Financial Statements**"). The Audited Financial Statements have been prepared in accordance with IFRS.

Sources of Financial Information

As a result of certain reclassifications detailed below, the financial information included in this Base Offering Circular is derived from the following sources, unless otherwise stated:

- financial information as at and for the year ended 31 December 2024 is derived from the Audited 2024 Financial Statements;
- financial information as at and for the year ended 31 December 2023 is derived from the comparative financial information as at and for the year ended 31 December 2023 included in the Audited 2024 Financial Statements; and
- financial information as at and for the year ended 31 December 2022 is derived from the comparative financial information as at and for the year ended 31 December 2022 included in the Audited 2023 Financial Statements.

Comparability of Financial Information

The comparability of the financial information for the periods presented in this Base Offering Circular has been impacted certain reclassifications as described below.

Reclassifications in the Comparative Financial Information as at and for the Year ended 31 December 2022

Certain figures in the comparative financial information as at and for the year ended 31 December 2022 included in the Audited 2023 Financial Statements have been reclassified in order to improve the quality of information presented and conform with the presentation for the financial information as at and for the year ended 31 December 2023. The reclassifications do not affect previously reported profit or equity. As a result of these reclassifications:

- In the comparative financial information for the year ended 31 December 2022 included in the consolidated statement of profit or loss and other comprehensive income, US$34 million of assets written-off and/or disposed has been reclassified from other expenses to other operating income. Assets written-off and/or disposed were under other expenses in the audited consolidated financial statements of the Group as at and for the year ended 31 December 2022 but this amount was netted off against gains on disposal of property, plant and equipment under other operating income in the comparative financial information for the year ended 31 December 2022.
- In the comparative financial information for the year ended 31 December 2022 included in the consolidated statement of profit or loss and other comprehensive income, certain elements of staff costs have been reclassified within staff costs. Additionally, medical expense reimbursements have been included in staff costs. See Note 9 to the Audited 2023 Financial Statements included in this Base Offering Circular for more information.

- In the comparative financial information as at 31 December 2022 included in the consolidated statement of financial position, US$5 million of national objective investment has been reclassified to other current assets and US$7 million of national objective liability has been reclassified to payables and accruals.
- In the comparative financial information as at 31 December 2022 included in the consolidated statement of financial position, assets and liabilities relating to Mabrouk North East were reclassified and are presented on a gross basis. As at 31 December 2022 in the comparative financial information in the Audited 2023 Financial Statements, this change resulted in additions of US$8 million to receivables and prepayments, US$22 million to cash and bank balances, US$21 million to amounts due from related parties and US$50 million to payables and accruals.
- In the comparative financial information for the year ended 31 December 2022 included in the consolidated statement of cash flows, US$7 million of royalty expenses have been added as an adjustment to profit before tax and US$7 million of royalties paid are presented after working capital changes. This change does not affect net cash from operating activities. Additionally, the impact of the reclassification of assets and liabilities relating to Mabrouk North East led to changes in net cash flows from operating activities.

The Group has concluded that such reclassifications are not material and do not affect previously reported profit for the year. For more information, see Note 29 to the Audited 2023 Financial Statements, which are included in this Base Offering Circular.

Auditors and Unaudited Information

The Audited Financial Statements have been audited by Ernst & Young LLC ("**EY**"), independent auditors, in accordance with International Standards on Auditing, as stated in their unqualified audit reports thereon.

All financial information in this Base Offering Circular identified as an APM (as defined below) is unaudited. Where information is identified as unaudited, this means that the information has been extracted from information that has not been audited and does not imply that all other information in the table has been separately audited.

Alternative Performance Measures

To supplement the Audited Financial Statements, the Group uses certain financial measures and ratios that are not required by, or presented in accordance with, IFRS or any other generally accepted accounting principles, each of which the Group considers constitutes an Alternative Performance Measure ("**APM**"), as defined in the European Securities and Markets Authority Guidelines on Alternative Performance Measures. None of these measures, which principally appear in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", have been subject to audit or review by the independent auditors.

These APMs include EBITDA and Free Cash Flow.

Definitions

Measure	Definition	Relevance of its Use
EBITDA	EBITDA is profit before tax plus finance costs less finance income, plus depreciation, depletion and amortisation.	The Guarantor uses EBITDA to assess and compare the underlying profitability of the Group.
Free Cash Flow	Free Cash Flow is net cash from operating activities less acquisition of property, plant and equipment	The Guarantor uses Free Cash Flow to evaluate its cash available for financing activities, including cash distributions.

Measure	Definition	Relevance of its Use
	and expenditure on exploration and evaluation of assets.	

The APMs should not be considered as an alternative to the historical financial results or other indicators of the Group's performance based on IFRS measures. They should not be considered as alternatives to profit for the year (as determined in accordance with IFRS) or any other measures of performance under IFRS as indicators of the Group's performance or profitability or as alternatives to cash flows from operating, investing or financing activities (as determined in accordance with IFRS) as an indicator of the Group's liquidity. The APMs, as defined by the Guarantor, may not be comparable to similarly titled measures as presented by other companies due to differences in the way the Group's APMs are calculated. The APMs relate to the reporting periods described in this Base Offering Circular and are not intended to be predictive of future results. Even though the APMs are used by the Guarantor to assess ongoing operating performance and liquidity and these types of measures are commonly used by investors, they have important limitations as analytical tools, and they should not be considered in isolation or as substitutes for analysis of the Group's results or cash flows, as reported under IFRS. Some limitations of EBITDA are that:

- it does not reflect cash expenditures;
- it does not reflect future requirements for capital expenditure, which is calculated as additions to total property, plant and equipment as reduced by additions to abandonment assets ("**Capital Expenditure**") or contractual commitments;
- it does not reflect cash requirements or changes in working capital needs;
- it does not reflect interest expense or the cash requirements necessary to service interest or principal payments in respect of any borrowings;
- although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often have to be replaced in the future and this measure does not reflect any cash requirements for such replacements; and
- other companies in the Group's industry may calculate this measure differently from how the Guarantor does, limiting its usefulness as a comparative measure.

Nevertheless, the Guarantor believes that these APMs, when considered in conjunction with measures prepared in accordance with IFRS, enhance investors' and the Guarantor's senior management's overall understanding of the Group's financial performance and liquidity.

Reconciliation of APMs

EBITDA

The following table sets forth the reconciliation of the APM EBITDA to profit before tax for the years ended 31 December 2024, 2023 and 2022.

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Profit before tax	4,072,069	4,487,541	4,683,889

	Year ended 31 December		
Less: Finance income	(9,201)	(7,559)	(2,385)
Add: Finance costs	711,478	606,604	396,605
Add: Depreciation, depletion and amortisation	3,738,659	3,840,790	3,567,022
EBITDA	**8,513,005**	**8,927,376**	**8,645,131**

Free Cash Flow

The following table sets forth the reconciliation of the APM Free Cash Flow to net cash from operating activities for the years ended 31 December 2024, 2023 and 2022.

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Net cash from operating activities	5,541,300	6,531,207	5,152,272
Less: Acquisition of property, plant and equipment	(3,459,610)	(3,400,290)	(3,110,772)
Less: Expenditure on exploration and evaluation assets	(205,246)	(222,828)	(183,629)
Free cash flow	**1,876,444**	**2,908,089**	**1,857,871**

Presentation of Reserves and Product Information

Reserve estimation is an inherently complex process that principally relies on a combination of knowledge, experience and engineering judgement. The accuracy of any reserve estimate is a function of a number of variable factors and assumptions, many of which are beyond the Trustee's, EDO Gas' and the Guarantor's control. Therefore, the reserves information in this Base Offering Circular represents only estimates. In addition, results of drilling, testing and production subsequent to the date of an estimate may justify revising the estimate. Accordingly, due to the inherent uncertainties and the necessarily limited nature of reservoir data and the inherently imprecise nature of reserve estimates, the initial reserve estimates may differ from the quantities of Oil and natural gas that are ultimately recovered. The meaningfulness of such estimates depends primarily on the accuracy of the assumptions upon which they were based.

All natural resources within Oman, including hydrocarbons, are owned by the Government, which, either directly or, more typically, indirectly through wholly owned companies such as the Guarantor, enters into exploration and production sharing and similar agreements with its wholly-owned companies and/or third parties to exploit Oman's hydrocarbon reserves.

The proved plus probable ("**2P**") reserve estimates set out in this Base Offering Circular conform to the Society of Petroleum Engineers' Petroleum Resource Management System (the "**SPE-PRMS**") definitions and guidelines, which are internationally recognised industry standards. Estimates of the quantity of 2P reserves depend on significant interpretations, assumptions and judgements relating to available geological, geophysical, engineering, contractual, economic and other information and take into account existing economic and operating conditions and commercial viability as at the date the reserve estimates are made. The reserve estimates are regularly reviewed and updated. Proven and probable reserves are estimates of the amount of Oil and gas that can be economically extracted from Oil and gas assets. The technical personnel responsible for preparing the reserves disclosures set out in this Base Offering Circular meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth by the Society of Petroleum Engineers.

Reserves estimates are estimated reserves based on information compiled by appropriately qualified persons relating to geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Proven and probable reserves are determined using estimates of Oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves which are attributable to the Guarantor.

Except as set out below, estimates of the proved ("**1P**") and 2P (cumulative) reserves attributable to the Guarantor and Block 6 as of year ends are based on an Annual Review of Petroleum Resources ("**ARPR**") conducted by PDO on behalf of the Guarantor and, with respect to NAG reserves going forward, EDO Gas. ARPR is an annual review of all PDO resources conducted by asset cluster leadership, Petroleum Engineer (PE) managers and PE Chief Function Heads. The outcome of this review is documented in the ARPR report, which is published annually. During this process, the developed reserves for all producing wells are re-evaluated by performing decline curve analysis for Oil, material balance, p/z analysis for gas or history-matched dynamic modelling, whereas the undeveloped project status is re-assessed based on the latest business plan. Volumes are categorised as either undeveloped reserves or contingent resources in line with the resource volume classification guidelines. The 1P reserve estimates set out in this Base Offering Circular comply with rules set by the U.S. Securities and Exchange Commission (the "**SEC**") (except for the calculation of NAG prices, which is based on the Guarantor's internal estimate). The 2P reserve estimates conform to the definitions and guidelines contained in the Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists, Society of Evaluation Engineers, Society of Exploration Geophysicists, Society of Petrophysicists and Well Log Analysts and European Association of Geoscientists & Engineers 2018 Petroleum Resources Management System, which were revised in June 2018 ("**Society of Petroleum Engineers' Petroleum Resource Management System**"). For 1P reserves, the OEB price is kept constant at US$81.14 per barrel, as per SEC guidelines, while for 2P reserves the OEB price is US$60 per barrel for 2024 and thereafter a 3 per cent. annual increase is assumed for the life of the Oil Concession (e.g., until 2044). The NAG price until 2025 is set out in the NAG Sales Agreement, while future gas prices will be agreed between EDO Gas and IGC Oman in accordance with the methodology set out therein. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Supply, Demand and Price of Hydrocarbons—NAG*" and "*Material Agreements—NAG Sales Agreement and 2023 NAG Sales NARA*". The price is then subject to change and is estimated on a five-year cycle basis.

This Base Offering Circular includes the Third-Party Reserves Report. The Guarantor retained independent petroleum consultants, Sproule B.V., to independently audit the Guarantor's reserves as of 1 January 2024. A copy of the Third-Party Reserves Report, which describes its procedures, conclusions and assumptions, is set out in Appendix C to this Base Offering Circular with the consent of Sproule B.V. who has authorised such inclusion. The technical personnel responsible for preparing the Third-Party Reserves Report meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth by the Society of Petroleum Engineers. Sproule B.V. is an independent consultancy firm with its registered address at Stationsplein 6, 2275 AZ, Voorburg, Netherlands and does not own an interest in the Guarantor's properties and is not employed on a contingent fee basis. The scope of the Third-Party Reserves Report was an audit of the reserves as reported by PDO, not an evaluation. The reserves volumes included in the Third-Party Reserves Report were estimated based on the definitions and disclosure guidelines contained in the Society of Petroleum Engineers' Petroleum Resource Management System. All reserves were estimated through 31 December 2044, the date of the Guarantor's licence termination for the subject properties.

Accordingly, due to the inherent uncertainties and the necessarily limited nature of reservoir data and the inherently imprecise nature of reserve estimates, the initial reserve estimates may differ from the quantities of Oil and gas that are ultimately recovered. The meaningfulness of such estimates depends primarily on the accuracy of the assumptions upon which they were based. Thus, investors should not place undue reliance on the Group's ability to estimate actual reserves or on comparisons of similar reports concerning other companies.

In addition, except to the extent that PDO conducts successful exploration and development activities, EDO Gas' and the Guarantor's reserves will decline as reserves are produced.

Presentation of Third-Party and Market Share Data

This Base Offering Circular contains information regarding EDO Gas' and the Guarantor's businesses and the industries in which they operate and compete, which has been obtained from third-party sources. Where third-party information has been used in this Base Offering Circular, the source of such information has been identified. Maps contained in this Base Offering Circular are for reference only and do not necessarily reflect international borders or other locations accurately.

In some cases, independently determined industry data is not available. In these cases, any market share data included in this Base Offering Circular is referred to as having been estimated. All such estimates have been made by the Group using their own information and other market information, which is publicly available. Each of the Trustee, EDO Gas and the Guarantor believes that these estimates of market share are helpful as they give prospective investors a better understanding of the industries in which EDO Gas and the Guarantor operate, as well as their positions within those industries. Although all such estimations have been made in good faith based on the information available and the Trustee's, EDO Gas' and the Guarantor's knowledge of the markets within which the Group operates, none of the Trustee, EDO Gas or the Guarantor can guarantee that a third-party expert using different methods would reach the same conclusions.

Statistical information relating to Oman included in this Base Offering Circular has been derived from a number of different identified sources, including official public sources. The source of any third-party information contained in this Base Offering Circular is stated where such information appears in this Base Offering Circular. The Trustee, EDO Gas and the Guarantor confirm that all such information has been accurately reproduced and, as far as each of the Trustee, EDO Gas and the Guarantor is aware and is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Similar statistics may be obtainable from other sources, but the underlying assumptions, methodology and, consequently, the resulting data may vary from source to source. The statistical data included in this Base Offering Circular may subsequently be revised as new data becomes available and any such revised data will not be circulated by the Trustee, EDO Gas or the Guarantor to investors who have purchased Trust Certificates.

Where information has not been stated to be independently sourced, it is the Guarantor's own information. See "*Risk Factors—Risks Related to the Businesses of EDO Gas and the Guarantor—The Oil and gas reserve estimates set out in this Base Offering Circular are subject to various uncertainties, including many factors beyond the EDO Gas' and the Guarantor's control*".

Presentation of Other Information

Currencies

All references in this Base Offering Circular to:

- "**Euros**", "**EUR**" and "**€**" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended;
- "**Omani Rial**" and "**OMR**" are to the Omani Rial, the lawful currency of Oman; and
- "**US dollars**", "**$**" and "**US$**" are to the United States dollar, the lawful currency of the United States.

Unless otherwise indicated, the financial information contained in this Base Offering Circular has been expressed in U.S. dollars, which is the Guarantor's and the Block 6 Operations' functional and presentation currency, as a significant proportion of their assets, liabilities, income and expenses are denominated in U.S. dollars. Certain transactions are expressed in Omani Rial, which is the local currency of the Guarantor and the Block 6 Operations. Since the Omani Rial is pegged to the U.S. dollar, transactions in the local currency do not result in any significant exchange differences on translation.

In this Base Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

Rounding

Certain data in this Base Offering Circular has been rounded. As a result of such rounding, the totals of data presented in tables in this Base Offering Circular may vary slightly from the arithmetic totals of such data. Where used in tables, the figure "0" means that the data for the relevant item has been rounded to zero and the symbol "—" means that there is no data in respect of the relevant item.

Websites and Web Links

The websites and/or web links referred to in this Base Offering Circular are included for information purposes only and the content of such websites or web links is not incorporated into, and does not form part of, this Base Offering Circular.

Foreign Language

The language of this Base Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

References to Law

In this Base Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

TABLE OF CONTENTS

Page

RISK FACTORS 1

STRUCTURE DIAGRAM AND CASHFLOWS 36

OVERVIEW 39

DOCUMENTS INCORPORATED BY REFERENCE 47

FORM OF THE TRUST CERTIFICATES 48

FORM OF PRICING SUPPLEMENT 52

PRICING SUPPLEMENT 53

TERMS AND CONDITIONS OF THE TRUST CERTIFICATES 59

USE OF PROCEEDS 100

DESCRIPTION OF THE TRUSTEE 101

SELECTED FINANCIAL INFORMATION 103

CAPITALISATION AND INDEBTEDNESS 106

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS 107

OVERVIEW OF OMAN AND THE ECONOMY 137

INDUSTRY OVERVIEW 143

BUSINESS 157

MATERIAL AGREEMENTS 203

DIRECTORS AND MANAGEMENT 213

REGULATION OF THE OIL AND GAS INDUSTRY IN OMAN 221

CLEARING AND SETTLEMENT 225

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS 230

TAXATION 243

CERTAIN ERISA CONSIDERATIONS 255

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS 257

GENERAL INFORMATION 269

APPENDIX A—GLOSSARY OF DEFINED TERMS 273

APPENDIX B—GLOSSARY OF MEASUREMENT AND TECHNICAL TERMS 278

APPENDIX C—THIRD-PARTY RESERVES REPORT 279

INDEX TO FINANCIAL STATEMENTS 280

RISK FACTORS

Any investment in Trust Certificates issued under the Programme is subject to a number of risks and uncertainties.

Prospective investors should carefully consider the risks and uncertainties associated with EDO Gas' and the Guarantor's business and the structure of and any investment in the Trust Certificates issued under the Programme, together with all of the information that is included in this Base Offering Circular and the applicable Pricing Supplement, and should form their own view before making an investment decision with respect to any Trust Certificates. In particular, prospective investors should evaluate the risks and uncertainties referred to or described below, which may have a material adverse effect on EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations and the amounts paid on the Trust Certificates issued by the Trustee. Should one or more of these risks occur or be perceived by the market as being likely to occur, at the same time or separately, the market price of any Trust Certificates issued under the Programme could decline and an investor might lose part or all of its investment.

Each of the Trustee, EDO Gas and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Trust Certificates issued under the Programme, but the Trustee's inability to pay amounts due under any Trust Certificates, and the Trustee's, EDO Gas' or the Guarantor's inability to pay amounts due under the Transaction Documents, may occur for other reasons and none of the Trustee, EDO Gas or the Guarantor represents that the statements below regarding the risks of holding any Trust Certificates are exhaustive. Additional risks not presently known to the Trustee, EDO Gas or the Guarantor or that they currently deem immaterial may also impair the Trustee's, EDO Gas' or the Guarantor's ability to pay such amounts.

This Base Offering Circular also contains forward-looking statements that involve risks and uncertainties. EDO Gas' and the Guarantor's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by EDO Gas and the Guarantor described below and elsewhere in this Base Offering Circular. See "Cautionary Statement Regarding Forward-looking Statements".

Risks Related to the Trustee

The Trustee has no material assets other than the Trust Assets relating to Trust Certificates in issue and will depend on receipt of payments from EDO Gas, failing which the Guarantor, to make payments to Certificateholders.

The Trustee is an exempted company with limited liability incorporated under the laws of the Cayman Islands on 26 June 2023 and has limited operating history. The Trustee has not and will not engage in any business activity other than the issuance of Trust Certificates under the Programme, the acquisition of trust assets (including Trust Assets as described herein), acting in its capacity as trustee and other activities incidental or related to the foregoing as may be required under the relevant Transaction Documents relating to each Series. In addition, as the Trustee is a company in the Cayman Islands, it may not be possible for Certificateholders to effect services of process on it outside the Cayman Islands.

The Trustee's only material assets, which are and will be held on trust for Certificateholders, are the Trust Assets relating to each Series of Trust Certificates, including the obligation of EDO Gas, failing which the Guarantor, to make payments to the Trustee under the relevant Transaction Documents for each Series. The ability of the Trustee to pay amounts due on the Trust Certificates will be dependent upon receipt by the Trustee of such payments from EDO Gas, failing which the Guarantor (which in aggregate may not be sufficient to meet all

claims under the Trust Certificates and the Transaction Documents). Therefore, the Trustee is subject to all the risks to which EDO Gas and the Guarantor are subject to the extent that such risks could limit EDO Gas', failing which the Guarantor's ability to satisfy in full and on a timely basis their obligations under the Transaction Documents (see below).

Risks Related to the Oil and Gas Industry

The Guarantor's cash flows and results of operations are significantly impacted by international Oil supply and demand and the price at which it sells Oil

Sales of Oil are the largest component of the Group's revenue and other operating income, accounting for 73 per cent. and 73 per cent. of the Group's revenue and other operating income, respectively, for the year ended 31 December 2024, 71 per cent. and 25 per cent. of the Group's revenue and other operating income, respectively, for the year ended 31 December 2023 and 68 per cent. and 40 per cent. of the Group's revenue and other operating income, respectively, for the year ended 31 December 2022. Accordingly, the Group's results of operations and cash flows are significantly impacted by the price at which it sells Oil.

International Oil supply and demand and the sales price for Oil are affected by many factors that are beyond the Guarantor's control, including:

- market expectations with respect to the future supply of petroleum products, demand and price changes;
- global economic and political conditions and geopolitical events, including, amongst others, financial crises and events that impact or disrupt international trade (including trade routes);
- conflicts and war, including the Russia-Ukraine war and the Israel-Hamas war (the "**Israel-Hamas War**") and acts of terrorism;
- decisions regarding production levels by Oil-producing states;
- the introduction of financial sanctions by governments in general, and in particular of sanctions targeting Oil-producing states and Oil-producing companies;
- the impact of natural disasters and public health pandemics or epidemics on supply and demand for Oil, general economic conditions and the ability to deliver Oil;
- the development of new Oil exploration, production and transportation methods or technological advancements in existing methods, including hydraulic fracturing or "fracking";
- capital investments of Oil and gas companies relating to the exploration, development and production of Oil reserves;
- the impact of climate change on the demand for, and price of, hydrocarbons (see "*Risk Factors—Climate change concerns and impacts could reduce global demand for hydrocarbons and hydrocarbon-based products and could cause EDO Gas and/or the Guarantor to incur costs or invest additional capital*");
- changes to environmental or other regulations or laws applicable to Oil and related products or the energy industry (see "*Risk Factors—Legal and Regulatory Risks—EDO Gas and/or the Guarantor could face significant liabilities for damages, clean-up costs or penalties under environmental and safety laws and changes in such laws could materially increase EDO Gas' and/or the Guarantor's costs*");
- prices of alternative energies, including renewable energy;
- the electrification of transportation, technological developments in the cost or endurance of batteries or fuel cells for electric vehicles and changes in transportation-mode preferences;

- weather conditions affecting supply and demand;
- fluctuations in the value of the U.S. dollar, the currency in which Oil is priced globally; and
- Oil trading activities.

International Oil prices have fluctuated significantly in the recent past and may remain volatile. Between January 2016 and March 2020, Brent prices generally fluctuated between US$40 and US$65 per barrel. However, Brent prices fell below US$23 per barrel in mid-March 2020 and generally fluctuated between US$30 and US$45 through 2020 as a result of the COVID-19 pandemic's impact on worldwide demand for Oil and economic activity, as well as other supply and demand factors. As a result, in 2020, Block 6 Operation's revenue declined by 25 per cent. compared to 2019, and Block 6 Operation's profit for the year attributable to invested capital decreased by 38 per cent. to US$5,882 million. Brent prices recovered to above US$60 per barrel in February 2021 and remained above US$60 per barrel throughout 2021, reaching US$77.78 per barrel by 31 December 2021. Following the Russian invasion of Ukraine (the "**Russia-Ukraine War**") in February 2022, Brent prices increased significantly, reaching a high of US$130 per barrel in March 2022. In subsequent months, Brent prices decreased to levels comparable to those prior to the Russia-Ukraine War. As of the end of December 2022, Brent prices were US$80.92 per barrel, reflecting the Chinese government's abandonment of its zero-COVID policy and robust consumption in the United States.

In the first half of 2023, Oil prices decreased to a low of US$72.19 in connection with developments in the banking sector, such as the collapse of Silicon Valley Bank, the take-over of Credit Suisse and fears regarding a global recession, concerns about China's economic growth, the potential for a US recession and higher than expected Russian Oil exports that put downward pressure on Oil prices. During the second half of 2023, the average price of Brent Oil increased to US$85.34 per barrel and the price as of 31 December 2023 was $77.54 per barrel. The increase was primarily due to resilience shown by the US economy and production cuts by Organisation of the Petroleum Exporting Countries Plus, which is comprised of the members of OPEC and 23 other members ("**OPEC+**"). During the first six months of 2024, the price of Brent Oil remained strong, increasing to US$86.41 per barrel at 30 June 2024 due to the extension of OPEC+ cuts in production. The price of Brent Oil as of 31 December 2024 decreased to US$74.64 per barrel due to a decrease in Oil demand. During January 2025, Oil prices increased in response to the threat of U.S.-imposed tariffs. The price of Brent Oil as of 28 February 2025 decreased to US$73.18 per barrel due to a decrease in Oil demand.

Since 2018, the OEB price, at which the Guarantor sells Oil and condensate (AG and NAG) to the Government, has fluctuated in line with fluctuations in Brent prices. In 2021, the average price for OEB was US$64.29 per barrel. The price for OEB increased slightly throughout 2022 due to the increase in global Oil prices driven primarily by the Russia-Ukraine War and the international response thereto, peaking in July 2022 at an average price of US$107.22. Oil prices in the second half of 2022 decreased as a result of global economic developments, the European Central Bank's monetary tightening, concerns about a possible energy crunch, COVID-19 containment measures in China and ongoing geopolitical tensions. In 2022, the average price for OEB was US$95.36 per barrel.

The average price of OEB decreased in the first quarter of 2023, before increasing in the second quarter of 2023. Unipec, the trading arm of Sinopec, has sold significant amounts of OEB from the start of June 2023 in response to production cuts by other countries, supporting the price of OEB. In June 2023, the official selling price for OEB was US$83.28 per barrel. During the second half of the year, the official selling price for OEB reached a high of US$92.77 in November 2023 primarily due to a tight supply and output cuts by the Kingdom of Saudi Arabia. As of 31 December 2023, the official selling price for OEB was US$89.79 per barrel.

During the first half of 2024, the average price of OEB was $82.24 per barrel. In June 2024, the official selling price for OEB was US$89.30 per barrel. During the second half of the year, the official selling price for OEB

reached a high of US$83.89 per barrel as a result of an increased forecast in Oil demand. As of 31 December 2024, the official selling price for OEB was US$74.82 per barrel.

The prices of Brent Oil and OEB are also impacted by the actions of OPEC+. In December 2020, following the significantly negative impact on Oil demand resulting from the COVID-19 pandemic, OPEC+ agreed to relax output curbs by 500,000 barrels per day from 1 January 2021 to 7.2 billion barrels per day and to meet monthly to reassess the market. In August 2021, OPEC+ increased overall production by 400,000 barrels per day. In August 2022, OPEC+ increased production of Oil by 100,000 barrels per day. However, in November 2022, OPEC+ reduced production by two million barrels per day from August 2022 production levels. During the first half of 2023, OPEC+ unexpectedly announced a further reduction in production of 1.15 million barrels per day, as a means to support and increase Oil prices. The announcement resulted in an immediate increase in Brent Oil prices from US$79 per barrel to more than $86 per barrel, which subsequently decreased. In June 2023, the Saudi government announced a voluntary cut of an additional one million barrels per day, as part of its commitment to maintaining Oil prices at current levels, which cuts were subsequently extended through 31 December 2023. Following the extension of the Kingdom of Saudi Arabia's production cuts in September 2023, Brent Oil prices increased to over US$90 a barrel before decreasing in the fourth quarter. Following Angola's announcement in December 2023 that it was leaving OPEC, Brent Oil prices decreased to US$77.86.

In March 2024, OPEC+ announced an extension of additional voluntary cuts of 2.2 million barrels per day through the second quarter of 2024. OPEC+ reaffirmed the voluntary production cuts in September 2024. In December 2024, OPEC+ announced that it would continue production cuts until March 2025, with the goal to phase out the production cuts by September 2026. As of 31 December 2024, Brent Oil was US$74.64 per barrel. During January 2025, Oil prices increased in response to threats of U.S.-imposed tariffs. The price of Brent Oil as of 28 February 2025 decreased to US$73.18 per barrel due to a decrease in Oil demand. Further changes in OPEC or OPEC+ membership and additional cuts to production at either the OPEC+ level or by individual countries may also impact the price of Oil. Based on a declining price environment or OPEC+ production decisions, among other things, the Government may also curtail the production of Oil. As the Guarantor is a swing producer for the Government, the Government nomination process requires the Guarantor to lower production when overall industry production is high enough to meet demand or in response to international Oil prices. Reductions in Government nominations for the Group could lead to lower production levels below the Group's capacity and/or the Group's targeted production, with corresponding effects on its business, financial condition, cash flows and results of operations.

The Guarantor expects Oil prices to remain volatile for the near future. Volatile Oil prices make it difficult to estimate the value of production facilities and often cause disruption in the market for Oil producing properties, as buyers and sellers have difficulty agreeing on such value. Price volatility makes it difficult to budget for, and project the return on, potential acquisitions and development and exploitation projects.

Fluctuations in the price at which the Guarantor is able to sell Oil could cause its cash flows and results of operations to vary significantly. In addition, post-inflationary period decreases in the price at which the Guarantor is able to sell its Oil could have a material adverse effect on its business, financial condition, cash flows and results of operations.

Climate change concerns and impacts could reduce global demand for hydrocarbons and hydrocarbon-based products and could cause EDO Gas and/or the Guarantor to incur costs or invest additional capital

Climate change concerns manifested in public sentiment, government policies, laws and regulations, international agreements and treaties and other actions may reduce global demand for hydrocarbons and propel a shift to lower carbon intensity fossil fuels such as gas or alternative energy sources. In particular, increasing pressure on governments to reduce greenhouse gas ("**GHG**") emissions has led to a variety of actions that aim

to reduce the use of fossil fuels, including, among others, carbon emission cap and trade regimes, carbon taxes, increased energy efficiency standards and incentives and mandates for renewable energy and other alternative energy sources. In addition, international agreements that aim to limit or reduce GHG emissions are currently in various stages of implementation, and it is difficult to predict with certainty the ultimate impact GHG-related laws, regulations and international agreements will have on PDO and, thereby, EDO Gas and the Guarantor. For example, the Paris Agreement became effective in November 2016, and many of the countries that have ratified the Paris Agreement are adopting domestic measures to meet its goals, which include reducing their use of fossil fuels and increasing their use of alternative energy sources.

Furthermore, many developed countries are also actively trying to develop alternative sources of energy or alternative methods of increasing domestic Oil production to reduce their dependence on imported Oil, as well as combating climate change. For example, at the 2021 United Nations Climate Change Conference ("**COP26**"), 21 countries together with a number of development banks pledged to end financing for unabated fossil fuel projects abroad. More generally, COP26 has resulted in numerous pledges from nations to reduce emissions, move away from fossil fuels, eliminate deforestation and provide funding to help poor countries adapt. At the November 2022 United Nations Climate Change Conference, countries affirmed the intention to limit warming to around 1.5 degrees Celsius and to increase accountability for businesses. Accordingly, a mitigation work programme aimed at urgently scaling up mitigation ambition and implementation was established, which started work immediately and will be reviewed in 2026. At the 2023 United Nations Climate Change Conference, nearly 200 countries agreed to a new climate deal which aims to reduce carbon pollution and transition away from fossil fuels in energy systems with the target of achieving net zero by 2050. At the 2024 United Nations Climate Change Conference in November 2024, participants reaffirmed their commitment to limiting the global average temperature increase to 1.5 degrees Celsius. In general, it is too early to know or measure the impact these pledges and investments will have on hydrocarbon production or on demand for fossil fuels in the medium or long term, but the impact could be substantial.

In August 2022, U.S. President Biden signed the Inflation Reduction Act into law. The law provides US$60 billion for renewable energy infrastructure in the United States, including grants and loan opportunities for clean energy providers, as well as tax incentives for energy efficiency initiatives and certain uses of renewable energy sources, which could contribute to a lower global demand for Oil and gas. In total, the Inflation Reduction Act provides US$370 billion for environmental measures and the reduction of GHG emissions. At the same time, the Inflation Reduction Act also provides for Oil and gas leases to U.S. Oil and gas companies, which may enable these companies to increase their exports in the future, thereby increasing the global supply of Oil and potentially impacting the price of Brent Oil and OEB.

In January 2025, President Trump signed an executive order directing the United States to withdraw from the Paris Agreement. Additionally, in February 2025, President Trump signed an executive order to create the National Energy Dominance Council and directed the U.S. Government to remove President Biden's ban on future offshore drilling, which could contribute to an increase in Oil and gas production in the United States. It is unclear the impact the Trump Administration will have on global climate change laws, rules and regulations, as well as the potential impact of such changes on the prices of Brent Oil, and it is difficult to predict future developments related thereto.

PDO's operations result in the emission of carbon dioxide, which is a by-product of burning fuels (including Oil and gas) and is a GHG. Oman is a signatory of the Paris Agreement, which it ratified in May 2019. Compliance with the agreement may require the reduction of carbon dioxide emissions in Oman, and the responsibilities of Omani companies may change following the implementation of any carbon dioxide mitigation regulations. Such regulations could result in, for example, increased costs to operate and maintain PDO's operations, increased Capital Expenditure to install new emission controls at PDO's operations and increased costs to administer and manage any potential GHG emissions or cap and trade or other control

programmes, all of which could require additional cash contributions from EDO Gas or the Guarantor. PDO will also apply heightened screening for compliance with changing climate change regulations, which may materially impact production if future projects do not meet new screening criteria.

In March 2022, Oman established the National Committee for Climate Change and Protection of the Ozone Layer, which convenes representatives from 32 stakeholders to address climate change-related issues in Oman. The work of this committee is intended to complement Oman's National Strategy for Adaptation and Mitigation of Climate Change for the 2020-2040 period. Oman has also supported different renewable energy initiatives within the country, such as labelling appliances based on energy efficiency, "smart" metering of electricity, mandates on use of LED bulbs and others. Oman has also pledged to reduce total GHG emissions by 21 per cent. by 2030. In March 2023, a representative of Oman's Environment Authority confirmed that Oman has adopted a national plan for zero carbon neutrality, pursuant to which five main sectors have been targeted as part of the strategy to reduce GHG emissions, including oil and gas, electricity production, transportation, industry and construction. It is unclear to what extent regulations and emission-reducing measures targeting the Oil and gas sector will impact EDO Gas and the Guarantor, but any such measures may increase costs, reduce production or have another material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Existing and future climate change concerns and impacts, including physical impacts to infrastructure, and related laws, regulations, treaties, protocols, policies and other actions could shift demand to other fuels, reduce demand for hydrocarbons and hydrocarbon-based products, reduce production and have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Competitive pressure could have a material adverse impact on the price at which the Guarantor sells Oil

The sale of Oil is very competitive. The primary factors affecting competition are the price, quantity and quality of the Oil produced. The Guarantor's primary competitors for the sale of Oil outside Oman include national and international Oil companies, many of which have substantial Oil reserves and financial resources. These competitors include Oil and gas companies that may possess greater technical, physical and/or financial resources than the Guarantor. The Guarantor also faces competition from other Oil generation processes, in particular shale Oil. Further, the Guarantor competes with other industries that provide alternative means of energy, such as coal and renewable energy sources. Increased competitive pressures could have a material adverse impact on prices at which the Guarantor can sell Oil and its market share.

Risks Related to the Businesses of EDO Gas and the Guarantor

PDO is subject to operational risks and hazards that may have a significant impact on its operations or result in significant liabilities and costs for EDO Gas and the Guarantor

PDO is subject to operational risks that are common in the Oil and gas industry. These risks include, but are not limited to:

- Oil or gas spills, pipeline leaks and ruptures, storage tank leaks, and accidents involving explosions, fires, blowouts and surface cratering;
- power shortages or failures;
- mechanical or equipment failures;
- transportation interruptions and accidents, including road traffic accidents;

- cyclones, storms, floods, earthquakes and other natural disasters;
- extreme weather, including lighting strikes; and
- chemical spills, discharges or releases of toxic or hazardous substances or gases.

These risks could result in damage to, or destruction of, PDO's properties and facilities, death or injury to people and harm to the environment, which could have a significant impact on its operations or result in regulatory or legal action, including penalties, fines, losses, increased costs, remediation commitments and the ability to maintain essential licences. Furthermore, PDO may also be subject to claims with respect to workplace exposure, workers' compensation and other matters. To the extent a subcontractor was responsible for the damage, PDO's recourse to the relevant subcontractor may be limited by contract or the financial viability of such subcontractor. Such occurrences could also interrupt PDO's operations or delay projects, which could have a material adverse effect on EDO Gas and the Guarantor.

In addition, PDO injects gas, heat and chemicals into certain of its reservoirs to increase the production of Oil and natural gas. The additional production and reserves attributable to the use of these secondary and tertiary recovery methods are inherently difficult to predict. If PDO's recovery methods do not result in expected production levels, EDO Gas and the Guarantor may not realise an acceptable return on the investments they make to use such methods, which may further impact EDO Gas' and the Guarantor's ability to make payments under Trust Certificates.

Furthermore, all of PDO's assets are located in Oman and rely heavily on an Oil infrastructure network operated by PDO to transport Oil to Mina Al Fahal, Oman's main oil terminal. PDO also depends on critical assets to process its Oil, such as the third-party owned and operated Mina Al Fahal refinery and the Sohar refinery, which are the two Oil refineries currently operating in Oman. It also depends on the major gas infrastructure and processing facilities in Oman, most of which are owned by EDO Gas and operated by PDO. If these critical transport systems, third-party Oil refineries or gas processing facilities were subject to a significant disruption, it could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

There can be no assurance that EDO Gas or the Guarantor will be able to implement the Guarantor's strategy or that the strategy, when implemented, will deliver all of the benefits envisaged

In line with the Government's Oman Vision 2040 plan, the Guarantor has set an ambitious vision to be a world-class partner for growth that drives a sustainable energy future. See "*Overview of Oman and the Economy—Vision 2040*". The Guarantor's overarching objectives are to strengthen its core business against market volatility and energy transition challenges and to become an integrated energy company with capabilities beyond Oil and gas while maintaining a stable capital structure. The Guarantor's strategy is structured around five key pillars: (i) Block 6 and beyond, (ii) capital management, (iii) Oman Hydrogen, (iv) new energies and (v) Environmental, Social and Governance ("**ESG**") matters. In furtherance of this strategy, the Group has incorporated five new entities. The first, Oman New Energies SPC ("**ONE**"), was established as part of a planned reorganisation of the Guarantor's power assets to realise short-term efficiencies and, in the long term, to expand in the power and renewables market. The second, Hydrom Oman SPC ("**Hydrom**"), was established to develop and execute Oman's green hydrogen strategy, including the creation of a connected ecosystem of green hydrogen industries and hubs. In addition to supporting the Guarantor's sustainable energy vision, the Guarantor expects that diversification into new energies will increase the Guarantor's resilience against Oil and gas market volatility. The Guarantor incorporated EDO Gas in order to implement its strategy with respect to the Gas Operations. EDO Gas is intended to unlock additional value in the Gas Operations by optimising NAG development and production costs, enhancing governance, mitigating risks, accelerating exploration activities,

and facilitating the achievement of Oman's NAG production potential. The Guarantor incorporated EDO InfraCo SPC ("**EDO InfraCo**") to development infrastructure related to the transportation of gases and liquids through pipelines, including the water network. The Guarantor incorporated eco SPC ("**eco SPC**") to handle the inventory of surplus and scrap equipment and materials from operations under the Block 6 petroleum agreements, the Gas Concession Agreement and (subject to the relevant approvals) other Oil and gas operations in Oman. Finally, the Trustee was established to act as issuer and trustee of the Trust Certificates. As part of the Guarantor's overarching strategy, PDO has implemented a number of cost-saving initiatives, including a near-term sustainability programme (the "**NTSP**"), a capital efficiency programme ("**Capital Efficiency**"), a category management programme ("**CM**") and a lean continuous improvement ("**LEAN**") programme.

The Guarantor's strategy may not be successful or may not proceed as swiftly as planned. A slower implementation of the strategy than envisaged may hinder the Guarantor in achieving its goals, may involve higher costs than expected and reduce expected savings from anticipated efficiencies and cost reductions and may require more resources than planned. EDO Gas may not be able to implement the gas strategy, meet the anticipated targets of the Gas Operations or do so on the expected timetable or at all. The Guarantor's and EDO Gas' ability to develop adequate talent and resources is key to achieving their strategy, and there is a risk that they may not be able to identify and hire or develop sufficient talent in the right timescale. If the Guarantor and EDO Gas are not successful in developing all of the competencies and capabilities needed to deliver the strategy, the Guarantor and EDO Gas may not realise their strategic ambitions and objectives.

PDO has a number of ongoing projects, which expose it to a range of financial, regulatory, construction and other risks that could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

EDO Gas and the Guarantor, through PDO, have significant experience in delivering development projects, having completed 10 projects in 2022, 19 projects in 2023 and 18 projects in 2024, and a further 16 projects scheduled for completion in 2025. When undertaking a significant project, PDO faces a number of risks, including, but not limited to:

- requirements to make significant Capital Expenditure without receiving cash flow from the project concerned until future periods;
- possible shortage of available cash to fund construction and capital improvements and the related possibility that financing for such construction and capital improvements may not be available to PDO on suitable terms or at all;
- delays in obtaining, or a failure to obtain, all necessary governmental and regulatory permits, approvals and authorisations;
- material impairments of leasehold values if exploratory drilling proves unsuccessful;
- failure of the project to achieve agreed technical parameters at completion;
- an inability to complete projects on schedule or within budgeted amounts; and
- the fact that actual results might differ from modelled results due to a number of factors, including, *inter alia*, errors or erroneous assumptions in the models, such as unanticipated market and economic conditions or heightened competition from third parties, that may result in PDO's investment not being profitable or not generating the originally anticipated level of cash flows.

There can be no assurance that PDO's current or future projects will be completed within the anticipated timeframe or at all, whether as a result of the factors specified above or for any other reason. PDO's Oil and natural gas exploration may also involve unprofitable efforts, not only from dry wells but also from wells that

are producing but do not produce sufficient net revenue to return a profit after drilling, operating and other costs. Completion of a well does not ensure a profit on the investment or recovery of drilling, completion and operating costs.

PDO's ongoing projects are also exposed to a number of construction risks, including, but not limited to:

- major design and/or construction changes, whether caused by changes in technological demand, market conditions or other factors;
- an inability to find a suitable contractor either at the commencement of a project or following a default by an appointed contractor;
- default or failure by PDO's contractors to finish projects on time and within budget;
- disruption in service and access to third parties;
- delays arising from shortages and long lead times for the delivery of complex plant and equipment or defective materials;
- shortages of materials, equipment and labour, adverse weather conditions, natural disasters, labour disputes, disputes with subcontractors, accidents, changes in governmental priorities and other unforeseen circumstances; and
- escalating costs of construction materials, manpower and global commodity prices.

Any of these factors could materially delay the completion of a project or materially increase the costs associated with a project, which could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

A substantial portion of the Guarantor's Oil is exported to customers in Asia, therefore adverse economic or political developments in Asia could impact its results of operations

A significant proportion of the end-customers for the Guarantor's products are located in Asia, including China, and the Guarantor expects Oil exports to customers in Asia to continue to constitute a significant percentage of its total export and production volumes going forward. Any negative developments, particularly those impacting China and its economy, could lead to reductions in demand for OEB in Asia.

Between January 2020 and December 2022, China and other Asian countries (like others around the world) were materially adversely affected by the COVID-19 pandemic. China's economy was significantly impacted by COVID-19 as government-mandated lockdowns and other measures taken as part of China's zero-COVID strategy. Since 2022, the Chinese economy has also been impacted by defaults in the country's property market and falling commodity prices. Concerns about Chinese economic growth persisted in 2023 and 2024.

If there is a prolonged slowdown in economic growth, an economic recession or other adverse economic or political development in Asia, the Guarantor may experience a material reduction in demand for Oil in the region. While the Government is contractually required to purchase the Guarantor's Oil and therefore demand decreases are unlikely to impact the Guarantor's sales volumes, decreases in demand for Oil in Asia could impact the price at which the Guarantor is able to sell its Oil in the event that the premium is not paid by new end-customers. Moreover, any such development in other parts of the world (including political and social instability or armed conflict in the Middle East and North Africa ("**MENA**") region) may result in other producers supplying surplus capacity to Asia, thereby increasing competition for customers in Asia and affecting the prices at which the Guarantor sells Oil. A significant decrease in demand for Oil in Asia could have a material adverse effect on the price at which the Guarantor's Oil is sold, thereby materially adversely affecting the Guarantor's business, financial condition, cash flows and results of operations.

If PDO is unable to fund its ongoing Capital Expenditure, it may have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

Oil and gas operations require significant amounts of Capital Expenditure, and, therefore, ready access to funds is essential to PDO's business. Upstream Oil and gas activities are capital intensive, and the continued funding of such activities is critical to maintain production levels in periods when net operating cash flow is negative or insufficient to cover Capital Expenditure, to increase production levels in the future in accordance with business plans and to grow PDO's business. If cash flows from PDO's shareholders, which are largely generated from PDO's operating activities and funds from external financial resources, are not sufficient to fund PDO's Capital Expenditure requirements, PDO may be required to reallocate available capital among its projects or modify its Capital Expenditure plans, which may result in delays to, or cancellation of, certain projects or deferral of certain Capital Expenditure, or PDO may need to request additional cash from EDO Gas with respect to the Gas Operations and/or the Guarantor with respect to the Oil Operations. Any change to PDO's Capital Expenditure plans could, in turn, have a material adverse effect on EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

If PDO does not maintain high-capacity utilisation rates at EDO Gas' gas processing facilities, this could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

Following the Gas Operations Transfer Date, EDO Gas owns and PDO operates most of the major gas processing facilities in Oman, including the Central Processing Plant, the Government Gas Plant, the Saih Nihayda Gas Plant, the Kauther Gas Plant and the Rabab Harweel Integrated Project. Prior to 1 July 2023, these facilities were owned by the Guarantor.

EDO Gas' ability to generate profits in the Gas Operations depends, to a significant degree, on PDO's ability to maintain high capacity utilisation rates (being the level of output each facility achieves in relation to its capacity) at these gas processing facilities. Utilisation rates may be impacted by a number of events, including planned activities, such as maintenance or shutdowns, which are performed on a periodic basis, and unplanned outages, which may occur for a number of reasons, many of which are outside of PDO's control. Since EDO Gas acts as a swing producer, the Government nomination process requires EDO Gas to lower production when overall industry production is high enough to meet demand. Any excess industry capacity and other industry conditions may also cause PDO to lower production rates, which may reduce EDO Gas' and the Guarantor's margins, income and cash flow in periods of low demand.

The Oil and gas reserve estimates set out in this Base Offering Circular are subject to various uncertainties, including many factors beyond the EDO Gas' and the Guarantor's control

There are numerous uncertainties inherent in estimating quantities of 2P Oil and gas reserves, including many factors beyond the Trustee's, EDO Gas' and the Guarantor's control. The reserves information set out in this Base Offering Circular comprises estimates as at 1 January 2025, 1 January 2024 and 1 January 2023. In general, estimates of economically recoverable Oil and gas reserves are based on recognised rules and use a number of factors and assumptions made as of the date on which the reserves estimates were determined, such as geological and engineering estimates (which have inherent uncertainties), historical production from the assets, the assumed effects of regulation by governmental agencies and estimates of commodity prices and capital and operating costs, all of which may vary considerably from actual results. All such estimates are, to some degree, uncertain, and classifications of reserves are only attempting to define the degree of uncertainty involved. For these reasons, estimates of the economically recoverable Oil and gas reserves attributable to any particular group of assets and the classification of such reserves based on risk recovery prepared by different engineers or by the same engineers at different times may vary substantially. In addition, due to the inherent risks in

development activities, there can be no assurance that the estimated Oil and gas reserves set out in this Base Offering Circular will be converted into commercial production, the value of such production will be in accordance with targeted or expected value or that PDO will meet its targeted production timelines. Actual production, revenue, taxes and development and operating expenditures with respect to reserves are likely to vary from estimates, and such variances could be material.

Estimates with respect to Oil and gas reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reserves, rather than upon actual production history. Subsequent evaluation of the same reserves based upon production history will result in variation, which may be material in the estimated or actually recovered reserves. In addition, significant reductions in commodity prices may make the exploitation of certain reserves uneconomical and this too can affect reserves figures from period to period. Major Oil companies have in the past recorded significant losses as a result of reserves estimates being reduced as a result of sustained periods of low Oil and gas prices.

The reserve estimates set out in this Base Offering Circular were evaluated using the Society of Petroleum Engineers' Petroleum Resource Management System. The Oil and natural gas reserves and resources review process comprises an external review process conducted by appropriately qualified independent reserves auditors every three years. This Base Offering Circular includes the Third-Party Reserves Report in Appendix C, which was produced following an external audit by Sproule B.V. and has not been updated for reserve estimates as of 1 January 2025. The Guarantor's estimates of subsequent additions to and depletions of reserves and resources subsequent to the Third-Party Reserves Report have not been verified by an outside expert and therefore may not be fully accurate. Potential investors should note that the definitions and guidelines prescribed by the SEC or any other regulatory body may provide for a more conservative approach to reserve estimates and therefore result in lower reserve values than the approach currently followed by the Guarantor to assess the Group's reserves. There can be no assurance that an assessment of the reserves using the Guarantor's current methodology would be consistent with an assessment using any other methodology.

PDO could incur significant decommissioning costs in relation to its Oil and gas facilities, which may be higher than EDO Gas' and the Guarantor's provisions and may require cash resources from EDO Gas and the Guarantor beyond those that PDO generates from its operating activities

The Group's decommissioning expenditures were US$53 million for the year ended 31 December 2024 compared to US$48 million for the year ended 31 December 2023 and US$29 million for the year ended 31 December 2022. The costs of decommissioning Oil and gas production, distribution and storage facilities are generally payable at a time when the assets being decommissioned are no longer generating cash. These decommissioning costs may be significant, depending on the location, size and length of operation of the facility being decommissioned. In addition, the final cost of decommissioning to EDO Gas, with respect to decommissioning NAG production and the Guarantor, with respect to decommissioning Oil production, will be a function of a number of uncertainties, principally the cost itself, where relevant the ability of the Guarantor's partners to pay or otherwise secure payment of their share of the decommissioning costs and the ability of EDO Gas and the Guarantor to obtain tax relief for the decommissioning costs incurred.

PDO, as the operator of Block 6, carries out all decommissioning activities on behalf of the Guarantor and the other participants in the Oil Concession. PDO's expenditures on decommissioning activities carried out each year are funded through Oil Concession cash calls until the occurrence of a funding trigger. Upon the occurrence of a funding trigger, which is the earlier of: (i) 1 January in the year preceding the year in which PDO estimates that the remaining cash flow will be equal to or less than 2.5 times the participants' net decommissioning liability; and (ii) 31 December 2036, PDO will set up a decommissioning fund into which POHOL will pay its 40 per cent. participating interest share to fund decommissioning activities. The Guarantor, in turn, will continue to pay its share of decommissioning activity costs via cash calls from PDO.

Funding for decommissioning activities related to the Gas Concession (together with the Oil Concession, the "**Concessions**") works similarly to the Oil Concession decommissioning funding mechanism, except that the Government may authorise EDO Gas to continue to pay for decommissioning activities through cash calls from PDO.

There can, however, be no assurance that PDO's assumptions regarding the cost to decommission wells and the timing of decommissioning will be correct, that PDO's provisions for its decommissioning costs will prove to be accurate or that the cash flow generated from its assets will be sufficient to meet the costs of decommissioning at the time when required to be incurred. To the extent that PDO is required to request funds or to use more cash from other operations than it originally anticipated to meet decommissioning costs, each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations could be materially adversely affected.

The Guarantor and EDO Gas are dependent on the Guarantor's senior management team and key personnel

The Guarantor believes that its senior management team contributes significant experience to the management and growth of its business. The success of the business and the Guarantor's ability to execute on its business strategy will depend on the efforts of the senior management team. The Guarantor's Chief Executive Officer ("**CEO**"), Mazin Al Lamki, has more than 22 years of international experience in the Oil and gas sector across various commercial and operational functions. Prior to joining the Guarantor, he was the Chief Operating Officer at Mubadala Petroleum LLC. The Guarantor's Chief Financial Officer ("**CFO**"), Sultan Al Mamari, has 20 years of experience in the Oil and gas industry in Oman. Prior to joining the Guarantor, he was the Vice President of Upstream Finance at OQ, the national petroleum investment company in Oman. The Guarantor's Chief Operating Officer ("COO"), Azhar Al Kindi, has over 20 years of experience in the global energy industry. Prior to joining the Guarantor, he was COO and Deputy CEO at Petrogas E&P LLC. If the Guarantor's relationship with one or more of the members of its senior management team ends for any reason, there is no assurance that the Guarantor will be able to replace them in the short term with people of comparable experience and qualifications. The Guarantor also does not maintain key person insurance for these individuals. Any material delay in replacing such individuals may have an adverse effect on the operations of the Guarantor and the public perception of the strength of the Guarantor's business.

As of the date of this Base Offering Circular, EDO Gas does not have and, for the near future, does not plan to have a separate senior management team and Gas Operations are directed by a board of directors established under the Gas Concession Agreement (the "**EDO Gas Board of Directors**"), which comprises members of the Guarantor's senior management. EDO Gas is therefore also dependent on the Guarantor's senior management team and subject to the same risks in the event of any change to that team.

EDO Gas' and the Guarantor's success also depends upon PDO's ability to identify, hire, develop, motivate and retain highly qualified key personnel. If PDO experiences a large number of departures of its Oil and gas experts in a relatively short period of time, attracting and retaining a sufficient number of qualified replacement personnel may be challenging. Since PDO faces intense competition for the recruitment of its skilled personnel, it may not be able to fulfil personal requirements or rehire such reduced personnel on comparable terms in a timely manner during an economic upturn. If PDO is unable to hire and retain key personnel with requisite skills and expertise, it could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

EDO Gas, the Guarantor and PDO are dependent on the reliability and security of their IT systems

EDO Gas, the Guarantor and PDO rely on the security of critical information technology ("**IT**") systems. Sophisticated IT systems are vulnerable to a number of challenges and threats, such as software or hardware malfunctions, data theft, malicious hacking or other criminal cyber-attacks by nation states, criminal hackers

and competitors, ransomware, physical damage to vital IT centres and infection by computer viruses. IT systems also need regular upgrading to meet the needs of changing business and regulatory requirements and to keep pace with the requirements of existing operations. The nature and breadth of any potential future IT issues remain unknown and remote work arrangements may increase the risk of cybersecurity incidents, data breaches or cyberattacks.

Any failure, interruption or breach in security of any member of the IT systems on which EDO Gas, the Guarantor and PDO depend could result in failures or interruptions in its risk management, financial accounting or other important systems and could interfere with, in particular, PDO's ability to operate certain aspects of its operational businesses, particularly in relation to industrial control systems, potentially resulting in physical damage, injury or loss of life and environmental harm. Furthermore, network disruptions, security breaches and other significant failures could result in unauthorised access to, and destruction, loss, theft, misappropriation or release of, PDO's proprietary, confidential, sensitive or otherwise valuable information, including trade secrets, which others could use for disruptive, destructive or otherwise harmful purposes and outcomes. Such incidents could also result in significant costs, including investigation and remediation expenses, regulatory scrutiny, legal liability and the loss of personal or sensitive business or third-party information. EDO Gas and the Guarantor may also be required to expend significant management attention and financial resources to protect against the threat of security breaches and other network disruptions and, in the event of significant breaches or failures, to remedy resulting damages. Moreover, as the Trustee is located outside of Oman, the Group may have to adjust its systems to respond to the data protection and security issues arising from international data transfers. The occurrence of any failure, interruption or breach in security of any member of the IT systems on which EDO Gas, the Guarantor and PDO depend could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

PDO's insurance policies may not be sufficient to cover all risks that it faces, which could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations in the event a material uninsured risk takes place

PDO may not be able to maintain or obtain sufficient insurance coverage for the risks associated with the operation of its business. PDO's operations may be affected by a number of risks, including terrorist acts and war-related events, for which full insurance cover is either not available or not available on commercially-acceptable terms. For example, PDO has not purchased insurance to cover any possible losses from business interruptions, acts of terrorism, cyber-attacks, environmental liabilities, directors' and officers' liabilities or workers compensation. In addition, severe or frequently occurring events, such as accidents and other mishaps, business interruptions or potential damage to facilities, property and equipment caused by machinery breakdowns, inclement weather, human error, pollution, labour disputes and natural catastrophes, may result in losses or expose PDO to liabilities in excess of its insurance coverage. PDO's insurance coverage may not be sufficient or available to cover losses arising from any or all of such events, and PDO may not be able to renew existing insurance cover on commercially reasonable terms, if at all. Should an incident occur in relation to which PDO has no insurance coverage or has insufficient insurance coverage, PDO could lose the capital invested in, and anticipated future revenue relating to, any property that is damaged or destroyed and, in certain cases, PDO may remain liable for financial obligations related to the impacted property. Further, EDO Gas and the Guarantor could be subject to a material loss to the extent that a claim is made against PDO which is not covered in whole or in part by insurance and for which third-party indemnification is not available. Additionally, in the event there is a total or partial loss of any insured assets, there could be no assurance that the insurance proceeds received by PDO in respect of the loss would be sufficient to satisfy EDO Gas' and the Guarantor's debts (including the Trust Certificates). If an incident occurs and PDO's insurance coverage is insufficient to cover its losses, this could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Risks Related to the Guarantor's Shareholders

The Government's interests may, in certain circumstances, be different from the interests of Certificateholders

As the Guarantor's sole shareholder, the Government is in a position to control the outcome of actions requiring shareholder approval and also has the ability to appoint all of the members of the boards of directors of EDO Gas and the Guarantor and thereby direct the decisions of EDO Gas and the Guarantor. The interests of the Government may be different from those of EDO Gas' creditors (including Certificateholders) and from those of the Guarantor. For example, decisions made by EDO Gas and the Guarantor may be influenced by the need to consider the value of the overall Omani energy sector or other factors, including the ability to generate dividends or other returns for the Government. In the absence of any specific investment restrictions, including those designed to mitigate other potential investment risks, such decisions may prove to be riskier or less profitable than decisions that might otherwise have been made.

In addition, there can be no assurance as to the amount of any dividends that may be paid by EDO Gas and the Guarantor to the Government in future years.

Oman's economy is highly dependent upon its hydrocarbon-related revenue and any sustained periods of low Oil prices may materially reduce the likelihood of financial support for the Guarantor from the Government should it be needed in future periods

Oman's economy is highly dependent upon Oil and gas activities, which accounted for 36 per cent. of Oman's nominal GDP in 2023 and 30 per cent. in 2021 (*Source: National Centre for Statistics and Information, Oman*). In recent years, Oil and gas prices have fluctuated in response to changes in many factors over which the Guarantor has no direct control, particularly OPEC+ production decisions and the Russia-Ukraine War. While in 2022, the Russia-Ukraine War caused the price of Brent Oil to increase to US$139.13 per barrel, the highest level since 2008, Oil prices fell in the first quarter of 2023, including a 15-month low of US$70.56 for Brent Oil in March 2023 and as low as US$77.43 for OEB, primarily due to concerns that persistent inflation and recent U.S. and European bank failures could reduce future demand for Oil.

Oil prices rose again in the spring of 2023 following voluntary production cuts by the Kingdom of Saudi Arabia's government, leading to Oil prices of US$74.89 for Brent Oil and US$83.28 for OEB in June 2023. These production cuts were subsequently extended through 31 December 2023. Following the Kingdom of Saudi Arabia's extension of its production cuts in September 2023, the price of Brent Oil rose to more than US$90 a barrel before decreasing in the fourth quarter. Following Angola's announcement in December 2023 that it was leaving OPEC, Brent Oil prices decreased to US$77.86. In March 2024, OPEC+ announced an extension of additional voluntary cuts of 2.2 million barrels per day for the second quarter of 2024. OPEC+ reaffirmed the voluntary production cuts in September 2024. In December 2024, OPEC+ announced that it would continue production cuts until March 2025, with the goal to phase out the production cut by September 2026. As of 31 December 2024, Brent Oil was priced at US$74.64 per barrel. During January 2025, Oil prices increased in response to the threat of U.S.-imposed tariffs. The price of Brent Oil as of 28 February 2025 decreased to US$73.18 per barrel due to a decrease in Oil demand. See "*Risks Related to Oman—Oman's efforts to diversify its economy, decrease Government spending and implement more extensive tax collection may not be successful, which may have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations*" and "*Disruptions in global credit markets may adversely affect the ability of EDO Gas and the Guarantor to secure financing*". Government spending remained stable during periods of relatively low Oil prices, resulting in large fiscal deficits. Oman generated a surplus of OMR 936 million in 2023 as compared to a deficit of OMR 1.3 billion as estimated in the 2023 budget (*Source: MOF website budget guide for FY2023*). The preliminary results of the 2024 budget indicate that Oman is expected to generate a surplus of OMR 540 million in 2024 as compared to a deficit of OMR 640

million as estimated in the 2024 budget (*Source: MOF State's General Budget Guide for the Fiscal Year 2025*). Oman's 2025 budget was published in on 1 January 2025 and indicated that the Government will continue to pay down Government debt. While Fitch Ratings forecast that public debt will stabilise at 35 per cent. of GDP in 2024 and 2025, respectively, increased social spending is expected to slow the pace of debt reduction in 2024, therefore if prices decrease or fiscal reform efforts do not yield expected results, Oman may incur large fiscal deficits in the future, which may materially reduce the likelihood of financial support for the Guarantor from the Government should it be needed in future periods.

Notwithstanding that EDO Gas and the Guarantor are wholly-owned by the Government (either directly or indirectly), Trust Certificates issued under the Programme are not and will not be guaranteed by the Government, and the Government is under no obligation to extend financial support to EDO Gas or the Guarantor

Although the Government owns all of the shares of EDO Gas and of the Guarantor either directly or indirectly, potential investors should note that the Government does not and will not guarantee the obligations of EDO Gas or the Guarantor under the Trust Certificates or the Transaction Documents to which they are a party, and Certificateholders, therefore do not benefit from any Government backing or guarantee. Although the Government has in the past provided significant financial support to companies in which it holds ownership interests, it is under no obligation to extend any such financial support to EDO Gas or the Guarantor in the future and, accordingly, may not do so. EDO Gas' ability and the Guarantor's ability to meet their obligations under the Transaction Documents to which they are a party, are solely dependent on their ability to fund such amounts from their own operations, profit and cash flow or from external borrowings.

Financial Risks Related to the Guarantor

PDO will continue to have material funding requirements

PDO will continue to incur significant capital and investment expenditure in future years and will have material funding needs in relation to particular projects or the refinancing of existing indebtedness. EDO Gas and the Guarantor intend to fund their respective future capital costs through operating cash flow and borrowings from third parties (including, *inter alia*, by way of the issue of Trust Certificates under the Programme). Both EDO Gas' and the Guarantor's ability to obtain external financing and the costs of such financing are dependent on numerous factors, including general economic and market conditions, international interest rates, credit availability from banks or other lenders and investor confidence in EDO Gas and the Guarantor, as well as the success of each of EDO Gas' and the Guarantor's business. There can be no assurance that external financing, either on a short-term or long-term basis, will be available or, if available, that such financing will be obtainable on terms that are acceptable to the EDO Gas and the Guarantor.

If appropriate sources of financing are not available or are only available on onerous terms and there is not sufficient operating cash flow, it could adversely affect each of EDO Gas' and the Guarantor's business through increased borrowing costs. In addition, EDO Gas or the Guarantor may be forced to, among other things, delay or reduce capital and investment expenditures, forgo business opportunities, or restructure or refinance all or a portion of its debt on or before maturity, each of which could adversely affect each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

EDO Gas and the Guarantor depend on PDO for their cash flow, which could affect the price of Trust Certificates and EDO Gas' ability to make payments on Transaction Documents

EDO Gas and the Guarantor rely on the Block 6 Oil and gas assets operated by PDO in order to generate cash to meet their financial obligations, including payment and guarantor obligations, respectively, under the Transaction Documents to which they are a party. The ability of EDO Gas and the Guarantor to obtain cash therefore depends largely on the Block 6 Oil and gas assets operated by PDO. Accordingly, a material decrease

or interruption in PDO's Oil and gas production and/or operations could implicate not only EDO Gas' ability to make payments under the Transaction Documents to which it is a party, but also the Guarantor's ability to make payments if and when EDO Gas is unable to do so. PDO is not an obligor with respect to Trust Certificates, and holders of Trust Certificates have no recourse to PDO.

Any impairment of, or restriction on, EDO Gas' and the Guarantor's ability to receive cash from PDO's operations could cause a decline in the price of Trust Certificates and could materially and adversely affect EDO Gas' ability to make, and the Guarantor's ability to guarantee, payments in respect of the Transaction Documents to which they are a party.

PDO's Oil Operations are a joint operation over which the Guarantor exercises control with Shell, exposing the Guarantor to certain risks related to the operation of joint enterprises

The Guarantor exercises joint control over PDO with Shell. The Guarantor owns 60 per cent. of the outstanding share capital of PDO. The remaining 40 per cent. interest in the Oil Concession is owned by POHOL, which, in turn, is 85 per cent. owned by Shell, 10 per cent. owned by TotalEnergies and 5 per cent. owned by PTTEP. The Guarantor's rights and obligations with respect to the management and conduct of the Oil Operations of PDO are governed by the Oil Concession Agreement, the operating agreement between the Government Participant, POHOL and PDO dated 19 December 2004 (the "**Oil Operating Agreement**") and the Petroleum Development Oman LLC shareholders' agreement between the Government Participant, PDO, Shell, TotalEnergies and PTTEP dated 19 December 2004 (the "**PDO Shareholders' Agreement**"). See "*Material Agreements*". The Government's Participant's rights and obligations under these agreements were transferred to the Guarantor with effect from 24 February 2021. The transfer of the Guarantor's rights and obligations with respect to the Gas Operations to EDO Gas has no effect on these agreements.

Under the PDO Shareholders' Agreement, the Guarantor is entitled to appoint seven members of the 9-member board of directors of PDO. The Guarantor is also entitled, subject to Shell's agreement, to nominate the two senior members of the PDO management team, the managing director and deputy managing director. The board of directors of PDO is responsible for making PDO's operational and management decisions. Any resolution of the board of directors of PDO (whether taken at a meeting or by way of written resolution) must be approved by directors appointed by shareholders holding not less than 75 per cent. of the total number of shares of PDO. Both the Guarantor and Shell have the ability to approve or block decisions on relevant activities, as outlined in the PDO Shareholders' Agreement, and the Guarantor must act together with Shell in order to direct the activities of PDO. The Guarantor's investment in PDO is classified as a joint operation for accounting purposes and is not consolidated.

EDO's investment in PDO is subject to a number of risks and challenges, including:

- a change in the current or anticipated operational performance of, or an announcement of adverse changes or events by, PDO could lead to an impairment charge to the Group's investment;
- significant asset impairments, material asset or business sales, changes in operational performance or loss of key personnel at PDO, amongst other factors, could impact PDO's performance and impair its ability to achieve its guidance and targets, which could impact EDO's business, financial condition, cash flows and results of operations;
- the Guarantor's business and legal interests may not always be aligned with those of Shell, and there can be no assurance that PDO will be successful or achieve its planned objectives; and
- the Guarantor may not have the level of control over PDO that it requires to fulfil its strategic goals or to prevent quality control issues, inefficiencies or other operational problems.

Furthermore, Shell may take actions contrary to the Guarantor's requests or contrary to its policies or objectives or be unable or unwilling to fulfil its obligations under the PDO Shareholders' Agreement. A serious dispute with Shell or serious problems arising in PDO may cause the loss of business opportunities or disruption to or termination of the PDO Shareholders' Agreement.

Any of the above risks, if they materialise, may have a material adverse effect on the Guarantor's business, financial condition, cash flows and results of operations.

Disruptions in global credit markets may adversely affect the ability of EDO Gas and the Guarantor to secure financing

EDO Gas and the Guarantor anticipate that they will continue to require significant amounts of financing in the future, both to fund planned Capital Expenditure and to refinance debt as it matures.

Global credit markets have been and continue to be affected by periods of uncertainty, volatility and disruption, including most recently as a result of the Russia-Ukraine War, US and European bank failures, inflation and the Israel-Hamas War. These challenging market conditions have resulted in reduced liquidity, greater volatility, widening of credit spreads and lack of price transparency in credit markets. The worsening of general global economic conditions or any further changes in investment markets, including, but not limited to, changes in expectations for international, regional or local growth rates, geopolitical tensions, commodity prices, international interest rates, exchange rates and returns from equity, property and other investments, may affect the ability of EDO Gas and the Guarantor to secure financing on terms similar to those received in the past or at all. These factors, which may also contribute to lower prices and higher yields, increase the cost of debt financing. Any of the foregoing could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition and results of operations.

Legal and Regulatory Risks

EDO Gas, the Guarantor and PDO operate in a regulated industry and their business may be affected by regulatory changes

EDO Gas, the Guarantor and PDO are subject to various laws and regulations, including those relating to taxation, financial markets regulation, economic sanctions, licences over resources, exploration, development of projects, production and post-closure reclamation, the employment of expatriates and "Omanisation", labour and occupational health and safety standards, pensions, historical and cultural preservation and anti-bribery and anti-corruption measures. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Those laws and regulations and their interpretation and application may also change from time to time, or the Government may take additional actions under its regulatory powers. For example, on 7 April 2021, the Government issued Royal Decree № 33/2021 requiring the integration of public sector pension funds in Oman, including the PDO employee pension fund, into a new Social Security Fund (the "**SSF**"). In July 2023, Royal Decrees № 50/2023 and № 52/2023 were issued, establishing the SSF and issuing the Social Protection Law, which entered into force on 1 January 2024, respectively. The PDO Omani Pension Fund (the "**OPF**") was mandated to transfer a segment of the OPF's assets and liabilities to the SSF by this date. PDO is in the process of finalising its post-integration arrangements and is in discussion with the Government to finalise the key assumptions which will enable PDO to quantify the liability which needs to be transferred to the SSF. This exercise is expected to be completed in the first half of 2025.

Oman has also recently issued a Personal Data Protection Law (the "**PDPL**"), promulgated by Royal Decree № 6/2022, which came into force in February 2023 and replaces the previous limited data protection regime contained in Chapter 7 of the Electronic Transactions Law (Royal Decree № 69/2008). The PDPL applies to the processing of personal data and the responsible regulatory authority is the Ministry of Transport, Communications and Information Technology (the "**MTCIT**"). The Executive Regulations of the PDPL

(Ministerial Decision № 34/2024) (the "**PDPL Regulations**") were published on 4 February 2024 and entered into force on 5 February 2024. The PDPL Regulations expand on and clarify a number of the obligations outlined in the PDPL, including, for example, the requirement for Omani entities to appoint a data protection officer, as well as other reporting obligations. Those subject to the PDPL Regulations were initially required to align their practices to ensure compliance by 5 February 2025, however, following a recent amendment to the PDPL Regulations in January 2025, this period has been extended by another year (i.e. until 5 February 2026). Given the novelty of the PDPL Regulations, the extent of the PDPL's application to and precise impact on EDO Gas', the Guarantor's and PDO's activities and business is not fully known.

In general, for the vast majority of cases in which the PDPL applies, any processing of personal data requires the express written consent of the relevant person, and proof of consent must be obtained by the legal or natural person who is deciding the means and objectives of processing. The relevant person whose data is to be processed must be notified of certain information concerning processing prior to such processing taking place. The data controller must also obtain the written consent of such data subjects before sending them any advertising or marketing material, in the manner specified in the PDPL Regulations. Data subjects have a number of rights, including a right to revoke consent to processing, to request amendment, updating, or erasure of their personal data, the right to obtain a copy of the personal data or have it transferred to another data controller. Data controllers must establish appropriate procedures, records, controls and technical measures, assess the risks of processing for data subjects, and comply with other procedures specified in the PDPL Regulations. Processing related to genetic or biometric data, health data, data concerning ethnic origin, political or religious opinions, beliefs, criminal convictions or security measures is not allowed without obtaining a permit from the MTCIT, under a procedure set out in the PDPL Regulations. Data controllers must appoint a data protection officer. There is also an obligation to inform the MTCIT and the data subject of any data breach. The transfer of personal data outside of Oman, including to the Trustee, must be in accordance with the controls and measures specified in the PDPL Regulations. There are limited exclusions where the PDPL does not apply to the processing of personal data, such as where the data is publicly available in a manner that does not violate the provisions of the PDPL, where processing is done to fulfil a legal obligation or for the purposes of entering into a contract or to protect a vital interest of the relevant person, or where processing is performed in a personal or family context.

Any failure by EDO Gas, the Guarantor or PDO to comply with any of these laws or regulations could result in significant penalties and legal liabilities, the temporary or permanent suspension of production of any affected products, and restrictions on EDO Gas', the Guarantor's and PDO's business. For example, the Oil and gas industry in Oman is a regulated industry. Any change in Oman to the laws, regulations, policies or practices relating to the Oil and gas industry could have a material adverse effect on the Group's business. In addition, although the Concessions have been granted until 31 December 2044, there is no assurance that the Government will not revoke the Concessions in whole or in part or adversely change the rights in respect of the Concessions. The occurrence of any of these events could have a significant effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

PDO is required to obtain, maintain and renew Government licences, permits and approvals to operate its business

The rights and obligations of the Guarantor and POHOL under the Oil Concession, and the rights and obligations of EDO Gas under the Gas Concession, underpin the licences, permits and approvals necessary for PDO to conduct business in Oman with respect to its hydrocarbon operations and related activities. PDO is required to obtain and renew licences, permits and approvals required under applicable law. There can be no assurance that the relevant authorities will issue any such licences, permits or approvals in the anticipated time frame or at all. The Concessions and future licences, permits and approvals may be suspended, terminated or revoked if the licensee fails to comply with the relevant requirements, does not make timely payments of all

applicable levies and taxes, systematically fails to provide information, becomes bankrupt or fails to fulfil any Capital Expenditure or production obligations. PDO may not comply with certain requirements. If it fails to fulfil the specific terms of the Concessions or if it operates in a manner that violates applicable law, government regulators may impose fines or suspend or terminate the Concessions, any of which could have an adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

In addition, to operate the Oil and gas businesses, PDO must obtain permits and authorisations to conduct operations, such as land allotments, approvals of designs and feasibility studies, pilot projects and development plans, for the construction of any facilities onsite. It may not be able to obtain or renew all required permits and authorisations. If PDO fails to receive any required permits or authorisations, it may have to delay investment or development programmes, or both, which could have a material adverse effect on each of EDO Gas' and the Guarantor's ability to implement their strategy.

EDO Gas and/or the Guarantor could face significant liabilities for damages, clean-up costs or penalties under environmental and safety laws and changes in such laws could materially increase EDO Gas' and/or the Guarantor's costs

PDO's operations are subject to laws and regulations relating to environmental protection, health and safety. These laws and regulations govern, among other things, the generation, storage, handling, use, disposal and transportation of hazardous materials, the emission and discharge of hazardous materials, groundwater use and contamination and the health and safety of PDO's employees and the communities in which it operates. Compliance with these obligations can result in significant expenditures.

Environmental contamination, toxicity and explosions from leakage and associated penalties are inherent risks in all elements of the Oil and gas business. If PDO fails to comply with applicable laws and regulations, EDO Gas and/or the Guarantor could be subject to fines or the partial or total shutdown of related operations. In addition, a stricter interpretation of existing laws and regulations, any changes in these laws and regulations or the enactment of new laws and regulations may impose new obligations on PDO or otherwise adversely affect EDO Gas and/or the Guarantor. Existing and future environmental and climate-related laws and regulations, as well as applicable international accords to which PDO is subject, could also require it to, among other things, purchase, use or install expensive pollution control, reduction or remediation equipment, and implement climate change mitigation programmes, abatement or reduction of GHG emissions programmes and/or carbon credit trading programmes.

EDO Gas and the Guarantor may also (i) incur significant costs associated with the investigation, clean-up and restoration of contaminated land, water or ecosystems, as well as claims for damage to property, and (ii) face claims of death or injury to persons resulting from exposure to hazardous materials or adverse impacts on natural resources and properties of others resulting from its operations (including potentially from the transportation of hazardous substances and products, feedstock or chemical pollution). Any such costs or liabilities could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Violations of applicable sanctions and trade restrictions, as well as anti-bribery and anti-corruption laws, could adversely affect EDO Gas or the Guarantor

European, US, UK and other international sanctions have in the past been imposed on companies engaging in certain types of transactions with specified countries or companies or individuals in those countries. Companies operating or investing in certain countries in the MENA region have been subject to such sanctions in the past. The terms of legislation and other rules and regulations which establish sanctions regimes are often broad in scope and difficult to interpret. Neither EDO Gas, the Guarantor nor any of their affiliates are currently the target or subject of any such sanctions.

The Office of Foreign Assets Control of the U.S. Department of Treasury ("**OFAC**"), as well as other departments of the United States government, administer regulations that restrict the ability of U.S. persons to invest in, or otherwise engage in business with, certain countries and specially designated nationals (together, "**Sanction Targets**"). As neither EDO Gas nor the Guarantor is a Sanction Target, OFAC regulations do not prohibit U.S. persons from investing in, or otherwise engaging in business with, EDO Gas or the Guarantor. However, to the extent that EDO Gas or the Guarantor invest in, or otherwise engages in business with, Sanction Targets in the future, U.S. persons investing in EDO Gas, including through the purchase of securities issued by EDO Gas or guaranteed by the Guarantor, may incur the risk of indirect contact with Sanction Targets.

There can be no assurance that EDO Gas' or the Guarantor's corporate governance, compliance and ethics policies and procedures (including with respect to sanctions and trade restrictions, anti-bribery and anti-corruption) will protect it from the improper conduct of its employees or business partners, which could result in substantial civil or criminal penalties. If EDO Gas or the Guarantor was sanctioned in the future, as a result of its transactions with other parties or otherwise, such sanctions could result in asset freezes against EDO Gas or the Guarantor, restrictions on investors trading securities issued by EDO Gas or the Guarantor or other adverse consequences. Such penalties or sanctions could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Litigation, including international trade litigation, could adversely affect each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

From time to time, PDO is and EDO Gas or the Guarantor may be subject to litigation arising out of their operations. Damages claimed under litigation to which EDO Gas, the Guarantor or PDO is a party may be material or may be indeterminate, and the outcome of such litigation may materially and adversely impact their business and the Guarantor's business, results of operations and financial condition. Litigation could result in substantial costs (including civil or criminal penalties, or both, damages or the imposition of import trade measures) and require significant expenses and resources and may divert management attention to defend against such litigation.

Furthermore, increasing attention on climate change risks may result in an increased possibility of litigation against EDO Gas, PDO and the Guarantor. Claims relating to climate change matters have been filed against companies in the Oil and gas industry, including claims that the extraction and development of fossil fuels has increased climate change. Some of these claims demand that the defendants pay financial amounts as compensation for alleged past and future damages resulting from climate change.

In addition, EDO Gas, the Guarantor and PDO are subject to the risk of litigation or regulatory action by regulators in respect of their activities, including for breaches of applicable tax, environmental, health and safety and other laws and regulations. Any regulatory actions against EDO Gas, the Guarantor or PDO could lead to fines, the loss or restriction of operating licences, or other penalties, thereby having a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Moreover, exports of hydrocarbons to foreign countries may be affected by litigation, regulatory actions, investigations, disputes or agreements that lead to the imposition of import trade measures, including anti-dumping and countervailing duties, safeguard measures, import licensing and customs requirements, and new or increased tariffs, quotas or embargos. The possibility and effect of any such measures will depend on the laws governing the foreign country to which the applicable products are being exported and applicable international trade agreements. Foreign countries may take such measures for political or other reasons, including reasons unrelated to EDO Gas' and the Guarantor's actions or operations. Since the majority of EDO Gas' and the Guarantor's products are exported, any such measures may have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

In addition, Oman is a party to international trade agreements, such as World Trade Organisation agreements, that include commitments with respect to the composition of its laws, regulations and practices that impact international trade. Oman may become a party to other such agreements in the future. Compliance by Oman with any such commitments may directly or indirectly impact EDO Gas, the Guarantor and PDO and could cause them to alter their operations in a manner that is costly or otherwise has a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations. If Oman fails to comply with these commitments, EDO Gas' and the Guarantor's business operations could be exposed to scrutiny and EDO Gas' and the Guarantor's exports could be subject to potential remedial measures, such as duties, which could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Risks Related to Oman

The Guarantor is directly and EDO Gas is indirectly wholly owned by the Government of the Sultanate of Oman. All of Oil and gas assets are located in Oman. As a result, the occurrence of any of the factors below, or any other factors, which negatively affect Oman's economy, the Government or attractiveness to international investors, could have a material adverse impact on EDO Gas and the Guarantor and thereby affect the price of any Trust Certificates issued under the Programme.

Ongoing geo-political and security risks within the MENA region, such as the Israel-Hamas War, may have an adverse effect on the stability of the Omani economy and thereby the businesses of EDO Gas and the Guarantor

Oman is located in the MENA region. The MENA region is strategically important geopolitically and parts of this region have, at times, experienced political and security concerns and social unrest. This has included regional wars, tensions between and among the United States, Israel, Syria and Iran, terrorist acts, maritime piracy and civil revolutions. Since early 2011, there has been political unrest in a range of countries in the region, including Algeria, Bahrain, Egypt, Iraq, Lebanon, Libya, Morocco, Syria, Tunisia and Yemen. This unrest in the MENA region has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to a number of changes in government in some countries as a result of civil unrest and increased political uncertainty across the region. The region is currently subject to a number of armed conflicts, including the Israel-Hamas War. On 7 October 2023, Hamas launched an attack on a number of Israeli cities, killing a significant number of civilians and Israeli defence force members. In response, the Government of Israel mobilised Israeli defence forces and began a large-scale military operation against Hamas in the Gaza Strip. The war also threatens regional escalation. Iraq, Lebanon, Syria and Yemen have been impacted as militias claiming to support Hamas, including the Houthis in Yemen, have attacked Israel and U.S. military installations across the MENA region. The Houthis have also disrupted international trade routes through the Red Sea by targeting ships with missiles. This has resulted in multiple airstrikes against the Houthis in Yemen by a US-led coalition. On 19 January 2025, a ceasefire deal between Israel and Hamas took effect, however, it is currently unclear, and cannot be predicted with any certainty, how the situation will develop, if any additional escalations or attacks should be anticipated, or what the wider impact of such actions will be. A wider regional conflict could have a material adverse impact on Oman, as well as the regional and global economy.

Furthermore, the ongoing security situation in Iraq and Syria, the civil war in Yemen, ongoing conflicts with the non-state terrorist group known as DAESH or ISIS and periodic attacks on oil facilities in the Kingdom of Saudi Arabia could impact Oman. Any further deterioration in political stability in the region, or increase in conflict between the United States and certain governments in the MENA region has the potential to adversely affect regional security, as well as global oil and gas prices. Such a deterioration in relations, should it materialise, could adversely impact Oman and broader regional security, potentially including the outbreak of a regional conflict.

Oman is, and will continue to be, affected by political developments in or affecting the MENA region and investors' reactions to developments in any country in the MENA region may affect the securities of issuers in other markets within the region, including Oman. Although Oman has not recently experienced terrorist attacks, a number of countries in the MENA region, such as Egypt and Turkey, have experienced terrorist attacks and there can be no assurance that extremists or terrorist groups will not initiate violent activity in Oman. Any terrorist incidents in, or affecting, Oman or increased regional geopolitical instability (whether or not directly involving Oman) may have a material adverse effect on Oman's attractiveness for foreign investment and capital, its ability to engage in international trade, its tourist industry and, consequently, its economic, balance of payment and fiscal positions.

Oman is also dependent on expatriate labour (ranging from unskilled labourers to highly skilled professionals in a range of industry sectors) and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to Oman. Foreign businesses, tourists and, to a lesser extent, expatriate workers are more sensitive to political instability in a country and more ready to shift their activities to alternate countries that are not experiencing such instability. The Government aims to increase domestic employment as part of its "Omanisation" (as defined below) process, which could also reduce the number of expatriate workers. Furthermore, the number of expatriate workers in Oman has reduced significantly due to the COVID-19 pandemic. If Oman were to be impacted by the ongoing regional instability or if terrorist incidents were to occur in Oman, its economy and, in particular, its efforts to diversify its economy could be adversely affected.

In addition, some of EDO's Oil is exported using international supply routes. In particular, the Suez Canal is a key shipping route for part of EDO's Oil and is located in an area subject to political or armed conflict from time to time that may disrupt the route. Use of the canal itself may also be disrupted for other reasons, including, but not limited to, shipping accidents. For example, in March 2021, the Suez Canal was blocked for six days after the *Ever Given*, a 200,000-tonne container ship, became grounded across the waterway delaying an estimated US$9.6 billion worth of trade and significantly increasing the cost of renting certain cargo vessels. Any political or armed conflict or other event that impacts use of the Suez Canal or other international shipping routes could have a material adverse effect on EDO Gas and the Guarantor.

Furthermore, other world events could have an impact on Oman's political and security situation. Oman pursues an independent foreign policy with the aim of fostering good relations with its neighbours as well as other countries, in particular, the United States. Although Oman aims to maintain the existing cordial relationship with the United States, a shift in the relationship between Oman and the United States and/or other countries across the region or changing U.S. political priorities in the region could have a material adverse effect on Oman's economic, political or financial condition, which, in turn, could have a material adverse effect on each of EDO Gas' and the Guarantor's results of operations and/or financial condition.

Oman's efforts to diversify its economy, decrease Government spending and implement more extensive tax collection may not be successful, which may have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

Oman's economy is dependent on the Oil and gas industry. Oman's total 2P Oil and NAG condensate reserves were 4,971 million barrels as at 31 December 2023 compared to 4,905 million barrels as at 31 December 2022. Oman's total 2P Oil and NAG condensate reserves for 2024 are not available as of the date of this Base Offering Circular. If Oil prices were to decrease to the lower levels of recent years, Oman may have to cancel or scale back planned or future development of Oil and gas production, especially where production assumptions rely on more challenging methods or have technological constraints on the extraction of "tight" Oil or gas, which, in turn, would lead to actual, extractable reserves being less than current estimates.

The Government has a long-term strategy to diversify Oman's economy away from its reliance on Oil as the single major revenue source. EDO Gas and the Guarantor are key elements of this strategy. However, there can

be no assurance that Oman's efforts to diversify its economy and reduce its dependence on Oil will be successful. In particular, Oman's attempts to diversify may mean that it undertakes projects in areas in which it has little or no previous experience or for which there are significant economic risks. In addition, its ability to engage in large-scale infrastructure projects and other large expenditures that support its diversification efforts could be reduced, or the projects themselves made economically unfeasible by reduced Oil prices. For example, delays in or cancellation of any government infrastructure projects or other initiatives resulting from economic difficulties caused by very low Oil prices, or for any other reason, could have a significant effect on the growth rate of the Omani economy, which could also have an impact on investments in EDO Gas and the Guarantor.

In addition, efforts to reduce Government expenditure beyond current planned reductions may become more difficult and even current planned reductions may not be achieved. In particular, the Omani economy's reliance on Oil and the Government's economic reforms, combined with economic shocks like the effects of the Russia-Ukraine War, may present further challenges to Oman's economy and lead to social unrest, such as the demonstrations against economic measures that occurred in May 2021. Moreover, past and future reductions may not be sustainable as cuts to health, education and other social benefits could lead to social unrest if such reductions are too significant or happen too fast. Similarly, measures to increase non-Oil and gas revenues, such as new or increased taxes and administrative fees, may not be successful and could lead to public discontent and/or social unrest. The occurrence of any such events may have a material adverse effect on each of the EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Oman has had a large fiscal deficit and increasing indebtedness

While Government revenues, in particular Oil revenues, have declined in the past during periods of relatively low Oil prices, Government spending has been stable, resulting in large fiscal deficits. See "*Risk Factors—Oman's economy is highly dependent upon its hydrocarbon-related revenue and any sustained periods of low Oil prices may materially reduce the likelihood of financial support for the Guarantor from the Government should it be needed in future periods*" above.

Oman has taken a number of measures in recent years to reduce its deficit, including limiting new Government hiring and promotions, implementing a pay freeze in respect of civil servant compensation, eliminating certain fuel subsidies, reducing certain operating expenditures and the defence budget and issuing instructions to all spending units in key line ministries to curtail non-essential current expenditure and to increase efficiency, as well as implementing changes in the taxation system. However, Oman's ability to implement sizeable spending reductions may be difficult as a result of Oman's low budgetary flexibility, which is caused by factors such as Oman's necessary capital expenditure to support Oil production and a large public sector payroll.

A failure to reduce the budget deficit and/or public spending (and the corresponding effect on the size of Oman's public debt) could make the economy more susceptible to the risks associated with the sectors in which the economy is concentrated (for example, the Oil industry) and any downturn in such sectors or the economy generally could have an adverse effect on the economic and financial condition of Oman. This could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Any adjustment to, or ending of, Oman's currency peg could negatively affect Oman, which could have a material adverse effect on each of EDO Gas' and the Guarantor's business

Since 1973, the Omani Rial has been pegged to the U.S. dollar at a rate of US$2.6008 to OMR 1, which has remained unchanged since 1986. The maintenance of this currency peg is a firm policy of the Central Bank of Oman. However, there is no assurance that the Central Bank of Oman will be able to continue to maintain the currency peg in the future. In particular, there can be no guarantee that the assets in Oman's various sovereign wealth funds could be liquidated at their current market value (and thus added to the reserves available to support the Omani Rial and the currency peg) in the event of a market downturn. If the Central Bank of Oman

cannot maintain the currency peg to the U.S. dollar or, failing that, a stable exchange rate versus the U.S. dollar, it could reduce confidence in Oman's economy, reduce foreign direct investment and adversely affect Oman's finances and economy and ability to service its debt. This, in turn, could have a material adverse effect on each of EDO Gas' and the Guarantor's business.

In addition, because of the currency peg to the U.S. dollar, the Central Bank of Oman does not have any flexibility to devalue the Omani Rial to stimulate Oman's exports market, and the Central Bank of Oman's ability to independently manage interest rates and, thus, influence the condition of the Omani economy through monetary policy actions is constrained. For example, as the U.S. Federal Reserve raised its main interest rate in 2022 and 2023, Oman and other Gulf central banks increased their interest rates. In 2024, as the U.S. Federal Reserve lowered its main interest rate, Oman and other Gulf States similarly lowered their interest rates. If the U.S. Federal Reserve were to increase interest rates and the Central Bank of Oman were to delay significantly in increasing its own rates, this could result in significant pressure on the currency peg. This lack of flexibility could have an adverse effect on Oman's foreign trade and domestic demand and, in turn, on its economy. In addition, recent IMF publications have linked increases in Federal Reserve policy rates to reductions in non-Oil activity in GCC countries, an effect which may be magnified in low Oil price environments.

Fresh water shortages could materially adversely affect Oman, which could have an adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations

Oman is an arid region, located in one of the most water-deprived areas of the world. It has extremely limited fresh water resources and is highly dependent on unpredictable and limited rainfall. In addition, climate change is likely to lead to changed precipitation patterns, sea level rises and more frequent extreme weather events, such as prolonged droughts and flooding. There are two main types of water resources in Oman, being conventional water sources such as surface and ground water sources, and non-conventional water sources, including desalination, which is very energy-intensive, and treated wastewater. There is concern that the demand from ground water supplies in Oman is too high to be sustainable, due to, amongst other factors, a high and continuing demand from Oman's agricultural industry. The overuse of groundwater aquifers to supply resources to the agricultural industry has led to the intrusion of seawater supplies from the lower aquifers, which contaminates existing groundwater resources.

Although the Government has undertaken a number of steps to protect the water supply available in Oman, including enacting laws and regulations aimed at prevention of water depletion or pollution, as well as a policy of reducing reliance on ground-water drinking water supply through the use of desalination plants, the population and the economy of Oman remain subject to the risk of adverse changes in rainfall patterns and disruptions to ground and other water supplies, which may be exacerbated by climate change. Accordingly, there can be no assurance that Oman will not suffer from fresh water shortages in the future, which could materially adversely affect Oman's economy and may lead to social unrest, which could, in turn, have an adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

The developing legal and business environment and perceived governance risks could disrupt EDO Gas' and the Guarantor's ability to conduct business and could materially adversely affect their respective business, financial condition, cash flows and results of operations

Oman's legal and regulatory systems and institutions are in various stages of development and are not yet as sophisticated as similar institutions in more developed jurisdictions. As a result, procedural safeguards as well as formal regulations and laws may not be applied consistently. In some circumstances it may not be possible to obtain the legal remedies provided under the relevant laws and regulations in a timely manner. As the legal environment remains subject to continuous development, investors in Oman may face uncertainty as to the

security of their investments. Any unexpected changes in Oman's legal system, such as changes to the recognition or enforcement of foreign judgements, may have a material adverse effect on the rights of Certificateholders.

Oman was ranked 50 out of 180 countries in Transparency International's 2024 Corruption Perceptions Index and scored 55/100 (with 1 the most corrupt score and 100 being the least corrupt). In 2023, Oman was ranked 70 out of 180 countries and scored 43/100 and in 2022 ranked 69 out of 180 countries and scored 44/100.

Failure to address continued or perceived corruption and governance failures in the public sector and any future allegations, or perceived risk, of corruption in Oman, as well as failure to implement the proposed reforms to improve Oman's business climate, including any Governmental initiatives to increase trade and competitiveness, could have a material adverse effect upon Oman's ability to attract foreign investment and lead to further instances of political instability, which could, in turn, have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations.

Investing in securities involving emerging markets such as Oman generally involves a higher degree of risk

Investing in securities involving emerging markets, such as Oman, generally involves a higher degree of risk than investments in securities of issuers from more developed countries. Oman's economy is susceptible to future adverse effects similar to those suffered by other emerging market countries. International investors' reactions to the events occurring in one emerging market country sometimes appear to demonstrate a "contagion" effect, in which an entire region or class of investment is disfavoured by international investors and Oman could be adversely affected by negative economic or financial developments in other emerging market countries. Key factors affecting the environment include the timing and size of adjustments in interest rates in the United States, evidence of a slowdown in China and geopolitical tensions in the Middle East, as well as the on-going war between Russia and Ukraine.

In addition, certain emerging markets, including Turkey, are currently experiencing adverse economic events, including depreciation of the local currency and rising inflation. Such events may reduce investors' interest in emerging markets in general, including Oman, and there can be no assurance that Oman will not be affected by investors' reactions to the negative economic conditions in Turkey, Argentina or elsewhere or more generally if a "contagion" effect occurs.

Accordingly, there can be no assurance that the market for securities bearing emerging market risk will not be affected negatively by events elsewhere, especially in emerging markets. Generally, investment in emerging markets is only suitable for sophisticated investors who fully appreciate the significance of the risk involved.

Risks related to the Trust Certificates

Limitations relating to the indemnity provisions under the Purchase Undertaking and the Master Declaration of Trust

EDO Gas has undertaken in the Purchase Undertaking and the Master Declaration of Trust that, in relation to any Series: (i) if, at the time of delivery of an Exercise Notice in accordance with the provisions of the Purchase Undertaking, EDO Gas is in actual or constructive possession, custody or control of all or any part of the Lease Assets, the Certificateholder Put Right Lease Asset(s), the Change of Control Put Right Lease Asset(s) or the Tangibility Event Put Right Lease Asset(s), as the case may be; and (ii) if, following delivery of an Exercise Notice in accordance with the provisions of the Purchase Undertaking, the relevant Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be, is not paid in accordance with the provisions of the Purchase Undertaking for any reason whatsoever, EDO Gas shall (as an independent, severable and separately

enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the Trust Certificates then outstanding or the Certificateholder Put Right Trust Certificates, the Change of Control Put Right Trust Certificates or the Tangibility Event Put Right Trust Certificates (as defined in the Purchase Undertaking), as the case may be, in respect of which the Exercise Notice is delivered and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be.

Subject to the satisfaction of the conditions described in the paragraph above, if EDO Gas fails to pay the relevant Exercise Price, Certificateholder Put Right Exercise Price, Change of Control Put Right Exercise Price or Tangibility Event Put Right Exercise Price in accordance with the Purchase Undertaking, the Delegate (on behalf of the Certificateholders) may, subject to the matters set out in Condition 14 and the terms of the Master Declaration of Trust, seek to enforce, *inter alia*, the provisions of the Purchase Undertaking and the Master Declaration of Trust against EDO Gas (and/or the Guarantor's guarantee of EDO Gas' payment obligations thereunder) by commencing legal or arbitral proceedings.

However, investors should note that, in the event that EDO Gas does not have actual or constructive possession, custody or control of all or any part of the Lease Assets at the time of delivery of the Exercise Notice in accordance with the provisions of the Purchase Undertaking, the condition in paragraph (i) described above will not be satisfied and, therefore, no amounts will be payable by EDO Gas under the separate indemnity provisions, and the Guarantor will not be liable to pay any such amounts pursuant to the Deed of Guarantee. For the avoidance of doubt, limited investigation has been or will be made by the Trustee, the Arrangers, the Dealers or the Delegate as to whether EDO Gas has or will continue to have actual or constructive possession, custody or control of any Lease Assets.

Accordingly, in such event, the Delegate (on behalf of the Certificateholders) may be required to establish that there has been a breach of contract by EDO Gas in order to prove for damages. Such breach of contract may be due to: (i) a breach by EDO Gas of the requirement to purchase the Trustee's rights, title, interests, benefits and entitlements in, to and under the Lease Assets on the relevant Dissolution Date pursuant to the provisions of the Purchase Undertaking; and/or (ii) a breach by EDO Gas (acting in its capacity as Lessee pursuant to the provisions of the Master Lease Agreement) of its undertaking to maintain actual or constructive possession, custody or control of all of the Lease Assets.

As a result, the Delegate (on behalf of the Certificateholders) may not be able to recover, or may face significant challenges in recovering, an amount equal to the Exercise Price, Certificateholder Put Right Exercise Price, Change of Control Put Right Exercise Price or Tangibility Event Put Right Exercise Price, as the case may be, and in turn, the amount payable to the Certificateholders upon redemption.

The Trust Certificates are limited recourse obligations

The Trust Certificates are not debt obligations of the Trustee. Instead, the Trust Certificates represent an undivided ownership interest solely in the Trust Assets. Recourse to the Trustee in respect of the Trust Certificates is limited to the Trust Assets and the proceeds of such Trust Assets are the sole source of payments on the Trust Certificates. Upon the occurrence of a Dissolution Event, the sole rights of each of the Delegate and, through the Delegate, the Certificateholders, will be against EDO Gas to perform its obligations under the Transaction Documents to which it is a party, and against the Guarantor in respect of its guarantee of EDO Gas' payment obligations under the Transaction Documents to which it is party.

Certificateholders will have no recourse to any assets of the Trustee (other than the Trust Assets in the manner and to the extent contemplated by the Transaction Documents) in respect of any shortfall in the expected amounts due under the Trust Certificates. EDO Gas is obliged to make certain payments under the Transaction Documents to which it is a party directly to the Trustee, and the Delegate will have direct recourse against EDO

Gas and, in respect of the Guarantee, the Guarantor, to recover such payments due to the Trustee pursuant to the Transaction Documents to which it is a party. In addition, investors have no direct recourse to the Trustee, EDO Gas or the Guarantor unless the Delegate or the Trustee, as the case may be, having become bound to proceed against the Trustee, EDO Gas or the Guarantor, respectively, (i) fails to do so within 30 days of becoming so bound or (ii) is unable for any reason (including by reason of an order of a court having competent jurisdiction) to do so, and in each case such failure or inability is continuing.

After enforcing the rights in respect of the Trust Assets (in the manner described above) and distributing the net proceeds of such Trust Assets in accordance with Condition 5.2, the obligations of the Trustee in respect of the Trust Certificates shall be satisfied and neither the Delegate nor any Certificateholder may take any further steps against the Trustee to recover any further sums in respect of the Trust Certificates and the right to receive any such sums unpaid shall be extinguished. Furthermore, under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets except pursuant to the Transaction Documents. The sole right of the Trustee, the Delegate and the Certificateholders against EDO Gas and the Guarantor shall be to enforce the respective obligations of EDO Gas and the Guarantor under the Transaction Documents to which they are party. Accordingly, there is no assurance that the net proceeds of any enforcement action with respect to the Trust Assets (which, as described above, will be by way of enforcing each of EDO Gas', the Guarantor's and the Trustee's respective obligations under the Transaction Documents to which they are a party) will be sufficient to make all payments due in respect of the Trust Certificates.

Shari'a requirements in relation to interest awarded by a court

In accordance with applicable *Shari'a* principles, each of the Trustee and the Delegate will waive all and any entitlement it may have to interest awarded in its favour by an arbitrator as a result of any arbitration in connection with any dispute under any of the Transaction Documents. Should there be any delay in the enforcement of a judgment or arbitral award given against the Trustee, EDO Gas or the Guarantor, judgment interest may accrue in respect of that delay and, as a result of the waiver referred to above, Certificateholders will not be entitled to receive any part of such interest. In addition, prospective investors are reminded that the enforcement of any obligations of any of the parties under the Transaction Documents or the Trust Certificates shall, if in dispute, be referred to, and finally resolved by, arbitration under the Arbitration Rules of the LCIA in London, England or the English courts. In such circumstances, the arbitrator or court will apply the relevant law of the relevant Transaction Document and/or the Trust Certificates in determining the obligations of the parties.

The occurrence of a Partial Loss Event could result in the Trust Certificates of the relevant Series being redeemed early

A "**Partial Loss Event**" is defined as the partial impairment of one or more Lease Assets in a manner that substantially deprives the Lessee from the benefits expected from the whole of the Lease Assets, as determined by the Lessee and the occurrence of which: (a) has been certified in writing by a recognised independent industry expert; (b) has not arisen as a result of the Lessee's negligence or misconduct; and (c) does not constitute a Total Loss Event.

If a Partial Loss Event occurs with respect to the Lease Assets of a Series (the affected assets being the "**Impaired Lease Assets**"), the Lessee may, within 30 days of the date of the Partial Loss Event and **provided that** the relevant Impaired Lease Assets have not already been replaced in accordance with the Servicing Agency Agreement, deliver to the Lessor a Partial Loss Termination Notice, pursuant to which the Lease shall terminate on the 61st day after the date of the Partial Loss Event. If the Lessee does not serve a termination notice within 30 days of the Partial Loss Event, it shall procure the replacement of the Impaired Lease Assets in accordance with the Servicing Agency Agreement. If EDO Gas does not procure such replacement on or

before the 60th day after the date of the Partial Loss Event, the Lease shall automatically terminate on the 61st day after the Partial Loss Event occurred. Any such termination of the Lease in either of the circumstances set out in this paragraph shall constitute a Company Event, following which the Trust Certificates of the relevant Series may be redeemed in full in accordance with the Conditions.

The Trust Certificates may be subject to early dissolution at the election of EDO Gas

An early dissolution feature is likely to limit the market value and liquidity of Trust Certificates. During any period when the Obligor may require an early dissolution of Trust Certificates, the market value of those Trust Certificates will generally not rise substantially above the Dissolution Amount payable. This may also be true prior to any such period.

EDO Gas may be expected to require the early dissolution of Trust Certificates when its cost of financing is lower than the profit rate on the Trust Certificates. At those times, an investor would generally not be able to reinvest the redemption proceeds at an effective rate of return as high as the profit rate on the Trust Certificates and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

Trust Certificates may be redeemed prior to their Scheduled Dissolution Date for tax reasons

If the Trustee becomes obliged to pay any additional amounts in respect of a Series of Trust Certificates, as provided or referred to in Condition 8, or either of EDO Gas or the Guarantor becomes obliged to pay additional amounts pursuant to the Transaction Documents to which it is party, as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 12) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective in the circumstances described in Condition 12, the Trustee may redeem all (but not some) of the outstanding Trust Certificates of the relevant Series in accordance with Condition 10.2.

In such circumstances, an investor may not be able to reinvest the redemption proceeds in a comparable security with a similar rate of return, which may have an adverse effect on the position of such investor. During any period when the Obligor may require an early dissolution of Trust Certificates, the market value of those Trust Certificates will generally not rise substantially above the relevant Dissolution Amount. Potential investors should consider reinvestment risk in light of other investments available at that time.

EDO Gas' payment and the Guarantor's guarantee obligations under the Transaction Documents to which they are party are obligations exclusively of EDO Gas and the Guarantor, respectively, and are not obligations of any subsidiary of EDO Gas or any subsidiary of the Guarantor other than EDO Gas; as a result, the rights of the Trustee to receive payment from EDO Gas or the Guarantor will be structurally subordinated to any existing or future preferred stock, indebtedness, guarantees and other liabilities of such subsidiaries.

The payment obligations of EDO Gas and the guarantee obligations of the Guarantor in favour of the Trustee under the Transaction Documents are obligations exclusively of EDO Gas and the Guarantor, respectively, and are not obligations of any subsidiary of EDO Gas or any subsidiary of the Guarantor other than EDO Gas, by virtue of any guarantee, credit support arrangement or otherwise. As a result, the rights of the Trustee to receive payment from EDO Gas or the Guarantor (which payments are intended to fund the Trustee's payment obligations under the Trust Certificates) will be structurally subordinated to existing or future preferred stock, indebtedness, guarantees and other liabilities, including trade payables, of such subsidiaries. The Conditions and the Transaction Documents will not restrict such subsidiaries from incurring substantial additional unsecured indebtedness in the future.

As of 31 January 2025, the Guarantor and its subsidiaries had approximately US$8.3 billion of outstanding indebtedness, including short-term borrowings.

EDO Gas' and the Guarantor's subsidiaries are separate and distinct legal entities from EDO Gas and the Guarantor, respectively. Such subsidiaries (other than EDO Gas, which is a subsidiary of the Guarantor) have no obligation to pay any amounts due under the Transaction Documents or in respect of the Trust Certificates or to provide funds to meet EDO Gas' or the Guarantor's respective obligations under the Transaction Documents. Any payment of dividends, loans or advances by such subsidiaries to EDO Gas or the Guarantor, as the case may be, could be subject to contractual restrictions and will be contingent upon such subsidiaries' earnings and business considerations. EDO Gas' and the Guarantor's right to receive any assets of such subsidiaries upon their bankruptcy, liquidation or similar reorganisation, and therefore the right of the Trustee (and, indirectly, holders of the Trust Certificates) to participate in those assets, will be structurally subordinated to the claims of the relevant subsidiary's creditors, including trade creditors. Even if EDO Gas or the Guarantor is a creditor of any of its subsidiaries, its rights as a creditor would be subordinate to any security interest in the assets of such subsidiaries and any indebtedness of such subsidiaries senior to that held by EDO Gas or the Guarantor.

The Trust Certificates are subject to the risk that withholding tax may become applicable to payments made by EDO Gas or the Guarantor to the Trustee or by the Trustee to Certificateholders who are not Oman Tax Residents if Oman's suspension of withholding tax deductions with respect to returns payable on foreign borrowings is reversed, withdrawn or successfully challenged.

Pursuant to Article 52 of the Oman Income Tax Law (promulgated by Royal Decree 28/2009) (the "**Oman Income Tax Law**") (as amended by Royal Decree 09/2017 and by Royal Decree 118/2020, the "**Tax Amendments**"), there is a withholding tax levy on certain payments, as provided by the Oman Income Tax Law, to persons who are not Oman Tax Residents (as defined in "*Taxation—Oman*") in the cases specified in Article 40 of the Oman Income Tax Law.

On 11 January 2023, a Royal Directive was issued under which it was announced that withholding tax would no longer apply to dividend distributions and interest amounts (the "**2023 Royal Directive**"). The 2023 Royal Directive has not been issued by way of a formal Royal Decree or published in the Official Gazette and no official confirmation of the form or text of the 2023 Royal Directive has been released, however, details were published online by the Omani Ministry of Interior.

In addition, on 30 October 2023, the Public Debt Law (promulgated by Royal Decree 68/2023) came into force in Oman and confirmed that "Public Debt Instruments" (as defined therein and which include Government bonds, treasury bills, Sukuk, loan guarantees and loan agreements), their value, returns, interest or profits resulting therefrom will not be subject to fees or taxes (the "**Public Debt Tax Exemption**"). Whilst Public Debt Instruments are referred to as those denominated in Omani Rial, EDO Gas and the Guarantor understand that the Public Debt Law is intended to apply more broadly to all such instruments issued by the Government of Oman and regardless of currency. The implementing regulations of the Public Debt Law have not yet been issued and further guidance on the application of the Public Debt Tax Exemption and whether it extends to Government-related entities (such as EDO Gas and the Guarantor) may be set out in those regulations.

Whilst the 2023 Royal Directive has the effect of suspending withholding tax applicable to payments of interest (which is defined to include any amounts received in lieu of interests under Islamic financial transactions) to be made by EDO Gas or the Guarantor to the Trustee pursuant to the Transaction Documents, in the event that there is a subsequent reversal, withdrawal or amendment of such withholding taxation policy or if further regulation and guidance does not extend the Public Debt Exemption to securities issued by Government-related entities (such as EDO Gas and the Guarantor), and payments under the Transaction Documents were to become subject to any withholding or deduction for or on account of any Omani taxes, the Trustee, EDO Gas and the Guarantor have undertaken (subject to certain customary exceptions) to pay such additional amounts as will result in the receipt by the beneficiary of the relevant payment obligation of such amounts as would have been received by them had no such withholding or deduction been required as more fully described in Condition 8

and the Transaction Documents. There can, however, be no assurance as to what the financial impact will be on the Trustee, EDO Gas or the Guarantor if any of them are required to pay such additional amounts or whether such impact will be material or adversely affect their ability to make payments in respect of the Trust Certificates or the Transaction Documents. If such additional amounts become payable in respect of a Series, as provided or referred to in Condition 10.2, the Obligor may, subject to certain conditions, also require the early dissolution of all (but not some) of the outstanding Trust Certificates of the relevant Series (see "*—Trust Certificates may be redeemed prior to their Scheduled Dissolution Date for tax reasons*").

Trust Certificates and the Transaction Documents are subject to modification without the consent of all investors

The Master Declaration of Trust contains provisions for calling meetings (including by way of conference call or by use of a videoconference platform) of Certificateholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Certificateholders, including Certificateholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically and including those Certificateholders who voted in a manner contrary to the majority.

The Master Declaration of Trust also provides that the Delegate may, without the consent of the Certificateholders:

(a) agree to any modification of the Conditions, the Trust Certificates, the Master Declaration of Trust, any of the other Transaction Documents or the Trustee's memorandum and articles of association that is in its opinion:

  (i) of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of the law; or

  (ii) is not materially prejudicial to the interests of the holders of the outstanding Trust Certificates and is other than in respect of a matter which requires a special quorum resolution (as defined in the Master Declaration of Trust), and

(b) without prejudice to its rights in respect of any subsequent breach, (a) give its consent under the Transaction Documents and agree to any waiver or authorisation of any breach or proposed breach, of any provision of this Master Declaration of Trust or any Transaction Documents, or (b) determine that any Dissolution Event or Potential Dissolution Event shall not be treated as such, provided that such consent, waiver, authorisation or determination is in the opinion of the Delegate not materially prejudicial to the interests of the holders of the outstanding Trust Certificates and is not in contravention of an express direction given by an Extraordinary Resolution or request in writing by the holders of at least 25 per cent. of the aggregate face amount of the Trust Certificates of the relevant Series then outstanding.

Any such modification, consent, waiver, authorisation or determination shall be binding on all Certificateholders and, unless the Delegate otherwise requires, shall be notified by the Trustee to the Certificateholders in accordance with Condition 17 as soon as practicable thereafter.

The value of the Trust Certificates could be adversely affected by a change in English or Omani law or administrative practice

The structure of the issue of the Trust Certificates issuable under the Programme, as well as the Conditions and the Transaction Documents, are based on English and Omani law in effect as at the date of this Base Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English or Omani law or administrative practice after the date of this Base Offering Circular, nor can any assurance be

given as to whether any such change could adversely affect the ability of the Trustee to make payments and comply with its obligations in respect of the Trust Certificates, and the Trustee, EDO Gas and the Guarantor to make payments and comply with their obligations under the Transaction Documents.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Trust Certificates and may be adversely affected if Definitive Trust Certificates are subsequently required to be issued

In relation to any issue of Trust Certificates that have denominations consisting of a minimum Specified Denomination plus one or more permissible integral multiples of another smaller amount, it is possible that such Trust Certificates may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in its account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a nominal amount of Trust Certificates at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Trust Certificate in respect of such holding (should Definitive Trust Certificates be printed or issued) and would need to purchase a face amount of Trust Certificates at, or in excess of, the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Trust Certificates in definitive form are issued, holders should be aware that Definitive Trust Certificates that have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

The Trust Certificates may be an ownership interest for the purposes of the Volcker Rule

The Trustee may be a "covered fund" for the purposes of the Volcker Rule. Further, the Trust Certificates may constitute an "ownership interest" for the purposes of the Volcker Rule. As a result, the Volcker Rule may, subject to certain exemptions, prohibit certain banking institutions from, directly or indirectly, acquiring or retaining the Trust Certificates. This prohibition may adversely affect the liquidity and market price of the Trust Certificates. In addition, any entity that is a "banking entity" under the Volcker Rule and is considering an investment in the Trust Certificates should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally.

Holders of Trust Certificates held through DTC, Euroclear and Clearstream, Luxembourg must rely on the procedures of those clearing systems to effect transfers of Trust Certificates, receive payments in respect of Trust Certificates and vote at meetings of Certificateholders

Trust Certificates issued under the Programme will be represented on issue by one or more Global Trust Certificates that may be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or with a nominee for DTC (each, as defined in "*Form of the Trust Certificates*"). Except in the limited circumstances described in the relevant Global Trust Certificate, investors will not be entitled to receive Trust Certificates in definitive form. Each of DTC, Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants will maintain records of the beneficial interests in each Global Trust Certificate held through it. While Trust Certificates are represented by a Global Trust Certificate, investors will only be able to trade their beneficial interests through the relevant clearing systems and their respective participants.

While Trust Certificates are represented by Global Trust Certificates, the Trustee will discharge its payment obligation under such Trust Certificates by making payments through the relevant clearing system(s). A holder of a beneficial interest in a Global Trust Certificate must rely on the procedures of the relevant clearing system

and its participants through which it holds its interest in a Global Trust Certificate to receive payments under the Trust Certificates. The Trustee has no responsibility or liability for the records relating to, or for payments made in respect of, beneficial interests in any Global Trust Certificate.

Holders of beneficial interests in a Global Trust Certificate will not have a direct right to vote in respect of the Trust Certificates so represented. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

Transferability of the Trust Certificates may be limited under applicable securities laws

The Trust Certificates have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. Each purchaser of Trust Certificates will be deemed, by its acceptance of such Trust Certificates, to have made certain representations and agreements intended by the Trustee to restrict transfers of Trust Certificates as described under "*Subscription and Sale and Transfer and Selling Restrictions*". It is the obligation of each purchaser of Trust Certificates to ensure that its offers and sales of Trust Certificates comply with all applicable securities laws.

The issuance of additional Trust Certificates that are not fungible with outstanding Trust Certificates for U.S. federal income tax purposes could impact the trading price of the original Trust Certificates.

The Trustee may from time to time without the consent of the Certificateholders issue additional Trust Certificates having the same terms and conditions as outstanding Trust Certificates (see Condition 21 (*Further Issues*)). These additional Trust Certificates, even if they are treated for non-tax purposes as part of the same series as the original Trust Certificates, in some cases may not be fungible with the outstanding Trust Certificates of the same series for U.S. federal income tax purposes (irrespective of their fungibility for general corporate and other purposes). In such a case, the additional Trust Certificates may be considered to have been issued with original issue discount ("**OID**") for U.S. federal income tax purposes, even if the original Trust Certificates had no OID, or the additional Trust Certificates may have a greater amount of OID than the outstanding Trust Certificates. These differences may affect the market value of the original Trust Certificates if the additional Trust Certificates are not otherwise distinguishable from the original Trust Certificates.

Risks Related to Enforcement

Limitations on the enforcement of arbitral awards

Each of the Master Declaration of Trust, each Supplemental Declaration of Trust, the Agency Agreement, the Deed of Guarantee, the Servicing Agency Agreement, the Purchase Undertaking, the Sale and Substitution Undertaking, the Master Murabaha Agreement and the Trust Certificates are or will be governed by English law. Each of the Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement and each Supplemental Lease Agreement are or will be governed by Omani law. The parties to such documents have agreed to refer any unresolved dispute in relation to such documents to arbitration settled under the arbitration rules of the London Court of International Arbitration.

Foreign arbitration awards may be enforced in Oman pursuant to: (i) treaty obligations; or (ii) the Oman Civil Procedure Law. Oman has acceded to the New York Convention and ratified the Riyadh Convention. Oman has been a party to the New York Convention since 1998, and the courts of Oman have recognised and enforced a number of foreign arbitral awards. However, the Trustee, EDO Gas and the Guarantor are also aware of a recent case *(Vijay Tanks & Co LLC v Cape East Limited Company)* for the annulment of a foreign arbitral award in which the Supreme Court held that the courts of Oman did have jurisdiction to consider the substantive grounds on which the case for annulment is based. In reaching its ruling, the Supreme Court relied upon its interpretation of Article 29 of the Oman Civil Procedure Law which provides that the courts of Oman have jurisdiction over claims that are filed against Omani persons, regardless of their place of residency. Whilst it should be noted that

there is no doctrine of binding precedent under Omani law, the decisions of the Supreme Court may be persuasive. The decision of the Supreme Court in this instance raises risks about the enforceability of awards rendered in respect of foreign arbitration proceedings involving Omani individuals or entities as such awards may be vulnerable to annulment proceedings by the courts of Oman. The Trustee, EDO Gas and the Guarantor have otherwise no reason to believe that the courts of Oman would not enforce an arbitral award passed in a contracting state (without the need to re-examine or re-litigate), subject only to no valid argument being raised that the enforcement of that arbitral award should be refused on one or more of the grounds set out in Article V of the New York Convention or that the subject matter of the award is against public order or morality in Oman. The enforcement in Oman of any of the obligations of the Guarantor and EDO Gas under any of the Transaction Documents (irrespective of whether the courts of Oman have given a judgment in favour of a party) will ultimately require an order for enforcement by the courts of Oman, which order is subject to discretion, including as to the manner in which such court would interpret and apply the New York Convention.

If the foreign arbitral award is not enforceable pursuant to a treaty obligation (for example, an award is passed in a country that is not a signatory to the New York Convention or Riyadh Convention), then such award may still be enforceable in Oman subject to the satisfaction of the conditions set out in Articles 352 to 355 of the Oman Civil Procedure Law. In accordance with Article 352 of the Law of Civil and Commercial Procedures of Oman, the courts of Oman possess an inherent jurisdiction to enforce foreign awards. When considering the enforcement of arbitral awards in the above circumstances, the courts of Oman will need to be satisfied that the following conditions have been met (reading "judgment" as "award"):

- it is passed by a competent judicial authority in accordance with the international jurisdiction rules applicable in the country in which the judgment or order is passed, and becomes final according to that law and was not grounded on deception;
- the parties to the dispute were summoned to appear and were properly represented;
- it does not include any requests the basis of which breaches the laws enforced in Oman;
- it does not contradict any judgment or order previously issued by the courts of Oman, and it does not include anything contravening public order or morals;
- the country in which the said judgment or award was signed accepts the execution of judgments of Omani courts within its territories; and
- the matter that has been arbitrated upon in the foreign jurisdiction is capable of being determined by arbitration under Omani law (Article 353).

In the event that the conditions of Articles 352 to 355 of the Oman Civil Procedure Law are not met by a foreign arbitral award, such foreign arbitral award may be of evidentiary value only in a full hearing before the Omani courts and the matter may have to be litigated *de novo* before the courts of Oman.

EDO Gas' and the Guarantor's waivers of immunity may not be effective under the laws of Oman

Omani law provides that assets which are designated as public assets may not be subject to attachment. The issue as to whether the assets of EDO Gas or the Guarantor are deemed to be public assets and therefore immune from attachment has not been confirmed by the Omani courts. Furthermore, should the assets of EDO Gas or the Guarantor, as the case may be, be deemed not to be public assets, a judge in the Omani courts acting in relation to enforcement proceedings may place restrictions on the sale of some assets of EDO Gas or the Guarantor, as the case may be, on the basis that such assets are public utilities. Each of EDO Gas and the Guarantor has waived its rights in relation to immunity; however, there can be no assurance as to whether such waivers of immunity from execution or attachment or other legal process by it are valid or binding under the

laws of Oman and, to the knowledge of the Trustee, EDO Gas and the Guarantor, such waivers have not been tested by the courts of Oman.

Tax laws are subject to change

Statements in this Base Offering Circular concerning the taxation of investors are of a general nature and are based upon current law and practice in the jurisdictions stated. Such law and practice are, in principle, subject to change, possibly with retrospective effect, and this could adversely affect investors. In addition, any change in legislation or in practice in Oman could adversely impact: (i) the ability of the Trustee to fulfil its obligations in respect of the Trust Certificates; (ii) the market value of the Trust Certificates; and (iii) the ability of each of the Trustee, EDO Gas and the Guarantor to fulfil its obligations under the Transaction Documents.

Risks Related to the Market Generally

Set out below is a description of material market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

An active secondary market in respect of a Series of Trust Certificates may never be established or may be illiquid, which would adversely affect the value at which an investor could sell its Trust Certificates

Trust Certificates may have no established trading market when issued and one may never develop. If a market for the Trust Certificates does develop, it may not be very liquid. Therefore, investors may not be able to sell their Trust Certificates easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The market value of the Trust Certificates may fluctuate and a lack of liquidity, in particular, can have a severe adverse effect on the market value of the Trust Certificates. Accordingly, the purchase of the Trust Certificates is suitable only for investors who can bear the risks associated with a lack of liquidity in the Trust Certificates and the financial and other risks associated with an investment in the Trust Certificates.

If an investor holds Trust Certificates that are not denominated in the investor's home currency, it will be exposed to movements in exchange rates adversely affecting the value of its holding. In addition, the imposition of exchange controls in relation to any Trust Certificates could result in an investor not receiving payments on those Trust Certificates

The Trustee will pay amounts on the Trust Certificates in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease: (i) the Investor's Currency equivalent yield on the Trust Certificates; (ii) the Investor's Currency equivalent value of the principal payable on the Trust Certificates; and (iii) the Investor's Currency equivalent market value of the Trust Certificates.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Trustee to make payments in respect of the Trust Certificates. As a result, investors may receive less profit or principal than expected or no profit or principal at all.

Fixed rate risks

Investment in Trust Certificates involves the risk that if market financing rates subsequently increase above the rate paid on the Trust Certificates, this will adversely affect the value of the Trust Certificates.

Credit ratings assigned to the Trustee, EDO Gas, the Guarantor or any Trust Certificates may not reflect all the risks associated with an investment in the Trust Certificates

One or more independent credit rating agencies may assign credit ratings to the Trustee, EDO Gas, the Guarantor or the Trust Certificates. As of the date of this Base Offering Circular, the Guarantor has been assigned a long-term foreign currency rating of BBB- (stable outlook) by S&P and a long-term foreign currency rating of BB+ (positive outlook) by Fitch, and the Programme received a rating of BBB- and BB+ by S&P and Fitch, respectively.

The ratings may not reflect the potential impact of all risks related to structure, the market, the additional factors discussed above, and other factors that may affect the value of the Trust Certificates. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agencies at any time. In addition, due to the Group's relationship with the Government, the Guarantor's rating is linked to and constrained by the rating of the sovereign.

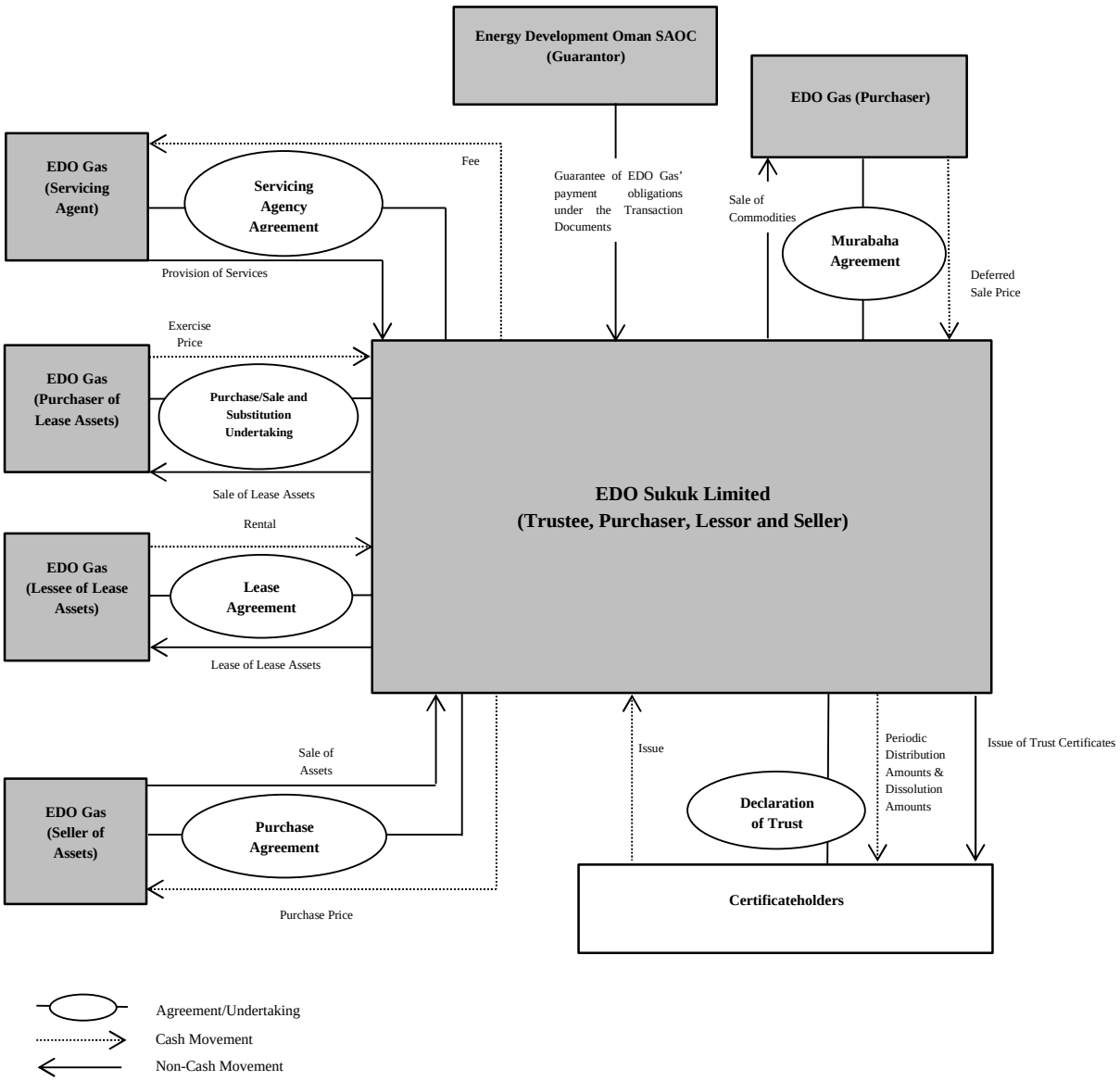
In general, EEA-regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes in the EEA, unless such ratings are issued by a credit rating agency established in the EEA and registered under the CRA Regulation (and such registration has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances whilst the registration application is pending). Such general restriction will also apply in the case of credit ratings issued by third country non-EEA credit rating agencies, unless the relevant credit ratings are endorsed by an EEA-registered credit rating agency or the relevant third country rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Investors regulated in the UK are subject to similar restrictions under the UK CRA Regulation. As such, UK-regulated investors are required to use for UK regulatory purposes ratings issued by a credit rating agency established in the UK and registered under the UK CRA Regulation. In the case of ratings issued by third country non-UK credit rating agencies, third country credit ratings can either be: (a) endorsed by a UK registered credit rating agency; or (b) issued by a third country credit rating agency that is certified in accordance with the UK CRA Regulation. Note this is subject, in each case, to (x) the relevant UK registration, certification or endorsement, as the case may be, not having been withdrawn or suspended, and (y) transitional provisions that apply in certain circumstances. In the case of third country ratings, for a certain limited period of time, transitional relief accommodates continued use for regulatory purposes in the UK of existing pre-2021 ratings, provided the relevant conditions are satisfied.

If the status of any rating agency rating the Trustee, EDO Gas, the Guarantor or a Series of Trust Certificates changes for the purposes of either the CRA Regulation or the UK CRA Regulation, relevant regulated investors may no longer be able to use the relevant rating for regulatory purposes in the EEA or the UK, as applicable, and such Trust Certificates may have a different regulatory treatment, which may, in turn, impact the value of such Trust Certificates and their liquidity in the secondary market whether or not a particular investor is so regulated in the EEA or the UK. Certain information with respect to credit rating agencies and ratings is set out on the cover of this Base Offering Circular.

STRUCTURE DIAGRAM AND CASHFLOWS

Set out below is a simplified structure diagram and description of the principal cash flows underlying each Series of Trust Certificates to be issued under the Programme. Potential investors are referred to the Conditions and the detailed descriptions of the relevant Transaction Documents set out elsewhere in this document for a fuller description of certain cash flows and for an explanation of the meaning of certain capitalised terms used below.



Cashflows

Payments by the Certificateholders and the Trustee

On the Issue Date of each Tranche of Trust Certificates, the relevant Certificateholders will pay the issue price (the "**Issue Price**") in respect thereof to the Trustee, and the Trustee will pay:

(a) the Ijara Percentage of the aggregate face amount of the relevant Trust Certificates as specified in the applicable Pricing Supplement (which, in the case of the first Tranche of a Series of Trust Certificates,

shall be at least 55 per cent.) as the purchase price (the "**Purchase Price**") payable under the relevant Supplemental Purchase Agreement for the relevant asset(s) comprised of equipment, machinery, temporary structures (not permanently fixed to the land), plant and other tangible assets (which are not classified as real estate or land assets under Omani law), in each case which are located in Oman (in the case of the first Tranche of a Series of Trust Certificates, the "**Asset(s)**" or, if applicable, (in the case of each subsequent Tranche of such Series) the "**Additional Asset(s)**"); and

(b) the remaining portion of the Issue Price (if any) equal to the Murabaha Percentage of the aggregate face amount of the relevant Trust Certificate as specified in the applicable Pricing Supplement (which, in the case of the first Tranche of a Series of Trust Certificates, shall be no more than 45 per cent.) in the purchase of commodities to be sold to EDO Gas on a deferred payment basis for an amount specified in a letter of offer and acceptance (the "**Deferred Sale Price**") pursuant to the Master Murabaha Agreement.

Periodic Payments by the Trustee

On the Payment Business Day before each Periodic Distribution Date, the Servicing Agent (on behalf of the Trustee) will apply amounts standing to the credit of a collection account (comprised of a rental payment (pursuant to the relevant Lease Agreement) and an instalment payment of any Profit Amount (as defined in the Master Murabaha Agreement) each, as paid by EDO Gas (acting in its relevant capacities under the Lease Agreement and the Master Murabaha Agreement, as applicable, into the Collection Account)) in payment into the relevant Transaction Account of an amount, which is intended to be sufficient to fund the Periodic Distribution Amount payable by the Trustee under the Trust Certificates and which shall be applied by the Trustee for that purpose.

Dissolution Payments

On the Payment Business Day before the Scheduled Dissolution Date:

(a) the aggregate amounts of the Deferred Sale Price then outstanding, if any, shall become immediately due and payable by EDO Gas; and

(b) the Trustee and the Delegate will have the right under the Purchase Undertaking to require EDO Gas to purchase all of its rights, title, interests, benefits and entitlements, present and future, in, to and under the relevant Lease Asset(s) at the relevant Exercise Price.

The Exercise Price payable to the Trustee is intended to fund the relevant Final Dissolution Amount payable by the Trustee under the Trust Certificates.

The Trust may be dissolved prior to the Scheduled Dissolution Date for a number of reasons including: (i) upon the occurrence of a Total Loss Event (as defined herein); (ii) upon the occurrence of a Dissolution Event (as defined herein); or (iii) in certain cases where so specified in the applicable Pricing Supplement, at the option of EDO Gas or any Certificateholder. In the case of (ii) and (iii) above, the relevant Dissolution Amount will be funded by requiring EDO Gas to purchase the remaining Lease Assets and pay the relevant Exercise Price, Optional Dissolution Exercise Price, Certificateholder Put Right Exercise Price, Change of Control Put Right Exercise Price or Tangibility Event Put Right Exercise Price, as the case may be, to the Trustee. In the case of (i) above, the Dissolution Amount will be funded using (a) any proceeds of Insurances and/or (if applicable) the Loss Shortfall Amount payable in respect of the Total Loss Event (as defined herein) and (b) the aggregate amounts of the Deferred Sale Price then outstanding.

Guarantee

The Guarantor has agreed to unconditionally and irrevocably guarantee, in favour of the Trustee and the Delegate, the due and punctual performance by EDO Gas of all of its payment obligations under, and in accordance with the terms of, the Transaction Documents to which EDO Gas is a party. To the extent that the EDO Gas does not pay (or procure to be paid on its behalf) any sum payable by it under the Transaction Documents by the time and on the date specified for such payment (whether on the scheduled due date, on acceleration or otherwise), the Guarantor will pay that sum as directed in the relevant Transaction Document(s) before close of business on that date in the city to which payment is so to be made.

OVERVIEW

The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Offering Circular and, in relation to the terms and conditions of any particular Tranche of Trust Certificates, the applicable Pricing Supplement. It does not contain all the information investors may consider important in making their investment decision. Therefore, investors should read this entire Base Offering Circular carefully, including, in particular, the section entitled "*Risk Factors*". The Trustee and the relevant Dealer(s) may agree that Trust Certificates shall be issued in a form other than that contemplated in the Conditions, in which event, if appropriate, a new Base Offering Circular or a supplement to this Base Offering Circular will be published.

Words and expressions defined in "*Form of the Trust Certificates*" and "*Terms and Conditions of the Trust Certificates*" shall have the same meanings in this overview.

Obligor	EDO Gas SPC, a sole proprietor company incorporated in Oman on 25 June 2023 with commercial registration number 1491751 and its registered office at Mina Al Fahal, Muscat Governorate, P.O. Box 828, PC 116, Sultanate of Oman.
Guarantor	Energy Development Oman SAOC, a closed joint stock company incorporated in Oman on 24 December 2020 with commercial registration number 1378556 and its registered office at Mina Al Fahal, Muscat Governorate, P.O. Box 828, PC 116, Sultanate of Oman.
Trustee	EDO Sukuk Limited, an exempted company with limited liability incorporated on 26 June 2023 under the Companies Act (As Revised) of the Cayman Islands with company registration number 401083 and with its registered office at c/o MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands. The Trustee has been incorporated solely for the purpose of participating in the transactions contemplated by the Transaction Documents to which it is a party.
Legal Entity Identifier ("LEI") of the Trustee	5493000LZIE4T625R469.
Ownership of the Trustee:	The authorised share capital of the Trustee is US$50,000 consisting of 50,000 shares of US$1.00 each, of which 250 shares are fully paid up and issued. The Trustee's entire issued share capital is held on trust for charitable purposes by MaplesFS Limited under the terms of a share declaration of trust dated 7 September 2023 (the "**Share Declaration of Trust**").
Administration of the Trustee:	The affairs of the Trustee are managed by MaplesFS Limited, a licensed trust company in the Cayman Islands (the "**Trustee Administrator**"), with registered office at P.O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands, who will provide, amongst other things, corporate administrative services, director services and act as share trustee for and on behalf of the Trustee pursuant to the amended and restated

	corporate services agreement dated 7 September 2023 between the Trustee and the Trustee Administrator.
Risk Factors	An investment in the Trust Certificates involves certain risks. There are certain factors that may affect the Trustee's, EDO Gas' and the Guarantor's ability to fulfil their obligations under the Transaction Documents and, in the case of the Trustee, the Trust Certificates issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Trust Certificates issued under the Programme, risks related to the structure of a particular Series of Trust Certificates issued under the Programme, and risks related to enforcement and regulatory risks, which are set out under "*Risk Factors*".
Description	Trust Certificate Issuance Programme
Arrangers	Citigroup Global Markets Limited, J.P. Morgan Securities plc and Standard Chartered Bank.
Dealers	Citigroup Global Markets Limited, Dubai Islamic Bank PJSC, J.P. Morgan Securities plc and Standard Chartered Bank and any other Dealers appointed in accordance with the Programme Agreement from time-to-time.
Delegate	Citibank N.A., London Branch
Regulation S Registrar, Regulation S Transfer Agent, Euroclear/Clearstream Rule 144A Registrar, Euroclear/Clearstream Rule 144A Transfer Agent and Principal Paying Agent	Citibank N.A., London Branch
Rule 144A Paying Agent, DTC Rule 144A Registrar and DTC Rule 144A Transfer Agent	Citibank N.A., London Branch
Certain Restrictions	Each issue of Trust Certificates denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "*Subscription and Sale and Transfer and Selling Restrictions*"), including the following restrictions applicable at the date of this Base Offering Circular. **Trust Certificates having a maturity of less than one year** Trust Certificates having a maturity of less than one year will, if the proceeds of the issue are accepted in the United Kingdom, constitute deposits for the purposes of the prohibition on accepting deposits contained in Section 19 of the FSMA, unless they are issued to a limited class of professional investors and

	have a denomination of at least £100,000 or its equivalent; see "*Subscription and Sale and Transfer and Selling Restrictions*".
Trustee Covenants	The Trustee has agreed to certain restrictive covenants as set out in "*Covenants*" in Condition 6.
Programme size	The Programme size is unlimited, subject to compliance with all regulatory and other approvals required in connection with the issuance of Trust Certificates under the Programme or otherwise.
Further Issues	On the relevant Issue Date of any additional Tranche of Trust Certificates issued in accordance with Condition 21 (i) EDO Gas (in its capacity as seller) and the Trustee (in its capacity as purchaser) may enter into a Supplemental Purchase Agreement for the sale, transfer and conveyance of the relevant Additional Assets and (ii) provided that the value of Additional Asset(s) (if any) is less than the aggregate face amount of the additional Trust Certificates, or where no Additional Assets are being purchased by the Trustee (in its capacity as purchaser) from EDO Gas (in its capacity as seller) in relation to any additional Tranche of Trust Certificates, on receipt of a purchase order from EDO Gas (acting as buyer) and in accordance with the Master Murabaha Agreement, EDO Gas may purchase commodities from the Trustee at a Deferred Sale Price equal to the aggregate of: (i) the Murabaha Percentage of the aggregate face amount of the additional Trust Certificates; and (ii) the relevant Profit Amount (as defined in the Master Murabaha Agreement). The Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the relevant existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the relevant Additional Assets (if any) and the Lease Assets in respect of the relevant Series as in existence immediately prior to the creation and issue of the additional Trust Certificates and any Commodity Murabaha Investments under the Master Murabaha Agreement relating to the relevant Series (and all rights arising under or with respect to such Commodity Murabaha Investments, including the right to receive payment of the relevant Deferred Sale Price) are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of such existing Trust Certificates and the holders of such additional Trust Certificates.
Method of Issue and Distribution	Trust Certificates may be issued on a syndicated or non-syndicated basis and by way of a private or public placement or public offering. The specific terms of each Series will be recorded in the applicable Pricing Supplement.
Currencies	Subject to any applicable legal or regulatory restrictions, Trust Certificates may be denominated in any currency agreed between the Trustee, EDO Gas, the Guarantor and the relevant Dealer(s).

Maturities	Trust Certificates will have such maturities as may be agreed between the Trustee, EDO Gas and the Guarantor and the relevant Dealers, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the Trustee, EDO Gas and the Guarantor or the relevant Specified Currency.
Issue Price	Trust Certificates may be issued on a fully-paid basis and at an issue price which is at par or at a discount to, or premium over, par, as specified in the applicable Pricing Supplement.
Status of the Trust Certificates	Each Trust Certificate evidences an undivided ownership interest in the Trust Assets subject to the terms of the Declaration of Trust and the Conditions, and is a direct, unsubordinated, unsecured and limited recourse obligation of the Trustee. Each Trust Certificate will rank *pari passu*, without any preference of priority, with the other Trust Certificates.
Form of Trust Certificates	The Trust Certificates will be issued in registered form only and will bear a fixed profit rate. Fixed Periodic Distribution Amounts will be payable on such date or dates as may be agreed between the Trustee, EDO Gas, the Guarantor and the relevant Dealer(s), including on the Scheduled Dissolution Date, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Trustee, EDO Gas, the Guarantor and the relevant Dealer(s).
Dissolution	The applicable Pricing Supplement will indicate either that the relevant Trust Certificates cannot be redeemed prior to their stated maturity (other than for taxation reasons or following a Dissolution Event or Total Loss Event) or that such Trust Certificates will be redeemable at the option of EDO Gas and/or the Certificateholders (including following the occurrence of a Change of Control or the exercise of the Clean Up Call Right, each as described below) upon giving notice to the Certificateholders or the Trustee, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the Trustee, EDO Gas, the Guarantor and the relevant Dealer. The terms of any such redemption, including notice periods, relevant redemption dates and prices will be indicated in the applicable Pricing Supplement. Trust Certificates having a maturity of less than one year may be subject to restrictions on their denomination and distribution. See "*—Certain Restrictions—Trust Certificates having a maturity of less than one year*".
Change of Control	If so specified in the applicable Pricing Supplement, each investor will have the right to require the redemption of its Trust Certificates if a Change of Control (as defined below) occurs.

	A "**Change of Control**" shall occur at the moment the government of Oman, including, without limitation, any agency of the government of Oman or any entity controlled by it, ceases, or enters into a definitive agreement pursuant to which it will cease, to own, legally and beneficially, directly or indirectly, in aggregate, more than 50 per cent. of the issued share capital of the Guarantor or EDO Gas, as the case may be.
Clean-Up Call Right	If 75% or more of the aggregate nominal amount of the Trust Certificates of a Series then outstanding have been redeemed and/or purchased and cancelled, EDO Gas may require the redemption of all but not some of the Trust Certificates of such Series then outstanding at the Clean Up Call Right Dissolution Amount.
Total Loss Event	The occurrence of a Total Loss Event will result in the redemption of the Trust Certificates of that Series and the consequent dissolution of the relevant Trust by no later than close of business in London on the 61st day after the occurrence of such Total Loss Event (being the Total Loss Dissolution Date) in accordance with Condition 10.5. If a Total Loss Event occurs, the Servicing Agent shall be responsible for ensuring that all proceeds of Insurances in respect of such Total Loss Event (if any) are paid in the Specified Currency directly into the Transaction Account by no later than the 59th day after the occurrence of the Total Loss Event. If a Total Loss Event occurs and the amount of the proceeds of Insurances (if any) credited to the Collection Account is less than the Full Reinstatement Value (the difference between the Full Reinstatement Value and the amount credited to the Collection Account being the "**Loss Shortfall Amount**"), the Servicing Agent shall be responsible for transferring the amounts (if any) credited to the Collection Account and paying the Loss Shortfall Amount directly into the Transaction Account by no later than close of business in London on the 61st day after the occurrence of Total Loss Event, such that the amount standing to the credit of the Transaction Account on the Total Loss Dissolution Date represent the aggregate of the proceeds of Insurances payable in respect of the Total Loss Event (if any) and the Loss Shortfall Amount payable by the Servicing Agent in accordance with the terms of the Servicing Agency Agreement. Rental payments under the Lease Agreement shall cease to accrue with effect from the date on which a Total Loss Event occurs, and no additional rental payment shall be made in respect of the period between the date on which the Total Loss Event occurred and the Total Loss Dissolution Date. Upon the occurrence of a Total Loss Event, the Servicing Agent shall promptly notify the Lessor, the Delegate and the Trustee of the same and the Trustee shall promptly notify Certificateholders

	(the "**Trading Notice**") (a) of the occurrence of a Total Loss Event and (b) that, from the date of the Trading Notice and until any further notice from the Trustee, in consultation with the *Shari'a* Adviser, the Trust Certificates should be tradable only in accordance with the *Shari'a* principles of debt trading (such as the principle that debt is to be traded against tangible assets and/or eligible commodities on a spot settlement basis).
Partial Loss Event	If a Partial Loss Event shall occur with respect to any of the Lease Assets: (a) **provided that** the Impaired Lease Assets have not been replaced pursuant to the Servicing Agency Agreement, the Lessee may, within 30 days of the date of the Partial Loss Event, deliver a Partial Loss Termination Notice to the Lessor, pursuant to which the Lease shall terminate on the 61st day after the date of the Partial Loss Event; or (b) **provided that** the Lessee has not exercised, or has expressly waived, its rights to terminate the Lease under paragraph (a) above, if such Impaired Lease Assets have not been replaced pursuant to the Servicing Agency Agreement, the Lease shall automatically terminate on the 61st day after the Partial Loss Event occurred and the Lessor will be entitled (in addition to any amounts payable pursuant to the Servicing Agency Agreement and the Purchase Undertaking) to any due and unpaid Rental up to such date. The termination of the Lease on the 61st day after the Partial Loss Event Date as a result of either of the circumstances described in (a) or (b) above shall constitute a Company Event (as defined in Condition 14).
Taxation	All payments in respect of the Trust Certificates will be made without withholding or deduction for or on account of any present or future taxes imposed by any Relevant Jurisdiction as provided in Condition 12 unless such withholding or deduction is required by law. In the event that any such withholding or deduction is made, the Trustee will, save in certain limited circumstances provided in Condition 12, be required to pay additional amounts to cover the amounts so deducted. See "*Taxation*" and "*Risk Factors—Risks related to the Trust Certificates—The Trust Certificates are subject to the risk that withholding tax may become applicable to payments made by EDO Gas or the Guarantor to the Trustee or by the Trustee to Certificateholders who are not Oman Tax Residents if Oman's suspension of its withholding tax deductions with respect to returns payable on foreign borrowings is reversed, withdrawn or successfully challenged"*.
Negative Pledge	The Trust Certificates will have the benefit of a negative pledge as described in Condition 4.3 (*Negative Pledge*).

Cross Acceleration	The terms of the Trust Certificates will contain a cross acceleration provision. See limb (iv) of the definition of "Company Event" in Condition 14.
Meetings of Certificateholders, Modification and Waiver	The Master Declaration of Trust contains provisions for calling meetings (including by way of conference call or by use of a videoconference platform) of Certificateholders. These provisions permit defined majorities to bind all Certificateholders. See summary at Condition 15.
Ratings	The Guarantor has been assigned a long-term foreign currency rating of BBB- (stable outlook) by S&P and BB+ (positive outlook) by Fitch. The Programme received a rating of BBB- and BB+ by S&P and Fitch, respectively. A Series of Trust Certificates to be issued under the Programme may be rated or unrated. Where a Series of Trust Certificates it to be rated, such rating (and the credit rating agency issuing such rating) will be specified in the applicable Pricing Supplement. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. S&P is established in the EU and is registered in accordance with the CRA Regulation. The rating issued by S&P has been endorsed by S&P Global Ratings UK Limited, in accordance with the UK CRA Regulation. Fitch is established in the EU and is registered in accordance with the CRA Regulation. The rating issued by Fitch has been endorsed by Fitch Ratings Ltd in accordance with the UK CRA Regulation.
Listing and Admission to Trading	Application will be made for Trust Certificates issued under the Programme to be admitted to trading on the ISM unless otherwise specified in the applicable Pricing Supplement. Trust Certificates may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Trustee and the relevant Dealer(s) in relation to the relevant Series of Trust Certificates. Trust Certificates, which are neither listed nor admitted to trading on any market, may also be issued.

Governing Law and Dispute Resolution	The Trust Certificates and any non-contractual obligations arising out of, or in respect of, the Trust Certificates will be governed by, and construed in accordance with, English law. The Master Declaration of Trust, each Supplemental Declaration of Trust, the Agency Agreement, the Deed of Guarantee, the Servicing Agency Agreement, the Purchase Undertaking, the Sale and Substitution Undertaking and the Master Murabaha Agreement, are or will be each governed by with English law. The Master Purchase Agreement, each Supplemental Purchase Agreement, the Master Lease Agreement and each Supplemental Lease Agreement are or will be each governed by Omani law. In respect of any dispute under any Transaction Document to which it is a party, irrespective of the governing law, each of the Trustee, EDO Gas and the Guarantor and the Obligor has agreed to arbitration in London under the rules of the London Court of International Arbitration.
Limited Recourse	Each Trust Certificate represents solely an undivided ownership interest in the Trust Assets of the relevant Series. No payment of any amount whatsoever shall be made in respect of the Trust Certificates of each Series except to the extent available funds for that purpose are comprised in the Trust Assets of that Series, as described in Condition 4.4.
Selling Restrictions	There are restrictions on the offer, sale and transfer of the Trust Certificates in the United States, the EEA, the United Kingdom, Oman, the Kingdom of Saudi Arabia, the Kingdom of Bahrain, the United Arab Emirates (excluding the Dubai International Financial Centre), the Dubai International Financial Centre, the State of Qatar (including the Qatar Financial Centre), Singapore, Japan, Hong Kong, Switzerland and the Cayman Islands and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Trust Certificates. See "*Subscription and Sale and Transfer and Selling Restrictions*".
US Selling Restrictions	Regulation S, Category 2 / Rule 144A, Investment Company Act 3(c)(7)-QP-only, as specified in the applicable Pricing Supplement. TEFRA not applicable.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have been previously published shall be incorporated in, and form part of, this Base Offering Circular:

a) The Terms and Conditions set out on pages 60 to 100 of the offering circular dated 8 September 2023 relating to the Programme (an electronic copy of which is available at: https://docs.londonstockexchange.com/sites/default/files/documents/EDO%20Sukuk%20Limited_Base%20Offering%20Circular%20dated%208%20September%202023.pdf)

b) The Terms and Conditions set out on pages 60 to 100 of the offering circular dated 23 February 2024 relating to the Programme (an electronic copy of which is available at: https://docs.londonstockexchange.com/sites/default/files/documents/EDO%20Sukuk%20Limited_Base%20Offering%20Circular%20dated%2023%20February%202024.pdf)

(the "**Documents Incorporated by Reference**")

The Documents Incorporated by Reference shall be incorporated in, and form part of, this Base Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Only the pages specified above of the Documents Incorporated by Reference are incorporated by reference herein. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Offering Circular. Those parts of the Documents Incorporated by Reference which are not specifically incorporated by reference in this Base Offering Circular are either not relevant for prospective investors in the Trust Certificates to be issued under the Programme or the relevant information is included elsewhere in this Base Offering Circular. Any documents themselves incorporated by reference in the Documents Incorporated by Reference shall not form part of this Base Offering Circular.

Copies of the Documents Incorporated by Reference may be obtained from the registered office of the Trustee and from the specified office of the Principal Paying Agent during usual business hours.

FORM OF THE TRUST CERTIFICATES

The Trust Certificates of each Series will be in registered form. The Trust Certificates will be issued (i) to non-U.S. persons outside the United States in reliance on the exemption from registration provided by Regulation S; and (ii) within the United States in reliance on (a) Rule 144A or otherwise in private transactions that are exempt from the registration requirements of the Securities Act and (b) Section 3(c)(7) of the Investment Company Act.

Form of Trust Certificates

The Trust Certificates of each Tranche offered and sold in reliance on Regulation S, which will be sold outside the United States to persons who are not U.S. persons or acquiring for the account or benefit of U.S. persons, will initially be represented by ownership interests in an Unrestricted Global Trust Certificate. Prior to expiry of the distribution compliance period applicable to each Tranche of Trust Certificates, ownership interests in an Unrestricted Global Trust Certificate. may not be offered or sold to, or for the account or benefit of, a U.S. person and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Unrestricted Global Trust Certificate will bear a legend regarding such restrictions on transfer.

The Trust Certificates of each Tranche offered and sold in the United States or to U.S. persons may only be offered and sold in private transactions to QIBs, which are also QPs, in each case acting for their own account or for the account of one or more QIBs, which are also QPs. The Trust Certificates of each Tranche sold to QIBs, which are also QPs, in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act will initially be represented by one or more Restricted Global Trust Certificates. By the acquisition of an ownership interest in such certificate, the purchaser thereof will be deemed to represent, among other things, that it is a QIB, which is also a QP, and that, if in the future it determines to transfer such ownership interest, it will transfer such ownership interest in accordance with the procedures and restrictions contained in the Restricted Global Trust Certificate.

No ownership interest in an Unrestricted Global Trust Certificate may be transferred to a person who takes delivery in the form of an ownership interest in a Restricted Global Trust Certificate unless: (i) the transfer is to a person that is a QIB, which is also a QP; (ii) such transfer is made in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act; and (iii) the transferor provides the Registrars with a written certification to the effect that the transferor reasonably believes that the transferee is a QIB, which is also a QP, that the transfer is being made in a transaction meeting the requirements of Rule 144A and Section 3(c)(7) of the Investment Company Act and that such transaction is in accordance with any applicable securities laws of any state or other jurisdiction of the United States. No ownership interest in the Restricted Global Trust Certificates may be transferred to a person who takes delivery in the form of an ownership interest in an Unrestricted Global Trust Certificate unless the transfer is to an investor that is not a U.S. person, or a person acquiring for the account or benefit of a U.S. person, in an offshore transaction in reliance on Regulation S and the transferor provides the Registrars with a written certification to the effect that the transfer is being made to a person who is a not a U.S. person, or a person acquiring for the account or benefit of a U.S. person, in accordance with Regulation S.

Global Trust Certificates will either: (a) be deposited with a custodian for, and registered in the name of a nominee of, DTC; or (b) be deposited with a Common Depositary for, and registered in the name of a nominee of, Euroclear and Clearstream, Luxembourg, as specified in the applicable Pricing Supplement. Persons holding ownership interests in Global Trust Certificates will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of Definitive Trust Certificates in fully registered form.

Exchange for Definitive Trust Certificates

Interests in a Global Trust Certificate will be exchangeable (free of charge), in whole but not in part, for Definitive Trust Certificates of a particular Series only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that: (i) in the case of Trust Certificates registered in the name of a nominee for DTC, either DTC has notified the Trustee that it is unwilling or unable to continue to act as depositary for the Trust Certificates or DTC has ceased to constitute a clearing agency registered under the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and, in any case, no successor or alternative clearing system is available; or (ii) in the case of Trust Certificates registered in the name of a nominee for a Common Depositary for Euroclear and Clearstream, Luxembourg, the Trustee has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor or alternative clearing system is available. The Trustee will promptly give notice to Certificateholders in accordance with Condition 17 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, any of the Trustee or DTC, Euroclear and/or Clearstream, Luxembourg or any person acting on their behalf (acting on the instructions of any holder of an interest in such Global Trust Certificates) may give notice to the relevant Registrar requesting exchange. Any such exchange shall occur not later than ten days after the date of receipt of the first relevant notice by the relevant Registrar. Definitive Trust Certificates issued in exchange for an ownership interest in a Restricted Global Trust Certificate shall bear the legends applicable to transfers pursuant to Rule 144A and Section 3(c)(7) of the Investment Company Act, as set out under "*Transfer Restrictions*".

Delivery

Upon the transfer, exchange, or replacement of a Definitive Trust Certificate bearing the legend referred to under "Transfer Restrictions" or upon specific request for removal of the legend on a Definitive Trust Certificate, the Trustee will deliver only Definitive Trust Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Trustee and the relevant Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Trustee, that neither the legend nor the restrictions on transfer set out therein are required to ensure compliance with the provisions of the Securities Act.

Transfer Restrictions

Interests in a Global Trust Certificate may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Global Trust Certificate. No owner of an interest in a Global Trust Certificate will be able to transfer such interest, except in accordance with the applicable procedures of DTC and/or Euroclear and/or Clearstream, Luxembourg, in each case to the extent applicable.

The Trust Certificates are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions**.** See "*Subscription and Sale and Transfer and Selling Restrictions*".

Amendment to Conditions

The Global Trust Certificates contain provisions that apply to the Trust Certificates that they represent, some of which modify the effect of the terms and conditions of the Trust Certificates set out in this Base Offering Circular. The following is a summary of certain of those provisions:

Payments

All payments in respect of Trust Certificates represented by a Global Trust Certificate will be made (against surrender of that Global Trust Certificate if no further payment falls to be made in respect of the Trust Certificates) to, or to the order of, the person whose name is entered on the Register at the close of business on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means a day on which each Clearing System with which the Global Trust Certificate is being held is open for business.

For the purposes of any payments made in respect of Trust Certificates represented by a Global Trust Certificate, the definition of Payment Business Day in Condition 1 shall be substituted in full as follows:

"**Payment Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business, in such jurisdictions as shall be specified as "**Financial Centres**" in the applicable Pricing Supplement and:

(i) (in the case of a payment in a currency other than Euro) where payment is to be made by transfer to an account maintained with a bank in the Specified Currency, on which foreign exchange transactions may be carried on in the Specified Currency in the principal financial centre of the country of such Specified Currency; or

(ii) (in the case of a payment in Euro) which is a T2 Settlement Day; and

(iii) in the case of any payment in respect of a Global Trust Certificate denominated in a Specified Currency other than U.S. dollars and registered in the name of The Depository Trust Company or its nominee and in respect of which an accountholder of The Depository Trust Company (with an interest in such Global Trust Certificate) has made no election to and will receive any part of such payment in U.S. dollars, a day on which commercial banks are not authorised or required by law or regulation to be closed in New York City and London.

A record of each payment made will be noted on the relevant Register which shall be *prima facie* evidence that such payment has been made in respect of the Trust Certificates.

Meetings

All holders of Trust Certificates are entitled to one vote in respect of each integral currency unit of the Specified Currency of the Trust Certificates comprising such Certificateholder's holding.

Cancellation

Cancellation of any Trust Certificate represented by a Global Trust Certificate that is surrendered for cancellation (other than upon its redemption in full) will be effected by reduction in the aggregate face amount of the relevant Series of Trust Certificates in the Register.

Notices

Notices required to be given in respect of the Trust Certificates represented by a Global Trust Certificate may be given by their being delivered (so long as such Global Trust Certificate is held on behalf of DTC and/or Euroclear and Clearstream, Luxembourg or any other clearing system (as applicable)) to DTC, Euroclear, Clearstream, Luxembourg or such other clearing system, as the case may be, or otherwise to the holder of such Global Trust Certificate, rather than by publication as required by the Conditions, **provided that** such notices must also be given or published in a manner which complies with the rules and regulations of any listing

authority, stock exchange, quotation system or other relevant authority on which the Trust Certificates are for the time being listed or admitted to trading or quotation. Any such notice shall be deemed to have been given to the holders of the Trust Certificates on the day on which the said notice was given to DTC and/or Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as applicable).

Further Issues

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche is issued which is intended to form a single Series with an existing Tranche at a point after the Issue Date of the further Tranche, the Trust Certificates of such further Tranche shall be assigned a common code and ISIN and, where applicable, a CUSIP number which are different from the common code, ISIN and CUSIP assigned to Trust Certificates of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series.

FORM OF PRICING SUPPLEMENT

Set out below is the form of Pricing Supplement*, which* will be *completed for each Tranche of Trust Certificates issued under the Programme.*

[**MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Trust Certificates has led to the conclusion that: (i) the target market for the Trust Certificates is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Trust Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Trust Certificates has led to the conclusion that: (i) the target market for the Trust Certificates is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook and professional clients, as defined in Regulation (EU) № 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") ("**UK MiFIR**"); and (ii) all channels for distribution of the Trust Certificates to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Trust Certificates (a "**UK distributor**") should take into consideration the manufacturer['s]/[s'] target market assessment; however, a UK distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Trust Certificates (by either adopting or refining the manufacturer['s]/[s'] target market assessment) and determining appropriate distribution channels.]

[**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "SFA"), and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "CMP Regulations 2018") –** In connection with Section 309B of the SFA and the CMP Regulations 2018, the Trustee has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Trust Certificates are [prescribed capital markets products] [capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and [are] [Excluded]/[Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

PRICING SUPPLEMENT

[*Date*]

EDO Sukuk Limited

Legal entity identifier (LEI): 5493000LZIE4T625R469

Issue of [Aggregate Face Amount of Tranche] [Title of Trust Certificates] under the Trust Certificate Issuance Programme

PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base offering circular dated [●] 2025 [and the supplement[s] to it dated [●] [and ●]] (the "**Base Offering Circular**"). Full information on the Trustee, EDO Gas and the Guarantor and the offer of the Trust Certificates is only available on the basis of a combination of this Pricing Supplement and the Base Offering Circular. The Base Offering Circular has been published via the regulatory news service maintained by the London Stock Exchange (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).]

The following alternative language applies if the first tranche of an issue which is being increased was issued under an Offering Circular with an earlier date.

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the base offering circular dated [*date of original base offering circular*] [and the supplement[s] to it dated [●] [and ●]] which are incorporated by reference into the base offering circular dated [●] 2025 [and the [amendment[s]] [and] [supplement[s]] to it dated [●] [and ●]] (the "**Base Offering Circular**"). Full information on the Trustee, EDO Gas and the Guarantor and the offer of the Trust Certificates is only available on the basis of a combination of this Pricing Supplement, the Base Offering Circular and the Conditions. The Base Offering Circular has been published via the regulatory news service maintained by the London Stock Exchange (www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).]

1.	(a)	Trustee and Lessor:	EDO Sukuk Limited
	(b)	Seller, Obligor, Lessee and Servicing Agent:	EDO Gas SPC ("**EDO Gas**")
	(c)	Guarantor	Energy Development Oman SAOC
2.	(a)	Series Number:	[●]
	(b)	Tranche Number:	[●]/[Not Applicable]
	(c)	Date on which the Trust Certificates become fungible:	[The Trust Certificates will be consolidated and form a single Series with [identify earlier Tranche(s)] on [insert date/the Issue Date]][Not Applicable]
3.	Specified Currency:		[●]
4.	Aggregate Face Amount:		
	(a)	Series	[●]
	(b)	Tranche	[●]

5.	Issue Price:		[●] per cent. of the Aggregate Face Amount
6.	(a)	Specified Denominations:	[●]
	(b)	Calculation Amount:	[●]
7.	(a)	Issue Date:	[●]
	(b)	Return Accumulation Commencement Date	[[●]/Issue Date]
8.	Scheduled Dissolution Date:		[●]
9.	Periodic Distribution Amount Basis:		Fixed Rate Trust Certificates (further particulars specified below in paragraph 14)
10.	Dissolution Basis:		The Trust Certificates will be redeemed at 100 per cent. of the Aggregate Face Amount
11.	Put/Call Rights:		[Not Applicable] [Optional Dissolution Call Right] [Certificateholder Put Right] [Clean Up Call Right] [Change of Control Put Right]
12.	Status		The Trust Certificates are direct, unsubordinated, unsecured and limited recourse obligations of the Trustee
13.	Date of Trustee's approval, date Guarantor's approval and date of EDO Gas' approval for issuance of Trust Certificates:		[[●] and [●], respectively]
Provisions relating to profit payable (if any)			
14.	Fixed Periodic Distribution Provisions:		
	(a)	Rate[(s)]:	[●] per cent. per annum payable [annually/semi-annually/quarterly/monthly/[●]] [in arrear on each Periodic Distribution Date]
	(b)	Return Accumulation Period:	[[●]/[Not Applicable]]
	(c)	Periodic Distribution Date(s):	[[●] in each year up to and including the Scheduled Dissolution Date]
	(d)	Fixed Amount(s) for Trust Certificates in definitive form (and in relation to Trust Certificates in global form, see Condition [7]):	[●] per Calculation Amount
	(e)	Broken Amount(s):	[[●] per Calculation Amount, payable on the Periodic Distribution Date falling [in/on] [●]/Not Applicable]
	(f)	Day Count Fraction:	[30/360 / Actual/Actual / Actual/Actual (ICMA) / Actual/365 (Fixed) / Actual/365 (Sterling) / Actual/360]
	(g)	Determination Date(s):	[[●] in each year/Not Applicable]

Provisions relating to dissolution

15.	Optional Dissolution Call Right:		[Applicable/Not Applicable]
	(a)	Optional Dissolution Date(s):	[●]
	(b)	Optional Dissolution Amount (Call):	[[●]/As per Condition 10.3]
	(c)	Notice periods:	[●]
	(d)	If redeemable in part:	[[Applicable]/[Not Applicable]]
	(i)	Minimum Redemption Amount:	[●] per Calculation Amount
	(ii)	Maximum Redemption Amount	[●] per Calculation Amount
16.	Clean Up Call Right:		[Applicable/Not Applicable]
	(a)	Clean Up Call Right Dissolution Date(s):	[●]
	(b)	Clean Up Call Right Dissolution Amount:	[[●]/As per Condition 10.4]
	(c)	Notice periods:	[[●]]
17.	Certificateholder Put Right:		[[Applicable]/[Not Applicable]]
	(a)	Optional Dissolution Amount (Put):	[[●]/As per Condition 10.6]]
	(b)	Certificateholder Put Right Date(s):	[●]
	(c)	Notice periods:	[●]
18.	Change of Control Put Right		[[Applicable]/[Not Applicable]]
19.	Dissolution Event Amount:		[●]
20.	Final Dissolution Amount:		[●]
21.	Total Loss Dissolution Amount:		[●]

General provisions applicable to the Trust Certificates

22.	Form of Trust Certificates:	Trust Certificates in registered form. [Unrestricted Global Trust Certificate(s) (US$[●] aggregate face amount) registered in the name of a nominee for [The Depository Trust Company/a common depositary for Euroclear Bank SA/NV and Clearstream Banking S.A.]] [Restricted Global Trust Certificate(s) (US$[●] aggregate face amount) registered in the name of a nominee for [The Depository Trust Company/a common depositary for Euroclear Bank SA/NV and Clearstream Banking S.A.]] [Reg S Compliance Category 2] [Rule 144A] [3(c)(7)/QP-only]
23.	Additional Business Centre(s):	[Not Applicable/[●]]

Provisions in respect of the Trust Assets

24.	Trust Assets:		Condition 5.1 applies
25.	On the Issue Date:		
	(a)	Ijara Percentage:	[●]
	(b)	Murabaha Percentage:	[●]
26.	(a)	Details of Transaction Account (to be held in London):	EDO Sukuk Limited Transaction Account No: [●] with [●] for Series No.: [●]
	(b)	Supplemental Declaration of Trust:	Supplemental Declaration of Trust dated [●] between the Trustee, the EDO Gas and the Delegate
	(c)	Supplemental Purchase Agreement:	Supplemental Purchase Agreement dated [●] between the Trustee, EDO Gas and the Delegate
	(d)	Supplemental Lease Agreement	Supplemental Lease Agreement dated [●] between the Trustee, the Lessor, the Lessee and the Delegate
	(e)	Declaration of Commingling of Assets:	[Declaration of Commingling of Assets dated [●] executed by the Trustee] [Not Applicable]
	(f)	[Purchase Order and Letter of Offer and Acceptance]:	[Purchase Order dated [●] from the Obligor (as "**Buyer**") to the Trustee (as "**Seller**") and Letter of Offer and Acceptance dated [●] from the Seller to the Buyer.]

Signed on behalf of EDO Sukuk Limited

By .....
Duly authorised

Signed on behalf of Energy Development Oman SAOC

By:.....
Duly authorised

Signed on behalf of EDO Gas SPC

By .....
Duly authorised

PART B – OTHER INFORMATION

1. **Listing and Admission to Trading**

(a)	Listing and Admission to trading:	[Application [has been][is expected to be] made by the Trustee (or on its behalf) for the Trust Certificates to be admitted to trading on the London Stock Exchange plc's International Securities Market with effect from [●].] [●] [Not Applicable.]
(b)	Estimate of total expenses related to admission to trading:	[●]

2. **Ratings**

Ratings:	The Trust Certificates to be issued [have been/are expected to be/will not be] rated. [[●]: [●]] [[●]: [●]] [[●]: [●]]

3. **Interests of Natural and Legal Persons involved in the Issue**

[Save for any fees payable to the [Managers/Dealer], so far as each of the Trustee, EDO Gas and the Guarantor is aware, no person involved in the issue of the Trust Certificates has an interest material to the offer. The [Managers/Dealer] and [its/their] affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, EDO Gas, the Guarantor and/or the Trustee (and each of their affiliates) in the ordinary course of business for which they may receive fees.]

4. **Yield**: [●] per cent. per annum. The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

5. **Estimated Net Proceeds:** [●]

6. **Operational Information**

(a)	ISIN:	[●]
(b)	Common Code:	[●]
(c)	CUSIP:	[●]
(d)	FISN:	[●]
(e)	CFI:	[●]
(f)	Any clearing system(s) other than The Depository Trust Corporation, Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s):	[Not Applicable/give name(s), address(es) and number(s)]

(g)	Delivery	Delivery [against/free of] payment
(h)	Names and addresses of additional Paying Agent(s) (if any):	[●]

7. **Distribution**

(a)	Stabilisation Manager(s):	[●]
(b)	US Selling Restrictions:	[●]

TERMS AND CONDITIONS OF THE TRUST CERTIFICATES

The following is the text of the Terms and Conditions of the Trust Certificates, which (subject to completion in accordance with the provisions of Part A of the applicable Pricing Supplement) will be endorsed on each Trust Certificate in definitive registered form issued under the Programme and will apply to each Global Trust Certificate.

EDO Sukuk Limited (in its capacity as issuer of the Trust Certificates (as defined below) and as trustee for the Certificateholders (as defined below), as applicable, the "**Trustee**"), has established a programme (the "**Programme**") for the issuance of trust certificates (the "**Trust Certificates**").

As used herein, "**Tranche**" means Trust Certificates which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Trust Certificates together with any further Tranche or Tranches of Trust Certificates which (a) are expressed to be consolidated and form a single series and (b) have the same terms and conditions or terms and conditions which are the same in all respects save for the amount and date of the first payment of Periodic Distribution Amounts (as defined herein) thereon and the date from which Periodic Distribution Amounts start to accrue.

The final terms for this Trust Certificate (or the relevant provisions thereof) are set out in Part A of the Pricing Supplement attached to or endorsed on this Trust Certificate which complete these Terms and Conditions (these "**Conditions**"). References to the "applicable Pricing Supplement" are to Part A of the Pricing Supplement (or the relevant provisions thereof) attached to or endorsed on this Trust Certificate (save where otherwise expressed herein).

Each of the Trust Certificates will represent an undivided ownership interest in the Trust Assets (as defined below) which are held by the Trustee on trust (the "**Trust**") for, *inter alia*, the benefit of the holders of the Trust Certificates pursuant to: (i) a Master Declaration of Trust (the "**Master Declaration of Trust**") dated 17 March 2025 and made between the Trustee, EDO Gas SPC ("**EDO Gas**") and Citibank N.A., London Branch (the "**Delegate**"); and (ii) a supplemental declaration of trust (the "**Supplemental Declaration of Trust**" and, together with the Master Declaration of Trust, the "**Declaration of Trust**") having the details set out in the applicable Pricing Supplement.

In these Conditions, references to "**Trust Certificates**" shall be references to the Trust Certificates of the Series which are the subject of the applicable Pricing Supplement only, not to all Trust Certificates that may be issued under the Programme (whether in global form as a Global Trust Certificate or in definitive form as Definitive Trust Certificates), which are the subject of the applicable Pricing Supplement.

Payments relating to the Trust Certificates will be made pursuant to an agency agreement dated 17 March 2025 (the "**Agency Agreement**") made between the Trustee, the Delegate, EDO Gas and Citibank N.A., London Branch in its capacity as principal paying agent (in such capacity, the "**Principal Paying Agent**", which expression shall include any successor), the other paying agents named therein (in such capacity, the "**Paying Agents**"), Citibank N.A., London Branch as registrar in respect of any Unrestricted Trust Certificates (the "**Regulation S Registrar**") and Citibank N.A., London Branch as registrar only in respect of any Restricted Trust Certificates (the "**Rule 144A Registrar**" and together, the "**Registrars**" and each in such capacity, a "**Registrar**"), Citibank N.A., London Branch as transfer agent in respect of any Unrestricted Trust Certificates and Citibank N.A., London Branch as transfer agent only in respect of any Restricted Trust Certificates (in such capacity, a "**Transfer Agent**" and any further or other transfer agents appointed from time to time in respect of the Trust Certificates, the "**Transfer Agents**"). The Principal Paying Agent, the Paying Agents, the Transfer Agents and the Registrars are together referred to in these Conditions as the "**Agents**" References to the Agents or any of them shall include their successors.

The holders of the Trust Certificates (the "**Certificateholders**") are bound by, and are deemed to have notice of, all of the provisions applicable to them in the documents set out below, copies of which are available for inspection by Certificateholders by emailing the Principal Paying Agent at emea.at.debt@citi.com:

(a) a master purchase agreement between the Trustee (in its capacity as purchaser) and EDO Gas (in its capacity as seller) dated 17 March 2025 (the "**Master Purchase Agreement**");

(b) the supplemental purchase agreement (the "**Supplemental Purchase Agreement**" and, together with the Master Purchase Agreement, the "**Purchase Agreement**") having the details set out in the applicable Pricing Supplement;

(c) a master lease agreement between the Trustee (in such capacity as lessor), EDO Gas (in its capacity as lessee) and the Delegate dated 17 March 2025 (the "**Master Lease Agreement**");

(d) the supplemental lease agreement (the "**Supplemental Lease Agreement**" and, together with the Master Lease Agreement, the "**Lease Agreement**") having the details set out in the applicable Pricing Supplement;

(e) a purchase undertaking executed by EDO Gas (in its capacity as obligor, the "**Obligor**") as a deed dated 17 March 2025 in favour of the Trustee and the Delegate (the "**Purchase Undertaking**"), containing the form of sale agreement (the "**Sale Agreement**") to be executed by EDO Gas (in its capacity as purchaser) and the Trustee (in its capacity as seller) on the Scheduled Dissolution Date, the Dissolution Event Redemption Date, the Certificateholder Put Right Date, the Tangibility Event Put Right Date or the Change of Control Put Right Date as the case may be (each such expression having the meaning given to it in the Purchase Undertaking);

(f) a sale and substitution undertaking executed by the Trustee as a deed dated 17 March 2025 in favour of EDO Gas (the "**Sale and Substitution Undertaking**") containing the form of sale agreement (the "**Sale Agreement**") to be executed by the Trustee (in its capacity as seller) and EDO Gas (in its capacity as purchaser) on the Optional Dissolution Date, the Tax Dissolution Date, the Clean Up Call Right Dissolution Date, the Cancellation Date or the Substitution Date, as the case may be (each such expression having the meaning given to it in the Sale and Substitution Undertaking) and, in particular, the Certificateholders shall be deemed to have consented to the provisions therein relating to the substitution of Lease Asset(s), and no further Certificateholder consent shall be required in connection with any such substitution pursuant to such provisions;

(g) a servicing agency agreement between the Trustee (in its capacity as lessor) and EDO Gas (in its capacity as servicing agent, the "**Servicing Agent**") dated 17 March 2025 (the "**Servicing Agency Agreement**"), and, in particular, the Certificateholders shall be deemed to have consented to the provisions therein relating to the replacement of Lease Asset(s) and no further Certificateholder consent shall be required in connection with any such replacement pursuant to such provisions;

(h) a master murabaha agreement between the Trustee (in such capacity as seller), EDO Gas (in such capacity as buyer) and the Delegate dated 17 March 2025 (the "**Master Murabaha Agreement**"), together with the purchase order, the letter of offer and acceptance and all other offers, acceptances and confirmations delivered pursuant thereto in connection with the relevant Series;

(i) a declaration of commingling of assets entered into by the Trustee as a deed pursuant to the Declaration of Trust;

(j) the Declaration of Trust;

(k) the Deed of Guarantee;

(l) the Agency Agreement; and

(m) the applicable Pricing Supplement,

(a) to (l) together being the "**Transaction Documents**".

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Transaction Documents.

Each initial Certificateholder, by its acquisition and holding of its interest in a Trust Certificate, shall be deemed to authorise and direct the Trustee to enter into each Transaction Document to which it is a party, subject to the terms and conditions of the Declaration of Trust and these Conditions, and to apply the sums paid by it in respect of its Trust Certificates in accordance with the terms of the Transaction Documents.

1 Interpretation

1.1 Definitions

Words and expressions defined in the Declaration of Trust and the Agency Agreement or used in the applicable Pricing Supplement shall have the same meanings where used in these Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between any such document and the applicable Pricing Supplement, the applicable Pricing Supplement will prevail. In addition, in these Conditions the following expressions have the following meanings:

"**Accrual Period**" has the meaning given to it in Condition 7.2 (*Determination of Periodic Distribution Amount*);

"**Business Day**" means a day which is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and each Additional Business Centre(s) (other than T2 (as defined below)) specified in the applicable Pricing Supplement;

(b) if T2 is specified as an Additional Business Centre in the applicable Pricing Supplement, a T2 Settlement Day; and

(c) either: (i) in relation to any sum payable in a Specified Currency other than Euros, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than London and any Additional Business Centre); or (ii) in relation to any sum payable in Euros, a T2 Settlement Day;

"**Cancellation Date**" means the date on which Trust Certificates are to be cancelled as specified in the Cancellation Notice;

"**Cancellation Notice**" means a notice substantially in the form set out in Schedule 2 to the Sale and Substitution Undertaking;

"**Cancelled Lease Asset(s)**" means the assets specified as such in the applicable Cancellation Notice;

"**Certificateholder Put Right**" means the right exercisable by the Trustee at the request of a Certificateholder pursuant to Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*);

"**Certificateholder Put Right Date**" means the date on which the relevant Trust Certificates are to be redeemed in accordance with Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*), as specified in the relevant Exercise Notice;

"**Certificateholder Put Right Exercise Price**" has the meaning given to it in the Purchase Undertaking;

a "**Change of Control**" shall occur at the moment the government of Oman, including, without limitation, any agency of the government of Oman or any entity controlled by it, ceases, or enters into a definitive agreement pursuant to which it will cease, to own, legally and beneficially, directly or indirectly, in aggregate, more than 50% of the issued share capital of the Guarantor or EDO Gas, as the case may be;

"**Change of Control Dissolution Amount**" has the meaning given to it in Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*);

"**Change of Control Notice**" has the meaning given to it in Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*);

"**Change of Control Put Notice**" has the meaning given to it in Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*);

"**Change of Control Put Period**" has the meaning given to it in Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*);

"**Change of Control Put Right**" means the right exercisable by the Trustee at the request of a Certificateholder pursuant to Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*);

"**Change of Control Put Right Date**" means the tenth Business Day after the expiry of the Change of Control Put Period;

"**Clean Up Call Right**" means the right exercisable by the Trustee at the request of EDO Gas pursuant to Condition 10.4 (*Dissolution at the Option of EDO Gas (Clean Up Call Right)*);

"**Clean Up Call Right Dissolution Amount**" has the meaning given to it in Condition 10.4 (*Dissolution at the Option of EDO Gas (Clean Up Call Right)*);

"**Clean Up Call Right Dissolution Date**" means the date on which the relevant Trust Certificates are to be redeemed in accordance with Condition 10.4 (*Dissolution at the Option of EDO Gas (Clean Up Call Right)*), as specified in the relevant Exercise Notice;

"**Clearing System Business Day**" has the meaning given to it in Condition 8 (*Payment*);

"**Clearstream, Luxembourg**" means Clearstream Banking S.A.;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**Company Event**" has the meaning given to it in Condition 14 (*Dissolution Events*);

"**Day Count Fraction**" has the meaning given to it in Condition 7.2 (*Determination of Periodic Distribution Amount*);

"**Deed of Guarantee**" has the meaning given to it in Condition 4.2 (*Guarantee*);

"**Deferred Sale Price**" has the meaning given to it in the Master Murabaha Agreement;

"**Deferred Sale Price Instalment**" has the meaning given to it in the Master Murabaha Agreement;

"**Definitive Trust Certificates**" means the Unrestricted Definitive Trust Certificates and the Restricted Definitive Trust Certificates;

"**Determination Date**" means the date specified in the applicable Pricing Supplement;

"**Determination Period**" has the meaning given to it in Condition 7.2 (*Determination of Periodic Distribution Amount*);

"**Disputes**" has the meaning given to it in Condition 23.2 (*Arbitration*);

"**Dissolution Amount(s)**" means, as appropriate, the Final Dissolution Amount, the Dissolution Event Amount, the Tax Dissolution Amount, the Optional Dissolution Amount (Call), the Clean Up Call Right Dissolution Amount, the Change of Control Dissolution Amount, the Total Loss Dissolution Amount, the Tangibility Event Dissolution Amount or the Optional Dissolution Amount (Put), which shall, unless otherwise specified in the applicable Pricing Supplement, in each case, be equal to the sum of:

(a) the outstanding face amount of the relevant Trust Certificates; and

(b) any due and unpaid Periodic Distribution Amounts of such Trust Certificates; or

(c) such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the applicable Pricing Supplement (including any amount payable following a Total Loss Event);

"**Dissolution Date**" means, as the case may be, (a) the Scheduled Dissolution Date; (b) the Dissolution Event Redemption Date; (c) the Optional Dissolution Date; (d) the Clean Up Call Right Dissolution Date; (e) the Total Loss Dissolution Date; (f) the Certificateholder Put Right Date; (g) the Change of Control Put Right Date; (h) the Tangibility Event Put Right Date and (i) the Tax Dissolution Date;

"**Dissolution Event**" has the meaning given to it in Condition 14 (*Dissolution Events*);

"**Dissolution Event Amount**" has the meaning given to it in Condition 10.9 (*Dissolution following a Dissolution Event*);

"**Dissolution Event Redemption Date**" has the meaning given to it in Condition 14 (*Dissolution Events*);

"**Dissolution Notice**" has the meaning given to it in Condition 14 (*Dissolution Events*);

"**Dissolution Request**" has the meaning given to it in Condition 14 (*Dissolution Events*);

"**DTC**" means The Depository Trust Company;

"**Eligible Person**" has the meaning given to it in the Master Declaration of Trust;

"**Euros**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

"**Euroclear**" means Euroclear Bank SA/NV;

"**Exercise Notice**" means a notice substantially in the form set out in Schedule 1 to the Sale and Substitution Undertaking or the Purchase Undertaking, as applicable;

"**Exercise Price**" has the meaning given to it in the Sale and Substitution Undertaking or the Purchase Undertaking, as applicable;

"**Extraordinary Resolution**" has the meaning given to it in the Master Declaration of Trust;

"**Final Dissolution Amount**" has the meaning given to it in Condition 10.1 (*Scheduled Dissolution*);

"**Full Reinstatement Value**" has the meaning given to it in the Servicing Agency Agreement;

"**Global Trust Certificates**" means the Unrestricted Global Trust Certificates and the Restricted Global Trust Certificates;

"**Guarantee**" has the meaning given to it in Condition 4.2 (*Guarantee*);

"**Ijara Percentage**" means the percentage specified as such in the applicable Pricing Supplement;

"**Impaired Lease Assets**" has the meaning given to it in the Master Lease Agreement.

"**Insurances**" has the meaning given to it in the Servicing Agency Agreement;

"**Investment Company Act**" means the U.S. Investment Company Act of 1940;

"**LCIA**" means the London Court of International Arbitration;

"**Lease**" has the meaning given to it in the Lease Agreement;

"**Lease Asset(s)**" has the meaning given to it in the Lease Agreement;

"**Lessee**" has the meaning given to it in the Lease Agreement;

"**Lessor**" has the meaning given to it in the Lease Agreement;

"**Liability**" means any actual loss (excluding opportunity cost), actual damage, actual cost (excluding cost of funding), fee, charge, claim, demand, expense, judgment, action, proceeding or other liability whatsoever (including, without limitation, in respect of taxes, duties, levies, imposts and other charges) and including any value added tax or similar tax charged or chargeable in respect thereof and legal or other fees and expenses on a full indemnity basis;

"**Loss Shortfall Amount**" has the meaning given to it in the Servicing Agency Agreement;

"**Material Subsidiary**" means at any time, any Subsidiary:

(a) whose total assets exceed 10% of the consolidated total assets of the Guarantor or EDO Gas, as applicable; or

(b) whose total revenue exceeds 10% of the consolidated total revenue of the Guarantor or EDO Gas, as applicable.

For these purposes:

(A) all calculations shall be determined in accordance with the generally accepted accounting principles used in the preparation of:

  (i) the then latest annual audited consolidated financial statements of the relevant Subsidiary (in the case of a Subsidiary preparing consolidated financial statements) or the then latest annual audited financial statements of the relevant Subsidiary (in the case of a Subsidiary preparing non-consolidated financial statements); and

  (ii) the then latest annual audited consolidated financial statements of the Guarantor or EDO Gas, as applicable;

(B) upon a Material Subsidiary transferring all or substantially all of its assets or business to another Subsidiary, the transferor shall cease to be a Material Subsidiary on the effective date of such transfer and thereupon the transferee shall be deemed to be a Material Subsidiary until the date

of its next annual audited consolidated financial statements or, as the case may be, annual audited financial statements are prepared after which whether it is or is not a Material Subsidiary shall be determined in accordance with paragraphs (a) and (b) above; and

(C) subject to paragraph (A) above, if as a result of any transfer, reconstruction, amalgamation, reorganisation, merger or consolidation of a company which, immediately before such transfer, reconstruction, amalgamation, reorganisation, merger or consolidation, satisfied either of the tests set forth in paragraphs (a) and (b) above, but immediately after such transfer, reconstruction, amalgamation, reorganisation, merger or consolidation does not satisfy either such test, such company shall immediately cease to be a Material Subsidiary;

"**Murabaha Percentage**" means the percentage specified as such in the applicable Pricing Supplement;

"**Non-recourse Project Financing**" means any financing of all or part of the costs of the acquisition, construction, development, improvement, repair or expansion of any project asset (including costs such as escalation, interest during construction and financing and refinancing costs), provided that:

(a) any Security Interest given by the Guarantor, EDO Gas or any Subsidiary of the Guarantor or EDO Gas, as the case may be, in connection therewith is limited solely to (1) such project asset; (2) if applicable, any shares in the relevant Finance SPV (as defined below); and (3) if applicable, an assignment of any loans made by the Guarantor, EDO Gas or any such Subsidiary to the relevant Finance SPV;

(b) the person providing such financing expressly agrees to limit its recourse to the project asset financed and the revenues derived from such project asset (including any Security Interest as described in paragraph (i) of this definition) and, if applicable, the Finance SPV, as the principal source of repayment for the moneys advanced; and

(c) there is no other recourse to the Guarantor, EDO Gas or the relevant Subsidiary (unless the relevant Subsidiary is itself a Finance SPV), as the case may be, in respect of any default by any person under the financing (other than in relation to any claim for damages for breach of an obligation, representation or warranty (provided such obligation, representation or warranty does not relate to an obligation to pay or procure a payment of any amount));

For the purposes of this definition, "**Finance SPV**" means a special purpose entity established specifically for the purpose of the acquisition, construction, development, improvement, repair or expansion of any project asset;

"**Oman**" means the Sultanate of Oman;

"**Optional Dissolution Amount (Call)**" has the meaning given to it in Condition 10.3 (*Dissolution at the Option of EDO Gas (Optional Dissolution Call Right)*);

"**Optional Dissolution Amount (Put)**" has the meaning given to it in Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*);

"**Optional Dissolution Call Right**" means the right exercisable by the Trustee at the request of EDO Gas pursuant to Condition 10.3 (*Dissolution at the Option of EDO Gas (Optional Dissolution Call Right)*);

"**Optional Dissolution Date**" means the date on which Trust Certificates are to be redeemed in accordance with Condition 10.3 (*Dissolution at the Option of EDO Gas (Optional Dissolution Call Right)*), as specified in the relevant Exercise Notice;

"**Optional Dissolution Exercise Price**" has the meaning given to it in the Sale and Substitution Undertaking;

"**Partial Loss Dissolution Event**" means, in relation to any Series, the termination of the Lease on the 61st day after the Partial Loss Event Date as a result of either: (a) the delivery by EDO Gas of a Partial Loss Termination Notice to the Trustee and the Delegate within 30 days after the Partial Loss Event Date in accordance with the terms of the Lease Agreement; or (b) the failure by EDO Gas to replace the Lease Asset(s) within 60 days after the Partial Loss Event Date in accordance with the terms of the Servicing Agency Agreement;

"**Partial Loss Event**" means the partial impairment of one or more Lease Asset(s) in a manner that substantially deprives the Lessee from the benefits expected from the whole of the Lease Asset(s), as determined by the Lessee and the occurrence of which (a) has been certified in writing by a recognised independent industry expert; (b) has not arisen as a result of the Lessee's negligence or misconduct; and (c) does not constitute a Total Loss Event.

"**Partial Loss Event Date**" has the meaning given to it in the Lease Agreement;

"**Partial Loss Termination Notice**" has the meaning given to it in the Lease Agreement;

"**Payment Business Day**" means:

(a) a day on which banks in the relevant place of surrender (as required) of the Definitive Trust Certificates are open for payment of registered securities and for dealings in foreign currencies; and

(b) in the case of payment by transfer to an account:

  (i) if the currency of payment is Euros, a T2 Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Business Centre; or

  (ii) if the currency of payment is not Euro, any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Business Centre;

"**Periodic Distribution Amount**" means, in relation to a Trust Certificate and a Return Accumulation Period, the amount of profit payable in respect of that Trust Certificate for that Return Accumulation Period which amount may be a Fixed Amount, a Broken Amount or an amount otherwise calculated in accordance with Condition 7 (*Fixed Periodic Distribution Provisions*) (as the case may be);

"**Periodic Distribution Date**" means the first Periodic Distribution Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the applicable Pricing Supplement;

"**Permitted Security Interest**" means:

(a) any Security Interest existing on the date on which agreement is reached to issue the first Tranche of the Trust Certificates;

(b) any Security Interest securing Relevant Indebtedness of a person existing at the time that such person is merged into, consolidated with, or acquired by, the Guarantor, EDO Gas or any Subsidiary of the Guarantor or EDO Gas, as applicable, provided that such Security Interest was not created in contemplation of such merger or consolidation and does not extend to any other assets or property of the Guarantor, EDO Gas or such Subsidiary, as applicable;

(c) any Security Interest existing on any property or assets prior to the acquisition thereof by the Guarantor, EDO Gas or any Subsidiary of the Guarantor or EDO Gas, as applicable, and not created in contemplation of such acquisition; or

(d) any renewal of or substitution for any Security Interest permitted by any of paragraphs (a) to (c) (inclusive) of this definition, provided that with respect to any such Security Interest the nominal amount secured has not increased and the Security Interest has not been extended to any additional assets (other than the proceeds of such assets);

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, unincorporated organisation, trust or any other juridical entity, including, without limitation, state or agency of a state or other entity, whether or not having separate legal personality;

"**Potential Dissolution Event**" means any condition, event or act which, with the giving of notice, lapse of time, determination of materiality or fulfilment of any other applicable condition (or any combination of the foregoing), would constitute a Dissolution Event;

"**Profit Amount**" has the meaning given to it in the Master Murabaha Agreement;

"**QIBs**" means qualified institutional buyers as defined in Rule 144A;

"**QP**" means qualified purchaser within the meaning of Section 2(a)(51)(A) of the Investment Company Act, and the rules and regulations thereunder;

"**Rate**" means the rate or rates specified in the applicable Pricing Supplement;

"**Record Date**" means: (i) in respect of a Global Trust Certificate, at the close of the business day (being for this purpose a day on which DTC, Euroclear and Clearstream, Luxembourg are open for business) before the relevant Periodic Distribution Date or the relevant Dissolution Date, as the case may be; and (ii) in respect of Definitive Trust Certificates, the date falling on the seventh day before the relevant Periodic Distribution Date or the Dissolution Date, as the case may be;

"**Register**" has the meaning given to it in Condition 2.1 (*Form and Denomination*);

"**Regulation S**" means Regulation S under the Securities Act;

"**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to Certificateholders in accordance with Condition 17 (*Notices*);

"**Relevant Jurisdiction**" means:

(a) in the case of payment by the Trustee, the Cayman Islands or any political subdivision or any authority thereof or therein having power to tax;

(b) in the case of payments by EDO Gas or the Guarantor, Oman or any political subdivision or any authority thereof or therein having power to tax; or

(c) in any case, any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax in which the Trustee, EDO Gas or the Guarantor becomes organised or resident for tax purposes or through which payments are made on the Trust Certificates or under the Guarantee;

"**Relevant Indebtedness**" means any indebtedness, other than indebtedness incurred in connection with a Non-recourse Project Financing or a Securitisation, which is in the form of, or represented or evidenced by, bonds, notes, debentures, trust certificates, loan stock or other securities which for the time being are, or are intended to be or are capable of being, quoted, listed, dealt in or traded on any stock exchange, over-the-counter or other securities market;

"**Rentals**" has the meaning given to it in the relevant Supplemental Lease Agreement;

"**Replacement Loss Shortfall Amount**" has the meaning given to it in the Servicing Agency Agreement;

"**Required Amount**" has the meaning given to it in the Servicing Agency Agreement;

"**Restricted Definitive Trust Certificate**" means a Restricted Trust Certificate in definitive form;

"**Restricted Global Trust Certificates**" means Restricted Trust Certificates held in global form;

"**Restricted Trust Certificates**" means the Trust Certificates of each Series offered and sold within the United States to QIBs which are also QPs in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act, in registered form;

"**Return Accumulation Commencement Date**" means the Issue Date or such other date as specified in the applicable Pricing Supplement;

"**Return Accumulation Period**" means the period from (and including) a Periodic Distribution Date (or the Return Accumulation Commencement Date) to (but excluding) the next (or first) Periodic Distribution Date;

"**Rule 144A**" means Rule 144A under the Securities Act;

"**Scheduled Dissolution Date**" means the date on which Trust Certificates are to be redeemed in accordance with Condition 10.1 (*Scheduled Dissolution*) as specified in the applicable Pricing Supplement;

"**Securitisation**" means any securitisation of existing or future assets and/or revenues, provided that (i) any Security Interest given by the Guarantor, EDO Gas or any of their respective Subsidiaries, as the case may be, in connection therewith is limited solely to the assets and/or revenues which are the subject of the securitisation; (ii) each person participating in such securitisation expressly agrees to limit its recourse to the assets and/or revenues so securitised as the principal source of repayment for the money advanced or payment of any other liability; and (iii) there is no other recourse to the Guarantor, EDO Gas or such Subsidiary, as the case may be, in respect of any default by any person under the securitisation;

"**Securities Act**" means the United States Securities Act of 1933;

"**Security Interest**" means any mortgage, charge, lien, pledge or other security interest;

"**Service Charge Amounts**" has the meaning given to it in the Servicing Agency Agreement;

"***Shari'a* Adviser**" has the meaning given to it in the Servicing Agency Agreement;

"**Specified Currency**" means the currency specified as such in the applicable Pricing Supplement or, if none is specified, the currency in which the Trust Certificates are denominated;

"**Subsidiary**" means any entity other than Petroleum Development Oman LLC:

(a) which is directly or indirectly controlled by the Guarantor or EDO Gas, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of such entity or otherwise;

(b) more than 50% of whose issued equity share capital (or equivalent) is then beneficially owned by the Guarantor or EDO Gas; or

(c) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the Guarantor or EDO Gas.

"**Substitution Date**" has the meaning given to it in the Sale and Substitution Undertaking;

"**T2**" means the real time gross settlement system operated by the Eurosystem, or any successor system;

"**T2 Settlement Day**" means any day on which T2 is open for the settlement of payments in Euro;

"**Tangible Asset Ratio**" means, in respect of each Series, the ratio of the value of the Lease Asset(s) (as determined by reference to the relevant internal valuation by EDO Gas of the Lease Asset(s) on the date on which the Lease Asset(s) were acquired by the Trustee as set out in the relevant Supplemental Purchase Agreement and/or Sale Agreement (the "**Lease Asset(s) Value**")) to the aggregate of the Lease Asset(s) Value and, if applicable for such Series, the outstanding Deferred Sale Price applicable to such Series at the relevant time;

a "**Tangibility Event**" shall occur if, at any time, the Tangible Asset Ratio, other than as a result of the occurrence of a Total Loss Event or a Partial Loss Event, falls to less than 33 per cent.;

"**Tangibility Event Dissolution Amount**" has the meaning given to it in Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*);

"**Tangibility Event Notice**" has the meaning given to it in Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*);

"**Tangibility Event Put Notice**" has the meaning given to it in Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*);

"**Tangibility Event Put Period**" shall be the period of 30 days commencing on the date that is the 60th day after a Tangibility Event Notice is given;

"**Tangibility Event Put Right**" means the right exercisable by the Trustee at the request of a Certificateholder pursuant to Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*;

"**Tangibility Event Put Right Date**" shall be a date falling not less than 75 days following the expiry of the Tangibility Event Put Period; and

"**Tangibility Event Trustee Notice**" has the meaning given to it in the Servicing Agency Agreement.

"**Tax Law**" means the combination of Royal Decree 28/2009, Royal Decree 09/2017, Royal Decree 118/2020, Ministerial Decision №30/2012 and Ministerial Decision №14/2019;

"**Tax Dissolution Amount**" has the meaning given to it in Condition 10.2 (*Early Dissolution for Tax Reasons*);

"**Tax Dissolution Date**" has the meaning given to it in Condition 10.2 (*Early Dissolution for Tax Reasons*);

"**Tax Event**" has the meaning given to it in Condition 10.2 (*Early Dissolution for Tax Reasons*);

"**Total Loss Dissolution Amount**" has the meaning given to it in Condition 10.5 (*Dissolution following a Total Loss Event*);

"**Total Loss Dissolution Date**" has the meaning given to it in Condition 10.5 (*Dissolution following a Total Loss Event*);

"**Total Loss Event**" has the meaning given to it in Condition 10.5 (*Dissolution following a Total Loss Event*);

"**Transaction Account**" means the non-interest bearing account in the Trustee's name maintained with the Principal Paying Agent, details of which are specified in the applicable Pricing Supplement and which shall be held in the United Kingdom;

"**Trust Assets**" means the assets, rights and/or cash described in Condition 5.1 (*Trust Assets*);

"**Unrestricted Definitive Trust Certificate**" means an Unrestricted Trust Certificate in definitive form;

"**Unrestricted Global Trust Certificates**" means the Unrestricted Trust Certificates held in global form;

"**Unrestricted Trust Certificates**" means the Trust Certificates of each Series offered and sold in reliance on Regulation S, which will be sold outside the United States to Persons who are not U.S. persons (as defined in Regulation S) or acquiring for the account or benefit of U.S. persons outside the United States, in registered form; and

"**Value**" has the meaning given to it in the Servicing Agency Agreement.

1.2 Interpretation

In these Conditions:

(a) any reference to face amount shall be deemed to include any Dissolution Amount and any other amount in the nature of face amounts payable pursuant to these Conditions;

(b) any reference to Periodic Distribution Amounts shall be deemed to include any additional amounts in respect of profit distributions which may be payable under Conditions 10 (*Capital Distributions of Trust*) and 12 (*Taxation*) and any other amount in the nature of a profit distribution payable pursuant to these Conditions;

(c) references to Trust Certificates being "outstanding" shall be construed in accordance with the Master Declaration of Trust; and

(d) any reference to a Transaction Document shall be construed as a reference to that Transaction Document as amended and/or supplemented up to and including the Issue Date.

2 Form, Denomination and Title

2.1 Form and Denomination

The Trust Certificates are issued in registered form in the Specified Denominations (as defined in respect of each Series in the applicable Pricing Supplement). A certificate will be issued to each Certificateholder in respect of its registered holding of Trust Certificates. Each certificate will be numbered serially with an identifying number which will be recorded on the relevant certificate and in the relevant register of Certificateholders (each such register, a "**Register**") which the Trustee will cause to be kept by the Registrar outside the United Kingdom.

In these Conditions, "**Certificateholder**" or "**holder**" means the person in whose name a Trust Certificate is registered.

Upon issue, unless otherwise specified in the applicable Pricing Supplement, the Trust Certificates will be represented by one or more Global Trust Certificates deposited with a custodian for DTC, or in the case of Trust Certificates issued outside the United States in reliance on Regulation S, the Trust Certificates may be represented by a Global Trust Certificate deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Trust Certificates sold to QIBs which are also QPs in the United States in reliance on Rule 144A under the Securities Act will be represented by a Restricted Global Trust Certificate. Trust Certificates sold to investors outside the United States in reliance on Regulation S under the Securities Act will be represented by an Unrestricted Global Trust Certificate. The Conditions are modified by certain provisions contained in the Global Trust Certificates. Except in certain limited circumstances, owners of interests in the Global Trust Certificates will not be entitled to receive Definitive Trust Certificates representing their holdings of Trust Certificates.

2.2 Title

The Trustee will cause the relevant Registrar to maintain the relevant Register in respect of the Trust Certificates in accordance with the provisions of the Agency Agreement. Title to the Trust Certificates passes only by registration in the relevant Register. The registered holder of any Trust Certificate will (except as otherwise required by law) be deemed and treated as the absolute owner of the Trust Certificates represented by the relevant certificate for all purposes (whether or not any payment thereon is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the certificate) and no person will be liable for so treating the holder of any Trust Certificate. The registered holder of a Trust Certificate will be recognised by the Trustee as entitled to such Trust Certificate free from any equity, set-off or counterclaim on the part of the Trustee against the original or any intermediate holder of such Trust Certificate.

3 Transfers of Trust Certificates

3.1 Transfers of Trust Certificates

(a) **Transfer**

Subject to this Condition 3.1 *(Transfers of Trust Certificates)* and Conditions 3.2 (*Closed Periods*) and 3.3 (*Formalities Free of Charge*), a Definitive Trust Certificate may be transferred in whole or in an amount equal to the Specified Denomination or any integral multiple thereof by depositing the Definitive Trust Certificate, with the form of transfer on the back duly completed and signed, at the specified office of the relevant Registrar.

(b) **Delivery of New Definitive Trust Certificates**

Each new Definitive Trust Certificate to be issued upon transfer of Definitive Trust Certificates will, within five business days of receipt by the relevant Registrar of the duly completed form of transfer endorsed on the relevant Definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder entitled to the Definitive Trust Certificate to the address specified in the form of transfer. For the purposes of this Condition 3.1(b), "**business day**" shall mean a day on which banks are open for business in the city in which the specified office of the relevant Registrar is located.

Where some but not all of the Trust Certificates in respect of which a Definitive Trust Certificate is issued are to be transferred, a new Definitive Trust Certificate in respect of the Trust Certificates not so transferred will, within five business days of receipt by the relevant Registrar of the original

Definitive Trust Certificate, be mailed by uninsured mail at the risk of the holder of the Trust Certificates not so transferred to the address of such holder appearing on the relevant Register or as specified in the form of transfer.

(c) **Regulations**

All transfers of Definitive Trust Certificates and entries on the relevant Register will be made subject to the detailed regulations concerning the transfer of Trust Certificates scheduled to the Master Declaration of Trust. A copy of the current regulations will be mailed (free of charge) by the relevant Registrar to any Certificateholder who requests one. Notwithstanding the above, the Trustee may from time to time agree with the relevant Registrar reasonable regulations to govern the transfer and registration of Definitive Trust Certificates.

(d) **Compulsory Sale**

If at any time a beneficial owner of an interest in a Restricted Global Trust Certificate is a U.S. person within the meaning of Regulation S that is not a QIB and a QP, the Trustee may: (a) compel such beneficial owner to sell its interest in such Restricted Global Trust Certificate to a person who is: (i) a U.S. person who is a QIB and a QP that is otherwise qualified to purchase the Trust Certificates represented hereby in a transaction exempt from registration under the Securities Act; or (ii) not a U.S. person within the meaning of Regulation S; or (b) compel the beneficial owner to sell its interest in the Restricted Global Trust Certificates to the Trustee or an affiliate of the Trustee or transfer its interest in such Restricted Global Trust Certificates to a Person designated by or acceptable to the Trustee at a price equal to the lesser of (x) the purchase price paid by the beneficial owner, (y) 100 per cent. of the face amount of the beneficial owner's interest in the Restricted Global Trust Certificate and (z) the fair market value of such interest in the Restricted Global Trust Certificate. The Trustee has the right to refuse to honour a transfer of an interest in the Restricted Global Trust Certificates to a U.S. person who is not a QIB and a QP.

Transfer of interests in the Trust Certificates represented by a Global Trust Certificate will be effected in accordance with the rules of the relevant clearing system through which the interest is held.

3.2 Closed Periods

No Certificateholder may require the transfer of a Definitive Trust Certificate to be registered during the period of 15 days ending on a Periodic Distribution Date or a Dissolution Date or any other date on which any payment of the face amount or payment of any profit in respect of a Trust Certificate falls due.

3.3 Formalities Free of Charge

Transfers of Trust Certificates on registration or exercise of an early dissolution right will be effected without charge by or on behalf of the Trustee, the Registrars or the Transfer Agents, but upon payment (or the giving of such indemnity as the Trustee, the Registrars and/or the Transfer Agents may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

3.4 Regulations

All transfers of Definitive Trust Certificates and entries on the relevant Register will be made subject to the detailed regulations concerning the transfer of Trust Certificates scheduled to the Master Declaration of Trust. A copy of the current regulations will be mailed (free of charge) by the relevant Registrar to any Certificateholder who requests one. Notwithstanding the above, the Trustee may from time to time

agree with the relevant Registrar reasonable regulations to govern the transfer and registration of Definitive Trust Certificates.

4 Status, Guarantee, Negative Pledge and Limited Recourse

4.1 Status

Each Trust Certificate evidences an undivided ownership interest in the Trust Assets subject to the terms of the Declaration of Trust and these Conditions, and is a direct, unsubordinated, unsecured and limited recourse obligation of the Trustee. Each Trust Certificate ranks *pari passu*, without any preference or priority, with the other Trust Certificates.

The payment obligations of EDO Gas (in any capacity) to the Trustee under the Transaction Documents to which it is a party in respect of each Series of Trust Certificates are and will be direct, unconditional, unsubordinated and (subject to Condition 4.3 (*Negative Pledge*)) unsecured obligations of EDO Gas and shall (save for such exceptions as may be provided by applicable legislation and subject to Condition 4.3 (*Negative Pledge*)) at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of EDO Gas from time to time outstanding.

4.2 Guarantee

The Guarantor has, pursuant to a deed of guarantee dated 17 March 2025 between the Guarantor, the Trustee and the Delegate (the "**Deed of Guarantee**"), unconditionally and irrevocably guaranteed the due and punctual performance by the Obligor of all its payment obligations under the Transaction Documents to which the Obligor is a party (the "**Guarantee**") in favour of the Trustee and the Delegate. The obligations of the Guarantor under the Guarantee constitute direct, unconditional, unsubordinated and (subject to Condition 4.3 (*Negative Pledge*)) unsecured obligations of the Guarantor and shall (save for such exceptions as may be provided by applicable legislation and subject to Condition 4.3 (*Negative Pledge*)) at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor from time to time outstanding.

4.3 Negative Pledge

For so long as any Trust Certificate remains outstanding (as defined in the Agency Agreement), the Guarantor and EDO Gas will not, and will ensure that none of their respective Material Subsidiaries will, create, or have outstanding, any Security Interest, other than a Permitted Security Interest, upon the whole or any part of its or their respective present or future undertaking, assets or revenues to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto securing the Trust Certificates equally and rateably therewith or according to the Trust Certificates such other security as shall be approved by an Extraordinary Resolution (as defined in the Master Declaration of Trust) of the Certificateholders.

4.4 Limited Recourse and Agreement of Certificateholders

The proceeds of realisation of, or enforcement with respect to, the Trust Assets are the sole source of payments on the Trust Certificates. Such proceeds may not be sufficient to make all payments due in respect of the Trust Certificates. Certificateholders, by subscribing for or acquiring the Trust Certificates, acknowledge and agree that notwithstanding anything to the contrary contained in these Conditions or any Transaction Document:

(a) no payment of any amount whatsoever shall be made by any of the Trustee, the Delegate (acting in the name and on behalf of the Trustee) or any of their respective agents on their behalf except to the extent funds are available therefor from the Trust Assets;

(b) no recourse shall be had for the payment of any amount owing hereunder or under any relevant Transaction Document, whether for the payment of any fee, indemnity or other amount hereunder or any other obligation or claim arising out of or based upon the Transaction Documents, against the Trustee (and/or its directors, officers or administrators), the Delegate, any Agent or any of their respective agents or affiliates to the extent the Trust Assets have been exhausted following which all obligations of the Trustee, the Delegate, any Agents and their respective agents or affiliates shall be extinguished;

(c) if the proceeds of the Trust Assets are insufficient to make all payments due in respect of the Trust Certificates, Certificateholders will have no recourse to any assets of the Trustee (and/or its directors, officers, shareholders or corporate services providers in their capacity as such) (other than the Trust Assets in the manner and to the extent contemplated by the Transaction Documents), the Delegate or any of their respective directors, officers, employees, agents, shareholders or affiliates, in each case in respect of any shortfall or otherwise;

(d) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents to which it is a party have been paid in full, it will not institute against, or join with any other person in instituting against, the Trustee any bankruptcy, reorganisation, arrangement or liquidation proceedings or other proceedings under any bankruptcy or similar law;

(e) no recourse under any obligation, covenant or agreement contained in any Transaction Document shall be had against any officer, agent or director of the Trustee, by the enforcement of any assessment or by any proceeding, by virtue of any statute or otherwise. The obligations of the Trustee under the Transaction Documents to which it is a party are corporate or limited liability obligations of the Trustee and no personal liability shall attach to or be incurred by the officers, agents or directors of the Trustee save in the case of their wilful default or actual fraud. Reference in these Conditions to wilful default or actual fraud means a finding to such effect by a court of competent jurisdiction in relation to the conduct of the relevant party; and

(f) it shall not be entitled to claim or exercise any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Trust Certificate. No collateral is or will be given for the payment obligations by the Trustee under the Trust Certificates.

Pursuant to the terms of the Transaction Documents, EDO Gas is obliged to make certain payments directly to or to the order of the Trustee. Such payment obligations form part of the Trust Assets and the Trustee and the Delegate (failing which the Certificateholders pursuant to Condition 15.3 (*Direct enforcement by Certificateholders*)) will thereby have direct recourse against EDO Gas to recover payments due to the Trustee from EDO Gas pursuant to such Transaction Documents notwithstanding any other provision of this Condition 4.3 (*Limited Recourse and Agreement of Certificateholders*).

5 The Trust

5.1 Trust Assets

Pursuant to the Declaration of Trust, the Trustee holds the Trust Assets for each Series on trust absolutely for and on behalf of the Certificateholders of such Series *pro rata* according to the face amount of the Trust Certificates held by each holder. The Trust Assets will comprise:

(a) the cash proceeds of the Trust Certificates, pending application thereof in accordance with the terms of the Transaction Documents;

(b) any and all of the rights, title, interest, benefits and entitlements, present and future, of the Trustee in, to and under the Lease Asset(s);

(c) any and all of the rights, title, interest, benefits and entitlements, present and future, of the Trustee in, to and under the Transaction Documents (excluding: (i) any representations given by EDO Gas or the Guarantor to the Trustee and the Delegate pursuant to the Transaction Documents; and (ii) the covenant given to the Trustee pursuant to clause 13.1 of the Master Declaration of Trust);

(d) all monies standing to the credit of the Transaction Account from time to time; and

(e) all proceeds of the foregoing.

5.2 Application of Proceeds from the Trust Assets

On each Periodic Distribution Date, or on any Dissolution Date, the Principal Paying Agent, notwithstanding any instructions to the contrary from the Trustee, will apply the monies standing to the credit of the Transaction Account in the following order of priority (in each case only if and to the extent that payments of a higher priority have been made in full):

(a) *first*, (to the extent not previously paid) to the Delegate in respect of all amounts owing to it under the Transaction Documents in its capacity as Delegate;

(b) *secondly*, only if such payment is made on a Periodic Distribution Date, in or towards payment *pari passu* and rateably of all Periodic Distribution Amounts due and unpaid;

(c) *thirdly*, only if such payment is made on a Dissolution Date, in or towards payment *pari passu* and rateably of the Dissolution Amount*;*

(d) *fourthly*, only if such payment is made on a Dissolution Date on which all the Trust Certificates of the relevant Series are redeemed in full, to the Servicing Agent in or towards payment of all outstanding Service Charge Amounts (if any); and

(e) *fifthly*, only if such payment is made on any Dissolution Date on which all the Trust Certificates of the relevant Series are redeemed in full and provided that all amounts required to be paid in respect of such Trust Certificates have been discharged in full, in payment of any residual amount to EDO Gas in its capacity as Servicing Agent as an incentive.

6 Covenants

6.1 Subject to Condition 6.2 below, the Trustee covenants that, for so long as any Trust Certificate is outstanding, it will not (without the prior written consent of the Delegate):

(a) incur any indebtedness in respect of financed, borrowed or raised money whatsoever (whether structured (or intended to be structured) in accordance with the principles of *Shari'a* or otherwise), or give any guarantee or indemnity in respect of any obligation of any person or issue any shares (or rights, warrants or options in respect of shares or securities convertible into or exchangeable for shares) or any other certificates except, in all cases, as contemplated in the Transaction Documents;

(b) grant or permit to be outstanding any lien, pledge, charge or other security interest upon any of its present or future assets, properties or revenues (other than those arising by operation of law or permitted under or pursuant to any of the Transaction Documents);

(c) sell, lease, transfer, assign, participate, exchange or otherwise dispose of, or pledge, mortgage, hypothecate or otherwise encumber (by security interest, lien (statutory or otherwise), preference,

priority or other security agreement or preferential arrangement of any kind or nature whatsoever or otherwise) (or permit such to occur or suffer such to exist), any part of its interest in any of the Trust Assets, except pursuant to the Transaction Documents;

(d) use the proceeds of the issue of the Trust Certificates for any purpose other than as stated in the Transaction Documents;

(e) amend or agree to any amendment of any Transaction Document to which it is a party (other than in accordance with the terms thereof);

(f) amend or agree to any amendment of its memorandum and articles of association and by-laws (other than in relation to any increase in the aggregate face amount of the Programme) unless such amendment (i) would not adversely impact the Trustee's ability to exercise its rights or perform its obligations under the Conditions and/or the Transaction Documents to which it is a party; (ii) would not be materially prejudicial to the interests of Certificateholders; and (iii) is required to comply with law or regulation in connection with an issuance contemplated by Condition 6.2;

(g) act as trustee in respect of any trust (other than pursuant to the Declaration of Trust);

(h) have any subsidiaries;

(i) redeem or purchase any of its shares or pay any dividend or make any other distribution to its shareholders (excluding any consideration payable by the Trustee (acting in any capacity) to EDO Gas (acting in any capacity) as contemplated by the Transaction Documents or these Conditions or in connection with any issuance contemplated by Condition 6.2);

(j) prior to the date which is one year and one day after the date on which all amounts owing by the Trustee under the Transaction Documents to which it is a party have been paid in full, put to its directors or shareholders any resolution for, or appoint any liquidator for, its winding-up, liquidation or dissolution or any resolution for the commencement of any other bankruptcy or insolvency proceeding with respect to it; or

(k) enter into any contract, transaction, amendment, obligation or liability other than the Transaction Documents to which it is a party or any permitted amendment or supplement thereto or as expressly permitted or required thereunder or engage in any business or activity other than:

(i) any such contract, transaction, amendment, obligation or liability in relation to its operations that is of a routine or administrative nature;

(ii) as provided for or permitted in the Transaction Documents;

(iii) the ownership, management and disposal of the Trust Assets as provided in the Transaction Documents; and

(iv) such other matters which are incidental thereto.

6.2 Nothing in sub-paragraph (a), (g) or (k) of Condition 6.1 above, shall prevent the Trustee from issuing (or entering into any transaction for the purpose of issuing or entering into any contract in relation thereto or performing any of its obligations thereunder or acting as a trustee in respect of any trust in respect thereof) any sukuk, certificates or other securities intended to be issued in compliance with the principles of *Shari'a* provided that in respect of such securities, the obligations of EDO Gas to the Trustee shall rank at least *pari passu* with the obligations of EDO Gas to the Trustee in respect of the Trust Certificates,

and that the obligations of the Trustee in respect of such securities shall rank *pari passu* with the Trust Certificates.

7 Fixed Periodic Distribution Provisions

7.1 Periodic Distribution Amount

A Periodic Distribution Amount will be payable in respect of the Trust Certificates and will be distributable by the Trustee to the Certificateholders, *pro rata* to their respective holdings, in accordance with these Conditions.

7.2 Determination of Periodic Distribution Amount

Except as provided in the applicable Pricing Supplement, the Periodic Distribution Amount payable in respect of each Definitive Trust Certificate for any Return Accumulation Period shall be the Fixed Amount. Payments of Periodic Distribution Amount in respect of Definitive Trust Certificates on any Periodic Distribution Date may, if so specified in the applicable Pricing Supplement, amount to the Broken Amount so specified.

Except in the case of Definitive Trust Certificates where a Fixed Amount or Broken Amount is specified in the applicable Pricing Supplement, the Periodic Distribution Amount shall be calculated in respect of any period by applying the Rate applicable to the relevant Return Accumulation Period to:

(a) in the case of Trust Certificates which are represented by a Global Trust Certificate, the aggregate outstanding face amount of the Trust Certificates represented by such Global Trust Certificate; or

(b) in the case of Definitive Trust Certificates, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Definitive Trust Certificate is a multiple of the Calculation Amount, the Periodic Distribution Amount payable in respect of such Trust Certificate shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of a Periodic Distribution Amount in accordance with these Conditions:

(a) if "**Actual/Actual**" is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365 (or, if any portion of that Return Accumulation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Return Accumulation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Return Accumulation Period falling in a non-leap year divided by 365);

(b) if "**Actual/365 (Fixed)**" is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365;

(c) if "**Actual/365 (Sterling)**" is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 365 or, in the case of a Periodic Distribution Date falling in a leap year, 366;

(d) if "**Actual/360**" is specified in the applicable Pricing Supplement, the actual number of days in the Return Accumulation Period divided by 360;

(e) if "**30/360**" is specified in the applicable Pricing Supplement, the number of days in the Return Accumulation Period divided by 360, calculated on a formula basis as follows:

$$\text{DayCountFraction} = \frac{[360 \text{ x } (Y_2 - Y_1) + (30 \text{ x } (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Return Accumulation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day of the Return Accumulation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Return Accumulation Period, unless such number is 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Return Accumulation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30;

(f) if "**Actual/Actual (ICMA)**" is specified in the applicable Pricing Supplement:

(i) in the case of Trust Certificates where the number of days in the relevant period from (and including) the most recent Periodic Distribution Date (or, if none, the Return Accumulation Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (A) the number of days in such Determination Period and (B) the number of Determination Dates (as specified in the applicable Pricing Supplement) that would occur in one calendar year; or

(ii) in the case of Trust Certificates where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Return Accumulation Commencement Date or the final Periodic Distribution Date is not a Determination Date, the period

commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, one cent.

7.3 Payment in Arrear

Subject to Condition 7.4 (*Cessation of Profit Entitlement*), Conditions 10.2 (*Early Dissolution for Tax Reasons*) to 10.8 *(Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*) and Condition 14 (*Dissolution Events*), and unless otherwise specified in the applicable Pricing Supplement, each Periodic Distribution Amount will be paid in respect of the relevant Trust Certificates in arrear on each Periodic Distribution Date in respect of the Return Accumulation Period ending immediately before that Periodic Distribution Date.

7.4 Cessation of Profit Entitlement

No further Periodic Distribution Amounts will be payable on any Trust Certificate from and including (a) any Dissolution Date (excluding a Total Loss Dissolution Date), unless default is made in the payment of the Dissolution Amount in which case Periodic Distribution Amounts will continue to accrue (both before and after judgment) in respect of the Trust Certificates in the manner provided in this Condition 7.4 to the earlier of: (i) the Relevant Date; or (ii) the date on which a sale agreement is executed pursuant to the Sale and Substitution Undertaking or the Purchase Undertaking, as the case may be, in each case where all of the Trust Certificates of the relevant Series are being redeemed; and (b) the Total Loss Dissolution Date.

Pursuant to the Lease Agreement, if the relevant Exercise Price is not paid following a Dissolution Event then Rental shall continue to accrue in accordance with the relevant Supplemental Lease Agreement until such date as the Exercise Price is paid.

8 Payment

Payment of Dissolution Amounts and Periodic Distribution Amounts will be made by transfer to the registered account (as defined below) of a Certificateholder. Payments of Dissolution Amounts (where all of the Trust Certificates of the relevant Series are to be redeemed in full) will only be made against surrender of the relevant Trust Certificate (or the certificate representing such Trust Certificate) at the specified office of the relevant Registrar or the Principal Paying Agent. Dissolution Amounts and Periodic Distribution Amounts will be paid to the Certificateholder shown on the relevant Register at the close of business on the relevant Record Date.

For so long as the Trust Certificates are represented by a Global Trust Certificate deposited with a custodian for DTC or a common depositary for Euroclear and Clearstream, Luxembourg, payments of the Dissolution Amount and each Periodic Distribution Amount will be made to the person shown on the relevant Register as the registered Certificateholder represented by such Global Trust Certificate at the close of business on the Clearing System Business Day before the due date for such payment (where "**Clearing System Business Day**" means a day on which each clearing system with which the Global Trust Certificate is being held is open for business).

For the purposes of this Condition 8, a Certificateholder's "**registered account**" means the account in the Specified Currency maintained by or on behalf of such Certificateholder with a bank that processes payments in the Specified Currency, details of which appear on the relevant Register at the close of business on the relevant Record Date.

All such payments will be made subject to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions described in Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Certificateholders in respect of such payments.

Payment instructions will be initiated on the Payment Business Day preceding the due date for payment or, in the case of a payment of face amounts (where all of the Trust Certificates of the relevant Series are to be redeemed in full) if later, on the Payment Business Day on which the relevant Trust Certificate is surrendered (where such surrender is required) at the specified office of the relevant Registrar or the Principal Paying Agent.

Certificateholders will not be entitled to any payment for any delay after the due date in receiving the amount due if the due date is not a Payment Business Day or if the Certificateholder is late in surrendering its Trust Certificate (if required to do so in accordance with this Condition 8).

If the amount of any Dissolution Amount or Periodic Distribution Amount is not paid in full when due, the relevant Registrar will annotate the relevant Register with a record of the amount of such Dissolution Amount or Periodic Distribution Amount in fact paid.

9 Agents

9.1 Agents of Trustee

In acting under the Agency Agreement and in connection with the Trust Certificates, the Agents act solely as agents of the Trustee and (to the extent provided therein) the Delegate and do not assume any obligations towards or relationship of agency or trust for or with any of the Certificateholders.

9.2 Specified Offices

The names of the initial Agents are set out above. If any additional Paying Agents are appointed in connection with any Series, the names of such Paying Agents will be specified in Part B of the Pricing Supplement attached to or endorsed on this Trust Certificate. The Trustee reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents **provided, however, that**:

(a) there will at all times be a Principal Paying Agent;

(b) there will at all times be a Registrar in London; and

(c) so long as any Trust Certificates are admitted to listing, trading and/or quotation on any listing authority, stock exchange and/or quotation system, there will at all times be a Paying Agent, Registrar and a Transfer Agent having its specified office in such place (if any) as may be required by the rules of such listing authority, stock exchange and/or quotation system.

Notice of any variation, termination or appointment and of any changes in specified offices will be given to the Certificateholders promptly by the Trustee in accordance with Condition 17 (*Notices*).

10 Capital Distributions of Trust

10.1 Scheduled Dissolution

Unless the Trust Certificates are redeemed, purchased and/or cancelled earlier, each Trust Certificate shall be redeemed on the Scheduled Dissolution Date at its Final Dissolution Amount (which is its Dissolution Amount), including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Scheduled Dissolution Date (the "**Final Dissolution Amount**"). Upon payment in full of such amounts, the Trust will be dissolved, the Trust Certificates shall cease to represent interests in the

Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

10.2 Early Dissolution for Tax Reasons

The Trust Certificates may be redeemed by the Trustee in whole, but not in part, on any date (such date, the "**Tax Dissolution Date**") upon giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Delegate and the Certificateholders in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable) and to the Delegate, at the at the relevant Tax Dissolution Amount (which is its Dissolution Amount), including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Tax Dissolution Date (the "**Tax Dissolution Amount**"), if a Tax Event occurs, where "**Tax Event**" means:

(a) the determination by EDO Gas that: (1) the Trustee has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws, published practice or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws, published practice or regulations, which change or amendment becomes effective on or after the date of the applicable Pricing Supplement of the first Tranche of the relevant Series or, if later, the date the relevant jurisdiction becomes a Relevant Jurisdiction (for the avoidance of doubt, if such obligation to pay additional amounts has arisen or will arise by reason of a withholding or deduction requested or required by or on behalf of a Relevant Jurisdiction pursuant to or in connection with the Tax Law, then that request or requirement shall constitute a change in the application or official interpretation of the laws, published practice and regulations of a Relevant Jurisdiction); and (2) such obligation cannot be avoided by the Trustee taking reasonable measures available to it; or

(b) the receipt by the Trustee of notice from EDO Gas or the Guarantor that: (1) EDO Gas or the Guarantor, respectively, has or will become obliged to pay additional amounts pursuant to the terms of any Transaction Document as a result of any change in, or amendment to, the laws, published practice or regulations of a Relevant Jurisdiction or any change in the application or official interpretation of such laws, published practice or regulations, which change or amendment becomes effective on or after the date of the applicable Pricing Supplement of the first Tranche of the relevant Series or, if later, the date the relevant jurisdiction becomes a Relevant Jurisdiction (for the avoidance of doubt, if such obligation to pay additional amounts has arisen or will arise by reason of a withholding or deduction requested or required by or on behalf of a Relevant Jurisdiction pursuant to or in connection with the Tax Law, then that request or requirement shall constitute a change in the application or official interpretation of the laws, published practice and regulations of a Relevant Jurisdiction); and (2) such obligation cannot be avoided by EDO Gas or the Guarantor, respectively, taking reasonable measures available to it,

provided, however, that no such notice of redemption shall be given unless an Exercise Notice has been received by the Trustee from EDO Gas under the Sale and Substitution Undertaking and no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which: (i) (in the case of (a) above) the Trustee would be obliged to pay such additional amounts if a payment in respect of the Trust Certificates were then due; or (ii) (in the case of (b) above) EDO Gas or the Guarantor would be obliged to pay such additional amounts if a payment under the Transaction Document was then due.

Prior to the publication of any notice of redemption pursuant to this Condition 10.2, the Trustee (in the case of (a) above) or EDO Gas or the Guarantor (in the case of (b) above), shall deliver to the Delegate: (i) a certificate signed by two directors of the Trustee (in the case of (a) above) or an authorised signatory of EDO Gas or the Guarantor (in the case of (b) above) stating that the Trustee is entitled to effect such

dissolution and redemption and setting forth a statement of facts showing that the conditions precedent in (a) or (b) above to the right of the Trustee so to redeem have occurred; and (ii) an opinion of independent legal advisers of recognised standing to the effect that the Trustee or, as the case may be, EDO Gas or the Guarantor has or will become obliged to pay such additional amounts as a result of such change or amendment. The Delegate shall be entitled to accept (without further investigation) any such certificate and opinion as sufficient evidence thereof without incurring any liability to any person in which event it shall be conclusive and binding on the Certificateholders. Upon the expiry of any such notice as is referred to in this Condition 10.2, the Trustee shall be bound to redeem the Trust Certificates at the Tax Dissolution Amount and, upon payment in full of such amounts to the Certificateholders, the Trust will be dissolved, the Trust Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

On 11 January 2023, a Royal Directive was issued which appears to have the effect of indefinitely suspending withholding tax that might otherwise apply to payments made by EDO Gas, the Guarantor or the Trustee, to Certificateholders who are not tax resident in Oman. For further information please see "Taxation" and "Risk Factors—Risks related to the Trust Certificates—The Trust Certificates are subject to the risk that withholding tax may become applicable to payments made by EDO Gas or the Guarantor to the Trustee or by the Trustee to Certificateholders who are not Oman Tax Residents if Oman's suspension of its withholding tax deductions with respect to returns payable on foreign borrowings is reversed, withdrawn or successfully challenged" and "Risk Factors—Risks related to the Trust Certificates—Trust Certificates may be redeemed prior to their Scheduled Dissolution Date for tax reasons".

10.3 Dissolution at the Option of EDO Gas (Optional Dissolution Call Right)

If the Optional Dissolution Call Right option is specified in the applicable Pricing Supplement as being applicable, EDO Gas may in its sole discretion deliver to the Trustee a duly completed Exercise Notice, subject to and in accordance with the provisions of the Sale and Substitution Undertaking and, on receipt of such notice, the Trustee shall redeem the Trust Certificates in whole or, if so specified in the applicable Pricing Supplement, in part on any Optional Dissolution Date at the relevant Optional Dissolution Amount (Call) (which is its Dissolution Amount), including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Optional Dissolution Date (the "**Optional Dissolution Amount (Call)**") on the Trustee giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Delegate and the Certificateholders (or such other notice period as may be specified hereon) in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall oblige the Trustee to redeem the Trust Certificates or, as the case may be, the Trust Certificates specified in such notice on the relevant Optional Dissolution Date). Any such redemption or exercise must relate to Trust Certificates of a face amount at least equal to the Minimum Redemption Amount to be redeemed specified hereon and no greater than the Maximum Redemption Amount to be redeemed specified hereon.

If the Trust Certificates are to be redeemed in part only on any date in accordance with this Condition 10.3 (*Dissolution at the Option of EDO Gas (Optional Dissolution Call Right)*), the Trust Certificates shall be redeemed (so far as may be practicable) *pro rata* to their face amounts, subject always to compliance with all applicable laws and the requirements of any listing authority, stock exchange or quotation system on which the relevant Trust Certificates may be listed, traded or quoted.

In the case of the redemption of part only of a Trust Certificate, a new Definitive Trust Certificate in respect of the unredeemed balance shall be issued in accordance with Condition 3 (*Transfers of Trust*

Certificates) which shall apply as in the case of a transfer of Trust Certificates as if such new Definitive Trust Certificate were in respect of the untransferred balance.

In the case of a partial redemption of Trust Certificates, the Trust Certificates to be redeemed will (i) in the case of Trust Certificates that are Definitive Trust Certificates, be selected individually by lot, not more than 30 days prior to the date fixed for redemption and (ii) in the case of Trust Certificates that are Global Trust Certificates, be selected in accordance with the rules of Euroclear and/or Clearstream, Luxembourg and/or DTC. In the case of redeemed Trust Certificates that are Definitive Trust Certificates, a list of the serial numbers of such Trust Certificates will be published in accordance with Condition 17 (*Notices*) not less than 15 days prior to the date fixed for redemption.

10.4 Dissolution at the Option of EDO Gas (Clean Up Call Right)

If Clean Up Call Right is specified in the applicable Pricing Supplement as being applicable and 75 per cent. or more of the aggregate face amount of the Trust Certificates of the relevant Series then outstanding have been redeemed and/or purchased and cancelled pursuant to this Condition 10 (*Capital Distributions of Trust*) or Condition 11 (*Purchase and Cancellation of Trust Certificates*), EDO Gas may in its sole discretion deliver to the Trustee a duly completed Exercise Notice, subject to and in accordance with the provisions of the Sale and Substitution Undertaking, and, on receipt of such notice, the Trustee shall redeem the Trust Certificates in whole but not in part, on the Trustee giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Delegate and the Certificateholders (or such other notice period as may be specified in the applicable Pricing Supplement) in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall oblige the Trustee to redeem the Trust Certificates on the Clean Up Call Right Dissolution Date), at the Clean Up Call Right Dissolution Amount (which is its Dissolution Amount) including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Clean Up Call Right Dissolution Date (the "**Clean Up Call Right Dissolution Amount**").

10.5 Dissolution Following a Total Loss Event

Upon the occurrence of a Total Loss Event (as defined below), the Trust Certificates shall be redeemed and the Trust dissolved by no later than the close of business in London on the 61st day after the occurrence of the Total Loss Event (or, if such date is not a Payment Business Day, on the immediately following Payment Business Day) (the "**Total Loss Dissolution Date**"), following notification thereof to the Delegate and the Certificateholders in accordance with Condition 17 (*Notices*). The Trust Certificates will be redeemed at the Dissolution Amount (which for the avoidance of doubt, shall include any accrued but unpaid Periodic Distribution Amounts) (the "**Total Loss Dissolution Amount**") using the proceeds of: (a) the Insurances payable in respect of the Total Loss Event, which are required to be paid into the Transaction Account by no later than the 59th day after the occurrence of the Total Loss Event; and (b) if required, the Loss Shortfall Amount which is required to be paid into the Transaction Account by no later than the close of business in London on the 60th day after the occurrence of the Total Loss Event.

A "**Total Loss Event**" is the total loss or destruction of, or damage to the whole of, the Lease Asset(s) or any event or occurrence that renders the whole of the Lease Asset(s) permanently unfit for any economic use and the repair or remedial work in respect thereof is wholly uneconomical.

10.6 Dissolution at the Option of the Certificateholders (Certificateholder Put Right)

If Certificateholder Put Right is specified in the applicable Pricing Supplement as being applicable, upon the holder of any Trust Certificate giving not less than the minimum period nor more than the maximum period of notice specified in the applicable Pricing Supplement to the Trustee in accordance with Condition 17 (*Notices*) (with a copy to the Delegate), the Trustee shall, upon the expiry of such notice,

redeem such Trust Certificate on the Certificateholder Put Right Date and at the Optional Dissolution Amount (Put) (which is its Dissolution Amount), including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the relevant Certificateholder Put Right Date (the "**Optional Dissolution Amount (Put)**"). For the purposes thereof, the Trustee (or the Delegate (on behalf of the Trustee)) shall deliver to EDO Gas a duly completed Exercise Notice (in the case of delivery by the Trustee, with a copy to the Delegate), subject to and in accordance with the provisions of the Purchase Undertaking. Trust Certificates may be redeemed or, as the case may be, purchased under this Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*) in any multiple of their lowest Specified Denomination.

To exercise the right to require redemption of any Trust Certificate pursuant to this Condition 10.5 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*) the holder thereof must, if the Trust Certificate is in definitive form and held outside DTC, Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the relevant Registrar at any time during normal business hours of such Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) set out in the Agency Agreement and obtainable from any specified office of the relevant Registrar (a "**Certificateholder Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*) and the aggregate face amount thereof to be redeemed and, if less than the full aggregate face amount of the Definitive Trust Certificates so surrendered is to be redeemed, an address to which a new Definitive Trust Certificate in respect of the balance of such Definitive Trust Certificates is to be sent subject to and in accordance with the provisions of Condition 3 (*Transfers of Trust Certificates*).

If the relevant Trust Certificate is represented by a Global Trust Certificate and held through DTC or Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption thereof the holder of such Trust Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg (as applicable) (which may include notice being given on such Certificateholder's instruction by DTC or Euroclear and Clearstream, Luxembourg or any depositary or custodian (as applicable) for them to the Principal Paying Agent by electronic means) in a form acceptable to DTC or Euroclear and Clearstream, Luxembourg (as applicable) from time to time and at the same time present or procure the presentation of the relevant Global Trust Certificate to the Principal Paying Agent for notation accordingly.

No Certificateholder Put Notice or other notice given in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg given by a holder of any Trust Certificate pursuant to this Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*) may be withdrawn without the prior consent of the Trustee except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Trust Certificates are to be redeemed pursuant to Condition 14 (*Dissolution Events*), in which event such holder, at its option, may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 10.6 (*Dissolution at the Option of the Certificateholders (Certificateholder Put Right)*).

The holder of a Trust Certificate may not exercise such Certificateholder Put Right in respect of any Trust Certificate which is the subject of an exercise by EDO Gas of its Optional Dissolution Call Right option or Clean Up Call Right option.

In the case of the redemption of part only of a Trust Certificate, a new Definitive Trust Certificate in respect of the unredeemed balance shall be issued in accordance with Condition 3 (*Transfers of Trust*

Certificates) which shall apply as in the case of a transfer of Trust Certificates as if such new Definitive Trust Certificate were in respect of the untransferred balance.

10.7 Dissolution at the Option of the Certificateholders (Change of Control Put Right)

If Change of Control Put Right (as defined below) is specified in the applicable Pricing Supplement as being applicable, the Trustee, upon receipt of notice from the Guarantor or otherwise upon becoming aware of the occurrence of a Change of Control, and at any time following the occurrence of a Change of Control, shall promptly give notice (a "**Change of Control Notice**") to the Certificateholders (with a copy to the Delegate) in accordance with Condition 17 (*Notices*) of the Change of Control, specifying the nature and details of the Change of Control and require Certificateholders to elect at any time during the period of 30 days after the date on which the Change of Control Notice is given (the "**Change of Control Put Period**") if they wish all or any of their Trust Certificates to be redeemed.

If a Change of Control occurs, upon a Certificateholder electing to redeem its Trust Certificates, the Trustee shall redeem such Trust Certificates on the Change of Control Put Right Date at the Change of Control Dissolution Amount (which is its Dissolution Amount) including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Change of Control Put Right Date (the "**Change of Control Dissolution Amount**").

To exercise the right to require redemption of any Trust Certificate pursuant to this Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*) the holder thereof must, if the Trust Certificate is in definitive form and held outside DTC, Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the relevant Registrar at any time during normal business hours of the relevant Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) set out in the Agency Agreement and obtainable from any specified office of the relevant Registrar (a "**Change of Control Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*) and the aggregate face amount thereof to be redeemed and, if less than the full aggregate face amount of the Definitive Trust Certificates so surrendered is to be redeemed, an address to which a new Definitive Trust Certificate in respect of the balance of such Definitive Trust Certificates is to be sent subject to and in accordance with the provisions of Condition 3 (*Transfers of Trust Certificates*).

If the relevant Trust Certificate is represented by a Global Trust Certificate and held through DTC or Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption thereof the holder of such Trust Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg (as applicable) (which may include notice being given on such Certificateholder's instruction by DTC or Euroclear and Clearstream, Luxembourg or any depositary or custodian (as applicable) for them to the Principal Paying Agent by electronic means) in a form acceptable to DTC or Euroclear and Clearstream, Luxembourg (as applicable) from time to time and at the same time present or procure the presentation of the relevant Global Trust Certificate to the Principal Paying Agent for notation accordingly.

No Change of Control Put Notice or other notice given in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg given by a holder of any Trust Certificate pursuant to this Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*) may be withdrawn without the prior consent of the Trustee except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Trust Certificates are to be redeemed pursuant to Condition 14 (*Dissolution Events*), in which event such holder, at its option,

may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 10.7 (*Dissolution at the Option of the Certificateholders (Change of Control Put Right)*).

In the case of the redemption of part only of a Trust Certificate, a new Definitive Trust Certificate in respect of the unredeemed balance shall be issued in accordance with Condition 3 (*Transfers of Trust Certificates*) which shall apply as in the case of a transfer of Trust Certificates as if such new Definitive Trust Certificate were in respect of the untransferred balance.

The Guarantor has agreed in the Deed of Guarantee to notify the Trustee and the Delegate forthwith upon the occurrence of a Change of Control and to provide a description of the Change of Control.

The holder of a Trust Certificate may not exercise such Change of Control Put Right in respect of any Trust Certificate which is the subject of an exercise by EDO Gas of its Optional Dissolution Call Right option or Clean Up Call Right option.

10.8 Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)

If a Tangibility Event occurs, upon receipt of a Tangibility Event Trustee Notice from EDO Gas in accordance with the Servicing Agency Agreement, the Trustee shall promptly give notice to the Certificateholders (a "**Tangibility Event Notice**") in accordance with Condition 17 (*Notices*) specifying:

(a) that a Tangibility Event has occurred, together with an explanation of the reasons for, and evidence of, such occurrence;

(b) that as determined in consultation with the *Shari'a* Adviser, the Trust Certificates should be tradable only in accordance with the *Shari'a* principles of debt trading (such as the principle that debt is to be traded against tangible assets and/or eligible commodities on a spot settlement basis);

(c) that, on the date falling 15 days following the Tangibility Event Put Right Date, the Certificates will be delisted from any stock exchange (if any) on which the Certificates have been admitted to listing; and

(d) the Tangibility Event Put Period, during which period any Certificateholder shall have the option to require the redemption of all or any of its Trust Certificates.

Upon receipt of the Tangibility Event Notice, the holder of any Trust Certificates may exercise its option within the Tangibility Event Put Option Period to require the redemption of all or any of its Trust Certificates.

If any Certificateholder exercises its option to redeem its Trust Certificates in accordance with this Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*), the Trustee shall redeem such Trust Certificates on the Tangibility Event Put Right Date at the Tangibility Event Dissolution Amount (which is its Dissolution Amount) including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Tangibility Event Put Right Date (the "**Tangibility Event Dissolution Amount**").

To exercise the right to require redemption of any Trust Certificate pursuant to this Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*) the holder thereof must, if the Trust Certificate is in definitive form and held outside DTC, Euroclear and Clearstream, Luxembourg, deliver, at the specified office of the Registrar at any time during normal business hours of the Registrar falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) set out in the Agency Agreement and obtainable from any specified office of the Registrar (a "**Tangibility Event Put Notice**") and in which the holder must specify a bank account to which payment is to be made under this Condition 10.8 (*Dissolution at the Option of the*

Certificateholders (Tangibility Event Put Right)) and the aggregate face amount thereof to be redeemed and, if less than the full aggregate face amount of the Definitive Trust Certificates so surrendered is to be redeemed, an address to which a new Definitive Trust Certificate in respect of the balance of such Definitive Trust Certificates is to be sent subject to and in accordance with the provisions of Condition 3 (*Transfers of Trust Certificates*).

If the relevant Trust Certificate is represented by a Global Trust Certificate and held through DTC or Euroclear and Clearstream, Luxembourg, to exercise the right to require redemption thereof the holder of such Trust Certificate must, within the notice period, give notice to the Principal Paying Agent of such exercise in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg (as applicable) (which may include notice being given on such Certificateholder's instruction by DTC or Euroclear and Clearstream, Luxembourg or any depositary or custodian (as applicable) for them to the Principal Paying Agent by electronic means) in a form acceptable to DTC or Euroclear and Clearstream, Luxembourg (as applicable) from time to time and at the same time present or procure the presentation of the relevant Global Trust Certificate to the Principal Paying Agent for notation accordingly.

No Tangibility Event Put Notice or other notice given in accordance with the standard procedures of DTC or Euroclear and Clearstream, Luxembourg given by a holder of any Trust Certificate pursuant to this Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right*) may be withdrawn without the prior consent of the Trustee except where, prior to the due date of redemption, a Dissolution Event has occurred and the Delegate has declared the Trust Certificates are to be redeemed pursuant to Condition 14 (*Dissolution Events*), in which event such holder, at its option, may elect by notice to the Trustee to withdraw the notice given pursuant to this Condition 10.8 (*Dissolution at the Option of the Certificateholders (Tangibility Event Put Right)*).

For the avoidance of doubt, neither the Delegate nor any Agent will have any responsibility for monitoring or ensuring compliance with any such *Shari'a* principles of debt trading referred to in (b) above nor shall it be liable to any Certificateholder or any other person in respect thereof.

10.9 Dissolution Following a Dissolution Event

Upon the occurrence of a Dissolution Event, the Trust Certificates shall be redeemed at their Dissolution Event Amount (which is their Dissolution Amount), including all unpaid Periodic Distribution Amounts accrued (if any) to (but excluding) the Dissolution Event Redemption Date (the "**Dissolution Event Amount**"), subject to and as more particularly described in Condition 14 (*Dissolution Events*) and this Condition 10 (*Capital Distributions of Trust*).

10.10 No Other Optional Early Dissolution

Neither the Trustee nor the Certificateholders shall be entitled to redeem, or cause to be redeemed, as applicable, the Trust Certificates, otherwise than as provided in this Condition 10 (*Capital Distributions of Trust*) and Condition 14 (*Dissolution Events*). Upon payment in full of all amounts due in respect of the Trust Certificates of any Series the Trustee shall be bound to dissolve the Trust and the Trust Certificates shall cease to represent interests in the Trust Assets and no further amounts shall be payable in respect thereof and neither EDO Gas nor the Trustee shall have any further obligations in respect thereof.

10.11 Cancellation

All Trust Certificates which are redeemed will forthwith be forwarded to the Registrar, cancelled and destroyed and accordingly may not be held, reissued or resold.

10.12 Application for Delisting

If (i) a Total Loss Event occurs; or (ii) a Partial Loss Event occurs and, as a result of such Partial Loss Event, the ratio of: (i) the Value of the Lease Assets of that Series (which for this purpose shall exclude any Impaired Lease Assets); to (ii) the aggregate of the Value of the Lease Assets of that Series, falls to less than 33 per cent., the Servicing Agent shall promptly upon becoming aware of the occurrence of the events set out in either (i) or (ii) of this Condition 10.12, notify the Lessor, the Delegate and the Trustee of the same and the Trustee shall promptly notify the Delegate and the Certificateholders in accordance with Condition 17 (Notices) (the "**Trading and Delisting Notice**") specifying:

(a) the occurrence of such Loss Event;

(b) that, from the date of the Trading and Delisting Notice and until any further notice from the Trustee, in consultation with the *Shari'a* Adviser, the Trust Certificates should be tradable only in accordance with the *Shari'a* principles of debt trading (such as the principle that debt is to be traded against tangible assets and/or eligible commodities on a spot settlement basis); and

(c) that, following the delivery of such Trading and Delisting Notice, an application will be made for the Trust Certificates to be delisted from any stock exchange (if any) on which the Trust Certificates have been admitted to trading.

Following delivery of a Trading and Delisting Notice to Certificateholders and upon replacement of the Lease Assets subject to a Loss Event in accordance with the Service Agency Agreement, the Servicing Agent shall, pursuant to the Service Agency Agreement, promptly notify the Lessor, the Delegate and the Trustee of the same and the Trustee shall, following consultation with the *Shari'a* Adviser, promptly give notice to Certificateholders in accordance with Condition 18 (Notices) that (1) from the date of that notice the Trust Certificates may be traded at any price; and (2) the Trust Certificates shall be re-listed, as soon as reasonably practicable, on the stock exchange (if any) on which the Trust Certificates had previously been admitted to trading.

For the avoidance of doubt, neither the Delegate nor any Agent will have any responsibility for monitoring or ensuring compliance with any such *Shari'a* principles of debt trading nor shall it be liable to any Certificateholder or any other persons in respect thereof.

11 Purchase and Cancellation of Trust Certificates

11.1 Purchases

The Trustee, the Guarantor, EDO Gas and/or any other Subsidiary of the Guarantor may at any time purchase Trust Certificates in the open market or otherwise and at any price. Following any purchase of Trust Certificates pursuant to this Condition 11.1, such Trust Certificates may be held, resold (provided that such resale is outside the United States (as defined in Regulation S under the Securities Act) or, in the case of any Trust Certificates resold pursuant to Rule 144A under the Securities Act, is only made to a Person reasonably believed to be a QIB and also a QP) or, at the discretion of the holder thereof, surrendered for cancellation and, upon surrender thereof, all such Trust Certificates will be cancelled forthwith. Any Trust Certificates so purchased, while held by, or on behalf of, the Trustee, the Guarantor, EDO Gas and/or any other Subsidiary of the Guarantor, shall not entitle the holder to exercise any voting rights and shall not be deemed to be outstanding for the purposes of calculating quorums, meetings or for passing Extraordinary Resolutions for the purposes of Condition 18.1.

11.2 Cancellation

Should EDO Gas wish to cancel any Trust Certificates purchased pursuant to Condition 11.1 (*Purchases*), it shall deliver a Cancellation Notice to the Trustee (in accordance with the Sale and Substitution Undertaking) whereupon the Trustee shall, in accordance with the terms of the Sale and Substitution Undertaking, be obliged to transfer all of the Trustee's rights, title, interests, benefits and entitlements, present and future, in, to and under the remaining Cancelled Lease Asset(s) to EDO Gas in consideration for which the Trust Certificates shall be cancelled. The transfer of the Cancelled Lease Asset(s) will take effect by EDO Gas, the Trustee and the Delegate entering into a Sale Agreement (in the form scheduled to the Sale and Substitution Undertaking). Following the entry into such Sale Agreement, the Trustee shall forthwith surrender to the relevant Registrar the relevant Trust Certificates identified for cancellation in the Cancellation Notice on the Cancellation Date and, upon surrender thereof, all such Trust Certificates shall be cancelled forthwith.

12 Taxation

All payments in respect of the Trust Certificates by or on behalf of the Trustee will be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction, unless such withholding or deduction is required by law. In such event, the Trustee will pay such additional amounts as shall be necessary in order that the net amounts received by the Certificateholders after such withholding or deduction shall equal the amounts which would otherwise have been receivable in respect of the Trust Certificates in the absence of such withholding or deduction, except that no such additional amounts shall be payable with respect to any Trust Certificate:

(a) presented for payment in a Relevant Jurisdiction;

(b) the holder or beneficial owner of which is liable for such taxes or duties in respect of such Trust Certificate by reason of his having some connection with a Relevant Jurisdiction other than the mere holding of such Trust Certificate; or

(c) presented for payment more than 30 days after the Relevant Date, except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th day assuming that day to have been a Payment Business Day; or

(d) if the Certificateholder or beneficial owner would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption.

In addition, additional amounts will not be paid in respect of any payment in respect of the Trust Certificates to any holder of the Trust Certificates that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included, for tax purposes, in the income of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the holder of the Trust Certificates.

The Transaction Documents provide that payments thereunder by or on behalf of EDO Gas or the Guarantor shall be made without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction, unless such withholding or deduction is required by law. In such event, the Transaction Documents provide for the payment by EDO Gas or the Guarantor of such additional amounts as will result in the receipt by the Trustee of such amounts as would have been received by it had no such

deduction or withholding been required and accordingly the Obligor has undertaken to pay to the Trustee or such other persons as the Trustee may direct such additional amounts forthwith upon demand and in the manner and Specified Currency prescribed in the Transaction Documents.

Further, in accordance with the terms of the Master Declaration of Trust, the Obligor has unconditionally and irrevocably undertaken to (irrespective of the payment of any fee), as a continuing obligation, if the Trustee fails to comply with any obligation to pay additional amounts pursuant to this Condition 12, pay to or to the order of the Delegate (for the benefit of the Certificateholders) an amount equal to the liability of the Trustee in respect of any and all additional amounts required to be paid by the Trustee in respect of the Trust Certificates pursuant to this Condition 12.

Notwithstanding any other terms of the Trust Certificates, any amounts to be paid on or with respect to the Trust Certificates will be paid net of any deduction or withholding imposed or required pursuant to sections 1471 through 1474 of the Code ("**FATCA**"), any current or future Treasury regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any intergovernmental agreement between the United States and any other jurisdiction to implement FATCA or any law enacted by such other jurisdiction to give effect to such agreement, or any agreement with the U.S. Internal Revenue Service under FATCA. None of the Trustee, the Obligor or the Guarantor nor any other person will be required to pay any additional amounts in respect of FATCA with respect to the Trust Certificates.

13 Prescription

The rights to receive distributions in respect of the Trust Certificates will be forfeited unless claimed within periods of 10 years (in the case of Dissolution Amounts) and five years (in the case of Periodic Distribution Amounts) from the Relevant Date in respect thereof.

14 Dissolution Events

If any of the following events occurs and is continuing (each, a "**Dissolution Event**"):

(a) default is made in the payment of the Dissolution Amount on the date fixed for payment thereof or default is made in the payment of any Periodic Distribution Amount on the due date for payment thereof and, in the case of the Dissolution Amount, such default continues unremedied for a period of seven days and, in the case of a Periodic Distribution Amount, such default continues unremedied for a period of 14 days; or

(b) the Trustee fails to perform or observe any one or more of its other duties, obligations or undertakings under the Trust Certificates or the Transaction Documents, which failure is, in the sole opinion of the Delegate, incapable of remedy or, if in the sole opinion of the Delegate is capable of remedy, is not, in the sole opinion of the Delegate, remedied within the period of 45 days following the service by the Delegate of a written notice on the Trustee requiring the same to be remedied; or

(c) a Company Event occurs; or

(d) the Trustee repudiates or challenges the valid, legal, binding and enforceable nature of any, or any part of a, Transaction Document to which it is a party or does or causes to be done any act or thing evidencing an intention to repudiate or challenge the valid, legal, binding and enforceable nature of any, or any part of a, Transaction Document to which it is a party; or

(e) at any time it is or will become unlawful or impossible for the Trustee to perform or comply with any or all of its obligations under the Trust Certificates or the Transaction Documents or any of the obligations

of the Trustee under the Trust Certificates or the Transaction Documents are not or cease to be legal, valid, binding and enforceable; or

(f) either: (i) the Trustee is (or is deemed by law or a court to be) insolvent or unable to pay its debts as they fall due; or (ii) an administrator or liquidator of the whole or substantially the whole of the undertaking, assets and revenues of the Trustee is appointed (or application for any such appointment is made); or (iii) the Trustee takes any action for a readjustment or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it; or (iv) the Trustee ceases or threatens to cease to carry on all or substantially the whole of its business (otherwise than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring whilst solvent); or

(g) an order or decree is made or an effective resolution is passed for the winding-up, liquidation or dissolution of the Trustee; or

(h) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in paragraphs (f) and (g) above,

the Delegate, upon receiving notice thereof under the Declaration of Trust or otherwise becoming aware of the occurrence of a Dissolution Event and subject to it being indemnified and/or secured and/or prefunded to its satisfaction, shall promptly give notice of the occurrence of such Dissolution Event to the holders of Trust Certificates in accordance with Condition 17 (*Notices*) with a request to such holders to indicate to the Trustee and the Delegate if they wish the Trust Certificates to be redeemed and the Trust to be dissolved. Following the issuance of such notice, the Delegate in its sole discretion may, and if so requested in writing by the holders of at least 25 per cent. of the then aggregate face amount of the Series of Trust Certificates outstanding or if so directed by an Extraordinary Resolution of the holders of the Trust Certificates (each a "**Dissolution Request**") the Delegate shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a "**Dissolution Notice**") to the Trustee, EDO Gas, the Guarantor and the holders of the Trust Certificates of the relevant Series in accordance with Condition 17 (*Notices*) that the Trust Certificates are immediately due and payable at the Dissolution Amount, on the date of such notice (the "**Dissolution Event Redemption Date**"), whereupon they shall become so due and payable. If it has not already done so, (so long as a Total Loss Event has not occurred), the Trustee (or the Delegate acting on behalf of the Certificateholders) shall exercise its rights under the Purchase Undertaking by serving an Exercise Notice on EDO Gas.

Upon payment in full of such amounts, the Trust will be dissolved, the Trust Certificates shall cease to represent undivided ownership interests in the Trust Assets and no further amounts shall be payable in respect thereof and the Trustee shall have no further obligations in respect thereof.

For the purposes of paragraph (a) above, amounts shall be considered due in respect of the Trust Certificates (including for the avoidance of doubt any amounts calculated as being payable under Condition 7 (*Fixed Periodic Distribution Provisions*) and Condition 10 (*Capital Distributions of Trust*)) notwithstanding that the Trustee has at the relevant time insufficient funds or Trust Assets to pay such amounts.

For the purposes of this Condition 14 (*Dissolution Events*), "**Company Event**" shall mean each of the following events:

(i) if EDO Gas (acting in any capacity) or the Guarantor fails to pay (a) an amount in the nature of profit (corresponding to all or part of the Periodic Distribution Amounts payable by the Trustee under the Trust Certificates) payable by it pursuant to any Transaction Document to which it is a party or (b) an amount in the nature of principal (corresponding to all or part of the Dissolution Amount payable by the Trustee under the Trust Certificates) payable by it pursuant to any Transaction Document to which it is a party

and the failure continues for a period of, seven days (in the case of item (a) above) or 14 days (in the case of item (b) above); or

(ii) the occurrence of a Partial Loss Dissolution Event;

(iii) if (a) EDO Gas (acting in any capacity) delivers a notice to the Trustee and/or the Delegate pursuant to clause 5.1.4 of the Servicing Agency Agreement; or (b) EDO Gas (acting in any capacity) or the Guarantor fails to perform or observe any one or more of its other obligations under the Transaction Documents to which it is a party (including, in the case of EDO Gas, clauses 3.1 and 3.3 of the relevant Supplemental Lease Agreement but other than with respect to clauses 5.1 (other than clause 5.1.4) and 5.4 of the Servicing Agency Agreement, the failure to comply with which shall not constitute a Company Event), which failure is, in the sole opinion of the Delegate, incapable of remedy or, if in the sole opinion of the Delegate capable of remedy, is not, in the sole opinion of the Delegate, remedied within the period of 45 days following the service by the Delegate on EDO Gas or, as the case may be, the Guarantor of a written notice requiring the same to be remedied; or

(iv) if:

(a) if any other indebtedness of EDO Gas or the Guarantor for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of default (however so described);

(b) any such indebtedness of EDO Gas or the Guarantor is not paid when due; or

(c) any amount payable under any guarantee given by EDO Gas or the Guarantor of any indebtedness for or in respect of moneys borrowed or raised is not paid when due,

and, in the case of either sub-paragraph (b) or (c) above, such failure continues beyond any applicable grace period, **provided that** the amount of indebtedness referred to in sub-paragraph (a) above and/or (b) above and/or the amount payable under any guarantee referred to in (c) above, as applicable, either alone or when aggregated with all other indebtedness in respect of which such event shall have occurred and be continuing, shall be more than US$50 million (or its equivalent in any other currency or currencies); or

(v) if one or more judgments or orders for the payment of any sum in excess of US$50 million (or its equivalent in any other currency or currencies), whether individually or in aggregate, is rendered against EDO Gas or the Guarantor and continues unsatisfied, unstayed and unappealed (or, if appealed, the appeal is unsuccessful and thereafter the judgment continues unsatisfied and unstayed for a period of 30 days) for a period of 30 days after the date thereof; or

(vi) any Security Interest, present or future, created or assumed by EDO Gas or the Guarantor and securing an amount, which equals or exceeds US$50 million (or its equivalent in any other currency or currencies), becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person, but excluding the issue of any notification to EDO Gas or, as the case may be, the Guarantor that such Security Interest has become enforceable) unless the full amount of the debt which is secured by the relevant Security Interest is discharged within 30 days of the first date on which a step is taken to enforce the relevant Security Interest; or

(vii) EDO Gas or the Guarantor is adjudicated or found bankrupt or insolvent or proceedings are initiated against EDO Gas or the Guarantor under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made to, or documents filed with, a court of competent jurisdiction for the appointment of an administrative or other receiver, manager,

administrator, liquidator or other similar official (and such proceedings are not being actively contested in good faith); or

(viii) EDO Gas or the Guarantor initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or enters into any composition or other similar arrangement with its creditors generally save, in all cases, except for (a) the purpose of, and followed by, a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution; or (b) the purpose of any intra-group reorganisation on a solvent basis; or

(ix) an administrator or other receiver, manager, liquidator or other similar official is appointed in relation to EDO Gas or the Guarantor in relation to all or substantially all of its business or operations, an order is made or an effective resolution is passed for the winding-up or dissolution or administration of EDO Gas or the Guarantor (and such proceedings are not being actively contested in good faith by EDO Gas or the Guarantor), or EDO Gas or the Guarantor shall apply or petition for a winding-up or administration order in respect of itself or cease or through an official action of its governing body threaten to cease to carry on all or substantially all of its business or operations, which in each case (other than the appointment of an administrator) is not discharged within 30 days, and except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation on terms approved by an Extraordinary Resolution; or

(x) for any reason whatsoever, the obligations under the Trust Certificates or the Transaction Documents become unlawful or are declared by a court of competent jurisdiction to be no longer binding on, or no longer enforceable against, EDO Gas or the Guarantor; or

(xi) EDO Gas or the Guarantor contests the validity of, or deny any of its obligations under, any, or any part of a, Transaction Document to which it is a party, or contests the validity of any Series of the Trust Certificates; or

(xii) the expropriation, nationalisation, requisition, confiscation, attachment, sequestration or execution of any legal process by the Government in respect of the whole of the Lease Assets; or

(xiii) any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in items (v) to (xi) above (inclusive).

15 Enforcement and Exercise of Rights

15.1 Limitation on Liability of the Trustee

Following the enforcement, realisation and ultimate distribution of the proceeds of the Trust Assets in respect of the Trust Certificates to the Certificateholders in accordance with these Conditions and the Declaration of Trust, the Trustee shall not be liable for any further sums, and accordingly no Certificateholder may take any action against the Trustee, the Delegate or any other Person to recover any such sum in respect of the Trust Certificates or Trust Assets.

15.2 Delegate Not Obliged to Take Action

The Delegate shall not be bound in any circumstances to take any action to enforce or to realise the Trust Assets or take any action, step or proceedings against EDO Gas, the Guarantor and/or the Trustee under any Transaction Document unless directed or requested to do so in writing by the holders of at least 25 per cent. in aggregate face amount of the Trust Certificates then outstanding and subject, in each case, to it being indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities to which it may thereby render itself liable or which it may incur by so doing.

15.3 Direct Enforcement by Certificateholders

No Certificateholder shall be entitled to proceed directly against the Trustee, the Guarantor or EDO Gas, under any Transaction Document, unless the Delegate, having become so bound to proceed, (i) fails to do so within 30 days of becoming so bound; or (ii) is unable for any reason (including by reason of an order of a court having competent jurisdiction) to do so, and such failure or inability is continuing. Under no circumstances shall the Trustee, the Delegate or any Certificateholder have any right to cause the sale or other disposition of any of the Trust Assets (other than as expressly contemplated in the Transaction Documents and/or these Conditions), and the sole right of the Trustee, the Delegate and the Certificateholders against the Trustee and EDO Gas, as applicable, shall be to enforce their respective obligations under the Transaction Documents.

15.4 Limited Recourse

Conditions 15.1 (*Limitation on Liability of the Trustee*), 15.2 (*Delegate Not Obliged to Take Action*) and 15.3 (*Direct Enforcement by Certificateholders*) are subject to this Condition 15.4. After enforcing or realising the Trust Assets in respect of the Trust Certificates of the relevant Series and distributing the net proceeds of the relevant Trust Assets in accordance with these Conditions and the Declaration of Trust, the obligations of the Trustee in respect of the Trust Certificates of the relevant Series shall be satisfied and no Certificateholder may take any further steps against the Trustee or the Delegate or any other Person to recover any further sums in respect of the Trust Certificates of the relevant Series and the right to receive any such sums unpaid shall be extinguished.

16 Replacement of Definitive Trust Certificates

Should any Definitive Trust Certificate be lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection with the replacement and on such terms as to evidence and indemnity as the Trustee may reasonably require (in light of prevailing market practice). Mutilated or defaced Definitive Trust Certificates must be surrendered and cancelled before replacements will be issued.

17 Notices

17.1 Notices to Certificateholders while Trust Certificates are held in global form

So long as any Trust Certificates are evidenced by a Global Trust Certificate and such Global Trust Certificate is held by or on behalf of DTC, Euroclear or Clearstream, Luxembourg, notices to Certificateholders may be given by delivery of such notice to the relevant clearing systems for communication by them to entitled account holders.

So long as the Trust Certificates are represented by one or more Global Trust Certificates held on behalf of DTC or Euroclear and/or Clearstream, Luxembourg, or, in each case, the relevant nominee, notices to Certificateholders may be given by delivery of the relevant notice to those clearing systems for communication to entitled holders in substitution for notification as set out above.

17.2 Notices to Certificateholders of Definitive Trust Certificates

Notices to Certificateholders of Definitive Trust Certificates will be deemed to be validly given if sent by first class mail (or the equivalent) or (if posted to an overseas address) by airmail to the Certificateholders of those Trust Certificates at their respective addresses as recorded in the relevant Register for those Trust Certificates, and will be deemed to have been validly given on the fourth day after the date of mailing as provided above or, if posted from a country other than that of the addressee, on the fifth day after the date of such mailing.

17.3 Rules of listing authority, stock exchange and/or quotation system

The Trustee shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any listing authority, stock exchange and/or quotation system (if any) on which the Trust Certificates are for the time being listed or on which they have been admitted to trading and/or quotation (as applicable) including, if required by those rules or regulations, publication on the website of the relevant authority, relevant stock exchange and/or relevant quotation system and/or in a daily newspaper of general circulation in the place or places required by those rules. In addition, for so long as any Trust Certificates are listed on a stock exchange or are admitted to trading by another relevant authority and/or admitted to quotation (as applicable) and the rules of that stock exchange, relevant authority or quotation system (as applicable) so require, such notice will be published on the website of the relevant stock exchange or relevant authority and/or in a daily newspaper of general circulation in the place or places required by those rules. If any such publication is not practicable, notice required to be given pursuant to these Conditions shall be validly given if published in another leading daily English language newspaper with general circulation in Europe.

18 Meetings of Certificateholders, Modification and Waiver

18.1 **Meetings of Certificateholders:** The Master Declaration of Trust contains provisions for convening meetings (including by way of conference call or by use of a videoconference platform) of Certificateholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of or abrogation from any of these Conditions or any provisions of the Master Declaration of Trust or any other Transaction Document. Such a meeting may be convened by the Trustee, the Obligor or the Delegate at any time, or by Certificateholders holding not less than five per cent. in aggregate face amount of the Trust Certificates for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more Eligible Persons holding or representing in the aggregate not less than 50% in face amount of the Trust Certificates for the time being outstanding, or at any adjourned meeting one or more Eligible Persons present (whatever the face amount of the Trust Certificates so held or represented by them), unless the business of such meeting includes consideration of proposals, *inter alia*: (i) to amend any Dissolution Date in respect of the Trust Certificates or any date for payment of Periodic Distribution Amounts in respect of the Trust Certificates, (ii) to reduce or cancel the face amount of, or any premium payable on redemption of, the Trust Certificates, (iii) to reduce the rate or rates of profit in respect of the Trust Certificates or to vary the method or basis of calculating the rate or rates or amount of profit or the basis for calculating any Profit Amount in respect of the Trust Certificates (in each case, other than as provided for in these Conditions), (iv) to vary any method of, or basis for, calculating any Dissolution Amount, (v) to vary the currency of payment or denomination of the Trust Certificates, (vi) to modify the provisions concerning the quorum required at any meeting of Certificateholders or the majority required to pass an Extraordinary Resolution, (vii) to modify or cancel the payment obligations of the Obligor (in any capacity) and/or the Trustee under the Transaction Documents and/or the Trust Certificates (as the case may be), (viii) to amend any of the Obligor's or the Trustee's covenants included in the Transaction Documents, (ix) to amend the priority of payments as described in Condition 5.2, or (x) to amend the above list, in which case the necessary quorum shall be one or more Eligible Persons holding or representing in the aggregate not less than two-thirds, or at any adjourned meeting not less than one-third, in aggregate face amount of the Trust Certificates for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on all Certificateholders (whether or not they were present and whether or not they voted at the meeting at which such resolution was passed).

The Master Declaration of Trust provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in aggregate face amount of the Trust Certificates for the time being

outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Certificateholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Certificateholders. Such a resolution in writing will be binding on all Certificateholders whether or not they participated in such resolution.

For so long as the Trust Certificates are represented by a Global Certificate, an Extraordinary Resolution may also be passed by Certificateholders giving electronic consent, provided that consent to such resolution is given through the relevant clearing system(s) (in a form satisfactory to the Delegate) by or on behalf of the holders of not less than 75 per cent. in face amount of the Trust Certificates.

18.2 **Modification of the Master Declaration of Trust or any Transaction Document:** The Delegate may (but shall not be obliged to) without the consent or sanction of the Certificateholders (i) agree to any modification of the Master Declaration of Trust (including these Conditions), any of the other Transaction Documents or the Trustee's memorandum and articles of association that is in its opinion (a) of a formal, minor or technical nature or is made to correct a manifest error, or (b) is not materially prejudicial to the interests of the holders of the outstanding Trust Certificates and is other than in respect of a matter which requires a special quorum resolution (as defined in paragraph 7 of Schedule 4 of the Master Declaration of Trust), and (ii) without prejudice to its rights in respect of any subsequent breach, (a) give its consent under the Transaction Documents and agree to any waiver or authorisation of any breach or proposed breach, of any provision of the Master Declaration of Trust or any Transaction Documents, or (b) determine that any Dissolution Event or Potential Dissolution Event shall not be treated as such, provided in the case of paragraph (ii) that such consent, waiver, authorisation or determination is in the opinion of the Delegate not materially prejudicial to the interests of the holders of the outstanding Trust Certificates and is not in contravention of an express direction given by an Extraordinary Resolution or request in writing by the holders of at least 25 per cent. of the aggregate face amount of the Trust Certificates of that Series then outstanding. Any such modification, consent, waiver, authorisation or determination shall be binding on all Certificateholders and shall be notified by the Trustee to the Certificateholders in accordance with Condition 17 (*Notices*) as soon as practicable thereafter.

18.3 **Entitlement of the Delegate**: In connection with the exercise by it of any of its powers, authorities and discretions (including, without limitation, those referred to in this Condition 18), the Delegate shall have regard to the general interests of the Certificateholders as a class and shall not have regard to any interest arising from circumstances particular to individual Certificateholders (whatever their number) and, in particular, but without limitation, shall not have regard to the consequences of any such exercise for individual Certificateholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof or taxing jurisdiction and the Delegate shall not be entitled to require, nor shall any Certificateholder be entitled to claim from the Trustee, the Delegate, the Obligor, the Guarantor or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Certificateholders except in the case of the Trustee and the Obligor, to the extent already provided for in Condition 12 (*Taxation*).

19 Indemnification and Liability of the Delegate

19.1 The Declaration of Trust contains provisions for the indemnification of the Delegate in certain circumstances and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction.

19.2 The Delegate makes no representation and assumes no responsibility for the validity, sufficiency or enforceability of the obligations of EDO Gas (acting in any capacity) under any Transaction Document and shall not under any circumstances have any Liability or be obliged to account to the Certificateholders in respect of any payment which should have been made by EDO Gas (acting in any capacity), but is not so made, and shall not in any circumstances have any Liability arising from the Trust Assets other than as expressly provided in these Conditions or in the Declaration of Trust.

19.3 Each of the Delegate and the Trustee is exempted from (a) any Liability in respect of any loss or theft of the Trust Assets or any cash; (b) any obligation to insure the Trust Assets or any cash; and (c) any claim arising from the fact that the Trust Assets or any cash are held by or on behalf of the Trustee or on deposit or in an account with any depositary or clearing system or are registered in the name of the Trustee or its nominee, unless such loss or theft arises as a result of wilful default, gross negligence or fraud of the Delegate or the Trustee, as the case may be.

20 Currency Indemnity

The Specified Currency is the sole currency of account and payment for all sums payable by the Trustee under or in connection with the Trust Certificates, including actual damages. Any amount received or recovered in a currency other than the Specified Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction or otherwise) by any Certificateholder in respect of any sum expressed to be due to it from the Trustee shall only constitute a discharge to the Trustee to the extent of the Specified Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so) at the then spot rate of exchange. If that Specified Currency amount is less than the Specified Currency amount expressed to be due to the recipient under any Trust Certificate, the Trustee shall indemnify it against any actual loss sustained by it as a result. In any event, the Trustee shall indemnify the recipient against the actual cost of making any such purchase. For the purposes of this Condition 20, it will be sufficient for the Certificateholder to demonstrate that it would have suffered a loss had an actual purchase been made. These indemnities constitute a separate and independent obligation from the Trustee's other obligations, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Certificateholder and shall continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Trust Certificate or any other judgment or order.

21 Further Issues

In respect of any Series, the Trustee shall, subject to and in accordance with the Declaration of Trust, be at liberty from time to time without the consent of the Certificateholders to create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series (or terms and conditions which are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue), and so that the same shall be consolidated and form a single Series with the outstanding Trust Certificates of such Series. Any additional Trust Certificates which are to form a single Series with the outstanding Trust Certificates previously constituted by the Declaration of Trust shall be constituted by a deed supplemental to the Declaration of Trust. References in these Conditions to the Trust Certificates include (unless the context requires otherwise) any other trust certificates issued pursuant to this Condition 21 and forming a single series with the outstanding Trust Certificates.

22 Contracts (Rights of Third Parties) Act 1999

No Person shall have any right to enforce any term or condition of the Trust Certificates under the Contracts (Rights of Third Parties) Act 1999.

23 Governing Law and Jurisdiction

23.1 **Governing Law**: The Declaration of Trust (including these Conditions), the Agency Agreement, the Servicing Agency Agreement, the Guarantee, the Purchase Undertaking, the Sale and Substitution Undertaking, the Master Murabaha Agreement and the Trust Certificates and any non-contractual obligations arising out of or in connection with the same are and shall be governed by, and construed in accordance with, English law.

23.2 **Arbitration**: The Delegate, the Trustee and EDO Gas in the Declaration of Trust agreed for the benefit of the Certificateholders that any dispute, claim, difference or controversy arising out of, or having any connection with, with the Declaration of Trust and/or the Trust Certificates (including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of, or in connection with, the Declaration of Trust and/or the Trust Certificates) (a "**Dispute**") shall be referred to and finally resolved by arbitration under the Arbitration Rules of the LCIA (the "**Rules**"), which Rules (as amended from time to time) are incorporated by reference into this Condition 23.2.

For these purposes:

23.2.1 the seat of arbitration shall be London, England;

23.2.2 there shall be three arbitrators, each of whom shall be disinterested in the arbitration, shall have no connection with any party thereto and shall be an attorney experienced in international securities transactions. The parties to the Dispute shall each nominate one arbitrator and both arbitrators in turn shall appoint a further arbitrator who shall be the chairman of the tribunal. The arbitrators nominated by the parties to the Dispute shall each be English law qualified and have at least 15 years' practising experience. The chairman shall be a retired member of the judiciary of the Senior Courts of England and Wales or a King's Counsel of at least 15 years' standing. In cases where there are multiple claimants and/or multiple respondents, the class of claimants jointly, and the class of respondents jointly shall each nominate one arbitrator. If one party or both fails to nominate an arbitrator within the time limits specified by the Rules, such arbitrator(s) shall be appointed by the LCIA. If the party nominated arbitrators fail to nominate the third arbitrator within 15 days of the appointment of the second arbitrator, such arbitrator shall be appointed by the LCIA; and

23.2.3 the language of the arbitration shall be English.

23.3 **Service of Process**: Each of the Trustee and EDO Gas has, in the Declaration of Trust, irrevocably appointed Law Debenture Corporate Services Limited at 100 Bishopsgate, London EC2N 4AG, United Kingdom as its agent for service of process in England in relation to any Dispute and has agreed that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will promptly appoint another person as its agent for service of process in England in respect of any Dispute. Each of the Trustee and EDO Gas has further agreed that failure by a process agent to notify it of any process will not invalidate service. Nothing therein shall affect the right to serve process in any other manner permitted by law.

23.4 **Waiver of Immunity**: Under the Declaration of Trust, EDO Gas, and under the Deed of Guarantee, the Guarantor, have each, to the full extent permitted by law, irrevocably and unconditionally with respect to any Dispute has (i) waived any right to claim sovereign or other immunity from suit, jurisdiction, recognition or enforcement and any similar argument in any jurisdiction and (ii) consented to the giving of any relief (whether by way of injunction, attachment, specific performance or other relief) or the issue of any related process, in any jurisdiction, whether before or after final judgment, including without limitation the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Dispute.

23.5 **Other documents:** The Guarantor has in the Guarantee submitted to arbitration, appointed an agent for service of process and waived immunity in terms substantially similar to those set out above.

24 Waiver of Interest

24.1 Each of the Trustee, EDO Gas and the Delegate has in the Declaration of Trust, and each of the Trustee, the Guarantor and the Delegate has in the Deed of Guarantee, irrevocably agreed that no interest will be payable or receivable under or in connection therewith and if it is determined that any interest is payable or receivable in connection therewith by a party, whether as a result of any arbitral or judicial award or by operation of any applicable law or otherwise, such party has agreed to waive any rights it may have to claim or receive such interest and has agreed that if any such interest is actually received by it, it shall promptly donate the same to a registered or otherwise officially recognised charitable organisation.

24.2 For the avoidance of doubt, nothing in this Condition 24 shall be construed as a waiver of rights in respect of any Periodic Distribution Amounts, Required Amounts, Dissolution Amounts, Rentals, Exercise Price, Certificateholder Put Right Exercise Price, Change of Control Put Right Exercise Price, Tangibility Event Put Right Exercise Price, Optional Dissolution Exercise Price, Full Reinstatement Value, Loss Shortfall Amount, Replacement Loss Shortfall Amount, Deferred Sale Price, Deferred Sale Price Instalments, Profit Amounts or profit or principal or other amount payable of any kind howsoever described payable by EDO Gas (in any capacity), the Guarantor or the Trustee (in any capacity) pursuant to the Transaction Documents and/or these Conditions, howsoever such amounts may be described or re-characterised by any court or arbitral tribunal.

USE OF PROCEEDS

The net proceeds of each Tranche of Trust Certificates issued under the Programme will be applied by the Trustee pursuant to the terms of the relevant Transaction Documents on the relevant Issue Date in the following proportion: (A) the Ijara Percentage of the aggregate face amount of the Trust Certificates of such Tranche as specified in the applicable Pricing Supplement towards the purchase from EDO Gas of all of its rights, title, interests, benefits and entitlements in, to and under (in the case of the first Tranche) the Asset(s) and, if applicable (in the case of each subsequent Tranche) the Additional Asset(s) pursuant to the relevant Purchase Agreement; and (B) if applicable, the Murabaha Percentage of the aggregate face amount of the Trust Certificates of such Tranche as specified in the applicable Pricing Supplement towards the purchase of commodities to be sold to EDO Gas pursuant to the Master Murabaha Agreement.

The proceeds of each Tranche issued subsequently received by EDO Gas in consideration for the transactions entered into with the Trustee as set out above, as applicable, will be used by EDO Gas for its general corporate purposes or as otherwise set out in the Pricing Supplement.

DESCRIPTION OF THE TRUSTEE

The Trustee

The Trustee, an exempted company incorporated in the Cayman Islands with limited liability, was incorporated on 26 June 2023 under the Companies Act (As Revised) of the Cayman Islands with company registration number 401083. The registered office of the Trustee is at the offices of MaplesFS Limited, P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102 Cayman Islands with telephone number +1 345 945 7099.

Share Capital

The authorised share capital of the Trustee is US$50,000 divided into 50,000 ordinary shares of US$1.00 par value each, 250 of which have been issued. All of the issued shares (the "**Shares**") are fully paid and are held by MaplesFS Limited as share trustee (in such capacity, the "**Share Trustee**") under the terms of a share declaration of trust (the "**Share Declaration of Trust**") under which the Share Trustee holds the Shares in trust until the Termination Date (as defined in the Share Declaration of Trust) and may only dispose or otherwise deal with the Shares in accordance with the Share Declaration of Trust. Prior to the Termination Date, the trust is an accumulation trust, but the Share Trustee has power to benefit Qualified Charities (as defined in the Share Declaration of Trust). It is not anticipated that any distribution will be made whilst any Certificates are outstanding. Following the Termination Date, the Share Trustee will wind up the trust and make a final distribution to charity. The Share Trustee has no beneficial interest in, and derives no benefit (other than its fee for acting as Share Trustee) from, its holding of the Shares.

The Business of the Trustee

The objects for which the Trustee is established are set out in clause 3 of its Memorandum of Association as registered or adopted on 26 June 2023.

The Trustee has limited operating history or prior business and will not have any substantial assets or liabilities other than in connection with the Certificates.

The Certificates are the obligations of the Trustee alone and not the Share Trustee. Furthermore, they are not the obligations of, or guaranteed in any way by, MaplesFS Limited or any other party.

Financial Statements

Since the date of incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements or appoint any auditors.

Directors of the Trustee

The directors of the Trustee are as follows:

Name	Principal Occupation
Phillip Hinds	Senior Vice President at MaplesFS Limited
Anand VinodKumar	Vice President at MaplesFS Limited

The business address of Phillip Hinds is P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

The business address of Anand VinodKumar is P.O. Box 1093, Queensgate House, Grand Cayman, KY1-1102, Cayman Islands.

The Trustee's Articles of Association provide that the board of directors of the Trustee will consist of at least one director.

Conflicts

There are no potential conflicts of interest between the duties of the directors of the Trustee to the Trustee and their private interests or other duties.

Secretary

The Trustee's secretary is Maples Secretaries (Cayman) Limited of P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Trustee Administrator

MaplesFS Limited also acts as the administrator of the Trustee (in such capacity, the "**Trustee Administrator**"). The office of the Trustee Administrator serves as the general business office of the Trustee. Through the office, and pursuant to the terms of a corporate services agreement entered into between the Trustee and the Trustee Administrator (the "**Corporate Services Agreement**"), the Trustee Administrator has agreed to perform in the Cayman Islands and/or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Trustee and to provide certain clerical, administrative and other services until termination of the Corporate Services Agreement. The Trustee Administrator will also provide registered office services to the Trustee in accordance with its standard terms and conditions for the provision of registered office services (the "**Registered Office Terms**"). In consideration of the foregoing, the Trustee Administrator will receive various fees payable by the Trustee at rates agreed upon from time to time, plus expenses.

The terms of the Corporate Services Agreement and the Registered Office Terms provide that either the Trustee or the Trustee Administrator may terminate such appointments upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Corporate Services Agreement and the Registered Office Terms provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party.

The Trustee Administrator will be subject to the overview of the Trustee's board of directors.

The Trustee Administrator's principal office is P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman, KY1-1102, Cayman Islands.

The directors of the Trustee are all employees or officers of the Trustee Administrator or an affiliate thereof.

SELECTED FINANCIAL INFORMATION

The financial information set out in this Base Offering Circular is financial information of the Group. This Base Offering Circular does not include standalone financial information for the Trustee or EDO Gas. Beginning with the Group's consolidated financial statements for the year ended 31 December 2023, EDO Gas financial information is consolidated into the Group's financial statements.

The tables below set out the Group's summary historical financial information as at and for the years ended 31 December 2024 and 2023 extracted from the Audited 2024 Financial Statements and the as at and for the year ended 31 December 2022 extracted from the 2023 Audited Financial Statements, which are included in this Base Offering Circular. See "Presentation of Financial, Reserves and Other Information—Presentation of Financial Information" for more details on the historical financial information included in this Base Offering Circular, including the basis of preparation.

The selected financial information derived from the Audited 2024 Financial Statements and the Audited 2023 Financial Statements set forth below should be read in conjunction with "Presentation of Financial, Reserves and Other Information—Presentation of Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the Audited Financial Statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income Data

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Revenue	16,065,270	16,422,914	17,281,524
Other operating income	38,241	202,113	193,456
Finance income	9,201	7,559	2,385
Total revenues and other income	**16,112,712**	**16,632,586**	**17,477,365**
Production expenses	(1,219,799)	(1,115,911)	(1,412,711)
Royalty expenses	(6,276,031)	(6,525,451)	(7,397,206)
Depreciation, depletion and amortisation	(3,738,659)	(3,840,790)	(3,567,022)
Other expenses	(94,676)	(56,289)	(19,932)
Profit before interest and tax	**4,783,547**	**5,094,145**	**5,080,494**
Finance costs	(711,478)	(606,604)	(396,605)
Profit before tax	**4,072,069**	**4,487,541**	**4,683,889**
Income tax expenses	(3,359,854)	(3,790,479)	(3,914,669)
Profit for the year	**712,215**	**697,062**	**769,220**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Re-measurement of pension fund obligation	12,708	12,990	(91,457)
Total comprehensive income for the year	**724,923**	**710,052**	**677,763**

Consolidated Selected Statement of Financial Position Data

	As at 31 December	
	2024	**2023**
	(US$'000)	
Non-current assets		
Property, plant and equipment	23,593,981	23,495,057
Right-of-use assets	821,052	777,853
Receivables and prepayments	19,949	16,549
Net retirement benefit assets	—	358,258
Housing loans	7,525	8,359
Other non-current assets	3,316	3,745
Total of non-current assets	**24,445,823**	**24,659,821**
Current assets		
Inventories	660,888	528,721
Receivables and prepayments	84,869	106,427
Due from related parties	1,802,637	1,668,436
Housing loans	2,958	1,866
Net retirement benefit assets	411,033	—
Cash and bank balances	435,486	706,318
Total of current assets	**3,397,871**	**3,011,768**
Total assets	**27,843,694**	**27,671,589**
Equity		
Share capital	1,300	1,300
Retained earnings	10,075,354	11,047,791
Other equity contribution	121,041	—
Total equity	**10,197,695**	**11,049,091**
Non-current liabilities		
Provision for staff end-of-service and other retirement benefits	2,357	8,447
Lease liabilities	669,182	637,416
Abandonment provision	3,373,794	3,176,514
Deferred tax liabilities	3,292,483	2,514,762
Loans and borrowings	6,688,778	6,000,069
Due to related parties	104,594	—
Total of non-current liabilities	**14,131,188**	**12,337,208**
Current liabilities		
Loans and borrowings	907,000	1,624,105

	As at 31 December	
	2024	**2023**
	(US$'000)	
Payables and accruals	2,244,102	2,126,608
Tax payables	105,994	140,516
Due to related parties	15,863	168,894
Provision for staff end-of-service and other retirement benefits	2,937	—
Lease liabilities	238,915	225,167
Total of current liabilities	**3,514,811**	**4,285,290**
Total liabilities	**17,645,999**	**16,622,498**
Total equity and liabilities	**27,843,694**	**27,671,589**

Consolidated Selected Statement of Cash Flows Data

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Net cash from operating activities	5,541,300	6,531,207	5,152,272
Net cash used in investing activities	(3,637,636)	(3,576,943)	(3,235,272)
Net cash used in financing activities	(2,169,647)	(2,487,610)	(2,008,377)
(Decrease)/increase in cash and bank balances	(265,983)	466,654	(91,377)
Cash and bank balances at beginning of year	694,553	227,899[(1)]	340,780
Cash and bank balances at end of year	428,570	694,553	249,403[(1)]

Note:

(1) The cash and bank balances at end of year for the year ended 31 December 2022 do not match the cash and bank balances at beginning of year for the year ended 31 December 2023 because cash and bank balances exclude balances pertaining to Mabrouk North East (Block 10 and Block 11). For more information, please see Note 11 and Note 24 of the Audited 2023 Financial Statements.

CAPITALISATION AND INDEBTEDNESS

The table below shows the Group's capitalisation (which the Group calculates as total indebtedness plus total equity) and indebtedness as at 31 December 2024. This table should be read together with the Audited 2024 Financial Statements included in this Base Offering Circular.

	As at 31 December 2024
	(US$'000)
Cash and bank balances[(1)]	428,570
Equity:	
Share capital	1,300
Retained earnings	10,075,354
Other equity contribution	121,041
Total equity	**10,197,695**
Indebtedness	
Current loans and borrowings	907,000
Non-current loans and borrowings	6,688,778
Lease liabilities (current and non-current)	908,097
Total indebtedness[(2)]	8,503,875
Total capitalisation[(3)]	**18,701,570**

Notes:

(1) Comprises cash and bank balances (current and call accounts) with banks that are readily convertible into cash. Cash and bank balances exclude restricted cash which pertains to Marbrouk North East (Block 10 and Block 11). For more information, see Note 11 and Note 24 to the Audited 2024 Financial Statements.

(2) Since 31 December 2024, the Group has repaid US$255 million under the Shareholder Bridge Facility (as defined below).

(3) Total indebtedness plus total equity.

The Group's total equity and total indebtedness as at 31 December 2024 was US$10,198 million and US$8,504 million, respectively.

Except as set out in note 2 to the table above, since 31 December 2024, the Group has not incurred further indebtedness or repaid outstanding indebtedness.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the information set out in "Presentation of Financial, Reserves and Other Information", "Selected Financial Information", the Audited 2024 Financial Statements and the Audited 2023 Financial Statements.

The discussion and analysis focuses on the Group's financial condition, cash flows and results of operations based on the financial statements described below. This Base Offering Circular does not include standalone financial information for the Trustee or EDO Gas. Beginning with the Audited 2023 Financial Statements, EDO Gas financial information is consolidated in the Guarantor's financial statements. Prior to the Gas Operations Transfer Date, the Gas Operations described in this discussion and analysis were owned by the Guarantor and managed by PDO. Following the Gas Operations Transfer Date, the Gas Operations are owned by EDO Gas and continue to be managed by PDO using the same policies and procedures in place before the Gas Operations Transfer Date. References to the Gas Operations prior to the Gas Operations Transfer Date are to the operations owned by the Guarantor while references to the Gas Operations on and after the Gas Operations Transfer Date are to the operations owned by EDO Gas.

The discussion of the Group's financial condition, cash flows and results of operations is based upon the Audited 2024 Financial Statements and the Audited 2023 Financial Statements. See "Presentation of Financial, Reserves and Other Information—Presentation of Financial Information—Comparability of Financial Information" and "—Factors Affecting the Comparability of Results" for a discussion of certain factors that affect the comparative financial data included in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" section.

This discussion contains forward-looking statements that involve risks and uncertainties. The Group's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed below and elsewhere in this Base Offering Circular, particularly under the headings "Cautionary Statement Regarding Forward-Looking Statements" and "Risk Factors".

Overview

The Guarantor is Oman's national energy company and the sole shareholder in EDO Gas. The Guarantor, either directly or through EDO Gas, owns participating interests in two concessions, which totalled 845,342 barrels of Oil equivalent per day for the year ended 31 December 2024, 844,236 barrels of Oil equivalent per day for the year ended 31 December 2023 and 875,684 barrels of Oil equivalent per day for the year ended 31 December 2022. The Guarantor is wholly-owned by the Government and was established in December 2020 to focus on incremental value creation in Oman's energy sector by realising efficiencies and pursuing new growth opportunities. EDO Gas was established in June 2023 to unlock additional value in the Gas Operations by optimising NAG development and production costs, enhancing governance, mitigating risks, accelerating exploration activities, and facilitating the achievement of Oman's NAG production potential.

The Guarantor directly owns a 60 per cent. interest in Oman's Block 6 concession for Oil, AG and AG condensate, and, through EDO Gas, owns a 100 per cent. interest in the Block 6 concession for NAG and NAG condensate. The remaining 40 per cent. interest in the Oil Concession is owned by POHOL, which, in turn, is 85 per cent. owned by Shell, 10 per cent. owned by TotalEnergies and 5 per cent. owned by PTTEP. The Block 6 development is Oman's most significant Oil and gas operation.

The Guarantor also owns a 60 per cent. interest in PDO, Oman's largest Oil and gas producer, which carries out projects and operations related to the exploration and production of Oil and gas in Block 6. PDO operates the Oil Concession on behalf of the Guarantor and POHOL and the Gas Concession on behalf of EDO Gas.

The Guarantor's core activities are organised around product types and consist of:

- Oil, AG and AG condensate activities, including those related to exploration, production, sales and marketing, which it owns directly and are managed by PDO; and
- NAG and NAG condensate activities, including those related to exploration, production, sales and marketing, which it owns through EDO Gas and are managed by PDO.

As at 31 December 2024, the Group's total assets amounted to US$27,844 million. As at 31 December 2023 and 2022, the Group's total assets amounted to US$27,672 million and US$27,127 million, respectively. For the years ended 31 December 2024, 2023 and 2022, the Group generated revenue of US$16,065 million, US$16,423 million and US$17,282 million, respectively, profit before tax of US$4,072 million, US$4,488 million and US$4,684 million, respectively, and EBITDA of US$8,513 million, US$8,927 million and US$8,645 million, respectively.

Factors Affecting the Group's Results of Operations and Financial Condition

The following is a discussion of the most significant factors that have affected the Group's results of operations and financial condition for the years ended 31 December 2024, 2023 and 2022 and are expected to affect the Group's results of operations and financial condition in future periods.

Supply, Demand and Price of Hydrocarbons

The Group's results of operations are driven primarily by sales of Oil, NAG and NAG condensate. Revenue from the sale of these products is principally affected by changes in their prices, which, in turn, primarily depend upon prevailing market reference prices at the time of sale. Prevailing market reference prices are largely driven by changes in international supply and demand for Oil and NAG products.

Oil

Sales of Oil are the largest component of the Group's revenue, accounting for 73 per cent., 71 per cent. and 68 per cent. of its revenue for the years ended 31 December 2024, 2023 and 2022, respectively. Accordingly, the Group's results of operations and cash flows are significantly impacted by the price at which it sells Oil.

International Oil prices and the price at which the Guarantor sells Oil have fluctuated significantly in the past and are expected to remain volatile. Between January 2016 and March 2021, Brent prices generally fluctuated between US$40.0 and US$65.0 per barrel. Several factors, such as the Russia-Ukraine War and voluntary production cuts by Saudia Arabia, caused the price of Brent Oil in 2022 to increase to US$139.13 per barrel, the highest level since 2008. Since the Russia-Ukraine War began in February 2022, Oil prices have decreased to below US$100 per barrel and Brent prices have decreased to levels comparable to those prior to the Russia-Ukraine War. As of the end of December 2022, Brent prices were US$80.92 per barrel.

In the first half of 2023, Oil prices decreased to a low of US$72.19 in connection with developments in the banking sector, such as the collapse of Silicon Valley Bank, the take-over of Credit Suisse and fears regarding a global recession, concerns about China's economic growth, the potential for a U.S. recession and higher than expected Russian Oil exports that put downward pressure on Oil prices. During the second half of 2023, the average price of Brent Oil increased to US$85.34 per barrel and the price as of 31 December 2023 was $77.54 per barrel. The increase in price was primarily due to resilience in the U.S. economy and production cuts by OPEC. During the first six months of 2024, the price of Brent Oil remained strong, increasing to US$86.41 at 30 June 2024 due to the extension of OPEC+ production cuts. The price of Brent Oil as of 31 December 2024 was US$74.64 per barrel. The decrease was primarily due to an expected decrease in Oil demand. During January 2025, Oil prices increased in response to threats of U.S.-imposed tariffs. The price of Brent Oil as of 28 February 2025 decreased to US$73.18 per barrel due to a decrease in Oil demand. There may be additional

volatility in prices in response to the Israel-Hamas War or other conflicts, financial sanctions introduced in response thereto, and/or other macroeconomic pressures.

Prior to the completion of the Formation, the Ministry of Energy and Minerals sold Oil from the Block 6 Operations to end-customers at a price per barrel pegged to the announced OEB price, subject to the terms of the contractual arrangements between the Ministry of Energy and Minerals and each customer. Following the completion of the Formation, the Guarantor sells its share of Block 6 Oil and condensate (AG and NAG) production to the Ministry of Energy and Minerals, which then sells the Oil and condensate (AG and NAG) under the same contractual arrangements with the Ministry of Energy and Minerals' existing customers. Both before and after the Formation, Block 6 Oil and condensate (AG and NAG) production was and is commingled with production from other blocks in PDO's Main Oil Line before being sold at the same price as the Oil from the other blocks. Based on a declining price environment or OPEC+ production decisions, among other things, the Government may also curtail the production of Oil. As the Guarantor is a swing producer for the Government, the Government nomination process requires the Guarantor to lower production when overall industry production is high enough to meet demand or in response to international Oil prices.

In the past, the price of OEB fluctuated in line with fluctuations in Brent prices. In 2021, the average price for OEB was US$64.29 per barrel. This increase in price was driven by loosening pandemic-related restrictions and a growing global economy resulting in petroleum demands rising faster than supplies. The price for OEB increased slightly throughout 2022 due to the increase in global Oil prices driven primarily by the Russia-Ukraine War and the international response thereto, peaking in July 2022 at an average price of US$107.22. Oil prices in the second half of 2022 decreased as a result of global economic developments, the European Central Bank's monetary tightening, concerns about a possible energy crunch, COVID-19 containment measures in China and ongoing geopolitical tensions.

During the first half of 2023, the average price for OEB decreased in the first quarter of 2023, before increasing in the second quarter. Unipec, the trading arm of Sinopec, has sold significant amounts OEB from the start of June 2023 in response to production cuts by other countries, supporting the price of OEB. In June 2023, the official selling price for OEB was US$83.28 per barrel. During the second half of the year, the official selling price for OEB reached a high of US$92.77 in November 2023 primarily due to a tight supply and output cuts by the Kingdom of Saudi Arabia. As of 31 December 2023, the official selling price for OEB was US$89.79 per barrel.

During the first half of 2024, the average price of OEB was $82.24 per barrel. In June 2024, the official selling price for OEB was US$89.30 per barrel. During the second half of the year, the official selling price for OEB reached a high of US$83.89 per barrel as a result of an increased forecast in Oil demand. As of 31 December 2024, the official selling price for OEB was US$74.82 per barrel in response to threats of U.S.-imposed tariffs.

The prices of Brent Oil and OEB are also impacted by the actions of OPEC+. In December 2020, following the significantly negative impact on Oil demand resulting from the COVID-19 pandemic, OPEC+ agreed to relax output curbs by 500,000 barrels per day from 1 January 2021 to 7.2 billion barrels per day and to meet monthly to reassess the market. In August 2021, OPEC+ increased overall production by 400,000 barrels per day on a monthly basis. In August 2022, OPEC+ increased production of Oil by 100,000 barrels per day However, in November 2022, OPEC+ reduced production by two million barrels per day from the August production levels. During the first half of 2023, OPEC+ unexpectedly announced a further reduction in production of 1.15 million barrels per day as a means to support and increase Oil prices. The announcement resulted in an immediate increase in Brent Oil prices from US$79 per barrel to more than $86 per barrel, which subsequently decreased. In June 2023, the Saudi government announced a voluntary cut of an additional one million barrels per day as part of its commitment to maintaining Oil prices at current levels, which cuts were subsequently extended through 31 December 2023. Following the extension of the Kingdom of Saudi Arabia's production cuts in September 2023, Brent Oil prices increased to over US$90 a barrel before decreasing in the fourth quarter.

Following Angola's announcement in December 2023 that it was leaving OPEC, Brent Oil prices decreased to US$77.86. As of 31 December 2023, Brent Oil was US$77.54 per barrel. In March 2024, OPEC+ announced an extension of additional voluntary cuts of 2.2 million barrels per day for the second quarter of 2024. OPEC+ reaffirmed the voluntary production cuts in September 2024. In December 2024, OPEC+ announced that it would continue production cuts until March 2025, with the goal to phase out the production cut by September 2026. As of 31 December 2024, Brent Oil was priced at US$74.64 per barrel. During January 2025, Brent Oil prices increased marginally to US$76.76 per barrel in response to threats of U.S.-imposed tariffs. Further changes in OPEC or OPEC+ membership and additional cuts to production at either the OPEC+ level or by individual countries may also impact the price of Oil.

Ongoing price fluctuations and overall volatility in global demand and prices of Oil, driven in part by OPEC+ production decisions, the Russia-Ukraine War, has had, and will continue to have, a significant effect on the Guarantor's business, results of operations and financial condition.

NAG

Sales of NAG accounted for 12 per cent., 12 per cent. and 12 per cent. of the Group's revenue for the years ended 31 December 2024, 2023 and 2022, respectively.

Following the completion of the Formation, and as reflected in the Audited 2024 Financial Statements and the Audited 2023 Financial Statements, the Guarantor sold NAG to the Government at an agreed fixed price (the "**Gas Transfer Price**"). The Government then sells the NAG to end-customers. The Gas Transfer Price is calculated using a "blended transfer price" methodology that accounts for the economics of Block 6 gas projects. The Gas Transfer Price is reviewed and agreed upon every five years from the date of the NAG Sales Agreement to account for updates in Block 6 gas projects, macroeconomic trends, and downstream gas sales agreements with end-users. See "*Business—Sales and Marketing—NAG*". The following table sets out the Gas Transfer Price for each of the years from 2021 to 2025.

	Gas Transfer Price
	(US$ /MMBtu)
2021	2.51
2022	2.59
2023	2.69
2024	2.77
2025	2.89

Following the Gas Operations Transfer Date, EDO Gas replaced the Guarantor as the seller of Block 6 NAG. The Guarantor continues to account for NAG revenue from EDO Gas sales of NAG in the Group's consolidated financial statements, beginning with the Audited 2023 Financial Statements. After 2025, gas prices will be agreed between EDO Gas and IGC Oman.

Production of Hydrocarbons

The Guarantor's revenue is directly affected by levels of production of Oil, NAG and NAG condensate, all of which have been consistent during the periods under review. AG condensate is commingled with Oil both operationally and legally and AG condensate production is included within Oil production. PDO does not separately monitor or record AG condensate production.

Oil

The Guarantor sells all of its share of Oil from Block 6 production to the Ministry of Energy and Minerals. The Guarantor's share of Block 6 Oil production was approximately 149 million barrels for the year ended 31 December 2024 compared to approximately 144 million barrels for the year ended 31 December 2023 and approximately 145 million barrels for the year ended 31 December 2022. The increase in Oil production for the year ended 31 December 2024 compared to the year ended 31 December 2023 was primarily driven by optimisation of production at the Qarm Alam, Nimr and Bahja-Rima clusters. The decrease in Oil production for the year ended 31 December 2023 compared to the year ended 31 December 2022 was primarily driven by reductions in output at Lekhwair due to water injection constraints and well integrity issues, at Bahja due to water floor performance and at Rima due to reduced well performance.

NAG and NAG condensate

All NAG that PDO produces is sold within Oman to end-customers in various industries. Prior to the completion of the Formation, PDO's NAG production was matched to the demand requirements of the Government's end-customers. Between the completion of the Formation and the Gas Operations Transfer Date, the Ministry of Energy and Minerals notified the Guarantor of its reasonably estimated annual and monthly NAG requirements at least six months prior to the start of each contract year and the Guarantor notified the Ministry of Energy and Minerals of the quantities of NAG that it reasonably expected to be able to supply at least three months prior to the start of the contract year. Following the Gas Operations Transfer Date, EDO Gas assumed the role of the Guarantor in NAG sales.

The Guarantor owned 100 per cent. of the NAG and NAG condensate produced by PDO during the years ended 31 December 2024, 2023 and 2022. For the year ended 31 December 2024, PDO produced 20,587 million cubic metres (353,788 barrels of Oil equivalent per day) of NAG, which was an increase of 1 per cent. compared to 20,441 million cubic metres (352,251 barrels of Oil equivalent per day) of NAG for the year ended 31 December 2023. The increase was primarily driven by an increase in demand to compensate for third-party production variations. For the year ended 31 December 2023, PDO produced 20,441 million cubic metres (352,251 barrels of Oil equivalent per day) of NAG, a decrease of 7 per cent. compared to 21,992 million cubic metres (378,976 barrels of Oil equivalent per day) of NAG for the year ended 31 December 2022. The decrease was primarily driven by lower short-term production forecasting and fluctuations in demand caused by downstream interruptions and the commissioning of Block 10.

NAG condensate production is dependent on the production of NAG. For the year ended 31 December 2024, PDO produced 30 million barrels of NAG condensate compared to 36 million barrels for the year ended 31 December 2023 and 37 million barrels for the year ended 31 December 2022. The decrease in NAG condensate production was primarily due to lower Government nomination and also a natural decline in production from the well, that also led to lower NAG condensate production since NAG condensate is a by-product of NAG production.

Production of NAG and NAG condensate is also dependent on the operational performance of PDO's gas processing facilities. The Guarantor's strategy is to achieve growth in production capacity through the rapid development of new exploration activities and surface projects to attain a replenishment ratio of 100 per cent. or higher. In addition, the Guarantor seeks to meet gas demand by continuously improving facilities' utilisation and reliability, while maximising revenues by creating throughput for the highest condensate production and curtailing dry-gas assets during low demand periods. The following table sets out the utilisation rates for the key gas processing facilities operated by PDO for the periods indicated.

	Year ended 31 December					
	2024		2023		2022	
	NAG	Condensate	NAG	Condensate	NAG	Condensate
			(%)			
Central Processing Plant	20	20	70	41	53	29
Government Gas Plant	7	8	30	—	38	—
Saih Nihayda Gas Plant	14	17	47	37	61	40
Kauther Gas Plant	1	5	14	—	9	—
Rabab Harweel Integrated Project	13	30	58	51	51	54

Reserves

Future production depends on 2P reserves. Reserves are determined using estimates of Oil and gas in place, recovery factors and future commodity prices. As required by the SPE-PRMS guidelines, the estimated future date when an asset will reach the end of its economic life is based on the Guarantor's forecasted economic scenarios, including costs and Oil price. This date estimates when production will end and affects the volume of estimated reserves. Therefore, as prices and cost levels change from year to year, the estimate of proved reserves also changes.

Future commodity price assumptions tend to be stable because the Guarantor does not consider short-term increases or decreases in prices as being indicative of long-term levels, but they are nonetheless subject to change. In the Guarantor's reserve estimation process for the year ended 31 December 2024, the OEB price is kept constant for 2024 at US$60 per barrel for year one, and, thereafter, a 3 per cent. annual increase is assumed for the life of the Oil Concession whereas for 1P reserves, the OEB price is kept constant at US$81.14 per barrel as per SEC guidelines. The NAG price until 2025 is set out in the NAG Sales Agreement, while future gas prices will be agreed between EDO Gas and IGC Oman in accordance with the methodology set out therein. See "*—Supply, Demand and Price of Hydrocarbons—NAG*" above. The price is then subject to change and is estimated by the Guarantor on a five-year cycle basis.

Reserve replacement represents the change in 2P reserves, net of production, divided by PDO's current year production. For the years ended 31 December 2024, 2023 and 2022, PDO achieved Oil reserve replacement of 89 per cent., 89 per cent. and 77 per cent., respectively. PDO's reserve replacement ratio remained the same in 2024 compared to 2023. This was primarily due to the maturation of contingent resources to reserves following the completion of new field development plans and final investment decisions, as well as positive technical revisions.

Access to additional resources may become increasingly difficult as commodity prices can make projects uneconomic or unattractive. In addition, the level of 2P reserves is affected by such factors as the rate at which explorations lead to successful discoveries and the speed at which successful exploration and development move to production, the speed at which PDO depletes the reserves through the production of Oil and NAG, and the expiration and extension of the terms of the Concessions. As such, the timing and level at which PDO adds to its reserve base may, or may not, allow it to replace its production over subsequent years.

As the economic assumptions used may change and as additional geological information is obtained during the operation of a cluster, estimates of recoverable reserves may change. Such changes may impact the carrying value of the Guarantor's property, plant and equipment due to changes in estimated future cash flows and depreciation, may result in changes in depreciation, depletion and amortisation charges where such charges are determined using the unit of production method, or where the useful life of the related assets change, or may require revisions to provisions for decommissioning where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities.

Fiscal Terms

As part of the Formation, and effective from 24 February 2021 in the case of the Oil Operations and 6 May 2021 in the case of the Gas Operations, the Guarantor's revenues from its participating interest in Block 6 Oil, NAG and condensate (AG and NAG) have been subject to the fiscal terms described below. Since the Gas Operations Transfer Date, EDO Gas has held the participating interest in Block 6 NAG and condensate (AG and NAG).

The fiscal terms include a combination of royalties and taxes that are set out in two key documents: (i) the Fiscal Protocol, which applies to the Guarantor's 60 per cent. share of Oil under the Oil Concession; and (ii) the Gas Concession Agreement, which applies to NAG and NAG condensate.

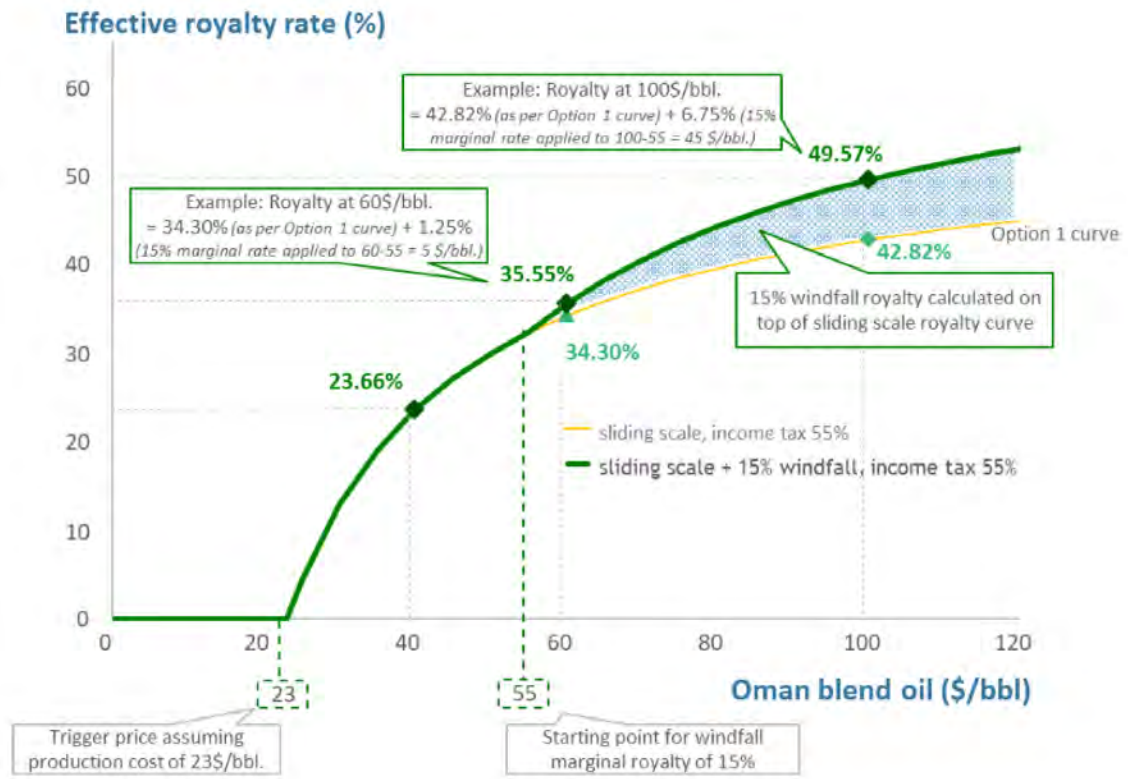
Fiscal Terms Applicable to Oil and Condensate (AG and NAG) Revenues

The Guarantor's participating interest in Block 6 Oil and AG condensate revenues is subject to royalties and income tax under the Fiscal Protocol for Oil, which became effective upon ratification by Royal Decree № 21/2021 on 24 February 2021, while revenues from NAG condensate are also subject to the same royalties and income tax terms under the Gas Concession Agreement, which became effective upon ratification by Royal Decree № 43/2021 on 6 May 2021. AG condensate is commingled with Oil both operationally and legally and AG condensate production is included within Oil production. PDO does not separately monitor or record AG condensate production.

Under the Fiscal Protocol, the Guarantor pays royalties to the Government on a weekly basis based on its monthly revenue from the sale of its 60 per cent. interest in the Oil and AG condensate produced from Block 6, calculated by applying the MOG Price for the nominated month of lifting multiplied by the number of barrels of Oil received by the Guarantor after the deduction of barrels allocated as part of the Government's Pre-Export Financing (as defined below). See "*—FSA Barrel Transfer Obligation*" below. Accordingly, the amount of royalties payable is recognised as an expense at the time of production and shown in the Guarantor's consolidated statement of profit or loss and other comprehensive income as "royalty expenses".

The effective royalty rate is based on the Guarantor's monthly revenue from the sale of Oil and AG condensate calculated by applying the MOG Price for the nominated month of lifting multiplied by the number of barrels of Oil and AG condensate taken by the Guarantor at the petroleum delivery point in such month after deduction of the Government's share of FSA Barrels (as defined below). The royalties consist of a zero royalty, a base royalty and an additional royalty. In any month where the MOG Price is less than US$23.00 per barrel, the royalty rate is zero (zero royalty). In any month where the MOG Price is US$23.00 or more, a sliding scale royalty rate is calculated and paid as a percentage of monthly Oil revenue using a formula of 55.6 per cent. minus the result of 12.778 divided by the MOG Price per barrel (the base royalty). When the MOG Price is US$55.00 per barrel or more in any month, an additional royalty is calculated and paid as a percentage of monthly Oil revenue using a formula of 15 per cent. multiplied by the result of MOG Price per barrel minus US$55.00 per barrel divided by the MOG Price per barrel (the additional royalty). The additional royalty is payable in addition to the base royalty.

The following graph sets out the effective royalty rate at different Oil prices:



Under the Fiscal Protocol, the Guarantor is subject to an income tax rate of 55 per cent. of Taxable Income (as defined in "*—Fiscal Terms Applicable to NAG Revenues*" below). The Group's taxable income is calculated based on Oil revenue minus cost recovery, which comprises the Group's expenditures, the royalties it has paid or payable on the Oil and AG condensate revenue, its participating interest share in PDO's Oil and AG operating costs and its participating interest share in an annual deduction for depreciation applied to capital Oil and AG costs by PDO. Cost recovery excludes certain taxes, duties, imposts and similar charges paid or payable in respect of petroleum operations, except for customs duties payable by the Guarantor up to 5 per cent. Cost recovery is also partially offset by all revenue that PDO receives in respect of the transportation of hydrocarbons owned by third parties and revenues received in respect of the sale or disposal of assets relating to petroleum operations. The Guarantor is required to calculate depreciation and amortisation applicable for taxation purposes in accordance with the following rates.

	Depreciation
	(%)
Year 1	40
Year 2	30
Year 3	10
Year 4	10
Year 5	10

Income taxes are paid monthly. For the years ended 31 December 2024, 2023 and 2022, the Group's effective tax rate was 84 per cent., 86 per cent. and 84 per cent., respectively.

Block 6 NAG condensate is subject to the same fiscal terms for royalties and income tax as those applicable to Oil. Following the Gas Operations Transfer Date, EDO Gas and not the Guarantor pays royalties and income tax to the Government based on monthly revenue from the sale of NAG condensate. See "*Material Agreements—Gas Concession—Gas Concession Agreement and 2023 Gas Concession NARA"*. The Group continues to account for NAG condensate revenue from EDO Gas sales of NAG condensate in the Group's consolidated financial statements, beginning with the Audited 2023 Financial Statements.

Fiscal Terms Applicable to NAG Revenues

Under the Gas Concession Agreement, royalties are not applicable to NAG revenues. Income tax is applied at a flat rate of 55 per cent. to taxable income from Block 6 NAG sales. Taxable Income from Block 6 NAG sales is calculated as revenues (which includes the aggregate NAG condensate exports revenue, revenues from the sale of NAG or NAG by-products and any revenues received in respect of the sale or other disposal of gas assets) minus cost recovery (which includes any expenditures, royalties, operating gas costs and annual deductions for depreciation). See "*Material Agreements—Gas Concession—Gas Concession Agreement*".

FSA Barrel Transfer Obligation

Under the fiscal terms, the Guarantor was required to transfer barrels of Oil ("**FSA Barrels**") to the Government, as requested, to enable the Government to perform its obligations under a forward sales agreement that the Government had entered into as part of a pre-export financing arrangement (the "**Pre-Export Financing**"). The Guarantor was not a party to the Pre-Export Financing, and the lenders had no recourse to the Guarantor.

In July 2016, the Government raised US$4.0 billion from a syndicate of banks through a facility structured as pre-export financing using a portion of the Government's share of Oil production in Oman. The borrower of the Pre-Export Financing was a Dutch orphan special purpose vehicle (the "**Dutch SPV**"), which used the proceeds to prepay the Government for future deliveries of Oil under a forward sales agreement. For the years ended 31 December 2022 and 2021, the Guarantor delivered committed Oil volumes of 25.9 million barrels and 16.6 million barrels, respectively. On 21 October 2022, the Guarantor delivered the final 13.0 million barrels of Oil it had committed to deliver under the Pre-Export Financing, settling the Pre-Export Financing in full. The Guarantor is not required to deliver any further Oil under the arrangement. The Guarantor and the Government agreed that, from 21 October 2022, the Group is entitled to sell all of the Oil comprising its share of Block 6 production.

Prior to the effectiveness of the Fiscal Protocol, payments related to the Pre-Export Financing were adjusted against the Oil receivables and recovered as a distribution to the Government in the invested capital account. Under the Fiscal Protocol, each month until the settlement of the facility on 21 October 2022, the Government informed the Guarantor of the number of FSA Barrels it required in the following month to perform its obligations and the Guarantor delivered these FSA Barrels free of charge on a "first priority basis", meaning that they were transferred from the first barrels of Oil that reached the delivery point each month. The Government owned these FSA Barrels and was entitled to dispose of them. Now that the FSA Barrel delivery requirement has been met, the Guarantor recognises revenue on sales of all of the Oil comprising its share of Block 6 production.

The Guarantor did not recognise revenue for FSA Barrels between 1 January 2022 and 20 October 2022. The associated costs are debited to the consolidated statement of profit or loss for the respective years.

Cost Control and Production Initiatives

While PDO conducts Block 6 Operations on behalf of the Block 6 concession holders (previously, the Ministry of Energy and Minerals and POHOL, and now EDO Gas, the Guarantor and POHOL), PDO acts as a cost centre on a "no-profit, no-loss" basis, taking cash calls to finance its capital and operating expenses. The Guarantor (previously, the Ministry of Energy and Minerals) is responsible for 60 per cent. of the cash calls to finance

Block 6 Oil exploration and development and, prior to the Gas Operations Transfer Date, 100 per cent. of the cash calls for NAG and NAG condensate exploration and development. After the Gas Operations Transfer Date, EDO Gas is responsible for 100 per cent. of the cash calls for NAG and NAG condensate exploration and development.

PDO's principal costs are well and surface maintenance costs and surface operations costs. PDO has committed to intensify its cost-control programme to mitigate the effects of volatility in Oil prices with a focus on efficiency across its operations. As part of its cost cutting programme, PDO launched the NTSP in 2020, which focuses on cross-company cost reduction and value generation. PDO has also launched the Capital Efficiency programme and the Design, Build, Own, Operate and Maintain initiative, which aim to improve project execution by lowering costs, shortening the time to completion and improving project estimates. In addition, in 2011, PDO launched an ongoing LEAN programme to streamline operations, cut waste, remove inefficiency and avoid duplication of activities. LEAN has resulted in the introduction of new tools and principles in well delivery, operation and maintenance, well and reservoir management, contracting and procurement, people and project delivery. PDO had total savings of US$421 million, US$613 million and US$634 million for the years ended 31 December 2024, 2023 and 2022, respectively, as a result of various programmes including NTSP and Capital Efficiency and other initiatives.

Impairment

The Group operates in a capital-intensive industry. At times, their inventories, property, plant and equipment and non-financial assets may become impaired when, for example, commodity prices decline significantly for long periods of time, reserve estimates are revised downward, or a decision to dispose of an asset leads to a write-down to its fair value. EDO Gas and the Guarantor may also invest large amounts of money in exploration which, if exploratory drilling proves unsuccessful, could lead to a material impairment of leasehold values. As the Guarantor optimises its assets in the future, it may incur future losses upon sale or impairment charges to long-lived assets used in operations and unproved properties.

Factors Affecting the Comparability of Results

Fiscal Terms

The comparability of the financial information for the periods presented in this Base Offering Circular has been impacted by the fiscal terms that were implemented as part of the Formation. These fiscal terms include the application of royalties paid to the Government on a weekly basis based on the Group's monthly revenue from the sale of Oil and condensate, taxes paid to the Government on income derived from the Oil Operations and Gas Operations and changes in the Oil and gas reserve estimates. For more information regarding these impacts, see "*—Factors Affecting the Group's Results of Operations and Financial Condition—Fiscal Terms*" above.

Recent Developments

Production

Since 31 December 2024, the Guarantor's production volumes and revenue have remained stable and are in line with its estimates.

Results of Operations of the Guarantor

Description of Key Consolidated Statement of Profit or Loss and Other Comprehensive Income Line Items

Revenue

Revenue primarily consists of sales of Oil, NAG and NAG condensate.

Revenue from the Sale of Oil

Revenue from the sale of Oil comprises Oil sold by the Guarantor under the Oil OEB SPA with the Ministry of Energy and Minerals. Pursuant to the Oil OEB SPA, the Guarantor sells its share of Oil production to the Ministry of Energy and Minerals or designated customers at the price set out in customer agreements.

Revenue from the Sale of NAG condensate

NAG condensate revenue comprises NAG condensate sold to the Ministry of Energy and Minerals or designated customers pursuant to the Oil OEB SPA at the price set out in agreements between the ministry and its customers and agreed with the Guarantor.

For information on the responsibility for and accounting of NAG condensate in future Guarantor financial statements, see "*Presentation of Financial, Reserves and Other Information—Comparability of Financial Information—NAG Condensate Revenue*".

Revenue from the Sale of NAG

NAG revenue comprises sales of NAG to the Ministry of Energy and Minerals at a fixed transfer price, with an annual increase of 2.5 per cent. for five years.

Revenue is recognised at the point in time when control of the product is transferred to the Government. For Oil and NAG condensate, control transfers when OEB is physically transferred into a vessel, pipe or other delivery mechanism and the Ministry of Energy and Mineral's customer takes physical possession thereof. For NAG, control transfers at the gas delivery point (i.e., the inlet flange of the customer's plant), as defined in the NAG Sales Agreement.

Other Operating Income

Other operating income includes revenue from arrangements that are not considered contracts with customers. The primary component of other operating income is the Guarantor's share of the compensation received by the Ministry of Energy and Minerals from the operator of Block 53 for the lower grade of Oil produced by one of Block 53's Oil fields that is blended and commingled with the OEB sold by the ministry in accordance with the Oman Blend Revenue Distribution Agreement ("**OBRDA**"). Under the OBRDA, the operator of Block 53 pays compensation to other Oil producers in Oman for the impact of this lower grade of Oil with the compensation split based on the production volumes of each respective Oil producer. Other operating income also includes gains on disposals of property, plant and equipment, changes in abandonment estimates for purposes of calculating the Group's abandonment provision, tender fees and foreign exchange gain. For the financial year ended 31 December 2023, other operating income also includes reversal to ECL provisions.

Finance Income

Finance income includes interest income accrued on deferred payments and bank balances. The primary component of finance income in the Audited Financial Statements is interest income on the bank account balances. Interest income is calculated using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Production Expenses

Production expenses include operating expenses related to producing hydrocarbons, including surface operations and maintenance expenses (subsurface and surface costs), well production expenses and other production expenses such as staff costs, Oil inventory movement (e.g., under-liftings) and other expenses as required by the Guarantor. Production expenses also include the purchase of residue reinjections related to Block 6 from a related Government entity.

Depreciation, Depletion and Amortisation

Depreciation, depletion and amortisation include depreciation on property, plant and equipment and depreciation on right of use assets. The carrying amount of capitalised costs is included as part of property, plant and equipment under producing assets. Capitalised costs of production wells and production facilities include costs relating to exploration, seismic evaluation, geological and geophysical or other related costs.

Property, plant and equipment related to hydrocarbon production activities are depreciated on a Unit of Production ("**UOP**") basis over the proved developed Oil and gas reserves of the relevant cluster, except with respect to assets with useful lives that differ from the lifetime of the cluster, which are depreciated applying the straight-line method. This results in a depreciation charge proportional to the depletion of the anticipated remaining production from the cluster. For the purpose of proved developed reserves, management uses the SEC-mandated yearly average Oil prices and management's estimate of the fixed gas prices. Changes to estimates of proved developed reserves affect prospectively the amounts of depreciation, depletion and amortisation charged and, consequently, the carrying amounts of production assets. The life of each item, which is assessed at least annually, is calculated by reference to both its physical life limitations and present assessments of economically recoverable reserves of the cluster in which the asset is located. The calculation of the UOP rate of depreciation will be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future Capital Expenditure estimates change.

Right of use assets are depreciated by applying the straight-line method.

Other Expenses

Other expenses primarily include exploration assets written off and consulting and advisory expenses. For the financial year ended 31 December 2022, other expenses also include net book value of assets written off or disposed of during the relevant period.

Royalty Expenses

Royalty expenses consist of the royalties that the Guarantor is required to pay to the Government on a weekly basis based on its monthly revenue from the sale of Oil and NAG condensate under the Fiscal Protocol. The royalties payable by the Guarantor meet the criteria to be treated as an expense and, accordingly, are recognised in the consolidated statement of profit or loss. See "*—Factors Affecting the Group's Results of Operations and Financial Condition—Fiscal Terms—Fiscal Terms Applicable to Oil and Condensate (AG and NAG) Revenues*" above.

Finance Costs

Finance costs relate to the interest expense on lease liabilities, interest on loans, the unwinding cost on the abandonment provision and profit on the sukuk bond for the financial year ended 31 December 2024. The abandonment provision represents the present value of the abandonment costs relating to Oil and gas properties, which are expected to be incurred up to 2044 for Oil and gas, when the producing Oil and gas properties are expected to cease operations.

Income Tax Expenses

Income tax expenses consist of the taxes that the Guarantor is required to pay to the Government on its income derived from its Oil and gas activities under the Fiscal Protocol. See "*—Factors Affecting the Group's Results of Operations and Financial Condition—Fiscal Terms—Fiscal Terms Applicable to Oil and Condensate (AG and NAG) Revenues*" above for more information on the calculation of these taxes.

The major components of income tax expenses are current income tax expense and deferred income tax relating to origination and reversal of temporary deferred tax asset and deferred tax liabilities. Deferred income tax expense is provided using the balance sheet approach on temporary differences between the tax bases of assets

and liabilities and their carrying amounts for financial reporting purposes at the reporting date. A deferred tax liability is not recognised with respect to the timing difference between the accounting base and the tax base on property plant and equipment as the Guarantor has availed itself of the initial recognition exemption under IAS 12 “Income Taxes”. Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The Guarantor offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Year Ended 31 December 2024 Compared to Year Ended 31 December 2023

The following table sets forth the Group’s consolidated statement of profit or loss and other comprehensive income for the years ended 31 December 2024 and 2023 as presented in the Audited 2024 Financial Statements.

	Year ended 31 December	
	2024	**2023**
	(US$’000)	
Revenue	16,065,270	16,422,914
Other operating income	38,241	202,113

	Year ended 31 December	
	2024	**2023**
	(US$'000)	
Finance income	9,201	7,559
Total revenues and other income	**16,112,712**	**16,632,586**
Production expenses	(1,219,799)	(1,115,911)
Royalty expenses	(6,276,031)	(6,525,451)
Depreciation, depletion and amortisation	(3,738,659)	(3,840,790)
Other expenses	(94,676)	(56,289)
Profit before interest and tax	**4,783,547**	**5,094,145**
Finance costs	(711,478)	(606,604)
Profit before tax	**4,072,069**	**4,487,541**
Income tax expenses	(3,359,854)	(3,790,479)
Profit for the year	**712,215**	**697,062**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Re-measurement of pension fund obligation	12,708	12,990
Total comprehensive income for the year	**724,923**	**710,052**

Revenue

The Group's revenue was US$16,065 million for the year ended 31 December 2024 compared to US$16,423 million for the year ended 31 December 2023, representing a decrease of 2 per cent. (or US$358 million). The decrease was primarily attributable to declines in NAG and NAG condensate revenue as set out below.

The following table sets out a breakdown of the Group's revenue for the years ended 31 December 2024 and 2023.

	Oil		**NAG & NAG condensate**		**Adjustments & eliminations**		**Total**	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
				(US$'000)				
External customers								
Oil	11,725,777	11,612,126	—	—	—	—	11,725,777	11,612,126
NAG	—	—	1,919,337	1,934,498	—	—	1,919,337	1,934,498
Condensate	—	—	2,420,156	2,876,290	—	—	2,420,156	2,876,290
Inter Segment	—	—	—	—	—	—	—	—
Total revenue from contracts with customers	**11,725,777**	**11,612,126**	**4,339,493**	**4,810,788**	—	**—**	**16,065,270**	**16,422,914**

Revenue from Sales of Oil

The Group's revenue from the sale of Oil was US$11,726 million for the year ended 31 December 2024 compared to US$11,612 million for the year ended 31 December 2023, representing an increase of 1 per cent. (or US$114 million). The increase was primarily attributable to an increase in barrels sold offset by a decrease in average selling price. The average OEB price for the year ended 31 December 2024 was US$81 per barrel compared to US$82 per barrel in 2023. The volume of Oil sold increased to 146 million barrels in 2024 compared to 141 million barrels in 2023, an increase of 5 million barrels. The increase of barrels sold in 2024 resulted from production optimisation at the Qarm Alam, Karim and Rima clusters. See "*Factors affecting the Group's Results of Operation and Financial Condition—Fiscal Terms—FSA Barrel Transfer Obligation*" above.

Revenue from Sales of NAG and NAG condensate

The Group's revenue from the sale of NAG and NAG condensate was US$4,339 million for the year ended 31 December 2024 compared to US$4,811 million for the year ended 31 December 2023 representing a decrease of 10 per cent. (or US$471 million). Of the US$471 million decrease, US$456 million relates to a decrease in revenue from the sale of NAG condensate. This decrease was primarily attributable to the decrease in volume of condensate sold and decrease in average selling price. The average selling price decreased from US$82 per barrel in 2023 to US$80 per barrel in 2024. The volume of condensate sold decreased to 30 million barrels of Oil equivalent in 2024 compared to 35 million barrels of Oil equivalent in 2023. The decrease in revenue from the sale of NAG in 2023 compared to 2022 was US$121 million. This decrease was primarily attributable to a lower quantity being sold resulting from the lower volume requirements of the Government since EDO Gas acts as a swing producer. The annual production for NAG condensate in 2023 decreased to 129 million barrels of Oil equivalent from 138 million barrels of Oil equivalent in 2022.

Other Operating Income

The Group's other operating income was US$38 million for the year ended 31 December 2024 compared to US$202 million for the year ended 31 December 2023, representing a decrease of 81 per cent. (or US$164 million). The decrease was primarily attributable to a reduction in gains on changes in abandonment estimates, OBRDA compensation and gains on disposal of property, plant and equipment.

Finance Income

The Group's finance income was US$9 million for the year ended 31 December 2024 compared to US$8 million for the year ended 31 December 2023, representing an increase of 22 per cent. (or US$1.6 million). The increase was primarily attributable to an increase in the average overnight deposits held during the year.

Production Expenses

The following table sets out a breakdown of the Group's production expenses for the years ended 31 December 2024 and 2023.

	Year ended 31 December	
	2024	**2023**
	(US$'000)	
Well production expenses	(324,986)	(293,273)
Change in inventory (Oil inventory and consignment stock)	64,216	44,267
Throughput and other income	95,505	105,054
Surface operations and maintenance expenses	(566,259)	(540,627)

	Year ended 31 December	
	2024	**2023**
	(US$'000)	
Other production expenses	(488,275)	(431,332)
Total production expenses(1)	**(1,219,799)**	**(1,115,911)**

Note:

(1) Production expenses included staff costs of US$412 million and US$452 million for the years ended 31 December 2024 and 2023, respectively. For the year ended 31 December 2023, medical expense reimbursements are included in staff costs, resulting in amendments to the staff costs in the comparative financial information for the year ended 31 December 2022.

The Group's production expenses were US$1,220 million for the year ended 31 December 2024 compared to US$1,116 million for the year ended 31 December 2023, representing an increase of 9 per cent. (or US$$104 million). The increase was primarily attributable to an increase in well production expenses, surface operations and maintenance expenses and production expenses, offset by decreases in change in inventory of Oil and consignment stock.

Depreciation, Depletion and Amortisation

The Group's depreciation, depletion and amortisation were US$3,739 million for the year ended 31 December 2024 compared to US$3,841 million for the year ended 31 December 2023, representing a decrease of 3 per cent. (or US$102 million). The decrease was primarily attributable to the exclusion of royalty from the reserve calculation.

Other Expenses

The Group's other expenses were US$95 million for the year ended 31 December 2024 compared to other operating expenses of US$56 million for the year ended 31 December 2023, representing an increase of 68 per cent. (or US$38 million). The increase was primarily attributable to an increase in exploration and evaluation assets written off during the year amounting US$26 million and increase in consulting, advisory and manpower charges amounting US$10 million.

Royalty Expenses

The Group's royalty expenses were US$6,276 million for the year ended 31 December 2024 compared to US$6,525 million for the year ended 31 December 2023, representing a decrease of 4 per cent. (or US$249 million). The decrease was primarily attributable to a decrease in average selling price.

Finance Costs

The Group's finance costs were US$711 million for the year ended 31 December 2024 compared to US$607 million for the year ended 31 December 2023, representing an increase of 17 per cent. (or US$105 million). The increase was primarily attributable to profit on Sukuk amounting to US$65 million, unwinding of interest cost on abandonment provision amounting to US$37 million, increase in interest on the Shareholder's loan amounting to US$25 million and an increase in average outstanding debt during the year, offset by US$20 million reduction in bank interest.

Profit before Tax

The Group's profit before tax was US$4,072 million for the year ended 31 December 2024 compared to US$4,488 million for the year ended 31 December 2023, representing a decrease of 9 per cent. (or US$415 million). The decrease was primarily attributable to the factors described above.

Income Tax Expenses

The Group's income tax expenses were US$3,360 million for the year ended 31 December 2024 compared to US$3,790 million for the year ended 31 December 2023, representing a decrease of 11 per cent. (or US$431 million). The decrease was primarily attributable to a lower deferred tax charge amounting to US$201 million and lower current tax amounting to US$229 million.

Profit for the Year

The Group's profit for the year was US$712 million for the year ended 31 December 2024 compared to US$697 million for the year ended 31 December 2023, representing an increase of 2 per cent. (or US$15 million). The increase was primarily attributable to the factors described above.

EBITDA

Set forth below is the Group's EBITDA for the years ended 31 December 2024 and 2023. EBITDA is an APM and should not be considered as an alternative to the Audited 2023 Financial Statements. See "*Presentation of Financial, Reserves and Other Information—Comparability of Financial Information—Alternative Performance Measures*" for a definition of EBITDA and a reconciliation of EBITDA to the nearest IFRS measure.

The Group's EBITDA was US$8,513 million for the year ended 31 December 2024 compared to US$8,927 million for the year ended 31 December 2023, representing a decrease of 5 per cent. (or US$414 million). The decrease was primarily attributable to a decrease in earnings due to the impact of lower average Oil and NAG condensate prices realised during the year.

Year Ended 31 December 2023 Compared to Year Ended 31 December 2022

The following table sets forth the Group's consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2023 as presented in the comparative financial information in the Audited 2024 Financial Statements and for the year ended 31 December 2022 as presented in the comparative financial information in the Audited 2023 Financial Statements.

	Year ended 31 December	
	2023	**2022**
	(US$'000)	
Revenue	16,422,914	17,281,524
Other operating income	202,113	193,456
Finance income	7,559	2,385
Total revenues and other income	**16,632,586**	**17,477,365**
Production expenses	(1,115,911)	(1,412,711)
Royalty expenses	(6,525,451)	(7,397,206)
Depreciation, depletion and amortisation	(3,840,790)	(3,567,022)

	Year ended 31 December	
	2023	**2022**
	(US$'000)	
Other expenses	(56,289)	(19,932)
Selling and distribution expenses	—	—
Profit before interest and tax	**5,094,145**	**5,080,494**
Finance costs	(606,604)	(396,605)
Profit before tax	**4,487,541**	**4,683,889**
Income tax expenses	(3,790,479)	(3,914,669)
Profit for the year	**697,062**	**769,220**
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Re-measurement of pension fund obligation	12,990	(91,457)
Total comprehensive income for the year	**710,052**	**677,763**

Revenue

The Group's revenue was US$16,423 million for the year ended 31 December 2023 compared to US$17,282 million for the year ended 31 December 2022, representing a decrease of 5 per cent. (or US$859 million). The decrease was primarily attributable to declines in Oil and NAG and NAG condensate revenue as set out below.

The following table sets out a breakdown of the Group's revenue for the years ended 31 December 2023 and 2022.

	Oil		**NAG & NAG condensate**		**Adjustments & eliminations**		**Total**	
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
	(US$'000)							
External customers								
Oil	11,612,126	11,711,655	—	—	—	—	11,612,126	11,711,655
NAG	—	—	1,934,498	2,055,460	—	—	1,934,498	2,055,460
Condensate	—	—	2,876,290	3,514,409	—	—	2,876,290	3,514,409
Inter Segment	—	—	—	—	—	—	—	—
Total revenue from contracts with customers	**11,612,126**	**11,711,655**	**4,810,788**	**5,569,869**	**—**	**—**	**16,422,914**	**17,281,524**

Revenue from Sales of Oil

The Group's revenue from the sale of Oil was US$11,612 million for the year ended 31 December 2023 compared to US$11,712 million for the year ended 31 December 2022, representing a decrease of 1 per cent. (or US$100 million). The decrease was primarily attributable to the lower global OEB prices in 2023 compared to 2022. The average OEB price for the year ended 31 December 2023 was US$82 per barrel compared to US$95 per barrel in 2022. The volume of Oil sold increased to 141 million barrels in 2023 compared to 112 million barrels in 2022, an increase of 29 million barrels. The increase of barrels sold in 2023 resulted from the

settlement of the Pre-Export Financing by the Government on 21 October 2022, which enabled the Guarantor to sell more barrels to external customers. See "*Factors affecting the Group's Results of Operation and Financial Condition—Fiscal Terms—FSA Barrel Transfer Obligation*" above.

Revenue from Sales of NAG and NAG condensate

The Group's revenue from the sale of NAG and NAG condensate was US$4,811 million for the year ended 31 December 2023 compared to US$5,570 million for the year ended 31 December 2022, representing a decrease of 14 per cent. (or US$759 million). Of the US$759 million decrease, US$638 million relates to a decrease in revenue from the sale of NAG condensate. This decrease was primarily attributable to the decrease in global OEB prices in 2023 compared to 2022 described above. The decrease in revenue from the sale of NAG in 2023 compared to 2022 was US$121 million. This decrease was primarily attributable to a lower quantity being sold resulting from the lower volume requirements of the Government since EDO Gas acts as a swing producer. The annual production for NAG condensate in 2023 decreased to 129 million barrels of Oil equivalent from 138 million barrels of Oil equivalent in 2022.

Other Operating Income

The Group's other operating income was US$202 million for the year ended 31 December 2023 compared to US$193 million for the year ended 31 December 2022, representing a decrease of 4 per cent. (or US$9 million). The decrease was primarily attributable to lower OBRDA compensation and lower gains recorded on disposals of property, plant and equipment in 2023 compared to 2022, while foreign exchange, tender fee, land fee and gain on changes in abandonment estimates increased in 2023 compared to 2022.

Finance Income

The Group's finance income was US$8 million for the year ended 31 December 2023 compared to US$2 million for the year ended 31 December 2022, representing an increase of 217 per cent. (or US$5 million). The increase was primarily attributable to a higher interest rate earned on deposits.

Production Expenses

The following table sets out a breakdown of the Group's production expenses for the years ended 31 December 2023 and 2022.

	Year ended 31 December	
	2023	**2022**
	(US$'000)	
Well production expenses	(293,273)	(280,001)
Change in inventory (Oil inventory and consignment stock)	44,267	(138,316)
Throughput and other income	105,054	103,718
Surface operations and maintenance expenses	(540,627)	(556,316)
Other production expenses	(431,332)	(541,796)
Total production expenses(1)	**(1,115,911)**	**(1,412,711)**

Note:

(1) Production expenses included staff costs of US$452 million and US$430 million for the years ended 31 December 2023 and 2022, respectively. For the year ended 31 December 2023, medical expense reimbursements are included

in staff costs, resulting in amendments to the staff costs in the comparative financial information for the year ended 31 December 2022.

The Group's production expenses were US$1,116 million for the year ended 31 December 2023 compared to US$1,413 million for the year ended 31 December 2022, representing a decrease of 21 per cent. (or US$297 million). The decrease was primarily attributable to a change in inventory levels and a reduction in other production expenses that primarily resulted from a decrease in NAG consumption.

Depreciation, Depletion and Amortisation

The Group's depreciation, depletion and amortisation were US$3,841 million for the year ended 31 December 2023 compared to US$3,567 million for the year ended 31 December 2022, representing an increase of 8 per cent. (or US$274 million). The increase was primarily attributable to an increase in net book value of depreciable assets, coupled with a higher depletion rate.

Other Expenses

The Group's other expenses were US$56 million for the year ended 31 December 2023 compared to other operating expenses of US$20 million for the year ended 31 December 2022, representing a decrease of 182 per cent. (or US$36 million). The increase was primarily attributable to increased consultancy costs.

Royalty Expenses

The Group's royalty expenses were US$6,525 million for the year ended 31 December 2023 compared to US$7,397 million for the year ended 31 December 2022, representing a decrease of 12 per cent. (or US$872 million). The decrease was primarily attributable to a lower royalty rate due to the lower average Oil price in 2023 compared to 2022.

Finance Costs

The Group's finance costs were US$607 million for the year ended 31 December 2023 compared to US$397 million for the year ended 31 December 2022, representing an increase of 53 per cent. (or US$210 million). The increase was primarily attributable to increased loans and borrowings which totalled US$7,624 million as of 31 December 2023 compared to US$5,893 million as of 31 December 2022. The increase in the Secured Overnight Financing Rate ("**SOFR**"), which is applicable to the Term Loan, has further contributed to the higher interest costs.

Profit before Tax

The Group's profit before tax was US$4,488 million for the year ended 31 December 2023 compared to US$4,684 million for the year ended 31 December 2022, representing decrease of 4 per cent. (or US$196 million). The decrease was primarily attributable to the factors described above.

Income Tax Expenses

The Group's income tax expenses were US$3,790 million for the year ended 31 December 2023 compared to US$3,915 million for the year ended 31 December 2022, representing a decrease of 3 per cent. (or US$124 million). The decrease was primarily attributable to a lower deferred tax charge as a result of the unwinding of an initial recognition exemption adopted by the Guarantor on property, plant and equipment.

Profit for the Year

The Group's profit for the year was US$697 million for the year ended 31 December 2023 compared to US$769 million for the year ended 31 December 2022, representing a decrease of 9 per cent. (or US$72 million). The decrease was primarily attributable to the factors described above.

EBITDA

Set forth below is the Group's EBITDA for the years ended 31 December 2023 and 2022. EBITDA is an APM and should not be considered as an alternative to the Audited 2023 Financial Statements. See "*Presentation of Financial, Reserves and Other Information—Comparability of Financial Information—Alternative Performance Measures*" for a definition of EBITDA and a reconciliation of EBITDA to the nearest IFRS measure.

The Group's EBITDA was US$8,927 million for the year ended 31 December 2023 compared to US$8,645 million for the year ended 31 December 2022, representing an increase of 3 per cent. (or US$282 million). Although the number of barrels of Oil sold in 2023 increased, the effect of this increase was offset by the lower average price of Oil in 2023. Accordingly, the increase was primarily attributable to lower royalty expenses due to the lower average price of Oil and NAG condensate, as well as lower production expenses as described above.

Liquidity and Capital Resources

The Guarantor covers cash calls and recognises revenues from Oil sales in proportion to its participating interest of 60 per cent. Prior to the Gas Operations Transfer Date, the Guarantor recognised revenues and covered cash calls from 100 per cent. of NAG sales. Following the Gas Operations Transfer Date, EDO Gas recognises revenues and covers cash calls from 100 per cent. of NAG sales. The Guarantor continues to recognise revenue from 100 per cent. of NAG sales in its financial statements. EDO Gas intends to fund its operating expenses, cost of debt and income tax payments by the revenues generated by sales of NAG and debt capital. Any surplus funds from sales of NAG may be paid as dividends to the Guarantor.

The Guarantor depends upon the earnings and cash flow of the Oil Operations and the Gas Operations operated by PDO. PDO acts as a cost centre on a "no-profit, no-loss" basis, taking cash calls to finance its Capital Expenditure and operating expenses. The Guarantor is responsible for 60 per cent. of the cash calls to fund Oil Operations and EDO Gas is, following the Gas Operations Transfer Date, responsible for 100 per cent. of the cash calls to fund Gas Operations.

The Group's sources of funds include funds generated from operations and funds from external borrowings, including the US$2 Billion Facility (as defined below). The Guarantor's senior management has agreed on a medium-term funding policy for the Guarantor which states that base capital costs will be funded through additional debt up to a Funds from Operations ("**FFO**") to Net Debt ratio of 45 per cent., and the remaining balance will be funded in the same manner as operating expenses. Any incremental capital costs will be funded through debt. For these purposes, FFO is calculated as EBITDA minus profit (loss) on inventory valuation minus interest paid minus cash taxes, and Net Debt means the sum of outstanding term loan and lease liabilities minus the closing cash and bank balances.

The Group had cash and cash equivalents of US$429 million as at 31 December 2024. The Guarantor's management is of the opinion that, taking into account the Group's current banking facilities and operating cash flows, the working capital available to the Guarantor is sufficient to meet its present requirements for at least the next 12 months following the date of this Base Offering Circular.

Cash Flows

The following table presents a summary of the Group's cash flows for the years ended 31 December 2024 and 2023 as presented in the Audited 2024 Financial Statements and for the year ended 31 December 2022 as presented in the Audited 2023 Financial Statements.

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Net cash from operating activities	5,541,300	6,531,207	5,152,272
Net cash used in investing activities	(3,637,636)	(3,576,943)	(3,235,272)
Net cash used in financing activities	(2,169,647)	(2,487,610)	(2,008,377)
Increase (Decrease) in cash and bank balances	(265,983)	466,654	(91,377)
Cash and bank balances at beginning of year	694,553	227,899	340,780
Cash and bank balances at end of year	428,570	649,553	249,403

Net Cash from Operating Activities

Net cash from operating activities consists of cash from operating activities, working capital changes (including those due to fiscal adjustments) and income tax paid.

The Group's net cash from operating activities was US$5,541 million for the year ended 31 December 2024 compared to US$6,531 million for the year ended 31 December 2023, representing a decrease of 15 per cent. (or US$990 million). The decrease was primarily attributable to a decrease in earnings due to impact of lower average Oil and NAG condensate prices realised during the year.

The Group's net cash from operating activities was US$6,531 million for the year ended 31 December 2023 compared to US$5,152 million for the year ended 31 December 2022, representing an increase of 27 per cent. (or US$1,379 million). The increase was primarily attributable to changes in working capital, specifically a change in amounts due from related parties of US$1,853 million. For the year ended 31 December 2023, there was a decrease of US$614 million in amounts due from related parties. The decrease in related parties receivables for 2023 was primarily due to a decrease in receivables from the Ministry of Energy and Minerals for the sale of Oil, a decrease in receivables from the sale of NAG and a decrease in OBRDA receivables from PDO.

Net Cash Used in Investing Activities

Net cash used in investing activities consists of cash used in the acquisition of property, plant and equipment and expenditure on exploration and evaluation assets. It also includes proceeds from the disposal of property, plant and equipment and movement in housing loans and other non-current assets.

The Group's net cash used in investing activities was US$3,638 million for the year ended 31 December 2024 compared to US$3,577 million for the year ended 31 December 2023, representing an increase of 2 per cent. (or US$61 million). The slight increase was primarily attributable to a decrease in proceeds from disposal of property, plant and equipment.

The Group's net cash used in investing activities was US$3,577 million for the year ended 31 December 2023 compared to US$3,235 million for the year ended 31 December 2022, representing an increase of 11 per cent. (or US$342 million). The increase was primarily attributable to an increase of US$290 million in acquisition of property, plant and equipment.

Net Cash Used in Financing Activities

Net cash used in financing activities consists of distribution of free cash to the Government as return on retained earnings. It also includes loans received, share capital, dividends paid out, paid interest and cash used in payment of lease liabilities.

The Group's net cash used in financing activities was US$2,170 million for the year ended 31 December 2024 compared to US$2,488 million for the year ended 31 December 2023, representing a decrease of 13 per cent. (or US$318 million). The decrease was primarily attributable to increase of US$276 million in net loans repaid (loan repaid less loan taken) for the year ended 31 December 2024 and a decrease of US$20 million in finance costs and lease payments.

The Group's net cash used in financing activities was US$2,488 million for the year ended 31 December 2023 compared to US$2,008 million for the year ended 31 December 2022, representing an increase of 24 per cent. (or US$479 million). The increase was primarily attributable to an increase of US$1,978 million in net loans repaid for the year ended 31 December 2023. In addition, finance cost for the year ended 31 December 2023 increased by US$134 million.

Dividends and Distributions

In accordance with its dividend policy approved on 3 August 2023, the Guarantor intends to declare dividends on a monthly basis based on the total forecasted Residual Block 6 Cash (as defined below) available in each month for the relevant year after any applicable adjustment for the respective month's actual Residual Block 6 Cash. "**Residual Block 6 Cash**" means, in respect of any calendar month, the cash available to the Guarantor calculated as:

- net cash receipts from the Guarantor's participating interest share in petroleum operations and EDO Gas' Gas Operations during that calendar month;
- minus royalties and income tax paid or accrued in relation to Oil Operations and Gas Operations during that calendar month;
- plus the cash proceeds of any permitted financial indebtedness during that calendar month;
- minus financing costs and repayments of financing principal paid or falling due for payment during that calendar month;
- minus financing costs for the following quarter;
- minus the Guarantor's and EDO Gas' operating costs incurred or paid during that calendar month in respect of Block 6 Oil Operations and Gas Operations, respectively; and
- minus the working capital requirements of the Guarantor and EDO Gas in respect of Block 6 Oil Operations and Gas Operations, respectively.

Capital Expenditure

Capital Expenditure relates to expenses incurred for developing or upgrading the infrastructure, equipment and facilities required for Oil, NAG and NAG condensate production and operations and excludes the expenditure on abandonment assets. These expenses pertain to existing wells or new projects and include expenses related to development, infrastructure, integrity, safety and environment. Capital Expenditure also includes the drilling of wells and the construction and establishment of facilities. PDO's principal Oil Capital Expenditure includes (i) well-related Capital Expenditure, consisting of expenditure on drilling, hoists, flowlines and hook-ups, (ii) facility/non-well Capital Expenditure, consisting of the design, construction, acquisition and installation of production platforms and facilities, pipelines for export processing and the storage of hydrocarbons, insurance

spare costs and commissioning costs, and (iii) common non-well Capital Expenditure comprising other non-well and non-facility related costs such as salaries, computing/software, environmental costs, research and development. Activities related to gas development include drilling, well testing, well reservoir management Capital Expenditure and engineering project expenditures. Minimal Capital Expenditure is required to operate existing wells and facilities other than to ensure integrity, and health, safety, sustainability and environment costs. The Capital Expenditure amounts in this Base Offering Circular are set out on a 2P and 2C basis. 2C is defined as the best estimate of contingent resources by the Petroleum Resources Management System.

Historically, the Guarantor has funded its base Capital Expenditure through debt financing up to the limits set out in its capital structure. The remainder is funded using revenues from Oil and gas. Any incremental Capital Expenditure is funded through additional debt financing. Following the Gas Operations Transfer Date, the Guarantor uses the same model for funding Oil Capital Expenditure, and EDO Gas similarly funds NAG Capital Expenditure using revenues from the Gas Operations, with the remainder funded using revenues from a sukuk programme.

Historical Capital Expenditure

The Group's Capital Expenditure amounted to US$3,843 million for the year ended 31 December 2024 and US$3,819 million and US$3,455 million for the years ended 31 December 2023 and 2022, respectively. The Group's Oil Capital Expenditure amounted to US$2,718 million for the year ended 31 December 2024 and US$2,721 million and US$2,482 million for the years ended 31 December 2023 and 2022, respectively. During these periods, Oil Capital Expenditure primarily reflected the acquisition of property, plant and equipment. The Group's gas Capital Expenditure amounted to US$1,125 million for the year ended 31 December 2024 and US$1,098 million and US$973 million for the years ended 31 December 2023 and 2022, respectively. During these periods, gas Capital Expenditure primarily comprised the acquisition of property, plant and equipment.

Capital Commitments

The Group's future Capital Expenditure authorised by the board of directors of PDO (the "**PDO Board**") and Gas Operations amounted to US$21,977 million for the year ended 31 December 2024 as compared to US$19,769 million and US$21,156 million for the years ended 31 December 2023 and 2022 respectively.

Capital Resources

The Guarantor has the following material borrowings:

Shareholder Bridge Facility

On 17 April 2022, the Guarantor and the Government entered into the Shareholder Bridge Facility. All amounts borrowed under the Shareholder Bridge Facility must be used to fund the Guarantor's share of Block 6 capital costs, as defined in the Guarantor's funding policy, incurred from 1 January 2022 (inclusive). See "*—Liquidity and Capital Resources*" above for a discussion of the Guarantor's funding policy. Any amounts drawn under the Shareholder Bridge Facility may be repaid via transfer of funds or through an offset agreed by the parties against funds payable to the Government by the Guarantor. Interest on each loan under the Shareholder Bridge Facility accrues at a rate of 5 per cent. per annum from the relevant utilisation date. The outstanding amount (plus accrued interest) under the Shareholder Bridge Facility may be repaid at any time upon notice to the Government. Unless agreed otherwise between the parties, the equivalent outstanding amount (plus accrued interest) must be repaid within five days of receipt of funds from any issuance under this Programme or from any other indebtedness by the Guarantor. As of 31 December 2024, US$2,892 billion was outstanding under the Shareholder Bridge Facility.

US$2 Billion Facility

On 27 May 2024, the Guarantor and EDO Gas entered into a five-year US$2 billion term loan credit facility agreement arranged by a panel of banks (the "**US$2 Billion Facility**"). The Guarantor used the proceeds from the US$2 Billion Facility to repay its existing US$2.5 Billion Facility on 13 June 2024.

The facility will mature on 27 May 2029, at which time the Guarantor must repay the total principal amount outstanding.

The interest rate on the outstanding amount under the US$2 Billion Facility is a daily non-cumulative compounded reference rate calculated in accordance with the terms of the agreement using SOFR as the reference rate plus an agreed applicable margin. The interest period can be either one month, three or six months or any other period selected by the Guarantor. Interest is payable on the last date of the relevant interest period.

For a summary of events of default and covenants under the US$2 Billion Facility, please see "*—Covenants and Undertakings under the Loans*" below.

OMR 375,000,000 Term Loan Facility

On 8 January 2023, the Guarantor entered into an OMR 375,000,000 (approximately US$975 million) Term Loan Facility Agreement (the "**Term Loan**") with, amongst others, Bank Muscat, National Bank of Oman SAOG, Sohar International Bank SAOG, Oman Arab Bank SAOG, Bank Dhofar SAOG, Ahli Bank SAOG and Standard Chartered Bank, Oman branch. On 21 August 2023, the Term Loan was amended to introduce EDO Gas as a party and to accommodate both the transfer of the Gas Operations to EDO Gas as well as the establishment of the Programme, effective from 27 August 2023. On 16 December 2024, the Term Loan was further amended to align certain covenants and events of default with those contained in the US$2 Billion Facility. As of the date of this Base Offering Circular, the Term Loan was fully drawn.

The Guarantor used the proceeds from the Term Loan to repay the Shareholder Bridge Facility.

The Guarantor will repay the Term Loan and any other outstanding amounts in July 2026, subject to the Guarantor's right to prepay any loan amounts after giving notice to the bank. The Guarantor will pay accrued interest, which is fixed at 4.4 per cent. per annum, on a quarterly basis until the final maturity date.

For a summary of events of default and covenants under the Term Loan, please see "*—Covenants and Undertakings under the Loans*" below.

OMR 150,000,000 Revolving Credit Facility

On 12 February 2023, the Guarantor entered into an OMR 150,000,000 (approximately US$389 million) revolving credit facility agreement with Bank Muscat (the "**Revolving Credit Facility**"). On 11 September 2023, the Revolving Credit Facility was amended to add EDO Gas as a guarantor. On 16 December 2024, the Revolving Credit Facility was further amended to align certain covenants and events of default with those contained in the US$2 Billion Facility.

The Revolving Credit Facility will mature in August 2026. Repayment and interest periods for each utilisation under the Revolving Credit Facility may vary from one to six months based on agreement with the bank and subject to the termination date in August 2026. Interest for the relevant period is payable on the facility at a fixed rate with reference to the Weighted Average Interest Rates on Deposits ("**WAIRD**") of the Central Bank of Oman plus a margin of 0.14 per cent., and provided that the aggregate rate of interest calculated under this Clause shall not exceed the agreed maximum rate per annum. The Guarantor will use the proceeds from the Revolving Credit Facility to repay the Shareholder Bridge Facility, as well as to pay or reimburse Capital Expenditure relating to its participating interests in Block 6 and for general corporate purposes. On 4 July 2024, the Guarantor repaid the entire amount outstanding under the Revolving Credit Facility (equivalent to US$202 million). As of the date of this Base Offering Circular, the Revolving Credit Facility has not been redrawn.

For a summary of events of default and covenants under the Revolving Credit Facility, please see "*—Covenants and Undertakings under the Loans*" below.

Covenants and Undertakings under the Loans

The Guarantor and EDO Gas have made certain undertakings under the US$2 Billion Facility, the Term Loan and the Revolving Credit Facility, (together, the "**Loans**"), including, but not limited to:

Disposals

The Loans restrict the Guarantor from entering into a transaction or series of transactions (whether related or not) and whether voluntary or involuntary to dispose of all or substantially all of its assets.

Events of Default

The Loans include various customary events of default as well as an event of default for a breach by the Guarantor or EDO Gas (as applicable) or the cessation of all or a material part of the Guarantor's or EDO Gas' businesses.

Reorganisation

The Loans restrict the Guarantor and/or EDO Gas, as applicable, from participating in mergers or certain other corporate restructurings without prior consent.

US$1 billion Sukuk Trust Certificates

On 17 September 2023, the Trustee issued US$1,000,000,000 of Trust Certificates due 2033 (the "**Trust Certificates due 2033**"). Profits are payable half yearly at 5.875% per annum. The payment of all amounts due in respect of the Trust Certificates due 2033 was unconditionally and irrevocably guaranteed by the Guarantor. The Trust Certificates due 2033 and guarantees constitute direct, unsubordinated and unsecured obligations of the Trustee, respectively, and rank equally in right of payment, without any preference of priority, with other Trust Certificates.

US$750 million Sukuk Trust Certificates

On 3 July 2024, the Trustee issued US$750,000,000 of Trust Certificates due 2031 (the "**Trust Certificates due 2031**") under the Programme. Profits are payable semi-annually at 5.662% per annum. The Guarantor unconditionally and irrevocably guaranteed the due and punctual performance by the Obligor of all its payment obligations under the Transaction Documents to which the Obligor is a party in favour of the Trustee and the Delegate. The Trust Certificates due 2031 and the guarantees constitute direct, unsubordinated and unsecured obligations of the Trustee and the Guarantor, respectively, and rank equally in right of payment, without any preference of priority, with other Trust Certificates and the relevant guarantees.

Equity

The Group's equity was US$10,198 million as of 31 December 2024. See the statement of changes in equity presented in the Audited 2024 Financial Statements for more information about the Group's equity.

Off-Balance Sheet Arrangements

As of 31 December 2024, the Guarantor had no off-balance sheet arrangements.

Contractual Commitments

The table below sets out the Group's recognised and unrecognised contractual commitments as at 31 December 2023.

	As at 31 December 2024
	(US$'000)
Finance lease liabilities	908,097
Capital Expenditure obligations	21,977,400
Abandonment provisions	3,373,794
Total	**25,351,194**

Transactions with Related Parties

Prior to the establishment of the Guarantor, the Government directly owned and controlled its participating interests in the Block 6 Operations. Following the establishment of the Guarantor, the Government ultimately owns and controls the Guarantor. During the periods covered by the Audited Financial Statements, the Group entered, and continues to enter, into transactions with other Government-related entities, including, but not limited to, the sale and purchase of goods, rendering and receiving services and the use of public utilities. These transactions have been and are conducted in the ordinary course of operations on terms comparable to those with other entities that are not related to the Government.

The transactions include:

- sales and purchases of goods;
- rendering and receiving services;
- use of public utilities;
- revenue from Oil, NAG and condensate (AG and NAG) interests;
- other operating income received from a related Government entity for a lower grade of Oil;
- interest income from the NAG Financing Receivable;
- the transportation of NAG by OQGN;
- royalties;
- distribution of assets in specie;
- the purchase of residue reinjected by a related Government entity;
- advances and supply of Oil barrels related to the Pre-Export Financing;
- a credit facility between PDO and the PDO pension fund under which PDO has utilised loan proceeds in the development of a project in Ras Al Hamra; and
- ordinary course transactions with key management personnel, including compensation and benefits.

These transactions are conducted in the ordinary course of business on terms comparable to those with other entities that are not government related.

The Guarantor has elected to take the exemption under IAS 24 "Related Party Disclosures" to disclose only the key transactions and outstanding balances, including commitments with the Government and any other entity

that is considered to be a related party because the Government has control, joint control or significant influence over it. For more information on these transactions and outstanding balances, see Note 21 to the Audited 2023 Financial Statements and Note 21 to the Audited 2022 Financial Statements.

Quantitative and Qualitative Disclosure About Market Risk

Overview

The Guarantor has limited exposure to financial risks. The financial risks that could adversely affect the Guarantor's financial assets, liabilities or future cash flows are market risk (including commodity price risk, interest rate risk and foreign currency risk) and credit risk.

Market Risk

Market risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: commodity price risk, interest rate risk and foreign currency risk.

Commodity Risk

Commodity price risk is the risk that future income and cash flows will fluctuate because of changes in commodity prices.

Based on the assumption that the Oil price moves +/- 20 per cent., this would result in a change of US$16 per barrel of Oil for the year ended 31 December 2024 (31 December 2023: US$16 per barrel of Oil), with a consequent increase in profit before tax of US$802 million in case of a 20 per cent. increase in Oil price (31 December 2023: US$343 million) and a decrease in profit before tax of US$861 million in case of a 20 per cent. decrease in Oil price (31 December 2023: US$850 million) for the year ended 31 December 2024, respectively, where all other variables are held constant.

There is no commodity price risk associated with NAG production, because the Group has entered into an agreement with the Government to sell its entire NAG production to the Government at an agreed fixed price.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Interest rate risk from changes in interest rates that affect the fair value or future cash flows of financial instruments is considered to be significant for the Guarantor as the US$2.0 Billion Facility is an interest-bearing instrument.

The sensitivity analyses below have been determined based on the exposure to interest rates for instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to the management and represents the management's assessment of the reasonably possible change in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax for the year ended 31 December 2024 and 2023, respectively (through the impact on floating rate borrowings rates). There is no direct impact on the Group's equity**.**

	Increase/decrease in basis points	
	+50	**-50**
	(US$ '000)	
31 December 2024 – effect on profit before tax.....	(10,000)	10,000
31 December 2023 – effect on profit before tax.....	(12,072)	12,072

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in foreign currency exchange rates. Currency risk in respect of the Guarantor is mitigated significantly by a policy of awarding contracts and purchase orders mainly in U.S. dollars or Omani Rials. The Omani Rial is pegged to the U.S. dollar. Only in exceptional cases, on the basis of a commercial evaluation, are contracts or purchase orders awarded denominated in other currencies and therefore currency risk is not considered to have a significant impact on the Guarantor.

Credit Risk

Credit risk is the risk that counterparties might not fulfil their contractual payment obligations towards an entity. The Guarantor is exposed to credit risk in respect of its receivables and prepayments, housing loans due from related parties and bank balances. Credit risk is controlled as balances are regularly reviewed and, where necessary, an appropriate recovery action is taken.

The ECL model is applied for recognition and measurement of impairments in financial assets measured at amortised cost. Such credit losses have historically been nominal and the loss allowance for housing loans, receivables and prepayments, and due from related parties are presented in Notes 13, 16 and 19, respectively, to the Audited 2024 Financial Statements and to the Audited 2023 Financial Statements. Other financial assets consist of cash in hand and cash at bank. See Note 11 to the Audited 2024 Financial Statements and Note 12 to the Audited 2023 Financial Statements.

The ECL for the year ended 31 December 2024 was US$17.8 million in comparison to US$17 million for the year ended 31 December 2023, which represents 0.98 per cent. (0.96 per cent. in 2023) of all receivables and prepayments and related parties on account of Oil and NAG sales. The increase in ECL for the year ended 31 December 2024 is mainly due to changes in the macroeconomic environment.

Critical Accounting Policies and Estimates

Material Accounting Policy Information

From 1 January 2023, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2). Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the Audited 2023 Financial Statements. The amendments require the disclosure of material rather than significant accounting policies. The significant accounting policies adopted in the Audited 2024 Financial Statements are summarised in Note 3 to the Audited 2024 Financial Statements. The material accounting policies adopted in the Audited 2023 Financial Statements are summarised in Note 3 to the Audited 2023 Financial Statements.

Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Audited 2024 Financial Statements and Audited 2023 Financial Statements required management to make judgements, estimates and assumptions that affect the reported amounts of revenues,

expenses, assets and liabilities, and the accompanying disclosures, at the end of the reporting period. These estimates and judgements are subject to change based on experience and new information. The financial statement areas that required significant judgements, estimates and assumptions in the preparation of the Audited 2024 Financial Statements are summarised in Note 2 to the Audited 2024 Financial Statements. The financial statement areas that required significant judgements, estimates and assumptions in the preparation of the Audited 2023 Financial Statements are summarised in Note 2 to the Audited 2023 Financial Statements.

OVERVIEW OF OMAN AND THE ECONOMY

Location

Oman is the second largest country by geographical area in the GCC region, after the Kingdom of Saudi Arabia, with a total land surface area of 309,500 square kilometres. Oman occupies the south-eastern coast of the Arabian Peninsula where the Arabian Sea, with its outlet to the Indian Ocean, meets the Persian Gulf at the Gulf of Oman. Oman's neighbours include Yemen and fellow GCC members the Kingdom of Saudi Arabia and the UAE.

Oman is comprised of 11 Governorates, which are subdivided into 61 provinces or *wilayats*. Muscat is the capital of Oman, as well as its largest city. Muscat is also Oman's leading port and commercial centre. Oman's other significant cities include Salalah, Sohar, Sur, Nizwa and Khasab and its offshore territories include Maṣirah Island and Al-Ḥallaniyyah Island. Oman also has an exclave, Ru'us al-Jibal, which is bordered by the UAE to the south and the Straits of Hormuz to the north, and provides Oman with direct access to the Persian Gulf.

Approximately 82 per cent. of Oman is desert or semi-desert, and average rainfall for 2022, 2021 and 2020 was 30.6 millimetres, 105.8 millimetres and 103 millimetres, respectively. By contrast, the northern coast of Oman and parts of the south are capable of supporting agriculture. There are no permanent bodies of fresh water in Oman. Water for drinking, industrial and other purposes is mainly obtained from underground freshwater deposits and, in line with the Government's policy of reducing reliance on ground-water drinking water supply, increasingly, from desalinisation plants.

Population

As of December 2024, the total population of Oman was estimated by the National Centre for Statistics and Information to be approximately 5.27 million, of which 2.98 million were Omani nationals and 2.28 million were expatriates. Arabic is Oman's national and official language, but the use of English is widespread, especially in business transactions.

The total labour force in Oman was estimated by the National Centre for Statistics and Information to be approximately 2.7 million in 2024, of which approximately 1.8 million workers were employed in the private sector. Of those employed in the private sector, approximately 22.0 per cent. were Omani nationals and 78.0 per cent. were expatriates.

According to figures published by the World Bank, as of 31 December 2022, approximately 27 per cent. of the population in Oman was under 15 years old and 3 per cent. was 65 years and older. By comparison, the World Bank reports that approximately 17.3 per cent. of the population of Organisation for Economic Co-operation and Development ("**OECD**") nations was under 15 years old and approximately 18 per cent. was 65 years and older at the end of 2022.

Government Organisation

Overview

Oman is a monarchy. His Majesty Sultan Haitham bin Tarik is the Head of the Government and the Chief of State. The Sultan has the power to issue laws by Royal Decree. All Royal Decrees, international treaties, agreements and charters signed or approved by His Majesty become law from the date of their publication in Oman's *Official Gazette*.

On 11 January 2021, His Majesty Sultan Haitham bin Tarik issued Royal Decree № 6/2021 repealing Royal Decrees 101/96 and 99/2011 and promulgating the new Basic Statute of the State (the "**Basic Statute**"). The Basic Statute serves as the constitution of Oman and sets forth its system of governance, as well as establishing certain basic rights of Omani citizens. In addition, the Basic Statute provides that all natural resources are the property of the State and that any concessions granted to exploit or otherwise invest in such natural resources may only be granted for a specified period. The Basic Statute also provides for a Prime Minister, although this position and the positions of Minister of Defence and Chief of the Armed Forces are currently held by His Majesty Sultan Haitham bin Tarik. His Majesty Sultan Haitham bin Tarik also initially held the positions of Ministers of Finance and Foreign Affairs, as well as Chairman of the Board of Governors of the Central Bank, however, these powers have been devolved by virtue of the Royal Decrees № 111/2020 and № 112/2020 on 18 August 2020.

Organisational Structure of the Government

The creation of a modern state with established institutions has been one of the cornerstones of the country's development efforts over the past 48 years. The Basic Statute sets out the principles on which the State and the system of government are founded. The State's organisational structure comprises of His Majesty Sultan Haitham bin Tarik and a series of specialised councils, institutions and authorities.

The process of policy formulation and decision making has evolved since His Majesty Sultan Qaboos came into power in 1970, and the Government continues to implement His Majesty Sultan Qaboos' vision of democratic action, in which Omani citizens play a role in national decisions.

In August 2020, His Majesty Sultan Haitham bin Tarik issued 28 Royal Decrees, delegating various powers for the first time. In a move towards a more institutional model of government, His Majesty has devolved the roles of foreign minister, finance minister and chairman of the Central Bank, appointing other officials to these positions. His Majesty has also consolidated the Government, reducing 26 ministries to 19. Amongst these changes, and pursuant to Royal Decrees, several ministerial councils and authorities, including the Supreme Council for Planning, *Ithraa* (Public Authority for Investment Promotion and Exports), the Public Authority for Mining and the Financial Affairs and Energy Resources Council were abolished.

The Economy of Oman

When His Majesty Sultan Qaboos bin Said al Said acceded to the throne in 1970, he began a series of processes that transformed Oman from an undeveloped state into a modern nation, which is now classified by the World Bank as a high-income country. According to the World Bank, Oman's real GDP *per capita* on a purchasing power parity basis keeping the international dollar rate on a constant was US$18,822 in 2023 and GDP *per capita* on a current basis was US$23,295 in 2023.

Oman has a credit rating of "BB+" with a positive outlook from Fitch, "Ba1" with a positive outlook from Moody's Investors Service, Inc., and "BBB-" with a stable outlook from Standard & Poor's.

The production and export of Oil and natural gas is a significant component of the Omani economy, contributing 36.2 per cent. and 39.7 per cent. of GDP at current prices in the years ended 31 December 2023 and 2022, respectively. Accordingly, the performance of the Oil and gas industry directly affects industries that are tangential to or reliant upon it. The Oil and gas industry also has a number of indirect effects on the economy as a whole, and, in low energy price environments, in particular, can lead to reductions in consumer purchasing power and mobility. Oil and gas activities are the principal source of Government revenues (71.9 per cent. and 77.2 per cent. of total Government revenues in 2023 and 2022, respectively) and, therefore, further indirectly affect the performance of the non-Oil sectors of the economy through the effect on Government expenditure. As a result, fluctuations in the production and price of Oil are the major factors affecting Oman's economic

performance. The economy's vulnerability to Oil price movements and the finite nature of Oil reserves have led the Government to exploit significant gas reserves, to promote investment in the non-Oil and gas sectors of the economy and to implement policies and procedures to manage and replenish its financial reserves with the objective of increasing economic resilience.

Vision 2040

The Vision 2040 plan is expected to continue the diversification of the Omani economy away from hydrocarbons, pursuing infrastructure and other developments to further transform the Sultanate. Various committees have been formed, such as a technical committee and three sectoral committees: (i) the People and Society Committee; (ii) the Economy and Development Committee; and (iii) the Governance and Institutional Performance Committee. A National Priorities and Strategies Alignment Committee, Organization and Follow up Committee, and the National Conference Preparation Team were also formed. Members of these committees comprise various stakeholders, representing all areas of Omani society. In September 2020, Royal Decree No. 100/2020 was issued, which provides for the establishment of the Oman Vision 2040 Implementation Follow-Up Unit, consolidating the Implementation Support and Follow-Up Unit and the Directorate General for Following-Up Government Services in the Secretariat General of the Council of Ministers.

Oman Vision 2040 is a roadmap addressing existing challenges, evolving to meet regional and global trends, seizing opportunities to foster economic competitiveness and social well-being. This is done with a particular focus on stimulating growth and balancing economic, social, and development objectives nationwide. The main objectives of Vision 2040 are for Oman to become a developed country, to diversify the economy and public finances, to ensure financial sustainability and to foster a knowledge- and innovation-based economy.

While all of the national priorities are of critical, and equal, importance for Oman's development, five priorities have particularly shaped the Sultanate's medium-term fiscal strategy. These include:

Economic Diversification and Fiscal Sustainability

The Vision seeks to continue the journey of building a diversified economy with fiscal sustainability. To advance this objective, the Vision lays out three fiscal targets as follows:

- reduce public expenditures as a percentage of GDP to 34 per cent. by 2030 and 25 per cent. by 2040;
- increase non-Oil revenues as a percentage of GDP to 15 per cent. by 2030 and 18 per cent. by 2040; and
- target a long-term average gross debt to GDP ratio that should not exceed 60 per cent.

The Private Sector and the Global Investment Value-Chain

Re-emphasising the role of the private sector in the national economy, this priority aims to foster a business environment where the private sector leads Oman's development. Fiscal policy is shaped by the objectives that aim to:

- shift government from being a service provider to a regulator;
- encourage flexible financing models for strategic projects that allow the private sector to take a greater role in the development of infrastructure; and
- integrate Oman into global value-chains.

Social Protection and Well-Being

Vision 2040 states that social justice is a prerequisite for a cohesive, strong, and peaceful society. As such, fiscal reforms must be balanced with the need to provide sustainable, high quality social well-being services and the need to provide a social safety net that supports vulnerable populations. Additionally, the Vision requires that

intergenerational equity considerations be taken into account to ensure the next generations of Omanis are able to benefit from the country's assets in a sustainable manner.

In April 2021, His Majesty Sultan Haitham bin Tarik, in line with the priorities of Vision 2040, endorsed a set of social protection initiatives, which aim to mitigate the implications arising from the COVID-19 pandemic and alleviate the immediate effects of measures taken to enhance the efficiency of public finances.

Governance of the State's Administrative Bodies, Resources, and Projects

The Government aims to have a highly productive, flexible, and effective administrative apparatus with policymaking that is well planned, organised, monitored, and evaluated regularly. Achieving this requires a government that is well structured in a manner that promotes accountability and transparency and is focused on delivering high quality services through more efficient use of government resources. The decision to restructure the Government in August 2020 is the first step towards these goals.

Medium-Term Fiscal Plan

Oman's fiscal strategy is being prioritised to help implement, and ensure a strong foundation for, Vision 2040. To this end, a five-year Medium-Term Fiscal Plan ("**MTFP**") (2020 to 2024) was developed by Tawazun, in collaboration with the Ministry of Finance and following extensive consultations with other ministries and authorities, to stabilise public finances and reduce the primary and overall fiscal deficits as a percentage of GDP in the medium term, with a target of achieving a primary fiscal balance. The MTFP was developed in response to fiscal challenges and the uncertainty in the Oil price.

The MTFP represents a shift in the Government's approach to fiscal policy-making to ensure broad support for the Sultanate's fiscal objectives. The MTFP serves as the financial framework supporting Vision 2040.

A new MTFP (for the period 2026 to 2030) is expected to be published in January 2026 and is intended to complement the State Budget and the Eleventh Five-Year Plan. The MTFP is a "living document", which is expected to evolve during the course of the plan and will be updated to reflect market conditions, whilst maintaining fiscal sustainability and reducing the debt burden in the medium term as the key priorities. The MTFP (for the period 2020 to 2024) has developed a holistic framework based on the following pillars:

- ***Supporting economic growth***: The MTFP seeks to improve the pace of economic growth through improving the business environment, restructuring the labour market and stimulating the economy through domestic and foreign direct investment.
- ***Diversifying and enhancing sources of Government revenues***: The MTFP aims to increase non-Oil revenues as a share of GDP, to protect against Oil price volatility and utilise local resources more efficiently. Initiatives related to increasing non-Oil revenues are expected to have an impact of over OMR 1.8 billion.
- ***Rationalising Government expenditures and driving efficiency***: Current, or operational, expenditures by civil, security and defence agencies represents the majority of Government expenditures. During 2020, the Government adopted a policy position to reduce the operational and development expenditures of Government agencies by 10 per cent. from the 2020 State Budget. The Government committed to further efficiencies in 2021 by reducing recurring spending compared to 2020.
- ***Enhancing the Social Safety Net***: The MTFP recognises that redesigning subsidies and the social safety net are critical components to allow the country to move away from universal support to targeted support for vulnerable families. The MTFP reform package aims to ensure social protection for vulnerable populations and promote intergenerational fairness.

- ***Strengthening financial management***: Fiscal reforms will be accompanied by meaningful public finance management reforms and enhanced capacity building to improve efficiency of administration.

The above pillars include a number of measures designed to achieve fiscal sustainability over the medium-term and targets the gradual reduction of the budget deficit to 1.7 per cent. of GDP by 2024, although this target was set before the establishment of the Guarantor.

The MTFP reform package (for the period 2020 to 2024) includes specific policy reforms that have been developed in consultation with stakeholders across the public and private sectors. These initiatives are grouped into five categories, according to the fiscal objective they help to advance.

- ***Economic growth***: The initiative to promote economic growth is central to the Sultanate's efforts to achieve fiscal balance. Examples of reforms for this pillar include:
    - *Initiatives to improve the business environment*—Initiatives to support economic growth in this area include: (i) the introduction of electronic procedures for registering companies and issuing licences; (ii) liberalising the domestic real estate market by reducing fees, permitting rent-to-own and similar sales and permitting foreigners to own certain residential units; and (iii) reviewing Government fees.
    - *Labour Market Procedures*—The Ministry of Labour is reviewing the polices and rates "Omanisation" has imposed on various sectors by making "Omanisation" targets more flexible.
    - *Stimulate Domestic and Foreign Investment*—A set of laws issued in June 2019, including those relating to foreign capital investment, privatisation, public private partnerships and bankruptcy were introduced and further measures, including regulations implementing these new laws, are expected.
- ***Revenue diversification***: The Government recognises the need to strengthen the Sultanate's revenue-raising framework by decreasing its reliance on hydrocarbon revenues, which it aims to do through the following initiatives: (i) enhancing the returns from government investments, including through the reform of state-owned enterprises, and establishing dividend targets whilst gradually reducing subsidies, including phasing out water and electricity subsidies from 2021 to 2025; (ii) strengthening tax administration and collection efficiency through enhanced compliance procedures, penalties, fines and enforcement; (iii) introducing value-added tax ("**VAT**") in line with other GCC member states at a base rate of 5 per cent. (with certain exemptions for essentials in the social context of the Sultanate), which was fulfilled in April 2021; and (iv) reviewing a personal income tax regime (the scope of work for implementation of this tax is being developed and a specialist consultant has been appointed).
- ***Expenditure rationalisation and efficiency***: Initiatives to support expenditure rationalisation and efficiency include: (i) rationalising development expenditures by reviewing and optimising existing commitments, including civil investments, and future proposals, strengthening governance and oversight of Capital Expenditure, implementing strategic procurement management and shifting Oil and gas off-budget; (ii) reviewing current expenditures and financial controls; (iii) introducing performance management in the public sector; (iv) reforming public services subsidies to reallocate them to vulnerable people; and (v) enhancing sourcing, controls, expertise and standardised pricing for defence and security expenditures. The Government established the Oman Investment Authority to further this objective, which has enhanced efficiency in the management of state-owned enterprises and assets by eliminating duplication in legacy agencies, creating economies of scale and improving governance.

- ***Social equity***: Redesigning subsidies and the social safety net are critical components to allow Oman to move away from universal support to targeted support for vulnerable families. A particular focus has been placed on ensuring that short-term support mechanisms are developed to offset water and electricity subsidy reforms while also developing a longer-term strategy to holistically rationalise and strengthen the entire social safety net system.

- ***Public financial management and governance***: The Sultanate's fiscal strategy, in line with Vision 2040, aims to increase the efficiency of the state administrative apparatus and foster a business environment that supports private sector growth. Tawazun is working closely with the Ministry of Finance to implement and monitor several initiatives in this area, including the following: (i) developing a Government Financial Management Information System; (ii) building capacity at the debt management office and macro fiscal unit; (iii) implementing a treasury single account programme; (iv) implementing a national asset register; and (v) enhancing the management of endowments.

While broad-ranging and varied in nature, these initiatives are united by a common goal of fostering an environment that enables the private sector to become the main driving force behind Oman's economic development. Some of these initiatives have already been implemented. In its January 2024 paper on Oman selected issues, the International Monetary Fund (the "**IMF**") noted that the Government is developing an early warning system to mitigate macroeconomic risks through monitoring of Oil prices, GDP, inflation and borrowing costs. The Government, based on IMF technical assistance, is also working to adopt a full-fledged and legally binding Medium-Term Fiscal Framework with quantifiable targets from which near- and medium-term aggregate expenditure ceilings can be estimated. These in turn are expected to anchor the budget preparation process to instil fiscal discipline despite fluctuations in Oil prices.

Gross Domestic Product

In 2023, Oman's real GDP grew at an annual rate of 1.2 per cent. The increase was due to improved non-Oil growth during 2023. However, Oman's nominal GDP decreased by 3.6 per cent. during the same period as a result of lower Oil prices compared to 2022. As of the date of this Base Offering Circular, Oman's 2024 GDP data is not available.

INDUSTRY OVERVIEW

Oil and Gas in Oman

The first commercial discoveries of Oil and gas in Oman were made in 1956 in the Fahud region of northern Oman. Since then, Oil production has been the cornerstone of the Omani economy, providing both the principal source of Government revenues and foreign exchange receipts, as well as the stimulus for extensive economic and industrial growth.

Oman's competitive advantages in the Oil and gas sector include a stable operating environment and a collaborative government that offers Exploration and Production Sharing Agreements ("**EPSAs**") with commercial terms negotiated through an open auction process. As a result of these factors, the Ministry of Energy and Minerals has been successful in attracting a number of international companies to explore and develop its Oil and gas resources. The principal companies operating in the Oil and gas sector in Oman include, but are not limited to:

- **State owned companies**: the Guarantor or OQ Société Anonyme Omanaise Close ("**OQ SAOC**") are partners in most upstream and downstream Oil and gas projects in Oman.
- **Majors (amongst others):** Shell and TotalEnergies operate in Blocks 6, 10 and 12, and in liquid natural gas, BP P.L.C. ("**BP**") operates in Blocks 61 and 77, and Eni S.p.A. ("**Eni**") operates in Blocks 52 and 77.
- **Other international Oil companies:** Occidental Petroleum Corporation ("**Occidental**") operates Blocks 9, 27, 51, 53, 62, 65 and 72, and is the largest producer outside Block 6. EOG Resources operates Block 36, which it acquired in 2020.
- **Foreign national Oil companies:** Key foreign national Oil companies in Oman include, amongst others, CNPC, Qatar Petroleum, Indian Oil, Petronas and PTT and Mubadala Petroleum.
- **Other small independents:** Small independent firms, including CC Energy Development, Tethys Oil, ARA Petroleum, Maha Energy, Daleel Petroleum, Petroteland and Masirah Oil, hold significant exploration acreage and a number of producing assets.

PDO operates the majority of the producing acreage positions in Oman, accounting for approximately 63 per cent. of Oman's combined Oil, NAG and condensate (AG and NAG) production on a working interest basis in 2023.

The Oil and gas industry is a significant contributor to Oman's GDP and in 2023 contributed to more than half of total consolidated Government revenues. The following table sets out the Oil and gas industry's contribution to GDP and exports for the periods indicated.

	2023	2022	2021
		(%)	
Contribution to nominal GDP[(1)]	36	30	30
Contribution to exports (including re exports).....	61	65	59

Note:

(1) Represents relative share of GDP at current prices.

Oman is the largest non-OPEC Oil producer in the Middle East with Oil and condensate (AG and NAG) output of approximately 1,048.7 million barrels per day, 1,064.24 million barrels per day and 0.971 million barrels per day for the years ended 31 December 2023, 2022 and 2021, respectively. (*Source: Ministry of Energy and Minerals*).

Although it is not a member of OPEC, Oman has historically joined OPEC-led international efforts to stabilise the Oil market's supply and demand equilibrium in response to sharp declines in global Oil prices. For example, in 2016 Oman joined a coalition to stabilise global Oil prices led by OPEC member countries and signed the Declaration of Cooperation. Starting in January 2017, Oman began to reduce Oil production by 5 per cent. (or approximately 45,000 barrels), in accordance with the Declaration of Cooperation. In November 2017, Oman agreed to extend production cuts until the end of 2018, and, although the coalition agreed to raise production levels in June 2018, in December 2018 it again agreed to reduce production levels (to 970 thousand barrels per day in the case of Oman). In July 2019, OPEC agreed to extend the reduction in production levels. Following a further substantial drop in global Oil prices in March 2020, Oman, as a part of the 23 members of the OPEC+ alliance, agreed to further reduce production. In December 2020, OPEC+ (of which Oman is a member) agreed to relax output curbs by 0.5 million barrels per day from 1 January 2021 to 7.2 million barrels per day and to meet monthly to re-assess the market. Subsequently, in July 2021, OPEC+ agreed to adjust overall production by 400,000 barrel per day on a monthly basis starting in August 2021 and to reassess market developments and producing countries' performance in December 2021. On 2 December 2021, OPEC+ confirmed these plans to continue to increase production by 400,000 barrels per day on a monthly basis for January 2022, with the caveat that it would make "immediate adjustments" to production policy should market conditions shift.

In August 2022, OPEC+ agreed to increase the production of Oil by 100,000 barrels per day for the month of September 2022 (to 883 thousand barrels per day in the case of Oman). However, in its August 2022 Monthly Oil Market Report, OPEC predicted that there may be an Oil market surplus for the rest of the year, which may lead to production cuts and a corresponding increase in prices. In September 2022, OPEC+ agreed to revert to the production level of August 2022 for OPEC and non-OPEC participating countries for the month of October 2022. The organisation further stated that the upward adjustment of 0.1 million barrels per day to the production level (and the corresponding increase to 881 thousand barrels per day for Oman) was only intended for the month of September 2022.

In October 2022, OPEC+ agreed to: (i) extend the duration of the Declaration of Cooperation until 31 December 2023; and (ii) adjust overall production downward by 2 million barrels per day from the August 2022 required production levels, starting in November 2022 for OPEC and non-OPEC participating countries. Following the cuts, production will be approximately 841 thousand barrels per day in the case of Oman, a production decrease of approximately 40 thousand barrels per day. In April 2023, OPEC+ announced further voluntary cuts to production of approximately 1.15 million barrels per day, of which Oman will reduce production by approximately 40,000 barrels per day. On 4 June 2023, the Kingdom of Saudi Arabia's government announced a voluntary cut of an additional one million barrels per day as part of its commitment to maintaining Oil prices at current levels. These voluntary cuts were subsequently extended through 31 December 2023. Following the Kingdom of Saudi Arabia's extension of its production cuts in September 2023, Brent Oil prices increased to over US$90 a barrel before decreasing in the fourth quarter. Following Angola's announcement in December 2023 that it was leaving OPEC, Brent Oil prices decreased to US$77.86. As of 31 December 2023, Brent Oil was US$77.54 per barrel.

In March 2023, OPEC+ announced an extension of additional voluntary cuts of 2.2 million barrels per day for the second quarter of 2024. OPEC+ reaffirmed the voluntary production cuts in September 2024. In December 2024, OPEC+ announced that it would continue production cuts until March 2025, with the goal to phase out the production cut by September 2026. As of 31 December 2024, Brent Oil was priced at US$74.64 per barrel.

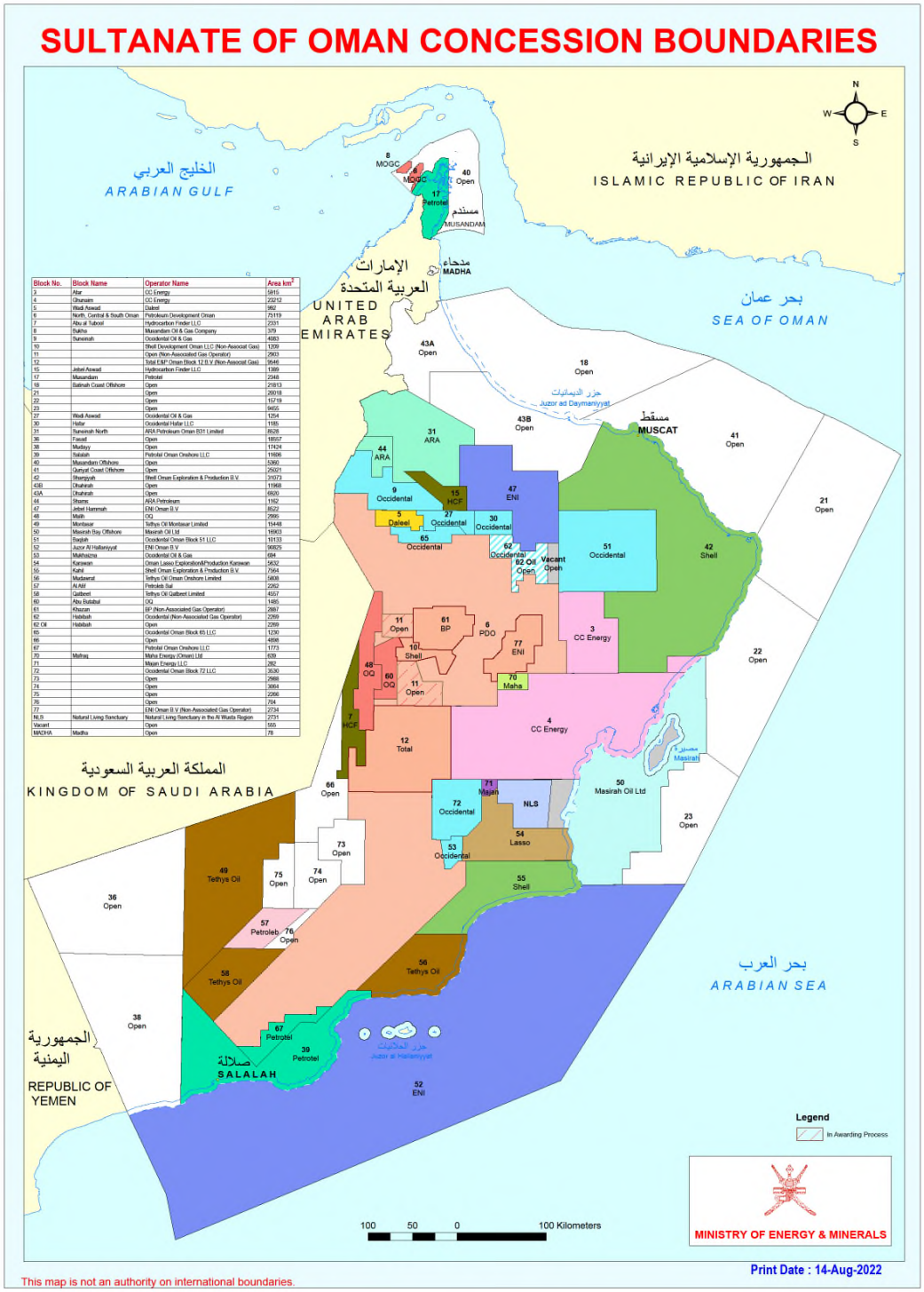
During January 2025, Brent Oil prices increased marginally to US$76.76 per barrel in response to threats of U.S.-imposed tariffs.

Oil and Gas Operations

The Government holds most of its Oil reserves through the Guarantor, which holds a 60 per cent. participating interest in the Block 6 concession for Oil and AG and in PDO LLC. The remaining 40 per cent. interest is owned by POHOL. The concession holders have contracted the operations of Block 6 to PDO. Prior to the Gas Operations Transfer Date, the Guarantor owned 100 per cent. exploitation rights to the Block 6 concession for NAG and NAG condensate, which supplies gas for Oman's liquid natural gas ("**LNG**") export plant. Effective from the Gas Operations Transfer Date, EDO Gas owns 100 per cent. of the exploitation rights to the Block 6 concession for NAG and NAG condensate. Exploration, development and production of these NAG assets are undertaken by PDO.

The earliest petroleum contracts in Oman were based on a concession-type tax and royalty system, in which the concessionaire held rights to all the petroleum produced in the concession area. With the exception of the Block 6 concession, which still operates under a modified tax/royalty regime, this form of contract has been superseded by a relatively standard form of EPSA, with commercial terms negotiated on a contract-by-contract basis by the Ministry of Energy and Minerals on behalf of the Government. The Government currently has 34 EPSAs with 18 Oil and gas companies. Sixteen of these agreements are in the production phase and 18 agreements are in the exploration stage (*Source: Ministry of Energy and Minerals*). Occidental operates the largest non-PDO concession through seven separate concession areas, including the Enhanced Oil Recovery ("**EOR**") development of the Mukhaizna field in the south of the country. The Government also holds a 51 per cent. share in the downstream element of Oman's LNG project and a 66 per cent. share in the Qalhat LNG project.

The following map depicts the Oil and Gas Concession areas in Oman. The area defined in red is Block 6.



Block No.	Block Name	Operator Name	Area km²
2	Abr	CC Energy	5815
4	Ghunaim	CC Energy	23212
5	Wadi Aswad	Daleel	952
6	North, Central & South Oman	Petroleum Development Oman	75119
7	Abu al Tubool	Hydrocarbon Finder LLC	2331
8	Bukha	Musandam Oil & Gas Company	379
9	Suneinah	Occidental Oil & Gas	4083
10		Shell Development Oman LLC (Non-Associat Gas)	1309
11		Open (Non-Associated Gas Operator)	2903
12		Total E&P Oman Block 12 B.V (Non-Associat Gas)	9546
15	Jebel Aswad	Hydrocarbon Finder LLC	1389
17	Musandam	Petrotel	2348
18	Batinah Coast Offshore	Open	21813
21		Open	20018
22		Open	15719
23		Open	9455
27	Wadi Aswad	Occidental Oil & Gas	1254
30	Hallar	Occidental Hallar LLC	1185
31	Suneinah North	ARA Petroleum Oman B31 Limited	8528
36	Fawad	Open	18557
38	Mudayy	Open	17424
39	Salalah	Petrotal Oman Onshore LLC	11606
40	Musandam Offshore	Open	5360
41	Qahyut Coast Offshore	Open	25021
42	Sharqiyah	Shell Oman Exploration & Production B.V.	31073
43B	Dhahirah	Open	11968
43A	Dhahirah	Open	6820
44	Shams	ARA Petroleum	1162
47	Jebel Hammah	ENI Oman B.V	8622
48	Malih	OQ	2995
49	Montasar	Tethys Oil Montasar Limited	15448
50	Masirah Bay Offshore	Masirah Oil Ltd	16903
51	Baglah	Occidental Oman Block 51 LLC	10133
52	Juzor Al Hallaniyyat	ENI Oman B.V	99825
53	Makhaznа	Occidental Oil & Gas	694
54	Karawan	Oman Lasso Exploration&Production Karawan	5632
55	Kahil	Shell Oman Exploration & Production B.V.	7564
56	Madarsat	Tethys Oil Oman Onshore Limited	5808
57	Al Akf	Petroleb Sal	2262
58	Qalbert	Tethys Oil Qalbert Limited	4557
60	Abu Butabul	OQ	1485
61	Khazan	BP (Non-Associated Gas Operator)	2957
62	Habbah	Occidental (Non-Associated Gas Operator)	2269
62 Oil	Habbah	Open	2269
65		Occidental Oman Block 65 LLC	1230
66		Open	4898
67		Petrotal Oman Onshore LLC	1773
70	Midhaq	Maha Energy (Oman) Ltd	839
71		Majan Energy LLC	282
72		Occidental Oman Block 72 LLC	2630
73		Open	2988
74		Open	3064
75		Open	2266
76		Open	764
77		ENI Oman B V (Non-Associated Gas Operator)	2734
NLS	Natural Living Sanctuary	Natural Living Sanctuary in the Al Wusta Region	2731
Vacant		Open	555
MADHA	Madha	Open	78

Note:

The above map is for reference only and does not necessarily reflect international borders or other locations accurately.

Exploration and Drilling

PDO has been the primary company engaged in exploration activity in Oman and was founded in 1937 as Petroleum Development (Oman and Dhofar) Ltd. Most of the active concessions in Oman are situated within the four main producing basins of South, Central and West Oman and the Oman Foreland sub-basin in northern Oman. Block 6 extends across all four of these established sub-basins. Onshore concessions account for over 85 per cent. of active concessions; there are four active offshore concessions.

The primary producing basins in South, Central and West Oman and the Foreland Sub-basin in northern Oman are the locations of 95 per cent. of the key exploration and appraisal wells drilled in Oman. The remaining wells have been drilled in four other basins, three of which are offshore and one of which is located onshore in eastern Oman. PDO's initial exploration and appraisal drilling was focused on the northern areas of Block 6, close to its first discoveries in the Yibal and Fahud fields. Drilling then continued in the Qarn Alam area, directly south of Fahud, where a number of discoveries were made in the early 1970s. Following the discovery of the Marmul field in 1980, PDO increased its drilling in the under-explored areas of southern Oman. In the mid-to-late 1990s the Central Oman sub-basin was the focus of gas exploration and appraisal activity in the Qarn Alam area for reserves to support the Oman LNG project. In recent years, PDO, Occidental, PTT and CCED have had relatively successful drilling results in the Central Oman Basin and the Oman Foreland sub-basin.

All blocks in Oman that are not subject to an EPSA are available for exploration and development via the Ministry of Energy and Minerals. The terms of cost recovery and production sharing vary depending upon the prospects of the area, the proximity to existing infrastructure and whether the concession is onshore or offshore. The Government generally takes between 70 per cent. to 85 per cent. of the balance of the Oil produced after cost recovery under the terms of its EPSAs. The tenor of the EPSAs ranges from 15 to 30 years, with no significant contracts up for renewal in the next 12 months. The Ministry of Energy and Minerals periodically organises licensing rounds in which open acreage is directly marketed to prospective investors. Interested companies may negotiate for opportunities either within or outside official licensing rounds. The granting of EPSAs has increased significantly in recent years, partially due to relinquished PDO acreage becoming available, as well as the Ministry of Energy and Minerals' active pursuit of additional Oil and gas production.

In 2004, the Block 6 concession was extended to 2044 by the Ministry of Energy and Minerals. In 2007, BP was selected by the Ministry of Energy and Minerals to appraise and develop the Khazzan and Ghazeer gas fields, located in Block 61 in the Central Oman basin. In 2013, Oman and BP signed a gas-sales agreement and an amended EPSA for the Khazzan field, with total investment for the full-field development estimated to be approximately US$16 billion. In 2013, the Government of Oman, though Makarim Gas Development LLC, acquired a 40 per cent. participating interest in Block 61. The EPSA was further amended on 8 November 2016 in order to extend the licensing area of the block and enable further development of the Khazzan field. In February 2021, BP agreed to sell 20 per cent. of its participating interest in Block 61 to PTT Exploration and Production Public Company Limited of Thailand. Following completion of the sale, BP will remain the operator of Block 61 and retain a 40 per cent. interest.

In 2018, the Ministry of Energy and Minerals signed three new EPSAs. The first EPSA is with Petroleb LLC (Block 57) with a total investment for the first phase estimated to be US$20 million. The second is with Occidental (Block 51), with total investment for the first phase estimated to be US$6 million. The third EPSA is with Occidental and Oman Oil Exploration and Production LLC (Block 65), with total investment for the first phase estimated to be US$32 million. In 2019, a new EPSA was signed with Occidental for Block 72 and Eni entered into EPSAs for Block 77 (with BP) and Block 47. Three new EPSAs were signed during 2020, including: (i) Block 12 with TotalEnergies; and (ii) Block 58 with Tethys.

On 21 December 2021, Shell, along with its partners OQ SAOC and Marsa Liquefied Natural Gas LLC (a joint venture between TotalEnergies and OQ SAOC), signed a concession agreement for Block 10 with the Ministry

of Energy and Minerals to develop and produce natural gas from Block 10. Gas production from Block 10 commenced in the first quarter of 2023.

On 15 September 2022, the Ministry of Energy and Minerals signed an EPSA for Block 11 with Shell, along with its partners OQ and TotalEnergies, to develop and produce natural gas. The exploration activities will involve acquiring a new seismic survey and drilling exploration wells.

Pursuant to Ministerial Decision No. 19/2023 of the Ministry of Energy and Minerals and Ministerial Decision No. 248/2022 of the Minister of Finance, retroactively effective as of 1 January 2023, the Ministry of Finance established IGC Oman and transferred all of the agreements relating to the sale, purchase, supply and transportation of NAG from the Ministry of Energy and Minerals to IGC Oman. The transfer constitutes part of an organisational restructuring of Oman's commercial gas sales and purchase sector in order to optimise sector operations. See "*Overview of Oman and the Economy—The Economy of Oman—Medium-Term Fiscal Plan*".

Oman Hydrocarbon Reserves

Oman's reserves are distributed evenly among the South Oman, Oman Foreland, Central and West Oman sub-basins. The South Oman and Oman Foreland sub-basins contain predominately Oil reserves, while the Central and West Oman sub-basins contain substantial reserves of both NAG and AG in addition to significant Oil and condensate (AG and NAG) reserves.

Oil and condensate (AG and NAG)

The following table sets out Oman's total 1P Oil and condensate reserves as at 31 December for the years indicated.

	As at 31 December				
	2020	**2021**	**2022**	**2023**	**2024**
			(MMBBL)		
Block 6[(1)]	1,616.2	1,705.3	1,793.4	1,701.6	1,689.2
Total	2,640.2	2,877.96	—[(2)]	—[(2)]	—[(2)]

Notes:

(1) Block 6 figures are 1P reserves as per PDO's estimate in accordance with SEC guidelines.

(2) Since 2022, Oman has discontinued the disclosure of its total 1P Oil and condensate (AG and NAG) reserves.

Source: Ministry of Energy and Minerals

Since 2022, Oman has discontinued the disclosure of its total 1P Oil and condensate (NAG) reserves data. Oman's total 1P Oil and condensate (NAG) reserves increased to 2,877.96 million barrels as at 31 December 2021 compared to 2,640.2 million barrels as at 31 December 2020. Block 6 1P Oil and condensate (NAG) reserves decreased to 1,689.2 million barrels as at 31 December 2024, compared to 1,701.6 million barrels as at 31 December 2023 and 1,793.4 million barrels as at 31 December 2022. The decrease in Block 6 1P Oil and condensate (NAG) reserves is due to a lower proportion of changes in ultimate recovery compared to the production during the year.

Gas

The following table sets out Oman's total 1P gas reserves as at 31 December for the years indicated.

	As at 31 December		
	2021	2022	2023
		(tcf)	
Block 6[(1)]	6.8	5.8	5.4
Total	13.0	—[(2)]	—[(2)]

Notes:

(1) Block 6 figures are 1P reserves, including Mabrouk Northeast.

(2) 2022 and 2023 total gas reserves data have not been published as of the date of this Base Offering Circular.

Source: Ministry of Energy and Minerals

The vast majority of Oman's 1P gas reserves are held within PDO's Block 6. The deep reservoir of the Saih Rawl field is the country's largest proven non-associated gas field. The in-place volumes at Khazzan and Ghazeer are estimated to range from 20 to 30 trillion cubic feet. The range in estimates for these projections reflects the uncertainty relating to developing these deep, tight gas fields.

Oman Hydrocarbon Production

Oil and condensate (AG and NAG)

Commercial Oil production began in Oman in 1967, when PDO's Fahud and Natih fields were brought onstream. In 1969, PDO began producing from the Yibal Oil and gas field. The Fahud, Natih and Yibal fields still make a significant contribution to Oman's production today. Until 1980, all Omani liquids production came entirely from PDO-operated fields. However, in 1980, Elf brought the Sahmah field into production, and in 1984, Occidental brought the Safah field onstream. Subsequently, two other fields started production: the Daleel field located in Wadi Aswad (Block 5) and operated by JAPEX (now Daleel Petroleum) in 1990, followed in 1994 by the offshore Bukha field, now operated by OQ. Occidental became the operator of the Mukhaizna field in 2005 and has increased production on that field through a large-scale steam injection EOR project.

The following table sets forth the average total daily Oil and condensate (AG and NAG) production in Oman for each of the years indicated.

	Year ended 31 December		
	2021	2022	2023
		(Thousand bbl/d)	
Total of Oil and condensate (AG and NAG)	971.2	1,064.2	1,048.7

Source: Ministry of Energy and Minerals

As of the date of this Base Offering Circular, average Oil and condensate (AG and NAG) production for the year ended 31 December 2024 is not available. Average Oil and condensate (AG and NAG) production per day in Oman for the year ended 31 December 2023 was 1,048.7 thousand barrels per day compared to 1,064.2 thousand barrels per day for the year ended 31 December 2022. The slight decrease in production in the year ended 31 December 2023 compared to the year ended 31 December 2022 was primarily driven by Oman's agreement with OPEC and other non-OPEC countries to reduce production in order to balance global Oil supply and demand during the period. Average Oil and condensate (AG and NAG) production per day in Oman for the year ended 31 December 2022 was 1,064.2 thousand barrels per day compared to 971,2 thousand barrels per day for the year ended 31 December 2021. The increase in production in the year ended 31 December 2022

compared to the year ended 31 December 2021 was primarily driven by the revised target Oil production of Oman from its share of Oil production cut with OPEC+. Condensate (AG and NAG) is produced mainly from PDO's fields in the Qarn Alam area and is supplemented by very small volumes from Suneinah, Bukha, Wadi Aswad and Shams.

Gas

There are two primary sources of gas in Oman: AG reserves and NAG reserves. NAG reserves are developed primarily to produce natural gas while AG is produced as a by-product of the production of Oil.

Until 1999, Oman's NAG was almost entirely produced from PDO's Block 6. AG production in Oman was less than 400 million cubic feet per day and sourced from PDO's Yibal, Fahud and Lekhwair areas in the north of Block 6. The southern producing areas of Marmul and Nimr are characterised by relatively heavy Oils with lower gas to Oil ratios and, accordingly, have very limited AG reserves. Until September 2017, PDO produced more than 90 per cent. of the country's demand requirement, including for domestic use and Oman LNG.

The following table sets forth the average daily natural gas production in Oman for each of the years indicated.

	Year ended 31 December		
	2021	**2022**	**2023**
		(bcf)[(1)]	
AG Sub-Total	0.9	1.0	1.0
NAG Sub-Total	3.8	3.9	4.0
Total Gas	4.7	4.9	5.0

Note:

(1) 1 cubic metre converted to 35.383 cubic feet.

Source: Ministry of Energy and Minerals

In Oman, average natural gas production per day was 5.0 billion cubic feet per day for the year ended 31 December 2023 compared to 4.9 billion cubic feet per day in 2022. The increase in production in 2023 resulted primarily from the increase in consumption in large scale industry and oil fields. Average natural gas production per day was 4.9 billion cubic feet per day for the year ended 31 December 2022 compared to 4.7 billion cubic feet per day in 2021. The increase in production in 2023 resulted primarily from the increase in consumption in large scale industry and Oman LNG export.

The Government derives income from the sales of Block 6 gas through tax and dividend payments from EDO Gas. Future natural gas sales are expected to continue to be supplied mainly by both PDO and BP Khazzan. With significant existing contracted LNG volumes and growing industrial and domestic gas markets, demand for gas in Oman is forecasted to continue to grow, and it is projected that PDO, even together with the current estimates of gas production from BP Khazzan phase 1, which came onstream in September 2017, will be unable to fully meet Oman's future gas demand without additional projects coming onstream. As a result, the Government is relying on growth from projects such as the extension development of the BP Khazzan gas field, which came onstream in October 2020, to ensure that the Government can continue to meet the country's gas demand and export obligations for the foreseeable future.

On 14 February 2016, BP and Oman Oil signed a heads of agreement with the Government committing to amend the EPSA for Block 61, extending the licence area of the block and enabling the further development of the Khazzan tight gas field. Under the amended EPSA, the extension is expected to add a further 1,000 square

kilometres to the south and west of the original Block 61. The extension is expected to allow a second phase of development, accessing additional resources in the area that have been identified by drilling activity within the original block. The first phase began production in September 2017 and is producing 1.0 billion cubic feet per day of gas. The two phases combined are expected to produce 1.5 billion cubic feet per day through the development of 10.5 trillion cubic feet of recoverable gas resources. The second phase construction of a third gas train to the existing central processing facility with associated gathering and export systems and drilling approximately 105 wells over a 15-year period came onstream in October 2020. In March 2018, PDO announced its discovery of significant reserves in the Mabrouk gas field, which is expected to yield more than four trillion cubic feet and 112 million barrels per day of NAG condensate. On 21 December 2021, Shell, along with its partners OQ and Marsa Liquefied Natural Gas LLC (a joint venture between TotalEnergies and OQ), signed a concession agreement with the Ministry of Energy and Minerals to develop and produce natural gas from the Mabrouk Field.

In December 2021, Shell and TotalEnergies signed a concession agreement to develop gas from Block 10 in the Greater Barik Area, located immediately south of Khazzan. This was followed by the signing of an EPSA for the adjacent block, Block 11, in 2022. Block 10 has already started production from the Mabrouk NE field.

Oil Refineries

There are three refineries currently operating in Oman, the Mina Al Fahal refinery, the Sohar refinery and the Duqm refinery, which are operated by the OQ Group ("**OQ**").

Mina Al Fahal refinery

The Mina Al Fahal refinery was brought online in 1982, with a capacity of 50,000 barrels per day. The plant's capacity was upgraded to 80,000 barrels per day in 1987. Following the installation of a continuous catalytic generator in 1993, the refinery is capable of producing unleaded petrol. Between 2005 and early 2007, the refinery was refurbished and its capacity was upgraded to 106,000 barrels per day at a cost of US$320 million. Over the last 10 years, the Mina Al Fahal refinery has operated close to its nominal capacity. It receives the vast majority of its supply from the Ministry of Energy and Minerals.

Sohar Refinery

The Sohar Refinery was constructed by the Sohar Refinery Company, a joint venture between the Government and Oman Oil Company at a cost of US$1.25 billion and was brought online in October 2006. The refinery processes residual fuel Oil from the Mina Al Fahal plant to produce petrol and consists of, among other units, a residue fluid catalytic cracker. The plant refining capacity, when combined with Mina Al Fahal, is 250 thousand barrels per day, of which approximately 78 per cent. is supplied to the domestic market and the rest exported through the Sohar Refining Improvement Project. OQ's international Oils and petrochemicals marketing company acquires the exported barrels.

The Muscat Sohar Pipeline Project ("**MSPP**") was completed in March 2018 and connects the Mina Al Fahal and Sohar refineries by means of a 280 kilometre pipeline to an intermediate distribution and storage facility at Jifnain, as well as a new storage facility at Muscat International Airport, which is intended to receive aviation fuel directly from the pipeline. MSPP is a two-way multi-product pipeline that is intended to remove the need to ship and truck refined products. The pipeline is designed to bring a new level of efficiency and lower costs, as well as reduce the number of fuel-tank truck journeys which will contribute to reducing road congestion.

In addition, Liwa Plastics Industries Complex ("**LPIC**") is a steam cracker project that is intended to process light ends such as butane, propane and gasoline produced in the Sohar refinery and aromatics plant as well as optimise natural gas liquids extracted from currently available natural gas supplies. LPIC is expected to re-route elements of existing production to be combined with additional purchased feedstocks to deliver high value

polymer products for the local and international marketplaces. LPIC's primary goal is to further increase the value that can be derived from Omani Oil and natural gas production within the country. LPIC is also expected to have a positive impact on the local economy and employment, particularly in constructions and operations.

Duqm refinery

The Special Economic Zone in Duqm ("**SEZAD**") is a Government plan to develop the area in Duqm, scheduled to be finished in 2031. Investments of up to US$14 billion have been earmarked for petrochemicals and infrastructure development. OQ is leading the development of a number of large-scale projects in SEZAD. Occupying a land area of 1,745 square kilometres and 70 kilometres of coastline along the Arabian Sea, the SEZAD is intended to be one of the largest industrial and economic hubs in the Middle East and North Africa region.

The Duqm Refinery, the flagship project in SEZAD, is a joint venture between OQ and Kuwait Petroleum International. The refinery was inaugurated on 7 February 2024 and its main products are diesel, jet fuel, naphtha and liquified petroleum gas. It has a refining capacity of 230 thousand barrels per day using various blends of Oil. The refinery is supported by the development of Duqm port and other related infrastructure.

Transportation/Distribution

Oil infrastructure

Terminals

Oman's main Oil terminal, Mina Al Fahal, is located near Muscat. The majority of the country's Oil is either exported or processed at the refinery for domestic use, with the exception of small volumes produced from OQ's Block 8 (West Bukha) in Musandam, which are exported from the Musandam Gas Plant. The Mina Raysut port near Salalah has an Oil pier with one dolphin berth for handling tankers of up to 45,000 dead weight tonnage. Another ship-to-ship terminal is located on the south coast of Oman, where the Masirah Oil Company operates in Block 50, the off-shore concession area.

Pipelines

PDO owns and exclusively operates a highly developed Oil infrastructure network in Oman mainly comprised of the one main pipeline system known as the Main Oil Line (the "**Main Oil Line**" or the "**MOL**") system. As the Guarantor owns 60 per cent. of PDO, it indirectly owns 60 per cent. of the MOL.

The Oil pipeline network in Oman comprises the Main Oil Line, which is 60 per cent. owned by the Guarantor. The Main Oil Line extends from PDO's southern fields, through the Qarn Alam area and includes sections of diameters between six and 42 inches depending on local and regional supply capacities. The section of the Main Oil Line that runs from Marmul to the Nahada Booster Station is known as the South Main Oil Line. At Nahada this joins another component of the Main Oil Line, which originates at Lekhwair and Yibal, and is known as the North Main Oil Line. The Main Oil Line transports all of the Oil produced in mainland Oman (except Musandam and Masirah production) from the interior to the coastal terminal at Mina al Fahal and has an ultimate transportation capacity of 1.4 million barrels per day. All onshore Oil producers have pipelines connecting their fields to the Main Oil Line and pay a fixed tariff per barrel for the use of PDO's Oil export network.

Continued investment is planned by PDO to maintain the integrity of the Oil pipeline network. Production increases in southern and central Oman have required additional pumps to be installed at the Qarn Alam and Nahada Booster Stations, which are key Oil hubs.

Gas Infrastructure

Pipelines

Oman's post-processing natural gas pipeline network is owned by OQGN, which owns eight major pipelines and is indirectly wholly owned by the Government through the Oman Investment Authority.

OQGN natural gas pipeline network post-processing plants comprises approximately 2,500 km of gas pipelines excluding PDO's internal gas pipeline network, which connects producing fields and processing plants. OQGN's network includes the main gas export pipeline to the LNG terminals at Qalhat near Sur, pipelines from Saih Rawl to Muscat, Sohar in the north and Salalah in the south, inter-field pipelines and pipelines supplying AG for injection into the Oil reservoirs of fields located in southern Oman.

OQGN plans to add 500 to 600 kilometres of pipelines to the existing gas transmission network in the coming years. Major projects include connecting Duqm and addressing growing demand in the Sohar region.

The primary supply of gas in Oman comes from the northern and central producing regions within PDO's Block 6, namely Yibal, Fahud, Lekhwair and Qarn Alam. The South Oman Gas Line extends from the Saih Nihayda field in the Qarn Alam area to the Marmul fields in the south. This line is used to supply gas primarily for injection (for reservoir pressure maintenance), power generation and other local use.

LNG terminals

Oman's LNG plant at Qalhat came onstream in 2000 and currently has a capacity of approximately 6.6 million tonnes per annum. The plant consists of two process trains (each with 3.6 million tonnes of storage tank capacity), marine loading facilities and utility facilities. A third train, Qalhat, was brought onstream at the end of 2006. This train has a capacity of 3.3 million tonnes per annum and is operated by Oman LNG (with a different equity structure for trains 1 and 2). Storage and loading facilities are shared between the two projects. The Oman LNG plant capacity increased by 11.4 million tonnes per annum in 2022 after the completion of a de-bottlenecking project.

Gas processing plants

Effective from the Gas Operations Transfer Date, the key gas processing plants in Oman have been owned by EDO Gas and operated by PDO. See "*Business—Operations—Reservoir Management and Production Strategy—Gas*".

Omani Blend

Omani Oil is one of the few Middle Eastern Oils to be freely traded on the spot market and the first and only Oil to be traded on a futures exchange. Operators are permitted to re-sell their barrels on an "over-the-counter" basis and through the Dubai Mercantile Exchange.

In November 2006, the Ministry of Energy and Minerals announced that Oman would adopt forward pricing of its Oil based on the Dubai Mercantile Exchange Oman, the first Oil futures contract designed to serve the Oil pricing needs of the Middle East and Asia markets and traded on the Dubai Mercantile Exchange.

In June 2007, the Ministry of Energy and Minerals announced its first Official Selling Price for August loading barrels, marking the first exchange-based pricing for Oman Oil, and paving the way for the Dubai Mercantile Exchange Oman to become the price benchmark for Oil produced in the Middle East and exported to the East of Suez market, making Dubai Mercantile Exchange Oman's price one of three leading global Oil benchmarks. Dubai Mercantile Exchange Oman has since been added to the pricing mechanism of Dubai (2009), Saudi Aramco (2018), Bahrain (2018) and Kuwait (2020), and the Oman futures contract is now pricing more than 5 million barrels per day.

The following tables sets forth the average prices for Oman Export Blend Oil and Brent Oil for each of the years indicated.

Omani Blend Oil	**2022**	**2023**	**2024**
		(US$/bbl)	
January	80.26	86.15	83.17
February	73.14	77.43	77.21
March	83.62	80.92	78.75
April	91.96	82.23	80.85
May	110.96	78.49	84.14
June	102.40	83.28	89.3
July	107.22	74.94	83.89
August	112.93	74.78	82.5
September	103.21	80.54	83.85
October	97.00	86.57	77.54
November	90.80	92.77	73.49
December	90.79	89.79	74.82
Average for the period	**95.36**	**82.32**	**80.79**

Source: Ministry of Energy and Minerals

Brent Crude Oil	**2022**	**2023**	**2024**
		(US$/bbl)	
January	80.85	82.50	81.71
February	74.74	82.59	83.62
March	85.57	78.53	87.48
April	94.10	84.64	87.86
May	112.46	75.47	81.62
June	105.92	74.84	86.41
July	111.96	80.10	80.72
August	117.50	86.20	78.8
September	105.12	93.72	71.77
October	97.74	90.59	73.16
November	90.57	82.94	72.94
December	93.59	77.63	74.64
Average for the period	97.51	79.76	80.06

Source: Bloomberg CO1 Commodity

The following table sets forth the exports of Omani Blend Oil by importing country for each of the years indicated.[(1)] Data for 2024 is not yet available.

Omani Blend Oil	2021	2022	2023
		(mmbbl)	
China	242.2	259.8	285.6
Singapore	2.1	—	—
Japan	4.2	11.7	9.4
Thailand	1.2	1.9	0.6
South Korea	6.5	12.1	5.2
India	28.9	31.2	2.7
Other countries	3.8	1.3	6.8
Total	**289.0**	**318.0**	**310.3**

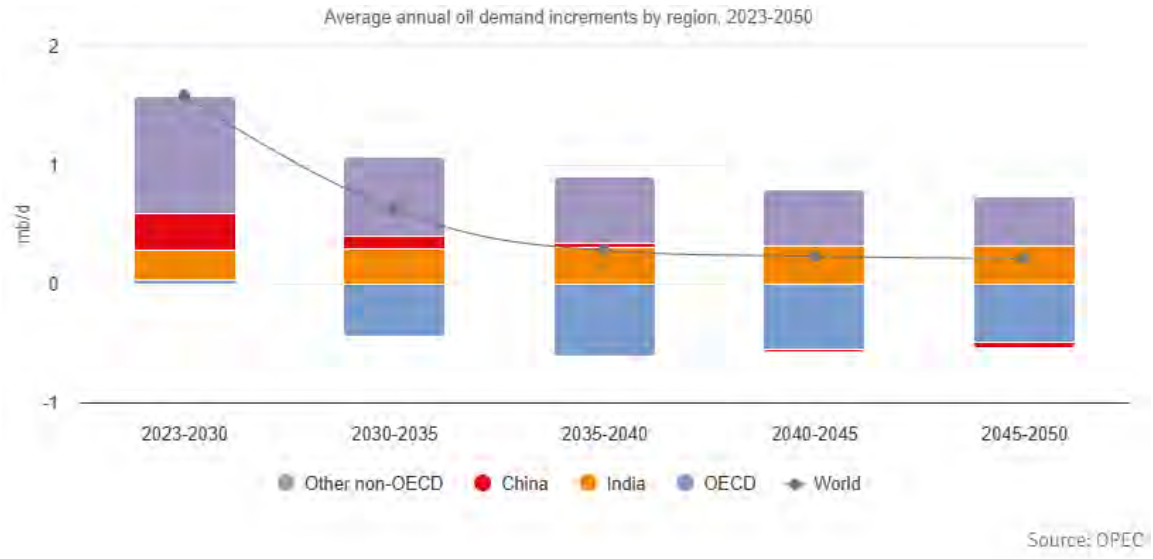
Note:

(1) Total exports, including condensate (AG and NAG) and excluding Oil supply to ORPIC.

Source: Ministry of Energy and Minerals

Oil Demand

The following graph sets out expected global incremental Oil demand by region between 2023 and 2050 using 2023 as the basis for calculating incremental Oil demand for the forecast period.



Historically, global Oil demand growth has generally tracked global GDP growth trends. Going forward, the largest incremental Oil demand is forecast to come from other developing countries. Driven by strong population growth, fast expanding economies, further urbanisation and the related expansion of the middle class, this large group of countries has incremental Oil demand in the range of almost nine million barrels of Oil equivalent per day for the period 2021 to 2045. Similar trends also apply to India and OPEC member

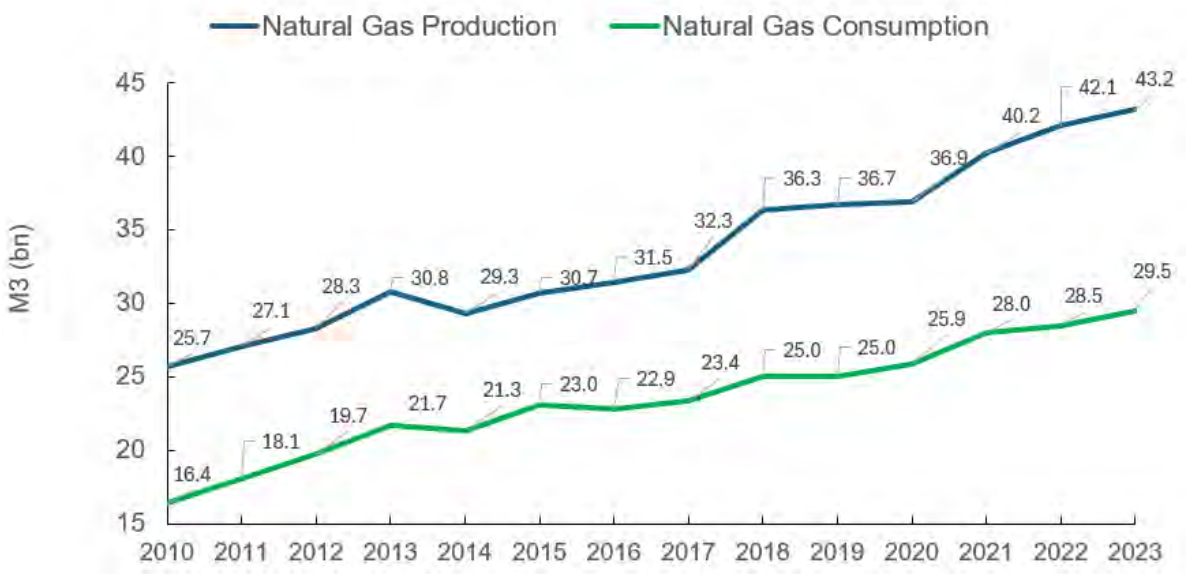
countries in which corresponding increments are in the range of six million barrels of Oil equivalent per day and four million barrels of Oil equivalent per day, respectively.

Some Oil demand growth is also projected for China and Eurasia. However, demand in these countries will likely mature over the current decade and thereafter enter a relatively long period of plateauing. Thus, the demand increase in China is forecast to be just slightly above two million barrels of Oil equivalent per day, while the overall increase in Eurasia is less than one million barrels of Oil equivalent per day.

In terms of OECD countries, Oil demand in this group is marked by a short period of strong growth on the back of a recovery from the impacts of the COVID-19 pandemic, before entering a long period of slow, but steady decline. The largest demand decline is projected for OECD Americas, at a negative 4.2 million barrels of Oil equivalent per day, followed by OECD Europe with a drop of 3.4 million barrels of Oil equivalent per day and then OECD Asia Pacific with a decline of 2.2 million barrels of Oil equivalent per day. Contrary to most non-OECD countries, the prevailing factors driving the demand decline in the OECD are the substitution of Oil by electricity and natural gas in various sectors of consumption, technology driven efficiency improvements, adopted policy measures, demographics and consumer-led developments.

Oman Natural Gas demand

The following graph sets out production and consumption of Oman natural gas between 2010 and 2023 in billion cubic metres:



Source: 2022 and 2024 BP Statistical Review of World Energy reports

Between 2010 and 2023, Oman natural gas consumption grew at a compound annual growth rate of 5.0 per cent., driven by the country's rapid industrialisation and also by the Government's plans for natural gas to play an increasingly prominent role in power generation. Oman natural gas production grew at a compound annual growth rate of 4.4 per cent., supported by the vast natural gas resources available for extraction.

Regional energy policies are also supporting the production and consumption of non-Oil resources, including through financial/fiscal subsidies and stated carbon neutrality commitments of several large consuming countries in the region. This is likely to affect natural gas demand in the long term. Furthermore, a large portion of Oman's electricity is generated by natural gas, which will likely support further growth at a steady pace.

BUSINESS

Overview

The Guarantor is Oman's national energy company and the sole shareholder in EDO Gas. The Guarantor, either directly or indirectly through EDO Gas, owns participating interests in two concessions. The Guarantor also owns a 60 per cent. interest in PDO, Oman's largest Oil and gas producer, which carries out projects and operations related to the exploration and production of Oil and gas in Block 6. PDO operates the Oil Concession on behalf of the Guarantor and POHOL and the Gas Concession on behalf of EDO Gas.

PDO's production accounts for approximately 72 per cent. of Oman's Oil production and 50 per cent. of Oman's non-associated gas production, which totalled 1,107,276 barrels of Oil equivalent per day for the year ended 31 December 2023. The Guarantor is wholly owned by the Government and was established in December 2020 to focus on incremental value creation in Oman's energy sector by realising efficiencies and pursuing new growth opportunities. EDO Gas was established in July 2023 to unlock additional value in the Gas Operations by optimising NAG development and production costs, enhancing governance, mitigating risks, accelerating exploration activities, and facilitating the achievement of Oman's NAG production potential.

The Guarantor directly owns a 60 per cent. interest in the Oil Concession and, through EDO Gas, a 100 per cent. interest in the Gas Concession. The remaining 40 per cent. interest in the Oil Concession is owned by POHOL which, in turn, is 85 per cent. owned by Shell, 10 per cent. owned by TotalEnergies and 5 per cent. owned by PTTEP. The Block 6 development is Oman's most significant Oil and gas operation.

The Guarantor's core activities are organised around product types and consist of:

- Oil, AG and AG condensate activities, including those related to exploration, production, sales and marketing, which the Guarantor owns directly and are managed by PDO; and
- NAG and NAG condensate activities, including those related to exploration, production, sales and marketing, which the Guarantor owns through EDO Gas and are managed by PDO.

As at 31 December 2024, the Group's total assets amounted to US$27,844 million. For the years ended 31 December 2024, 2023 and 2022, the Group generated revenue of US$16,065 million, US$16,423 million and US$17,282 million, respectively, profit before tax of US$4,072 million, US$4,488 million and US$4,684 million, respectively, and EBITDA of US$8,513 million, US$8,927 million and US$8,645 million, respectively.

History

Prior to the Formation

PDO was established in 1937 when the Government granted a 75-year concession for central Oman and a separate concession for the province of Dhofar to the Iraq Petroleum Company, which created Petroleum Development (Oman and Dhofar) Ltd, a predecessor to PDO, to operate these concessions. In 1951, the Dhofar concession expired and the company was renamed Petroleum Development (Oman) Ltd.

In 1956, PDO drilled its first exploration well in the Fahud Oil field. In 1962, significant amounts of Oil were found at Yibal and PDO subsequently discovered the Natih and Fahud Oil fields in 1963, which established Oman as an Oil-producing nation. The first export of Omani Oil took place in June 1967. In the same year, the Government and POHOL entered into a concession agreement that granted POHOL rights to explore and produce petroleum in Oman. In 1974, the Government acquired a 60 per cent. interest in the rights granted to POHOL and in May 1980, the company's name was changed to Petroleum Development Oman.

Subsequently, PDO expanded production and established a national gas system to deliver natural gas from Oman's interior to industry on the coast. Throughout the 1990s, PDO increased production using new technology and discovered and developed new Oil and gas fields. In 1996, PDO developed the central Oman gas fields to supply gas to a new LNG plant in Qalhat. The project was one of the largest in PDO's history.

In 2004, the Government, POHOL, POHOL's shareholders and PDO entered into new agreements in respect of the Oil Concession, including, amongst other things, the Oil Concession Agreement, a new operating agreement, and the PDO Shareholders' Agreement, all of which were ratified by Royal Decree № 2/2005 and replaced all previous agreements for such hydrocarbons.

In 2010, PDO's first full-scale EOR project at Marmul was successfully commissioned.

In 2017, PDO announced an expansion into hydrocarbon and renewable energy generation and water management, turning PDO into a fully diversified energy company.

The Formation

In December 2019, as part of reforms to optimise public sector management, the Government requested that PDO explore options to evolve its operating model to realise its full potential. This resulted in the Government's decision to establish the Guarantor as the new, over-arching entity for Oil and gas operations in Block 6.

The Guarantor was created on 24 December 2020, at which time the Government's pre-existing 60 per cent. participating interest in the Oil Concession, as well as in PDO, were transferred to the Guarantor. The Gas Concession was subsequently created in 2021, granting the Guarantor all rights to Block 6 NAG and NAG condensate. The Guarantor was formed as part of the Government's overall reform of the management of the public sector to evolve PDO's operating model in order to realise the full potential of the business. The Government views its shareholding in the Guarantor as a long-term investment and anticipates receiving regular dividend payments in line with the Guarantor's dividend policy. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash Flows—Dividends and Distributions*".

The four principles guiding the establishment of the Guarantor were:

- **Government oversight**: the Guarantor is a holding company directed by a board of directors nominated by the Government (in particular, the Ministry of Finance and the Ministry of Energy and Minerals).
- **Cash neutrality**: the Guarantor will ensure that the Government receives distributions in the form of royalties, taxes and dividends in an amount that is at least as much as the Government expects to receive from Block 6 prior to the formation of the Guarantor.
- **Self-sufficiency**: the Guarantor funds its Capital Expenditure and operational expenditure for core operations from its cash flow from operations. It will raise external debt for Capital Expenditure (subject to its capital structure) following a pre-agreed governance framework with the Ministry of Finance to unlock additional value from its reserves.
- **Unlocked value**: the Guarantor is focused on leading the energy transition by creating value through efficiency and/or new growth with the aim of promoting Oman's financial position and improving the Omani Oil and gas sector.

eco SPC

eco SPC, a wholly-owned subsidiary, was established in September 2024 for the handling of the inventory of surplus and scrap equipment and materials from operations under the Block 6 petroleum agreements, the Gas Concession Agreement and, subject to the relevant approvals, other Oil and gas operations in the Sultanate of Oman. eco SPC will initially receive the proceeds of scrap sales by PDO and deploy these proceeds in a manner directed by EDO. eco SPC has not begun operations.

EDO InfraCo

EDO InfraCo, a new direct subsidiary, was established in December 2023 to development infrastructure related to the transportation of gases and liquids through pipelines, including the water network. EDO InfraCo has not begun operations.

Hydrom

Hydrom was launched in 2022 following His Majesty Haitham bin Tariq Al Said's directive to accelerate the development of the green hydrogen sector in Oman. Hydrom was created initially as Hydrogen Development Oman, and the legal name was subsequently changed to Hydrogen Oman SPC with the commercial name of Hydrom. Previously, Hydrom was also referred to as HDO, including in the Group's financial statements.

Hydrom is fully owned by the Guarantor and regulated by the Ministry of Energy and Minerals. It is the principal entity in Oman responsible for developing and executing Oman's green hydrogen strategy, including the creation of a connected ecosystem of green hydrogen industries and hubs.

Hydrom has six key activities:

- oversee planning for the green hydrogen sector in Oman;
- delineate and allocate government-owned lands for green hydrogen projects;
- structure projects and manage the auction process;
- co-ordinate the common infrastructure;
- oversee the execution of green hydrogen projects; and
- manage data on wind and solar resources.

Founded on the values of sustainability, transparency, efficiency, agility, and innovation, Hydrom has the overarching vision of positioning Oman as a leading global green hydrogen hub by enabling the delivery of projects competitively and at scale. The goal is for developers to generate one million tonnes of green hydrogen by 2030. Hydrom has allocated 50,000 square kilometres for green hydrogen production projects. In 2023 and 2024, Hydrom entered into project development and sub-usufruct agreements in regard to land blocks for green hydrogen projects in Al Wusta and Dhofar. Each block is at least 300 square kilometres and was awarded via auction or the conclusion of legacy initiatives initiated prior to Hydrom's incorporation. The agreements granting land blocks to seven separate consortia for green hydrogen projects are currently in the development phase, which includes the completion of a feasibility study and the Front End Engineering and Design phase. In addition, in December 2024, Hydrom announced the launch of a third auction round for green hydrogen projects.

ONE

In parallel, the Guarantor is also considering the reorganisation of its power assets to realise short-term efficiencies and long-term expansion. To that end, the Guarantor has established ONE, a new direct subsidiary into which the Guarantor is considering the transfer of Block 6 power generation and transmission assets. This restructuring seeks to create a vehicle to expand in the power and renewables market, increase the power system efficiencies and enhance its governance, and identify and effect higher-value use for gas.

Establishment of EDO Gas

As part of its strategy, the Guarantor incorporated EDO Gas on 21 June 2023 to unlock additional value in the Gas Operations by optimising NAG development and production costs, enhancing governance, mitigating risks, accelerating exploration activities, and facilitating the unlocking of Oman's NAG potential. On 7 September 2023, the Government (represented by the Ministry of Energy and Minerals), the Guarantor, and EDO Gas

signed a Novation, Amendment and Restatement Agreement (the "**2023 Gas Concession NARA**") pursuant to which the Guarantor assigned and transferred its rights to NAG and condensate (AG and NAG), its participating interest in and ownership of the Gas Operations and any other right or interest granted to the Guarantor under the existing Gas Concession Agreement (the "**Assigned Interest**"), as well as all of its rights and obligations as seller under the NAG Sales Agreement to EDO Gas with effect from the Gas Operations Transfer Date. See "*Material Agreements—Gas Concession*". EDO Gas' primary commercial activities include the extraction of natural gas, service activities incidental to extraction of petroleum and natural gas, excluding surveying, exploration services and drilling of Oil and natural gas wells.

The transfer of the Gas Operations to EDO Gas did not entail any material changes to the governance of the Gas Operations or how they are conducted. Prior to the Gas Operations Transfer Date, the Guarantor was the sole concession holder of NAG and NAG condensate in Block 6. The Gas Operations and condensate production were conducted by PDO's Gas Directorate (following the same policies and procedures for the Oil Operations) under the Guarantor's oversight. This oversight was exercised through the Guarantor's Gas Board, whose representatives were appointed by the Guarantor, and who were required to obtain approval from the Guarantor Board or the Guarantor's shareholders before voting on certain reserved matters. *See "Material Agreements—Oil Concession—PDO Shareholders' Agreement*". Following the execution of the 2023 Gas Concession NARA, the EDO Gas Board of Directors oversees the Gas Operations and is required to seek approval from the Guarantor Board or the Guarantor's shareholders before voting on reserved matters.

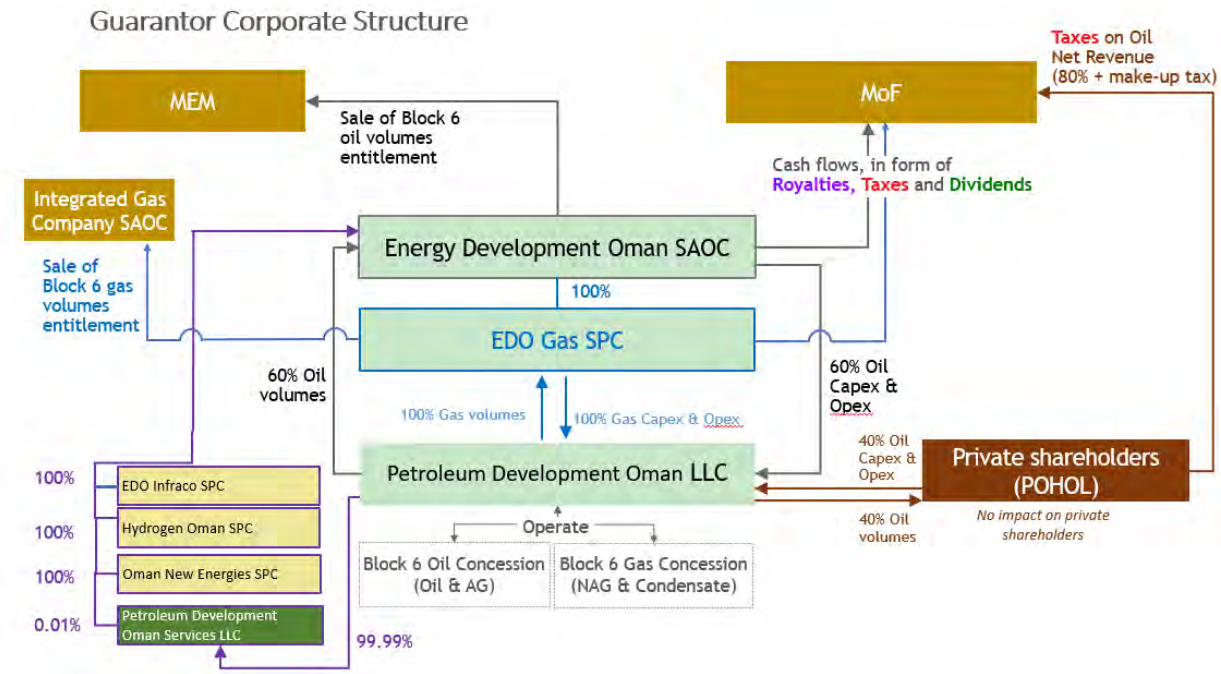
The funding of the Gas Operations, including Capital Expenditure and decommissioning, are the responsibility of the Gas Concession holder. Following the Gas Operations Transfer Date, these funding responsibilities transferred from the Guarantor to EDO Gas. As the Gas Concession holder, EDO Gas also became the sole owner of all gas assets and facilities, as well as of the NAG and NAG condensate produced. As revenue from the sale thereof accrues to the Gas Concession holder, following the Gas Operations Transfer Date these monies will accrue to EDO Gas. The Group expects that the Gas Operations will be funded by the revenues generated by sales of NAG and debt capital. Any surplus funds from sales of NAG and NAG condensate may be paid as dividends to the Guarantor.

Organisational Charts

The following graphic set out the structure of the Block 6 Operations and related entities after the incorporation of EDO Gas.

Post-Incorporation of the Guarantor and EDO Gas

The following graphic sets out the structure of the Guarantor after the incorporation of EDO Gas and the Trustee.



Relationship with the Government and operating model

The Government is the Guarantor's (directly) and EDO Gas' (indirectly) sole shareholder and controls the appointment of the members of the boards of directors of both companies, which are responsible for their respective overall policy direction, supervision and control.

The Guarantor's operating model adheres to the following principles:

- the Guarantor represents the Government's interests in the Concessions and works closely with both POHOL and PDO (in respect of the Oil Operations) and EDO Gas and PDO (in respect of the Gas Operations);
- PDO conducts Block 6 Operations on behalf of the Guarantor and POHOL (in respect of the Oil Operations) and EDO Gas (in respect of the Gas Operations), acting as a cost centre on a "no-profit, no-loss" basis, taking cash calls to finance its Capital Expenditure and operating expenses;
- the Guarantor pays cash calls to PDO corresponding to its share in the Oil Concession (i.e., 60 per cent.). Since the Gas Operations Transfer Date, EDO Gas pays cash calls to PDO corresponding to its 100 per cent. share of the Gas Concession;
- the Guarantor and EDO Gas may fund Capital Expenditure and operating expenses for the Oil Operations and Gas Operations, respectively, using the operating cash flow of each underlying concession or by raising debt, in line with the Guarantor's funding policy;
- PDO currently uses all AG production in the Oil Operations and distributes the Oil, NAG and NAG condensate production volumes to the Concessions' participants in line with their respective participating interest shares. Therefore, 60 per cent. of the Oil and AG condensate is delivered to the Guarantor and, since the Gas Operations Transfer Date, 100 per cent. of the NAG and NAG condensate production is

delivered to EDO Gas. The remaining 40 per cent. of Oil and AG condensate production is delivered to POHOL's private shareholders;

- the Guarantor recognises revenues from the sale of Oil and AG condensate and distributes cash to the Government in the form of royalties, taxes and dividends. EDO Gas recognises revenue from the sale of NAG and NAG condensate and distributes cash to the Government in the form of royalties and taxes, as well as through dividends via the Guarantor;
- under its mandate, and subject to its shareholder approval, the Guarantor seeks to diversify the Group's investments and businesses outside of the Oil Operations and Gas Operations, without impacting Government cash flows from Block 6; and
- POHOL's position remains unchanged, paying 40 per cent. of PDO's Oil Concession cash calls, receiving in return 40 per cent. of Block 6 Oil and AG condensate volumes and paying taxes on the net revenue to the Government.

The Guarantor must act together with Shell in order to direct the activities of PDO as both the Guarantor and Shell have the ability to approve or block decisions on relevant activities. See "*Risk Factors—Financial Risks Related to the Guarantor—PDO's Oil Operations are a joint operation over which the Guarantor exercises control with Shell, exposing the Guarantor to certain risks related to the operation of joint enterprises*" and "*Material Agreements—Oil Concession—PDO Shareholders' Agreement*". Therefore, the Guarantor's investment in PDO is classified as a joint operation for accounting purposes and is not consolidated.

Strengths

The Guarantor believes that it has the following key competitive strengths:

National Energy Champion with Strategic Importance to the Sovereign

The Guarantor is wholly owned by the Government and is key to supporting Oman's long-term economic prosperity. Oil and gas resources represent a significant pillar of the Omani economy. In 2023, Oil and gas accounted for approximately 36 per cent. of the country's nominal gross domestic product at current prices and 61 per cent. of exports, and over 72 per cent. of the Government's fiscal receipts. The Guarantor's interests in Block 6 are a principal component of the Omani Oil and gas sector. As of 31 December 2023, Block 6 comprised 24 per cent. of Oman's land acreage, approximately 72 per cent. of the country's combined Oil and condensate production, approximately 50 per cent. of NAG production, approximately 57 per cent. of Oman's 2P Oil and condensate and 42 per cent. of NAG reserves. Furthermore, the Guarantor, through PDO, is one of the largest corporate employers in Oman and provides substantial employment opportunities for the economy, with PDO employing 9,325 full-time employees as of 31 December 2024, of which 85 per cent. were male and 15 per cent. were female. As of 31 December 2024, PDO had an Omanisation (as defined below) rate of 91 per cent., including 1,362 female Omani employees. As of the same date, 86 per cent. of PDO's senior positions were held by Omani nationals.

Large Scale Production with a Long Operating Track Record and High-Quality Portfolio with a Strong Reserve Replacement

Through PDO, the Guarantor is the largest Oil and gas producer in Oman, with an average Oil and NAG condensate production of over 765,000 barrels per day (of which the Guarantor owns 60 per cent. of the Oil and indirectly owns 100 per cent. of the NAG condensate). PDO operates the onshore Block 6 Oil and gas concessions, which have more than 50 years of production history. As of 31 December 2024, Block 6 comprised 240 producing Oil fields, 38 NAG fields and 29 production stations. PDO operated approximately 14,123 active

Oil and Gas wells, more than 33,000 kilometres of pipelines and flowlines, and 248 operating units in its well engineering fleet, including 58 rigs and 53 hoists as of 31 December 2024.

PDO has maintained stable production of between 1.0 million and 1.1 million barrels of Oil equivalent per day, including Oil, NAG and NAG condensate (of which the Guarantor owns 60 per cent. of the Oil and AG condensate and 100 per cent. of the NAG and NAG condensate) since 2010. For the year ended 31 December 2024, PDO's average daily Oil production was approximately 680 thousand barrels per day (of which the Guarantor owns 60 per cent.), average NAG production was approximately 354 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.) and average NAG condensate production was approximately 84 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.). For the year ended 31 December 2023, PDO's average daily Oil production was approximately 658 thousand barrels per day (of which the Guarantor owns 60 per cent.), average NAG production was approximately 352 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.) and average NAG condensate production was approximately 97 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.). For the year ended 31 December 2022, PDO's average daily Oil production was approximately 661 thousand barrels per day (of which the Guarantor owns 60 per cent.), average NAG production was approximately 379 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.) and average NAG condensate production was approximately 100 thousand barrels of Oil equivalent per day (of which the Guarantor owns 100 per cent.).

The Guarantor believes that PDO's track record of replacing reserves underpins its ability to continue to replace reserves in the future. Between 2015 and 2024, PDO's 2P reserve replacement was approximately 92 per cent. for Oil and 23 per cent. for NAG and NAG condensate. The difference in the 2P reserve replacement of NAG and NAG condensate compared to Oil results from the fact that the Government decided to carve out a number of smaller acreages from Block 6 NAG to accelerate exploration and development activities, including Block 12, Block 77, Block 10 and Block 11. In 2024, 2023 and 2022, PDO achieved 2P reserve replacement ratios of 89 per cent., 89 per cent. and 77 per cent., respectively. Prior to this, PDO achieved 2P reserve replacements of 49 per cent. in 2017 following a technical revision to Qarn Alam Steam and 86 per cent. in 2016 after a re-classification of Yibal Attic. The following table sets out PDO's 2P reserve replacement ratio for each of the years 2015 to 2024.

	2015	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
2P Reserve replacement ratio percentage.....	132%	86%	49%	117%	114%	91%	75%	77%	89%	89%

As of 1 January 2025, the Guarantor's 2P reserves were 1.561 billion barrels of Oil, 243 million barrels of Oil equivalent of NAG condensate and 9.7 trillion cubic feet of NAG, totalling 2P reserves of 3,439 billion barrels of Oil equivalent. This contrasts to the Guarantor's 2P reserves of 1.578 billion barrels of Oil, 220 million barrels of Oil equivalent of NAG condensate and 9.6 trillion cubic feet of NAG as of 1 January 2024, totalling 2P reserves of 3.410 billion barrels of Oil equivalent, and 2P reserves of 1.429 billion barrels of Oil, 241 million barrels of Oil equivalent of NAG condensate and 9.8 trillion cubic feet of NAG as of 1 January 2023, totalling 2P reserves of 3.324 billion barrels of Oil equivalent.

Significant Gas Resource Base with Access to a Large and Growing Domestic Market

Block 6 is one of two primary suppliers of Oman's growing domestic gas market as well as the country's liquid natural gas export plant. Between 2011 and 2023, Oman natural gas consumption grew at a compound annual growth rate of 5.0 per cent. This growth in demand for gas in Oman is driven mainly by the country's rapid industrialisation, LNG exports whereby global LNG growth is expected to be 3.6 per cent. for the period 2023-

2040 (*Source: Shell LNG Outlook 2024*), as well as the Government's plans for gas to play an increasingly prominent role in electricity generation.

Through EDO Gas, the Guarantor receives stable and predictable cash flows from the sale of NAG at a fixed incremental transfer price. As of 1 January 2025, Block 6 had 9.9 trillion cubic feet of 2P NAG reserves. EDO Gas owns and PDO operates five key gas processing facilities in Oman with a combined gas processing capacity of 138.6 million cubic feet per day. Transfer prices are reviewed and agreed in five-year cycles to account for updates in Block 6 gas projects, macroeconomic trends and downstream gas sales agreements with end-users. This results in stable cash flows from NAG sales, which are governed by the NAG Sales Agreement.

Low Costs of Operations and Robust Asset Base

Block 6 costs of operations per barrel of Oil equivalent are among the lowest in the world due to the favourable onshore geographies in which its reservoirs are located and synergies available from the use of PDO's infrastructure and logistics networks. The Guarantor's total cost of production was approximately US$16 per barrel of Oil equivalent for the year ended 31 December 2024, consisting of the sum of Capital Expenditure (approximately US$12 per barrel of Oil equivalent) and production expenses (approximately US$4 per barrel of Oil equivalent). For the year ended 31 December 2023, the Guarantor's total cost of production was approximately US$16 per barrel of Oil equivalent, consisting of the sum of Capital Expenditure (approximately US$12 per barrel of Oil equivalent) and production expenses (approximately US$4 per barrel of Oil equivalent). For the year ended 31 December 2022, the Guarantor's total cost of production was approximately US$16 per barrel of Oil equivalent, consisting of approximately US$11 per barrel of Oil equivalent of Capital Expenditure and approximately US$5 per barrel of Oil equivalent of production expenses. This low-cost base enables the Guarantor to generate sustainable cash flows during periods of relatively high Oil prices while enabling it to maintain positive cash flows during periods of relatively low prices.

The following table sets out the Group's Capital Expenditure and production expenses for the periods indicated.

	Year ended 31 December		
	2024	**2023**	**2022**
		(US$'000)	
Capital Expenditure	3,831,715	3,818,818	3,455,413
Production expenses	1,221,025	1,115,911	1,412,711

Successful Track Record of Project Delivery and Further Upside from Exploration and EOR Projects

PDO has a track record of project delivery with significant experience in delivering development projects, enabling the Guarantor to act as Oman's swing gas producer, increasing or decreasing production for Oman based on market price fluctuations. During the year ended 31 December 2024, PDO completed 18 development projects, compared to 19 projects in 2023 and ten projects in 2022. Sixteen projects are scheduled for completion in 2025. In 2024, PDO's Exploration Directorate booked a total of 135 million barrels of Oil (120 million barrels of Oil in 2023 and 125 million barrels of Oil in 2022) and approximately 0.73 trillion cubic feet of NAG (1.42 trillion cubic feet of NAG in 2023 and 0.34 trillion cubic feet of NAG in 2022) as Recoverable Contingent Resource volumes. PDO also drilled 32 Oil and gas exploration wells in 2024, 24 of which targeted Oil prospects and nine of which targeted gas prospects. This was a decrease of approximately 16 per cent., as compared to 38 Oil and gas exploration wells in 2023 and an increase of approximately 19 per cent., as compared to 27 Oil and gas exploration wells in 2022. The decrease in 2024 compared to 2023 was primarily due to weather and budget constraints.

In the long term, PDO intends to shift its focus to more complex sour and EOR projects that require steam or chemicals. PDO operates a number of commercial-scale EOR projects (including chemical EOR, miscible gas injections and thermal applications) that the Guarantor considers to be important for the maintenance and increase of Block 6 production going forward. As of 31 December 2024, PDO operates or is developing 54 EOR projects, pilots and concepts, including operating the major EOR field developments known as Marmul Polymer, which uses chemicals to recover Oil and has produced approximately 9,600 barrels of Oil per day over the years since it was commissioned in 2010, and Rabab Harweel, a gas injection project at which gas recycling into the Rabab gas field has reached 5.5 million cubic metres per day. In addition, the Amal Steam Injection project was commissioned in 2012 (drilling began in 2010). The Amal Steam Injection project aims to increase the recovery of Oil from the Amal field from 9 per cent. to 21 per cent. through steam injection. The continuous steam injection is expected to enhance the mobility of the viscous Oil that is produced though the Steam Assisted Gas Oil Gravity Drainage recovery mechanism. This is the first EOR project of its kind in a sandstone Oil reservoir at this scale in the world. Following a steady ramp up of steam injection, production is expected to rise and reach a plateau rate of approximately 31,000 barrels per day by 2035. Cumulative production from the field was 203 million barrels as at 1 January 2025, with 26 per cent. of production coming from the Amal Steam Injection project. Production from the Amal Steam Injection project averaged 17,600 barrels per day and 25,000 barrels per day for the years ended 31 December 2024 and 2023, respectively. For more information on PDO's EOR projects, see "*Operations—Reservoir Management and Production Strategy—Oil—Enhanced Oil Recovery*". EOR projects will continue to be a core focus for PDO as it endeavours to further optimise its production. The Guarantor estimates that in 2025 more than 18 per cent. of PDO's Oil production will come from EOR projects, compared to 14 per cent. in 2022. The Guarantor expects this amount to increase to 36 per cent. of its production by 2030.

Focus on Environmental, Sustainability and Safety Performance The management of health, safety and the environment ("**HSE**") is a cornerstone of PDO's operational activities and projects. While Oil and gas are fundamental to the Guarantor's energy mix, PDO is developing innovative renewable solutions to create new growth opportunities in line with its aim of transitioning to being a diversified energy company by leveraging new technology, collaborating with partners and improving the business' overall energy efficiency and water management. PDO was one of the first companies in the Middle East to obtain an ISO 14001 environmental management system certification. It continuously strives to protect Oman's environment by decreasing pollution and enhancing its environmental performance across a range of areas, including Oil spills and waste management. For example, as part of its focus on Oil spill management, PDO has increased preventive maintenance activities and regular inspections. It also has an ongoing programme of extending the life of the existing pipelines. In 2024, the number of spills over one barrel (0.16 cubic metres) per million tonnes of Oil production remained at 0.06, consistent with 2023, and decreased compared to 0.09 in 2022. The quantity of Oil spilled over one barrel (0.16 cubic metres) per million tonnes of Oil production increased to 0.02 in 2024 from 0.01 in 2023 and 0.05 in 2022. PDO has not had a major spill in 2024. PDO defines a major spill as a spill that is greater than 10 cubic metres.

PDO has set a commitment to reach net zero emissions by 2050 with an interim target of a 7 per cent. GHG emissions reduction by 2030 from its 2021 baseline. This target is aligned with Oman's GHG emissions targets set for its Oil and gas sector. Whilst PDO's actual GHG emissions were below the target in 2024, flaring levels exceeded the 2023 levels and were above the 2024 target due to several operational upsets in Birba, Al Noor, Fahud and Yibal Khuff, which resulted from, among other reasons, the instability of the gas export system and unavailability of gas injection compression and delays due to commissioning of a new gas injection compressor. Additionally, the Marmul Gas Compression Project ("**MGCP**") project delay due to contractual issues, which increased compressor trips, and power-house turbine reliability and the True Vapor Pressure ("**TVP**") incident resulted in flare increases. In 2024, PDO continued to assess options to eliminate routine flaring by no later than 2030, through gas sales and monetisation options, such as gas to liquid fuels and gas to power generation.

A request for information was floated to test the market and 27 proposals were received. The intended plan is to float a tender in 2025 and award the contract by the first quarter of 2026. In addition, there is an advanced-stage trial in Zauliyah station which is expected to be on-stream by the first quarter of 2026. The optimisation of the routine flaring projects to meet the Zero Routine Flaring commitment was completed to further optimise cost and schedule through competitive reviews with Shell as part of the GHG Strategic Alliance and PDO's agile approach. The Business Plan for routine flaring roadmap was presented at the 2023 November PDO Board meeting and further articulated in a letter to the Ministry of Energy and Minerals on the investment decision and path forward for the remaining residual routine flaring gap beyond 2027.

PDO's 2024 Energy Management Strategy targets reducing energy demand, increasing energy efficiency and diversifying energy and gas sources. See "*—Energy Management Strategy*". PDO's energy management strategy is support by six main pillars:

- Power generation,
- Renewables,
- Energy Efficiency,
- Subsurface Energy Management,
- Flaring; and
- other GHG sources

PDO's energy management strategy is focused on improving flaring and reducing energy consumption and fugitive emissions, as well as developing and implementing improvement initiatives in consumption efficiency. PDO is committed to finding alternative energy and gas sources and increasing the mix of renewable energy, such as power, steam and process heat generation.

As part of its energy management strategy and its commitment to the Oman Energy Master Plan 2040, PDO has been developing renewable energy sources and projects to use in its operations. PDO has identified large capacity renewable energy projects as a core business activity and plans to implement large-scale solar and wind projects within Block 6. Key renewable energy projects currently in operation include the Amin Solar project, the Nimr Reed Beds, the Miraah solar project and the Solar Photovoltaic ("**PV**") car park. See "*Environmental, Social and Governance—PDO*". PDO also provides support to national new energy initiatives led by the Ministry of Energy and Minerals, for example, through the National Hydrogen Alliance aimed at strengthening Oman's position for development.

In 2022, as a result of the implementation of flaring recovery projects, renewable energy projects and certain other wetland and waste recovery projects, PDO reduced its total GHG emissions by almost 3.59 million tonnes of carbon dioxide equivalent compared to a business-as-usual scenario. These reductions have led PDO to compare favourably against leading Oil and gas "majors" when benchmarking carbon emissions intensity, with PDO's upstream carbon emissions intensity remaining at a benchmark limit of 0.19 tonnes of carbon dioxide equivalent/tonnes of hydrocarbon (tCO2e/tHC). In 2024, PDO's upstream carbon emissions intensity was 0.18 tonnes of carbon dioxide equivalent/tonnes of hydrocarbon (tCO2e/tHC) compared to 0.19 in 2023. In 2023, PDO's upstream carbon emissions intensity was 0.19 tonnes of carbon dioxide equivalent tonnes of hydrocarbon (tCO2e/tHC) compared to 0.18 in 2022. In 2022, PDO's upstream carbon emissions intensity fell by 7 per cent. from 0.19 to 0.18 tonnes of carbon dioxide equivalent tonnes of hydrocarbon (tCO2e/tHC).

The following table sets out PDO's Scope 1 and Scope 2 GHG total absolute emissions during the last three years:

	2024	2023	2022
	(Million tonnes of CO2)		
Scope 1[(1)]	10.6	10.4	10.5
Scope 2[(2)]	0.06	0.06	0.06
Total	10.7	**10.5**	**10.6**

Notes:

(1) Scope 1 emissions are direct GHG emissions that occur from sources that are controlled or owned by PDO

(2) Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling, in order to operate PDO's Muscat premises.

Safety is PDO's overarching priority, with the company focused on "Goal Zero – No harm to people, environment and assets". The company is committed to making continuous improvements to Asset Integrity and Process Safety Management ("**AI-PSM**") by enhancing the knowledge of its employees and contractors and by implementing the latest tools, technologies and expertise. In recent years, PDO has achieved improvements in safety performance through the establishment and maintenance of focused programmes and initiatives across high-risk safety areas such as commuting and road safety, worksite hazards, drilling activities and contractor HSE management. For example, several programmes have been launched focusing on field vehicles inspection and live monitoring of transportation and road activities through integrated journey management systems and in vehicle monitoring systems. Similarly, in 2020, PDO launched campaigns focusing on improving safety culture for its employees and contractors through a "Ihtimam" or "I Care" behaviour-based safety programme pursuant to which staff are trained to report safe and unsafe acts and to implement the necessary controls for unsafe acts and safety hazards. Other programmes have focused on addressing safety hazards from drilling activities through focused training of drilling staff and supervisors and an awareness campaign outlining key hazards (i.e., dropped objects in drilling sites). PDO has also invested in maintaining effective communication between its team and the leadership teams of its contractors through joint visits and engagement.

With regards to safety performance, the Total Recordable Case Frequency of all injuries per million working hours has decreased from 0.98 in 2013 to 0.71 in 2024, and the Lost Time Injury Frequency (as defined below) has decreased from 0.26 in 2013 to 0.16 in 2024. These decreases were due to achievements in the areas of asset integrity and process safety management.

In 2022, PDO embarked a Safety Refresh programme to sustain the above programmes and to address the increases in the number of fatal incidents and lost time injuries experienced in 2021. The programme focuses on six key areas; safety leadership, learner organisation, hazard and risk management, road safety, process safety and contractor HSE management. Each focus area is underpinned by a detailed action plan. To drive the objectives of the programme, PDO also launched the CEO HSE forum in order to partner with contractors to drive the Safety Refresh through visible safety leadership. In addition, since the majority of fatal incidents in 2021 and 2020 were related to road transport, in early 2022 PDO enhanced and rolled out its road safety standard with additional safety features and requirements. Moreover, in 2022 PDO also conducted a road safety deep learning review to better understand what is impacting road safety performance. The review concluded with 14 recommendations that are being detailed in an integrated action plan. The recommendations will address

subcontractor management, driver welfare, fleet utilisation, communication, Road Safety data and compliance to standards. In 2024 and 2023, PDO improved its safety performance with zero fatal incidents.

Highly Experienced Senior Management Team and Board of Directors

The Guarantor is led by a highly experienced senior management team. The Guarantor's CEO, Mazin Al Lamki, has more than 22 years of international experience in the Oil and gas sector across various commercial and operational functions. Prior to joining the Guarantor, he was the Chief Operating Officer at Mubadala Petroleum LLC. The Guarantor's CFO, Sultan Al Mamari, has more than 20 years of experience in the Oil and gas industry in Oman. The Guarantor's COO, Azhar Al Kindi, has over 20 years of experience in the global energy industry. Prior to joining the Guarantor, he was COO and Deputy CEO at Petrogas E&P LLC. The other members of the Guarantor's senior management team collectively have extensive experience in the Oil and gas sector.

The composition of the Guarantor Board highlights the importance of the Guarantor to the Government. The Guarantor Board consists of four non-executive directors appointed by His Majesty the Sultan. It comprises H.E. Salim bin Nasser Al Aufi (Minister of Energy and Minerals), H.E. Abdullah bin Salim Al Harthi (the Undersecretary of the Ministry of Finance), Mulham bin Basheer Al Jarf (Deputy President of Oman Investment Authority) and H.E. Nasser bin Khamis Al Jashmi.

Several members of the Guarantor's senior management team will be overseeing the management and operations of EDO Gas. EDO Gas and the Guarantor believe that this common leadership will support the execution of the Guarantor's strategy with respect to the Gas Operations. *See "Directors and Management—Board of Directors—EDO Gas"*.

Strategy

The Guarantor's primary objective is transformational value creation in Oman's energy sector through realising efficiencies and pursuing new growth opportunities.

In line with Oman's Vision 2040, the Guarantor has set an ambitious vision to be a world-class partner for growth that drives a sustainable energy future. The Guarantor's overarching objectives are to strengthen its core business against market volatility and energy transition challenges, and to become an integrated energy company with capabilities beyond Oil and gas while maintaining a stable capital structure. In achieving these objectives, the Guarantor expects to remain a stable source of income for the Government and to support the Omani economy.

The Guarantor's strategy, of which EDO Gas forms a part, is based on five key pillars:

- **Block 6 and Beyond**: the Guarantor will seek to strengthen its position in the Oil and gas industry by realising efficiencies in the Guarantor's core Block 6 Operations while pursuing attractive Oil and gas opportunities beyond Block 6. Gas production has become increasingly important in recent years. The Guarantor seeks to improve the efficiency and synergy of NAG production, and thus to maximise value, through the establishment of a stand-alone gas operation. The Guarantor believes that potential value can be unlocked and risks mitigated by accessing expertise, technology, and industry know-how. To that end, the Guarantor is considering various options, such as increasing exploration activities, adding acreage to Block 6 to expand its resource base, and potentially introducing strategic partners for specific ring-fenced developments. Along with the creation of EDO Gas to own and manage the Gas Operations, the Guarantor is exploring the possibility of acquiring additional NAG acreage to expand its resource base and eventually its reserves, as well as potentially bringing in strategic partners to utilise their collective expertise, technology and industry know-how to help unlock additional value. Through these options, the Guarantor is seeking to optimise NAG development and production costs, enhance governance, and facilitate the achievement of Oman's NAG production potential.

- **Capital Management**: The Guarantor will seek to maximise return on capital by minimising funding costs, diversifying maturities and tapping a wide range of funding sources. The Guarantor will also seek to maximise return on capital by allocating resources to those opportunities that exceed its capital hurdles over the long term.

- **Oman Hydrogen**: In addition to the role of Hydrom in orchestrating the green hydrogen strategy in Oman, the Guarantor seeks to manage the establishment of common use infrastructure for this sector and the commercialisation of excess power, ensuring tangible in-country value for Oman. Hydrom's immediate priority is the completion of the initial public auction rounds, legacy initiatives and common use infrastructure business model. Hydrom's strategic objectives over the next five years include: (i) awarding land blocks to meet production targets and to support green hydrogen projects moving forward; (ii) actively supporting the creation of an enabling infrastructure (shared infrastructure, logistics and capabilities); and (iii) maximising value creation for Oman through upstream and downstream industries localisation.

- **New Energies**: In addition to its Oil and gas activities, the Guarantor plans to expand into new energies, in particular renewables and lower carbon alternatives, including, amongst others, hydrogen (which may include hydrogen derived from fossil fuels). To that end, the Guarantor will seek to deploy renewables to supply the power demands of PDO's Oil and gas operations and leverage PDO's current capabilities in renewable energy developed through its work on key initiatives like the Amin Solar project, the Nimr Reed Beds, the Miraah solar project and the Solar PV car park. The Guarantor expects that the market for clean energy in Oman will experience strong growth over the medium term and is seeking to restructure the power assets in Block 6 to realise efficiencies and pursue long-term expansion. To that end, the Guarantor has established ONE, a new direct subsidiary into which the Guarantor is considering the transfer of the Block 6 power generation and transmission assets. This restructuring would seek to create a vehicle to expand the power and renewables market, increase efficiencies in, and enhance the governance of, the power assets, and realise synergies with other domestic power assets.

- **ESG**: The Guarantor intends to create a sustainable future for energy in the Sultanate of Oman, through a robust ESG framework, which manages Environmental, Social and Governance risks.

The Guarantor's diversification strategy aligns with the Government's target of increasing renewable power penetration in Oman from 5 per cent. to 39 per cent. by 2040 as part of the Oman Vision 2040. In addition to supporting the Guarantor's sustainable energy vision, the Guarantor expects that diversification into new energies will increase the Group's resilience against Oil and gas market volatility.

Operations

The Guarantor's core business is focused on upstream Oil and gas exploration, development and production in Oman. Since the Gas Operations Transfer Date, EDO Gas has owned the Gas Operations of the Guarantor. The Guarantor is also developing renewable energy sources.

The Oil Operations and the Gas Operations, which are both operated by PDO, consist of exploring for, developing and producing Oil, AG, NAG and condensate (AG and NAG). AG condensate is commingled with Oil both operationally and legally, and AG condensate production is included within Oil production. PDO does not separately monitor or record AG condensate production. For the year ended December 2024, PDO's average daily Oil production was approximately 680 thousand barrels per day (of which the Guarantor owned 60 per cent.), average NAG production (of which the Guarantor owned 100 per cent.) was approximately 354 thousand barrels of Oil equivalent per day, and average NAG condensate production of approximately 84 thousand barrels of Oil equivalent per day, respectively. For the year ended December 2023, PDO's average daily Oil production was approximately 658 thousand barrels per day (of which the Guarantor owned 60 per cent.), average NAG

production (of which the Guarantor owned 100 per cent.) was approximately 352 thousand barrels of Oil equivalent per day, and average NAG condensate production of approximately 97 thousand barrels of Oil equivalent per day, respectively. For the year ended 31 December 2022, PDO's average daily Oil production was approximately 661 thousand barrels per day (of which the Guarantor owned 60 per cent.), average NAG production (of which the Guarantor owned 100 per cent.) was approximately 379 thousand barrels of Oil equivalent per day and average NAG condensate production of approximately 100 thousand barrels of Oil equivalent per day, respectively.

The following table sets out key information regarding PDO.

	For the year ended 31 December		
	2024	**2023**	**2022**
Number of Oil / gas fields	240/38	250/55	244/54
Wells	14,123	14,123 (94% Oil; 7% gas)	13,086 (94% Oil; 6% gas)
Production stations	29	29	29
Rigs / hoists	58/53	57/51	55/51
Pipelines & flowlines (km)	>33,000	>33,000	>33,000
Wells drilled	886	768	715
Stock-tank oil initially in place (*mmbbl*)[(1)]	68,370	67,394	66,975
Gas initially in place (mmboe)[(2)]	14,073	13,877	15,104
Condensate initially in place (mmbbl)	4,428	4,448	4,948
Recoverable volumes (Oil, condensate & gas) (mmboe)	21,181	20,760	20,450
Recovery factor (Oil & gas)[(3)]	24	23	23
Gross production (kboepd)	1,078	1,107	1,140

Notes:

(1) Stock-tank oil initially in place reflects a measurement of how much Oil can be economically brought to the surface in a reservoir. Includes exploration.

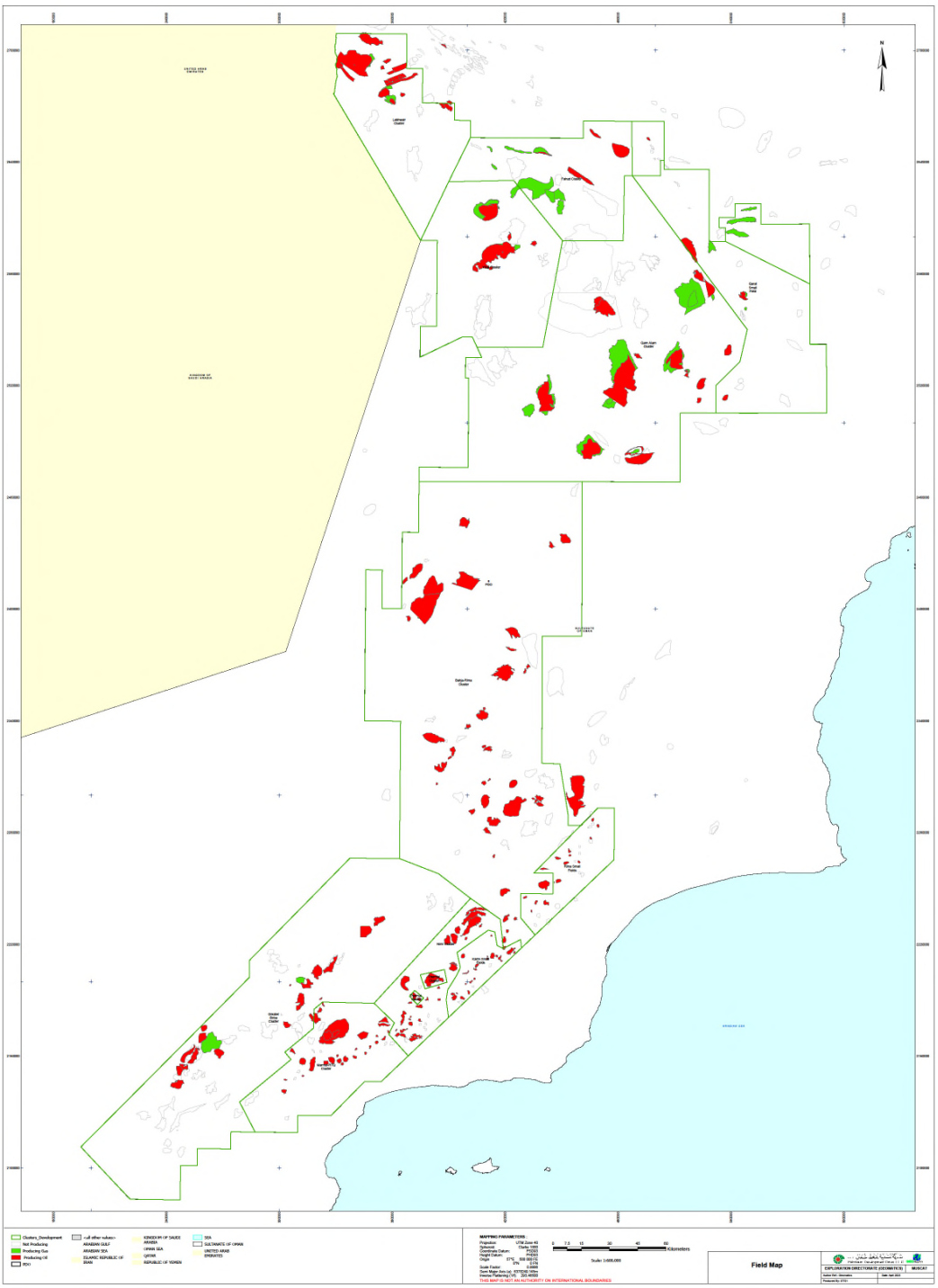
(2) Estimated measure of the total amount of gas contained in a reservoir. Includes exploration.

(3) Recovery factor is defined as the sum of production and recoverable volume divided by the amount of hydrocarbons initially in place.

Block 6

The Block 6 development is Oman's most significant Oil and gas operation. The Oil Concession area is the main onshore Oil concession in Oman and covers a surface area of approximately 75,000 square kilometres, which includes a substantial part of the Oman Mountain Foldbelt and Rub al Khali basins, including the Ghaba and Fahud salt basins. In 2022, Block 6 contained approximately 53 per cent. of Oman's Oil reserves and 41 per cent. of its NAG reserves. Block 6 extends across three of Oman's established Oil and gas producing basins of south, central and west Oman, as well as the Oman Foreland sub-basin in northern Oman. The Gas Concession includes the same geographical area as the Oil Concession, except for the areas comprised by Blocks 12, 61 and 77.

The following map illustrates the location of Block 6 and its Oil and gas fields:



As at 31 December 2024, PDO operated 240 producing Oil fields, 38 NAG fields, 29 production stations, approximately 14,123 active Oil and gas wells and more than 33,000 kilometres of pipelines and flowlines. PDO's Oil and gas fields are clustered in an asset-based structure and run through three upstream directorates: the Oil North Directorate, the Oil South Directorate and the Gas Directorate. These directorates are divided into 12 clusters: four of which pertain to the North Directorate, five of which pertain to the Oil South Directorate and three of which pertain to the Gas Directorate. The clusters are defined as bundles of interconnected fields and assets located in proximity to each other.

The Oil North Directorate covers fields that are mostly located in central Oman towards the northwestern side of the country. The directorate includes the Yibal, Yibal Khuff, Fahud, Qarn Alam and Lekhwair Oil field clusters. Initially, most of the fields were developed through primary recovery. Subsequently, some of these fields deployed secondary water-flooding development, such as line-drive water-flooding in Lekhwair, and subsequently tertiary Oil recovery, such as, gas-oil-gravity-drainage in Fahud or steam flooding thermal recovery in Qarn Alam, to recover more viscous Oil. See "*—Reservoir Management and Production Strategy—Oil*" below.

The Oil South Directorate covers Oil fields along the east side of Oman's southern basin where numerous sparse accumulations are mainly sandstone based. The directorate includes the Marmul, Nimr, Greater Birba and Bahja/Rima clusters, as well as a dedicated cluster to develop smaller, satellite hydrocarbon accumulations, known as standardised satellite fields development. Most of the fields were developed using standard primary development vertical wells. Later, secondary recovery was trialled and deployed at wider schemes commonly used in the directorate. The fields in the Marmul, Nimr and Bahja Oil field clusters now use either pattern-based waterflooding or aquifer injection secondary recovery. EOR is deployed mainly in Greater Birba using miscible gas injection light Oil recovery. Polymer EOR has been trialled and is ongoing in the Nimr and Marmul clusters. See "*Reservoir Management and Production Strategy—Oil—Enhanced Oil Recovery*" below.

The Gas Directorate includes all NAG fields in Block 6, excluding the areas comprised by Blocks 12, 61 and 77. Given the nature of heavier Oil in the Oil South Directorate, most of the gas fields and stations are located in north and central Oman. However, there are some exceptions where NAG and AG share joint facilities, such as the Rabab Harweel Integrated Project, Tayseer, and Budour. The NAG fields in the Gas Directorate are grouped into three clusters: Saih Rawl, Saih Nihayda, and Kauther. Saih Rawl is located towards the central part of Oman, Kauther is comprised of gas fields located in the northwest of Oman and Saih Nihayda covers gas fields from central Oman to the south of the country, including Rabab Harweel Integrated Project. Most of the fields were developed using primary recovery methods and later through depletion compression methods. After the central fields in Saih Rawl and Saih Nihayda were discovered and appraised, the first liquid natural gas was exported in 2000. The Kauther area was discovered and put into compression stages in the mid-2000s. The MBR field was developed in 2014 and the Rabab Harweel Integrated Project was brought onstream in 2019, making a significant contribution to NAG condensate output. The most recent project, Yibal Khuff, commenced production in 2021. The Yibal Khuff project spans an area of 1.68 square kilometres, which is the second largest project in Oman. Yibal Khuff will have the capacity to deliver five million cubic metres of NAG per day and approximately 20,000 barrels per day of Oil. Digitalisation initiatives, such as online commissioning of a steam turbine generator controls system through remote vendor support, enabled project delivery performance to be maintained during periods of travel limitations during the construction phase. See "*—Reservoir Management and Production Strategy—Gas*" below.

Reserves

As of 1 January 2025, the Guarantor's 2P reserves were 1.561 billion barrels of Oil, 243 million barrels of Oil equivalent of NAG condensate and 9.7 trillion cubic feet of NAG, totalling 2P reserves of 3,439 billion barrels of Oil equivalent. This contrasts to the Guarantor's 2P reserves of 1.578 billion barrels of Oil, 220 million barrels of Oil equivalent of NAG condensate and 9.6 trillion cubic feet of NAG as of 1 January 2024, totalling 2P reserves of 3.410 billion barrels of Oil equivalent, and 2P reserves of 1.429 billion barrels of Oil, 241 million barrels of Oil equivalent of NAG condensate and 9.8 trillion cubic feet of NAG as of 1 January 2023, totalling 2P reserves of 3.324 billion barrels of Oil equivalent. The Oil Concession Agreement and the Gas Concession Agreement (as amended by the 2023 Gas Concession NARA) expire in 2044, or such later date as the parties agree. As part of the establishment of the Guarantor, the Government determined fiscal terms applicable to the Guarantor's revenues related to Block 6, which include a combination of royalties and taxes. Given these fiscal terms are paid in cash rather in kind, no adjustment is made to reserves.

The following table sets forth estimates of the Guarantor's participating interest in Block 6 2P reserves based on the term of the Concessions as of the dates indicated.

	Oil	NAG Condensate	NAG	Total
	(mmbbl)	*(mmboe)*	*(bcf)*[2]	*(mmboe)*[3]
Guarantor participating interest[1]				
Reserves as of 1 January 2025	1,561	241	9,700	3,439
Reserves as of 1 January 2024	1,578	220	9,557[2]	3,410
Reserves as of 1 January 2023	1,429	241	9,819	3,324

Notes:

(1) Estimates of the Guarantor's participating interest in Block 6 2P reserves may differ from estimates of total Block 6 2P reserves due to differences in the calculation dates of each set of estimates for a period due to reallocations of reserves, amongst other things.

(2) Conversion rate of 5.924 scf = 1 boe for gas.

PDO manages Block 6 reserves and resources base to optimise production and maximise long-term value. PDO has historically replaced reserves on an organic basis through revisions of reserve estimates at existing fields and through delineation and exploration to identify new fields. Between 2015 and 2024, PDO's 2P reserve replacement was approximately 92 per cent. for Oil and 23 per cent. for gas and condensate (AG and NAG). The lower 2P reserve replacement ratio for NAG and NAG condensate as compared to Oil resulted from the Government carve-out of a number of smaller acreages from Block 6 NAG to accelerate exploration activities, including Block 12, Block 77, Block 10 and Block 11. In 2024, 2023 and 2022, PDO achieved 2P Oil reserve replacement ratios of 89 per cent., 89 per cent. and 77 per cent., respectively. The following table sets out PDO's 1P and 2P reserve replacement ratio for each of the years 2014 to 2024.

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
2P Reserve replacement ratio percentage	132%	86%	49%	117%	114%	91%	75%	77%	89%	89%

The Guarantor's reserves as of year ends are calculated based on the results of an ARPR process conducted by PDO on behalf of the Guarantor and pursuant to the Guarantor's fiscal terms. ARPR is an annual review of all PDO resources conducted by asset cluster leadership, Petroleum Engineer managers and Petroleum Engineer Chief Function Heads. The outcome of this review is documented in the ARPR report. During this process, the developed reserves for all producing wells are re-evaluated by performing decline curve analysis for Oil, material balance, p/z analysis for gas, or history-matched dynamic modelling, whereas the undeveloped project status is re-assessed based on the latest business plan. Volumes are categorised as either undeveloped reserves or contingent resources in line with the resource volume classification guidelines.

The Guarantor's 1P reserve estimates conform to the SEC Oil and gas reserves definitions, and the Guarantor's 2P reserve estimates conform to the Society of Petroleum Engineers' Petroleum Resource Management System definitions and guidelines. The Guarantor estimates its commercial reserves and resources based on information compiled by PDO (the appointed operator for Block 6). To estimate or update the Guarantor's reserve estimates, the PDO upstream segment employees responsible for reserves calculations perform technical analyses that are

reviewed internally by progressively higher levels of management until finalised at year-end. The Guarantor carries out its own internal review by an appropriately qualified person.

For the Guarantor's 2P reserves, the OEB price is kept constant for the life of the Oil Concession (e.g., until 2044) at US$60 per barrel for year one and thereafter a 3 per cent. annual increase is assumed for the life of the Oil Concession while for 1P reserves the OEB price is kept constant at $81.14 per barrel as per SEC guidelines. The NAG price until 2025 is set out in the NAG Sales Agreement, while future gas prices will be agreed between EDO Gas and IGC Oman in accordance with the methodology set out therein. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting the Guarantor's Results of Operations and Financial Condition—Supply, Demand and Price of Hydrocarbons—NAG*". The price is then subject to change and is estimated by the Guarantor on a five-year cycle basis.

The Guarantor retained independent petroleum consultants, Sproule B.V., to independently audit the Guarantor's reserves as of 1 January 2024. A copy of the Third-Party Reserves Report, which describes its procedures, conclusions and assumptions, is set out in Appendix C to this Base Offering Circular. The technical personnel responsible for preparing the Third-Party Reserves Report meet the requirements regarding qualifications, independence, objectivity and confidentiality set forth by the Society of Petroleum Engineers. Sproule B.V. is an independent consultancy firm and does not own an interest in the Guarantor's properties and is not employed on a contingent fee basis.

Production

For the year ended 31 December 2024, PDO produced approximately 680 thousand barrels of Oil equivalent per day, compared to approximately 658 thousand barrels of Oil equivalent per day for the year ended 31 December 2023. The Guarantor's participating interest in these barrels was approximately 408 thousand barrels of Oil equivalent per day for the year ended 31 December 2024 and 395 thousand barrels of Oil equivalent per day for the year ended 31 December 2023. For the year ended 31 December 2024, average NAG production was approximately 353 thousand barrels of Oil equivalent and NAG condensate production was approximately 83 thousand barrels of Oil equivalent per day, respectively, in which the Guarantor had a 100 per cent. participating interest.

For the year ended 31 December 2023, PDO produced approximately 658 thousand barrels of Oil equivalent per day, compared to approximately 661 thousand barrels of Oil equivalent per day for the year ended 31 December 2022. The Guarantor's participating interest in these barrels was approximately 395 thousand barrels of Oil equivalent per day for the year ended 31 December 2023 and 396 thousand barrels of Oil equivalent per day for the year ended 31 December 2022. For the year ended 31 December 2023, average NAG production was approximately 352 thousand barrels of Oil equivalent per day and NAG condensate production was approximately 97 thousand barrels of Oil equivalent per day, respectively, in which the Guarantor had a 100 per cent. participating interest.

PDO has maintained stable total production of between 1.0 million and 1.1 million barrels of Oil equivalent (of which the Guarantor owned 60 per cent. of the Oil and 100 per cent. of the NAG and NAG condensate) for more than 10 years, with total Oil, NAG and NAG condensate production exceeding 0.9 million barrels of Oil equivalent per day since 2000.

The following table sets out PDO's total production, and the Guarantor's participating interest therein, for the periods indicated:

	For the year ended 31 December		
	2024	**2023[(2)]**	**2022[(2)]**
PDO			

	For the year ended 31 December		
	2024	**2023[2]**	**2022[2]**
Oil (*bbl/d*)	679,922	657,599	660,894
NAG condensate (*boe/d*)	83,604	97,426	100,172
NAG (*boe/d*)	353,788	352,251	378,976
Total (*boe/d*)	**1,117,309**	**1,107,276**	**1,140,042**
Guarantor's participating interest[1]			
Oil (*bbl/d*)	407,950	394,559	396,536
NAG condensate *(boe/d*)	83,604	97,426	100,172
NAG (*boe/d*)	353,788	352,251	378,976
Total (*boe/d*)	**845,342**	**844,236**	**875,684**

Notes:

(1) Includes FSA Barrels for the year ended 31 December 2022.

(2) We have made certain revisions to the 2022 production information to correct errors identified during the compilation of PDO's production information for 2023. PDO does not consider these changes to be material. The original figures are included below for the information of investors.

	For the year ended 31 December	
	2023	**2022**
PDO		
Oil (*bbl/d*)	657,599	659,752
NAG condensate (*boe/d*)	97,426	99,453
NAG (*boe/d*)	352,251	371,147
Total (*boe/d*)	**1,107,276**	**1,130,352**
Guarantor's participating interest		
Oil (*bbl/d*)	394,559	395,851
NAG condensate *(boe/d*)	97,426	99,453
NAG (*boe/d*)	352,251	371,147
Total (*boe/d*)	**844,236**	**866,452**

Reservoir Management and Production Strategy

Oil

PDO actively manages Block 6 reserves base in accordance with Oman's laws and regulations as well as industry best practices to optimise production from existing Oil and gas fields, so as to maximise short-term and long-term value without risking production sustainability. Because of the size and number of its fields as well as its spare capacity, PDO maintains its desired level of overall production by tapping into new reservoirs when required to improve long-term value through portfolio capacity optimisation. This approach, which differs from the typical industry practice of maximising production rates per field, is more capital efficient given the

nature of the resources available and leads to stable production and higher ultimate Oil recoveries. PDO also acts as Oman's swing producer, which requires it to operate in a highly dynamic mode to compensate for unplanned third-party production variations with local customers. For the year ended 31 December 2024, PDO delivered 886 wells at a new drilling non-productive time ("**NPT**") of 7.1 per cent., compared to 884 wells at an NPT of 4.8 per cent. for 2023 and 714 wells at an NPT of 6.6 per cent. for 2022.

PDO aims to increase the recovery of its reserves through secondary and tertiary recovery techniques. As of 31 December 2024, approximately 97 per cent. of PDO's Oil reserves had a recovery factor of less than 20 per cent. Oil recovery is separated into primary, secondary and tertiary phases. Primary Oil recovery is limited to hydrocarbons that naturally rise to the surface or those that use artificial lift devices. Secondary recovery employs water and gas injection, displacing the Oil and driving it to the surface. Tertiary Oil recovery is also referred to as enhanced Oil recovery, or EOR, and is a process which enables operators to extract Oil from reservoirs where conventional methods such as water flooding are no longer efficient and practical. PDO's success in EOR is important to delivering the company's current and future production. In 2024, 36 per cent. of PDO's Oil production came from primary recovery, 50 per cent. came from secondary recovery and 14 per cent. came from EOR. In 2023, 36 per cent. of PDO's Oil production came from primary recovery, 50 per cent. came from secondary recovery and 14 per cent. came from EOR. In 2022, 35 per cent. of PDO's Oil production came from primary recovery, 51 per cent. came from secondary recovery and 14 per cent. came from EOR. By 2025, the Guarantor expects 36 per cent. of PDO's Oil production to come from primary recovery, 48 per cent. to come from secondary recovery and 16 per cent. to come from EOR projects. By 2030, the Guarantor expects 38 per cent. of PDO's Oil production to come from primary recovery, 49 per cent. to come from secondary recovery, and 26 per cent. to come from EOR projects.

Enhanced Oil Recovery

The three primary methods of EOR are miscible gas injection, thermal injection and chemical injection. PDO is one of the few Oil companies in the world that uses all three methods of EOR at full scale, ensuring that Oil and gas production remain an important contributor to Oman's economy.

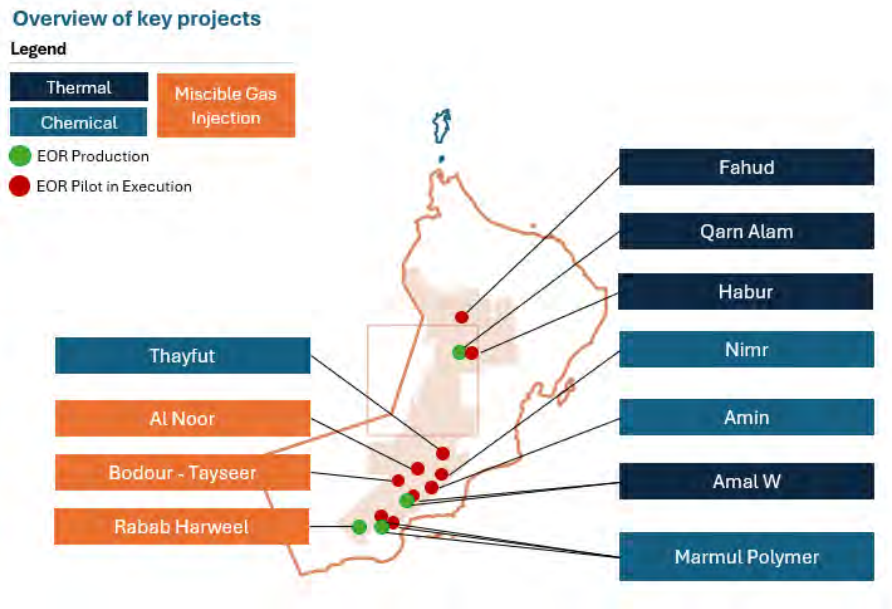
The most common form of EOR is miscible gas injection, which consists of injecting a gas or a mixture of gases that mix (or become miscible) with the reservoir Oil. This process maintains the pressure in the reservoir and improves Oil displacement by reducing the interfacial tension between gas and Oil. Typical gases that are injected include carbon dioxide, natural gas and nitrogen. PDO uses miscible gas injection at the Greater Birba Cluster, which includes the currently operating Rabab Harweel Integrated Project.

Thermal injection involves using various methods to heat Oil to reduce its viscosity and/or vaporise it so as to decrease its mobility ratio. The increased heat reduces surface tension and increases the flow of the Oil. Methods of thermal injection include cyclic steam injection, steam flooding and combustion. PDO uses thermal injection at two of its projects, including the Qarn Alam project, which was the first project to use thermal-assisted gas-Oil gravity drainage in fractured carbonated rock when it began operations in 2010, Amal West and Amal East, which use steam drive and cyclic steam, respectively. PDO's Miraah solar plant delivers steam to Amal West. See "*—Environmental, Social and Governance—Environmental—Historical Environmental Key Performance Indicators—Renewable energy*".

Chemical injection involves the injection of chemicals into reservoirs to aid mobility and reduce surface tension, allowing operators to extract more Oil from reservoirs. At Marmul, PDO injected polymer into water to make it thicker and more viscous, giving it a closer mobility to Oil and thereby making it easier to displace Oil towards production wells. The injected polymer improves water's lateral and vertical sweep of Oil.

As of the date of this Base Offering Circular, PDO operates or is developing 54 EOR projects, pilots and concepts, including operating the major EOR field developments known as Marmul Polymer, Qarn Alam, Amal W, and Rabab Harweel. The following map illustrates the location of some of PDO's major EOR projects.

Projects marked in green are in operation as of the date of this Base Operating Circular and projects marked in red are pilot projects in development.



The Marmul Polymer Phase 1 and Phase 2 projects were commissioned in 2010 and 2015, respectively. More than 23 million barrels of Oil have been delivered as a result of polymer injection at the Marmul Field to date. The Marmul Polymer Phase 3 ("**MPP3**") project, which is currently under development, is expected to develop 10.67 million cubic metres (67.1 million bbl) of incremental Oil, resulting in an increase in total expected peak oil production of 15,000 Sm3/day. This is a key contributor project to the PDO growth programme. MPP3 originally consisted of both infill drilling and polymer flooding throughout the rest of the Al Khalata reservoir and waterflood infill development planned for Haima West (HW).

The Amal Steam Injection project was commissioned in 2012 (drilling began in 2010). The Qarn Alam Steam Project aims to increase the recovery of the Qarn Alam field from 9 per cent. to 21 per cent. by producing an additional 97 million barrels through steam injection. The continuous steam injection will enhance the mobility of the viscous oil that is produced though the Steam Assisted Gas Oil Gravity Drainage recovery mechanism. This is the first EOR project of its kind in a fractured carbonate Oil reservoir at this scale in the world. Following a steady ramp-up of steam injection, production is approximately 25,000 barrels per day. Cumulative production from the field reached over 128 million barrels by 31 December 2024, with 100 per cent. of production coming from the steam project following commissioning in 2011.

Miscible gas injection in the Sakhiya field began in mid-2015 as part of the mini-flood project. It has shown high injectivity, reaching up to 2.5 million cubic metres per day from three injectors. As of 31 December 2024, around 13.7 billion cubic metres of gas have been injected, and a positive reservoir pressure response continues to be observed.

The Rabab Harweel Integrated Project, commissioned in 2019, is PDO's largest and most capital intensive project to date. As of 31 December 2024, 53 wells, comprising 21 injectors and 32 producers, out of the planned 55 wells (21 injectors and 34 producers), have been drilled. Gas recycling rates into the Rabab gas field have reached 5.5 million cubic metres per day, while miscible gas injection into the Sakhiya and Dafaq fields is nearly at the 2024 target of roughly 8 million cubic metres per day. Additional Oil produced due to miscible gas injection is about 43 million barrels from Sakhiya A2C and 12.6 million barrels from Sakhiya A3C. Expected total recovery rates with miscible gas injection in the Sakhiya A2C and A3C reservoirs are approximately 50 per cent. and 35 per cent., respectively.

The Harweel 2AB project, which forms part of the Rabab Harweel Integrated Project, began miscible gas injection in April 2014, and is currently injecting three million cubic metres per day into the Zalzala Oil field. As of 31 December 2024, approximately 10 billion cubic metres of gas have been injected. The injection process has elicited a positive response, with Oil production totalling 54 million barrels to date, and pressure levels above the minimum miscibility requirements across the field. The anticipated overall recovery rate is approximately 50 per cent.

The Al Noor Phase 3A miscible gas injection project began in 2015 and initially had low uptime and availability. However, intense efforts to improve the project have made solid progress since 2019. As of 31 December 2024, 0.26 billion cubic metres of gas have been injected, and a positive response in reservoir pressure has been observed. The incremental oil production due to miscible gas injection is around 3 million barrels. The expected total recovery with miscible gas injection is approximately 17 per cent.

PDO's projects within the Greater Birba Cluster, including the Rabab Harweel Integrated Project and the Birba Budour Integrated Project, are leading the development of EOR miscible gas injection, with over 65 per cent. of production now utilizing this technique. Key future projects, such as phase 2 of the Rabab Harweel Integrated Project and the Birba Budour Integrated Project, are in development and are expected to come on-stream in 2030, which will sustain the current production levels at the station.

In Amal West and Amal East, there are over 400 active thermally compliant wells (producers, injectors and observation wells) which are being developed with thermal steam injection generated by Miraah solar and heat recovery steam generators in Amal West and once-through steam generators in Amal East demonstrating a thermal response in both fields.

Quality

All Oil volumes in Oman are comingled by the Ministry of Energy and Minerals and sold as OEB. OEB quality is measured primarily based on density, which is measured as API gravity, which is the specific gravity scale developed by the API, and sulphur content. It represents the inverse measure of liquid hydrocarbon density against water, with lighter hydrocarbon liquids having higher API gravities. API gravity is used to classify Oil by weight (i.e., light, medium and heavy), which is the largest determinant of market value. Oil with higher API gravities is more valuable because it allows refineries to produce a greater percentage of high-margin products from the Oil, such as gasoline and diesel fuel, than those with lower API gravities. Sulphur content also affects the value of Oil. Since sulphur must be removed prior to Oil being refined into other products, Oil with lower sulphur content has a higher value. As of 31 December 2024, OEB had an API gravity of 34.2 and a sulphur content of 1.20 per cent.

Gas

PDO's gas management and production strategy focuses on maximising economically recoverable gas using the best available methods and technologies. PDO's primary production strategy is focused on pressure depletion at moderate rates, with no aquifer support and little water production expected. The gas fields also make extensive use of advanced technologies (for example, horizontal, multilateral, extreme reach wells, multi-stage fracturing and underbalanced coiled tubing drilling), with compression projects being planned to extend field plateaus. Due to demand patterns, with higher summer utilisation and lower winter production, there is significant opportunity to optimise value. The spare capacity afforded by low winter demand enables PDO to optimise value by balancing production between relatively mature fields with high-value liquids content and newer fields with longer remaining plateau production but lower liquids content. The utilisation pattern also allows efficient maintenance planning for long-term capacity optimisation.

Gas injection processes are used to support the development of Oil fields across PDO. This gas provides fuel for power generation, oil and gas processing (compression, heating, blanketing and flare purging) and for steam

generation. In addition, it is used for injection to maintain pressure in the GOGD processes or further enable EOR miscible gas drive.

Exploration and Development

PDO's exploration activities are conducted by its Exploration Directorate. The mission of PDO's Exploration Directorate is to safely and efficiently explore and conduct early maturation of commercially viable Oil and gas opportunities in Block 6. Its aim is to support near-term value generation and long-term production sustainability for PDO and its stakeholders. PDO's Oil and gas exploration strategy focuses on accelerating the maturation of high value opportunities that can be monetised early in addition to contributing to its production targets. PDO applies the latest Ultra High Productivity ("**UHP**") and 3D Wide Azimuth Seismic ("**3D WAZ**") data acquisition, processing and analysis techniques to continuously strengthen and diversify the Oil and gas portfolio in Block 6. The diversity of the portfolio allows activity planning and execution options that support both short-term delivery and sustained long-term growth.

PDO's current Oil and gas exploration activities are focused on maximising the potential from 3D WAZ seismic data to open new stratigraphic reservoirs in new areas in the North and South of Block 6. In addition, activities are focused on improving the discovery success rate, especially in novel and high potential stratigraphic reservoirs. PDO uses drones to assist it in detecting leaks in its facilities and for other monitoring. Oil and gas exploration activities in the North of Block 6 have tested and proven new trapping concepts in the mature and proven reservoirs of Shuaiba and Miqrat, which opened the potential for extending the creaming curves of these reservoirs in the future. Most of the activities in the Central and Southern areas of Block 6 have targeted the proven reservoirs of Gharif and the carbonate Ara stringers. New stratigraphic reservoir units close to existing production facilities were also targeted which allowed for the early monetisation of the discoveries.

PDO's growth and portfolio rejuvenation projects and studies are conducted to support exploration activities in the short and long term. In 2024, the projects covered proven reservoirs like Natih, Shuaiba, Mesozoic classics, Gharif, Al-Khlata and Amin, and frontier reservoirs like Dhurma, Sudair, Khuff and Huqf clastics. In total, 10 geological projects were completed across Block 6 during 2024.

For the year ended 31 December 2024, a total of 135 million barrels of Oil and 0.73 trillion cubic feet of NAG were booked as Commercial Contingent Resource volumes for 2024, 276 million barrels of Oil and 0.75 trillion cubic feet of NAG for and 97 million barrels of Oil and 0.036 trillion cubic feet of NAG for 2023. The overall unit finding cost was US$1.83 per barrel of Oil equivalent for the year ended 31 December 2024 compared to US$0.9 for 2023 and US$1.5 for 2022 PDO drilled 32 Oil and Gas exploration wells for the year ended 31 December 2024 compared to 38 for 2033 and 25 for 2022.

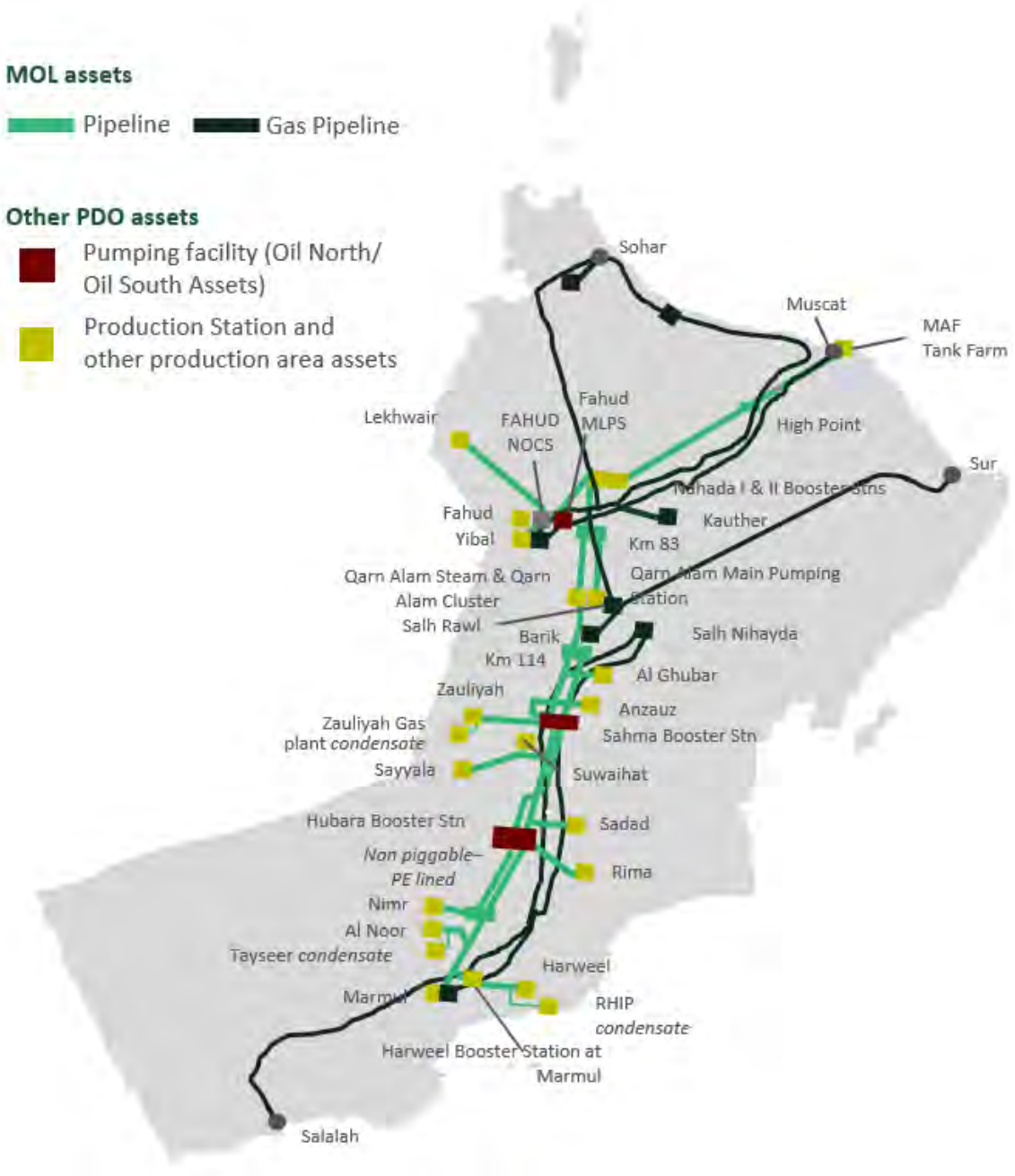
Infrastructure

Oil

PDO's Oil fields are linked to an extensive network of pipelines, booster stations and metering facilities that enables it to send produced Oil to Oman's main Oil terminal at Mina al Fahal for processing, stabilisation and shipping. The Guarantor owns and PDO operates all of Oman's Oil infrastructure network, including pipelines, booster stations and metering systems. This network consists of the Main Oil Line system, booster stations and metering facilities. The Main Oil Line system transports all of the Oil produced in mainland Oman, including volumes produced from third-party producers, from PDO's Oil fields to the coastal terminal at Mina al Fahal. The Main Oil Line system comprises over 1,800 kilometres of pipelines ranging from six inches to 42 inches in diameter and has a maximum transportation capacity of 1.4 million barrels per day. PDO operates four major Oil pumping stations along the Main Oil Line, at Hubara, Sahmah, Qarn Alam and Nahada, which adjust pressure and pump Oil along the line while monitoring flow and other information about the transmittal. PDO plans to continue to invest in the Main Oil Line to maintain the integrity of the Oil pipeline network. For the

year ended 31 December 2024, the Main Oil Line transported an average of 0.8 million barrels of Oil per day. The Main Oil Line transported an average of 1.2 million barrels of Oil per day in 2023 and 2022, respectively.

The following map illustrates the Main Oil Line network and pipeline infrastructure, along with other PDO assets.



The terms under which PDO provides access to the Main Oil Line (and the Mina Al Fahal storage and loading terminal) to third-party operators are set out in Crude Oil Handling and Transportation Agreements ("**COHTAs**") which are executed with each operator and address, *inter alia*, capacity allocation, quality specifications, risk of loss, line-fill and terminal stock, liftings and the payment of a tariff per barrel.

As of 31 December 2024, PDO transported Oil for 12 counterparties in Oman. All Oil transportation is undertaken in accordance with the terms and conditions for PDO's transportation services, which, among other

matters, provide that PDO will not be subject to any liability arising out of PDO's performance under the COHTA, except in cases of wilful misconduct or gross negligence. Oman has Oil storage facilities at Mina al Fahal with a capacity of 5.4 million barrels and two single export buoy moorings, which berth approximately 320 Oil tankers annually.

Gas

Following the Gas Operations Transfer Date, EDO Gas owns and PDO operates a total of five gas processing facilities in Oman, which comprise the majority in number of the major gas processing facilities in the country. Total volumes exported during the years ended 31 December 2024, 2023 and 2022 were approximately 397,000, approximately 406,000 and approximately 460,000 barrels of Oil equivalent per day, respectively.

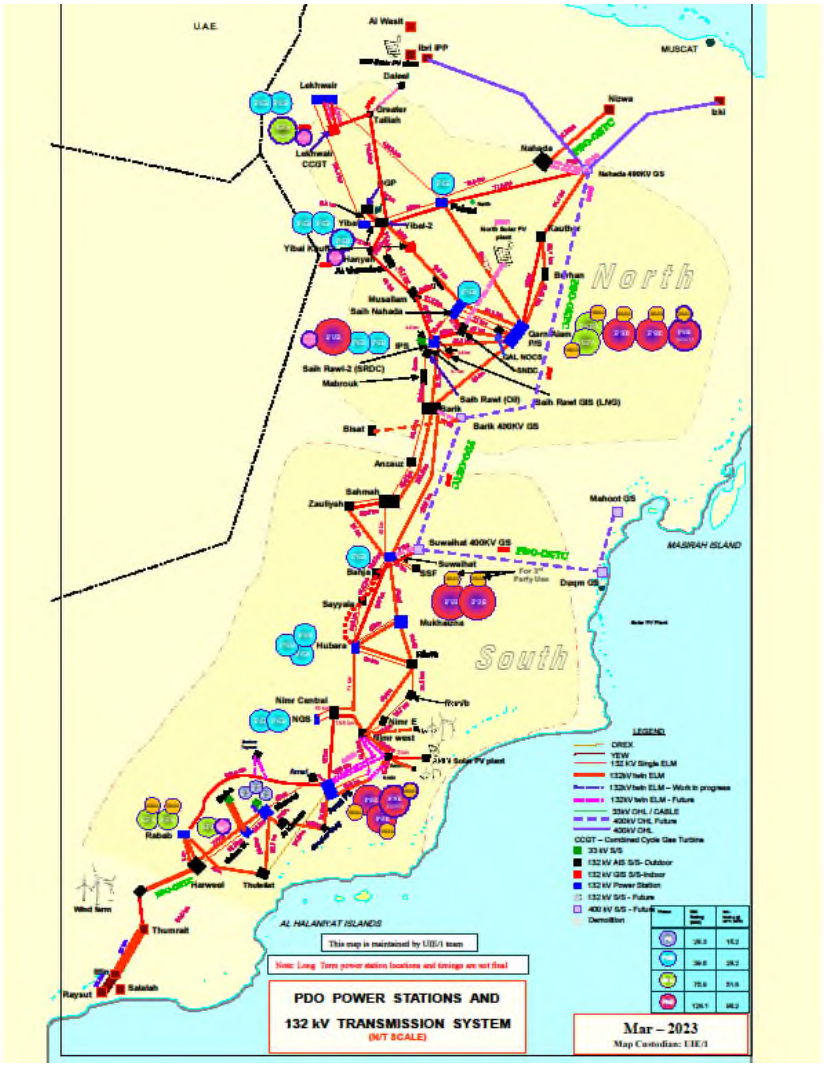
Key details regarding EDO Gas' five key gas processing facilities are set out below.

	Processing Capacity		**Export NAG**			**Export NAG Condensate**		
	NAG	**NAG Condensate**	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2022**	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2022**
	(mmscm/d)	*(thousand bbl/d)*	*(mmscm/d)*			*(thousand bbl/d)*		
Central Processing Plant.....	48	24	20.5	22.82	25.27	22.05	24	25.32
Government Gas Plant	23	-	7.36	6.65	8.82	8.01	6.97	5.52
Saih Nihayda Gas Plant.....	25	4.45	13.72	14.1	15.3	17.54	25.97	24.39
Kauther Gas Plant	20	21	1.1	1.49	1.84	5.44	6.09	7.05
Rabab Harweel Integrated Project.....	22.6	10.97	13.58	13.27	11.46	30.6	35.44	37.17

- **Central Processing Plant:** The Central Processing Plant is located in the Saih Rawl gas field in central Oman. It first delivered gas in 1999 and is the main NAG condensate processing plant for the Saih Nihayda Gas Plant and the Kauther Gas Plant.
- **Government Gas Plant**: The Government Gas Plant is located in the Yibal gas field. The plant came on-stream in 1978 and currently receives gas from the Yibal (AG and NAG), Fahud, Haben, Lekhwair, Khulud and Al-Huwaisah gas fields. Sales gas is exported to customers through the North Oman Gas Distribution Pipeline network, while liquids (condensate (AG and NAG) and water) are transported to the Yibal A Oil Station.
- **Saih Nihayda Gas Plant**: The Saih Nihayda Gas Plant was commissioned in 2005. It processes NAG from the Saih Nihayda and Shuaiba gas fields.
- **Kauther Gas Plant**: The Kauther Gas Plant was commissioned in 2007. The plant is designed to process wet gas and supplies gas to the OQGN system. NAG condensate is exported to the Central Processing Plant for further processing.
- **Rabab Harweel Integrated Project**: The Rabab Harweel Integrated Project was commissioned in 2019 and is an integrated Oil and gas development across the Rabab and Harweel reservoirs in southern Oman. The project is the largest in PDO's history. The project also includes sour gas processing facilities and associated gathering and injection systems and export pipelines. It produces Oil and gas from the Harweel Oil reservoirs via miscible gas injection and produces condensate (AG and NAG) from the Rabab reservoir through partial recycling of sour gas. The project produces 150 million cubic feet per day of gas and provides it for sale to end consumers. Remaining gas is either used for gas recycling or injected into gas.

Power Assets In addition to its Oil and gas assets, PDO owns and operates an electrical network of power assets that span Block 6. PDO has strong thermal power generation, transmission and distribution across the country and is the second largest thermal power company in Oman by installed capacity. In power generation, PDO operates 15 power station units (gas driven) with a total installed capacity of approximately 1,500 megawatts, as well as a 100 megawatt PV solar plant. It plans to add one further power unit which is expected to provide an additional 100 megawatts of capacity, and 300 megawatts of capacity from solar and wind plants by 2026. PDO also has extensive power transmission assets, including approximately 4,300 kilometres of 132 kilovolt overhead lines, 50 substations of 132/33 kilovolts and four connections with the grid owned by the Oman Electricity Transmission Company. In power distribution, PDO operates approximately 15,000 kilometres of 33 kilovolt overhead lines that provide power for all Oil and gas operations within the concession area, supervised by a 24/7 control centre at Yibal. PDO's network is interconnected with Oman's 400 kilovolt Main Interconnected System network in three locations, with 400 kilovolt overhead lines constructed through Block 6, with connection points at Nahada, Barik and Suwaihat, which were completed during 2024. PDO is planning to maximise the import of efficient power from the Government grid through the utilisation of new interconnections and thereby maximising the efficiency of the Oman power system.

The following map shows the footprint of PDO's power asset network in Oman.



In addition to thermal power, PDO is pursuing an ambitious energy transition. The Amin solar project was the first utility-scale solar independent power production project in Oman and the world's first project with an Oil

and gas company as the sole purchaser of electricity. The plant was commissioned in February 2020 at a cost of US$94 million. The Amin solar project covers a four square kilometre site and produces 100 megawatts of electricity per day. The electricity supplied by the plant is expected to contribute to offsetting the use of natural gas for power generation, saving 3.4 billion cubic feet of gas annually, and to reduce GHG emissions by more than 225,000 tonnes annually. The project has received European Union carbon credit registration. It has received one of the lowest tariffs in the history of solar projects worldwide after it received competitive bids from a number of key renewable energy developers. The project was developed and is owned and operated by Amin Renewables through an Independent Power Project ("**IPP**") model which sells the power exclusively back to PDO, the sole power purchaser. at an agreed tariff. In 2023, PDO approved a request from Amin Renewables to provide an additional 5 Mega Watt peak ("**MWp**") at the same electrical rate. Furthermore, PDO and Amin Renewables have successfully registered the Amin solar IPP on International Renewable Energy Certificates to trade clean energy. PDO is targeting four additional utility renewable projects, expected to produce a total capacity of approximately 400 megawatts. These include an additional solar plant and two wind projects, through which PDO is aiming to substantially achieve its targets for the use of renewable energy. For more information, see "*—Environmental, Social and Governance—Environmental—Historical Environmental Key Performance Indicators—Renewable energy*". PDO is also assessing coupling renewables with battery storage technologies to further increase the benefits of renewable energy. In addition, the Guarantor is also considering the reorganisation of its power assets to realise short-term efficiencies and long-term expansion. To that end, the Guarantor has established ONE, a new direct subsidiary into which the Guarantor is considering the transfer of power generation and transmission assets. See "*—Strategy*".

PDO-S

Petroleum Development Oman Services L.L.C. ("**PDO-S**") was established as a subsidiary of PDO in 2021 to commercialise PDO's technical capabilities, capacity and competitive edge in areas that include, but are not limited to, EOR, geo-solutions and innovative technologies. PDO-S operates locally, regionally and internationally. In Oman, PDO-S is focused on establishing new supply chains and complementing and filling capability gaps in the Omani Oil and gas market while accelerating technology transfer and the transition to new energies. It also aims to create greater value for PDO and Oman while supporting the development of a knowledge-based economy in Oman. Regionally and internationally, PDO-S offers conventional and niche services to potential clients who would like to access PDO's experience and resources.

PDO-S pursues commercial opportunities in eight service categories that are grouped into three main categories: Services, Consultancy and Products. Services includes upstream learning, exploration geo-solutions (e.g., seismic acquisition, processing and interpretation, remote sensing and geomatic and geo-solutions), learning and development and HSE and logistics services. Consultancy includes field development planning consultancy services (e.g., field/project reviews and assurances, technical audits and feasibility studies), front-end consultancy services, project management consultancy services and in-country value consultancy services. Products include technology (i.e., the incubation, development and investment in innovative technologies).

Sales and Marketing

Oil and Condensate (AG and NAG)

Block 6 Oil and condensate (AG and NAG) production is commingled with production from other blocks in PDO's Main Oil Line and sold at the same price. The blended stream is known as OEB and is made available for lifting at the Mina Al Fahal terminal. The Guarantor (and EDO Gas from the Gas Operations Transfer Date) sell their share of OEB from Block 6 production to Oman's Ministry of Energy and Minerals pursuant to an agreement negotiated on arm's length terms. See "*Material Agreements—Oil Concession—Oil Concession Agreement*".

The Ministry of Energy and Minerals, in turn, sells OEB to customers consisting of international and national Oil companies and international and national Oil refineries. A pool of customers with demand corresponding to the Guarantor's Block 6 participating interest pay the Guarantor directly and typically supply local refineries or export the OEB. The price per barrel of OEB paid by Ministry of Energy and Minerals customers is linked to the OEB price announced by the Ministry of Energy and Minerals for the nominated month of lifting. The following table sets out the OEB price per barrel announced by the Ministry of Energy and Minerals between January 2022 and December 2024.

	2024	**2023**	**2022**
		(US$)	
January	83.17	86.15	80.26
February	77.21	77.43	73.14
March	78.75	80.92	83.62
April	80.85	82.83	91.96
May	84.14	82.23	110.96
June	89.30	83.28	102.40
July	83.89	74.94	107.22
August	82.50	74.78	112.93
September	83.85	80.54	103.21
October	77.54	86.57	97.00
November	73.49	92.77	90.80
December	74.82	89.79	90.79

Condensate (AG and NAG) that results from Block 6 Operations is blended with Oil and sold at the same price. Contracts between the Ministry of Energy and Minerals and end-customers typically have a 12-month term and are negotiated in the third or fourth quarter of the prior year.

NAG

EDO Gas is one of two primary suppliers of Oman's growing and captive gas market, which includes Oman's liquid natural gas export plant. On 7 September 2023, the Guarantor, IGC Oman and EDO Gas signed a novation, amendment and restatement agreement (the "**2023 NAG Sales NARA**") with respect to the NAG Sales Agreement. Following the Gas Operations Transfer Date, EDO Gas sells Block 6 NAG to IGC Oman, the Government gas aggregator since 1 January 2023, pursuant to IGC Oman's reasonable efforts commitment to purchase all NAG that EDO Gas makes available for sale. Sales are governed by the NAG Sales Agreement to which EDO Gas and IGC Oman are parties pursuant to the 2023 NAG Sales NARA. See "*Material Agreements—Gas Concession—NAG Sales Agreement and 2023 NAG Sales NARA*". Prior to 1 January 2023, the Government gas aggregator was the Ministry of Energy and Minerals. Since 1 January 2023, IGC Oman performs the Government's obligations under the NAG Sales Agreement.

IGC Oman is responsible for procuring all AG and NAG available for sale from Block 6 and other gas producers, transporting it through the gas network operated by OQGN, and selling it to end-users under existing contractual arrangements. These end-users are a combination of other operators, local power generators, local industry and liquified natural gas exporters.

Under the NAG Sales Agreement, IGC Oman notifies EDO Gas of its reasonably estimated annual and monthly requirements at least six months prior to the start of the contract year. At least three months prior to the start of the contract year, EDO Gas notifies IGC Oman of the quantities of NAG that EDO Gas reasonably expects to be able to supply.

IGC Oman pays EDO Gas for the NAG volumes that IGC Oman procures from Block 6 at a fixed transfer price calculated using a "blended transfer price" methodology that accounts for the economics of Block 6 gas projects. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting the Guarantor's Results of Operations and Financial Condition—Supply, Demand and Price of Hydrocarbons—NAG*".

Competition

The upstream Oil and gas industry is competitive in all of its phases. The primary factors affecting competition are the price, quantity and quality of the Oil produced. The Guarantor's primary competitors for the sale of Oil outside Oman include national and international Oil companies, many of which have substantial Oil reserves and financial resources. These competitors include Oil and gas companies that may possess greater technical, physical and/or financial resources than the Guarantor.

Furthermore, the Guarantor also faces competition from other Oil generation processes, in particular shale Oil. EDO Gas and the Guarantor also compete with other industries that provide alternative means of energy, such as coal and renewable energy sources.

Research and Development

PDO assesses, develops and incorporates new technology in a manner tailored to PDO's operations to ensure the long-term sustainability of its business, enhance its operational efficiency, increase profitability and reduce the environmental impact of its operations. The scale of PDO's hydrocarbon reserves and operational capabilities enable it to realise significant benefits and value from technology development and deployment that would otherwise provide only incremental benefits.

PDO focuses its technology initiatives on upstream and sustainability. Upstream technology development is directed primarily at improving methods for discovering new hydrocarbon reserves, improving Oil recovery, increasing productivity and reducing lifting costs. Sustainability technology development is aimed at addressing global energy demand challenges, growing non-fuel applications for Oil, sustaining low carbon intensity Oil, advancing sustainable transport and driving high-impact low carbon intensity solutions in response to climate change concerns.

PDO's technology development focuses on the value realised rather than the number of scope of products achieved from the successful trial deployment to full deployment. In 2024, PDO introduced 18 major (27 in 2023) technologies, including energy management and decarbonisation related technologies. PDO also deployed 13 technologies (18 in 2023), including PCP Permanent Magnet Motor ("**PMM**"), which replace the current induction motor with a PMM motor to reduce power consumption by approximately 10 per cent. In 2023, PDO introduced 27 major (21 in 2022) technologies, including autonomous inflow control device technology. PDO also deployed 18 technologies (14 in 2022), including rig performance analytics, which use machine learning and robotic process automation to optimise drilling operations.

PDO aims to identify and develop technologies that have the potential to unlock difficult hydrocarbon resources, further reduce the technical costs of these developments and accelerate project delivery. PDO has a series of dedicated laboratory studies, desktop studies and field-testing programmes in collaboration with local and international institutions and screens third-party, off-the-shelf solutions. Technologies such as foam injection,

surfactant foam, cyclic solvent injection and polymer/water simultaneous injection have been tested in recent years. Other research initiatives target cost optimisation for current and future EOR developments. PDO is aiming to expand surfactant polymer application for more viscous Oil that, if successful, will allow for additional volumes to be matured. PDO is also focused on reducing costs on the next phase of chemical floods, allowing for robust technical and development costs in light of the high-price volatility environment. PDO is also focused on leveraging both proven and disruptive digitalisation technologies to unlock new opportunities. For example, digitalisation helped maintain project delivery performance in the during the construction phase of the Yibal Khuff project in the face of travel limitations, as commissioning of steam turbine generator control systems was able to be completed online using remote vendor support.

Key examples of new technology developed by PDO in recent years include Autonomous Inflow Control Device (AICD) technology to reduce produced water to surface, a bio-saline agriculture pilot to treat water using species that can withstand high salinity water and the Foam-Assisted Lift (FAL) technique, which is a technique for gas well de-liquification.

From a research and development perspective, PDO is developing a number of projects, including converting biomass waste (date pits and reed beds) to biofuels, using Algae from produced water as a growth medium for carbon capture and downhole robotics to develop a specific concept customised to PDO to examine reservoir properties such as rocks and liquids and sending samples to the surface.

Information Technology

EDO Gas, the Guarantor and PDO have implemented a centralised and cost-efficient Systems Applications and Products in Data Processing ("**SAP**") Enterprise Resource Planning system covering all of its assets and all aspects of its business activity, including billing and payment, supply chain management, finance and cost control, maintenance, investment and project management and human resources management.

PDO has insourced its own information and communications technology infrastructure requirements, including end-users' devices, the data and voice network, the backbone transmission network and telecommunications infrastructure (which covers the full industrial area). PDO also owns and operates its own data centres, which cover over 2,000 square metres and provide all required hosting, database, storage and backup infrastructure to support PDO's more than 500 business applications (with all data and information being regularly backed-up in accordance with PDO's corporate backup and retention policies). In addition to the main data centres, PDO operates a disaster recovery centre to operate critical business applications during disaster scenarios as part of its business continuity plan. Industrial control systems are managed according to operational technology security standards and best practices. EDO Gas, the Guarantor and PDO continuously monitor changes to laws, regulations and IT-related cyber security threats, and apply mitigation controls to ensure compliance with regulations and to minimise cyber risks.

The EDO Gas, the Guarantor and PDO rely on a number of IT systems in order to carry out their day-to-day operations. As a result of the increasing complexity of digital information and communication, and the increase in unauthorised access attempts and cyber-attacks on corporations globally, the Guarantor and PDO are exposed to risks, ranging from the loss or theft of data, cyberattacks, stoppages and interruptions of the business, to failure and technical obsolescence of IT systems. Therefore, EDO Gas, the Guarantor and PDO prioritise security measures to prevent unauthorised access or attacks and use trusted infrastructure protection technologies to ensure a high level of security. Network access security is regularly tested and weaknesses are identified and remedied. Furthermore, cyber security-related internal and external network penetration tests are periodically performed by independent security companies to identify and mitigate security vulnerabilities as soon as possible. PDO has deployed people (e.g., anti-phishing awareness programmes and mandatory cybersecurity training), process (e.g. periodic reviews and tests) and technology (e.g. threat intelligence, anti-

spam, access management, firewalls and SIEM) controls. PDO has adopted and adapted the ISO/IEC 27001:2013 for implementing and sustaining an Information Security Management System ("**ISMS**"). PDO's ISMS is audited and certified by an independent external certification body based on ISO/IEC 27001:2013. PDO has remained certified for more than 10 years now. In addition, PDO is currently adopting ISA/IEC 62443 for designing and implementing security controls in the industrial automation environment.

Despite the presence of these cybersecurity programmes, controls and processes, EDO Gas', the Guarantor's and PDO's operations remain potentially vulnerable to known or unknown threats. For further information on cybersecurity risks, see "*Risk Factors—Risks Related to the Businesses of EDO Gas and the Guarantor—EDO Gas, the Guarantor and PDO are dependent on the reliability and security of their IT systems*".

Intellectual Property

EDO Gas and the Guarantor only own trademark registrations and believe that no single intellectual property asset is material to their or PDO's business. The Guarantor, EDO Gas and PDO own all of the trademarks that each uses in the course of its business.

Environmental, Social and Governance

EDO Gas, the Guarantor and PDO endeavour to conduct business in such a way as to protect the health and safety of their employees, contractors and other persons affected by PDO's activities, as well as to protect the environment, minimise pollution and seek improvement in the efficient use of natural resources. EDO Gas, the Guarantor and PDO pursue a policy of systematic and continuous improvement in the measures they take to protect the health, safety and environment of those who may be affected by PDO's activities, and they will apply more stringent standards and procedures where they consider it appropriate to do so. EDO Gas, the Guarantor and PDO expect, and where appropriate encourage, PDO's contractors to adopt the same objectives in the conduct of their business.

PDO's objective is to engage safely, efficiently and responsibly in the exploration, production, development, storage and transportation of hydrocarbons and gradual transition to renewables in Oman. PDO has established a Health, Safety and Environmental Protection Policy and is guided in the conduct of its business by the principle that health, safety and environmental protection form an integral part of, and are as important as, all other primary business objectives. The Guarantor is currently establishing its ESG framework.

Environmental

The Guarantor

Environmental excellence is one of the core objectives and value drivers for the Guarantor, building on the historical environmental performance of PDO. The Guarantor is in the process of expanding the ongoing environmental and sustainability activities within PDO and the Guarantor expects to continue to set targets across all key focus areas. Any ESG targets applicable to EDO Gas will, accordingly, be set by the Guarantor.

PDO is driving decarbonisation through renewable energy with key solar and wind projects. See "*—Renewable Energy*" below.

PDO

PDO strives to protect Oman's environment and prevent possible pollution from Oil and gas activities in Block 6. To achieve this, PDO has developed an environmental strategy and action plan with strategic objectives to achieve and maintain environmental compliance and maximise value to Oman. The strategy focuses on key environmental risks specific to upstream Oil and gas operations such as climate change and GHG management, water and waste management and the prevention of soil and groundwater contamination.

PDO prioritises compliance with environmental regulations and best practices. Under the Law on Conservation of the Environment and Prevention of Pollution, promulgated by Royal Decree № 114/2001, the Environment Authority is charged with the general supervision of environmental affairs in Oman, including in relation to upstream operations. See "*Regulation of the Oil and Gas Industry in Oman—Other Relevant Laws and Regulations—Environmental Regulations*". PDO has maintained its operating licence since its establishment and was one of the first companies in the Middle East to obtain an ISO 14001 (environmental management system) certification, which it has maintained since 1999 with annual independent audits and assurance systems. Whilst PDO had a waiver from the Environmental Authority ("**EA**") to only report Oil spills above 10 cubic metres, at the end of 2023, the EA request PDO to notify them daily regarding all Oil and water spills and requested that clean-ups be conducted promptly without delays. This presents a challenge to PDO's operations teams, as they may not be able to immediately comply with these requirements. PDO has successfully completed the independent verification of its GHG data for 2022 and 2021, which was carried out in accordance with the ISO 14064 methodology and process which included a review of PDO emission scope and calculations methodologies, as well as verification visits to some of PDO's facilities. These findings were closed in a timely manner and PDO received the verification statement for the 2022 GHG data. The independent verification of GHG data is carried out on an annual basis for reasonable level of assurance. PDO plans to continue to receive annual verification of its GHG data. Furthermore, PDO has established several partnership agreements with environmental organisations at a national, regional and international level to facilitate joint environmental initiatives and the adoption of best practices, such as the World Bank Zero Routine Flaring by 2030, the Oil and Gas Methane Partnership 2.0 and the Memorandum of Understanding with the United Nations Environment Programme. In 2021, PDO joined the Oil and Gas Methane Partnership, OGMP 2.0, to build and strengthen the network with other oil and gas companies and improve the accuracy of methane emission reporting. In order to promote continuous improvement in its environmental and sustainability performance, PDO has implemented a set of environmental and sustainability key performance indicators focusing on various aspects of the environment and potential impacts. Similarly, in recent years, PDO has implemented several environmental and sustainability projects aimed at enhancing performance and addressing key environmental challenges. See "*—Renewable energy*" below.

Energy Management Strategy

As part of its Energy Management Strategy, PDO has developed a GHG reduction roadmap that focuses on improvement initiatives related to flaring, power generation and consumption efficiency. The programme also includes renewable energy projects, methane and fugitive emissions monitoring, GHG data assurance, as well as carbon trading and offsetting opportunities. A dedicated Energy Management sub-committee to PDO's Managing Director Committee was established in 2019 to bring additional focus to the overall programme.

As part of its Energy Management Strategy, PDO has set the following targets:

- reduce GHG emissions by more than six million tonnes (cumulative) compared to business as usual by 2030;
- aspire to achieve net-zero emissions by 2050 with significant change by 2030;
- achieve zero routine flaring by 2030;
- improve power generation efficiency to 154 standard cubic metres per megawatt hour by 2030 (compared to 275 cubic metres per megawatt hour in 2022);
- increase renewable energy capacity to 30 per cent. by 2026 (compared to 9 per cent. in 2022);
- reduce artificial lift power consumption by 10 per cent.; and
- enhance the contribution of nature-based solutions to overall GHG reduction efforts.

Historical Environmental Key Performance Indicators

The following table sets out PDO's key environmental performance indicators for the last three financial years.

	2024	2023	2022
Greenhouse gas emissions			
Total GHGs *(million tonnes CO_2 equivalent)*	10.7	10.44	10.60
GHG intensity ratio *(tonne of CO_2 equivalent/tonne of hydrocarbon)*	0.189	0.187	0.179
Flaring			
Flaring (upstream) *(million tonnes flared)*	.92	0.68	0.69
Flaring intensity *(tonne/1,000 tonnes of hazardous constituents)*	13.7	9.86	9.93
Energy intensity			
Upstream *(gigajoules per tonne production)*	2.48	2.52	2.47
Acid gases and volatile organic compound emissions per unit of hazardous constituent production	3.03		
Sulphur oxides *(tonnes per thousand tonnes)*	2.25	0.59	1.13
Nitrogen oxides *(tonnes per thousand tonnes)*	.58	0.52	0.50
Volatile organic compounds *(tonnes per thousand tonnes)*	.20	0.15	0.16
Spills and discharge			
Number of Oil spills over 1 barrel ($0.16m^3$) per million tonnes of production *(No/Mt production)*	.06	0.06	0.09
Quantity of Oil spilled over 1 barrel ($0.16m^3$) per million tonnes of production *(t/Mt production)*	.02	0.01	0.05
Oil in effluents to surface environment *(thousand tonnes)*	.005	0.006	0.006
Water			
Water consumed from desalination units *(million cubic metres)*	5.79	8.59	9.73
Produced water handled 1,000 m^3 per day	994.91	948.61	939.04
Produced water used for injection activities 1,000 m^3 per day	734.78	703.52	581.98
Produced water used for disposal activities 1,000 m^3 per day	133.75	152.6	193.24
Waste generation			
Hazardous *(thousand tonnes)*	95	703.68	315.24
Non-hazardous *(thousand tonnes)*	771.3	122.13	118.59
Total waste *(thousand tonnes)*	866.3	825.81	433.83

Greenhouse Gas emissions

Improving its GHG emissions performance is key to achieve the annual GHG emissions set target and is one of the main drivers of PDO's refreshed strategy under the decarbonisation work stream. GHG emissions are categorised into three different categories: Scope 1 emissions, Scope 2 emissions and Scope 3 emissions. The majority of PDO's GHG emissions are categorised as Scope 1 emissions, which are direct GHG emissions that occur from sources that are controlled or owned by the company. PDO's Scope 2 emissions, which are indirect GHG emissions associated with the purchase of electricity, steam, heat or cooling, are minimal and only occur at PDO's Muscat premises since PDO generates its own power for various activities across the Block 6 concession area. PDO has also developed a plan for reporting Scope 3 discharges, which are indirect emissions (not included in Scope 2) that occur in the value chain of a company, such as purchased goods and services, business travel, employee commuting, waste disposal and transportation and distribution (including both upstream and downstream) related emissions.

In 2024, PDO achieved Gold Standard as per the Oil and Gas Methane Partnership 2.0 (OGMP2.0) reporting and mitigation programme. This achievement was highlighted in the Eye On Methane data platform launched by the United Nations Environmental Program: International Methane Emissions Observatory. In addition, PDO successfully completed the third cycle of the Leak Detection and Repair and drone survey programme on methane detection. The programme surveyed more than 500,000 components and saved 59 percent of identified fugitive emissions. The following table sets out PDO's GHG total absolute emissions during the last three years:

	2024	**2023**	**2022**
	(Million tonnes of CO_2)		
Scope 1	10.06	10.4	10.5
Scope 2	0.06	0.06	0.06
Total	**10.12**	**10.5**	**10.6**

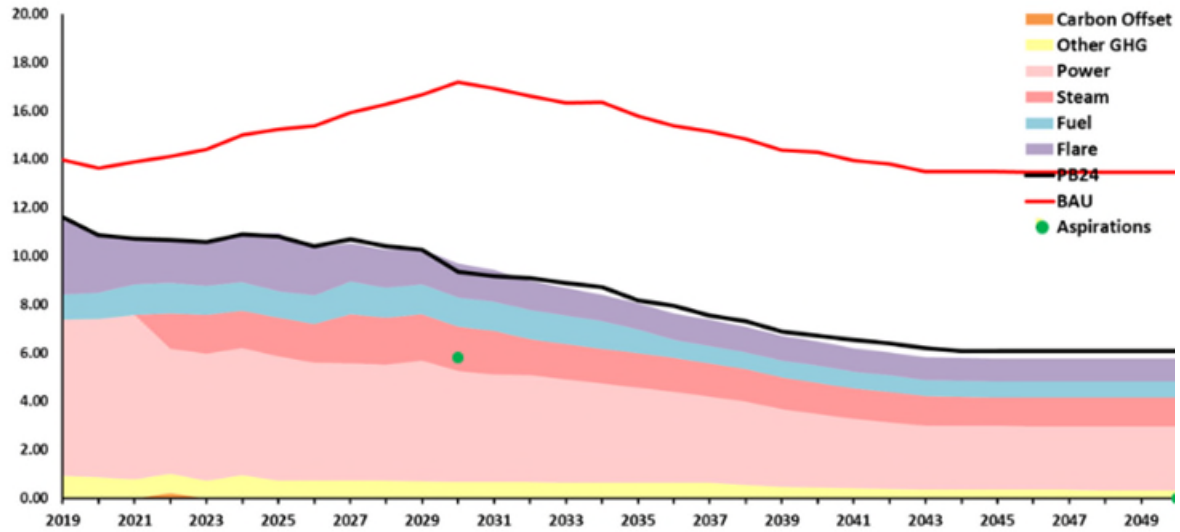
In 2024, PDO's actual GHG emissions were below the set target in 2024. PDO also achieved Gold Standard on methane emissions reporting with the basis of a credible implementation plan. In addition, the Environmental Sustainability Steering Committee was established, merging the former Energy Management and Water Management Steering Committees. However, achieving the decarbonization targets is challenging given the increasing complexity of operations. Decarbonisation projects are also challenged by economic viability based on existing business premises and the removal of carbon pricing from project economics. For commercially challenged projects, PDO, in collaboration with its shareholders, has initiated discussions and continuous dialogues on the Carbon Investment Framework to align its roadmap with concerted efforts to overcome the challenges through maturation of number of opportunities in the funnel and affordable new technologies advancement. During 2024, PDO has cumulatively reduced its total GHG emissions by approximately 4.30 million tonnes of carbon dioxide equivalent (3.96 million tonnes in 2023 and 3.50 million tonnes in 2022) compared to a "business as usual" scenario. This was achieved through the improved availability of the closed cycle power plants in power generation as well as lower venting than forecasted in Yibal Khuff and further analysis in transportation and other stationary combustion resulting in more accurate inputs for estimation of emissions for other GHG sources.

However, PDO has a unique set of operational challenges that significantly impact its GHG reduction efforts, such as increasing power demands, water cuts and production water disposal activities, which, together with operational and upset flaring, each contribute to increases in PDO's GHG levels. For example, PDO's power demand has increased over recent years and is expected to continue doing so until 2030 when it is expected to peak. Between 2013 and 2024, PDO's power generation increased from 730 megawatts to 1,180 megawatts.

The increase in power demand is largely driven by production growth. These technologies are required to maintain PDO's Oil and gas production targets. The increase in overall power demand is in line with the implementation of new technology over the next five to 10 years. The expected decline in overall power consumption after 2028 is driven by an expected decline in PDO's hydrocarbon production, as well as by the maturation and end of the implementation window for EOR technologies.

PDO is in the process of establishing GHG reduction targets across its business activities in line with the goals of the Paris Agreement. PDO's management has identified more than 140 GHG reduction opportunities over the next 10 years, including flare reduction projects, energy efficiency and renewable energy projects. The following graphic sets out PDO's implemented and planned GHG emissions reduction roadmap in millions of tonnes of carbon dioxide equivalent.

The figure below shows PDO's historical and Programme Build GHG emissions per source and the Business as Usual (BAU) trend:



Flaring

Flaring is a significant contributor to PDO's emissions. Flaring levels for 2024 exceeded the 2023 levels and were above the 2024 target due to several operational upsets in Birba, Al Noor, Fahud and Yibal Khuff, which resulted from, among other reasons, the instability of the gas export system and unavailability of gas injection compression and delays due to commissioning of a new gas injection compressor. Additionally, the MGCP delay due to contractual issues, which increased compressor trips, and power-house turbine reliability and the TVP incident resulted in flare increases. In 2024, PDO continued to assess options to eliminate routine flaring by no later than 2030, through gas sales and monetisation options, such as gas to liquid fuels and gas to power generation. A request for information was floated to test the market and 27 proposals were received. The intended plan is to float a tender in 2025 and award the contract by the first quarter of 2026. In addition, there is an advanced-stage trial in Zauliyah station which is expected to be on-stream by the first quarter of 2026. PDO maintains a dashboard to monitor flaring performance across its organization. See "*—Strengths—Focus on Environmental, Sustainability and Safety Performance*" for more information on these initiatives. In 2023, PDO completed a flare efficiency measurement programme using video-imaging spectro-radiometry technology through its alliance with Shell. Based on the initial results of this programme, PDO determined that the majority of the flares have a methane destruction efficiency of more than 98 per cent. This technology has also been used to survey the efficiency of 21 combustion sources.

Energy efficiency

Improving energy efficiency is a key focus of PDO's gas conservation strategy. As part of this strategy, PDO has undertaken initiatives to improve energy efficiency through cogeneration and waste heat recovery. PDO met its goal to achieve energy efficiency in gas consumption to generate 287 cubic metres of gas per megawatt electrical hour by 2024, a 10 per cent. decrease from 2010, and 217 cubic metres per megawatt electrical and 154 cubic metres per megawatt hour thermal by 2030. PDO continues to reduce power consumption by monitoring and controlling the energy consumed at the company's real estate facilities. Examples of this include the installation of light-emitting diode lighting and optimising the heating and air conditioning systems.

Renewable energy

As part of its commitment to the Oman Energy Master Plan 2040 and its goal of renewable sources comprising 30 per cent. of its total electricity capacity by 2026, PDO is actively expanding its portfolio of utility-scale renewable energy projects. Through strategic investments in solar and wind energy, the company is working to reduce its carbon footprint, enhance energy security and align with national and global sustainability goals while addressing the growing energy demand.

With notable progress in its renewable energy strategy, PDO is leveraging cutting-edge technologies, optimising energy generation and fostering strategic partnerships to accelerate its shift toward sustainable energy solutions. PDO remains dedicated to implementing large-scale renewable initiatives that contribute to a cleaner and more resilient energy future.

Key projects include, among others:

- The **Riyah I, Riyah II and North Solar IPP projects,** which will be implemented by OQAE, partnered with TotalEnergies. The Riyah I and Riyah II projects are utility-scale wind farms located in Amin and Nimr spanning 12 km², each with a capacity of 100 megawatts alternating current ("**MWac**"), making the projects Oman's first wind IPP projects and the first onshore wind farms where an oil and gas company serves as the sole electricity buyer. The North Solar IPP, a 100 MWac solar PV plant near Saih Nihayda, features bifacial panels on single-axis trackers across a three km² site. It will save 95 million cubic meters of gas and reduce 220,000 tonnes of CO_2 emissions annually. With a combined 300 megawatt capacity, these transformative projects are expected to decrease carbon emissions by approximately 960,000 tons annually and save 408 million cubic meters of gas, driving PDO closer to its 30 per cent. renewable energy target by 2026. The projects are expected to begin operations in 2026, with the aim of enhancing energy security, lowering power tariffs and accelerating the Oman's transition toward a cleaner and more sustainable future.

- The **PDO Green Airports Project** ("Green Airports Project") Covering the Marmul, Qarn Alam and Fahud airports, the Green Airports Project has a total installed capacity of 609.32 kWp, utilising ground-mounted PV panels on unoccupied land. With an estimated annual generation of 730 MWh, the Green Airports Project is expected to offset 755 metric tons of CO_2 emissions each year, reinforcing PDO's commitment to sustainability. The Green Airports Project has been in operation for one year.

- The **MAF Solar Project** at Mina Al Fahal is a major step in PDO's renewable energy transition, integrating solar power across key facilities, including Bait Mina Al Fahal ("**BMF**"), Bait Saih Maleh, Bait Al Bushra ("**BAB**") buildings, clinics, schools, the study centre and the security gate. It utilises a mix of solar technologies, including ground-mounted fixed and single-axis tracker systems, rooftop solar, and carpark-mounted arrays. With a total installed capacity of 11.76 MWp, the MAF Solar Project consists of 9,885.72 kWp from carpark systems, 948.27 kWp from rooftop installations and 1,032 kWp from ground-mounted systems. Commissioned in three phases, the MAF Solar Project began with Phase 1 in the first quarter of 2018, installing solar panels at BAB, BMF and BMF

Overflow carparks. The latest expansion, Phase 3, was completed in the fourth quarter of 2024, adding 673.20 kWp at the study centre and 298.32 kWp at the security gate.

- The **Amin Solar Project** is Oman's first utility-scale solar independent power producer project in Oman and the world's first project to supply electricity exclusively to an Oil and gas company. See "*—Power Assets*" for more information on the project. Commissioned in the second quarter of 2020, the 100 megawatt plant plays a vital role in PDO's renewable energy portfolio, significantly reducing carbon emissions by approximately 225,000 tons annually and achieving a fuel saving of 95.5 million cubic meters of gas per year.

In addition, PDO continuously explores and assesses alternative energy sources, including battery storage and steam from renewable resources, alongside plans to pilot energy storage technologies for deployment across its assets. These efforts align with PDO's ambition to reduce Oman's dependence on fossil fuels and drive economic diversification through sustainable energy solutions.

- The **Solar MAF PV** at Mina Al Fahal provides power for PDO's office buildings using a series of solar panels installed on car parks with a production capacity exceeding 10 megawatts at peak output. A further phase was completed in 2020 which added 2.85 megawatts of capacity, with an additional phase completed in 2024 which added 1.2 megawatts of capacity, further reducing carbon dioxide emissions.

Oil spills and discharges

PDO strives to continuously improve the integrity of its assets, including by reducing Oil spills. As part of these efforts, between 2020 and 2021, the length of the MOL changed because two lines, MOL11 (64 kilometres) and MOL12 (53 kilometres), were merged into one line, MOL32 (73 kilometres). In 2024, the number of spills over one barrel (0.16 cubic metres) per million tonnes of Oil production remained consistent at 0.06 for 2024, consistent with 2023, and decreased compared to 0.09 in 2022. The quantity of Oil spilled over one barrel (0.16 cubic metres) per million tonnes of Oil production increased to 0.02 in 2024 from 0.01 in 2023 and 0.05 in 2022. PDO has not had a major spill in 2024. PDO defines a major spill as a spill that is greater than 10 cubic metres. PDO invests approximately US$11 million annually in Main Oil Line inspection and maintenance. This investment in pipeline integrity has enabled PDO to achieve above 99 per cent. availability of the Main Oil Line. In order to prevent Oil spills, PDO has implemented a number of key measures and programmes such as:

- increased preventive maintenance activities, including regular inspections and the ongoing rehabilitation of old pipelines;
- improved materials like internally coated carbon steel flow lines and pipelines;
- accelerated replacement of flow lines; and
- urban planning activities, including bypass and flow lines replacement in the Marmul cluster and the Yibal rejuvenation project.

Water management

PDO currently produces approximately 1,000,000 cubic metres of water per day, which is expected to exceed 1,100,000 cubic metres of water per day from 2025 onwards. Currently, approximately 70 per cent. of the water produced to the surface is reused for pressure maintenance through water flooding and chemical and thermal EOR. The residue is sent to PDO's Nimr Reed Wetlands project and deep disposal. The Nimr Water Treatment Plant ("**NWTP**") is one of the largest industrially constructed wetland systems in the world, irrigated by Oil field water, consisting of a series of sloping reed fields and evaporation ponds covering 10.5 square kilometres, and treating 155,000 cubic metres of water per day. In 2022, the Rima Wetlands Treatment Plant ("**RWTP**") was commissioned to capitalize on PDO's efforts of reducing deep disposal and energy consumption. These natural treatment systems have been instrumental in reducing the amount of hydrocarbon-polluted produced

water being disposed of at deep well aquifers. The NWTP and RWTP use minimal fossil fuel for its operation, resulting in a 98 per cent. reduction in energy consumption compared to the conventional, energy-intensive disposal method of pumping water into deep aquifers. The wetland plant contributes with a reduction of more than 273,000 tonnes of carbon dioxide per year as a result of the removal of energy and gas-demanding conventional deep well disposal ("**DWD**") operation. In 2024, the hazardous waste generated decreased by 86 per cent. to 95 thousand tonnes.

Separately, in 2023 PDO signed an agreement with the Oman Environment Authority to conduct a joint biodiversity survey in Bahja and Greater Birba. The survey began in December 2023. In Dhofar, PDO has collaborated with the Oman Environment Authority as part of a 10 million plantation initiative. PDO had planted approximately 5,500 trees by November 2023.

Social

PDO endeavours to provide its employees with safe and healthy working conditions and competitive conditions of service. It focuses particular attention on the recruitment, training and development of Omani employees and respects the rights of all employees in line with Omani labour law. To this end, PDO has the PDO Learning and Development Academy to provide training in the technical and non-technical aspects of its operations.

Health

PDO promotes medical, occupational and public health to achieve workforce wellness alongside its provision of medical care facilities. PDO operates its own medical centre in Mina Al Fahal and 10 clinics within Block 6 that deliver high quality and integrated primary health care. PDO employees, eligible dependents and retirees have access to a high-tech multi-disciplinary lab, a pharmacy and occupational health, vaccination, dietary and antenatal services.

In early 2024, PDO launched an enhanced mental health and well-being programme. The programme aims to equip employees with stress management solutions while reducing mental health stigma. Since the programme was launched, sixteen awareness sessions have been conducted reaching over 8,000 participants, and 88 employees have been certified as Psychological First Aiders. Support under the programme has also extended to contractors and external entities, including the Omani Society for Human Resources Management and Oman's Ministry of Health. Confidential counselling services have seen increased utilisation with a significant number of individuals seeking support in 2024.

PDO has implemented several initiatives to manage fitness to work of employees and contractors and support their mental and physical wellbeing. For example, PDO conducts pre-employment and routine in-house medical checks and has provided occupational health counselling for over 300 cases. To support this initiative, PDO has developed a software programme which provides medical appointment reminders. Additionally, PDO has devoted its attention to upskilling PDO medical professionals by providing occupational health courses. PDO has been collaborating with Oman Petroleum Alliance to develop a fitness to work standard for the Oil and gas sector.

Safety

Safety is an overarching priority for PDO. PDO is focused on achieving its "Goal Zero" (i.e., ensuring no harm comes to people, the environment and PDO's assets). To achieve this goal, PDO launched a Safety Refresh strategy ("**Safety Refresh Strategy**") in 2022. The Safety Refresh Strategy is a multi-year plan which aims to address safety pain areas through a structured and systematic approach. For example, PDO launched an enhanced behaviour-based safety "Ihtimam" platform that links established capabilities to advanced digital solutions.

During 2024, PDO experienced an increase in safety performance. During 2024, there were two fatalities due to work-related accidents compared to zero fatalities in 2023 and five fatalities in 2022, respectively. The 2024

target for Lost Time Injury Frequency ("**LTIF**") per million man hours worked was 0.16. The LTIF per million man hours worked was below the 2024 target, increasing slightly to 0.16 in 2024 from 0.12 in 2023 and 0.22 in 2022, while Total Recordable Case Frequency per million man hours worked was 0.71 in 2024 compared to 0.57 in 2023 and 0.79 in 2022. Tier 1 incidents, which are process safety events with severe consequences involving an unplanned or uncontrolled release of any material resulting in consequences such as employee days away from work, injury or fatality, decreased to zero incidents in 2024 compared to three incidents in 2023 and one incident in 2022.

Throughout 2024, PDO also focused its efforts on improving contractor safety. Health, Safety & Environment ("**HSE**") performance audits were conducted for 69 contractors determined to have "High" or "Medium" HSE risks based on contract scope. The HSE capacity and capability review resulted in adding additional HSE critical resources in high-risk areas. Furthermore, the Contractor CEO Forum fostered increased joint leadership site visits and opportunities for cross-learning, further strengthening PDO's partnership with its contractors by managing HSE as a collective challenge.

In order to build PDO's HSE capable and competent workforce, selected staff from PDO and its contractors have been trained to become certified HSE assessors, which will enable them to evaluate the HSE competencies of other staff. Since the start of the HSE Competency Program, 140 PDO staff and 315 contractors have been trained as certified HSE assessors. PDO also continued to make progress on the Darb Al Salama Integrated Plan on safe driver and safe vehicles. The Darb Al Salama Integrated Plan represents a multi-year initiative aimed at enhancing road safety through a comprehensive approach focusing on "safe drivers, safe vehicles and safe roads", bolstered by cross-functional enablers. Recent efforts have seen a significant improvement in compliance with driving lifesaving rules in 2024, which increased by 23 per cent. compared to 2023. However, this improvement was paired with a concerning rise in severe Motor Vehicle Incidents (MVIs), escalating from eleven to 19, including one work-related fatality and two fatalities involving third-parties. Despite the increase in MVIs, the number of high potential incidents and rollovers in 2024 remained stable at eighteen and ten, respectively. High potential incidents are defined by PDO as a car accident resulting in up to three fatalities. The requirements and recommendations outlined in the Darb Al Salama Integrated Plan have also been integrated into the latest logistics and other direct cost contracts, ensuring that non-compliant fleets are phased out in favour of vehicles meeting stringent safety standards. Through a combination of road assessment surveys and analysis of motor vehicle incident hotspots, PDO also proactively mitigates potential hazards, reinforcing its commitment to safer road infrastructure.

PDO is also committed to continuously improving AI-PSM by training staff and contractors using the latest tools, technologies and expertise. An AI-PSM step-change programme is in place and involves 10 non-negotiable process safety fundamentals to increase compliance across PDO's functions. The AI-PSM steering committee, led by PDO functional directors, meets monthly to support and review progress.

PDO implements internal safety policies in line with international standards. It maintains an ISO 55001:2014 certification for its asset management systems, including PDO's AI-PSM processes which relate to the management of assets to support the production, treatment, storage and transport of Oil and gas in the PDO concession areas.

The following table sets out PDO's key safety data for the last three years:

	2024	2023	2022
Work-Related Fatalities			
Total number	2	0	5

	2024	2023	2022
Fatal Accident Rate ("**FAR**") *(fatalities per 100 million working hours, both employees and contractors)*[(1)]	0.01	0	0.03
Injuries			
Total Recordable Case Frequency ("**TRCF**") *(All injuries per million working hours, both employees and contractors)*.....	0.71	0.57	0.79
Lost Time Injury Frequency (LTIF) *(Lost Time Injuries per million working hours, both employees and contractors)*	0.16	0.12	0.22
Motor vehicle incidents ("MVI")			
Serious MVI frequency *(LTI, MTC, RWC and roll over MVI incidents per million km driven)*	0.07	0.03	0.05
Process safety			
Tier 1 incidents.....	0	3	1
Exposure			
Million man hours worked.....	174.1	189.7	197.8
Million kilometres driven.....	296.9	322.0	317.2

Note:

(1) MVI frequency in this Base Offering Circular excludes private commuting fatalities. Previously, the Guarantor included private commuting fatalities when determining the MVI frequency. The MVI frequency including private commuting fatalities for 2022 was 0.18.

As a member of the United Nations Global Compact since 2015, PDO is committed to supporting the compact's 10 universal principles on human rights, labour, environment and anti-corruption.

Diversity and inclusion

PDO's Diversity and Inclusion ("**D&I**") initiative started in 2014 and was formally established in 2017.

D&I in PDO is comprised of three focus areas: Anti-harassment and Anti-bullying, Fairness and Gender Balance and Equity. Each of these areas are championed by a director and supported by their Human Resources Business Advisor, working group and dedicated D&I Lead. The initiative is steered by the Managing Director and sponsored by the People Director. This collaborative effort culminated in the development and implementation of corporate action plans tailored to the unique nuances of each focus area.

An important part of PDO's D&I journey includes the impact of the Covid-19 pandemic and the ensuing economic challenges which obscured PDO's D&I efforts. The aftereffects of the COVID-19 pandemic and economic challenges prompted a comprehensive review of PDO's D&I strategy, which unveiled a broader comprehension of its principles and potential applications. This transformative understanding, which coincided with PDO's strategic refresh, encompassed a review of practices, such as inclusive recruitment, the recruitment of individuals with disabilities and a heighted awareness of the broader ecosystem, culture and human behaviour.

PDO is focused on continued cultural transformation and believes that D&I principles must be embedded into the organizational processes to ensure the longevity and sustainability of its goals and objectives. The

overarching areas addressed corporately across the four streams include education, awareness, supporting structures, reporting and monitoring, policies and processes and communication.

PDO also provides regular training on D&I awareness to its employees, including a mandatory full-day D&I course.

Corporate citizenship

PDO conducts its business as a good and responsible corporate citizen of Oman, observing the laws applicable to its conduct and the principles embedded in the Basic Statute of the State, and paying proper regard to health, safety and the environment consistent with its commitment to contribute to sustainable development. PDO operates in an environmentally responsible and sustainable fashion, dealing transparently and honestly on the basis of open and competitive bidding with contractors and suppliers and supporting and investing in social and community projects.

In-country value

PDO aims to share the benefits of the Oil and gas industry across Oman through its In-Country Value ("**ICV**") strategy, which commits PDO to maximise its procurement of local goods and services, as well as improve the capacity and capability of the Omani people and companies to secure sustainable commercial benefits for Oman. ICV is defined as the total spend retained in country that benefits business development, contributes to human capability development and stimulates productivity in Oman's economy.

Promoting ICV consists of:

- pioneering new common Oil and gas industry standards for ICV requirements in contracting and procurement with the goal of maximising expenditure on Omani goods and services among other things;
- offering business opportunities to Omani companies;
- improving the capacity and capability of local companies in order to achieve cost reductions, the continuous improvement of PDO's business and contribute to Omani economic growth and job creation;
- developing and implementing Oman's first ICV data collection system for PDO's contractors; and
- launching initiatives for local community contractors and super local community contractors to give people living in the Concessions' area the chance to provide services to PDO and bid for supply contractors.

PDO has adopted a seven-prong ICV strategy for 2021 to 2025 that focuses on: (i) the assurance framework and sustainability; (ii) procedures and guidelines; (iii) the operating model and organisational structure; (iv) cross-sector collaboration; (v) a competency framework; (vi) technology, digitalisation and energy; and (vii) the localisation of goods, services and labour.

PDO surpassed the 42 per cent. (US$2.71 billion) value retained threshold of its total supply chain spend in Oman by US$13 million in 2024, reaching a total of 42.2 per cent (US$2.723 billion). Additionally, ICV plans have been finalised for 44 tenders totalling approximately US$4.4 billion, marking a key milestone in PDO's efforts to strengthen local economic growth and sustainability. These plans are strategically structured to generate an expected 22 per cent. increase in ICV and intended to ensure greater retention of value within the local economy, with the aim of providing tangible benefits, including job creation, enhanced local capabilities and the development of a resilient supply chain aligned with national economic diversification goals.

In 2024, PDO delivered seven ICV opportunities, attracting approximately US$40 million in investment, while 11 ICV opportunities in 2023 brought in investments totalling approximately US$45 million. Since 2013, PDO

has successfully delivered a total of 97 ICV opportunities (realised and operationalised), generating approximately US$655 million in investment and creating over 3,000 job opportunities in Oman.

PDO's ICV Development team has also formulated a complete strategy to increase its direct and indirect spend on small- and medium-sized enterprises ("**SMEs**") and Local Community Contractors, which is expected to increase by 2 per cent. per annum in the coming five years. The strategy has also established direct opportunities for SME and LLC development in several technical fields such as chemicals, construction, maintenance and the Fourth Industrial Revolution, with the provision of around four opportunities annually over the next five years. A comprehensive strategy has been developed to enhance spending on SMEs and LCCs. The strategy aims to provide approximately four dedicated opportunities, including the Ring-fence Programme and Vendor Development Programme ("**VDP**"), annually over the next five years. PDO's Ring fence Programme is aligned to the Ministry of Energy and Minerals' local ring-fencing services and goods and aims to maximise local business participation by supporting local procurement of products and services and thereby improving the sustainability and resilience of PDO's supply chains. The primary objective of the Ring-fence Programme is to increase the utilisation of local products and equipment in PDO's tenders while ensuring adherence to stringent quality standards and maintaining cost competitiveness.

The VDP is designed to strengthen the capabilities and competitiveness of local vendors by providing support in areas such as technical qualifications, industry compliance, capacity building and market access. The VDP initiative focuses on localising procurement, enhancing supply chain resilience and increasing the contribution of local businesses by ensuring that they meet quality, cost and delivery standards. In 2024, the No Man Entry Tank Cleaning Service project was introduced as a notable VDP initiative which revolutionised traditional tank cleaning methods by eliminating the need for human entry. This innovation has significantly improved safety, efficiency and environmental compliance while reducing tank downtime by 70 per cent. and generating over US$160,000 in revenue from recovered crude Oil. Over the past two financial years, PDO has allocated an average of 16 per cent. of its supply chain spend to SMEs and LCCs.

In 2024, the ICV Development team successfully launched and advanced Phase 2 of the AFAQ program. This initiative aims to strengthen the capabilities of local SMEs, enabling them to play a vital role in the future development of markets related to energy transition, decarbonisation and technology.

The 2024 Ecosystem initiative by PDO's ICV Development team is designed to facilitate local investment by fostering an environment that provides comprehensive access to demand, infrastructure, finance, technology and a supportive legislative framework. The Ecosystem initiative is intended to enable individuals to leverage their collective capabilities and resources, thereby contributing to economic development. As of December 2024, more than 528 small local vendors from PDO's concession have been registered in the Joint Supplier Registration System. There are more than 3,500 Omanis employed by these vendors. Additionally, in 2012, PDO and the Government established the Super Local Communities Contractors ("**SLCCs**") to support communities in the Oil and gas concession areas with 10,000 local Shareholders.

In 2024, PDO's total spend on SLCCs contracts was US$171 million. The ICV Development team conducted a rigorous six-month HSE Competency Coaching programme for 70 participants from the SLCCs. The programme aims at fostering a culture of safety and compliance within PDO's sub-contractor community by providing training initiatives to empower participants to proactively identify and mitigate risks, thereby ensuring a secure working environment in PDO's concession area. In 2023, PDO's total spend on SLCCs contracts reached US$277 million. For matured limited liability companies, PDO spent US$20 million in the same period. Approximately 1,850 Omani employees are employed by SLCC companies.

National Objectives

PDO's National Objectives programme is one of the four pillars of the ICV strategy and is facilitated through an EMDAD (Arabic for help and support) programme (the "**ICV EMDAD Programme**"). PDO's ICV

EMDAD Programme works closely with the Ministry of Labour, PDO contractors and local training institutes to reduce the number of jobseekers in Oman by training young Omanis (providing the private sector with skilled Omanis, and, in parallel, securing employment for registered jobseekers). The purpose of the National Objective Department is to add value to the Omani workforce in the Oil and gas industry and beyond. Contractors pledge to employ a number of Omanis in accordance with the Government's Omanisation policy ("**Omanisation**"), which requires that Omani companies ensure that Omani nationals comprise a prescribed percentage of their workforce which varies based on industry and sector. Omani companies must also ensure that the same Omanisation targets are met in relation to the number of National Objectives programme trainees.

In 2024, the ICV EMDAD Programme had a graduating class of 600 Omani youth, who completed both technical and non-technical training schemes. PDO believes these graduates represent a significant contribution to Oman's skilled workforce, enhancing the nation's ability to compete on a global scale.

Additionally, PDO's ICV National Manpower Supply Team ("**ICV National Manpower Supply Team**") played a vital role in securing 1,421 new job opportunities in key sectors including HSE, pipeline, protection relay testing, planning, maintenance, rig mechanics and IT in 2024. These opportunities were made possible through a combination of PDO's employment and training initiatives, which have continued to grow year-on-year. As part of PDO's capability-building efforts, ICV National Manpower Supply Team also signed three new Memorandums of Collaboration in 2024, resulting in 481 additional jobs and vocational training opportunities.

In line with its workforce development goals, PDO successfully redeployed and transferred 2,112 employees across 38 different contracts, ensuring job stability and continuity for its workforce. The first year of PDO's Skills Development programme completed in 2024, with 28 new schemes introduced to develop ten essential engineering skills among a pool of 1,000 engineers. PDO believes this initiative continues to strengthen Oman's technical workforce, ensuring that Omanis are equipped with the skills needed to meet the demands of an evolving job market.

PDO introduced several key initiatives, demonstrating its commitment to innovative workforce development. The EMDAD Internship Programme, which began with 477 candidates enrolled, has led to the employment of 277 participants. This internship initiative reflects the ICV EMDAD Programme's focus on creating real-world job opportunities for young Omanis.

Additionally, PDO's Industrial Apprenticeship Programme ("**IAP**") provided part-time opportunities for 50 jobseekers with eight different companies to learn critical industrial trade skills. The programme concluded in December 2024 with 70 per cent. of graduates securing full-time employment, demonstrating the programme's efficacy in bridging the gap between training and employment. PDO has also launched the programme "Shababuna", which was previously known as the Graduate Development Programme. Both programmes provide structured, on-the-job training, monitoring and assessment for Omanis who join PDO after graduating from universities or colleges with Bachelor degrees or above, as well as other specific categories of existing PDO staff who have completed further study. The aim of the new programme is to reconfirm PDO's commitment to empower young people and create a coherent framework that focuses on preparing a promising generation capable of building a prosperous future for the Sultanate. PDO has employed over 2,800 Omani staff from its Shababuna Programme.

PDO also works closely with the Oil and gas industry to upgrade training standards in Oman. In addition, in 2014, the National Objectives Department's scope of work was expanded to include supporting and developing small-and medium-sized enterprises in the Oil and gas sector.

Social investment As a responsible corporate citizen, PDO is committed to delivering meaningful social investment ("**SI**") programmes that create sustainable benefits for Omani society in line with the United Nations' Sustainable Development Goals ("**SDGs**").

PDO has made commitments to 63 new social investment projects (including sponsorship and donations), totalling around US$10,748,000 million. These projects will have tangible impacts on the quality of life of thousands of people living in PDO's concession area and beyond, including through infrastructure development, training, and the provision of technology and equipment. PDO completed 31 social investment projects in 2024 compared to 65 social investment projects in 2023 and 21 social investment projects in 2022. Several of the recently approved social investment projects were co-funded with partners from different sectors, contributing a further US$17,500,000 million towards such projects. In addition to the 12 Memorandums of Understanding signed in 2023, nine more were signed in 2024. The success of PDO's social investment programme was recognised regionally when it won first runner-up in the Arabia Corporate Social Responsibility Awards in 2021.

In 2024, 20 post-implementation review visits to various completed projects were carried out to assess their impact and gather lessons for the future. Additionally, 25 quality assurance site visits were carried out for ongoing projects.

Seven joint committees in collaboration with different stakeholders were established in 2023 to identify optimal corporate social responsibility projects for Oman and monitor the execution of approved schemes. Furthermore, PDO organised three charity appeals to help victims of the earthquake in Turkey and Syria, flooding in Libya and the conflict in Gaza. These appeals successfully raised US$3.1 million with matched funding by PDO.

PDO is focused on giving back to the community through volunteer efforts. In 2023, over 300 staff participated in the Baader volunteering initiative. Through various campaigns, staff supported organisations in Oman. In 2024, 95 staff assisted the Oman Food Bank in preparing 2,000 meals and 200 fruit baskets for the community during Ramadhan.

Community relations

PDO's Community Relations Department partners with the community to ensure that PDO has harmonious and constructive engagement with communities and all key stakeholders involved in Block 6, such as governors offices, walis, tribal sheikhs, ministries and public authorities involved in service provision. The Community Relations Department has delivered improvements to local communities, such as delivering potable water to houses and camel izbas, paved roads, and supported community education by funding scholarships to study in colleges and universities in Oman. Additionally, the Community Development Department governs the process of issuing Non-Objection Certificates ("**NOC**s") for work to be completed near PDO assets by non-PDO direct contractors and to allocate land in Block 6 under the usufruct agreement, an agreement between PDO and non-PDO direct contractors granting temporary rights to the contractors to use and derive income or benefit from Block 6, in collaboration with the Ministry of Energy and Minerals and the Ministry of Housing and Urban Planning.

Governance

PDO's General Business Principles are the basis for its business strategies and activities. These principles set out an expectation that PDO conduct all its affairs, including relationships with contractors and suppliers, with honesty, integrity and fairness.

In addition, PDO has adopted a Code of Conduct. The code does not exempt anyone and every PDO employee, contractor and supplier must operate within its rules and guidelines. The code is categorised into five sections, addressing compliance in the areas of: (i) people and safety; (ii) combatting corrupt practices; (iii) safeguarding information and assets; (iv) communications management; and (v) national and international trade.

Since 2011, PDO has followed an anti-bribery and corruption strategy aimed at fostering a culture of zero tolerance in respect of acts of bribery and corruption. PDO's anti-bribery and corruption policies and procedures are reinforced through training and employee-wide communications during the year. All vendors registering

with PDO, whether local or international, are screened for anti-bribery and corruption compliance. PDO also manages an online confirmation process through which employees and contractors are required to declare all potential conflicts, gifts, hospitality or travel while confirming their commitment to the rules of confidentiality annually.

Employees

The number of full-time equivalent employees for PDO was 9,325, 9,206 and 8,904 as of 31 December 2024, 2023 and 2022, respectively. In addition, the Guarantor had 38 full-time employees as of 31 December 2024.

As of 31 December, approximately 70 per cent. of PDO's employees (approximately 6,624 employees) are members of the PDO Trade Union. In 2018, terms of reference for the PDO Trade Union were agreed between the union and PDO to foster a positive and constructive relationship between the two parties. The terms of reference are valid until such time as they are terminated by either party, which may be done by giving three months' notice in writing to the other party. No renegotiations are currently planned.

The Guarantor believes that human resources are critical to their businesses and seek to ensure that staff are provided with career training and development opportunities to address all present and future workforce needs. These opportunities include secondments to international Oil and gas companies, graduate training positions and internal recruitment opportunities across PDO.

There is a corporate focus on motivating employees to contribute to their success by offering a compelling employee value proposition, including a competitive compensation and benefits package. The value proposition for employees ranges from monetary rewards to benefits, such as annual performance-based rewards, medical care, individual growth and development and end-of-service benefits for non-Omani employees. Entitlement to certain benefits is based on the employee's performance, business performance and length of service.

A PDO recruitment team seeks to fill vacant positions based on the skills and expertise required for each job, giving priority to internal talent in a fair manner. All candidates are selected based on capability assessments to ensure the best candidate is appointed.

As of 31 December 2024, PDO had an Omanisation rate of 91 per cent., including 1,362 Omani female employees. As of the same date, 86 per cent. of the senior positions with PDO were held by Omani nationals.

Insurance

PDO maintains a range of insurance policies that provide coverage in amounts, and on terms, that are generally consistent with industry practice. PDO arranges and manages an operational energy "package" insurance programme with a separate Construction All Risks Facility. The risks covered under these policies include property damage (operational and construction), operators' extra expense and general third-party liability.

However, as a result of operating risks and other potential hazards associated with EDO Gas', the Guarantor's and PDO's businesses, they may from time to time become exposed to significant liabilities for which there may not be adequate insurance coverage. The control and management of these risks depends on adequate development and training of personnel and on the existence of operational procedures, preventative maintenance plans and specific programmes supported by quality control systems which reduce, but do not eliminate, the possibility of the occurrence and impact of these risks. See further, "*Risk Factors—Risks Related to the Businesses of EDO Gas and the Guarantor—PDO's insurance policies may not be sufficient to cover all risks that it faces, which could have a material adverse effect on each of EDO Gas' and the Guarantor's business, financial condition, cash flows and results of operations in the event a material uninsured risk takes place*".

Legal Proceedings

EDO Gas, the Guarantor and PDO are from time-to-time party to arbitration and other proceedings. Neither EDO Gas nor the Guarantor believe that, if any such ongoing proceedings were finally determined adversely to EDO Gas or the Guarantor, it would have a material adverse impact on their finances.

MATERIAL AGREEMENTS

Oil Concession

Oil Concession Agreement

On 7 March 1967, POHOL and His Highness Sultan Said Bin Taimur entered into a concession agreement (the "**Original Oil Concession Agreement**") under which POHOL was granted certain rights, including rights to explore, search, drill for, produce and win petroleum, in Block 6 in the Sultanate of Muscat and Oman (as amended or verified from time to time, the "**Oil Concession Area**"). Pursuant to an Agreement on Participation that became effective on 1 January 1974, His Majesty Sultan Qaboos Bin Said acquired a 60 per cent. interest in the rights given to POHOL under the Original Oil Concession Agreement. On 19 December 2004, the Government, acting in its capacity as the sovereign and in its capacity as a participant (the "**Government Participant**"), and POHOL entered into the Oil Concession Agreement to extend the term of the agreement to 31 December 2044. The Oil Concession Agreement superseded and replaced the Original Oil Concession Agreement. On 24 December 2020, the Government Participant transferred its 60 per cent. participating interest in the Oil Concession Agreement to the Guarantor with effect from 24 February 2021 in accordance with the terms of the Oil Concession Agreement.

The Oil Concession Agreement will remain in force until 31 December 2044 or such later date as the parties may agree, unless terminated in accordance with its terms. The agreement contains customary termination rights and remedy periods in the event of a material breach. In the event that POHOL terminates the agreement for material breach by the Guarantor, the Guarantor will pay to POHOL its participating interest (as defined below) share of the net book value of the petroleum assets. POHOL may also terminate the Oil Concession Agreement at any time on 12 months' notice.

Grant of Rights

The Guarantor has a 60 per cent. interest in the rights and obligations under the Oil Concession Agreement and POHOL has a 40 per cent. interest.

The Oil Concession Agreement grants the Guarantor and POHOL: (i) the exclusive right to explore, search and drill for, produce and lift petroleum from the Oil Concession Area; (ii) the exclusive ownership in proportion to their respective participating interests in all petroleum at the wellheads in the Oil Concession Area; (iii) the exclusive ownership of AG condensate from the Government's gas plant and butane plant located at Yibal, Oman, in proportion to their respective participating interests at the point of entry of such AG condensate into the operator's infrastructure; (iv) the right to use AG for its petroleum operations free of charge and with priority over any other use of AG, and to use NAG made available by the Government from the Oil Concession Area or other areas, subject to certain limitations, if in the opinion of the operator there is insufficient AG for an Oil reservoir or group of Oil reservoirs requiring gas pursuant to the terms of a gas sales agreement; (v) the right to import gas for use in petroleum operations with the consent of the Government; (vi) the right to transport and sell for use in Oman or for export, and to export freely, or otherwise to deal with or dispose of any and all of its participating interest in petroleum, free of export duty and taxes and all other similar charges; and (vii) the right, subject to the terms of the Oil Concession Agreement, to do all things necessary or desirable for the purposes of the above operations.

The Guarantor and POHOL may not, without the Government's consent, use the Oil Concession Area for purposes other than those set out in the Oil Concession Agreement. They are entitled to appoint an operator to undertake petroleum operations on their behalf and to authorise the operator to exercise such of their rights and perform such of their obligations under the Oil Concession Agreement as the Guarantor and POHOL may jointly agree.

Use of Land and Infrastructure

The Oil Concession Agreement provides that, for the purposes of the Guarantor's and POHOL's petroleum operations, the Government must take all necessary steps to ensure that the Guarantor and POHOL have the right, subject to certain limited exceptions, to construct, operate, maintain and use prescribed infrastructure, including facilities or works, required for the efficient and effective conduct of the petroleum operations (i) in the Oil Concession Area, without hindrance or the requirement for any further approvals or consents, and (ii) outside the Oil Concession Area as reasonably required for the efficient and effective conduct of petroleum operations, with such Government approvals and consents as may be necessary.

The Guarantor and POHOL may not carry out any operations over the surface of areas occupied by or devoted to the purposes of mosques, sacred buildings or graveyards. The parties also do not have the right to use or occupy any sites selected by the Government for defence purposes, airports, aeroplane or seaplane bases or for communication installations or in connection with the development of harbours, subject to certain limited exceptions in the case of use of airports, aeroplane or seaplane bases. During times of emergency, the Government has the right to use any airstrips, harbours or communication installations maintained by the Guarantor or POHOL free of charge.

Funding and Taxes

The Government bears and funds all costs in respect of customs duties, import duties, taxes (other than income taxes) and other similar charges incurred in the conduct of the parties' petroleum operations. Notwithstanding the above, the Guarantor and POHOL must fund any taxes and similar charges being paid by PDO as operator at the effective date of the Oil Concession Agreement and customs duties up to a rate of 5 per cent. POHOL pays taxes and receives rewards on income derived from its participating interest. Subject to certain limited exceptions, all petroleum produced from the Oil Concession Area is exempt from harbour and port duties, export duties, imposts and charges of any kind. The Government has granted buyers of petroleum and the transporters thereof an entitlement to export petroleum from Oman and an exemption from all taxes, duties, imposts and charges in respect of their dealing in and transport of petroleum.

Ringfencing

The Oil Concession Agreement sets out procedures to reassess investment proposals for projects that the board of directors of PDO does not approve due to the opposition of PDO's shareholders. In the event of continued disagreement, these procedures enable the Guarantor to proceed with certain projects at its sole risk. Any such project can be removed from the scope of the Oil Concession Agreement, which may result in the relinquishment of the geographical area on which the project is located from the Oil Concession Area.

Assignment

The parties may not generally assign their rights and obligations under the Oil Concession Agreement. However, POHOL may assign its rights to ownership of petroleum, to sell and to export freely or otherwise to deal with or dispose of any and all such petroleum to affiliated trading companies whose sole business in Oman is buying and on-selling petroleum. As of the date of this Base Offering Circular, POHOL has assigned 85 per cent. of the petroleum to which it is entitled to SOMANT, 10 per cent. to TotalEnergies (Oman Branch) and 5 per cent. to PTTEP.

Subject to certain conditions, the Guarantor may assign part or all of its participating interest to a third party and POHOL may also assign part or all of its participating interest to an affiliate associated with the petroleum industry or restructure its shareholdings without the consent of the Guarantor.

POHOL must give the Guarantor a right of first refusal in the event of (i) any bona fide offer to purchase part or all of its participating interest, (ii) an affiliate to which it has transferred its participating interest ceasing to be an affiliate or (iii) certain reductions in POHOL shareholders' shareholdings.

Oil Operating Agreement

On 19 December 2004, the Government Participant and POHOL (acting in their capacities as participants in the Oil Concession Agreement) and PDO (acting in its capacity as the Block 6 operator) entered into the Oil Operating Agreement. The Oil Operating Agreement will remain in effect for as long as the Concession Agreement remains in force. On 24 December 2020, the Government transferred its rights and obligations under the Oil Operating Agreement to the Guarantor with effect from 24 February 2021 in accordance with the terms of the Oil Operating Agreement.

Under the terms of the Oil Operating Agreement, PDO is authorised to act as operator of the Block 6 operations under the terms of the Oil Concession Agreement. Specifically, PDO has the following rights as set out in the Oil Concession Agreement: (i) the right to conduct petroleum operations; (ii) the exclusive right to explore, search and drill for, produce and transport petroleum from the Oil Concession Area; (iii) the obligation to undertake the allocation of the costs of drilling operations to petroleum operations and gas operations; (iv) the right to use AG and NAG in accordance with the Oil Operating Agreement; (v) the right to import gas for use in petroleum operations; (vi) the right to do all things necessary or desirable for the purposes of the preceding operations; (vii) certain rights granted to the participants under the Oil Concession Agreement; and (viii) any other such rights and obligations granted or imposed on PDO as operator under the terms of the Oil Operating Agreement.

The Guarantor and POHOL may jointly agree to remove PDO as the operator by giving PDO at least 180 days' written notice. Under the terms of the Oil Operating Agreement, PDO is required to deliver to the Guarantor and POHOL their participating interest share in the Block 6 petroleum that PDO produces, as set out in the Oil Concession Agreement, and the Guarantor and POHOL have the right to take in kind and separately dispose of their participating interest shares in the petroleum. Each of the Guarantor and POHOL are obligated to lift or separately dispose of their participating interest share in any petroleum produced and/or stored at such times, in such quantities and in accordance with PDO's practices and policies.

In the event that the Concession Agreement is terminated for any reason, the Oil Operating Agreement will also terminate as soon as final settlement has been made between the parties to the Oil Concession Agreement. POHOL is not liable to contribute to the costs of petroleum operations and will not be liable for any loss, cost, liability, claim or expense related to Oil and AG assets incurred after the date of expiry or termination of the Oil Operating Agreement. If the Government or POHOL assign all or any part of their participating interest in the Oil Concession Agreement, each will have the right to assign their equivalent interest in the Oil Operating Agreement. PDO does not have assignment rights.

PDO Shareholders' Agreement

On 19 December 2004, the Government Participant, PDO, Shell, TotalEnergies and PTTEP entered into the Petroleum Development Oman LLC shareholders' agreement (the "**PDO Shareholders' Agreement**"). The PDO Shareholders' Agreement became effective on 1 January 2005. On 24 December 2020, the Government transferred its rights and obligations under the agreement to the Guarantor with effect from 24 February 2021 in accordance with the terms of the PDO Shareholders' Agreement.

The purpose of the PDO Shareholders' Agreement is to regulate the parties' respective rights and obligations with respect to the management and operation of PDO.

Under the PDO Shareholders' Agreement, the board of directors of PDO must consist of 9 members, of which the Guarantor is entitled to appoint five directors, Shell is entitled to appoint two directors, and TotalEnergies and PTTEP are entitled to appoint one director each. In addition to the PDO Board, the Guarantor has appointed representatives to the gas board and their committees. Each PDO shareholder has the right to remove any director appointed by it and the right to fill any vacancy in its representation on the PDO Board. Directors of PDO have unlimited terms. The chairman of the board is appointed by the Guarantor.

The board of directors of PDO meets a minimum of four times a year. The quorum for any meeting of the board of directors is four directors appointed by shareholders of PDO that together hold not less than 75 per cent. of the total number of shares in PDO. Any resolution of the board of directors of PDO (whether taken at a meeting or by way of written resolution) must be approved by directors appointed by shareholders holding not less than 75 per cent. of the total number of shares of PDO.

Under the PDO Shareholders' Agreement, in addition to approving certain customary administrative actions, the board of directors of PDO is responsible for approving the following actions with respect to PDO's Oil operations: (i) exploration, development and production work programmes; (ii) budgets and investment proposals; (iii) contract awards; (iv) certain gas agreements; and (v) PDO's annual decommissioning contribution. The board of directors of PDO must also approve PDO lending money and mortgaging, pledging or otherwise encumbering its legal or beneficial interest in any of its assets.

In terms of the management of PDO, under the PDO Shareholders' Agreement, the Guarantor and Shell must discuss and agree on the persons to be nominated as managing director and deputy managing director. Once appointed, these officers serve for a maximum of two years after which they may be reappointed or replaced. Neither the managing director nor the deputy managing director are members of the board of directors of PDO.

Under the agreement, PDO may request the Guarantor to provide information in regard to the availability, quantity, quality or otherwise of the natural gas which PDO may use for the purpose of petroleum operations in accordance with the Oil Operating Agreement.

Under the PDO Shareholders' Agreement, PDO must, and the shareholders of PDO will ensure that PDO will: (i) ensure that its business is conducted in accordance with all aspects of applicable laws, legislation and regulations and high standards of international petroleum industry practice with special regard to protection of health, safety and environment; (ii) establish policies consistent with its business principles and HSE policy; (iii) promptly advise each of the shareholders of any incidents arising out of or in connection with the operations of PDO which caused casualties or serious injuries or any material negative effect on the environment; (iv) ensure that the managing director and finance director of PDO will, jointly, each year provide the shareholders with certain written assurances; (v) ensure that the managing director of PDO provides the shareholders annual written assurance of compliance of PDO with the business principles and HSE policy; and (vi) undertake such actions as may be required of PDO by the application of law or the regulations of any recognised stock exchange to any shareholder or affiliate thereof.

Oil OEB SPA

On 24 February 2021, the Guarantor and the Government entered into the OEB Sale and Purchase Agreement (the "**Oil OEB SPA**") for the sale of the Guarantor's share of OEB from Block 6, including its participating interest share of Oil and AG condensate produced under the Oil Concession Agreement, as well as the NAG condensate produced under the Gas Concession Agreement. The Oil OEB SPA's initial term expired on 31 December 2021, but automatically renewed for an additional calendar year and will continue doing so for rolling one-year periods until terminated by either party no later than 30 September of the then current year. The parties must meet each year to discuss any issues relating to the renewal of the Oil OEB SPA.

Under the Oil OEB SPA, the Guarantor's and EDO Gas' OEB shares are sold and delivered at PDO's Mina Al Fahal terminal where the Ministry of Energy and Minerals purchases the OEB for resale under its sales agreements with its customers. OEB sold by the Guarantor and EDO Gas must be of normal export quality at the time of loading at the Mina Al Fahal terminal. The price per barrel payable for the quantities of OEB sold and delivered by the Guarantor are set out in the relevant Ministry of Energy and Minerals customer sales agreements. Title to, possession and control of, and all risks associated with, the OEB pass to the Ministry of Energy and Minerals as the OEB passes the ship's manifold. The Government pays the Guarantor and EDO Gas the price set out in an OEB sales agreement between the Ministry of Energy and Minerals and a pool of

customers allocated to the Guarantor and EDO Gas, about which the Ministry of Energy and Minerals notifies the Guarantor and EDO Gas. These contracts between the Ministry of Energy and Minerals and its customers typically have a term of one calendar year and are negotiated in the fourth quarter of the previous year. The Ministry of Energy and Minerals or the relevant customer are responsible for any taxes, charges, duties and other imposts applicable to the sale, purchase and lifting of the OEB. PDO, on behalf of the Guarantor and EDO Gas, notifies the Ministry of Energy and Minerals of the expected stock level and production rate forecast to be available each lifting month and the Ministry of Energy and Minerals confirms the nomination of available volume as provided by PDO.

On 7 September 2023, the Guarantor and EDO Gas entered into a back-to-back OEB sale and purchase agreement for the sale of NAG condensate (the "**NAG Condensate SPA**") effective from the Gas Operations Transfer Date, as described below.

NAG Condensate SPA

On 7 September 2023, the Guarantor and EDO Gas entered into the NAG Condensate SPA for the sale of EDO Gas' share of OEB from the NAG condensate produced under the Gas Concession Agreement on back-to-back terms with the Oil OEB SPA. Accordingly, in line with the Oil OEB SPA, the NAG Condensate SPA will automatically renew every calendar year and will continue doing so for rolling one-year periods until terminated by either party no later than 30 September of the then current year.

From the Gas Operations Transfer Date, EDO Gas has become the owner of NAG condensate. Under the NAG Condensate SPA, EDO Gas sells condensate to the Guarantor which sells it on to the Ministry of Energy and Minerals on back-to-back basis, under the existing NAG Condensate SPA. The Guarantors continue to assume responsibility for selling NAG condensate production, as well as for the payment of royalties and taxes from the revenue derived from these sales. Under the NAG Condensate SPA, EDO Gas' OEB entitlements are sold and delivered at PDO's Mina Al Fahal terminal to the Guarantor for back-to-back sales to the Ministry of Energy and Minerals under the Oil OEB SPA, for onwards resale under the latter's sales agreements with its customers. OEB sold must be of normal export quality at the time of loading at the Mina Al Fahal terminal. The price per barrel payable for the quantities of OEB sold and delivered by the Guarantor under the Oil OEB SPA are set out in the relevant Ministry of Energy and Minerals customer sales agreements. Title to, possession and control of, and all risks associated with, the OEB pass to the Ministry of Energy and Minerals as the OEB passes the ship's manifold. The Government pays the Guarantor (and the Guarantor in turn pays EDO Gas its share of) the price set out in an OEB sales agreement between the Ministry of Energy and Minerals and a pool of customers allocated to the Guarantor, and indirectly, EDO Gas, about which the Ministry of Energy and Minerals notifies the Guarantor and EDO Gas. These contracts between the Ministry of Energy and Minerals and its customers typically have a term of one calendar year and are negotiated in the fourth quarter of the previous year. The Ministry of Energy and Minerals or the relevant customer are responsible for any taxes, charges, duties and other imposts applicable to the sale, purchase and lifting of the OEB. PDO, on behalf of the Guarantor, notifies the Ministry of Energy and Minerals of the expected stock level and production rate forecast to be available each lifting month and the Ministry of Energy and Minerals confirms the nomination of available volume as provided by PDO.

Gas Concession

Gas Concession Agreement and 2023 Gas Concession NARA

On 20 April 2021, the Government, represented by the Ministry of Energy and Minerals, and the Guarantor entered into the Gas Concession Agreement, pursuant to which the Government granted the Guarantor rights to explore, search and drill for, produce and develop NAG and NAG condensate in Block 6, excluding the areas

designated as Block 12 (other than existing NAG producing fields), Block 61 and Block 77 (as this may be amended or varied from time-to-time, the "**Gas Concession Area**").

Pursuant to the Gas Concession Agreement, the Government also assigned and transferred all existing assets used in the conduct of NAG operations in the Gas Concession Area to the Guarantor. The Gas Concession Agreement will remain in force until 31 December 2044 or such later date as the parties may agree, unless terminated earlier in accordance with its terms. The agreement contains customary termination rights and remedy periods in the event of a material breach. The Guarantor may also terminate the agreement at any time on 12 months' notice. In the event of a conflict between the Gas Concession Agreement and the Oil Concession Agreement, the terms of the Oil Concession Agreement prevail.

On 7 September 2023, the Government, represented by the Ministry of Energy and Minerals, the Guarantor, and EDO Gas signed the 2023 Gas Concession NARA, pursuant to which the Guarantor assigned and transferred its rights to NAG and condensate (AG and NAG), its participating interest in and ownership of the Gas Operations and any other right or interest granted to the Guarantor under the existing Gas Concession Agreement to EDO Gas. Effective from 1 July 2023, the Guarantor's position under the Gas Concession Agreement has been novated to EDO Gas so that EDO Gas, for all purposes, has assumed the rights, interests, liabilities and obligations in respect of the Assigned Interest, and is entitled to the benefits thereof in the place of the Guarantor. In addition, the 2023 Gas Concession NARA provides absolute title to the underlying gas assets to EDO Gas and permits EDO Gas to guarantee, lien, encumber, lease, sell, assign, transfer or otherwise dispose of gas assets (or any interest therein) for the purpose of raising finance (including by way of the issuance of bonds or sukuk directly or through a special purpose vehicle which may or may not be an affiliate of EDO Gas) for carrying out Gas Operations and/or, if approved by the Gas Board, any other general corporate financing needs, including dividend payments in accordance with the Company's and the Guarantor's policies. As of the same date, the Guarantor has ceased, for all purposes, to observe, perform, discharge and be bound by any rights, interests, liabilities, or obligations in relation to the Assigned Interest arising under the Gas Concession Agreement and has been released from its liabilities in respect of the Assigned Interest by the Government. Pursuant to the 2023 Gas Concession NARA, PDO will remain the Operator under the Gas Concession Agreement and certain terms and provisions of the Gas Concession Agreement have been amended to, amongst other matters: (i) reflect the transfer by the Guarantor to EDO Gas; (ii) set out the rights of EDO Gas to sell or transfer, in whole or in part, its participating interests and any other ownership interest thereunder to a third party; and (iii) facilitate the raising of finance by EDO Gas.

Rights to NAG

The Gas Concession Agreement grants EDO Gas: (i) the exclusive rights to explore, search and drill for, produce and sell NAG from the Gas Concession Area; (ii) the exclusive ownership of all NAG at the wellheads in the Gas Concession Area; (iii) the exclusive ownership of all gas assets; (iv) the exclusive ownership of all NAG condensate (except for condensate from Yibal) upon its entry into the operator's infrastructure; (v) the right to use NAG upstream of where it is delivered to the Guarantor by the operator free of charge and with priority over all other uses; however, NAG may only be flared with the written permission of the Government subject to limited exceptions; (vi) the right to use the gas assets in accordance with the terms of the Gas Concession Agreement; (vii) the right to transport and sell (for use within Oman or for export) and to export freely, or otherwise to deal with or dispose of, any and all of its entitlement to NAG, NAG condensate and any NAG by-products, free of export duty and taxes and all other similar charges, subject to certain restrictions; and (viii) the right, subject to the terms of the Gas Concession Agreement and applicable laws, to do all things necessary or desirable for the purposes of the above operations.

Subject to approval by its board, EDO Gas may use its gas assets to provide services to third parties, provided that the use of its assets for its own gas operations takes priority over any other uses unless otherwise approved by its board.

The Gas Concession Agreement permits EDO Gas to appoint an operator to undertake gas operations on its behalf and authorise such operator to exercise its rights and perform its obligations under the agreement. EDO Gas has appointed PDO as the operator of its gas operations.

EDO Gas is not permitted to use the Gas Concession Area in a manner other than as permitted by the Gas Concession Agreement without the consent of the Government.

NAG Sales

Pursuant to the Gas Concession Agreement, EDO Gas and the Government entered into the NAG Sales Agreement for the sale to the Government of all NAG produced from the Gas Concession Area. Effective 1 January 2023, the Government transferred all of its allocations, assets, rights and obligations under the NAG Sales Agreement to IGC Oman and, effective 1 July 2023, the Guarantor transferred its Seller Interest under the NAG Sales Agreement to EDO Gas. Should IGC Oman not require all of the NAG capable of being produced from the Gas Concession Area, the Government may authorise EDO Gas to sell the NAG to third parties.

Fiscal Regime

Prior to the Gas Operations Transfer Date the Guarantor paid, and after the Gas Operations Transfer Date EDO Gas pays, royalties to the Government on a weekly basis based on the monthly revenue using the MOG Price for the month of lifting multiplied by the number of barrels of petroleum taken in lieu of NAG condensate in such month. The royalties consist of a zero royalty, a base royalty and an additional royalty. Where the MOG Price is less than US$23.00 per barrel in any month, the applicable royalty is zero (zero royalty). In any month where the MOG Price is US$23.00 per barrel or more, a sliding scale royalty rate is calculated and paid as a percentage of NAG condensate export revenue using a formula of 55.6 per cent. minus the result of US$12.778 divided by the MOG Price per barrel (base royalty). In any month where the MOG Price is US$55.00 per barrel or more, an additional royalty is calculated and paid as a percentage of NAG condensate export revenue calculated as 15 per cent. multiplied by the result of the MOG Price per barrel minus US$55.00 per barrel divided by the MOG Price per barrel (additional royalty). This additional royalty is payable on top of the base royalty.

Further, prior to the Gas Operations Transfer date the Guarantor paid, and after the Gas Operations Transfer Date EDO Gas pays, taxes on their taxable income under the Gas Concession at a rate of 55 per cent. The taxable income is calculated based on revenue minus cost recovery, which comprises the expenditures, the royalties paid, the operating gas costs incurred by PDO and an annual deduction for depreciation applied to capital gas costs by PDO. Cost recovery excludes certain taxes, duties, imposts and similar charges paid or payable in respect of gas operations, except for customs duties payable up to 5 per cent. The Government bears and funds all costs in respect of customs duties, import duties, taxes (other than income taxes and value added tax) and other similar charges incurred in the conduct of Gas Operations, except that the Gas Concession holder must fund customs duties up to a rate of 5 per cent.

Other than as set out above, the Guarantor and EDO Gas are free and exempt from all taxes, imposts, charges imposed by the Government in respect of income derived from gas operations, all payments paid out of such income, and its capital, operations and property.

Subject to certain limited exceptions, all NAG condensate produced from the Gas Concession Area is exempt from harbour and port duties, export duties, imposts and charges of any kind. Under the Gas Concession Agreement, the Government has granted buyers of NAG condensate (or OEB taken in lieu of NAG condensate) and the transporters thereof an entitlement to export such NAG condensate or OEB from Oman and an exemption from all taxes, duties, imposts and charges in respect of their dealing in and transport of NAG condensate or OEB.

Conduct of Operations

EDO Gas must undertake, and must procure that PDO undertakes, gas operations in a diligent, efficient and workmanlike manner, and is required to take all reasonable measures to prevent fire, the ingress of extraneous water to any hydrocarbons bearing strata (except in the case of water flood operations) and pollution. EDO Gas must abandon any unproductive holes drilled by plugging in accordance with good oilfield practice having regard to all applicable health and safety laws. Subject to certain conditions, EDO Gas must give, and must procure that PDO gives, preference to goods and services made or produced in Oman.

Use of Land and Infrastructure

The Gas Concession Agreement provides that the Government must take all necessary steps to ensure that EDO Gas has the right, subject to certain limited exceptions, to construct, operate, maintain and use prescribed infrastructure, including facilities or works, required for the efficient and effective conduct of the gas operations (i) in the Gas Concession Area, without hindrance or the requirement for any further approvals or consents, and (ii) outside the Gas Concession Area as reasonably required for the efficient and effective conduct of gas operations, with such government approvals and consents as may be necessary.

EDO Gas may not carry out any operations over the surface of areas occupied by or devoted to the purposes of mosques, sacred buildings or graveyards. The parties also do not have the right to use or occupy any sites selected by the Government for defence purposes, airports, aeroplane or seaplane bases or for communication installations or in connection with the development of harbours, subject to certain limited exceptions. During times of emergency, the Government has the right to use any airstrips, harbours or communication installations maintained by EDO Gas free of charge.

If the Government grants any third party any concession or other agreement relating to the exploitation of hydrocarbons or any other public resource within the Gas Concession Area, the Government must use all reasonable endeavours to ensure that such concession or other agreement contains enforceable terms requiring such third party to abstain as far as is reasonably practicable from damaging, impeding or interfering with the property, operations, rights and interests of EDO Gas and PDO. In the event of a breach of any such agreement, the Government must enforce the terms and use any recovery to remedy any damages to EDO Gas.

Funding

EDO Gas must fund all Gas Operations. In the event that drilling is conducted for both Oil and NAG, drilling for Oil results in the discovery of NAG or drilling for NAG results in the discovery of Oil, EDO Gas and POHOL will agree a fair and equitable sharing of the costs of the drilling operations.

Ringfencing

The Gas Concession Agreement sets out procedures to reassess investment proposals for projects proposed by the operator that the EDO Gas Board of Directors does not approve. In the event of continued disagreement, these procedures enable the Government to remove such projects from the terms of the Gas Concession Agreement and carry them out at its sole risk, subject to certain conditions.

NAG Sales Agreement and 2023 NAG Sales NARA

On 14 June 2021, the Guarantor and the Government, represented by the Ministry of Energy and Minerals, entered into the NAG Sales Agreement for the sale of 100 per cent. of the NAG produced by PDO.

On 7 September 2023, the Guarantor, IGC Oman and EDO Gas signed the 2023 NAG Sales NARA. The 2023 NAG Sales NARA states that, with retroactive effect:

- from 1 January 2023, IGC Oman replaced the Government as buyer of NAG under the NAG Sales Agreement and the Government assigned and transferred all of its allocations, assets, rights and

obligations under the NAG Sales Agreement, as well as any related agreements, from the Ministry of Energy and Minerals to IGC Oman. The Government owns 100 per cent. of IGC Oman.

- from 1 July 2023, the Guarantor assigned and transferred all of its rights and obligations as seller under the NAG Sales Agreement to EDO Gas and EDO Gas has replaced the Guarantor as seller. As of the same date, the Guarantor has ceased, for all purposes, to observe, perform, discharge and be bound by any rights, interests, liabilities, or obligations in relation to the Seller Interest arising under the NAG Sales Agreement and has been released from its liabilities in respect of the Seller Interest by the Government.

Under the terms of the NAG Sales Agreement, EDO Gas sells and uses reasonable efforts to make NAG available to IGC Oman, which, in turn, purchases and uses reasonable efforts to take NAG made available by EDO Gas. PDO delivers to EDO Gas such quantities of NAG on a first priority basis as may be required by IGC Oman to fulfil its obligations under the Oil Concession Agreement to make available NAG for petroleum operations. Title, risk of loss and damage to NAG passes to IGC Oman at the points of delivery, as defined in the NAG Sales Agreement. If IGC Oman does not require all of the NAG capable of being produced by PDO, the Government may authorise EDO Gas to sell the NAG to third parties.

NAG is sold at a fixed transfer price calculated using a "blended transfer price" methodology that accounts for the economics of Block 6 gas projects. Transfer prices are reviewed and agreed every five years to account for updates in Block 6 gas projects, macroeconomic trends and downstream gas sales prices. IGC Oman only pays for NAG actually taken and is not subject to any penalties if it takes quantities less than the annual or monthly quantity forecasted each contract year. For more information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations— Factors Affecting the Guarantor's Results of Operations and Financial Condition—Supply, Demand and Price of Hydrocarbons—NAG*" and "*—Sales and Marketing—NAG*" above.

IGC Oman notifies EDO Gas of its reasonably estimated annual and monthly requirements for NAG during a contract year at least six months in advance of the start of such year. EDO Gas then notifies IGC Oman of the quantities of NAG that it reasonably expects to be able to supply at least three months prior to the start of the respective contract year. EDO Gas is not subject to penalties if it makes available less quantities than its annual or monthly forecasts. EDO Gas must furnish IGC Oman a monthly forecast setting out EDO Gas' projection of the average daily contract quantity of NAG to be supplied to IGC Oman that EDO Gas expects it will be able to make available across each delivery point each day. Any NAG in excess to the daily contract quality will be considered excess NAG and, subject to each party's consent and sole discretion, a party may make available or take as appropriate such excess NAG at the agreed monthly contract price.

NAG supplied by EDO Gas must comply with certain agreed specifications; however, if it does not, EDO Gas must promptly use reasonable efforts to remedy the quality failure, and, if unsuccessful, IGC Oman must make reasonable efforts to take off-specification NAG subject to certain limited exceptions. IGC Oman may elect, in its sole discretion, to refuse to take all or any part of such off-specification NAG until the quality failure has been remedied. Subject to certain carve-outs, EDO Gas is liable for any costs arising from IGC Oman accepting off-specification NAG, subject to a per year cap.

EDO Gas and IGC Oman may each assign or subcontract, in whole or in part, their rights or obligations under the NAG Sales Agreement provided each has obtained the other party's prior written consent and the prior consent of the Government. The NAG Sales Agreement will terminate upon the termination of the Gas Concession Agreement.

US$2 Billion Facility

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Cash Flows—Capital Resources—US$2 Billion Facility*".

DIRECTORS AND MANAGEMENT

Board of Directors

EDO Gas

The Gas Operations are managed by the EDO Gas Board of Directors and its members are appointed by the Guarantor Board.

The table below shows the current members of the EDO Gas Board of Directors:

Name	Title
H.E. Mohsin bin Hamed Al-Hadhrami	Director and Chairperson
Azhar Al Kindi	Director
Isam Al Zadjali	Director
Mazin Rashid Nasser Al Lamki	Director
Sultan Ali Rashid Al Mamari	Director

The business address of each director is P.O. Box 828, Postal Code 116, Muscat, Sultanate of Oman.

The EDO Gas Board of Directors conducts its business in accordance with EDO Gas' constitutive contract and manual of authority and the rules and resolutions adopted by the Guarantor Board from time to time. The EDO Gas Board of Directors is comprised of up to five members appointed by the Guarantor Board from time to time. The manual of authority sets out matters reserved for the Guarantor Board to approve, including, among others, approving strategy and corporate targets; the appointment of committees of the EDO Gas Board of Directors; supervising the performance of the executive management and ensuring the good performance of EDO Gas; approving company policies and standards not expressly provided for under the constitutive contract; and opening and closing accounts with banks and other financial institutions. The manual of authority further provides that the Guarantor Board may revise from time to time the matters listed as decisions reserved for the Guarantor (in its capacity as sole shareholder of EDO Gas), as well as the authority delegated to the EDO Gas Board of Directors and the Managing Director of EDO Gas.

Brief biographies of each member of the EDO Gas Board of Directors are set out below:

H.E. Mohsin bin Hamed Al-Hadhrami, Chair and Director

H.E. Mohsin bin Hamed Al-Hadhrami was appointed as a director of EDO Gas in January 2025. He was appointed undersecretary of the Ministry of Energy and Minerals in December 2022. He has over 27 years of experience in the private sector. Prior to this appointment, Al-Hadhrami was the New Energy Director in Schlumberger Middle East and North Africa. In addition, he has extensive experience in the renewable oil and gas sector. He worked in the field of strategic marketing, preparing and implementing a strategy for renewable energy business growth, and has experience in carbon dioxide capture and storage and geothermal energy.

H.E. Mohsin bin Hamed Al-Hadhrami holds a bachelor's degree in Geophysics from Durham University in the United Kingdom.

Azhar Al Kindi, Director

Azhar Al Kindi was appointed as a director of EDO Gas in March 2024. Azhar Al Kindi has over 20 years of experience in the global energy industry. Prior to joining EDO Gas, he was COO and Deputy CEO at Petrogas

E&P LLC. He previously worked at Shell as Regional Functional Manager in Australia, as well as sub-surface Team Leader in Shell E&P's Americas division.

Azhar holds a bachelor of science (hons) in Physics from Durham University in the United Kingdom. He has also undertaken selective master's degree in Business Administration modules and received professional training in leadership, business, health, safety, environment, technical aspects, economics and commercial practices.

Mazin bin Rashid Al Lamki, Director

Mazin bin Rashid Al Lamki was appointed as a director of EDO Gas on 6 August 2023. Throughout the last 22 years, Mazin bin Rashid Al Lamki has built an extensive international oil and gas experience in multicultural environments with diverse operational, technical and commercial expertise across various functions. Prior to his appointment as CEO, he was the Chief Operating Officer of Mubadala Petroleum LLC in the United Arab Emirates, a position he held since March 2017. Over the last 10 years, Mazin has held several leadership positions at Mubadala Petroleum, including Thailand Country President, Senior Vice President Operations and Chief Operating Officer. Prior to this, he was the Manager of Asset Management at Mubadala Development Company between September 2009 and August 2011. From September 2000 and August 2009, Mazin held various roles at Schlumberger Limited covering various technical and commercial assignments across the Middle East, North America and Southeast Asia, such as Field Engineer, Operations Manager and Sales and Marketing Manager. Mazin began his career with PDO in September 1998, where he worked as a Construction and Maintenance Mechanical Supervisor until September 2000.

Mazin holds a Bachelor of Engineering in mechanical engineering from the University of Manchester and a Master's degree in Management of Oil and Gas from The Heriot-Watt University. He also holds a Leadership Certificate in the Breakthrough Programme for Senior Executives from the IMD Business School, Switzerland. He is certified as a professional in mergers and acquisitions by the London Business School. He also serves as the Chief Executive Officer and Executive Director of the Guarantor. See *"—Senior Management—Guarantor*" below.

Sultan Al Mamari, Director

Sultan Al Mamari was appointed as a director of EDO Gas on 6 August 2023. Sultan has more than 20 years of experience, mainly with oil and gas companies across different functions such as finance, strategy, investment and field development. Prior to joining the Guarantor, Sultan worked as strategy lead for Oman Investment Authority and as the Vice President of Upstream Finance with OQ. Throughout the course of his career, Sultan has worked with various operators such as PDO, Occidental and Schlumberger Oil Services.

Sultan holds a bachelor's degree in Petroleum Engineering and a post graduate diploma in reservoir engineering at Sultan Qaboos university. He also serves as the Chief Financial Officer of the Guarantor. See *"—Senior Management—Guarantor*" below.

Isam Al Zadjali, Director

Isam Al Zadjali was appointed as a director of EDO Gas in October 2023. Isam Al Zadjali has over 30 years of experience in the global energy industry. Prior to joining EDO Gas, he was Chief Executive Officer at Oman Oil Company SAOC (later renamed OQ SAOC). Isam was previously the President at of Occidental Petroleum Corporation's operations in Oman, the Director Oil and Gas Operations and Director of Drilling at the Ministry of Energy and Minerals and the Chairman of Muscat Municipality.

Isam holds a bachelor of science degree in Petroleum and National Gas Engineering from Pennsylvania State University in the United States.

Guarantor

The Guarantor is managed by the Guarantor Board. The Guarantor Board's role is to foster the overall success of the Guarantor by enhancing shareholder value, evaluating the performance of senior management, approving and overseeing the implementation of the Guarantor's corporate strategy and plans, measuring corporate performance against plans and targets and acting as a resource for management in matters of planning and policy. The Guarantor Board plays an active role in reviewing the new investments and projects, as well as in approving the Guarantor's strategy, business plans and annual budgets. The Guarantor's management also updates the Guarantor Board on the status of its investments and projects on a regular basis.

The Guarantor Board comprises a chair and three other non-executive directors. The Guarantor Board comprises representatives from the Ministry of Finance, the Ministry of Energy and Minerals and a representative of Oman Investment Authority, each appointed by His Majesty the Sultan via Royal Order.

The Guarantor's Directors are appointed by His Majesty by Royal Order and by reference to positions, such as the Minister of Energy and Minerals, and continue until replaced. All current Guarantor Non-Executive Directors were appointed in December 2020. Mazin Al Lamki was appointed Chief Executive Officer and Executive Director in March 2022.

The table below shows the current members of the Guarantor Board:

Name	Title
H.E. Salim bin Nasser Al Aufi	Chairman and Non-Executive Director
H.E. Abdullah bin Salim Al Harthi.....	Non-Executive Director
Mr. Mulham bin Basheer Al-Jarf.....	Non-Executive Director
H.E. Nasser bin Khamis Al-Jashmi	Non-Executive Director

The business address of each director of the Guarantor Board is P.O. Box 828, Postal Code 116, Muscat, Sultanate of Oman.

The Guarantor Board conducts the Guarantor's business in accordance with the Guarantor's articles of association and the rules and resolutions adopted by the Guarantor Board. The articles of association provide that meetings of the Guarantor Board may be convened by the Chairperson at any time, with a minimum attendance requirement of at least four of its members being present or represented. The articles of association provide that the Guarantor Board shall have the power and authority to manage the Guarantor. The Guarantor Board may by resolution and as required by the laws of Oman form committees and delegate its authority to perform some of the activities entrusted to the Guarantor Board.

The Guarantor Board has full authority to perform all acts required for the management of the Guarantor pursuant to the Guarantor's commercial objects to: (i) own an interest in PDO; (ii) own an interest in the Block 6 petroleum agreements and undertake hydrocarbon exploration and production operations in Oman in accordance with such agreements; (iii) undertake any other projects, operations and activities related to the exploration, development, extraction, production, transportation, ownership, sale, storage and delivery of hydrocarbons; (iv) undertake any projects, operations and activities related to renewable energy in Oman; and (v) carry on any other business or activity which its shareholders consider is or may be carried on for the benefit of the Guarantor. Such authority will not be limited or restricted except as provided by the laws of Oman, the articles of association of the Guarantor or a resolution of the general meeting.

The Guarantor Board appoints the CEO of the Guarantor who reports to the Guarantor Board, the CFO of the Guarantor and other senior managers who report to the CEO and manage the business of the Guarantor's activities on a day-to-day basis.

Brief biographies of each of the members of the Guarantor Board are set out below:

H.E. Salim bin Nasser Al Aufi, Chair and Non-Executive Director

H.E. Salim bin Nasser Al Aufi has been a non-executive director of the Guarantor since December 2020. He has over 28 years of experience with PDO in the Oil and gas industry. H.E. Salim bin Nasser Al Aufi also serves as the Minister of Energy and Minerals, a position he has held since June 2022, after having served as the Undersecretary of the Ministry of Energy and Minerals since December 2013. Prior to this, he was Oil North Director at PDO between 2010 and 2013. H.E. Salim bin Nasser Al Aufi joined PDO in 1992 and prior to being promoted to Oil North Director held various positions at PDO, both in Oman and internationally, including Head of Corporate Planning, Chief of Petroleum Engineering and Operations Manager. In May 2012, H.E. Salim bin Nasser Al Aufi was appointed by Royal Decree as CEO of the Public Authority for Civil Aviation. During his tenure at PDO, he was seconded to Shell in Nigeria as a Petroleum Engineer and Asset Planner and also to Shell in Canada as the Vice President of Production.

H.E. Salim bin Nasser Al Aufi holds a master's degree in Petroleum Engineering from Heriot Watt University, Dubai, United Arab Emirates.

H.E. Abdullah bin Salim Al Harthi, Non-Executive Director

H.E. Abdullah bin Salim Al Harthi has been a non-executive director of the Guarantor since December 2020. He is also the Undersecretary of the Ministry of Finance, a position he has held since July 2020. Prior to joining the Guarantor, he was the Chief Financial Officer of the State General Reserve Fund before it merged into the Oman Investment Authority ("**OIA**"). H.E. Abdullah bin Salim Al Harthi also serves as a member of the board of directors of the OIA and is a member of the Board of Governors of the Central Bank of Oman.

H.E. Abdullah bin Salim Al Harthi is a CFA Charterholder. He has a master's degree in Business Administration from IMD Business School, Switzerland.

Mr. Mulham bin Basheer Al-Jarf, Non-Executive Director

Mr. Mulham bin Basheer Al-Jarf has been a non-executive director of the Guarantor since his appointment in December 2020. He has over 25 years of commercial experience in international business and finance and also serves as Acting Deputy President for Investment of the OIA. Previously, Mulham bin Basheer Al-Jarf was the Deputy Chief Executive Officer of Oman Oil Company SAOC (later renamed OQ SAOC) and has held positions at the Ministry of Energy and Minerals, Oman Gas Company SAOC and Omantel (previously General Telecommunications Organization). Mr. Mulham bin Basheer Al-Jarf also serves as Chairman of OQ SAOC.

Mulham bin Basheer Al-Jarf holds a bachelor's degree in Business Administration in International Business from Marymount University in Arlington, Virginia (United States), and is a qualified barrister in England and Wales.

H.E. Nasser bin Khamis Al-Jashmi, Deputy Chairman and Non-Executive Director

H.E. Nasser bin Khamis Al Jashmi has been a non-executive director of EDO since his appointment in December 2020. He also serves as the Government's Chairman of the Tax Authority. Prior to joining EDO, he held several senior positions in the Government, including Undersecretary of the Ministry of Finance from 2013 to 2019 and Undersecretary of the Ministry of Energy and Minerals from 2003 to 2013. He also serves as the chairman or as a member of various other boards and committees, including as Chairman of the National Centre

for Statistics and Information, Chairman of the Telecommunications Regulatory Authority, and Deputy Chairman of the PDO Board.

H.E. Nasser bin Khamis Al Jashmi holds a master's degree in Applied Economics from American University, Washington D.C., United States.

Senior Management

EDO Gas

EDO Gas does not have a separate senior management team.

Guarantor

The CEO and the senior management of the Guarantor are responsible for the proper management, supervision and direction of the Guarantor's business and affairs. In particular, the CEO is responsible for the Guarantor's technical, administrative and financial affairs and such targets and policies as may be set by the Guarantor Board.

The table below shows the Guarantor's senior management team.

Name	Title
Mazin Al Lamki	Chief Executive Officer and Executive Director
Sultan Al Mamari	Chief Financial Officer
Azhar Al Kindi	Chief Operating Officer
Hamed Al Barashdi	General Counsel
Mohammed Al Harrasi	Director, Corporate and Business Services
Bader Al Abri	Acting Head of Portfolio Management — Block 6

The business address of each member of senior management is P.O. Box 828, Postal Code 116, Muscat, Sultanate of Oman.

Brief biographies of each of the members of the Guarantor's senior management are set out below.

Mazin bin Rashid Al Lamki, Chief Executive Officer and Executive Director

Mazin bin Rashid Al Lamki was appointed Chief Executive Officer and Executive Director of the Guarantor in March 2022. For Mazin bin Rashid Al Lamki's full biography, see "*—Board of Directors—Mazin bin Rashid Al Lamki, Director*" above.

Sultan Al Mamari, Chief Financial Officer

Sultan Al Mamari was appointed Chief Financial Officer of the Guarantor in March 2022. For Sultan Al Mamari's full biography, see "*—Board of Directors— Sultan Al Mamari, Director*" above.

Azhar Al Kindi, Chief Operating Officer

Azhar Al Kindi was appointed Chief Operating Officer of the Guarantor in October 2023. Azhar Al Kindi has over 20 years of experience in the global energy industry. Prior to joining the Guarantor, he was COO and Deputy CEO at Petrogas E&P LLC. He previously worked at Shell as Regional Functional Manager in Australia, as well as sub-surface Team Leader in Shell E&P's Americas division.

Azhar holds a bachelor of science (hons) in Physics from Durham University in the United Kingdom. He has also undertaken selective master's degree in Business Administration modules and received professional training in leadership, business, health, safety, environment, technical aspects, economics and commercial practices.

Hamed Al Brashdi, General Counsel

Hamed Al Brashdi was appointed General Counsel of the Guarantor in July 2023. Prior to becoming General Counsel, he worked as Head of Legal of Daleel Petroleum LLC between January 2015 and July 2023. He previously worked as Legal Counsel of PDO between 2008 and 2015, Legal Officer of Mazoon Electricity Company SAOC, which is now known as Nama Electricity Distribution Company SAOC, between 2006 and 2008 and Legal Researcher of the Supreme Court between 2003 and 2006.

Hamed holds a law degree from the Sultan Qaboos University in Muscat, Oman.

Mohammed Al Harrasi, Director, Corporate and Business Services

Mohammed Al Harrasi was appointed as Director of Corporate and Business Services in May 2022. He has over 15 years of experience in the energy and investment industry with a speciality in business process and digitalisation, organisational competitiveness and effectiveness. Mohammed has experience as a strategic partner during the start-up phase of businesses and organisational transformations. Mohammed previously worked for the Oman Investment Authority and Petrogas E&P Group.

Mohammed holds a bachelor's degree in Commerce and a master's degree in International Human Resources Management. Mohammed has completed the CIPD Diploma Level.

Bader Al Abri, Acting Head of Portfolio Management — Block 6

Bader was appointed Head of Portfolio Management for Block 6 with the Guarantor in January 2023. Bader has over 10 years of experience and has worked in multiple oil and gas developments and power generation projects.

Prior to his appointment, he held multiple positions, including as Vice President Assurance for Upstream, Project and Alternative Energy and Projects Lead (Bisat Phase I and Phase II Oil Development) with OQ. He started his career as a Thermal Systems Engineer and Senior Project Engineer for PDO.

Bader holds a PhD in Surface-Subsurface Model for the Techno-Economic and Risk Evaluation of Thermal EOR Projects and an MSc in Thermal Energy from Cranfield University in the United Kingdom, and a BSc in Mechanical Engineering from the University of Nottingham in the United Kingdom.

Conflicts

There are no conflicts of interest between the duties of the members of the Guarantor Board and the Guarantor's senior management listed above to the Guarantor and their private interests or other duties.

Corporate Governance

EDO Gas

The EDO Gas Board of Directors has not formed any committees. However, the EDO Gas manual of authority permits the formation of such committees at the discretion of the Guarantor Board.

The Guarantor

The Guarantor is committed to adopting, applying and continuously improving the highest standards of corporate governance in all its activities and operations. A number of policies have been and are being

developed, including the code of conduct, human resource policy and procurement policy. The Guarantor Board has one committee, the Audit and Risk Management Committee, which is supported in its work by an internal audit function.

Audit and Risk Management Committee

The Audit and Risk Management Committee assists the Guarantor Board in fulfilling its oversight responsibilities related to (i) the integrity of the financial reporting process, (ii) the effectiveness of internal control, (iii) the performance and independence of the Guarantor's internal audit function and external auditors, (iv) the systems for compliance with the laws and regulations and (v) the adequacy and effectiveness of risk management.

The Audit and Risk Management Committee has a wide range of responsibilities, including:

- the nomination of the external auditor and review of their annual report;
- the review of the Guarantor's financial statements;
- the preparation of the annual report;
- issues raised in audit opinions, reports, control reviews and by the external auditor and State Audit Institution;
- related party transactions to be disclosed at the annual general meeting; and
- the approval and implementation of a risk management policy and the submission of risk management reports.

In exercising its responsibilities, the Audit and Risk Management Committee has the power to request the attendance of the CFO in its meetings, information from any employee of the Guarantor and the advice of professional and competent persons.

The Audit and Risk Management Committee meets as frequently as required (as determined by the chair) and at least four times a year. Its members are appointed by the Guarantor Board. It currently comprises two members: H.E. Abdullah Al Harthi – Undersecretary Ministry of Finance (as chairman) and Mr. Mulham Al Jarf – Acting Deputy President – Investment from Oman Investment Authority (as member).

Codes of Conduct

The Guarantor Board is responsible for setting ethical standards and values for the Guarantor and ensuring that they are embedded as part of the Guarantor's culture and that of EDO Gas. As part of the continuing development of the Guarantor's culture, the Guarantor Board has adopted a code of conduct for the Group.

PDO has a code of conduct that applies to all of its employees and directors. The PDO Managing Director monitors and oversees the implementation of the code. The PDO Board decides on code-related matters pertaining to the Managing Director and his direct reports. the Guarantor's Audit Committee assists in the oversight responsibilities relating to the code.

The code of conduct sets standards in a range of areas, including:

- conflicts of interest;
- business interest;
- gifts and entertainment;

- business integrity (including treating contractors and Guarantor partners fairly, gathering market intelligence only in a legal and ethical manner and complying with trade restrictions and sanctions);
- confidentiality;
- protecting corporate assets;
- health, safety and environmental protection;
- workplace practices (such as treating other employees with respect and ensuring that personal data laws are observed); and
- whistleblowing.

REGULATION OF THE OIL AND GAS INDUSTRY IN OMAN

The Oil and Gas Law

Overview

The Oil and Gas Law promulgated by Royal Decree № 8/2011 (the "**Oil and Gas Law**") applies to all petroleum substances, petroleum resources and petroleum operations within Oman.

EPSAs and Licences

Under the Oil and Gas Law, rights to explore, prospect for, appraise, develop and exploit petroleum substances are granted on the basis of a concession agreement, typically executed in the form of an EPSA, which takes effect after the Government promulgates a Royal Decree ratifying such EPSA. Block 6 is governed by concession agreements that are not EPSAs. For further information on the Concessions, see "*Material Agreements*". The Ministry of Energy and Minerals, acting on behalf of the Government, is the body authorised to negotiate and agree the commercial terms of concession agreements (whether in the form of EPSAs or otherwise) with Oil and gas exploration and production companies. Under the Oil and Gas Law, rights to import, export, transport, store, distribute, process or market petroleum substances are subject to a separate licence from the Ministry of Energy and Minerals. The Ministry of Energy and Minerals grants EPSAs and licences related to petroleum operations pursuant to regulations, procedures and policies established from time to time, which outline the terms and conditions relating to the granting of an EPSA or licence.

Ownership Rights

Under the Oil and Gas Law, all petroleum substances (and minerals) in their natural state, wherever they are found in Oman, are the property of the state. An EPSA does not grant ownership rights to its recipient ("**Right-Holders**"). Right-Holders are prohibited from assigning or transferring any of their rights or obligations under the EPSA or concession agreement unless the assignment or transfer is approved by the Ministry of Energy and Minerals and a promulgated Royal Decree.

Supervision and Implementation of the Oil and Gas Law

The Ministry of Energy and Minerals, acting on behalf of the Government, is the only body responsible for implementing the Oil and Gas Law. The Ministry of Energy and Minerals undertakes all licensing, contractual negotiations and other regulation of petroleum resources in Oman. It also oversees all petroleum exploration and production activities carried out in Oman. The Ministry of Energy and Minerals oversees all aspects of Right-Holders' petroleum operations, including technical operations and the review of all Right-Holder revenues and expenses.

The Ministry of Energy and Minerals is also responsible for preparing and overseeing Oman's national petroleum strategies and policies to ensure the implementation, development and appropriate use of petroleum resources.

Production Decisions

The Ministry of Energy and Minerals has sovereign, exclusive and binding authority to make production decisions in the relevant EPSA regarding the maximum level of petroleum substances that a Right-Holder can produce at any time. In making a production decision, the Ministry of Energy and Minerals considers the Government's economic development, environment conservation, national security, political and developmental goals, foreign policy, diplomatic considerations, domestic energy needs, public interest and any other sovereign interest. In setting the level of production, consideration is given to the economic or operational effects of the particular Right-Holder. A Right-Holder must provide the Ministry of Energy and Minerals with any requested information relating to petroleum exploration, extraction and production, including financial and

technical data, discovery data and any other information that could facilitate the issuance of a production decision. The Government has unrestricted access to such information.

Conservation of Oil and Gas Resources

Royal Decree № 114/2001 issuing the Law on Conversation of the Environment and Prevention of Pollution requires entities that are engaged in the exploitation of natural resources to set up controls for the optimum exploitation of those resources to ensure their conservation and protection from pollution. In addition, the terms of an EPSA require that petroleum operations be managed and maintained in a professional, adequate and active manner in accordance with international industry standards, the Oil and Gas Law and the regulations promulgated thereunder, and in an economically feasible and efficient manner that promotes the long-term productivity of reservoirs in the concession area and supports the prudent stewardship of petroleum resources and petroleum substances, and limits their abandonment.

Additional Right-Holder Obligations

A Right-Holder is responsible for implementing procedures to ensure the safety of its petroleum operations and facilities, in accordance with international industry standards and applicable laws. A Right-Holder is also obligated to take all required precautions, in accordance with the relevant applicable laws and international industry standards, to protect the environment, prevent pollution and leakage of petroleum substances, reduce GHG emissions in the concession area, fill up or close dry and unused wells and protect ground layers and joint layers containing water.

An EPSA or concession agreement usually provides that the Right-Holder will indemnify the Government in respect of claims relating to damage caused to Government property or personnel or to third parties that was caused by the Right-Holder's wrongful or negligent action. Liability for consequential loss is usually excluded. The Right-Holder is obliged to maintain insurance in respect of various risks, including civil liability arising from damage to the environment, under the EPSA.

Gas Supplies and Pricing

IGC Oman as Aggregator

Prior to 1 January 2023, the Government gas aggregator was the Ministry of Energy and Minerals. Pursuant to Ministerial Decision № 248/2022 of the Minister of Finance and the Ministry of Energy and Minerals Ministerial Decision № 19/2023, the Ministry of Finance established IGC Oman to take over the role of national gas aggregator, whereby all agreements, rights and obligations relating to the sale, purchase, supply and transportation of natural gas were transferred from the Ministry of Energy and Minerals to IGC Oman.

Accordingly, effective 1 January 2023, IGC Oman acts as the national gas aggregator of Oman and is responsible for procuring all quantities of AG and NAG (except quantities used by operators in Oil and gas operations, in accordance with the terms of the relevant EPSA or the relevant concession) from gas producers in Oman.

Marketing and Sales Rights

A licence is required from the Ministry of Energy and Minerals for the marketing of all petroleum substances. Generally, produced Oil can be freely marketed.

Allocation of Natural Gas

Typically, producers of natural gas must, pursuant to the terms of their respective EPSA, sell their gas production, excluding gas used for operations, to IGC Oman. This is typically done by way of long-term gas sale and purchase agreements (with IGC Oman, as buyer). IGC Oman aggregates all gas quantities procured

from gas producers and sells to downstream buyers in the local market pursuant to natural gas sale and purchase agreements.

Gas Pricing

Gas prices are set by the Government on long-term gas or liquefied natural gas sales contracts. An inter-ministerial gas allocation committee, which includes representatives, among others, from the Ministry of Commerce, Industry and Investment Promotion, the Ministry of Finance, the Ministry of National Economy, the Public Authority for Special Economic Zones and Free Zones and the Ministry of Energy and Minerals reviews the gas applications and accordingly allocates the gas to downstream buyers.

Pricing of Oil

Omani Oil is one of the few Middle Eastern Oils to be freely traded on the spot market and the first and only Oil to be traded on a futures exchange. In November 2006, the Ministry of Energy and Minerals announced that Oman would adopt forward pricing of its Oil based on Dubai Mercantile Exchange Oman, the first Oil futures contract designed to serve the Oil pricing needs of the Middle East and Asia markets, and traded on the Dubai Mercantile Exchange.

Other Relevant Laws and Regulations

Health and Safety Regulations

Health and safety matters associated with Oil and gas activities are regulated by several Government authorities, including the Ministry of Energy and Minerals and the Ministry of Labour. In addition, the Public Authority for Civil Defence and Ambulance issues safety and fire protection directives for industrial facilities, which set forth minimum requirements for health and safety management systems.

Health and safety principles and obligations are included in various legislative acts such as the Oil and Gas Law, Royal Decree № 29/2013 promulgating the Omani Civil Transactions Law, Royal Decree № 53/2023 promulgating the Labour Law and Ministerial Decision № 286/2008 (as amended) in relation to Occupational Health and Safety Measures.

Environmental Regulations

Under the Law on Conservation of the Environment and Prevention of Pollution, promulgated by Royal Decree № 114/2001, the Environment Authority is charged with the general supervision of environmental affairs in Oman, including in relation to upstream operations. This law sets out wide-ranging prohibitions on pollution and contamination of air, land or water. No process, activity or area of work that could, directly or indirectly, cause environmental pollution can be conducted or established before obtaining an environmental permit from the Environment Authority confirming its environmental soundness. All Right-Holders must obtain an environmental permit from the Environment Authority. Prior to the application for the environmental permit, a detailed environmental impact assessment and baseline survey may be required to be completed by the applicant in accordance with relevant environmental specifications and standards.

A number of ministerial decisions have been issued under the Law on Conversation of the Environment and Prevention of Pollution and the Environment Authority is expected to issue additional regulations.

In addition, Ministerial Decision № 18/1993 (as amended) relating to Regulations for the Management of Hazardous Waste, which governs the management of hazardous waste, including any waste arising from commercial, industrial, agricultural or any other activities that are hazardous or potentially hazardous to the environment, is likely to cover waste generated in Oil or gas extraction and processing activities. A hazardous waste licence is required from the Environment Authority to discharge hazardous waste or to mix it with any other waste.

Omanisation

Oman operates its Omanisation policy as implemented by the Ministry of Labour. Omanisation requires Omani companies to ensure that Omani nationals account for a prescribed percentage of the workforce. The Ministry of Labour prescribes Omanisation in accordance with the sector in which a company operates and Omanisation targets can be specific for each company. The Ministry of Labour also periodically notifies certain roles and designations which can only be undertaken by Omani nationals. Further, investors in the energy sector are encouraged to abide by Oman's broader policies of ensuring a commitment to the training and employment of Omani nationals. For example, the Ministry of Energy and Minerals' model EPSA typically requires Right Holders to pay a prescribed amount annually to the Ministry of Energy and Minerals for the purpose of training Omani nationals.

Pension Merger Law

Royal Decree № 33/2021 (Concerning the Regulations for Retirement and Social Security) was issued on 7 April 2021 and provides that public sector pension funds in Oman, as well as the PDO employee pension fund, will be integrated into two funds: (i) the Social Security Fund; and (ii) the Military and Security Services Fund. This integration is supervised by a committee formed by a decision of the Council of Ministers and is currently ongoing. The Social Security Law Royal Decree № 52/2023 was issued on 19 July 2023 and, although it does not amend Royal Decree № 33/2021, the law provides that all retirement schemes and funds including the PDO retirement fund are abolished and any mention of these funds in other laws (such as Royal Decree № 33/2021) shall be replaced with "Social Security Fund".

Oman Labour Law

Royal Decree № 53/2023 (promulgating the Labour Law) was issued on 25 July 2023 (the "**New Labour Law**") and repeals Royal Decree № 35/2003 (which promulgated the previous Labour Law). The New Labour Law sets out the obligations of employees and employers for both Omanis and expatriates in the public and private sector, and deals with matters including (but not limited to) working hours, health and safety, labour disputes as well as labour unions. The related implementing regulations to the New Labour Law are expected to be issued within the coming months.

CLEARING AND SETTLEMENT

*The information set out below is subject to any change in, or reinterpretation of, the rules, regulations and procedures of DTC, Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. Neither the Trustee, the Guarantor, EDO Gas, the Delegate nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Trust Certificates held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests. Information in this section has been derived from the Clearing Systems.*

Book-Entry Systems

DTC

DTC has advised the Trustee that it is a limited purpose trust company organised under the New York Banking Law, a member of the Federal Reserve System, a "banking organisation" within the meaning of the New York Banking Law, a "clearing corporation" within the meaning of the New York Uniform Commercial Code and a "clearing agency" registered pursuant to Section 17A of the Exchange Act. DTC holds securities that its participants ("**Direct Participants**") deposit with DTC. DTC also facilitates settlement among Direct Participants of securities transactions, such as transfers and pledges, in deposited securities through electronic computerised book-entry changes in Direct Participants' accounts, thereby eliminating the need for physical movement of securities certificates. Direct **Participants** include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organisations. DTC is a wholly-owned subsidiary of The Depository Trust and Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as securities brokers and dealers, banks and trust companies that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("**Indirect Participants**" and, together with Direct Participants, "**Participants**"). More information about DTC can be found at www.dtcc.com and www.dtc.org.

Under the rules, regulations and procedures creating and affecting DTC and its operations (the "**DTC Rules**"), DTC makes book-entry transfers of Trust Certificates among Direct Participants on whose behalf it acts with respect to Trust Certificates accepted into DTC's book-entry settlement system ("**DTC Trust Certificates**") as described below, and receives and transmits distributions of principal and profit on DTC Trust Certificates. The DTC Rules are on file with the U.S. Securities and Exchange Commission. Direct Participants and Indirect Participants with which beneficial owners of DTC Trust Certificates ("**Owners**") have accounts with respect to the DTC Trust Certificates are similarly required to make book-entry transfers and receive and transmit such payments on behalf of their respective Owners. Accordingly, although Owners who hold DTC Trust Certificates through Direct Participants or Indirect Participants will not possess Trust Certificates, the DTC Rules, by virtue of the requirements described above, provide a mechanism by which Direct Participants will receive payments and will be able to transfer their interest in respect of the DTC Trust Certificates.

Purchases of DTC Trust Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the DTC Trust Certificates on DTC's records. The ownership interest of each actual purchaser of a DTC Trust Certificate ("**Beneficial Owner**") is, in turn, to be recorded on the Direct Participant's and Indirect Participant's records. Beneficial Owners will not receive written confirmation from DTC of their purchase, but Beneficial Owners are expected to receive written confirmations providing details

of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the DTC Trust Certificates are to be accomplished by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in DTC Trust Certificates, except in the event that use of the book-entry system for the DTC Trust Certificates is discontinued.

To facilitate subsequent transfers, all DTC Trust Certificates deposited by Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorised representative of DTC. The deposit of DTC Trust Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the DTC Trust Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such DTC Trust Certificates are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Dissolution notices shall be sent to Cede & Co. If less than all of the DTC Trust Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to DTC Trust Certificates unless authorised by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy (the "**Omnibus Proxy**") to the Trustee as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the DTC Trust Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and profit payments on the DTC Trust Certificates will be made to Cede & Co. or such other nominee as may be requested by an authorised representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Trustee or the relevant agent (or such other nominee as may be requested by an authorised representative of DTC), on the relevant payment date in accordance with their respective holdings shown in DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not of DTC or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and profit to DTC is the responsibility of the Trustee, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct Participants and Indirect Participants.

Under certain circumstances, including if there is a Dissolution Event under the Trust Certificates, DTC will exchange the DTC Trust Certificates for Definitive Trust Certificates, which it will distribute to its Participants in accordance with their proportionate entitlements and which will be legended, as set forth under "*Subscription and Sale and Transfer and Selling Restrictions*".

A Beneficial Owner shall give notice to elect to have its DTC Trust Certificates purchased or tendered, through its Participant, to the relevant agent, and shall effect delivery of such DTC Trust Certificates by causing the Direct Participant to transfer the Participant's interest in the DTC Trust Certificates, on DTC's records, to the

relevant agent. The requirement for physical delivery of DTC Trust Certificates in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the DTC Trust Certificates are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered DTC Trust Certificates to the relevant agent's DTC account.

DTC may discontinue providing its services as depositary with respect to the DTC Trust Certificates at any time by giving reasonable notice to the Trustee or the relevant agent. Under such circumstances, in the event that a successor depositary is not obtained, DTC Trust Certificate certificates are required to be printed and delivered.

The Trustee may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depositary). In that event, DTC Trust Certificate certificates will be printed and delivered to DTC.

Since DTC may only act on behalf of Direct Participants, who in turn act on behalf of Indirect Participants, any Owner desiring to pledge DTC Trust Certificate to persons or entities that do not participate in DTC, or otherwise take actions with respect to such DTC Trust Certificates, will be required to withdraw its Trust Certificates from DTC as described below.

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for its customers and facilitates the clearance and settlement of securities transactions by electronic book-entry transfer between their respective accountholders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are world-wide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through, or maintain a custodial relationship with, an accountholder of either system.

Book-entry Ownership of and Payments in respect of DTC Trust Certificates

The Trustee may apply to DTC in order to have each Tranche of Trust Certificates represented by a Restricted Global Trust Certificate, and if applicable, the Unrestricted Global Trust Certificate, accepted in its book-entry settlement system. Upon the issue of any Global Trust Certificates, DTC or its custodian will credit, on its internal book-entry system, the respective face amounts of the individual beneficial interests represented by such Global Trust Certificate to the accounts of persons who have accounts with DTC. Such accounts initially will be designated by or on behalf of the relevant Dealer.

Ownership of beneficial interests in a Global Trust Certificate will be limited to Direct Participants or Indirect Participants. Ownership of beneficial interests in a Global Trust Certificate will be shown on, and the transfer of such ownership will be effected only through, records maintained by DTC or its nominee (with respect to the interests of Direct Participants) and the records of Direct Participants (with respect to interests of Indirect Participants).

Payments in U.S. dollars of principal and profit in respect of a Global Trust Certificate registered in the name of DTC's nominee will be made to the order of such nominee as the registered holder of such Trust Certificate. In the case of any payment in a currency other than U.S. dollars, payment will be made to the relevant Paying Agent on behalf of DTC's nominee and the relevant Paying Agent will (in accordance with instructions received

by it) remit all or a portion of such payment for credit directly to the beneficial holders of interests in the Global Trust Certificate in the currency in which such payment was made and/or cause all or a portion of such payment to be converted into U.S. dollars and credited to the applicable Participants' account.

The Trustee expects DTC to credit accounts of Direct Participants on the applicable payment date in accordance with their respective holdings as shown in the records of DTC unless DTC has reason to believe that it will not receive payment on such payment date. The Trustee also expects that payments by Participants to beneficial owners of Trust Certificates will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers, and will be the responsibility of such Participant and not the responsibility of DTC, the Paying Agents, the Registrars or the Trustee. Payments of principal, premium, if any, and profit, if any, on Trust Certificates to DTC are the responsibility of the Trustee.

In relation to certain of the Trust Certificates, the Global Trust Certificate may be redeemed in part in the face amount specified by the Trustee in accordance with the Conditions and the Trust Certificates to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of DTC, Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of DTC, Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in the face amount, at their discretion). If fewer than all of the Trust Certificates represented by the Restricted Global Certificate which are held or cleared through DTC are subject to redemption, the Trust Certificates shall be redeemed on a *pro rata* pass-through distribution of principal basis in accordance with the rules and procedures of DTC.

Transfers of Trust Certificates Represented by Global Trust Certificates

Transfers of any interests in Trust Certificates represented by a Global Trust Certificate will be effected in accordance with the customary rules and operating procedures of Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be. The laws of some states within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Trust Certificates represented by a Global Trust Certificate to such persons may depend upon the ability to exchange such Trust Certificates for Definitive Trust Certificates. Similarly, because DTC can only act on behalf of Direct Participants in the DTC system who in turn act on behalf of Indirect Participants, the ability of a person having an interest in Trust Certificates represented by a Global Trust Certificate held by DTC to pledge such Trust Certificates to persons or entities that do not participate in the DTC system or to otherwise take action in respect of such Trust Certificates may depend upon the ability to exchange such Trust Certificates for Definitive Trust Certificates. The ability of any holder of Trust Certificates represented by a Global Trust Certificate held by DTC to resell, pledge or otherwise transfer such Trust Certificates may be impaired if the proposed transferee of such Trust Certificates is not eligible to hold such Trust Certificates through a direct or indirect participant in the DTC system.

Transfers at any time by a holder of a book-entry interest in a Restricted Global Trust Certificate to a transferee who takes delivery of such book-entry interest through an Unrestricted Global Trust Certificate for the same Series of Trust Certificates will only be made upon delivery to the relevant Registrar of a certificate setting forth compliance with the provisions of Regulation S. Prior to the expiration of the distribution compliance period (as defined in Regulation S), ownership of book-entry interests in an Unrestricted Global Trust Certificate will be limited to persons that have accounts with Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, or persons who hold such book-entry interest through Euroclear, Clearstream, Luxembourg and/or DTC, as the case may be, and any sale or transfer of such book-entry interest to a U.S. person (within the meaning of Regulation S) shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A and Section 3(c)(7) of the Investment Company Act. Transfers at any time by a holder of a book-entry interest in an Unrestricted Global Trust Certificate to a transferee who takes delivery of such book-entry interest through a Restricted Global Trust Certificate for the same Series of Trust Certificates will only be made upon receipt by the relevant Registrar or the relevant Transfer Agent of a written certificate from

the transferor of such book-entry interest to the effect that such transfer is being made to a person whom such transferor, and any person acting on its behalf, reasonably believes is a QIB within the meaning of Rule 144A which is also a QP within the meaning of Section 2(a)(51) of the Investment Company Act, respectively, in a transaction meeting the requirements of Rule 144A and Section 3(c)(7) of the Investment Company Act or otherwise in accordance with the transfer restrictions described under "*Transfer Restrictions*" and in accordance with any applicable securities laws of any state of the United States.

Subject to compliance with the transfer restrictions applicable to the Trust Certificates described under "*Subscription and Sale and Transfer and Selling Restrictions*", cross-market transfers between DTC, on the one hand, and directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant Clearing System in accordance with its rules and through action taken by the Registrars, and/or the Paying Agents, as the case may be, and any custodian with whom the relevant Global Trust Certificates have been deposited.

On or after the Issue Date for any Series, transfers of Trust Certificates of such Series between accountholders in Clearstream, Luxembourg and Euroclear and transfers of Trust Certificates of such Series between participants in DTC will generally have a settlement date two business days after the trade date (T+2). The customary arrangements for delivery versus payment will apply to such transfers.

Cross-market transfers between accountholders in Clearstream, Luxembourg or Euroclear and DTC participants will need to have an agreed settlement date between the parties to such transfer. Because there is no direct link between DTC, on the one hand, and Clearstream, Luxembourg and Euroclear, on the other, transfers of interests in the relevant Global Trust Certificates will be effected through the relevant Registrar and/or the relevant Transfer Agent, as the case may be, and the custodian receiving instructions (and, where appropriate, certification) from the transferor and arranging for delivery of the interests being transferred to the credit of the designated account for the transferee. In the case of cross-market transfers, settlement between Euroclear or Clearstream, Luxembourg accountholders and DTC participants cannot be made on a delivery versus payment basis. The securities will be delivered on a free delivery basis and arrangements for payments must be made separately.

Euroclear, Clearstream, Luxembourg and DTC have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Global Trust Certificates among participants and accountholders of DTC, Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Trustee, EDO Gas, the Guarantor, the Delegate, the Agents or any Dealer will be responsible for any performance by DTC, Clearstream, Luxembourg or Euroclear or their direct or indirect participants or accountholders of their obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Trust Certificates represented by Global Trust Certificates or for maintaining, supervising or reviewing any records relating to such beneficial interests.

SUMMARY OF THE PRINCIPAL TRANSACTION DOCUMENTS

The following is a summary of certain provisions of the principal Transaction Documents. Copies of the Transaction Documents will be available for inspection by emailing the Principal Paying Agent at emea.at.debt@citi.com. Words and expressions defined in the Conditions shall have the meanings in this summary.

Agency Agreement

The Agency Agreement was entered into on 17 March 2025 between the Trustee, EDO Gas, the Delegate and the agents named therein and is governed by English law. The Agency Agreement governs the arrangements between the Trustee and the agents named therein for the issuance of Trust Certificates and the making of payments in respect thereof.

Master Declaration of Trust

The Master Declaration of Trust was entered into on 17 March 2025 between the Trustee, EDO Gas, the Guarantor and the Delegate and is governed by English law. Pursuant to the Master Declaration of Trust, a Supplemental Declaration of Trust between the same parties will be entered into on the Issue Date of each Tranche of Trust Certificates and will also be governed by English law.

Upon issue of any Series of Trust Certificates, the Master Declaration of Trust and each relevant Supplemental Declaration of Trust shall together constitute the trust over the relevant Trust Assets declared by the Trustee in relation to such Series.

The Trust Assets in respect of each Series of Trust Certificates comprise, *inter alia*, (a) the cash proceeds of the Trust Certificates, pending application thereof in accordance with the terms of the Transaction Documents; (b) any and all of the rights, title, interests, benefits and entitlements, present and future, of the Trustee in, to and under the Lease Asset(s); (c) any and all of the rights, title, interest, benefits and entitlements, present and future, of the Trustee in, to and under the Transaction Documents (excluding: (i) any representations given by EDO Gas or the Guarantor to the Trustee and the Delegate pursuant to the Transaction Documents; and (ii) the covenant given to the Trustee pursuant to clause 13.1 of the Master Declaration of Trust); (d) all monies standing to the credit of the relevant Transaction Account from time to time; and (e) all proceeds of the foregoing.

Pursuant to the Declaration of Trust, the Trustee will agree to act for and on behalf of the Certificateholders and, *inter alia*, in relation to each Tranche of Trust Certificates:

(a) hold the relevant Trust Assets on trust absolutely for the Certificateholders as beneficial tenants in common pro rata according to the face amount of Trust Certificates held by each Certificateholder; and

(b) act as trustee in respect of such Trust Assets, distribute the income from such Trust Assets and perform its duties in accordance with the provisions of the Declaration of Trust.

Each Declaration of Trust will specify, *inter alia*, that in relation to each Series:

(a) no recourse shall be had for the payment of any amount under the Declaration of Trust or under any other relevant Transaction Document, whether for the payment of any fee, indemnity or other amount under the Declaration of Trust or any other obligation or claim arising out of or based upon the Transaction Documents, against the Trustee (acting in any capacity) (and/or its directors, officers, shareholders or administrators) to the extent the Trust Assets have been exhausted following which all obligations of the Trustee (acting in any capacity) and its agents or affiliates shall be extinguished;

(b) the Trustee may from time to time (but always subject to the provisions of the Declaration of Trust), without the consent of the Certificateholders, create and issue additional Trust Certificates having the same terms and conditions as the outstanding Trust Certificates of such Series (or terms and conditions

that are the same in all respects save for the date and amount of the first payment of the Periodic Distribution Amount and the date from which Periodic Distribution Amounts start to accrue), and so that the same shall be consolidated and form a single Series, with the outstanding Trust Certificates of such Series, and that any additional Trust Certificates which are to be created and issued so as to form a single Series with the outstanding Trust Certificates of a particular Series shall be constituted by a Supplemental Declaration of Trust in relation to which all applicable stamp duties or other documentation fees, duties or taxes have been paid and, if applicable, duly stamped and containing such other provisions as are necessary (including making such consequential modifications to the Master Declaration of Trust) in order to give effect to the issue of such additional Trust Certificates. Holders of such additional Trust Certificates will be entitled to payments of Periodic Distribution Amounts in such amount and on such dates as specified in the applicable Pricing Supplement; and

(c) on the date upon which any additional Trust Certificates are created and issued pursuant to the provisions pursuant to the provisions described in paragraph (b) above, a Supplemental Purchase Agreement will be entered into by EDO Gas (in its capacity as seller) and the Trustee (in its capacity as purchaser) for the sale, transfer and conveyance of the relevant Additional Asset(s). The Trustee will execute a Declaration of Commingling of Assets for and on behalf of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates so created and issued, declaring that the Additional Asset(s) (as set out in the relevant Declaration of Commingling of Assets) and the Lease Asset(s) in respect of the relevant Series as in existence immediately prior to the creation and issue of the additional Trust Certificates and the investments made pursuant to the Master Murabaha Agreement in respect of the relevant Series (and all rights arising under or with respect to such investments made pursuant to the Master Murabaha Agreement) are commingled and shall collectively comprise part of the Trust Assets for the benefit of the holders of the existing Trust Certificates and the holders of such additional Trust Certificates as tenants in common pro rata according to the face amount of Trust Certificates held by each Certificateholder, in accordance with the Declaration of Trust.

In the Declaration of Trust, the Trustee, by way of security for the performance of all covenants, obligations and duties of the Trustee set out therein, will irrevocably and unconditionally appoint the Delegate to, *inter alia*, exercise all the present and future powers, trusts, rights, authorities and discretions (including but not limited to the authority to request instructions from any Certificateholders and the power to sub-delegate and to make any determinations to be made under the Declaration of Trust) vested in the Trustee by the relevant provisions of the Declaration of Trust. The appointment of the Delegate by the Trustee is intended to be in the interests of the Certificateholders and, subject as provided in the Declaration of Trust, does not affect the Trustee's continuing role and obligations as trustee of the trusts created pursuant to the Master Declaration of Trust.

In the Declaration of Trust, the Delegate will undertake that, *inter alia*, if it has received express written notice pursuant to the Declaration of Trust of the occurrence of a Dissolution Event in respect of any Trust Certificates and subject to Condition 14 it shall as soon as practicable give notice of the occurrence of such Dissolution Event to the Certificateholders in accordance with Condition 17 with a request to such holders to indicate whether they wish the Trust Certificates to be redeemed and the Trust to be dissolved. Following the issuance of such a notice, the Delegate in its sole discretion may, and if so requested in writing by Certificateholders representing not less than 25 per cent. in aggregate face amount of the Trust Certificates for the time being outstanding or if so directed by an Extraordinary Resolution of the Certificateholders, the Delegate shall, (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Trustee, EDO Gas, the Guarantor and the Certificateholders in accordance with Condition 17 that the Trust Certificates are immediately due and payable on the Dissolution Event Redemption Date specified in such notice at the Dissolution Event Amount specified in, or determined in the manner specified in, the applicable Pricing Supplement.

A non-interest bearing Transaction Account in the United Kingdom will be established in the name of the Trustee in respect of each Series of Trust Certificates. Monies received in the Transaction Account in respect of each Series will, *inter alia*, comprise payments corresponding to Periodic Distribution Amounts and/or Dissolution Amounts immediately prior to each Periodic Distribution Date and/or any Dissolution Date, as the case may be. The Master Declaration of Trust provides that all moneys standing to the credit of the Transaction Account from time to time in respect of each Series will be applied in the manner set out in Condition 5.2.

EDO Gas has further undertaken that, (i) if, at the time of delivery of the Exercise Notice in accordance with the provisions of the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be, EDO Gas remains in actual or constructive possession, custody or control of all or any part of the Lease Asset(s), the Certificateholder Put Right Lease Asset(s), the Change of Control Put Right Lease Asset(s), the Tangibility Event Put Right Lease Asset(s) or the Optional Dissolution Lease Asset(s), as the case may be; and (ii) if, following delivery of the Exercise Notice in accordance with the provisions of the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be, the Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price, the Tangibility Event Put Right Exercise Price or the Optional Dissolution Exercise Price, as the case may be, is not paid in accordance with the provisions of the Purchase Undertaking or the Sale and Substitution Undertaking, as the case may be, for any reason whatsoever, EDO Gas shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the Trust Certificates then outstanding or the Certificateholder Put Right Trust Certificates (as defined in the Purchase Undertaking), the Change of Control Put Right Trust Certificates (as defined in the Purchase Undertaking), the Tangibility Event Put Right Trust Certificates (as defined in the Purchase Undertaking) or the Optional Dissolution Trust Certificates (as defined in the Sale and Substitution Undertaking), as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price, the Tangibility Event Put Right Exercise Price or the Optional Dissolution Exercise Price, as the case may be.

EDO Gas has further undertaken that, if the outstanding Deferred Sale Price is not paid on the relevant Dissolution Date in accordance with the provisions of the Master Murabaha Agreement for any reason whatsoever, EDO Gas shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption of the outstanding Trust Certificates of such Series, and the amount payable under any such indemnity claim will equal the outstanding Deferred Sale Price.

In addition, if the Trustee fails to comply with any obligation to pay additional amounts pursuant to Condition 12, EDO Gas has undertaken that it will unconditionally and irrevocably (irrespective of the payment of any fee), as a continuing obligation, pay to or to the order of the Delegate (for the benefit of the Certificateholders) an amount equal to the liability of the Trustee in respect of any and all additional amounts required to be paid by the Trustee in respect of the Trust Certificates pursuant to Condition 12.

Deed of Guarantee

Pursuant to the Deed of Guarantee, the Guarantor will unconditionally and irrevocably guarantee, in favour of the Trustee and the Delegate, the due and punctual performance by EDO Gas of all of its payment obligations under, and in accordance with the terms of, the Transaction Documents to which EDO Gas is a party. To the extent that EDO Gas does not pay (or procure to be paid on its behalf) any sum payable by it under the Transaction Documents by the time and on the date specified for such payment (whether on the scheduled due date, on acceleration or otherwise), the Guarantor will pay that sum as directed in the relevant Transaction Document(s) before close of business on that date in the city to which payment is so to be made.

In the Deed of Guarantee, the Guarantor will agree that it will comply with and be bound by all such provisions contained in the Conditions which relate to it or are otherwise expressed to be binding on it (including without limitation, the covenants described in Condition 4.3).

The Deed of Guarantee will constitute a direct, unconditional, unsubordinated and (subject to Condition 4.3) unsecured obligation of the Guarantor, granted in favour of the Trustee and the Delegate and shall (save for such exceptions as may be provided by applicable law and subject to Condition 4.3) at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Guarantor from time to time outstanding.

The Deed of Guarantee will be governed by English law.

Master Purchase Agreement

The Master Purchase Agreement was entered into on 17 March 2025 between the Trustee (in its capacity as purchaser) and EDO Gas (in its capacity as seller) and is governed by the laws of Oman. A Supplemental Purchase Agreement between the same parties will be entered into on the Issue Date of the relevant Tranche (including any additional Tranche of Trust Certificates issued pursuant to Condition 21 (an "**Additional Tranche**")) of Trust Certificates which will also be governed by the laws of Oman.

Pursuant to the Master Purchase Agreement, EDO Gas (in its capacity as seller) may, from time to time, offer to sell, transfer and convey to the Trustee (in its capacity as purchaser), and the Trustee may, from time to time, agree to purchase and accept the transfer and conveyance from EDO Gas of: (a) on the Issue Date of the first Tranche of a Series, the relevant Asset(s); and (b) on the Issue Date of any Additional Tranche, the Additional Asset(s), together with all of EDO Gas' rights, title, interests, benefits and entitlements, present and future, in, to and under such Asset(s) or Additional Asset(s), as the case may be, in each case pursuant to a Supplemental Purchase Agreement which will, among other things, specify the Asset(s) or Additional Asset(s), as the case may be, being sold and the price to be paid for the Asset(s) or Additional Asset(s), as the case may be.

Master Lease Agreement

The Master Lease Agreement was entered into on 17 March 2025 between the Trustee (in its capacity as lessor), EDO Gas (in its capacity as lessee) and the Delegate and is governed by the laws of Oman. A Supplemental Lease Agreement between the same parties will be entered into on the Issue Date of the first Tranche of a Series which will also be governed by the laws of Oman.

Pursuant to the Lease Agreement, the Trustee (in its capacity as lessor) may, from time to time, agree to lease to EDO Gas (in its capacity as lessee), and EDO Gas may, from time to time, agree to lease from the Trustee, certain Lease Asset(s) during renewable rental periods commencing on the Lease Commencement Date (which shall be the relevant Issue Date) and extending to the Scheduled Dissolution Date (unless the relevant Supplemental Lease Agreement is terminated earlier in accordance with its terms or extended in accordance with the Purchase Undertaking). The Supplemental Lease Agreement will, among other things, specify the Lease Assets(s), the term of the lease and the rental to be paid in respect of such lease.

EDO Gas (in its capacity as lessee) will agree to use the relevant Lease Asset(s) at its own risk. Accordingly, EDO Gas shall from the date of the relevant Supplemental Lease Agreement bear the entire risk of loss of or damage to the relevant Lease Asset(s) or any part thereof arising from the usage or operation thereof by it to the extent that such loss or damage has resulted from EDO Gas' gross negligence, wilful default, actual fraud, or breach of its obligations under the relevant Supplemental Lease Agreement. In addition, the Trustee (as lessor) shall not be liable (and EDO Gas (as lessee) will waive any claim or right, howsoever arising, to the

contrary) for any indirect, consequential or other losses, howsoever arising, in connection with EDO Gas's use or operation of the relevant Lease Asset(s).

Under the Supplemental Lease Agreement, EDO Gas (in its capacity as lessee) will agree to be responsible, at its own cost and expense, for the performance of all ordinary maintenance and repair required for any relevant Lease Asset(s). The Trustee (in its capacity as lessor) shall be responsible for: (i) the performance of all major maintenance and structural repair; (ii) the payment of any proprietorship or other relevant taxes (excluding all taxes that are by law imposed, charged or levied against a lessee or a tenant); and (iii) insuring any relevant Lease Asset(s), and EDO Gas (as lessee) will acknowledge that the Trustee (as lessor) may procure that the Servicing Agent, in accordance with the terms and conditions set out in the Servicing Agency Agreement, shall perform, or shall procure the performance of, the major maintenance and structural repair, the payment of such taxes and the insurance of such relevant Lease Asset(s) on behalf of the Trustee (in its capacity as lessor).

All payments by EDO Gas (as lessee) to the Trustee (as lessor) under each Lease Agreement will be made in the Specified Currency without set-off (except as provided below) or counterclaim of any kind and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction or any authority therein or thereof having power to tax, unless the withholding or deduction is required by law. In that event, EDO Gas (as lessee) will agree under the relevant Lease Agreement to pay such additional amounts as will result in the receipt by the Trustee (as lessor) of such amounts as would have been received by it had no such deduction or withholding had been required.

EDO Gas (in its capacity as lessee) will ensure that its payment obligations under each Lease Agreement are and will be direct, unconditional, unsubordinated and (subject to Condition 4.3) unsecured obligations of EDO Gas and shall (save for such exceptions as may be provided by applicable law and subject to Condition 4.3) at all times rank at least *pari passu* with all other present and future unsecured and unsubordinated obligations of EDO Gas from time to time outstanding.

Servicing Agency Agreement

The Servicing Agency Agreement was entered into on 17 March 2025 between the Trustee (in its capacity as lessor) and EDO Gas (in its capacity as servicing agent) and is governed by English law.

Pursuant to the Servicing Agency Agreement, EDO Gas (as servicing agent) will be responsible on behalf of the Trustee (in its capacity as lessor) for the carrying out of certain Services (as defined in the Servicing Agency Agreement) including but not limited to, all major maintenance and structural repair, the payment of proprietorship taxes (if any) charged, levied or claimed on the relevant Lease Asset(s) and effecting all appropriate Insurances (as defined below) in respect of the Lease Asset(s).

Pursuant to the Servicing Agency Agreement, the Servicing Agent undertakes, among other things, that it will ensure that (a) the Lease Asset(s) are, so long as any Trust Certificates are outstanding, at all times properly insured (the "**Insurances**") through brokers and with reputable insurance companies in good financial standing in a manner consistent with general industry practice by prudent owners of similar assets, including against each Loss Event and (b) that the insured amount relating to a Total Loss Event will, at all times, be at least equal to the Full Reinstatement Value.

If, within 60 days of the Issue Date and for any reason, the Servicing Agent is not in compliance with such obligation, it has undertaken to immediately deliver written notice to the Trustee and the Delegate of such non-compliance and the details thereof. The delivery of such notice to the Trustee and/or the Delegate shall constitute a Company Event.

Pursuant to the Servicing Agency Agreement, the Servicing Agent undertakes, in relation to each Series, to ensure that the Tangible Asset Ratio is, at all times more than 50 per cent. and the Servicing Agent is permitted to take any steps as may be required to maintain such Tangible Asset Ratio and, if, at any time, the Tangible Asset Ratio, other than as a result of the occurrence of a Loss Event, falls:

(a) to 50 per cent. or less (but is 33 per cent. or more), the Servicing Agent shall take any and all steps (in consultation with the *Shari'a* Adviser) as may be required to ensure such Tangible Asset Ratio is restored to more than 50 per cent. within the time determined by the *Shari'a* Adviser; and

(b) to less than 33 per cent. (such event, a "**Tangibility Event**"), within 5 Business Days (as defined in the Servicing Agency Agreement) of the Servicing Agent becoming aware of the Tangibility Event occurring, the Servicing Agent shall send a Tangibility Event Trustee Notice (as defined in the Serving Agency Agreement) notifying the Trustee and the Delegate of such occurrence and requesting the Trustee to promptly deliver a Tangibility Event Notice to the relevant Certificateholders in accordance with Condition 10.8 specifying:

(i) that a Tangibility Event has occurred, together with an explanation of the reasons for, and evidence of, such occurrence;

(ii) that, as determined in consultation with the *Shari'a* Adviser, the Trust Certificates should be tradeable only in accordance with the *Shari'a* principles of debt trading (such as the principle that debt is to be traded against tangible assets and/or eligible commodities on a spot settlement basis);

(iii) on the date falling 15 days following the Tangibility Event Put Right Date, the Trust Certificates will be delisted from any stock exchange (if any) on which the Trust Certificates have been admitted to listing; and

(iv) the Tangibility Event Put Period, during which period any Certificateholder shall have the option to require the redemption of all or any of its Trust Certificates.

Pursuant to the Servicing Agency Agreement, if (i) a Total Loss Event occurs; or (ii) a Partial Loss Event occurs and, as a result of such Partial Loss Event, the ratio of: (i) the Value of the Lease Assets of that Series (which for this purpose shall exclude any Impaired Lease Assets); to (ii) the aggregate of the Value of the Lease Assets of that Series, falls to less than 33 per cent., the Servicing Agent shall promptly upon becoming aware of the occurrence of the events, and in each case in consultation with the Shari'a Adviser, notify the Lessor and the Delegate and the Lessor shall promptly, following receipt of a notice from the Servicing Agent, deliver a notice to the Certificateholders (a "**Trading and Delisting Notice**") specifying:

(i) the occurrence of such Loss Event;

(ii) that, from the date of the Trading and Delisting Notice and until any further notice from the Lessor, in consultation with the *Shari'a* Adviser, the Trust Certificates should be tradable only in accordance with the *Shari'a* principles of debt trading (such as the principle that debt is to be traded against tangible assets and/or eligible commodities on a spot settlement basis); and

(iii) that, following the delivery of such Trading and Delisting Notice, an application will be made for the Trust Certificates to be delisted from any stock exchange (if any) on which the Trust Certificates have been admitted to trading.

Following any replacement of the Lease Asset(s), the Servicing Agent shall promptly notify the Lessor and the Delegate and the Lessor shall, following consultation with the *Shari'a* Adviser, promptly give notice to Certificateholders that (1) from the date of that notice the Trust Certificates may be traded at any price; and

(2) the Trust Certificates shall be re-listed, as soon as reasonably practicable, on the stock exchange on which the Trust Certificates had previously been admitted to trading.

If a Loss Event has occurred and if:

(a) the notice referred to above has not been delivered by the Servicing Agent to the Trustee and the Delegate prior to the occurrence of such Loss Event;

(b) the Lease Asset(s) have not been replaced in accordance with the Servicing Agency Agreement; and

(c) the amount (if any) paid into the Collection Account (as defined in the Servicing Agency Agreement) is less than the applicable Full Reinstatement Value (the difference between such Full Reinstatement Value and the amount credited to the Collection Account being the "**Loss Shortfall Amount**"),

then the Servicing Agent undertakes to (i) transfer the amounts (if any) credited to the Collection Account and (ii) pay (in same day, freely transferable, cleared funds) the Loss Shortfall Amount directly, in each case, to the Transaction Account by no later than close of business in London on the 61st day after the occurrence of the Loss Event. Subject to transferring such amounts (if any) credited to the Collection Account and paying such Loss Shortfall Amount in accordance with this paragraph, there will be no further claim against the Servicing Agent for failing to comply with its insurance obligations.

The Servicing Agency Agreement provides that if on the occurrence of a Partial Loss Event (other than where a Partial Loss Termination Notice has been delivered by EDO Gas (as lessee) to the Trustee (as lessor) in accordance with the relevant Lease Agreement), EDO Gas (in its capacity as servicing agent) receives notice from EDO Gas (in its capacity as seller) on or before the 60th day after the occurrence of the Partial Loss Event that replacement Eligible Asset(s) (the "**Replacement Lease Asset(s)**") are available, the Trustee may pursuant to a separate purchase agreement, substantially in the form of a Supplemental Purchase Agreement, purchase such Replacement Lease Asset(s) from EDO Gas by way of the payment by EDO Gas (in its capacity as servicing agent) on behalf of the Trustee of the proceeds of the Insurances (or the assignment by EDO Gas of the rights to such proceeds) to or to the order of EDO Gas and the transfer to EDO Gas by the Trustee of any residual interest it may hold in the relevant Impaired Lease Asset(s) (including any remaining rights in respect of any proceeds of the Insurances), in consideration for the sale, transfer and conveyance by EDO Gas of the Replacement Lease Asset(s) to the Trustee.

"**Full Reinstatement Value**" shall be an amount equal to the aggregate of, in relation to each Series, in the case of a Total Loss Event, the aggregate face amount of the Trust Certificates then outstanding plus all accrued but unpaid Periodic Distribution Amounts relating to such Trust Certificates plus an amount equal to the Periodic Distribution Amounts relating to such Trust Certificates, which accrue or would have accrued (had a Loss Event not occurred) during the period beginning on the date on which the Loss Event occurs and ending on but excluding the earlier of (a) the date on which the Trust Certificates are redeemed in full in accordance with Condition 10.5 and (b) the 60th day following the date on which the Loss Event occurred plus an amount equal to any outstanding Additional Servicing Agency Expenses in respect of which EDO Gas (in its capacity as lessee) has agreed to make a corresponding payment of Additional Supplementary Rental (as defined in the Servicing Agency Agreement) but such payment has not been made in accordance with the Lease Agreement plus an amount equal to any Rental Reimbursement Amount (as defined in the Servicing Agency Agreement) payable to EDO Gas (in its capacity as lessee) in accordance with the Lease Agreement less, if any, the aggregate amounts of Deferred Sale Price then outstanding, and in the case of a Partial Loss Event, the aggregate value of the Impaired Lease Assets plus, an amount equal to any Rental Reimbursement Amount payable to EDO Gas in accordance with the Lease Agreement.

The "**Service Charge Amount**" payable to EDO Gas (in its capacity as servicing agent) shall be an amount equal to, in respect of a Rental Period (as defined in the Master Lease Agreement), the aggregate of all payments

and liabilities made or incurred by the Servicing Agent during such Rental Period in respect of the Services (as defined in the Servicing Agency Agreement) provided under the Servicing Agency Agreement in relation to the relevant Lease Asset(s) as notified by the Servicing Agent to the Trustee (in its capacity as lessor), except for any payments or liabilities which comprise Additional Servicing Agency Expenses.

The Servicing Agent shall not incur or pay any liability in any Rental Period in respect of the Services to be performed in relation to the relevant Lease Asset(s) which, individually or in the aggregate, would exceed the All Expenses Reserve Amount (the amount by which such liability exceeds the All Expenses Reserve Amount, the "**Additional Servicing Agency Expenses**") unless: (a) a request for such incurrence or payment of Additional Servicing Agency Expenses has been made by the Servicing Agent to the Trustee (in its capacity as lessor) in accordance with the Servicing Agency Agreement; and (b) following such request, EDO Gas (in its capacity as lessee) has agreed to pay to the Trustee (in its capacity as lessor) an amount of Additional Supplementary Rental equal to such Additional Servicing Agency Expenses on the first Business Day of the first Rental Period commencing after the Additional Servicing Agency Expenses Request Date (as defined below). If, during any Rental Period, the Servicing Agent incurs or pays such liability without first satisfying the foregoing conditions in (a) and (b) above, then it shall be deemed to have unconditionally agreed to satisfy, donate and pay all such liabilities from its own account and the Trustee (in its capacity as lessor) shall have no responsibility whatsoever in connection with such liability.

The Servicing Agent shall submit to the Trustee (in its capacity as lessor) or its agent the invoice or receipt for (or other evidence of payment or incurrence of) each liability comprising the Service Charge Amount, as soon as practicable after the payment or incurrence thereof and, in any case, an invoice or receipt consolidating (or other evidence of payment or incurrence) of all liabilities comprising the Service Charge Amount paid or incurred during a Rental Period on the fifth Business Day preceding the immediately following Rental Payment Date (as defined in the Servicing Agency Agreement) (the "**Services Invoice Date**"). The Servicing Agent shall submit to the Trustee (in its capacity as lessor) or its agent a request for the Trustee's (in its capacity as lessor) approval of the Servicing Agent incurring or paying any proposed liability comprising an Additional Servicing Agency Expense prior to incurring or paying such proposed liability (the date of such notice being the "**Additional Servicing Agency Expenses Request Date**").

Subject to the terms of the relevant Lease Agreement:

(a) the Trustee (in its capacity as lessor) shall procure that an amount equal to the Service Charge Amount notified to it is recorded in the Collection Account on the first Business Day of the first Rental Period commencing after the Services Invoice Date; and

(b) the Trustee (in its capacity as lessor) shall procure the reimbursement of the Servicing Agent for each Additional Servicing Agency Expense approved by recording such amount in the Collection Account on the first Business Day of the first Rental Period commencing after the Additional Servicing Agency Expenses Request Date or, if the relevant Lease is terminated prior to such date, on the date of termination of such Lease.

An amount equal to an Additional Servicing Agency Expense shall not be reimbursed unless the Servicing Agent evidences the requirement for the payment or the incurrence of each liability comprising such Additional Servicing Agency Expense by delivering to the Trustee (in its capacity as lessor) quotations or other proper evidence of such requirement by no later than the Additional Servicing Agency Expenses Request Date.

Purchase Undertaking

The Purchase Undertaking was executed on 17 March 2025, by EDO Gas (in its capacity as obligor) as a deed in favour of the Trustee and the Delegate and is governed by English law.

In relation to each Series, provided that no Total Loss Event has occurred and is continuing, EDO Gas (in its capacity as obligor) has irrevocably granted to the Trustee and the Delegate the right to require EDO Gas to purchase all of the Trustee's rights, title, interests, benefits and entitlements, present and future, in, to and under the Lease Asset(s), the Certificateholder Put Right Lease Assets(s), the Tangibility Event Put Right Lease Asset(s) or the Change of Control Put Right Lease Asset(s), as the case may be upon the Trustee or the Delegate (on behalf of the Trustee) exercising its option thereunder and delivering an Exercise Notice to EDO Gas in accordance with the terms of the Purchase Undertaking, on the Dissolution Event Redemption Date (provided that a Dissolution Event has occurred and is continuing), the Scheduled Dissolution Date, the Certificateholder Put Right Date (provided that the Certificateholder Put Right is specified as applicable in the applicable Pricing Supplement), the Tangibility Event Put Right Date or the Change of Control Put Right Date (provided that the Change of Control Put Right is specified as applicable in the applicable Pricing Supplement), as the case may be, at the Exercise Price, Certificateholder Put Right Exercise Price, Tangibility Event Put Right Exercise Price or the Change of Control Put Right Exercise Price, as the case may be, specified in the Exercise Notice.

The "**Exercise Price**", "**Certificateholder Put Right Exercise Price**", "**Tangibility Event Put Right Exercise Price**" or "**Change of Control Put Right Exercise Price**", as the case may be, payable by EDO Gas (as obligor), in relation to each Series, shall be an amount equal to the aggregate of:

(a) the aggregate face amount of the Trust Certificates then outstanding or the Trust Certificates to be redeemed on the Certificateholder Put Right Date, the Tangibility Event Put Right Date or the Change of Control Put Right Date for the relevant Series, as the case may be; plus

(b) all accrued but unpaid Periodic Distribution Amounts (if any) relating to such Trust Certificates; plus

(c) without duplication or double counting, if all of the Trust Certificates of the relevant Series are being redeemed in full, an amount representing any amounts payable by the Trustee (in any capacity) under the Transaction Documents to which it is a party (including but not limited to, if all of the Trust Certificates of the relevant Series are being redeemed in full, an amount equal to any outstanding Additional Servicing Agency Expenses in respect of which EDO Gas (in its capacity as lessee) has agreed to make a corresponding payment of Additional Supplementary Rental but such payment has not been made in accordance with the Master Lease Agreement and the relevant Supplemental Lease Agreement) provided that, in the case of any amounts payable pursuant to Condition 5.2(a), EDO Gas has received a notification from the Delegate of such amounts by not later than the third Business Day (as defined in the Purchase Undertaking) prior to the date on which the Exercise Notice is delivered; plus

(d) without duplication or double counting any other amounts payable on redemption of the Trust Certificates or the Trust Certificates to be redeemed on the Certificateholder Put Right Date, the Tangibility Event Put Right Date or the Change of Control Put Right Date, as the case may be, as specified in the applicable Pricing Supplement; less

(e) the aggregate amounts of Deferred Sale Price (or the applicable proportion thereof, as the case may be) then outstanding, if any; less

(f) in the case of the Exercise Price only, in the case of a Dissolution Event arising as a result of a Partial Loss Dissolution Event only, an amount equal to: (i) the aggregate of the proceeds of the Insurances in respect of the relevant Impaired Lease Asset(s) and/or any Loss Shortfall Amount paid in respect of a Partial Loss Event in accordance with the terms of the Servicing Agency Agreement and standing to the credit of the Transaction Account; less (ii) any amount of Rental Reimbursement Amount paid in accordance with the terms of the Lease Agreement.

EDO Gas (in its capacity as obligor) has undertaken in the Purchase Undertaking that, in relation to any Series, it shall irrevocably and unconditionally fully accept such ownership interest as the Trustee may have in the relevant Lease Asset(s), the Certificateholder Put Right Lease Asset(s), the Change of Control Put Right Lease Asset(s) or the Tangibility Event Put Right Lease Asset(s), as the case may be. EDO Gas (in its capacity as obligor) has further undertaken in the Purchase Undertaking that if, at the time of delivery of the Exercise Notice in accordance with the provisions of the Purchase Undertaking, EDO Gas remains in actual or constructive possession, custody or control of all or any part of the Lease Asset(s), the Certificateholder Put Right Lease Asset(s), the Change of Control Put Right Lease Asset(s) or the Tangibility Event Put Right Lease Asset(s), as the case may be, and if, following delivery of the Exercise Notice in accordance with the provision of the Purchase Undertaking, the relevant Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be, is not paid in accordance with the provisions of the Purchase Undertaking for any reason whatsoever, it shall (as an independent, severable and separately enforceable obligation) fully indemnify the Trustee for the purpose of redemption in full of the Trust Certificates then outstanding or the Certificateholder Put Right Trust Certificates, the Change of Control Put Right Trust Certificates or the Tangibility Event Put Right Trust Certificates, as the case may be, and, accordingly, the amount payable under any such indemnity claim will equal the relevant Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be.

Payment of an amount equal to the relevant Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be, into the Transaction Account in accordance with the Purchase Undertaking shall (i) evidence the acceptance of the exercise notice by EDO Gas (in its capacity as obligor) delivered in accordance with the provisions of the Purchase Undertaking and the conclusion of the transfer of the Trustee's rights, title, interests, benefits and entitlements, present and future, in, to and under the Lease Asset(s), the Certificateholder Put Right Lease Asset(s), the Change of Control Put Right Lease Asset(s) or the Tangibility Event Put Right Lease Asset(s), as the case may be, to the EDO Gas (in its capacity as obligor) and (ii) constitute full discharge of the obligation of the EDO Gas (in its capacity as obligor) to pay the relevant Exercise Price, the Certificateholder Put Right Exercise Price, the Change of Control Put Right Exercise Price or the Tangibility Event Put Right Exercise Price, as the case may be, to the Trustee (for the benefit of the Certificateholders).

EDO Gas (in its capacity as obligor) will also agree in the Purchase Undertaking that all payments by it under the Purchase Undertaking will be made in the Specified Currency without set-off (except as provided below) or counterclaim of any kind and, free and clear of, any without any deduction or withholding for, any Taxes of whatever nature imposed, levied, collected, withheld or assessed by or within any Relevant Jurisdiction or any authority therein or thereof having power to tax, unless the withholding or deduction is required by law. In that event, EDO Gas (as obligor) shall pay such additional amounts as will result in the receipt by the Trustee of such amounts as would have been received by it had no withholding or deduction had been required.

The amount equal to any outstanding Additional Servicing Agency Expenses to be paid by EDO Gas as part of any Exercise Price, Certificateholder Put Right Exercise Price, Change of Control Put Right Exercise Price or Tangibility Event Put Right Exercise Price, as the case may be, in respect of which EDO Gas (in its capacity as lessee) has agreed to make a corresponding payment of Additional Supplementary Rental but such payment has not been made in accordance with the Master Lease Agreement and the Supplemental Lease Agreement and any outstanding Additional Servicing Agency Expenses to be paid by the Trustee (in its capacity as lessor) pursuant to the Servicing Agency Agreement, shall be set off against one another, and in each case, the obligation to pay that part of the Exercise Price, Certificateholder Put Right Exercise price, Change of Control Put Right Exercise Price or Tangibility Event Put Right Exercise Price, as the case may be, pursuant to the exercise of the Purchase Undertaking shall be discharged by such set-off.

In addition, EDO Gas has agreed that a Company Event shall constitute a Dissolution Event for the purposes of the Conditions.

Sale and Substitution Undertaking

The Sale and Substitution Undertaking was executed on 17 March 2025 by the Trustee, as a deed in favour of EDO Gas and is governed by English law.

In relation to each Series, provided that no Total Loss Event has occurred and is continuing, the Trustee has irrevocably granted to EDO Gas the right to require the Trustee to sell, transfer and/or convey all of its rights, title, interests, benefits and entitlements, present and future, in, to and under the Optional Dissolution Lease Asset(s) (provided that the Optional Dissolution Call Right is specified in the applicable Pricing Supplement as being applicable) or the Lease Asset(s), as the case may be to EDO Gas on the Tax Dissolution Date, Optional Dissolution Date or the Clean Up Call Right Dissolution Date, as the case may be, at the Optional Dissolution Exercise Price (in respect of an Optional Dissolution Date) or the Exercise Price (in the case of a Tax Dissolution Date or Clean up Call Right Dissolution Date) specified in the relevant Exercise Notice upon EDO Gas exercising its right thereunder and delivering an Exercise Notice to the Trustee in accordance with the terms of the Sale and Substitution Undertaking.

An amount equal to the outstanding Additional Servicing Agency Expenses to be paid by EDO Gas as part of any Optional Dissolution Exercise Price or Exercise Price (as applicable) under the Sale and Substitution Undertaking and any outstanding Additional Servicing Agency Expenses to be paid by the Trustee pursuant to the Servicing Agency Agreement in respect of which EDO Gas (in its capacity as lessee) has agreed to make a corresponding payment of Additional Supplementary Rental but such payment has not been made in accordance with the Master Lease Agreement and Supplemental Lease Agreement, shall be set off against one another and the obligation to pay that part of the Optional Dissolution Exercise Price or Exercise Price, as applicable, shall be discharged by such set-off.

In addition, under the terms of the Sale and Substitution Undertaking, if at any time EDO Gas wishes to cancel any Trust Certificates purchased pursuant to Condition 11.1, EDO Gas may, by exercising its option under the Sale and Substitution Undertaking and by delivering a Cancellation Notice to the Trustee in accordance with the terms of the Sale and Substitution Undertaking, oblige the Trustee to transfer all of its rights, title, interests, benefits and entitlements, present and future, in, to and under the Cancelled Lease Asset(s) to EDO Gas in return for which the Cancelled Trust Certificates purchased shall be cancelled subject to certain conditions set out in the Sale and Substitution Undertaking. Following such transfer, the Trustee shall forthwith surrender to the relevant Registrar the relevant Trust Certificates identified for cancellation in the Cancellation Notice on the Cancellation Date.

Furthermore, pursuant to the terms of the Sale and Substitution Undertaking, the Trustee has granted to EDO Gas the right to require the Trustee to sell, transfer and/or convey all of its rights, title, interests, benefits and entitlements, present and future, in, to and under the Substituted Lease Asset(s) (as defined in the Sale and Substitution Undertaking) to it in exchange for the sale to the Trustee of the new Lease Assets subject to certain conditions set out in the Sale and Substitution Undertaking.

Master Murabaha Agreement

The Master Murabaha Agreement was entered into on 17 March 2025 between EDO Gas (in its capacity as buyer, the "**Buyer**"), the Trustee (in its capacity as seller, the "**Seller**") and the Delegate and is governed by English law.

Pursuant to the Master Murabaha Agreement, the Seller may, upon receipt of a Purchase Order (as defined in the Master Murabaha Agreement) from the Buyer in accordance with the terms of the Master Murabaha Agreement, purchase certain commodities on the Issue Date of the relevant Tranche. Following the purchase of the commodities by the Seller, and provided that the Seller has acquired title thereto, and actual or constructive possession thereof, the Seller may deliver to the Buyer by no later than the Issue Date a Letter of Offer and Acceptance (as defined in the Master Murabaha Agreement) indicating the Seller's acceptance of the terms of the Purchase Order made by the Buyer and detailing the terms of the offer for the sale of the commodities to the Buyer from the Seller on the Issue Date.

Pursuant to the Master Murabaha Agreement, the Buyer may undertake to accept the terms of, countersign and deliver to the Seller any Letter of Offer and Acceptance delivered to it in accordance with the Master Murabaha Agreement and (as a result of the Seller having acted on the request of the Buyer set out in the Purchase Order) purchase the commodities acquired by the Seller for the Deferred Sale Price in accordance with the terms of the Master Murabaha Agreement.

As soon as the Buyer has countersigned the Letter of Offer and Acceptance, a Murabaha Contract (as defined in the Master Murabaha Agreement) shall be created between the Seller and the Buyer upon the terms of the Letter of Offer and Acceptance and incorporating the terms and conditions set out in the Master Murabaha Agreement, the Seller shall sell and the Buyer shall buy the commodities on the terms set out in the Letter of Offer and Acceptance and ownership (including, without limitation, the right of ownership from a Shari'a perspective) of and, upon the Buyer obtaining actual and constructive possession of the relevant Commodities, all risks in and to the relevant commodities shall immediately pass to and be vested in the Buyer, together with all rights and obligations relating thereto.

The Buyer will also agree in the Master Murabaha Agreement that all payments by it under the Master Murabaha Agreement and any Murabaha Document (as defined in the Master Murabaha Agreement) will be made in the Specified Currency without set-off or counterclaim of any kind and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction or any authority therein or thereof having power to tax, unless required by law. In that event, the Buyer shall pay such additional amounts as will result in the receipt by the Trustee of such amounts as would have been received by it had no withholding or deduction had been made.

The Buyer will ensure that its payment obligations under the Master Murabaha Agreement and any Murabaha Contract are and will be direct, unconditional, unsubordinated and (subject to Condition 4.3) unsecured obligations of EDO Gas (in its capacity as lessee) and shall (save for such exceptions as may be provided by applicable law and subject to Condition 4.3) at all times rank at least *pari passu*, with all other present and future unsecured and unsubordinated obligations of the Buyer, from time to time outstanding.

Shari'a **Compliance**

Each Transaction Document to which it is a party provides that each of the Trustee and EDO Gas agrees that it has accepted the *Shari'a*-compliant nature of the Trust Certificates and the Transaction Documents to which it is a party and the transactions contemplated therein and further agrees that:

- it shall not claim that any of its obligations under the Trust Certificates and the Transaction Documents to which it is a party (or any provision thereof) is ultra vires, not valid, legal, binding or enforceable or not compliant with the principles of *Shari'a*, regardless of any pronouncement by any *Shari'a* committee, authority, institution or *Shari'a* adviser to that effect;

- it shall not take any steps or bring any proceedings in any forum to challenge the *Shari'a* compliance of the Trust Certificates or the Transaction Documents to which it is a party; and
- none of its obligations under the Trust Certificates and the Transaction Documents to which it is a party shall in any way be diminished, abrogated, impaired, invalidated or otherwise adversely affected by any finding, declaration, pronouncement, order or judgment of any court, tribunal or other body that the Trust Certificates or the Transaction Documents to which it is a party are not compliant with the principles of *Shari'a*.

TAXATION

General

Prospective purchasers of Trust Certificates are advised to consult their tax advisers as to the consequences, under the tax laws of the countries of their respective citizenship, residence, ordinary residence or domicile, of a purchase of Trust Certificates, including, but not limited to, the consequences of receipt of payments under the Trust Certificates and their disposal or redemption. This summary is based upon the law as in effect on the date of this Base Offering Circular and is subject to any changes in law that might take effect after such date.

Cayman Islands

The following is a discussion on certain Cayman Islands tax consequences of an investment in the Trust Certificates. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments on Trust Certificates to be issued will not be subject to taxation in the Cayman Islands and no withholding will be required on the payments to any holder of the Trust Certificates, nor will gains derived from the disposal of the Trust Certificates be subject to Cayman Islands income or corporation tax. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance or gift tax. The Trustee has obtained an undertaking from the Governor in Cabinet of the Cayman Islands, pursuant to the Tax Concessions Act (As Revised) of the Cayman Islands, that for a period of 20 years from the date of grant of that undertaking no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciation shall apply to the Trustee or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable on or in respect of the shares, debentures or other obligations (which includes the Trust Certificates) of the Trustee or by way of the withholding in whole or part of any relevant payment as defined in the Tax Concessions Act (As Revised). No capital or stamp duties are levied in the Cayman Islands on the issue or redemption of Trust Certificates. However, an instrument transferring title to any Trust Certificates, if brought to or executed in the Cayman Islands, would be subject to Cayman Islands stamp duty. An annual registration fee is payable by the Trustee to the Cayman Islands Registrar of Companies which is calculated by reference to the nominal amount of its authorised capital. At current rates, this annual registration fee is US$1,128.05. The foregoing is based on current law and practice in the Cayman Islands and this is subject to change therein.

Oman

The statements herein regarding taxation are based on the laws in effect in Oman as at the date of this Base Offering Circular and are subject to any changes of law and regulation as well as changes in the practice of the Oman Tax Authority occurring after such date. The following is a summary only of the material Omani tax consequences of ownership of the Trust Certificates by beneficial owners who are not Oman Tax Residents (as defined below).

The following summary does not purport to be a comprehensive description of all the tax considerations and is not intended to reflect the individual tax position of any beneficial owner, which may be relevant to a decision to purchase, own or dispose of the Trust Certificates and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules. This summary is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change. Prospective

purchasers of the Trust Certificates are advised to consult their own tax advisers concerning the overall tax consequences of their acquiring, holding, and disposing of the Trust Certificates, including in particular the effect of any local laws.

Withholding Tax in Oman

Pursuant to Article 52 of the Oman Income Tax Law (promulgated by Royal Decree 28/2009) (the "**Oman Income Tax Law**") (as amended by Royal Decree 09/2017 and by Royal Decree 118/2020, the "**Tax Amendments**"), withholding tax ("**WHT**") is payable on the following categories of income earned in Oman:

(a) royalties;

(b) consideration for conducting research and development;

(c) consideration for using or the right to use computer programs;

(d) fees in consideration for management or performance of services; and

(e) payment of dividends on shares or interest.

The applicable tax rate is 10 per cent. of the gross amount paid or credited to the account of a non-resident person.

Royal Decree 09/2017 amended the Oman Income Tax Law to include payments to non-resident persons towards "provision for services" as part of the specified payments that are subject to WHT. However, there was further clarity required with respect to applicability of WHT on services rendered outside Oman and the type of services on which WHT would be applicable.

The Ministerial Decision № 14/2019 amending the Executive Regulation issued by the Ministerial Decision № 30/2012 ("**ER**"), clarified some of the above provisions. The amended ERs define the term "realized in Oman" to mean "whenever the source of such funds is from Oman", which could possibly mean where the payer is located i.e., in Oman, if the payer happens to be a taxpayer in Oman. Further, the ERs have excluded the following seven categories of payments from "payment in considerations of rendering services", for WHT purposes:

- conferences, seminars or exhibitions;
- training;
- transport and shipping of goods and insurance thereupon;
- airline tickets and cost of staying abroad;
- board meetings;
- payments for re-insurance; and
- services rendered in relation to any activity or property located outside Oman.

In view of the above exclusions, it is noted that all other services except the above exclusions, irrespective of the place of rendition are subject to WHT in Oman, subject to further relief, if any, as per the applicable double taxation avoidance agreement that Oman has with other countries.

In addition, Ministerial Decision № 14/2019 provides that, for the purpose of WHT deductible pursuant to Article 52(5) of the Oman Income Tax Law, the term "interest" shall not include revenues of bonds or sukuk issued by the Government or banks licensed in Oman. Furthermore, "interest" is defined to include any amounts

received in lieu of interest considering the provision of the Second Chapter bis of Part Three of the Oman Income Tax Law, which deal with Islamic transactions and treat them as equivalent to conventional transactions for income tax purposes, subject to the specific conditions stated therein.

WHT shall not be levied on the gross amount of the aforementioned categories of income paid or credited to the account of any Oman-based "tax residents", as such term is defined under Article 18 (bis) of the Oman Income Tax Law as being: "*...(1) a natural person residing in Oman during a fiscal year, provided that they have been present within Oman for a period for 183 consecutive or non-consecutive days during the fiscal year, (2) a corporate person residing in Oman during the fiscal year, provided that it meets any of the following criteria: (a) that it has been established in Oman as per the laws and Royal Decrees in force therein, or (b) that its main or actual headquarters is located in Oman*" ("**Oman Tax Residents**"). However, WHT shall be levied on the gross amount of the aforementioned categories of income paid or credited to the account of any persons who are not Oman Tax Residents in the cases specified in Article 40, read with Article 52, of the Oman Income Tax Law if such persons do not have a permanent establishment in Oman.

Additionally, the Tax Amendments extend the requirement to deduct WHT payable pursuant to Article 53bis to any Ministry, authority, public institution or other public juristic person or unit of the administrative apparatus of Oman.

Oman-registered institutional investors are Oman Tax Residents and, therefore, will not be subject to Omani WHT. However, offshore institutional investors who are not Oman Tax Residents may be subject to WHT depending upon the type of income earned, regardless of whether or not they are owned by Oman Tax Residents.

The application of Omani WHT is subject to relief, if any, as per the applicable double taxation avoidance agreement that Oman has with other countries.

On 11 January 2023, the Royal Directive was issued under which it was announced that withholding tax would no longer apply to dividend distributions and interest amounts. The 2023 Royal Directive has not been issued by way of a formal Royal Decree or published in the Official Gazette and no official confirmation of the form or text of the 2023 Royal Directive has been released, however, details were published online by the Omani Ministry of Interior.

In addition, on 30 October 2023, the Public Debt Law (promulgated by Royal Decree 68/2023) came into force in Oman and confirmed that "Public Debt Instruments" (as defined therein and which include Government bonds, treasury bills, Sukuk, loan guarantees and loan agreements), their value, returns, interest or profits resulting therefrom will not be subject to fees or taxes (the "**Public Debt Tax Exemption**"). Whilst Public Debt Instruments are referred to as those denominated in Omani Rial, EDO Gas and the Guarantor understand that the Public Debt Law is intended to apply more broadly to all such instruments issued by the Government of Oman and regardless of currency. The implementing regulations of the Public Debt Law have not yet been issued and further guidance on the application of the Public Debt Tax Exemption and whether the Public Debt Exemption extends to Government-related entities (such as EDO Gas and the Guarantor) may be set out in those regulations.

The apparent effect of the 2023 Royal Directive is that no withholding tax will be applicable to interest payments which is defined to include any amounts received in lieu of interests under Islamic financial transactions made by the Trustee to Certificateholders who are not Oman Tax Residents, or to any corresponding payments made by EDO Gas or the Guarantor to the Trustee pursuant to the Transaction Documents, indefinitely.

In cases where the arrangement fees, commitment fees or agency fees are regarded as fees in consideration for management or performance of services, the suspension of the WHT on interest would not apply to these fees and hence, the same would be subject to WHT.

Corporate income tax

Tax in Oman is governed by the Oman Income Tax Law and various other Royal Decrees and Ministerial decisions.

Tax is charged on business establishments owned by individuals, companies incorporated in Oman and permanent establishments (registered/unregistered branches) of non-resident persons.

Taxpayers engaged in the field of oil exploration are taxed at 55 per cent. of any income derived from the sale of petroleum under the Oman Income Tax Law. However, in Oman, Oil and gas exploring taxpayers majorly are taxed based on the underlying EPSAs, which define the tax rates and other specific provisions related to the tax liabilities of these companies and compliance requirements, etc. EPSA generally override the provisions of the Oman Income Tax Law. Following the 2023 Gas Concession NARA, the tax liability of the Guarantor is administered by the Fiscal Protocol and the Oil Concession Agreements entered into with the Government of Oman, and the tax liability of EDO Gas is administered by the Gas Concession Agreement.

Every taxable entity is required to file a final return of income for every tax year together with the audited financial statements which should be prepared in accordance with the International Financial Reporting Standards.

Oman has entered into a comprehensive double taxation treaty with more than 36 countries which includes the United Kingdom, France and Spain, among others.

Income tax treatment of Islamic financing transactions

As per the Second Chapter bis of Part Three of the Oman Income Tax Law, transactions that comply with the principles of Islamic *Shari'a* are treated equivalent to conventional transactions for income tax purposes, subject to the satisfaction of specific conditions stated therein.

Capital Gains Taxes in Oman

Under the Oman Income Tax Law, gains on the sale or redemption of the Trust Certificates made by Certificateholders who are residents or are deemed to have a permanent establishment in Oman (to which such Trust Certificates are attributable) will be subject to a tax of 15 per cent. of their taxable gain from such sale or redemption, if such income (i) forms part of such Certificateholder's business profits, which are realised in Oman and are recorded as having been realised as such in its financial statements, and (ii) such Certificateholders are not otherwise exempted under the Oman Income Tax Law. Consequently, any profit or gain realised by a Certificateholder as a result of the sale and/or redemption of Trust Certificates shall constitute part of a non-resident Certificateholder's taxable income in Oman only where such proceeds are attributable to the Certificateholder's permanent establishment in Oman and are recorded as such in its financial statements. A Certificateholder who is neither resident in Oman nor deemed to have permanent establishment in Oman should not be liable for such tax. For the avoidance of doubt, a Certificateholder will not be deemed to have a permanent establishment in Oman on the sole basis of its ownership of the Certificates.

Value Added Tax in Oman

On 12 October 2020, His Majesty Sultan Haitham bin Tariq Al Said issued Royal Decree № 121/2020 promulgating the law on value added tax (the "**VAT Law**"). The VAT Law came into effect on 16 April 2021 and along with various other Royal Decrees and ministerial decisions governs VAT in Oman. The VAT Law imposes a value added tax at a standard rate of 5 per cent. on supply of goods and services, deemed supplies, import of goods and import of services under a reverse charge mechanism, with certain exemptions, suspensions and zero rating for the oil and gas, financial services, transportation, education and healthcare sectors. The VAT Law also provides the mechanism to recover input VAT incurred on certain expenses, subject to specified conditions.

Registration is mandatory for every person who is engaged in an economic activity, has a place of residence in Oman and annual supplies exceeding OMR 38,500. Registration is also mandatory for any non-resident supplier making taxable supplies to an un-registered person in Oman regardless of the value of their supplies. Registration is voluntary for any person who is engaged in an activity, has a place of residence in Oman and annual supplies or expenses between OMR 19,250 and OMR 38,500.

Every taxable person is required to file VAT returns and pay VAT due (if any) every calendar quarter.

VAT treatment of Islamic financial transactions

The VAT legislation provides for parity in the VAT treatment of conventional financial transactions and Islamic financial transactions which are similar in terms of their objective and outcome.

Financial services provided in Oman are exempt, except for financial services where the payment of the consideration is a fee, commission, or commercial deduction. Financial services that are exempt in Oman, when provided outside Oman are zero-rated.

Input VAT incurred on goods or services used directly and exclusively for making an exempt supply is not recoverable by a taxable supplier. Input VAT incurred on overheads used for making taxable and exempt supplies is subject to apportionment and only partially recoverable by a taxable supplier. VAT incurred on certain independent transactions that form a part of a larger Islamic financial transaction may also be blocked, depending on the nature of the transaction.

Other Taxes in Oman and relevant updates

No stamp, issue, registration fees or similar taxes or duties will be payable in Oman in connection with the issuance, delivery, or execution of the Trust Certificates by the Trustee.

Enforcement will entail filing of legal proceedings before the courts of Oman, which requires the payment of court fees.

Certain U.S. Federal Income Tax Considerations

The following summary of certain U.S. federal income tax considerations of the purchase, ownership and disposition of the Trust Certificates by a U.S. Holder (as defined below) is based upon the Code, final, temporary and proposed Treasury regulations issued thereunder, and published judicial and administrative interpretations thereof, each as of the date hereof, and all of which are subject to change, possibly with retroactive effect. No ruling will be sought from the U.S. Internal Revenue Service (the "**IRS**") with respect to any statement or conclusion in this discussion, and there can be no assurance that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, a court would uphold such statement or conclusion.

This summary does not purport to be a complete analysis of all potential tax consequences. This discussion does not address all of the U.S. federal income tax consequences that may be relevant to an investor in light of such investor's particular circumstances or to investors subject to special treatment under U.S. federal income tax laws, such as financial institutions, certain U.S. expatriates, insurance companies, retirement plans, dealers in securities or foreign currencies, traders in securities that elect mark-to-market tax accounting, U.S. Holders whose functional currency is not the U.S. dollar, persons required for U.S. federal income tax purposes to accelerate the recognition of any item of gross income with respect to the Trust Certificates as a result of such income being recognised on an applicable financial statement, partnerships, tax-exempt organisations, regulated investment companies, real estate investment trusts, persons subject to alternative minimum tax or the Medicare unearned income tax or surtax, persons holding the Trust Certificates as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction, and U.S. Holders holding the Trust Certificates in connection with a trade or business conducted outside of the United States. In addition, this discussion is limited

to persons that purchase the Trust Certificates for cash at the price of the applicable offering and that hold the Trust Certificates as capital assets for U.S. federal income tax purposes.

For purposes of this discussion, the term "**U.S. Holder**" means a beneficial owner of a Trust Certificate that is, for U.S. federal income tax purposes, (i) an individual that is a citizen or resident of the United States, (ii) a corporation created or organised in, or under the laws of, the United States, any state therein or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source, or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons for U.S. federal income tax purposes have the authority to control all substantial decisions of the trust, or a trust which has validly elected to be treated as a United States person for U.S. federal income tax purposes.

If an entity or arrangement classified as a partnership for U.S. federal income tax purposes invests in Trust Certificates, the U.S. federal income tax treatment of a partner in such partnership will generally depend upon the status of such partner and the activities of the partnership. Prospective investors that are partnerships, and partners in such partnerships, should consult their own tax advisers to determine the U.S. federal income tax consequences to them of the purchase, ownership and disposition of the Trust Certificates.

Prospective purchasers of the Trust Certificates should consult their own tax advisers concerning the tax consequences of investing in Trust Certificates in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of state, local, non-U.S. and other tax laws.

This summary assumes that the Trust Certificates are not characterised as contingent payment debt instruments for U.S. federal income tax purposes. To the extent that Trust Certificates are treated as contingent payment debt instruments for U.S. federal income tax purposes, the U.S. federal income tax consequences of holding such Trust Certificates will be discussed in the applicable prospectus supplement. This summary should be read in conjunction with any discussion of U.S. federal income tax consequences in the applicable prospectus supplement. To the extent there is any inconsistency in the discussion of U.S. tax consequences to holders between this Base Offering Circular and the applicable prospectus supplement, holders should rely on the tax consequences described in the applicable prospectus supplement instead of this Base Offering Circular.

Classification of the Trust Certificates

The Trustee intends to treat the Trust Certificates as representing a beneficial interest in indebtedness for U.S. federal income tax purposes and each holder and beneficial owner of a Trust Certificate, by acceptance of such Trust Certificate or a beneficial interest therein, will likewise agree to treat the Trust Certificates as representing a beneficial interest in indebtedness for such purposes. This treatment is not binding on the IRS and no ruling will be sought from the IRS regarding this or any other aspect of the tax treatment of the Trust Certificates. It is possible that the IRS could successfully argue that the Trust Certificates should be treated as equity interests in the Trustee. If the Trust Certificates were treated as equity interests in the Trustee, U.S. Holders likely would be treated as owning interests in a passive foreign investment company (or "**PFIC**"), which could have materially adverse tax consequences for such U.S. Holders. Prospective investors should seek advice from their own tax advisers as to the consequences to them of alternative characterisations of the Trust Certificates, the possibility that the Trust Certificates might be classified as equity interests in a PFIC and the consequences of owning an equity interest in a PFIC. The remainder of this discussion assumes that the Trust Certificates represent a beneficial interest in indebtedness for U.S. federal income tax purposes.

Payment of Periodic Distribution Amounts

General

Except as discussed below under "*—Original Issue Discount*", payments of Periodic Distribution Amounts on the Trust Certificates (including any additional amounts payable pursuant to Condition 12) will be treated as payments of periodic distribution amount and generally will be taxable to a U.S. Holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. Holder's usual method of accounting for U.S. federal income tax purposes. Periodic Distribution Amounts and OID, if any, received or accrued on the Trust Certificates generally will constitute foreign source income to U.S. Holders for U.S. federal income tax purposes. A U.S. Holder may be entitled, subject to certain limitations, to a credit against its U.S. federal income tax liability, or to a deduction, if elected, in computing its U.S. federal taxable income, for non-refundable non-U.S. income taxes withheld from Periodic Distribution Amounts. For purposes of the foreign tax credit limitation, Periodic Distribution Amounts paid by the Trustee generally will constitute "passive category income". The rules relating to the foreign tax credit or deduction, if elected, are complex and U.S. Holders should consult their tax advisers concerning their availability in their particular circumstances.

Special rules governing the treatment of Periodic Distribution Amounts paid with respect to original issue discount Trust Certificates and foreign currency Trust Certificates (each as defined below) are described under "*—Original Issue Discount*" and "*—Foreign Currency Trust Certificates*".

Pre-Issuance Accrued Periodic Distribution Amount

If a portion of the price paid for a Trust Certificate is allocable to Periodic Distribution Amounts that accrued prior to the date the Trust Certificate is issued ("**Pre-issuance Accrued Periodic Distribution Amount**"), a portion of the first payment on the Trust Certificates equal to the amount of the Pre-issuance Accrued Periodic Distribution Amount may be treated as a non-taxable return of the Pre-issuance Accrued Periodic Distribution Amount. This discussion assumes that the first payment on Trust Certificates with a Pre-issuance Accrued Periodic Distribution Amount will be so treated, and references to Periodic Distribution Amount in the remainder of this discussion exclude any Pre-issuance Accrued Periodic Distribution Amount. This discussion assumes that in determining the issue price of a Trust Certificate, there will be excluded an amount equal to the Pre-issuance Accrued Periodic Distribution Amount. Pre-issuance Accrued Periodic Distribution Amounts not included in income should not form part of any amortisable bond premium (as descried below under "*– Acquisition Premium and Amortisable Premium*"). A U.S. Holder's tax basis in a Trust Certificate will be reduced by any non-taxable return of Pre-issuance Accrued Periodic Distribution Amounts. This discussion does not otherwise address the treatment of Pre-issuance Accrued Periodic Distribution Amounts, and U.S. Holders should consult their tax advisers concerning the U.S. federal income tax treatment of Pre-issuance Accrued Periodic Distribution Amounts, including the potential recognition of foreign currency exchange gain or loss upon receipt of otherwise nontaxable return of Pre-issuance Accrued Periodic Distribution Amounts with respect to foreign currency Trust Certificates.

Original Issue Discount

A Trust Certificate that has an "issue price" (generally, the first price at which a substantial amount of such issue of Trust Certificate has been sold to the public, other than in sales to bond houses, broker-dealers, or similar persons or organisations acting in the capacity of underwriters, placement agents, or wholesalers) that is less than its "stated redemption price at maturity" will be considered to have been issued with OID for U.S. federal income tax purposes (and will be referred to as an "**original issue discount Trust Certificate**") unless the Trust Certificate satisfies a *de minimis* threshold (as described below). The "stated redemption price at maturity" of a Trust Certificate generally will equal the sum of all payments required to be made under the Trust Certificate other than payments of "qualified stated profit". "**Qualified stated profit**" is stated profit

unconditionally payable (other than in debt instruments of the Trustee) at least annually during the entire term of the Trust Certificate at a single fixed rate of profit, at a single qualified floating rate of profit, or at a rate that is determined at a single fixed formula that is based on objective financial or economic information.

If the difference between a Trust Certificate's stated redemption price at maturity and its issue price is less than a *de minimis* amount, i.e., one-quarter of one per cent. of the stated redemption price at maturity multiplied by the number of complete years to maturity (or weighted average maturity if any amount included in the stated redemption price at maturity is payable before maturity), the Trust Certificate will not be considered to have OID. U.S. Holders of the Trust Certificates with less than a *de minimis* amount of OID will include this OID in income, as capital gain, on a pro rata basis as principal payments are made on the Trust Certificate.

U.S. Holders of original issue discount Trust Certificates that mature more than one year from their date of issuance will be required to include OID in income for U.S. federal tax purposes as it accrues in accordance with a constant yield method based on compounding, regardless of whether cash attributable to this income is received. Under these rules, U.S. Holders generally will have to include in taxable income increasingly greater amounts of OID in successive accrual periods.

A U.S. Holder may make an election to include in gross income all profit that accrues on any particular Trust Certificate (including stated profit, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount and unstated profit, as adjusted by any amortisable premium, as defined below, or acquisition premium, as described below) in accordance with a constant yield method based on compounding, and generally may revoke such election (a "**constant yield election**") only with the permission of the IRS. However, if the Trust Certificate has amortisable premium (discussed below), the U.S. Holder will be deemed to have made an election to apply amortisable premium against interest for all debt instruments with amortisable premium, other than instruments the interest on which is excludable from gross income, held as of the beginning of the taxable year to which the election applies or to any taxable year thereafter. If a U.S. Holder makes a constant yield election with respect to a Trust Certificate with market discount (discussed below), the U.S. Holder will be treated as having made an election to include market discount in income currently over the life of all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which such election applies. U.S. Holders should consult their tax advisers about making this election in light of their particular circumstances.

A Trust Certificate that matures one year or less from its date of issuance (a "**short-term Trust Certificate**") will be treated as being issued at a discount and none of the profit paid on the Trust Certificate will be treated as qualified stated profit regardless of its issue price. In general, a cash method U.S. Holder of a short-term Trust Certificate is not required to accrue the discount for U.S. federal income tax purposes but may elect to do so. Cash method U.S. Holders who do not elect to accrue the discount should include stated profit payments on short-term Trust Certificates as ordinary income upon receipt. Cash method U.S. Holders who do elect to accrue the discount and certain other holders, including those who report income on the accrual method of accounting for U.S. federal income tax purposes, are required to include the discount in income as it accrues on a straight-line basis, unless another election is made to accrue the discount according to a constant yield method based on daily compounding. In the case of a U.S. Holder who is not required and who does not elect to include the discount in income currently, any gain realised on the sale, exchange, or retirement of the short-term Trust Certificate will be ordinary income to the extent of the discount accrued on a straight-line basis (or, if elected, according to a constant yield method based on daily compounding) through the date of sale, exchange or retirement. In addition, those U.S. Holders will be required to defer deductions for any interest paid on indebtedness incurred to purchase or carry short-term Trust Certificates in an amount not exceeding the accrued discount until the accrued discount is included in income.

The Trustee may have an unconditional option to redeem, or U.S. Holders may have an unconditional option to require the Trustee to redeem, a Trust Certificate prior to its stated maturity date. Solely for the purposes of

determining whether a Trust Certificate has OID, the Trustee will be deemed to exercise any call option that has the effect of decreasing the yield on the Trust Certificate, and the U.S. Holder will be deemed to exercise any put option that has the effect of increasing the yield on the Trust Certificate. If it was presumed that an option would be exercised but it is not in fact exercised, the Trust Certificate would be treated solely for purposes of calculating OID as if it were redeemed, and a new Trust Certificate were issued, on the presumed exercise date for an amount equal to the Trust Certificate's adjusted issue price on that date. The adjusted issue price of a Trust Certificate is defined as the sum of the issue price of the Trust Certificate and the aggregate amount of previously accrued OID, less any prior payments other than payments of qualified stated profit.

Market Discount

If a U.S. Holder purchases a Trust Certificate (other than a short-term Trust Certificate) for an amount that is less than its stated redemption price at maturity or, in the case of an original issue discount Trust Certificate, its adjusted issue price, the amount of the difference will be treated as market discount for U.S. federal income tax purposes, unless this difference is less than a specified *de minimis* amount. For this purpose, the "stated redemption price at maturity" (as defined above) is decreased by the amount of any payments previously made on the Trust Certificate that were not qualified stated profit.

A U.S. Holder will be required to treat any principal payment (or, in the case of an original issue discount Trust Certificate, any payment that does not constitute qualified stated profit) on, or any gain on the sale, exchange, retirement or other disposition of a Trust Certificate, including disposition in certain non-recognition transactions, as foreign source ordinary income to the extent of the market discount accrued on the Trust Certificate at the time of the payment or disposition unless this market discount has been previously included in income by the U.S. Holder pursuant to an election by the U.S. Holder to include market discount in income as it accrues. An election to include market discount in income as it accrues applies to all debt instruments with market discount acquired by the electing U.S. Holder on or after the first day of the first taxable year to which such election applies and may not be revoked without the consent of the IRS. In addition, a U.S. Holder that does not elect to include market discount in income currently may be required to defer, until the maturity of the Trust Certificate or its earlier disposition (including certain non-taxable transactions), the deduction of all or a portion of the interest expense on any indebtedness incurred or maintained to purchase or carry such Trust Certificate. Such interest is deductible when paid or incurred to the extent of income from the Trust Certificate for the year. If the interest expense exceeds such income, such excess is currently deductible only to the extent that such excess exceeds the portion of the market discount allocable to the days during the taxable year on which such Trust Certificate was held by the U.S. Holder.

Market discount will accrue on a straight-line basis unless a U.S. Holder makes an election on a Trust Certificate to accrue on the basis of a constant rate. This election is irrevocable once made.

Acquisition Premium and Amortisable Premium

A U.S. Holder who purchases a Trust Certificate for an amount that is greater than the Trust Certificate's adjusted issue price but less than or equal to the stated redemption price at maturity will be considered to have purchased the Trust Certificate at an acquisition premium. Under the acquisition premium rules, the amount of OID that the U.S. Holder must include in its gross income with respect to the Trust Certificate for any taxable year will be reduced by the portion of acquisition premium properly allocable to that year.

If an investor purchases a debt instrument for an amount that is greater than the stated redemption price at maturity of that instrument, the investor will be considered to have purchased that instrument with amortisable bond premium for U.S. federal income tax purposes in an amount equal to the excess of the purchase price over the amount payable at maturity ("**amortisable premium**"). If a U.S. Holder purchases a Trust Certificate with amortisable premium, the U.S. Holder may elect to amortise this premium, using a constant yield method, over the remaining term of the Trust Certificate. A U.S. Holder who elects to amortise premium must reduce its tax

basis in the Trust Certificate by the amount of the premium amortised in any year. Special rules may limit the amortisable premium with respect to Trust Certificates subject to early redemption. An election to amortise premium applies to all taxable debt obligations then owned and thereafter acquired by the U.S. Holder and may be revoked only with the consent of the IRS.

If a U.S. Holder makes a constant yield election (as described under "*—Original Issue Discount*") for a Trust Certificate with amortisable premium, such election will result in a deemed election to amortise premium for all of the U.S. Holder's debt instruments with amortisable premium.

Sale or Other Disposition of Trust Certificates

A U.S. Holder's tax basis in a Trust Certificate generally will be its cost, increased by the amount of any OID or market discount included in the U.S. Holder's income with respect to the Trust Certificate and the amount, if any, of income attributable to de minimis OID and de minimis market discount included in the U.S. Holder's income with respect to the Trust Certificate, and reduced by (i) the amount of any payments other than qualified stated profit payments, and (ii) the amount of any amortisable premium applied to reduce profit on the Trust Certificate.

A U.S. Holder generally will recognise gain or loss on the sale or other disposition of a Trust Certificate equal to the difference between the amount realised on the sale or other disposition and the tax basis of the Trust Certificate. Except to the extent described above under "*—Original Issue Discount*" and "*—Market Discount*" or attributable to accrued but unpaid profit or changes in exchange rates (as discussed below), gain or loss recognised on the sale or other disposition of a Trust Certificate will be capital gain or loss and generally will be treated as from U.S. sources for U.S. federal income tax purposes. In the case of a U.S. Holder that is an individual, estate or trust, the maximum marginal federal income tax rates applicable to capital gain are currently lower than the maximum marginal rates applicable to ordinary income if the Trust Certificates have been held for more than one year at the time of the sale or other disposition. The deductibility of capital losses is subject to significant limitations. Prospective purchasers should consult their tax advisers as to the U.S. federal income tax implications in the case Omani or other non-U.S. taxes are imposed on disposition gains in their particular circumstances.

Foreign Currency Trust Certificates

The following discussion summarises certain U.S. federal income tax consequences to a U.S. Holder of the ownership and disposition of Trust Certificates the payments of profit or principal on which are denominated in or determined by reference to a currency other than the U.S. dollar ("**foreign currency Trust Certificates**").

The rules applicable to foreign currency Trust Certificates could require some or all gain or loss on the sale, exchange or other disposition of a foreign currency Trust Certificate to be recharacterised as ordinary income or loss. The rules applicable to foreign currency Trust Certificates are complex and may depend on the U.S. Holder's particular U.S. federal income tax situation. For example, various elections are available under these rules, and whether a U.S. Holder should make any of these elections may depend on the U.S. Holder's particular U.S. federal income tax situation. U.S. Holders are urged to consult their tax advisers regarding the U.S. federal income tax consequences of the ownership and disposition of foreign currency Trust Certificates.

A U.S. Holder who uses the cash method of accounting and who receives a payment of qualified stated profit in a foreign currency with respect to a foreign currency Trust Certificate will be required to include in income the U.S. dollar value of the foreign currency payment (determined on the date the payment is received) regardless of whether the payment is in fact converted to U.S. dollars at the time, and this U.S. dollar value will be the U.S. Holder's tax basis in the foreign currency.

An accrual method U.S. Holder will be required to include in income the U.S. dollar value of the amount of profit (including OID or market discount, but reduced by acquisition premium and amortisable premium, to the

extent applicable) that has accrued and is otherwise required to be taken into account with respect to a foreign currency Trust Certificate during an accrual period. The U.S. dollar value of the accrued income will be determined by translating the income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the relevant taxable year.

An accrual method U.S. Holder or cash method U.S. Holder accruing OID may elect to translate profit (including OID) into U.S. dollars at the spot rate on the last day of the accrual period (or, in the case of a partial accrual period, the spot rate on the last day of the partial accrual period in the relevant taxable year). Additionally, if the last day of the accrual period is within five business days of the date of receipt of the accrued profit, a U.S. Holder that has made such election may translate accrued profit using the spot rate of exchange in effect on the date of receipt. A U.S. Holder that makes this election must apply it consistently to all debt instruments from year to year and cannot change the election without the consent of the IRS.

The U.S. Holder will recognise ordinary income or loss with respect to accrued profit on the date the income is actually received. The amount of ordinary income or loss recognised will equal the difference between the U.S. dollar value of the foreign currency payment received (determined on the date the payment is received) in respect of the accrual period and the U.S. dollar value of the profit that has accrued during the accrual period (as determined above). Rules similar to these rules apply in the case of a cash method taxpayer required to currently accrue OID or market discount.

OID, market discount, acquisition premium and amortisable premium on a foreign currency Trust Certificate are to be determined in the relevant foreign currency. Where the taxpayer elects to include market discount in income currently, the amount of market discount will be determined for any accrual period in the relevant foreign currency and then translated into U.S. dollars on the basis of the average rate in effect during the accrual period. Exchange gain or loss realised with respect to such accrued market discount shall be determined in accordance with the rules relating to accrued profit described above. Accrued market discount (other than market discount currently included in income) taken into account upon the receipt of any partial principal payment or upon the sale, retirement or other disposition of a Trust Certificate is translated into U.S. dollars at the spot rate on such payment or disposition date.

If an election to amortise premium is made, amortisable premium taken into account on a current basis shall reduce profit in units of the relevant foreign currency. Exchange gain or loss is realised on amortised premium with respect to any period by treating the premium amortised in the period in the same manner as on the sale, exchange or retirement of the foreign currency Trust Certificate. Any exchange gain or loss will be ordinary income or loss as described below. If the election is not made, any loss realised on the sale, exchange or retirement of a foreign currency Trust Certificate with amortisable premium by a U.S. Holder who has not elected to amortise the premium will be a capital loss to the extent of the premium.

Gain or loss realised upon the sale, exchange or retirement of a foreign currency Trust Certificate that is attributable to fluctuation in currency exchange rates will be ordinary income or loss which will not be treated as interest income or expense. Gain or loss attributable to fluctuations in exchange rates will equal the difference between: (i) the U.S. dollar value of the foreign currency purchase price of the Trust Certificate, determined on the date the payment is received or the Trust Certificate is disposed of; and (ii) the U.S. dollar value of the foreign currency purchase price of the Trust Certificate, determined on the date the U.S. Holder acquired the Trust Certificate. Payments received attributable to accrued profit will be treated in accordance with the rules applicable to payments of profit on foreign currency Trust Certificates described above. The foreign currency gain or loss will be recognised only to the extent of the total gain or loss realised by the U.S. Holder on the sale, exchange or retirement of the foreign currency Trust Certificate. The source of the foreign currency gain or loss will be determined by reference to the residence of the U.S. Holder or the “qualified business unit” of the U.S. Holder on whose books the Trust Certificate is properly reflected. Any gain or loss realised by these U.S.

Holders in excess of the foreign currency gain or loss will be capital gain or loss except to the extent of any accrued market discount or discount on a short-term Trust Certificate not previously included in the U.S. Holder's income. Holders should consult their tax advisers with respect to the tax consequences of receiving payments in a currency different from the currency in which payments with respect to such Trust Certificate accrue.

U.S. Holders should consult their tax advisers concerning how to account for payments made or received in a foreign currency, including the determination of their adjusted basis and amount realised with respect to a foreign currency Trust Certificate, and whether such holders have foreign currency gain or loss in connection with any difference in the U.S. dollar value of such foreign currency between the trade date and settlement date of the acquisition and disposition of a foreign currency Trust Certificate.

Backup Withholding and Information Reporting

Information returns may be filed with the IRS (unless the U.S. Holder establishes, if requested to do so, that it is an exempt recipient) in connection with payments on the Trust Certificates, and the proceeds from the sale, exchange or other disposition of Trust Certificates. If information reports are required to be made, a U.S. Holder may be subject to U.S. backup withholding if it fails to provide its taxpayer identification number, or to establish that it is exempt from backup withholding. The amount of any backup withholding imposed on a payment will be allowed as a credit against any U.S. federal income tax liability of a U.S. Holder and may entitle the U.S. Holder to a refund, provided the required information is timely furnished to the IRS.

U.S. Holders should consult their own tax advisers regarding any reporting obligations they may have as a result of their acquisition, ownership or disposition of Trust Certificates, including requirements related to the holding of certain foreign financial assets or accounts. Failure to comply with applicable reporting obligations could result in the imposition of substantial penalties.

CERTAIN ERISA CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), impose certain restrictions on (i) employee benefit plans (as defined in Section 3(3) of ERISA) that are subject to Part 4 of Subtitle B of Title I of ERISA, (ii) plans (as defined in Section 4975(e)(1) of the Code) that are subject to Section 4975 of the Code, including individual retirement accounts and Keogh plans, (iii) any entities whose underlying assets could be deemed to include plan assets by reason of a plan's investment in such entities (each of the foregoing, a "**Plan**") and (iv) persons who have certain specified relationships to a Plan or its assets ("**parties in interest**" under ERISA and "**disqualified persons**" under the Code; collectively, "**Parties in Interest**"). ERISA also imposes certain duties on persons who are fiduciaries of Plans subject to ERISA, and ERISA and Section 4975 of the Code prohibit certain transactions between a Plan and its Parties in Interest. Violations of these rules may result in the imposition of excise taxes and other penalties and liabilities under ERISA and the Code.

ERISA and Section 4975 of the Code prohibit a broad range of transactions involving "plan assets" and Parties in Interest, unless a statutory or administrative exemption is available. Parties in Interest that participate in a prohibited transaction may be subject to penalties imposed under ERISA and/or excise taxes imposed pursuant to Section 4975 of the Code, unless a statutory or administrative exemption is available. These prohibited transactions generally are set forth in Section 406 of ERISA and Section 4975 of the Code. Certain employee benefit plans, including governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA), and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the prohibited transaction rules of ERISA or the Code but may be subject to similar rules under other applicable laws or documents. Accordingly, assets of such plans may be invested in the Trust Certificates without regard to the prohibited transaction considerations under ERISA and the Code described below, subject to the provisions of other applicable federal, state or non-U.S. law ("**Similar Law**").

The term "**plan assets**" is defined in Section 3(42) of ERISA. The U.S. Department of Labor, the governmental agency primarily responsible for the administration of ERISA, has issued a final regulation (29 C.F.R. Section 2510.3 101), which, together with Section 3(42) of ERISA, set out the standards that will apply for determining what constitutes the assets of a Plan (collectively, the "**Plan Asset Regulation**"). Under the Plan Asset Regulation, if a Plan invests in an "**equity interest**" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided economic interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by "benefit plan investors" (which are essentially Plans) is not "**significant**". The Plan Assets Regulation generally defines equity participation in an entity by "**benefit plan investors**" as "**significant**" if 25 percent or more of the value of any class of equity interest in the entity is held by "benefit plan investors". For the purposes of determining whether participation by "**benefit plan investors**" is "significant", Trust Certificates held by an investor (other than a "**benefit plan investor**") that has discretionary authority or control over the assets of the Trustee or provides investment advice for a fee with respect to such assets, and any "affiliates" of such an investor within the meaning of paragraph (f)(3) of the Plan Asset Regulation, are excluded from such calculation. If the assets of the Trustee were deemed to be plan assets of a Plan, the Trustee would be subject to certain fiduciary obligations under ERISA and certain transactions that the Trustee might enter into, or may have entered into, in the ordinary course of business might constitute or result in non-exempt prohibited transactions under ERISA or Section 4975 of the Code and might have to be rescinded.

Each purchaser or transferee of the Trust Certificates (or any interest in a Trust Certificate) will be deemed to have acknowledged, represented and agreed that (a) it is not, and it is not acting on behalf of: (i) a Plan or (ii) a governmental, church or non-U.S. plan or entity whose underlying assets are deemed to include the assets of any such plan unless, under this subsection (ii), the acquisition, holding and disposition of the Trust Certificate

would not result in a non-exempt violation of any Similar Law or subject the Trustee or any transactions thereby to any such Similar Law and (b) it will not sell or otherwise transfer any Trust Certificates or interest to any person unless the same foregoing representations and warranties apply to that person.

No purchase by or transfer to a Plan of the Trust Certificate, or any interest herein, will be effective, and neither the Trustee nor the Delegate will recognise any such acquisition or transfer. In the event that the Trustee determines that the Trust Certificate is held by a Plan, the Trustee will cause a sale or transfer in the manner described in the Base Offering Circular.

SUBSCRIPTION AND SALE AND TRANSFER AND SELLING RESTRICTIONS

The Dealers have, in a programme agreement dated 17 March 2025 (the "**Programme Agreement**") agreed with the Trustee, the Guarantor and EDO Gas a basis upon which they or any of them may from time-to-time agree to purchase Trust Certificates. Any such agreement will extend to those matters stated under "*Form of the Trust Certificates*" and "*Terms and Conditions of the Trust Certificates*". In the Programme Agreement, the Trustee, the Guarantor and EDO Gas have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Trust Certificates under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith including liabilities under the Securities Act.

In order to facilitate the offering of any Tranche of the Trust Certificates, certain persons participating in the offering of the Tranche may engage in transactions that stabilise, maintain or otherwise affect the market price of the relevant Trust Certificates during and after the offering of the Tranche. Specifically, such persons may stabilise or maintain the price of the Trust Certificates by bidding for or purchasing Trust Certificates in the open market and may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in the offering of the Trust Certificates are reclaimed if Trust Certificates previously distributed in the offering are repurchased in connection with stabilisation transactions or otherwise. The effect of these transactions may be to stabilise or maintain the market price of the Trust Certificates at a level above that which might otherwise prevail in the open market. No representation is made as to the magnitude or effect of any such stabilising or other transactions. Such transactions, if commenced, may be discontinued at any time. Under United Kingdom laws and regulations stabilising activities may only be carried on by the Dealer or Dealers acting as the stabilisation manager(s) (or persons acting on behalf of any stabilisation manager(s)) and only for a limited period on or following the Issue Date of the relevant Tranche of Trust Certificates. See "*Stabilisation*".

Transfer Restrictions

As a result of the following restrictions, prospective Certificateholders are advised to consult legal counsel prior to making any purchase, offer, sale, resale or other transfer of such Trust Certificates.

The Trust Certificates have not been, and will not be, registered under the Securities Act or any other securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Trust Certificates are being offered and sold: (i) in the United States only to persons reasonably believed to be QIBs, as defined in Rule 144A, who are also QPs, as defined in the Investment Company Act, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A and the exception from the registration requirements of the Investment Company Act provided by Section 3(c)(7) thereof and (ii) outside the United States to non-U.S. persons (within the meaning of Regulation S) in offshore transactions in reliance on Regulation S.

Any reoffer, resale, pledge, transfer or other disposal, or attempted reoffer, resale, pledge, transfer or other disposal, made other than in compliance with the restrictions noted below shall not be recognised by the Trustee.

Restricted Global Trust Certificates

Each purchaser of Trust Certificates within the United States pursuant to Rule 144A and Section 3(c)(7) of the Investment Company Act will be deemed to have represented, acknowledged and agreed, as follows, on its own behalf and on behalf of each account for which it is purchasing (terms used in this paragraph that are defined in Rule 144A are used herein as defined therein):

(a) It: (i) is both a QIB and a QP, which is aware that the sale to it is being made in reliance on Rule 144A and Section 3(c)(7) of the Investment Company Act; (ii) is not a broker-dealer that owns and invests on a discretionary basis less than US$25 million in securities of unaffiliated issuers; (iii) is not a participant-directed employee plan, such as a 401(k) plan, or a trust holding assets of such a plan; (iv) is acquiring such Trust Certificates for its own account or for the account of one or more QIBs, each of which is also a QP; (v) was not formed for the purpose of investing in the Trust Certificates or the Trustee; and (vi) is aware, and each beneficial owner of such Trust Certificates has been advised, that the seller of such Trust Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder and the exception from the requirements of the Investment Company Act provided by Section 3(c)(7) thereof.

(b) It will: (i) along with each account for which it is purchasing, hold and transfer interests in the Restricted Global Trust Certificates in a principal amount that is not less than US$250,000; and (ii) provide notice of the transfer restrictions set forth herein to any subsequent transferees. In addition, it understands that the Trustee may receive a list of participants holding positions in the Trustee's securities from one or more book entry depositories.

(c) It understands that such Trust Certificates have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB which is also a QP purchasing for its own account or for the account of one or more persons that is a QIB which is also a QP, (ii) to non-U.S. persons in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available to a person that is a QP), in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States.

(d) The purchaser understands that any sale transfer of the Trust Certificates (or of any beneficial interest therein) to a person that does not comply with the requirements set forth in this "*Transfer Restrictions*" section will be null and void *ab initio* and not honoured by the Trustee. It further understands that if at any time the Trustee determines in good faith that a holder of the Trust Certificates (or of any beneficial interest therein) is in breach, at the time given, of any of the representations and agreements contained in this "*Transfer Restrictions*" section, the Trustee may require such holder to transfer such Trust Certificates (or beneficial interest therein) to a transferee acceptable to the Trustee who is able to and who does make all of the representations and agreements set forth in this "*Transfer Restrictions*" section. Pending such transfer, such holder will be deemed not to be the holder of such Trust Certificates for any purpose, including but not limited to receipt of principal and profit payments on such Trust Certificates, and such holder will be deemed to have no interest whatsoever in such Trust Certificates except as otherwise required to sell its interest therein as described in this paragraph.

(e) Restricted Global Trust Certificates sold in the offering will constitute "restricted securities" within the meaning of Rule 144 under the Securities Act, and for so long as they remain "restricted securities" such Restricted Global Trust Certificates may not be transferred except as described in paragraph (c) above.

(f) It understands that such Trust Certificates, unless the Trustee determines otherwise in accordance with applicable law, will bear a legend to the following effect:

"THE TRUST CERTIFICATE REPRESENTED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND ACCORDINGLY MAY NOT BE OFFERED, SOLD,

PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**") TO A PERSON THAT THE HOLDER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (A "**QIB**") WITHIN THE MEANING OF RULE 144A AND A QUALIFIED PURCHASER (A "**QP**") WITHIN THE MEANING OF SECTION 2(a)(51) OF THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**") AND THE RULES AND REGULATIONS PROMULGATED THEREUNDER, PURCHASING FOR ITS OWN ACCOUNT OR A PERSON PURCHASING FOR THE ACCOUNT OF ONE OR MORE QIBS EACH OF WHICH IS A QP WHOM THE HOLDER HAS INFORMED, IN EACH CASE, THAT THE REOFFER, RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND SECTION 3(C)(7) UNDER THE INVESTMENT COMPANY ACT, AND IN AN AMOUNT FOR EACH ACCOUNT OF NOT LESS THAN US$250,000 OR (2) IN AN OFFSHORE TRANSACTION TO A PERSON WHO IS NOT A U.S. PERSON WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**") IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S, AND, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER FROM IT OF THE TRUST CERTIFICATES REPRESENTED HEREBY IN RESPECT HEREOF OF THE RESALE RESTRICTIONS REFERRED TO ABOVE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE OR EFFECT, WILL BE VOID *AB INITIO*, AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO EDO SUKUK LIMITED, EDO GAS SPC, ENERGY DEVELOPMENT OMAN SAOC OR ANY INTERMEDIARY, NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS RESTRICTED GLOBAL TRUST CERTIFICATE.

THE BENEFICIAL OWNER HEREOF REPRESENTS THAT: (1) IT IS A QIB WHICH IS ALSO A QP; (2) IT IS NOT A BROKER DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN US$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS; (3) IT IS NOT A PARTICIPANT-DIRECTED EMPLOYEE PLAN, SUCH AS A 401(K) PLAN; (4) IT IS HOLDING THE TRUST CERTIFICATES REPRESENTED HEREBY FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF ONE OR MORE QIBS, EACH OF WHICH IS ALSO A QP; (5) IT WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE TRUSTEE OR THE TRUST CERTIFICATES REPRESENTED HEREBY; (6) IT, AND EACH ACCOUNT FOR WHICH IT HOLDS TRUST CERTIFICATES, WILL HOLD AND TRANSFER AT LEAST US$250,000; (7) IT UNDERSTANDS THAT THE TRUSTEE MAY RECEIVE A LIST OF PARTICIPANTS HOLDING POSITIONS IN ITS SECURITIES FROM ONE OR MORE BOOK ENTRY DEPOSITARIES; AND (8) IT WILL PROVIDE NOTICE OF THE FOREGOING TRANSFER RESTRICTIONS TO ITS SUBSEQUENT TRANSFEREES. IF THE BENEFICIAL OWNER HEREOF IS A U.S. PERSON WITHIN THE MEANING OF REGULATION S.

THE BENEFICIAL OWNER HEREOF HEREBY ACKNOWLEDGES THAT IF AT ANY TIME WHILE IT HOLDS AN INTEREST IN THIS RESTRICTED GLOBAL TRUST CERTIFICATE IT IS A U.S. PERSON WITHIN THE MEANING OF REGULATION S THAT IS NOT A QIB AND A QP, THE TRUSTEE MAY (A) COMPEL IT TO SELL ITS INTEREST IN THIS RESTRICTED GLOBAL TRUST CERTIFICATE TO A PERSON THAT IS (I) A U.S. PERSON WHICH IS A QIB AND A QP THAT IS, IN EACH CASE, OTHERWISE QUALIFIED TO PURCHASE THE TRUST CERTIFICATES REPRESENTED HEREBY IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OR (II) NOT A U.S. PERSON WITHIN THE MEANING OF REGULATION S OR (B) COMPEL THE BENEFICIAL OWNER TO SELL ITS INTEREST IN THE TRUST CERTIFICATES REPRESENTED HEREBY TO THE TRUSTEE OR AN AFFILIATE OF THE TRUSTEE OR TRANSFER ITS INTEREST IN THIS RESTRICTED

GLOBAL TRUST CERTIFICATE TO A PERSON DESIGNATED BY OR ACCEPTABLE TO THE TRUSTEE AT A PRICE EQUAL TO THE LESSER OF (X) THE PURCHASE PRICE THEREFOR PAID BY THE BENEFICIAL OWNER, (Y) 100 PER CENT. OF THE FACE AMOUNT THEREOF OR (Z) THE FAIR MARKET VALUE THEREOF. THE TRUSTEE HAS THE RIGHT TO REFUSE TO HONOUR A TRANSFER OF AN INTEREST IN THE TRUST CERTIFICATES REPRESENTED HEREBY TO A U.S. PERSON THAT IS NOT A QIB AND A QP. THE TRUSTEE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT.

BY ACCEPTING THIS RESTRICTED GLOBAL TRUST CERTIFICATE (OR ANY INTEREST IN THE TRUST CERTIFICATES REPRESENTED HEREBY) EACH BENEFICIAL OWNER HEREOF, AND EACH FIDUCIARY ACTING ON BEHALF OF THE BENEFICIAL OWNER (BOTH IN ITS INDIVIDUAL AND CORPORATE CAPACITY), WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT, DURING THE PERIOD IT HOLDS ANY INTEREST IN THIS RESTRICTED GLOBAL TRUST CERTIFICATE (A) IT IS NOT, AND IT IS NOT ACTING ON BEHALF OF AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A "PLAN" AS DEFINED IN AND TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED ("**CODE**") APPLIES, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH, A "**PLAN**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO PURCHASE OR HOLD SUCH TRUST CERTIFICATES OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY PLAN AND (B) IF IT IS, OR IS ACTING ON BEHALF OF A GOVERNMENTAL, CHURCH OR NON U.S. PLAN, OR ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE THE ASSETS OF ANY SUCH GOVERNMENTAL, CHURCH OR NON U.S. PLAN SUCH ACQUISITION DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON EXEMPT VIOLATION OF ANY LAWS THAT ARE SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE OR ANY TRANSACTIONS THEREBY TO ANY LAWS, RULES OR REGULATIONS APPLICABLE TO SUCH PLAN AS A RESULT OF THE INVESTMENT IN THE TRUST CERTIFICATES BY SUCH PLAN. NO PURCHASE BY OR TRANSFER TO A PLAN OF THIS RESTRICTED GLOBAL TRUST CERTIFICATE, OR ANY INTEREST HEREIN, WILL BE EFFECTIVE, AND NEITHER THE TRUSTEE NOR THE DELEGATE WILL RECOGNISE ANY SUCH ACQUISITION OR TRANSFER. IN THE EVENT THAT THE TRUSTEE DETERMINES THAT THIS RESTRICTED GLOBAL TRUST CERTIFICATE IS HELD BY A PLAN, THE TRUSTEE WILL CAUSE A SALE OR TRANSFER IN THE MANNER DESCRIBED IN THE BASE OFFERING CIRCULAR.

THE TRUSTEE MAY COMPEL EACH BENEFICIAL OWNER OF THE TRUST CERTIFICATES REPRESENTED HEREBY THAT IS A U.S. PERSON WITHIN THE MEANING OF REGULATION S TO CERTIFY PERIODICALLY THAT SUCH BENEFICIAL OWNER IS A QIB AND A QP."

The purchaser understands that no representation can be made as to the availability of the exemption provided by Rule 144 for resales of the Trust Certificates offered hereby.

It understands and acknowledges that the Trustee has not registered and does not intend to register as an "investment company" (as such term is defined in the Investment Company Act and the rules and regulations promulgated thereunder) and that the Trustee has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. persons described herein designed to ensure that the Trustee will qualify for the exception provided under Section 3(c)(7) of the Investment Company Act and will have no obligation to register as an investment company in the United States.

The Trustee, each Agent, each Manager and their respective affiliates or, as the case may be, each relevant Dealer and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. The purchaser agrees that if any of the acknowledgements, representations or agreements deemed to have been made by it by its purchase of the Trust Certificates are no longer accurate, it shall promptly notify the Trustee and the Relevant Dealer(s). If it is acquiring any Trust Certificates for the account of one or more QIBs which are also QPs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.

It understands that the Trust Certificates offered in reliance on Rule 144A will be represented by one or more Restricted Global Trust Certificate. Before any interest in a Restricted Global Trust Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in an Unrestricted Global Trust Certificate, it will be required to provide to each of the Principal Paying Agent and the Registrars a written confirmation, substantially in the form set out in the Agency Agreement, amended as appropriate to the effect that such offer, sale, pledge or other transfer is being made in compliance with applicable securities laws.

Prospective purchasers are hereby notified that the sellers of the Trust Certificates may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A thereunder and the exception from the provisions of the Investment Company Act provided by Section 3(c)(7) thereof.

Unrestricted Global Trust Certificates

Each purchaser of Trust Certificates outside the United States pursuant to Regulation S and each subsequent purchaser of such Trust Certificates in resales prior to the expiration of the distribution compliance period, by accepting delivery of this Base Offering Circular and the Trust Certificates, will be deemed to have represented, acknowledged and agreed, as follows:

(a) it is or at the time the Trust Certificates are purchased will be, the beneficial owner of such Trust Certificates and (i) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (ii) it is not an affiliate of the Guarantor, EDO Gas or the Trustee or a person acting on behalf of such an affiliate;

(b) it understands that such Trust Certificates have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and that, prior to the expiration of the distribution compliance period, it will not offer, sell, pledge or otherwise transfer such Trust Certificates except (i) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB which is also a QP purchasing for its own account or for the account of a QIB which is also a QP (x) in a transaction that meets the requirements of Rule 144A in an amount not less than US$250,000 or (y) pursuant to any other available exemption form the registration requirements of the Securities Act, or (ii) to a non-U.S. person within the meaning of Regulation S in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States;

(c) it understands that the Unrestricted Global Trust Certificates, unless otherwise determined by the Trustee in accordance with applicable law, will bear a legend substantially in the following form:

"THE TRUST CERTIFICATE REPRESENTED HEREBY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR

FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT IN A TRANSACTION THAT WILL NOT CAUSE THE TRUSTEE TO BECOME REQUIRED TO REGISTER AS AN INVESTMENT COMPANY UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THIS PARAGRAPH OF THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE TRUST CERTIFICATES OF THE SERIES OF WHICH THIS UNRESTRICTED GLOBAL TRUST CERTIFICATE FORMS PART.

BY ACCEPTING THIS UNRESTRICTED GLOBAL TRUST CERTIFICATE (OR ANY INTEREST IN THE TRUST CERTIFICATES REPRESENTED HEREBY) EACH BENEFICIAL OWNER HEREOF, AND EACH FIDUCIARY ACTING ON BEHALF OF THE BENEFICIAL OWNER (BOTH IN ITS INDIVIDUAL AND CORPORATE CAPACITY), WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT, DURING THE PERIOD IT HOLDS ANY INTEREST IN THIS UNRESTRICTED GLOBAL TRUST CERTIFICATE (A) IT IS NOT, AND IT IS NOT ACTING ON BEHALF OF AN "EMPLOYEE BENEFIT PLAN" (AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**")) SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A "PLAN" AS DEFINED IN AND TO WHICH SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED ("**CODE**") APPLIES, OR ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY (EACH, A "**PLAN**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO PURCHASE OR HOLD SUCH TRUST CERTIFICATES OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY PLAN AND (B) IF IT IS, OR IS ACTING ON BEHALF OF A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, OR ANY ENTITY WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE THE ASSETS OF ANY SUCH GOVERNMENTAL, CHURCH OR NON U.S. PLAN SUCH ACQUISITION DOES NOT AND WILL NOT CONSTITUTE OR RESULT IN A NON EXEMPT VIOLATION OF ANY LAWS THAT ARE SUBSTANTIALLY SIMILAR TO SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE AND WILL NOT SUBJECT THE TRUSTEE OR ANY TRANSACTIONS THEREBY TO ANY LAWS, RULES OR REGULATIONS APPLICABLE TO SUCH PLAN AS A RESULT OF THE INVESTMENT IN THE TRUST CERTIFICATES BY SUCH PLAN. NO PURCHASE BY OR TRANSFER TO A PLAN OF THIS UNRESTRICTED GLOBAL TRUST CERTIFICATE, OR ANY INTEREST HEREIN, WILL BE EFFECTIVE, AND NEITHER THE TRUSTEE NOR THE DELEGATE WILL RECOGNISE ANY SUCH ACQUISITION OR TRANSFER. IN THE EVENT THAT THE TRUSTEE DETERMINES THAT THIS UNRESTRICTED GLOBAL TRUST CERTIFICATE IS HELD BY A PLAN, THE TRUSTEE WILL CAUSE A SALE OR TRANSFER IN THE MANNER DESCRIBED IN THE BASE OFFERING CIRCULAR.";

(d) it understands and acknowledges that the Trustee has not registered and does not intend to register as an "investment company" (as such term is defined in the Investment Company Act and the rules and regulations promulgated thereunder) and that the Trustee has imposed the transfer and offering restrictions with respect to persons in the United States and U.S. persons outside the United States described herein to help ensure that the Trustee will qualify for the exception provided under Section 3(c)(7) of the Investment Company Act and will have no obligation to register as an investment company in the United States;

(e) the Trustee, each Agent, each Manager and their respective affiliates or, as the case may be, the relevant Dealer and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that, if any of the acknowledgements,

representations or agreements deemed to have been made by it by its purchase of Unrestricted Global Trust Certificates is no longer accurate, it shall promptly notify the Trustee, each Agent, each Manager and their affiliates or, as the case may be, the relevant Dealer and its affiliates; and

(f) It understands that the Trust Certificates offered in reliance on Regulation S will be represented by one or more Unrestricted Global Trust Certificates. Prior to the expiration of the distribution compliance period, before any interest in the Unrestricted Global Trust Certificate may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Unrestricted Global Trust Certificate, it will be required to provide a Transfer Agent with a written certification (in the form provided in the Agency Agreement) as to compliance with applicable securities laws.

ERISA transfer restrictions

Each purchaser or transferee of the Trust Certificates (or any interest in a Trust Certificate) will be deemed to have acknowledged, represented and agreed that (a) it is not, and it is not acting on behalf of: (i) a Plan, or (ii) a governmental, church or non-U.S. plan or entity whose underlying assets are deemed to include the assets of any such plan, unless, under this subsection (ii), the acquisition, holding and disposition of the Trust Certificate would not result in a non-exempt violation of any Similar Law or subject the Trustee or any transaction thereby to any such Similar Law and (b) it will not sell or otherwise transfer any Trust Certificates or interest to any person unless the same foregoing representations and warranties apply to that person.

Selling Restrictions

United States

The Trust Certificates have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from, or not subject to the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

In connection with any Trust Certificates which are offered or sold outside the United States in reliance on an exemption from the registration requirements of the Securities Act provided under Regulation S ("**Unrestricted Trust Certificates**"), each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that it will not offer, sell or deliver such Unrestricted Trust Certificates (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of all Trust Certificates of the Tranche of which such Unrestricted Trust Certificates are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Unrestricted Trust Certificates during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of such Trust Certificates within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each Dealer has represented, warranted, undertaken and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant, undertake and agree, that it has offered and sold and will offer and sell the Trust Certificates in the United States only to persons that are QIBs and QPs who can represent that: who can represent that: (a) they are QIBs within the meaning of Rule 144A, and are also QPs, within the meaning of Section 2(a)(51) of the Investment Company Act; (b) they are not broker dealers who own and invest on a discretionary basis less than US$25 million in securities of unaffiliated issuers; (c) they are not a participant-directed employee plan, such as a 401(k) plan; (d) they are acting for their own account, or the account of one or more persons that is a QIB each of which is also a QP; (e) they are not formed for the purpose

of investing in the Trust Certificates or the Trustee; (f) each account for which they are purchasing will hold and transfer at least US$250,000 in principal amount of Trust Certificates at any time; (g) they understand that the Trustee may receive a list of participants holding positions in its securities from one or more book entry depositories; and (h) they will provide notice of the transfer restrictions set forth in this Base Offering Circular to any subsequent transferees.

In connection with the offer and resale of the Trust Certificates in the United States, each Dealer has represented and agreed that it is a QIB which is also a QP.

Until 40 days after the commencement of the offering of any Series of Trust Certificates, an offer or sale of such Trust Certificates within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

Dealers may arrange for the resale of Trust Certificates to QIBs, which are also QPs, and each such purchaser of Trust Certificates is hereby notified that the Dealers may be relying on the exemption from the registration requirements of the Securities Act provided by Rule 144A. The minimum aggregate nominal amount of Trust Certificates, which may be purchased by a QIB, which is also a QP is US$250,000 (or the equivalent thereof in any other currency). To the extent that the Trustee is not subject to or does not comply with the reporting requirements of Section 13 or 15(d) of the Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, the Trustee has agreed to furnish to holders of Trust Certificates and to prospective purchasers designated by such holders, upon request, such information as may be required by Rule 144A(d)(4).

Public Offer Selling Restrictions under the Prospectus Regulation

In relation to each Member State of the EEA, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Trust Certificates which are the subject of the offering contemplated by this Base Offering Circular, as completed by the applicable Pricing Supplement in relation thereto, to the public in that Member State of the EEA, except that it may make an offer of such Trust Certificates to the public in that Member State of the EEA:

(a) at any time to any legal entity which is a "**qualified investor**" as defined in the Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee, EDO Gas and the Guarantor for any such offer; or

(c) at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Trust Certificates referred to in (a) to (c) above shall require the Trustee, EDO Gas, the Guarantor or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression "**an offer of Trust Certificates to the public**" in relation to any Trust Certificates in a Member State of the EEA means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Trust Certificates.

United Kingdom

Public Offer Selling Restriction under the UK Prospectus Regulation

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make an offer of Trust Certificates which are the subject of the offering contemplated by this Base Offering Circular, as completed by the Pricing Supplement

in relation thereto to the public in the UK, except that it may make an offer of such Trust Certificates to the public in the UK:

(a) at any time to any legal entity, which is a qualified investor as defined in Article 2 of the UK Prospectus Regulation;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of the UK Prospectus Regulation) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Trustee, EDO Gas and the Guarantor for any such offer; or

(c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Trust Certificates referred to in paragraphs (a) to (c) above shall require the Trustee, EDO Gas, the Guarantor or any Dealer to publish a prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Trust Certificates to the public**" in relation to any Trust Certificates in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and the Trust Certificates to be offered so as to enable an investor to decide to purchase or subscribe for the Trust Certificates.

Other regulatory restrictions

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in relation to any Trust Certificates which have a maturity of less than one year: (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and (b) it has not offered or sold and will not offer or sell any Trust Certificates other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Trust Certificates would otherwise constitute a contravention of Section 19 of the FSMA by the Trustee;

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Trust Certificates in circumstances in which Section 21(1) of the FSMA does not apply to the Trustee; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Trust Certificates in, from or otherwise involving the United Kingdom.

Oman

Each Dealer has represented and agreed that:

(a) this Base Offering Circular has not been filed with, or registered as, a prospectus by it with the Oman FSA pursuant to the Securities Law, will not be offered or sold by it as an offer of securities in Oman as contemplated by the Oman Commercial Companies Law or the Securities Law, nor does it constitute an offering pursuant to the Bond and Sukuk Regulations issued by the Oman FSA Decision № E/21/2024); and

(b) the Trust Certificates have not been, and will not be, offered, sold or delivered, by it, and no invitation to subscribe for or to purchase the Trust Certificates has been or will be made by it, directly or indirectly, nor may any document or other material in connection therewith be distributed in Oman to any person in Oman other than by an entity duly licensed by the Oman FSA to market the Trust Certificates in Oman

and then only in accordance with all applicable laws and regulations, including the Securities Law and Article 139 of the Executive Regulations of the Capital Markets Law (Decision № 1/2009, as amended).

Kingdom of Saudi Arabia

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Trust Certificates. Any investor in the Kingdom of Saudi Arabia or who is a Saudi person (a "**Saudi Investor**") who acquires any Trust Certificates pursuant to an offering should note that the offer of Trust Certificates is a private placement under Article 8 of the "Rules on the Offer of Securities and Continuing Obligations" as issued by the Board of the CMA pursuant to resolution number 3-123-2017 dated 27 December 2017, as amended by its resolution number 3-114-2024 dated 7 October 2024 and as may be further amended from time to time (the "**KSA Regulations**"), made through a capital market institution licensed to carry out arranging activities by the CMA and following a notification to the CMA under Article 10 of the KSA Regulations.

The Trust Certificates may thus not be advertised, offered or sold to any person in the Kingdom of Saudi Arabia other than to "institutional and qualified clients" under Article 8(a)(1) of the KSA Regulations or by way of a limited offer under Article 9, or as otherwise required or permitted by, the KSA Regulations. Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that any offer of Trust Certificates made by it to a Saudi Investor will be made in compliance with Article 10 and either Article 8(a)(1) or Article 9 of the KSA Regulations.

Each offer of Trust Certificates shall not therefore constitute a "public offer", an "exempt offer" or a "parallel market offer" pursuant to the KSA Regulations but is subject to the restrictions on secondary market activity under Article 14 of the KSA Regulations.

Kingdom of Bahrain

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold, and will not offer or sell, any Trust Certificates in the Kingdom of Bahrain, except on a private placement basis to persons in the Kingdom of Bahrain who are "accredited investors".

For this purpose, an "**accredited investor**" means:

(a) an individual holding financial assets (either singly or jointly with a spouse) of US$1,000,000 or more excluding that person's principal place of residence;

(b) a company, partnership, trust or other commercial undertaking, which has financial assets available for investment of not less than US$1,000,000;

(c) a government, supranational organisation, central bank or other national monetary authority or a state organisation whose main activity is to invest in financial instruments (such as a state pension fund); or

(d) any other entity which is an "accredited investor" as defined in the Central Bank of Bahrain Rulebook.

United Arab Emirates (excluding the Dubai International Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that the Trust Certificates to be issued under the Programme have not been and will not be offered, sold or publicly promoted or advertised by it in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

Dubai International Financial Centre

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered and will not offer the Trust Certificates to be issued under the Programme to any person in the Dubai International Financial Centre unless such offer is:

(a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the rulebook of the Dubai Financial Services Authority (the "**DFSA Rulebook**"); and

(b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the DFSA Conduct of Business Module of the DFSA Rulebook.

State of Qatar (including the Qatar Financial Centre)

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or delivered and will not offer, sell or deliver at any time, directly or indirectly, any Trust Certificates in Qatar, except (a) in compliance with all applicable laws and regulations of Qatar and (b) through persons or corporate entities authorised and licensed to provide investment advice and/or engage in brokerage activity and/or trade in respect of foreign securities in Qatar. This Base Offering Circular has (i) not been filed with, reviewed or approved by the Qatar Central Bank, the Qatar Stock Exchange or the Qatar Financial Markets Authority, Qatar Financial Centre Regulatory Authority and may not be publicly distributed in Qatar; (ii) is intended for the original recipient only and must not be provided to any other person; and (iii) is not for general circulation in Qatar and may not be reproduced or used for any other purpose.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Trust Certificates or caused the Trust Certificates to be made the subject of an invitation for subscription or purchase and will not offer or sell any Trust Certificates or cause the Trust Certificates to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Offering Circular or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Trust Certificates, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Japan

The Trust Certificates have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the "**FIEA**"), and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Trust Certificates in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Trust Certificates other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Trust Certificates, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Trust Certificates which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Switzerland

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Trust Certificates and the Trust Certificates may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made by it to admit the Trust Certificates to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Base Offering Circular nor any other offering or marketing material relating to the Trust Certificates constitutes a prospectus pursuant to the FinSA, and neither this Base Offering Circular nor any other offering or marketing material relating to the Trust Certificates may be publicly distributed or otherwise made publicly available in Switzerland.

Cayman Islands

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not made and will not make any offer or invitation (whether directly or indirectly) to the public in the Cayman Islands to subscribe for any Certificates.

General

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to agree, that it will (to the best of its knowledge and belief) comply with all applicable securities laws in force in any jurisdiction in which it purchases, offers, sells or delivers Trust Certificates or possesses or distributes this Base Offering Circular and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Trust Certificates under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries, and none of the Trustee, EDO Gas, the Guarantor or any of the other Dealers shall have any responsibility therefor.

None of the Trustee, EDO Gas, the Guarantor or the Dealers represents that Trust Certificates may, at any time, lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

GENERAL INFORMATION

Authorisation

The update of the Programme and the issue of Trust Certificates have been duly authorised by resolutions of the Board of Directors of the Trustee dated 7 March 2025. Entry by EDO Gas into the Transaction Documents to which it is a party was duly authorised by resolutions of the sole shareholder of EDO Gas dated 9 March 2025. Entry by the Guarantor into the Transaction Documents to which it is a party was duly authorised by resolutions of the Board of Directors of the Guarantor dated 2 March 2025.

The Trustee, EDO Gas and the Guarantor have each obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Trust Certificates issued under the Programme and the execution and performance of the Transaction Documents to which they are a party.

Admission to Trading of Trust Certificates

It is expected that each Tranche of Trust Certificates which is to be admitted to trading on the ISM will be admitted separately as and when issued, subject only to the issue of one or more Global Trust Certificates initially representing the Trust Certificates of such Tranche. Application has been made to the London Stock Exchange for such Trust Certificates to be admitted to trading on the ISM. The admission to trading of the Programme in respect of the Trust Certificates is expected to be granted on or before 17 March 2025.

Trust Certificates may be issued pursuant to the Programme, which will not be listed on the ISM or any other stock exchange, or which will be listed on such other stock exchange as the Trustee, EDO Gas, the Guarantor and the relevant Dealer(s) may agree.

Documents Available

For the period of 12 months following the date of this Base Offering Circular, copies of the following documents will, when published in accordance with the ISM Rulebook, be available for inspection at the specified office of the Principal Paying Agent for the time being in London:

(i) the constitutional documents of the Trustee, EDO Gas and the Guarantor (with an English translation thereof in the case of EDO Gas and the Guarantor);

(ii) the Transaction Documents;

(iii) the Audited Financial Statements;

(iv) a copy of this Base Offering Circular; and

(v) any future offering circulars, prospectuses, information memoranda, supplements and Pricing Supplements to this Base Offering Circular and any other documents incorporated therein by reference.

Clearing Systems

The Trust Certificates have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Trust Certificates allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Pricing Supplement. In addition, the Trustee may make an application for any Trust Certificates to be accepted for trading in book-entry form by DTC. The CUSIP and/or CINS numbers for each Tranche of such

Trust Certificates, together with the relevant ISIN and (if applicable) common code, will be specified in the applicable Pricing Supplement. If the Trust Certificates are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Pricing Supplement.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium. The address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of DTC is 55 Water Street, New York, New York 10041, USA.

Conditions for Determining Price

The price and amount of Trust Certificates to be issued under the Programme will be determined by the Trustee, EDO Gas and the Guarantor and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

Issues of Trust Certificates

The Trustee intends to make available details of all issues of Trust Certificates under the Programme through a regulatory information service and, to the extent that any such Trust Certificates are to be admitted to trading on the ISM, the applicable Pricing Supplement will be published on the website of the London Stock Exchange through a regulatory information service or will be published in such other manner permitted by the ISM Rulebook.

Significant or Material Change

There has been no significant change in the financial or trading position of the Trustee and no material adverse change in the prospects of the Trustee since its date of incorporation.

There has been no significant change in the financial or trading position of EDO Gas, the Guarantor or the Group and no material adverse change in the prospects of the EDO Gas, the Guarantor or the Group since 31 December 2024.

Litigation

None of the Trustee, EDO Gas, the Guarantor, or any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Trustee, EDO Gas or the Guarantor is aware) in the 12 months preceding the date of Base Offering Circular which may have or have had in such period, a significant effect on the financial position or profitability of the Trustee, EDO Gas, the Guarantor or the Group.

Independent Auditors

Since the date of its incorporation, no financial statements of the Trustee have been prepared. The Trustee is not required by Cayman Islands law, and does not intend, to publish audited financial statements.

The independent auditor the Guarantor is EY. EY's business address is P.O. Box 1750, Ruwi 112, 5th Floor, Landmark Building, Opposite Al Ameen Mosque, Bowsher, Muscat, Sultanate of Oman. There is no professional institute of auditors in Oman and, accordingly, EY is not a member of a professional body in Oman. All EY's partners directly involved in the audit are members of the institutes from where they received their professional qualification.

The Audited Financial Statements were prepared in accordance with IFRS, and were audited by EY as stated in their reports set out herein.

Dealers Transacting with EDO Gas and the Guarantor

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, EDO Gas and the Guarantor and their affiliates in the ordinary course of business for which they may receive fees. They have received, or may in the future receive, customary fees and commission for these transactions.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Trustee, EDO Gas, the Guarantor and their affiliates. Certain of the Dealers or their affiliates that may, from time to time, have a lending relationship with the Trustee, EDO Gas, the Guarantor, and their affiliates, routinely hedge their credit exposure to the Trustee, EDO Gas, the Guarantor and their affiliates consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Trust Certificates issued under the Programme. Any such short positions could adversely affect future trading prices of the Trust Certificates issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain Additional Information Relating to EDO Gas and the Guarantor

The Guarantor's address and telephone number are Mina Al Fahal, Muscat Governorate, P.O. Box 828, PC 116, Sultanate of Oman and +968 24674618. EDO Gas' address and telephone number are Mina Al Fahal, Muscat Governorate, P.O. Box 828, PC 116, Sultanate of Oman and +968 96010209.

Cayman Islands Data Protection

The Trustee has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the "**DPA**") based on internationally accepted principles of data privacy.

Prospective investors should note that, by virtue of making investments in the Trust Certificates and the associated interactions with the Trustee and its affiliates and/or delegates, or by virtue of providing the Trustee with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals may be providing the Trustee and its affiliates and/or delegates (including, without limitation, the Trustee Administrator) with certain personal information which constitutes personal data within the meaning of the DPA. The Trustee shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Trustee Administrator, may act as data processors (or data controllers in their own right in some circumstances).

For further information on the application of the DPA to the Trustee, please refer to the Privacy Notice (a copy of which may be requested from the Trustee Administrator by email at dubai@maples.com), which provides an outline of investors' data protection rights and obligations as they relate to the investment in the Certificates.

Oversight of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Trustee could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

APPENDIX A—GLOSSARY OF DEFINED TERMS

AI-PSM	Asset Integrity and Process Safety Management
API	American Petroleum Institute
APM	Alternative Performance Measure
ARPR	Annual Review of Petroleum Resources
Base Royalty	Royalty rate on OEB which is 55.6 per cent. plus the quotient of 12.778 divided by the price per barrel
Basic Statute	Basic Statute of the State
Block 6 Operations	The Government's and the Guarantor's interest in the Block 6 Oil and gas operations
BP	BP P.L.C.
CEO	Chief Executive Officer
Certificateholder	Holders of Trust Certificates
CFO	Chief Financial Officer
COHTAs	Crude Oil Handling and Transportation Agreements
COP26	2021 United Nations Climate Change Conference
Concessions	The Oil Concession together with the Gas Concession
COVID-19	The 2019 coronavirus disease
D&I	Diversity & Inclusion
Declaration of Cooperation	The Declaration of Cooperation Agreement signed by the Organization of the Petroleum Exporting Countries (OPEC) and 11 non-OPEC oil producing countries in Vienna, Austria on 10 December 2016
Dutch SPV	Dutch orphan special purposes vehicle
DWD	Deep well disposal
ECL	Expected credit loss
EDO Gas	EDO Gas SPC
EDO Gas Board of Directors	Board of directors of EDO Gas
Eni	Eni S.p.A.
EOR	Enhanced oil recovery
EPSA	Exploration and Production Sharing Agreement
ER	Executive Regulation issued by the Ministerial Decision № 30/2012
ERISA	U.S. Employee Retirement Income Security Act of 1974, as amended
EY	Ernst & Young LLC
FFO	Funds from Operations
Fiscal Protocol	A new fiscal regime for Oil adopted by the Government

Fitch Ratings	Fitch Ratings, Inc.
Foreign currency	Basket of currencies other than U.S. dollars
FSA	Forward Sales Agreement
FSA Barrels	Barrels of Oil under the fiscal terms
Formation	Formation of the Guarantor and the effects of events that are directly attributable to the formation of the Guarantor, principally the transfer of the Oil Concession Agreement, the grant of the Gas Concession Agreement, the adoption of the Fiscal Protocol and other related agreements
Fourth Industrial Revolution	The Fourth Industrial Revolution, or Industry 4.0, is characterised by the integration of digital technologies such as artificial intelligence, the Internet of Things, and cyber-physical systems, resulting in transformative changes across industries and societies.
Gas Concession	Block 6 NAG and NAG condensate concession
Gas Concession Agreement	Concession agreement related to NAG and NAG condensate dated 20 April 2021 and ratified by Royal Decree 43/2021 (as amended)
Gas Concession Area	Block 6, excluding the areas designated as Block 12 (other than existing NAG producing fields), Block 61 and Block 77
Gas Transfer Price	Agreed fixed price at which the Guarantor sold (from 1 January 2023 until 30 June 2023) and EDO Gas sells the NAG production to IGC Oman (and the agreed fixed price at which, prior to 1 January 2023, the Guarantor sold NAG production to the Government)
GCC	Gulf Cooperation Council
GDP	Gross domestic product
Government	The government of the Sultanate of Oman
Government Participant	The Government acting in its capacity as a participant to the Oil Concession Agreement until the transfer of its participating interest to the Guarantor.
Guarantor	Energy Development Oman SAOC
Guarantor Board	The board of directors of Energy Development Oman SAOC
ICV	In-Country Value
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IGC Oman	Integrated Gas Company SAOC a closed joint stock company wholly owned by the Government and incorporated under the laws of the Sultanate of Oman with commercial registration number 1404113, designated as the

	national aggregator for the purchase and sale of natural gas effective from 1 January 2023.
IRS	Internal Revenue Service
ISAs	International Standards on Auditing
ISMS	Information Security Management System
IT	Information Technology
LEAN	PDO's lean continuous improvement programme
LIBOR	London Inter-Bank Offered Rate
LNG	Liquid natural gas
Lost Time Injury Frequency	The number of lost time injuries occurring per million hours worked
LPIC	Liwa Plastics Industries Complex
MENA	Middle East and North Africa region
MOG Price	Monthly OEB price
MSPP	The Muscat Sohar Pipeline Project
MTFP	Medium-Term Fiscal Plan
NAG Financing Receivable	Gas supply agreement amended in 2016
NAG Sales Agreement	NAG sales agreement dated 14 June 2021 pursuant to which the Guarantor sold (from 1 January 2023 until 30 June 2023) and EDO Gas sells (from 1 July 2023) the NAG production to IGC Oman (and, prior to 1 January 2023, the Guarantor sold NAG production to the Government) (as amended)
NPT	Non-productive time
NTSP	Near-term sustainability programme
NWTP	Nimr Water Treatment Project
OBRDA	Oman Blend Revenue Distribution Agreement
Occidental	Subsidiaries of Occidental Petroleum Corporation
OEB	Oman Export Blend
OECD	Organisation for Economic Co-operation and Development
OFAC	The Office of Foreign Assets Control of the U.S. Department of Treasury
OID	Original Issue Discount
Oil and Gas Law	The oil and gas law promulgated by Royal Decree № 8/2011
Oil Concession	Block 6 concession for Oil, AG and AG condensate
Oil Concession Agreement	The Extension and Consolidation of Concession Agreement, Block 6, Sultanate of Oman

Oil OEB SPA	OEB Sale and Purchase Agreement between the Guarantor and the Government dated 24 February 2021
Oman FSA	Oman Financial Services Authority
Oman Income Tax Law	Oman Income Tax Law (promulgated by Royal Decree 28/2009)
Oman Tax Residents	Tax resident as defined under Article 18 (bis) of the Oman Income Tax Law
Omanisation	The Government's Omanisation policy requiring Omani companies to hire a certain number of Omani nationals
OPEC	Organisation of the Petroleum Exporting Countries
OPEC+	Organisation of the Petroleum Exporting Countries Plus consisting of OPEC (Algeria, Republic of the Congo, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, the Kingdom of Saudi Arabia, United Arab Emirates, Venezuela) as well as Azerbaijan, Bahrain, Brunei, Brazil, Kazakhstan, Malaysia, Mexico, Oman, Russia, South Sudan and Sudan
OQ	Subsidiaries of OQ SAOC
OQGN	OQ Gas Networks SAOC
OQ SAOC	OQ Société Anonyme Omanaise Close
Paris Agreement	The climate-change related agreement signed by parties to the United Nations Framework Convention on Climate Change in Paris, France on 12 December 2015.
PDO	Petroleum Development Oman LLC
PDO-S	Petroleum Development Oman Services L.L.C.
PDO Shareholders' Agreement	Petroleum Development Oman LLC shareholders' agreement originally entered into between the Government, PDO, Shell, TotalEenrgies and PTTEP on 19 December 2004
PTT	PTT Public Company Limited
PTTEP	PTTEP Oman E&P Corporation, formerly called Partex (Oman) Corporation
POHOL	Private Oil Holdings Oman Limited
PPP	Purchasing power parity
Pre-Export Financing	Pre-export financing arrangement
QIB	Qualified institutional buyers as defined in Rule 144A
QP	Qualified purchasers within the meaning of Section 2(a)(51) of the Investment Company Act of 1940, and the rules and regulations thereunder
Right-Holders	Recipients of an EPSA

Sanction Targets	Certain countries and specially designated nationals as set out by OFAC
SAP	Systems Applications and Products in Data Processing
SEC	United States Securities and Exchange Commission
Securities Act	U.S. Securities Act of 1933, as amended
Securities Law	Royal Decree 46/2022 promulgating the securities law of Oman
SEZAD	The Special Economic Zone in Duqm
Shell	Subsidiaries of Shell plc (public limited company) and, specifically, The Shell Petroleum Company Limited in references to the Oil Concession
Society of Petroleum Engineers' Petroleum Resource Management System	Society of Petroleum Engineers, World Petroleum Council, American Association of Petroleum Geologists, Society of Evaluation Engineers, Society of Exploration Geophysicists, Society of Petrophysicists and Well Log Analysts, and European Association of Geoscientists & Engineers 2018 Petroleum Resources Management System
SOFR	Secured Overnight Financing Rate
Tax Amendments	Royal Decree 09/2017 and Royal Decree 118/2020 which amend the Oman Income Tax Law
Tax Decision	A further tax decision that was issued by way of Ministerial Decision №14/2019 (amending certain provisions of the Oman Income Tax Law)
Total Recordable Case Frequency	The number of injuries per million working hours, including both employees and contractors
TotalEnergies	Subsidiaries of TotalEnergies S.E.
Trustee	EDO Sukuk Limited
UAE	United Arab Emirates
US	United States of America
US$2 Billion Facility	The US$2 billion term loan credit facility agreement entered into by the Guarantor and arranged by a panel of banks, including, amongst others, Abu Dhabi Commercial Bank PJSC, Bank Muscat SAOG and National Bank of Oman SAOG, dated 27 May 2024
US$2.5 Billion Facility	The Guarantor's US$2.5 billion term loan credit facility agreement originally dated 11 August 2021 (as amended)
VAT	Value added tax
VAT Law	Royal Decree 121/2020 promulgating the law on value added tax
VDP	PDO's Vendor Development Programme

APPENDIX B—GLOSSARY OF MEASUREMENT AND TECHNICAL TERMS

Certain Abbreviations and Related Terms

1P	Estimates of proved reserves
2P	Estimates of proved plus probable reserves
AG	associated gas
Bbl	barrels
bbl/d	barrels per day
boe	barrels of oil equivalent
boepd	barrels of oil equivalent per day
BTU	British thermal unit
Creaming curves	Cumulative volumes of Oil and gas discovered indicating basin maturity
CO_2	carbon dioxide
kboe	thousands of oil equivalent
kboepd	thousands of oil equivalent per day
km	kilometres
GHG	greenhouse gas
GOGD	gas-oil-gravity-drainage
m^3	cubic metres
mmbbl	millions of barrels
mmboe	millions of barrels of oil equivalent
mmBtu	millions of British thermal units
mmscm/d	million metric standard cubic metre per day
Mt	metric tonnes
MWp	Mega Watt peak
NAG	non-associated gas
NGL	natural gas liquids
Oil	crude oil
scm	standard cubic metres
Stratigraphic reservoir	Natural reservoir in which Oil or gas may be confined because of changes in porosity and permeability of the strata rather than as a result of their structural attitudes
UOP	Unit of Production

APPENDIX C—THIRD-PARTY RESERVES REPORT



Audit of the P&NG Reserves of Energy Development Oman SAOC

(As of January 1, 2024)

Think Energy. Discover Value

Sproule

Digital Report Notification

This report has been prepared in a fully digital, auditable, and legally compliant format using a PDF/A standard (ISO 19005-1, 2 or 3).

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Table of Contents

SUMMARY VOLUME

Executive Summary

Table S-1 Summary of the Audit of the P&NG Reserves of Energy Development Oman SAOC (As of January 1, 2024)

Introduction

Evaluation Scope

- Reserves Estimation Guidelines
- Properties

Table I-1 Summary Table of Assets

Evaluation Data and Procedures

- Sources of Data
- Accuracy and Reliance on Data
- Field Inspections
- Reserves Evaluation Software

Evaluation Results and Presentations

- Report Contents
- Development Timing
- Erroneous Data

Cautionary Statements

- Aggregation
- Data Quality
- Forward-Looking Statements
- Equivalent Volumes
- Rounding

SUMMARY VOLUME (Cont'd)

Overview of Region, Location and Assets

Description of Assets
Petroleum Fiscal Terms
Production History

Reserves and Resources

Tables

Table 1 Listing of Properties Audited

Figures

Figure 1 Location – Block 6, Sultanate of Oman and Field Map

Other Assets

Conclusions

Qualifications and Basis of Opinion

Report Preparation
Responsible Member Validation
Certificates of Qualification and Independence

Appendices

Appendix A Reserves Definitions
Appendix B Abbreviations, Units and Conversion Factors
Appendix C General Evaluation Parameters
Appendix D Representation Letter

Executive Summary

This Competent Persons Report was prepared by Sproule B.V. (“Sproule”) at the request of Energy Development Oman SAOC. Energy Development Oman SAOC is hereinafter referred to as "the Company". The effective date of this report is January 1, 2024 and was prepared for the Company between December 2023 and February 2024 for the purpose of year-end reporting and/or financing.

Table S-1 summarizes our audit of the P&NG reserves of Energy Development Oman SAOC, as of January 1, 2024. The volumes audited represent approximately 80 percent of the total oil and gas reserves of Block 6 as operated by PDO in the Sultanate of Oman and a significantly higher percentage of the total oil and gas reserves of the Company.

The Company holds a 60 percent interest in Petroleum Development Oman (PDO) which holds the rights to develop all of the Oil and Associated Gas volumes within the Block 6 Concession Agreement Area, Oman (Block 6). The Company holds 100 percent beneficial interest in all of the Non-Associated Gas and Condensate reserves within Block 6, with the exception of relatively minor volumes subject to 1) unitization agreements or 2) usage agreements with PDO for pressure maintenance of oil pools and generation of electrical power and other utilities associated with the oil operations of Block 6.

The reserves and resources definitions and ownership classification used in this evaluation are in accordance with the PDO Code of Practice for Hydrocarbon Resource Classification, Estimation and Reporting (CP-186) which incorporates 1) the US Security and Exchange Commission (SEC) reserves definitions for Proved Reserves, and 2) the PRMS reserve definitions for Proved and Probable Reserves and used by Sproule. The oil reserves are presented in millions of barrels at stock tank conditions. The natural gas reserves are presented in billions of cubic feet, at base conditions of 1 atmosphere and 15 degrees Celsius. The natural gas liquids reserves are presented in millions of barrels, at base conditions of 15 degrees Celsius and equilibrium pressure.

Associated gas volumes are typically used for various oilfield operations supporting production of oil and are not reported as reserves.

The estimates of reserves are those reserves which remain in the ground. Volumes of P&NG reserves produced but not sold which reside in inventory, including overlift and underlift situations, are not accounted for in the reserve volumes presented.

The Company plans to develop several of the fields under development scenarios as approved according to the processes and procedures under CP-186. The Audit scope involved a review of the volumes estimated for approximately 80 percent of the total Oil and Non-Associated Gas Reserves combined contained within the outlines of Block 6, Sultanate of Oman.

The volumes audited under the scope of this project were found in total to be within an acceptable tolerance of 10 percent to the Proved (1P) and Proved plus Probable (2P) volumes as reported by PDO in the ARPR 1.1.2024 Reserves Documents for Block 6.

Energy Development Oman SAOC

Table S-1

Summary of the Audit of the P&NG Reserves **As of 2024-01-01**

	PDO ARPR24 Volumes Remaining Reserves		Audited Volumes Remaining Reserves	
	Gross	EDO Interest	Gross	EDO Interest
	100%	Net	100%	Net
Crude Oil (MMbbls)				
Total Proved	1,565	939	1,266	760
Total Proved Plus Probable	2,629	1,578	2,023	1,214
Natural Gas (Tcf)				
Total Proved	5.37	5.37	4.87	4.87
Total Proved Plus Probable	9.56	9.56	8.32	8.32
Natural Gas Condensate (MMbbls)				
Total Proved	137	137	117	117
Total Proved Plus Probable	220	220	185	185
Grand Total - Oil Equivalent (MMboe)				
Total Proved	2,607	1,981	2,205	1,698
Total Proved Plus Probable	4,461	3,410	3,612	2,802

Introduction

This Competent Persons Report was prepared by Sproule B.V. (“Sproule”) at the request of Energy Development Oman SAOC. Energy Development Oman SAOC is hereinafter referred to as "the Company". The effective date of this report is January 1, 2024 and was prepared for the Company between December 2023 and February 2024 for the purpose of year-end reporting and/or financing.

The preparation date of this report is February 16, 2024. This date is subsequent to the effective date and refers to the last date on which information, relating to the period ending on the effective date, was received and considered in the preparation of this report.

Evaluation Scope

Reserves Estimation Guidelines

Reserves estimates presented here have been prepared according to the classifications and definitions of the Code of Practice for Hydrocarbon Resource Classification, Estimation and Reporting (CP-186) as prepared and maintained by Petroleum Development Oman (PDO). CP-186 incorporates by reference the requirements for reporting of Proved Reserves by the US Securities and Exchange Commission (SEC) and, for reporting of all other reserves and resources, the Petroleum Resources Management System (“PRMS”), sponsored by Society of Petroleum Engineers (“SPE”), World Petroleum Council (“WPC”), American Association of Petroleum Geologists (“AAPG”), Society of Petroleum Evaluation Engineers (“SPEE”), Society of Exploration Geophysicists (“SEG”), Society of Petrophysicists and Well Log Analysts (“SPWLA”), and the European Association of Geoscientists & Engineers (“EAGE”).

Properties

This report presents an audit of approximately 80 percent of the P&NG reserves held within the Block 6 Concession Agreement area as operated by Petroleum Development Oman (PDO). The Company’s share of the audited volumes represents a percentage significantly greater than 80 percent of the total P&NG reserves held by the Company.

Additional details regarding the assets are included in Table I-1

Specific fields audited in this report for reserves are outlined in Table 1.

Table I-1 Summary Table of Assets						
Asset[1]	**Operator**	**Interest (%)**	**Status[2]**	**License Expiry Date**	**License Area, km^2**	**Comments**
Block 6	Petroleum Development Oman (PDO)	60 Oil / 100 Gas	Production	31 December 2044 (subject to extensions)	75,119	Current Production ~ 658,000 barrels oil per day, 0.9 Bcf solution gas and 1.86 Bcf non-associated gas per day with 96,800 barrels condensate per day.

Evaluation Data and Procedures

Sources of Data

Various data, pertinent to the audit of the Company's oil and gas reserves, were obtained from the Company or from PDO as follows:

Company sources of Data

- property descriptions and operations
- production, well and geoscience data
- interests and burdens
- contracts and marketing

All information received from PDO in regard to this audit has been deemed to have been received from the Company.

Accuracy and Reliance on Data

All historical production and other data that were obtained from the Company were accepted as represented, without any further investigation by Sproule.

Property descriptions, details of interests held, and well data, as supplied by the Company, were accepted as represented. No investigation was made into either the legal titles held or any operating agreements in place relating to the subject properties.

Capital, operating, abandonment costs and other economic data were not reviewed as estimation of the cash flows and net present values was not included as part of the scope of the project.

Field Inspections

In the preparation of this audit, field inspections of the properties were not performed. The relevant engineering and geoscience data were made available by the Company or obtained from the non-confidential files at Sproule. No material information regarding the reserves audit would have been obtained by an on-site visit.

Reserves Evaluation Software

For this audit, Sproule worked on the evaluation model, Value Navigator 2022.2.0.13. The functionality of the program is not the responsibility of Sproule, and results were accepted as calculated by the model. Sproule's responsibility is limited to the quality of the data input and reasonableness of the outcoming results.

Evaluation Results and Presentations

Report Contents

This report is included in one volume consisting of an Executive Summary, Introduction, Overview of Region, Reserves, Conclusions, Qualifications and Basis of Opinion and Appendices. The Executive Summary includes high-level summaries of the audit; the Introduction includes the summary of evaluation standards and procedures; the Overview of Region includes details of the asset location and regional geology, the Reserves includes details pertaining to the audit of the P&NG reserves, and the Qualifications and Basis of Opinion includes certification and pertinent author certificates. Reserves definitions, abbreviations, units, conversion factors and general evaluation parameters are included in Appendices A, B, and C, respectively. A representation letter prepared by Officers of the Company, Appendix D, confirms the accuracy, completeness and availability of data requested by and furnished to Sproule by PDO and the Company during the preparation of this report.

Development Timing

Development forecasts documented in this report are consistent with SEC and PRMS recommended guidance regarding the development of undeveloped petroleum volumes within a reasonable time frame. Although five years is a recommended benchmark, assignment of reserves outside of that timeframe may be considered with appropriate justification and documentation. The assignment of contingent resources

outside of the PRMS recommended guidance may be considered with a contingency regarding timing of development.

Erroneous Data

Sproule reserves the right to review all calculations made, referred to, or included in this report and to revise the estimates as a result of erroneous data supplied by the Company or information that exists but was not made available to us, which becomes known subsequent to the preparation of this report.

Cautionary Statements

Aggregation

The reserve estimates are based on evaluations of performance methods and/or volumetric calculations of individual formations or formation layers. These estimates are added up resulting in estimates by property. The process of cumulative summation is commonly referred to as “aggregation” (PRMS). The hydrocarbon reserves and resources presented in this report in Table S-1 are the results of arithmetic aggregation of reserves by category.

Data Quality

The accuracy of reserves estimates and associated economic analysis is, in part, a function of the quality and quantity of available data and of engineering and geological interpretation and judgment. Given the data provided at the time this report was prepared, the estimates presented herein are considered reasonable. However, they should be accepted with the understanding that reservoir and financial performance subsequent to the date of the estimates may necessitate revision. These revisions may be material.

Forward-Looking Statements

The audit process involves modeling to reasonably predict future outcomes. Inherent in the modeling process, however, are limitations which may indirectly affect the forecast of future events.

This report contains forward-looking statements including expectations of future production. Information concerning reserves may also be deemed to be forward-looking as estimates involve the implied assessment that the reserves described can be profitably produced in the future. These statements are based on current expectations that involve a number of risks and uncertainties, which could cause actual results to differ from those anticipated. These risks include, but are not limited to: the underlying risks of the oil and gas industry (i.e., corporate commitment, regulatory approval, operational risks in development,

exploration and production); potential delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimations; the uncertainty of estimates and projections relating to production; costs and expenses; health, safety and environmental factors; commodity prices; and exchange rate fluctuation.

Equivalent Volumes

Barrel of oil equivalents or BOE's (or 'McfGE's' or other applicable units of equivalency) may be misleading, particularly if used in isolation. A BOE conversion ratio of 5.92715 Mcf:1 barrel (or 'An McfGE conversion ratio of 1 barrel:5.92715 Mcf') is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Rounding

Due to rounding, certain totals may not be consistent from one presentation to the next.

Overview of Region, Location and Assets

Description of Assets

The Company holds a 60 percent working interest in oil and 100 percent working interest in gas in all but two properties which are unitized, subject to state royalties paid in cash, in Block 6, some 75,000 square kilometers in size, located across the Oman Mountain Fold Belt and the Rub al Khali Basin, approximately 225 kilometres south west of Muscat, Oman. Maps showing the Company-interest lands and the field areas are presented as Figure 1. The Block carries oil reserves from approximately 260 producing fields which are grouped into 17 clusters as well as non-associated gas and condensate reserves from approximately 33 producing fields grouped into 6 clusters.

Petroleum Fiscal Terms

Block 6 production is allocated directly to each of the beneficial interest owners based on their respective interests. A royalty is payable to the State by the Company on their share based on a percentage of revenue received. As the State does not have the right to take production in kind related to the royalty interest, the reserves volumes of the Company are not reduced by the royalty interest. The royalty interest would be reflected as a cash flow item in a statement of revenue and expense for the assets. Income taxes are payable on Net Revenue attributed to each of the owners.

Cash flows and net present values of the Company's share of production has not been estimated or audited under the scope of this report as requested by the Company.

Production History

Block 6 produces oil and gas from clastic and carbonate formations varying in age from late Cretaceous to Pre-Cambrian, with a wide range of oil quality varying from over 40 to around 10 to 12 degrees API. Gas production varies in quality but on average is of 1055 Btu/scf. Oil production method is variable using artificial lift where necessary. Different fields are under primary, secondary or tertiary recovery by waterflood, polymer flood, gas flood, including miscible flood projects, and various thermal techniques. Production data current to October 2023 was provided by the Company. Oil and gas production commenced in January 1967, with 8,865 wells currently producing. The average daily oil and gas production rate in October 2023 was approximately 739,000 bopd and 2.9 Bcfpd with an average water cut of 90 percent.

Additional details regarding the assets are included in Table I-1 in the Introduction.

Reserves and Resources

The oil and natural gas reserves were audited based on the technically recoverable volume and economic limit information as provided by the Operator. The fields audited represent approximately 80 percent of the total reserves in Block 6. A listing of the fields audited is shown in Table 1.

Gas reserves have been assigned based on the gas sales information provided by the Company along with forecasts of Omani gas demand. Gas used for fuel is included in the reserves estimates as the volumes are rigorously metered and the costs for the use of the gas is recorded within the cluster cash flows.

The estimates of reserves are those reserves which remain in the ground. Volumes of P&NG reserves produced but not sold which reside in inventory, including overlift and underlift situations, are not accounted for in the reserve volumes presented. Volumes of gas injected for miscible gas flood operations and pressure support in oil fields are maintained as reserves for future production and sale where blowdown operations are contemplated.

All fields are subject to an economic limit test (ELT) on Proved (1P) Reserves as part of the annual ARPR process to confirm the economic limit of the field. In most cases the operating costs of the fields are tracked at the cluster level. As a result, all fields producing to a particular cluster will become uneconomic at the same time as long as the individual wells are producing above the deemed minimum economic rate. This rate is set at 2 cubic meters of oil per day (12.6 bopd) under the guidelines of CP-186.

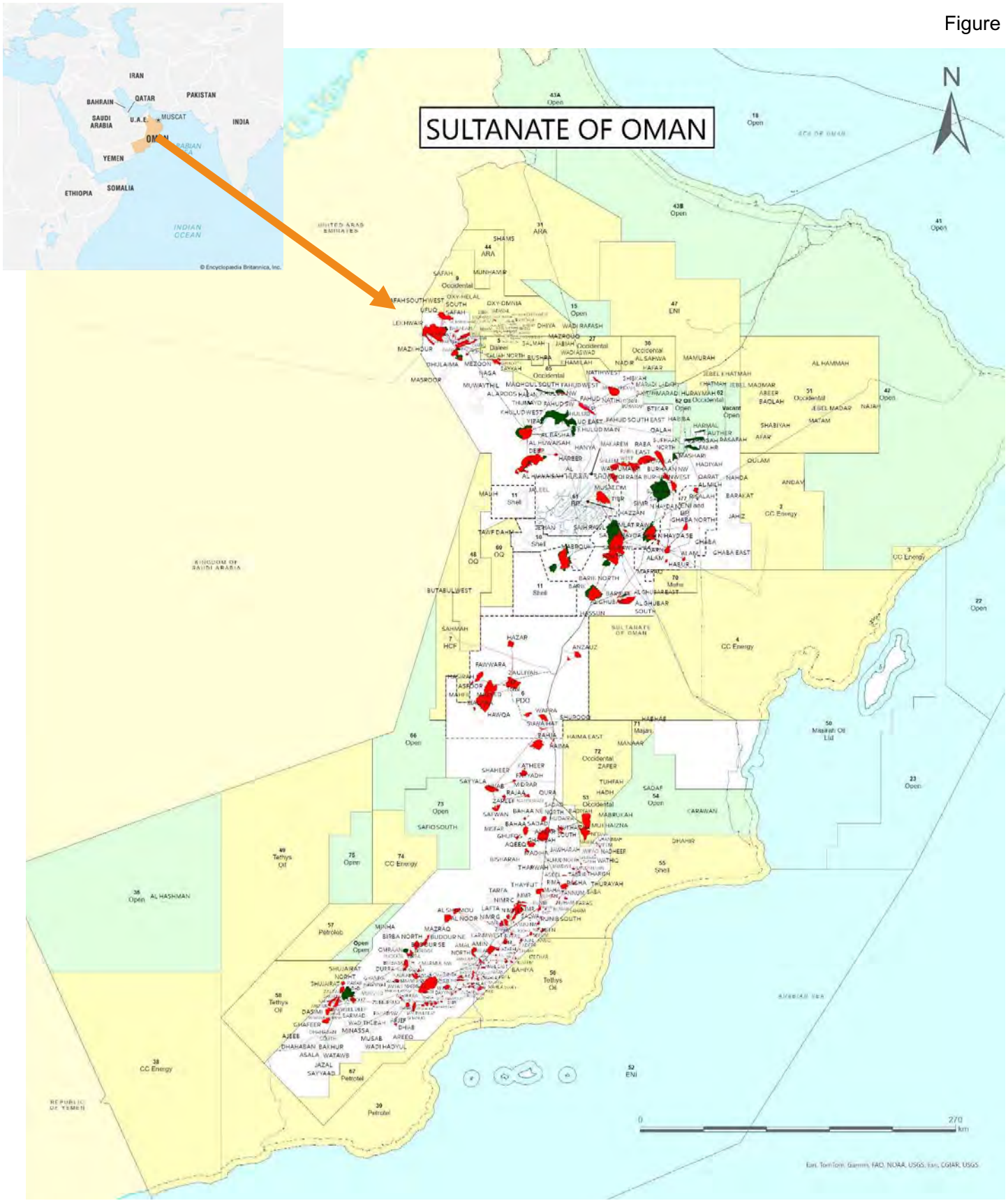
Undeveloped entities in each field are subjected to an Undeveloped Economic Test (UDET) where the entity with the lowest volume of proposed reserves estimated will be tested for positive cash flow. Where the well with the lowest estimated recoverable volume is determined to be economic, all other entities that are part of the same project are deemed to be economic. If the well with the lowest volume of proposed reserves does not pass the UDET test, each well with increasing estimated volumes will be tested until the minimum economic reserves volume is established.

The total reserves, associated with the Company's fields in Oman as reported by the Operator in their annual ARPR 1.1.2024 documents are shown in Tables S-1 of this report.

Table 1
Listing of Fields Audited

Oil Fields	Gas Fields
Fahud	Burhan West Deep
Natih	Ghafeer
Dhulaima	Saih Nihayda Deep
Lekhwair	Saih Nihayda Shallow
Lekhwair F	Barik
Mazkhour	Mabrouk
Lekhwair RMS12	Saih Rawl Main
Ghaba North	Saih Rawl South
Musallim	Mabrouk NE
Saih Rawl	Saih Rawl North West
Habur	Rabab Gas
Qarn Alam	Fahud West Gas
Al Huwaisah	Fakhr
Hanya	Kauther
Yibal	Yibal Gas
Yibal Khuff	
Hawqa	
Zauliyah	
Adeela	
Sadad North	
Al Noor	
Birba	
Budour NE	
Sakhiya	
Zalzala	
Marmul	
Marmul Haima West	
Al Burj	
Amin	
Karim West	
Nimr A	
Nimr C	
Nimr E1	
Rakid South	
Thayfut	
Qaharir	
Qata	
Rahab	
Thuleilat	
Amal East	
Amal West	

Figure 1



Location – Block 6, Oman and Field Map

Sproule

Other Assets

The Company does not own interests in properties which have not been included in the audit.

Conclusions

Reserves estimates presented herein have been prepared according to the classifications and definitions of the CP-186 which includes by reference SEC and 2018 PRMS. The results of the audit of the reserves as included in Table S-1 were found to be within an acceptable tolerance to those estimated by Sproule. The net present values of the reserves have not been estimated.

The development forecasts reviewed in this audit were based on capital budgets and development programs as presented by the Company under the scope of this evaluation and engagement. The development forecasts reviewed may not represent the full development potential of the lands evaluated.

Qualifications and Basis of Opinions

Certification

Report Preparation

The report entitled “Audit of the P&NG Reserves of Energy Development Oman SAOC (As of January 1, 2024)” was prepared by the following Sproule personnel:

Project Leader

Preparation of:
Audit of Reserves



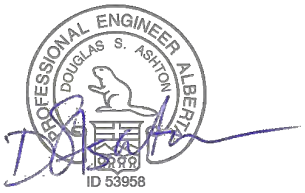
Feb. 17, 2024
Barrett R. Hanson, P.Eng.
Principal Petroleum Engineer

Preparation of:
Audit of Reserves



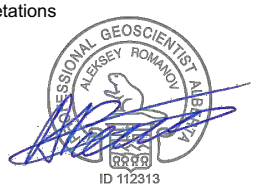
Feb. 17, 2024
Steven J. Golko, P.Eng.
Managing Director, Reservoir Services

Preparation of:
Audit of Reserves



Feb. 17, 2024
Doug Ashton, P.Eng.
VP, Reservoir Services

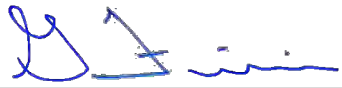
Preparation of:
Geological Interpretations



Feb. 17, 2024
Alexey Romanov, Ph.D., P. Geo.
Senior Manager, Geoscience

Responsible Member Validation

The following Responsible Members of Sproule B.V. certify that our internal quality control process has been followed in accordance with our Professional Practice Management Plan.



Gary Finnis, P.Eng.
Sr. Manager, Engineering

Legal Representative



Danilo Bandiziol
Vice President, EMEA

Certificate of Qualification

Barrett R. (Barry) Hanson, P.Eng., SPEC

I, Barrett R. Hanson, Principal Petroleum Engineer, of Sproule, 900, 140 Fourth Avenue SW, Calgary, Alberta, declare the following:

1. I hold the following degree:
   a. B.Sc., Chemical Engineering (1979), University of Saskatchewan, Saskatoon, Saskatchewan, Canada

2. I am a registered professional:
   a. Professional Engineer (P.Eng.), Province of Alberta, Canada
   b. Certified SPE Petroleum Engineer

3. I am a member of the following professional organizations:
   a. Association of Professional Engineers and Geoscientists of Alberta (APEGA)
   b. Society of Petroleum Engineers (SPE)

4. I am a qualified reserves evaluator and reserves auditor as defined in:
   a. the “Canadian Oil and Gas Evaluation Handbook” as promulgated by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and,
   b. the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as promulgated by the Society of Petroleum Engineers and incorporated into the “Petroleum Resource Management System” (SPE-PRMS).

5. My contribution to the report entitled “Audit of the P&NG Reserves of Energy Development Omen SAOC (As of January 1, 2024)” is based on my engineering knowledge and the data provided to me by the Company, from public sources, and from the non-confidential files of Sproule.

6. I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the above-named report or in the securities of Energy Development Omen SAOC.

Feb. 17, 2024

Barrett R. Hanson, P.Eng., SPEC

Certificate of Qualification

Steven J. Golko, P.Eng.

I, Steven J. Golko, Managing Director, Reservoir Services of Sproule, 900, 140 Fourth Avenue SW, Calgary, Alberta, declare the following:

1. I hold the following degree:
   a. B.Sc. Petroleum Engineering (2006), University of Alberta, Edmonton AB, Canada

2. I am a registered Professional:
   a. Professional Engineer (P.Eng.), Province of Alberta, Canada

3. I am a member of the following professional organizations:
   a. Association of Professional Engineers and Geoscientists of Alberta (APEGA)
   b. Society of Petroleum Engineers (SPE)
   c. Society of Petroleum Evaluation Engineers (SPEE)

4. I am a qualified reserves evaluator and reserves auditor as defined in:
   a. the “Canadian Oil and Gas Evaluation Handbook” as promulgated by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and,
   b. the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as promulgated by the Society of Petroleum Engineers and incorporated into the “Petroleum Resource Management System” (SPE-PRMS).

5. My contribution to the report entitled “Audit of the P&NG Reserves of Energy Development Omen SAOC (As of January 1, 2024)” is based on my engineering knowledge and the data provided to me by the Company, from public sources, and from the non-confidential files of Sproule.

6. I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the above-named report or in the securities of Energy Development Omen SAOC.



Steven J. Golko, P.Eng.

Certificate of Qualification

Doug Ashton, P.Eng.

I, Doug Ashton, Vice President, Reservoir Services of Sproule, 900, 140 Fourth Avenue SW, Calgary, Alberta, declare the following:

1. I hold the following degree:
   a. B.Sc. Chemical Engineering (1992), University of Calgary, Calgary, AB, Canada

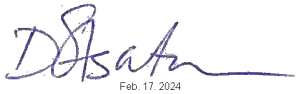
2. I am a registered professional:
   a. Professional Engineer (P.Eng.), Province of Alberta, Canada

3. I am a member of the following professional organizations:
   a. Association of Professional Engineers and Geoscientists of Alberta (APEGA)
   b. Society of Petroleum Evaluation Engineers (SPEE)
   c. Society of Petroleum Engineers (SPE)

4. I am a qualified reserves evaluator and reserves auditor as defined in:
   a. the “Canadian Oil and Gas Evaluation Handbook” as promulgated by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and,
   b. the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as promulgated by the Society of Petroleum Engineers and incorporated into the “Petroleum Resource Management System” (SPE-PRMS).

5. My contribution to the report entitled “Audit of the P&NG Reserves of Energy Development Omen SAOC (As of January 1, 2024)” is based on my engineering knowledge and the data provided to me by the Company, from public sources, and from the non-confidential files of Sproule.

6. I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the above-named report or in the securities of Energy Development Omen SAOC.



Doug Ashton, P.Eng.

Certificate of Qualification

Alexey Romanov, Ph.D., P.Geo.

I, Alexey Romanov, Senior Manager, Geoscience of Sproule, 900, 140 Fourth Avenue SW, Calgary, Alberta, declare the following:

1. I hold the following degrees:
   a. Ph.D. Eng. (2007), Kazan State Technological University, Kazan, Russia
   b. M.Sc. Reservoir Evaluation and Management (2004), Heriot-Watt University, Edinburgh, UK
   c. M.Sc. (Honours), Petroleum Geology (2003), Kazan State University, Kazan, Russia

2. I am a registered professional:
   a. Professional Geoscientist (P.Geo.), Province of Alberta, Canada

3. I am a member of the following professional organizations:
   a. Society of Petroleum Engineers (SPE)
   b. Association of Professional Engineers and Geoscientists of Alberta (APEGA)
   c. Canadian Energy Geoscience Association (CEGA)

4. I am a qualified reserves evaluator and reserves auditor as defined in:
   a. the “Canadian Oil and Gas Evaluation Handbook” as promulgated by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and,
   b. the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as promulgated by the Society of Petroleum Engineers and incorporated into the “Petroleum Resource Management System” (SPE-PRMS).

5. My contribution to the report entitled “Audit of the P&NG Reserves of Energy Development Omen SAOC (As of January 1, 2024)” is based on my geoscience knowledge and the data provided to me by the Company, from public sources, and from the non-confidential files of Sproule.

6. I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the above-named report or in the securities of Energy Development Omen SAOC.



Feb. 17, 2024

Alexey Romanov, Ph.D., P.Geo.

Certificate of Qualification

Gary R. Finnis, P.Eng.

I, Gary R. Finnis, Senior Manager, Engineering of Sproule, 900, 140 Fourth Avenue SW, Calgary, Alberta, declare the following:

1. I hold the following degree:
   a. B.Sc. Civil Engineering (1998) University of Alberta, Edmonton, AB, Canada

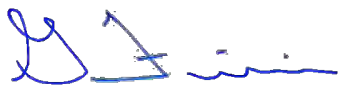
2. I am a registered professional:
   a. Professional Engineer (P.Eng.), Province of Alberta, Canada

3. I am a member of the following professional organizations:
   a. Association of Professional Engineers and Geoscientists of Alberta (APEGA)

4. I am a qualified reserves evaluator and reserves auditor as defined in:
   a. the “Canadian Oil and Gas Evaluation Handbook” as promulgated by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and,
   b. the “Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information” as promulgated by the Society of Petroleum Engineers and incorporated into the “Petroleum Resource Management System” (SPE-PRMS).

5. My contribution to the report entitled “Audit of the P&NG Reserves of Energy Development Omen SAOC (As of January 1, 2024)” is based on my engineering knowledge and the data provided to me by the Company, from public sources, and from the non-confidential files of Sproule.

6. I have no interest, direct or indirect, nor do I expect to receive any interest, direct or indirect, in the properties described in the above-named report or in the securities of Energy Development Omen SAOC.



Gary R. Finnis, P.Eng.

Appendix A —Resources Definitions

The table below identifies the categories that form the basis of our classification of resources and values presented in this report. The definitions used in this report are those set out in the Petroleum Resources Management System (PRMS) as sponsored by Society of Petroleum Engineers ("SPE"), World Petroleum Council ("WPC"), American Association of Petroleum Geologists ("AAPG"), Society of Petroleum Evaluation Engineers ("SPEE"), Society of Exploration Geophysicists ("SEG"), Society of Petrophysicists and Well Log Analysts ("SPWLA"), and the European Association of Geoscientists & Engineers ("EAGE").

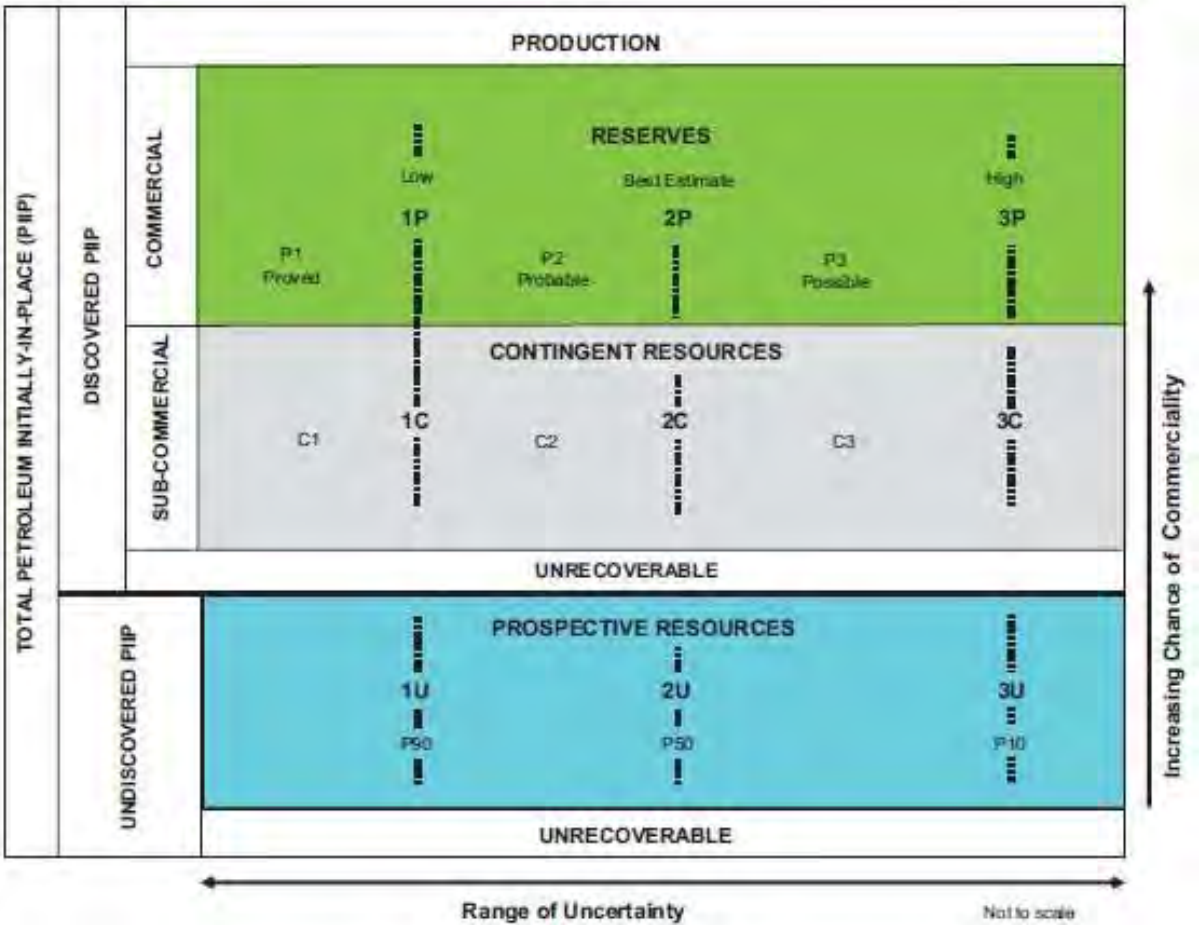
These definitions have been adopted by the Canadian Oil and Gas Evaluation Handbook as amended from time to time (the "COGE Handbook"), maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and incorporated into Canadian National Instrument 51-101 (NI 51-101) by reference. The product types are as defined in NI 51-101 and are only applicable to reports prepared according to NI 51-101 requirements as identified in the Introduction section of this report.

Although not all the definition groupings may be applicable to this report, they have been included here to ensure appropriate context of the definitions that do apply to this report. Guidance on the application of, and further explanation of, the definitions in this Appendix can be found in either PRMS or the COGE Handbook as applicable.

Resources Categories	Included	Excluded
Petroleum Initially-in-Place	✓	-
Prospective Resources	-	✓
Contingent Resources	-	✓
Reserves	✓	-

1. **Resources** encompass all petroleum quantities that originally existed on or within the earth's crust in naturally occurring accumulations, including discovered and undiscovered plus quantities already produced. Total Resource is equivalent to Petroleum Initially-in-Place (PIIP).

The following figure illustrates the relationship of the different resources within the PRMS Resources classification framework and aids in placing the subsequent definitions in context.



2. Total **Petroleum Initially-in-Place** is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations and is potentially producible. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered.

3. **Undiscovered Petroleum Initially-in-Place** is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The potentially recoverable portion of Undiscovered PIIP is referred to as Prospective Resources; the remainder is unrecoverable

4. **Discovered Petroleum Initially-in-Place** is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. Discovered PIIP includes production, Reserves and Contingent Resources; the remainder is unrecoverable.

5. **Discovery** is the confirmation of the existence of an accumulation of a significant quantity of potentially recoverable petroleum.

6. A **Known Accumulation** is one that has been penetrated by a well that has demonstrated the existence of a significant quantity of potentially recoverable petroleum.

7. **Prospective Resources** are those quantities of petroleum estimated, as of a give date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of geologic discovery and a chance of development. Prospective Resources are further categorized in accordance with the range of uncertainty associated with recoverable estimates, assuming discovery and development, and may be sub-classified based on project maturity.

8. **Contingent Resources** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, by the application of development projects not currently considered to be commercial due to one or more contingencies. Contingent Resources have an associated chance of development.

9. **Reserves** are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, from a given date forward, based on:

    - analysis of drilling, geological, geophysical and engineering data;
    - the use of established technology;
    - specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed; and
    - a maximum remaining reserve life of 50 years.

    Reserves are classified according to the degree of certainty associated with the estimates.

10. **Proved Reserves** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

11. **Probable Reserves** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

12. **Possible Reserves** are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves. Possible reserves have not been considered in this report.

Other criteria that must also be met for the categorization of reserves are provided in Section 3.1 of PRMS or Section 1.4.7.2.1 of the COGE Handbook.

Each of the reserves categories (proved, probable, and possible) may be divided into developed or undeveloped categories.

13. **Developed Reserves** are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

14. **Developed Producing Reserves** are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

15. **Developed Non-Producing Reserves** are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

16. **Undeveloped Reserves** are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling and completing a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned and are expected to be developed within a limited time.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities, and completion intervals in the pool and their respective development and production status.

Levels of Certainty for Reported Reserves

The qualitative certainty levels contained in the definitions 10, 11 and 12 are applicable to individual reserves entities, which refers to the lowest level at which reserves estimates are made, and to reported reserves, which refers to the highest level sum of individual entity estimates for which reserve estimates are made.

Reported total reserves estimated by deterministic or probabilistic methods, whether comprised of a single reserves entity or an aggregate estimate for multiple entities, should target the following levels of certainty under a specific set of economic conditions:

a. There is a 90% probability that at least the estimated proved reserves will be recovered.

b. There is a 50% probability that at least the sum of the estimated proved reserves plus probable reserves will be recovered.

c. There is a 10% probability that at least the sum of the estimated proved reserves plus probable reserves plus possible reserves will be recovered.

A quantitative measure of the probability associated with a reserves estimate is generated only when a probabilistic estimate is conducted. The majority of reserves estimates will be performed using deterministic methods that do not provide a quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Levels of Certainty for Resources

The same levels of certainty as described above for reserves, represented by a probability distribution of the low, best and high volume estimates, can be applied to Contingent and Prospective Resources as reflected with the 1C, 2C, 3C, C1, C2 and C3; or 1U, 2U and 3U resources categories and shown on the resources classification figure on the horizontal axis.

Additional clarification of certainty levels associated with resources estimates and the effect of aggregation is provided in Sections 2.2 and 4.2 of PRMS or Section 5.7 of the COGE Handbook. Whether deterministic or probabilistic methods are used, evaluators are expressing their professional judgement as to what are reasonable estimates.

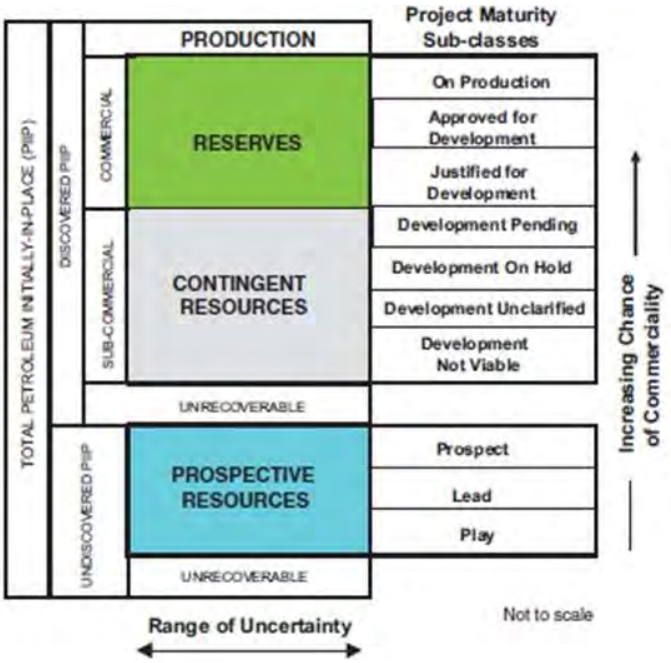
17. **Chance of Commerciality** is the product of the chance of geologic discovery and the chance of development and is used to estimate risked resources by multiplying with the resource volumes. The chance of geologic discovery for Contingent Resources is 100 percent, thus the Chance of Commerciality of Contingent Resources is equal to the chance of development. The Chance of Commerciality is used to estimate the level of maturity of the resource classification as reflected by its' use as an axis on the right side of the Resources Classification Framework as shown in the following figure.

18. **Chance of Development** is the estimated probability that a known accumulation, once discovered, will be commercially developed. The Chance of Development is the product of the contingencies applicable to a particular project. The applicable contingencies may include one or more of the following:

a. **Evaluation Drilling –** the geological continuity of the reservoir needs to be confirmed to reduce the distance from proven productivity;
b. **Regulatory Approval** – Approval from the applicable regulatory agency or agencies has not been received;
c. **Economic Factors –** The future product pricing and capital costs may not be at a level or sufficiently defined - and may also include other underlying factors including market conditions, exchange rates, fiscal terms and taxes - to establish the economic viability of the project;
d. **Corporate Commitment –** The final investment decision and endorsement from the Company and / or the project co-venturers has not been made, nor is there a reasonable expectation these can be arranged in a reasonable time frame, such that the project can move forward. A technically mature and feasible field development plan may also need to be developed;
e. **Timing of Production or Development –** The current development plan may not commence within a reasonable time period;
f. **Market Access –** Infrastructure or access to existing facilities may not be in place or sales contracts have not been executed that will allow the production products to access viable markets;
g. **Technology Under Development –** The technology required to commercially develop the area is not currently available nor is it under active development;
h. **Legal Factors –** Factors that have been brought forward regarding the ability to explore, produce and sell the hydrocarbons;
i. **Political Factors –** Political unrest may impede the development in the area;
j. **Social License –** One or more of the jurisdictions in which the project area is located has policies in place that restrict certain types of development due to environmental concerns.

19. **Chance of Geologic Discovery** (or just Chance of Discovery) is the estimated probability that exploration activities will confirm the existence of a significant accumulation or potentially recoverable petroleum. The Chance of Geologic Discovery is the product of one or more applicable geologic factors which include:
    a. **Source** – The presence of source rock in reasonable proximity to the target that has generated, or is generating, hydrocarbon from organic material trapped in the rock;
    b. **Migration –** There is a path that allowed for the migration of the hydrocarbon from the source to the reservoir;
    c. **Reservoir** – The presence of rock with sufficient thickness, porosity, and permeability to be commercially productive;
    d. **Trap (or Seal) –** The reservoir rock is bounded by impermeable layers prior to the time of migration that has allowed the migrating hydrocarbon to accumulate within the reservoir rock;
    e. **Structure –** the geometry of the anticipated accumulation is able to contain the migrating hydrocarbons in the form of a stratigraphic and / or structural trap. This factor may not apply to unconventional resources, or accumulations that are pervasive throughout a large area and

not significantly affected by hydrodynamic influences such as coal-bed methane, gas hydrates, natural bitumen, tight oil, tight gas or oil shale.



The **Project Maturity Sub-class** represents the maturity of the project and sets out the associated actions required to move the project towards commercial production. The boundaries between the different levels of project maturity are normally project decision gates and can vary from organization to organization dependent upon the established internal approval process for project expenditures.

20. A **Play** is the lowest and least defined level of Prospective Resources and is a project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation to define specific leads or prospects.

21. A **Lead** is the next level or Prospective Resources and is a project that is poorly defined and requires additional data acquisition and/or evaluation.

22. A **Prospect** is the best defined level of Prospective Resources and represents a project that is sufficiently well defined to represent a viable drilling target, although remains undiscovered.

23. **Development Not Viable** is the lowest level of Contingent Resources and represents a discovered accumulation for which there are contingencies resulting in there being no current plans to develop or acquire additional data at the time due to limited commercial potential.

24. **Development Not Clarified** is the second lowest level of Contingent Resources and is a discovered accumulation where project activities are under evaluation and where justification as a commercial development is unknown based on available information. A plan for future evaluation should exist but further study or appraisal work will be ongoing in order to establish the actions necessary to move the project forward to commercial maturity.

25. **Development On Hold** is the second highest level of Contingent Resources and represents a discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.

26. **Development Pending** is the highest level of Contingent Resources and represents a discovered accumulation where development activities are ongoing to justify commercial development in the foreseeable future.

27. **Justified for Development** is the lowest level of Reserves and represents a development project that has reasonable forecast commercial conditions at the time or reporting and there are reasonable expectations that all necessary approvals/contracts will be obtained.

28. **Approved for Development** is the second level of Reserves and represents a development project that is commercial under the current and/or forecast conditions, has received all approvals and/or contracts necessary for development including the commitment of capital funds and implementation of the development of the project is underway.

29. **On Production** is the highest level of Reserves and reflects the operational execution phase of one or more development projects with the Reserves currently producing or capable of production, including Developed Producing and Developed Non-Producing Reserves.

30. **Remaining Recoverable Reserves** are the total remaining recoverable reserves associated with the acreage in which the Company has an interest.

31. **Company Gross Reserves** are the Company's working interest share of the remaining reserves, before deduction of any royalties.

32. **Company Net Reserves** are the gross remaining reserves of the properties in which the Company has an interest, less all Crown, freehold, and overriding royalties and interests owned by others plus all royalty interest volumes received.

33. **Net Production Revenue** is income derived from the sale of net reserves of oil, non-associated and associated gas, and gas by-products, less all capital and operating costs.

34. **Fair Market Value** is defined as the price at which a purchaser seeking an economic and commercial return on investment would be willing to buy, and a vendor would be willing to sell, where neither is under compulsion to buy or sell and both are competent and have reasonable knowledge of the facts.

35. **Barrels of Oil Equivalent (BOE) Reserves** is the sum of the oil reserves, plus the gas reserves divided by a conversion factor, plus the natural gas liquid reserves, all expressed in barrels or thousands of barrels. Equivalent reserves can also be expressed in thousands of cubic feet of gas equivalent (McfGE) using the same conversion factor. Normally the conversion factor represents an approximation of the nominal heating content or calorific value equivalent to a barrel of oil.

36. **Oil (or Crude Oil)** is a mixture consisting mainly of pentanes and heavier hydrocarbons that exists in the liquid phase in reservoirs and remains liquid at atmospheric pressure and temperature. Crude oil may contain small amounts of sulphur and other non-hydrocarbons, but does not include liquids obtained from the processing of natural gas. Crude oil volumes are further divided into Product Types, for reporting purposes.

37. **Gas (or Natural Gas)** is a mixture of lighter hydrocarbons that exist either in the gaseous phase or in solution in crude oil in reservoirs, but are gaseous at atmospheric conditions. Natural gas may contain sulphur or other non-hydrocarbon compounds. Natural Gas volumes are further divided into Product Types, for reporting purposes.

38. **Non-Associated Gas** is an accumulation of natural gas in a reservoir where there is no crude oil.

39. **Associated Gas** – the gas cap overlying a crude oil accumulation in a reservoir.

40. **Solution Gas** – gas dissolved in crude oil.

41. **Natural Gas By Products** – those components that can be removed from natural gas including, but not limited to, ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.

Product Types sub-classify the principle product types of petroleum, crude oil, gas and by-products, into specific groupings based on the properties of the hydrocarbon and the properties of the accumulation and reservoir rock from which it is found. Regulatory agencies may define in legislation the production types they require to be used for reporting purposes in their jurisdiction. The Canadian Securities Associations (CSA) defines the following Product Types for reporting purposes in National Instrument 51-101, effective July 1, 2015.

Crude Oil

I) **Light Crude Oil** means crude oil with a relative density greater than 31.1 degrees API gravity;

II) **Medium Crude Oil** means crude oil with a relative density greater than 22.3 degrees API gravity and less than or equal to 31.1 degrees API gravity;

III) **Heavy Crude Oil** means crude oil with a relative density greater than 10 degrees API gravity and less than or equal to 22.3 degrees API gravity;

IV) **Tight Oil** means crude oil:

a. contained in dense organic rich rocks, including low-permeability shales, siltstones and carbonates, in which the crude oil is primarily contained in microscopic pore spaces that are poorly connected to one another, and

b. that typically requires the use of hydraulic fracturing to achieve economic production rates;

V) **Bitumen** means a naturally occurring solid or semi-solid hydrocarbon:

a. consisting mainly of heavier hydrocarbons, with a viscosity greater than 10,000 millipascal-seconds (mPa·s) or 10,000 centipoise (cP) measured at the hydrocarbon's original temperature in the reservoir and at atmospheric pressure on a gas-free basis, and

b. that is not primarily recoverable at economic rates through a well without the implementation of enhanced recovery methods;

VI) **Synthetic Crude Oil** means a mixture of liquid hydrocarbons derived by upgrading bitumen, kerogen or other substances such as coal, or derived from gas to liquid conversion and may contain sulphur or other compounds;

Natural Gas

VII) **Conventional Natural Gas** means natural gas that has been generated elsewhere and has migrated as a result of hydrodynamic forces and is trapped in discrete accumulations by seals that may be formed by localized structural, depositional or erosional geological features;

VIII) **Coal Bed Methane** means natural gas that

a) primarily consists of methane, and

b) is contained in a coal deposit;

IX) **Shale Gas** means natural gas:

a) contained in dense organic-rich rocks, including low-permeability shales, siltstones and carbonates, in which the natural gas is primarily adsorbed on the kerogen or clay minerals, and

b) that usually requires the use of hydraulic fracturing to achieve economic production rates;

X) **Synthetic Gas** means a gaseous fluid:

a) generated as a result of the application of an in-situ transformation process to coal or other hydrocarbon-bearing rock, and

b) comprised of not less than 10% by volume of methane;

XI) **Gas Hydrate** means a naturally occurring crystalline substance composed of water and gas in an ice-lattice structure;

By-Products

XII) **Natural Gas Liquids** means those hydrocarbon components that can be recovered from natural gas as a liquid including, but not limited to, ethane, propane, butanes, pentanes plus, and condensates.

XIII) **Sulphur** is a non-hydrocarbon elemental by-product of gas processing and oil refining.

Appendix B — Abbreviations, Units and Conversion Factors

This appendix contains a list of abbreviations found in Sproule reports, a table comparing Imperial and Metric units, and conversion tables used to prepare this report.

Abbreviations

ADR	abandonment, decommissioning and reclamation
AFE	authority for expenditure
AOF	absolute open flow
APO	after pay out
B_g	gas formation volume factor
B_o	oil formation volume factor
BOE	barrels of oil equivalent
bpd	barrels per day
bopd	barrels of oil per day
boepd	barrels of oil equivalent per day
bfpd	barrels of fluid per day
BPO	before pay out
BS&W	basic sediment and water
BTU	British thermal unit
bwpd	barrels of water per day
CF	casing flange
CGR	condensate-gas ratio
D&A	dry and abandoned
DCQ	daily contract quantity
DPIIP	discovered petroleum initially-in-place
DSU	drilling spacing unit
DST	drill stem test
EOR	enhanced oil recovery
EPSA	exploration and production sharing agreement
FPSO	floating production, storage and off-loading vessel
FVF	formation volume factor
g/cc	gram per cubic centimeter
GIIP	gas initially-in-place
GOR	gas-oil ratio
GORR	gross overriding royalty
GRV	gross rock volume
GWC	gas-water contact
HCPV	hydrocarbon pore volume

ID	inside diameter
IOR	improved oil recovery
IPR	inflow performance relationship
IRR	internal rate of return
k	permeability
KB	kelly bushing
LKH	lowest known hydrocarbons
LKO	lowest known oil
LNG	liquefied natural gas
LPG	liquefied petroleum gas
McfGE	thousands of cubic feet of gas equivalent
Mcfpd	thousands of cubic feet per day
md	millidarcies
MDT	modular formation dynamics tester
MPR	maximum permissive rate
MRL	maximum rate limitation
NCI	net carried interest
NGL	natural gas liquids
NORR	net overriding royalty
NPI	net profits interest
NRA	no reserves assigned
NRI	net revenue interest
NPV	net present value
NRV	net rock volume
NTG	net-to-gross
OD	outside diameter
OGIP	original gas in place
OIIP	oil initially-in-place
OOIP	original oil in place
ORRI	overriding royalty interest
OWC	oil-water contact
P1	proved
P2	probable
P3	possible
P&NG	petroleum and natural gas
PI	productivity index
ppm	parts per million
PSU	production spacing unit
PSA	production sharing agreement
PSC	production sharing contract
PVT	pressure-volume-temperature

RFT	repeat formation tester
RT	rotary table
SCAL	special core analysis
SS	subsea
TPIIP	total petroleum initially-in-place
TVD	true vertical depth
UPIIP	undiscovered petroleum initially-in-place
WGR	water-gas ratio
WI	working interest
WOR	water-oil ratio
2D	two-dimensional
3D	three-dimensional
4D	four-dimensional
1P	proved
2P	proved plus probable
3P	proved plus probable plus possible
^{o}API	degrees API (American Petroleum Institute)

Imperial and Metric Units

Imperial Units			Metric Units	
M (10^3)	thousand	**Prefixes**	k (10^3)	kilo
MM (10^6)	million		M (10^6)	mega
B (10^9)	billion		G (10^9)	giga
T (10^{12})	trillion		T (10^{12})	tera
Q (10^{15})	quadrillion		P (10^{15})	peta
in.	inches	**Length**	cm	centimetres
ft	feet		m	metres
mi	miles		km	kilometres
ft^2	square feet	**Area**	m^2	square metres
ac	acres		ha	hectares
cf or ft^3	cubic feet	**Volume**	m^3	cubic metres
scf	standard cubic feet			
gal	gallons		L	litres
Mcf	thousand cubic feet			
MMcf	million cubic feet			
Bcf	billion cubic feet		e^6m^3	million cubic metres
bbl	barrels		m^3	cubic metres
Mbbl	thousand barrels		e^3m^3	thousand cubic metres
stb	stock tank barrels		stm^3	stock tank cubic metres
bbl/d	barrels per day	**Rate**	m^3/d	cubic metre per day
Mbbl/d	thousand barrels per day		e^3m^3/d	thousand cubic metres
Mcf/d	thousand cubic feet per day		e^3m^3/d	thousand cubic metres
MMcf/d	million cubic feet per day		e^6m^3/d	million cubic metres
Btu	British thermal units	**Energy**	J	joules
oz	ounces	**Mass**	g	grams
lb	pounds		kg	kilograms
ton	tons		t	tonnes
lt	long tons			
psi	pounds per square inch	**Pressure**	Pa	pascals
			kPa	kilopascals (10^3)
psia	pounds per square inch absolute			
psig	pounds per square inch gauge			
°F	degrees Fahrenheit	**Temperature**	°C	degrees Celsius
°R	degrees Rankine		K	degrees Kelvin
M$	thousand dollars	**Dollars**	k$	1 kilodollar

Imperial and Metric Units (Cont'd)

Imperial Units			Metric Units	
sec	second	**Time**	s	second
min	minute		min	minute
hr	hour		h	hour
d	day		d	day
wk	week			week
mo	month			month
yr	year		a	annum

Conversion Tables

Conversion Factors — Metric to Imperial		
cubic metres (m^3) (@ 15°C)	x 6.29010	= barrels (bbl) (@ 60°F), water
m^3 (@ 15°C)	x 6.3300	= bbl (@ 60°F), Ethane
m^3 (@ 15°C)	x 6.30001	= bbl (@ 60°F), Propane
m^3 (@ 15°C)	x 6.29683	= bbl (@ 60°F), Butanes
m^3 (@ 15°C)	x 6.29287	= bbl (@ 60°F), oil, Pentanes Plus
m^3 (@ 101.325 kPaa, 15°C)	x 0.0354937	= thousands of cubic feet (Mcf) (@ 14.65 psia, 60°F)
1,000 cubic metres (10^3m^3) (@ 101.325 kPaa, 15°C)	x 35.49373	= Mcf (@ 14.65 psia, 60°F)
hectares (ha)	x 2.4710541	= acres
1,000 square metres (10^3m^2)	x 0.2471054	= acres
10,000 cubic metres (ha·m)	x 8.107133	= acre feet (ac-ft)
$m^3/10^3m^3$ (@ 101.325 kPaa, 15° C)	x 0.0437809	= Mcf/Ac.ft. (@ 14.65 psia, 60°F)
joules (j)	x 0.000948213	= Btu
megajoules per cubic metre (MJ/m^3) (@ 101.325 kPaa, 15°C)	x 26.714952	= British thermal units per standard cubic foot (Btu/scf) (@ 14.65 psia, 60°F)
dollars per gigajoule ($/GJ)	x 1.054615	= $/Mcf (1,000 Btu gas)
metres (m)	x 3.28084	= feet (ft)
kilometres (km)	x 0.6213712	= miles (mi)
dollars per 1,000 cubic metres ($/10^3m^3$)	x 0.0288951	= dollars per thousand cubic feet ($/Mcf) (@ 15.025 psia) B.C.
($/10^3m^3$)	x 0.02817399	= $/Mcf (@ 14.65 psia) Alta.
dollars per cubic metre ($/m^3$)	x 0.158910	= dollars per barrel ($/bbl)
gas/oil ratio (GOR) (m^3/m^3)	x 5.640309	= GOR (scf/bbl)
kilowatts (kW)	x 1.341022	= horsepower
kilopascals (kPa)	x 0.145038	= psi
tonnes (t)	x 0.9842064	= long tons (LT)
kilograms (kg)	x 2.204624	= pounds (lb)
litres (L)	x 0.2199692	= gallons (Imperial)
litres (L)	x 0.264172	= gallons (U.S.)
cubic metres per million cubic metres ($m^3/10^6m^3$) (C_3)	x 0.177496	= barrels per million cubic feet (bbl/MMcf) (@ 14.65 psia)
$m^3/10^6m^3$) (C_4)	x 0.1774069	= bbl/MMcf (@ 14.65 psia)
$m^3/10^6m^3$) (C_{5+})	x 0.1772953	= bbl/MMcf (@ 14.65 psia)
tonnes per million cubic metres ($t/10^6m^3$) (sulphur)	x 0.0277290	= LT/MMcf (@ 14.65 psia)
millilitres per cubic meter (mL/m^3) (C_{5+})	x 0.0061974	= gallons (Imperial) per thousand cubic feet (gal (Imp)/Mcf)
(mL/m^3) (C_{5+})	x 0.0074428	= gallons (U.S.) per thousand cubic feet (gal (U.S.)/Mcf)
Kelvin (K)	x 1.8	= degrees Rankine (°R)
millipascal seconds (mPa·s)	x 1.0	= centipoise
density (kg/m3), ρ	ρ÷1000x141.5-131.5	= °API

Conversion Tables (Cont'd)

Conversion Factors — Imperial to Metric		
barrels (bbl) (@ 60°F)	x 0.15898	= cubic metres (m^3) (@ 15°C), water
bbl (@ 60°F)	x 0.15798	= m^3 (@ 15°C), Ethane
bbl (@ 60°F)	x 0.15873	= m^3 (@ 15°C), Propane
bbl (@ 60°F)	x 0.15881	= m^3 (@ 15°C), Butanes
bbl (@ 60°F)	x 0.15891	= m^3 (@ 15°C), oil, Pentanes Plus
thousands of cubic feet (Mcf) (@ 14.65 psia, 60°F)	x 28.17399	= m^3 (@ 101.325 kPaa, 15°C)
Mcf (@ 14.65 psia, 60°F)	x 0.02817399	= 1,000 cubic metres (10^3m^3) (@ 101.325 kPaa, 15°C)
acres	x 0.4046856	= hectares (ha)
acres	x 4.046856	= 1,000 square metres (10^3m^2)
acre feet (ac-ft)	x 0.123348	= 10,000 cubic metres (10^4m^3) (ha˙m)
Mcf/ac-ft (@ 14.65 psia, 60°F)	x 22.841028	= $10^3m^3/m^3$ (@ 101.325 kPaa, 15°C)
Btu	x 1054.615	= joules (J)
British thermal units per standard cubic foot (Btu/Scf)	x 0.03743222	= megajoules per cubic metre (MJ/m^3)
(@ 14.65 psia, 60°F)		(@ 101.325 kPaa, 15°C)
$/Mcf (1,000 Btu gas)	x 0.9482133	= dollars per gigajoule ($/GJ)
$/Mcf (@ 14.65 psia, 60°F) Alta.	x 35.49373	= $/$10^3m^3$ (@ 101.325 kPaa, 15°C)
$/Mcf (@ 15.025 psia, 60°F), B.C.	x 34.607860	= $/$10^3m^3$ (@ 101.325 kPaa, 15°C)
feet (ft)	x 0.3048	= metres (m)
miles (mi)	x 1.609344	= kilometres (km)
dollars per barrel ($/bbl)	x 6.29287	= dollars per cubic metre ($/m^3$)
GOR (scf/bbl)	x 0.177295	= gas/oil ratio (GOR) (m^3/m^3)
Horsepower	x 0.7456999	= kilowatts (kW)
psi	x 6.894757	= kilopascals (kPa)
long tons (LT)	x 1.016047	= tonnes (t)
pounds (lb)	x 0.453592	= kilograms (kg)
gallons (Imperial)	x 4.54609	= litres (L) (.001 m^3)
gallons (U.S.)	x 3.785412	= litres (L) (.001 m^3)
barrels per million cubic feet (bbl/MMcf) (@ 14.65 psia) (C_3)	x 5.6339198	= cubic metres per million cubic metres ($m^3/10^6m^3$)
bbl/MMcf (C_4)	x 5.6367593	= ($m^3/10^6m^3$)
bbl/MMcf (C_{5+})	x 5.6403087	= ($m^3/10^6m^3$)
LT/MMcf (sulphur)	x 36.063298	= tonnes per million cubic metres ($t/10^6m^3$)
gallons (Imperial) per thousand cubic feet (gal (Imp)/Mcf) (C_{5+})	x 161.3577	= millilitres per cubic meter (mL/m^3)
gallons (U.S.) per thousand cubic feet (gal (U.S.)/Mcf) (C_{5+})	x 134.3584	= (mL/m^3)
degrees Rankine (°R)	x 0.555556	= Kelvin (K)
centipoises	x 1.0	= millipascal seconds (mPa˙s)
°API	(°APIx131.5)x 1000/141.5	= density (kg/m3)

Appendix C — General Evaluation Parameters

Royalties and Mineral Taxes

The lessor and overriding royalties were based on existing agreements and government regulations. Royalties would be deducted as cash flow items when revenue summaries were prepared rather than reductions of reserve volumes

Operating, Maintenance and Capital Costs

Operating, maintenance and capital cost forecasts were not prepared due to the unavailability of actual expense statements at the field level.

By-Product Reserves

The by-product reserves and production forecasts were based on the recovery rates estimated by the Operator.

Abandonment, Decommissioning and Reclamation

Abandonment, decommissioning and reclamation (ADR) costs represent all the end of life costs associated with restoring an asset where petroleum exploration, development, production, and processing operations have been conducted, to a standard imposed by applicable government or regulatory authorities.

Estimating ADR costs on existing development requires detailed knowledge of the property, the history of each well and facility, and may require site visits. Without detailed scrutiny of existing development in its entirety, the ADR cost estimates presented in an evaluation may be misleading or imply a level of due diligence evaluators do not typically undertake. ADR costs included in an asset evaluation must be properly assessed with reliance on those with the requisite expertise.

Best practice would use an ADR estimate which includes all costs required to restore existing development from the well's bottom hole to custody transfer point, to the standards imposed by applicable government or regulatory authorities and include the ADR costs for both active and inactive development included in the assets evaluated.

ADR costs have been considered by the Operator in their estimation of the economic limit for undeveloped locations or projects. These estimates were not reviewed as part of this audit.

Active and Inactive Assets and Properties

Active properties or assets are those properties or assets which contain planned development activity which is economic and/or existing development which is on production or will start or resume production within a reasonable time period.

Inactive properties have no current production and typically consist of shut-in, suspended and capped wells, various land holdings, suspended gathering systems and shut-in processing facilities. These assets typically have no development plans which may be assigned reserves however they do incur ongoing operating expenses within a company's oil and gas asset portfolio, the magnitude of which may be material.

Inactive assets and properties do not have reserve estimates assigned. The review of these was not included as part of the scope of the audit as, if included in the portfolio, would fall within the 20 percent of the assets not reviewed.

Uneconomic Assets or Properties

Uneconomic assets or properties are those assets and properties which are currently producing however do not yield net positive cash flows under the economic model. These assets have no assigned reserves and would incur inactive asset costs once actually shut-in. Since individual fields are not tested for positive economics, the impact of the possible inclusion of these within the total asset base of the Company has not been assessed under the scope of this project.

Overhead Expenses

Operating Cost Overhead

Operating cost overhead charges and recoveries associated with the Company's properties, whether operated or non-operated, would normally be excluded for if a cash flow evaluation were performed.

Capital Cost Overhead

Capital cost overhead charges and/or recoveries have not been included in the evaluation and forecast of future capital cost spending.

Carbon Taxes

Oman does not currently legislation as to the implementation of Carbon Taxes. The impact of the possible future imposition of these taxes has not been assessed.

Carbon Tax Credits

Oman does not currently provide for any mechanism for the application of carbon taxes. As a result the possible application of credits or any related offset mechanism does not exist within the country.

Other Items

Volumes in Inventory

Volumes of petroleum products produced but not yet sold, volumes in inventory, are not included in the reserve volumes presented in this report.

Overlift and Underlift Volumes

Overlift and underlift volumes have not been included in the reserves volumes presented in this report. Overlift and underlift volumes means, in relation to the Company's interest in a property, the amount of petroleum product lifted by the Seller on and before the effective date, which exceeds (in the case of Overlift) or falls short of (in the case of Underlift) the aggregate amount of petroleum product entitlement on and before the effective date attributable to that interest.

Financial Instruments

If the audit included the assessment of cash flows and corporate runs they would not include the effects of various financial instruments the Company may hold, such as pricing hedging contracts and/or various put and call options.

Appendix D – Representation Letter

The Representation Letter has been included as Appendix D; it was prepared by Officers of the Company and confirms the accuracy, completeness and availability of all data requested by Sproule and or otherwise furnished to Sproule during the course of our evaluation of the Company's assets, herein reported on.

Sproule B.V.
Stationsplein 6
2275AZ Voorburg
The Netherlands

Dear Sir:

Re: Energy Development Oman SAOC
PO Box 828
Min Al Fahal, PC116, Muscat
Sultanate of Oman

Regarding the audit of our Company's oil and gas reserves (the “Reserves Audit”) for the year ended December 31, 2023 (the “Effective Date”), we herein confirm, to the best of our knowledge and belief after due inquiry, as of the Effective Date and, as applicable, as of today, the following representations and information made available to you during the conduct of the Reserves Audit:

1. We (the Client) have made available to you (the Auditor) certain records, information, and data relating to the audited properties that we confirm is, with the exception of immaterial items, complete and accurate as of the Effective Date of the Reserves Audit, including, where applicable, the following:

    - accounting, financial, tax, and contractual data;
    - asset ownership and related encumbrance information;
    - details concerning product marketing, transportation, and processing arrangements;
    - details concerning maintenance capital
    - all technical information including geological, engineering, and production and test data;
    - estimates of future abandonment, decommissioning and reclamation costs, excluding adjustments for salvage.

2. We confirm that all financial and accounting information provided to you is, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.

3. We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.

4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of our Company's reserves and future net revenues.

5. With the possible exception of items of an immaterial nature, we confirm the following as of the Effective Date:

- For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
- All regulatory approvals, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
- Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the Effective Date are consistent with those that existed for the same well or entity immediately prior to this three-month period.
- Except as disclosed to you, we have no plans or intentions related to the ownership, development, or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.
- If material changes of an adverse nature occur in the Company's operating performance subsequent to the Effective Date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of any reserves information.

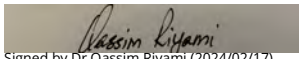
Between the Effective Date and the date of this letter nothing has come to our attention that has materially affected or could materially affect our reserves and the economic value of these reserves that has not been disclosed to you.

Yours very truly,
Energy Development Oman SAOC

Azhar Al Kindi
Signed with ConsignO Cloud (2024/02/15)
Verify with verifio.com or Adobe Reader.
notarius

Azhar Al Kindi

EDO Chief Operating Officer


Signed by Dr Qassim Riyami (2024/02/17)
Verify with verifio.com or Adobe Reader.
notarius

Dr Qassim Riyami

PDO Reservoir Engineering Discipline Head

INDEX TO FINANCIAL STATEMENTS

Consolidated financial statements of Energy Development Oman SAOC as at and for the year ended 31 December 2024, together with the auditor's report thereon	F-1
Consolidated financial statements of Energy Development Oman SAOC as at and for the year ended 31 December 2023, together with the auditor's report thereon	F-71

Consolidated financial statements of Energy Development Oman SAOC (“EDO”)
for the year ended 31 December 2024

Energy Development Oman SAOC

Contents

Board of Directors report	3
Independent auditor's report on the consolidated financial statements to the shareholder of Energy Development Oman SAOC	4-8
Consolidated statement of profit or loss and other comprehensive income	9
Consolidated statement of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the consolidated financial statements	13-70

ENERGY DEVEOPMENT OMAN SAOC

Board of Directors report for the year ended 31 December 2024

Responsibilities of the Board of Directors for the Energy Development Oman ("EDO") Consolidated Financial Statements

The members of EDO Board hereby declare that, to the best of their knowledge, the consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and relevant requirements of Commercial Companies Law of 2019, present fairly, in all material respects, the consolidated financial position of EDO as at 31 December 2024 and the related consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and explanatory notes.

The Board of Directors of EDO have approved the information contained in the consolidated financial statements of EDO on 06 March 2025.

On behalf of the Board

Mazin Al Lamki
Chief Executive Officer
Energy Development Oman
06 March 2025

شركة تنمية طاقة عمان ش.م.ع.م
س.ت: ١٣٧٨٥٥٦
C.R. No: 1378556
P.O. Box: 828
Postal Code: 116
Sultanate of Oman
ENERGY DEVELOPMENT OMAN S.A.O.C.

Sultan Al Mamari
Chief Financial Officer
Energy Development Oman
06 March 2025

Building a better working world

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Energy Development Oman SAOC (the "Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss or other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion

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

Key audit matters

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

Key audit matter	***How our audit addressed the key audit matter***
Estimation of crude oil and non-associated gas (NAG) reserves Oil and gas reserves are an indicator of the future potential of the Group's performance. Crude oil and NAG reserves estimates are used in the calculation of depreciation, depletion and amortisation (DD&A), impairment testing and in the estimation of abandonment provisions of production wells and production facilities. The principal risk is the impact of the crude oil and NAG reserves estimate on the consolidated financial statements through DD&A, impairment testing, and abandonment provisions estimate. Auditing the estimation of crude oil and NAG reserves is complex. There is significant estimation uncertainty in assessing the quantities of reserves and resources in place. The estimates are based on the Group's management and petroleum engineers' ("experts") assessments of petroleum initially in place, production curves and certain other inputs, including forecast production volumes, future capital and operating cost assumptions and estimated life of field. Also, technical uncertainties are involved in determining the level of reserves in each clusters/area. Due to significant estimation uncertainty involved, we have considered estimation of crude oil and NAG reserves as a key audit matter. Proved developed reserves, which are estimated by the Group's petroleum engineers in accordance with industry best practice and Securities and Exchange Commission (SEC) rules (as set forth in Note 2 to the consolidated financial statements entitled "Significant judgments, estimates and assumptions"), change according to production, and the price of hydrocarbons. The accounting policies relating to estimation of crude oil and NAG reserves, DD&A and abandonment provisions are set out in Note 3 to the consolidated financial statements entitled "Material accounting policy information".	We obtained an understanding of the controls over the Group's crude oil and NAG reserves' estimation process. We then evaluated the design of these controls and tested their operating effectiveness. We involved professionals with crude oil and NAG reserves audit experience for evaluating the key assumptions and methodologies applied by management and experts. Our audit procedures in this area included the following, but were not limited to: • Testing whether significant additions or reductions in crude oil and NAG reserves were made in the period in which the new information became available, by understanding the changes in circumstances that drove the change; • Assessing that reserve movements were in compliance, in all material respects, with the Group's reserves and resources guidance; • Evaluating the professional qualifications, competence and objectivity of Group's experts' who are responsible for crude oil and NAG reserves estimation; • We assessed the assumptions used by the management and experts and compared the assumptions to the macroeconomic indicators, hydrocarbon production, operating costs, capital expenditures forecasts and other performance indicators, approved by the Company's management. We compared the estimates of reserves to the estimates included in the DD&A, impairment and abandonment provisions. • On a sample basis, performing look back analysis of historical data to identify indications of estimation bias, if any, over time.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Other information

Other information comprises the Board of Directors' report. Management is responsible for the other information.

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

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

Responsibilities of management and Audit and Risk Committee for the consolidated financial statements

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

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

Audit and Risk Committee are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on other legal and regulatory requirements

As required by the applicable provisions of the Commercial Companies Law of 2019 and the Ministerial Decision 146/2021, we report that:

- we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- the Group has maintained accounting records and the consolidated financial statements are in agreement therewith;
- the Group has carried out physical verification of inventories;
- the financial information included in the Board of Directors' report is consistent with the books of accounts of the Group; and
- based on the information that has been made available to us, nothing has come to our attention, which causes us to believe that the Group has contravened, during the year ended 31 December 2024, any of the applicable provisions of the Commercial Companies Law of 2019 or its Articles of Association, which would materially affect the financial performance of the Group for the year ended 31 December 2024 or its consolidated financial position as at 31 December 2024.

Ernst + Young

ارنست ويونغ ش م م
س.ت: ١٢٢٤٠١٣
ص.ب: ١٧٥٠ روي - ١١٢، سلطنة عمان
EY ERNST & YOUNG LLC
C.R. No. 1224013
P.O. Box 1750 - P.C. 112, Sultanate of Oman

Imtiaz Ibrahim
06 March 2025
Muscat

Energy Development Oman SAOC
Consolidated statement of profit or loss and other comprehensive income
For the year ended

	Notes	31-Dec-24 US$'000	31-Dec-23 US$'000
Revenue	4	16,065,270	16,422,914
Other operating income	5.a	39,467	201,531
Finance income	5.d	9,201	7,559
Total revenues and other income		16,113,938	16,632,004
Production expenses	7	(1,219,799)	(1,115,911)
Royalty expenses	8	(6,276,031)	(6,525,451)
Depreciation, depletion and amortisation	6	(3,738,659)	(3,840,790)
Other expenses	5.b	(95,902)	(55,707)
Profit before interest and tax		4,783,547	5,094,145
Finance costs	5.c	(711,478)	(606,604)
Profit before tax		4,072,069	4,487,541
Income tax expenses	27	(3,359,854)	(3,790,479)
Profit for the year		712,215	697,062
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods			
Re-measurement of pension fund obligation	22	12,708	12,990
Total comprehensive income for the period		724,923	710,052

The attached notes 1 to 32 form part of these consolidated financial statements

Energy Development Oman SAOC
Consolidated statement of financial position
As at 31 December

	Notes	31-Dec-24 US$'000	31-Dec-23 US$'000
Non-current assets			
Property, plant and equipment	10a	23,593,981	23,495,057
Right-of-use assets	10b	821,052	777,853
Receivables and prepayments	16	19,949	16,549
Net retirement benefit assets	22	-	358,258
Housing loans	13	7,525	8,359
Other non-current assets		3,316	3,745
Total of non-current assets		24,445,823	24,659,821
Current assets			
Inventories	15	660,888	528,721
Receivables and prepayments	16	84,869	106,427
Due from related parties	19	1,802,637	1,668,436
Housing loans	13	2,958	1,866
Net retirement benefit assets	22	411,033	-
Cash and bank balances	11	435,486	706,318
Total of current assets		3,397,871	3,011,768
Total assets		27,843,694	27,671,589
Shareholders' equity			
Share capital	12	1,300	1,300
Retained earnings		10,075,354	11,047,791
Other equity contribution		121,041	-
Total shareholders' equity		10,197,695	11,049,091
Non current liabilities			
Provision for staff end-of-service and other retirement benefits	23	2,357	8,447
Lease liabilities	20	669,182	637,416
Abandonment provision	21	3,373,794	3,176,514
Deferred tax liabilities	27	3,292,483	2,514,762
Loans and borrowings	18	6,688,778	6,000,069
Due to related parties	19	104,594	-
Total of non-current liabilities		14,131,188	12,337,208
Current liabilities			
Loans and borrowings	18	907,000	1,624,105
Payables and accruals	17	2,244,102	2,126,608
Tax payables		105,994	140,516
Due to related parties	19	15,863	168,894
Provision for staff end-of-service and other retirement benefits	23	2,937	-
Lease liabilities	20	238,915	225,167
Total of current liabilities		3,514,811	4,285,290
Total liabilities		17,645,999	16,622,498
Total equity and liabilities		27,843,694	27,671,589

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 06 March 2025 and are signed on their behalf by the Chief Executive Officer and the Chief Financial Officer of Energy Development Oman SAOC on 06 March 2025:

Mazin Al Lamki
Chief Executive Officer
Energy Development Oman SAOC

Sultan Al Mamari
Chief Financial Officer
Energy Development Oman SAOC

The attached notes 1 to 32 form part of these consolidated financial statements.

شركة تنمية طاقة عمان ش.م.ع.م
س.ت: ١٣٧٨٥٥٦
C.R. No: 1378556
P.O. Box: 828
Postal Code: 116
Sultanate of Oman
ENERGY DEVELOPMENT OMAN S.A.O.C

Energy Development Oman SAOC
Consolidated statement of changes in equity
For the year ended 31 December

	Notes	Share capital	Retained earnings	Other equity contribution	Total equity
		US$ 000	US$ 000	US$ 000	US$ 000
Balance at 1 January 2024		**1,300**	**11,047,791**	**-**	**11,049,091**
Profit for the year		**-**	**712,215**	**-**	**712,215**
Other comprehensive income - re-measurement of pension fund obligation	*22*	**-**	**12,708**	**-**	**12,708**
Interim dividend	*19*	**-**	**(1,649,448)**	**-**	**(1,649,448)**
Distribution of assets in specie	*19*	**-**	**(47,912)**	**-**	**(47,912)**
Capital contribution - land fees waiver	*19*	**-**	**-**	**21,902**	**21,902**
Waiver of payable to a Government entity	*19*	**-**	**-**	**99,139**	**99,139**
At 31 December 2024		**1,300**	**10,075,354**	**121,041**	**10,197,695**
Balance at 1 January 2023		1,300	14,086,975	-	14,088,275
Profit for the year		-	697,062	-	697,062
Other comprehensive income - re-measurement of pension fund obligation	*22*	-	12,990	-	12,990
Interim dividend	*19*	-	(3,703,783)	-	(3,703,783)
Distribution of assets in specie	*19*	-	(45,453)	-	(45,453)
At 31 December 2023		1,300	11,047,791	-	11,049,091

The attached notes 1 to 32 form part of these consolidated financial statements

Energy Development Oman SAOC
Consolidated statement of cash flows
For the year ended

	Notes	31-Dec-24 US$'000	31-Dec-23 US$'000
Operating activities:			
Profit before tax		**4,072,069**	4,487,541
Adjustments for:			
Pension scheme costs	***22***	**(24,536)**	66,873
Depreciation and depletion on property, plant and equipment	***6***	**3,672,882**	3,768,420
Depreciation on right of use assets	***6***	**65,777**	72,370
Royalty expense	***8***	**6,276,031**	6,525,451
Additions to provisions for obsolete stock and obsolete stock write-off	***15***	**3,581**	3,615
Additions / (Reversals) to ECL provisions		**1,226**	(582)
Gain on changes in abandonment estimates	***5.a***	**(80)**	(111,215)
Gain on disposals of property, plant and equipment	***5.a***	**(7,434)**	(28,594)
Exploration assets written off	***5.b***	**51,660**	25,359
Finance cost	***5.c***	**711,478**	606,604
Finance income	***5.d***	**(9,201)**	(7,559)
Net movement in national objective investments		**-**	4,834
Net movement in provision for staff end-of-service and other retirement benefits		**(3,153)**	(3,515)
		14,810,300	15,409,602
Working capital changes:			
Changes in inventories		**(135,748)**	(118,866)
Changes in receivables and prepayments		**16,932**	21,936
Changes in amounts due from related parties		**(134,201)**	613,732
Changes in payables and accruals		**(79,365)**	45,990
Net movement in housing loans and other non-current assets		**171**	2,814
Changes in amounts due to related parties		**50,702**	74,652
Change in restricted cash		**4,849**	9,739
		14,533,640	16,059,599
Income tax paid		**(2,632,187)**	(2,736,413)
Contribution towards Omani staff pension scheme		**-**	(154,691)
Royalty paid		**(6,312,242)**	(6,591,835)
Cost associated with distribution of assets in specie	***19***	**(47,912)**	(45,453)
Net cash from operating activities		**5,541,299**	6,531,207
Investing activities:			
Acquisition of property, plant, and equipment		**(3,459,609)**	(3,400,290)
Expenditure on exploration and evaluation assets	***10a***	**(205,246)**	(222,828)
Proceeds from disposal of property, plant, and equipment	***10a***	**18,019**	38,616
Finance income received		**9,201**	7,559
Net cash used in investing activities		**(3,637,635)**	(3,576,943)
Financing activities:			
Loans and borrowings repaid		**(4,436,301)**	(3,944,073)
Loans and borrowings taken		**2,734,175**	1,965,718
Finance cost paid		**(233,065)**	(244,036)
Payment of lease liabilities		**(256,358)**	(265,219)
Capital contribution - land fees waiver		**21,902**	-
Net cash used in financing activities		**(2,169,647)**	(2,487,610)
(Decrease) increase in cash and bank balances		**(265,983)**	466,654
Cash and bank balances at beginning of the year	***11***	**694,553**	227,899
Cash and bank balances at end of year	***11***	**428,570**	694,553

For details of non-cash transactions refer note 10a, 10b, 19, 20, 21, 22 and 24

The attached notes 1 to 32 form part of these consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC

1. Background and basis of preparation

1.1 Background

Formation of EDO

Energy Development Oman SAOC ("EDO" or the "Company") was established on 3 December 2020 in the Sultanate of Oman. EDO was registered on 24 December 2020 through Royal Decree as a 100% owned subsidiary of the Government of the Sultanate of Oman (the "Government"). The Company together with its subsidiaries (hereinafter referred to as the "Group") has a presence in Oman.

The Group has taken over the participating rights/interests of the Oil and Gas Operations of Block 6 from the Ministry of Energy and Minerals (the "MoEM"). Block 6 is the Sultanate's largest and most significant oil and gas operation and covers a geographic area of approximately 90,000 square km., which includes a substantial part of the Oman Mountain Fold belt and Rub al Khali basins, including the Ghaba and Fahud salt basins.

The MoEM's 60% interest in Petroleum Development Oman LLC ("PDO"), a limited liability company registered in the Sultanate of Oman in accordance with the Commercial Companies Law, as amended, and 100% interest in Gas Operations were transferred to the Group on 24 February 2021 and 6 May 2021, respectively (also referred to as the "Royal Decree"). Gas Operations are managed by PDO.

PDO is responsible for the following activities:

i. undertaking all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, transportation, storage, and delivery of crude oil in accordance with the terms of an "Oil Concession Agreement" (see below) for Block 6 (the "Oil Operations"); and
ii. undertaking all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, and transportation of NAG in accordance with the terms of "Gas Agreements" (see below) between the Government and PDO (the "Gas Operations").

After the formation of EDO, EDO incorporated the following five subsidiaries:

- Hydrogen Oman SPC ("HDO") on 13 June 2022 having commercial registration certificate number 1428787. The objective of HDO is to structure and accelerate the development of the green hydrogen sector in Oman.
- Oman New Energies SPC ("ONE") on 24 November 2022 having commercial registration number 1458799. One is incorporated to explore future power-related business. As of 31 December 2024, ONE is not operational, and no transactions are recorded in its books.
- EDO Gas SPC ("GasCo") on 25 June 2023 having commercial registration certificate number 1491751. GasCo has taken over the participating right/interest of the Gas Operations of Block 6 from the EDO (w.e.f. 1 July 2023).
- EDO InfraCo SPC ("Infra") on 11 December 2023 having commercial registration number 1521732. As of 31 December 2024, Infra is not operational, and no transactions are recorded in its books.
- EDO Sukuk Limited was established on 26 June 2023. EDO Sukuk Limited is a special purpose vehicle incorporated in the Cayman Islands. EDO Sukuk Limited was established as a means to fund the Group by acting as issuer and trustee of the Sukuk trust certificates.
- eco SPC, a wholly owned subsidiary, was established in September 2024 for the handling of the inventory of surplus and scrap equipment and materials from operations under the Block 6 Petroleum Agreements, the Block 6 Gas Concession Agreement and (subject to the relevant approvals) other oil and gas operations in the Sultanate of Oman."

Under the Fiscal Protocol, which applies to the Group's share of crude oil and gas production, including the applicability of royalties and taxes under the pre-existing Block 6 Oil Concession agreement, various additional agreements have been entered into between the Government and the Group. The agreements define the fiscal terms applicable to the Group's revenue from the Block 6 Operations. The key agreements entered between the Government and the Group are as follows:

- Oil concession agreement
- Oil operating agreement
- PDO shareholders' agreement
- the Block 6 Gas Concession Agreement which applies to Non-Associated Gas ('NAG') and condensate, including its related taxes

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

- the Oman Export Blend sale and purchase agreement; and
- the Natural gas sales agreement
- Fiscal Protocol
- Shareholder's bridge facility agreement

Oil Concession Agreement

The Government and Private Oil Holdings Oman Limited ("POHOL") had entered into an Oil Concession Agreement for Block 6 effective 1 January 2005 and expiring on 31 December 2044. Under this agreement, PDO operated as a cost centre, wherein all costs related to the Block 6 oil operations were incurred. PDO had no entitlement to proceeds from crude oil. The property, plant, and equipment ("PPE") relating to the Oil Operations were recognised in the books of PDO. The investment in PPE, operational costs and other costs were funded 60% by the Government and 40% by POHOL as shareholders' contributions. The Oil Concession Agreement includes the right to use associated gas, which was internally consumed by PDO as part of the production process relating to the Oil Operations. The Government has novated the Oil Concession Agreement in favour of the Group effective 24 February 2021.

Oil Operating Agreement

The Government and POHOL (acting in their capacities as participants in the Oil Concession Agreement) and PDO (acting in its capacity as the Block 6 operator) entered into an operating agreement for Block 6, which took effect on 1 January 2005 (the "Oil Operating Agreement"). The Oil Operating Agreement will remain in effect for as long as the Oil Concession Agreement remains in force. On 24 December 2020, the Government transferred its rights and obligations under the Oil Operating Agreement to EDO with effect from 24 February 2021 in accordance with the terms of the Oil Operating Agreement.

Under the terms of the Oil Operating Agreement, PDO is authorised to act as operator of the Block 6 operations under the terms of the Oil Concession Agreement

PDO Shareholders' Agreement

The Government, PDO, Shell, TotalEnergies and PTTEP entered into the Petroleum Development Oman LLC shareholders' agreement (the "PDO Shareholders' Agreement"). The PDO Shareholders' Agreement became effective on 1 January 2005. On 24 December 2020, the Government transferred its rights and obligations under the agreement to EDO with effect from 24 February 2021 in accordance with the terms of the PDO Shareholders' Agreement.

The purpose of the PDO Shareholders' Agreement is to regulate the parties' respective rights and obligations with respect to the management and operation of PDO.

Gas Agreements and Gas Concession Agreements

In the capacity of the manager of the Gas Operations, PDO undertook all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, and transportation of NAG in accordance with the directions of the Government. PDO had no entitlement to the proceeds from the sale of NAG. The gas sales agreements were entered into by the MoEM with the end customers. PDO had no ownership of the PPE relating to the Gas Operations. The investment in PPE, operational costs, and other costs was fully funded by the Government.

The Government has granted the Group the rights to explore, search and drill for, produce, develop, and sell NAG and Condensate in the Gas Concession Area in accordance with the terms of this Gas Concession Agreement effective 6 May 2021 and expiring on 31 December 2044. By virtue of this Gas Concession Agreement, the Group has exclusive ownership of all NAG at the point of gas production, exclusive ownership of condensate, and exclusive ownership of all gas assets, in accordance with the terms of this Gas Concession Agreement.

On 16 July 2023, EDO Board approved the amendment and novation of the Gas Concession Agreement and the NAG sales agreement, and the transfer thereof to GasCo by the Company.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

Oman Export Blend Sale and Purchase Agreement

The Group has entered into an agreement with the Government for the sale of 'Oman Export Blend' crude oil (OEB). Under the terms of this agreement, the Group shall sell its share of crude oil and condensate production to the MoEM or designated MoEM customers at the Mina Al Fahal ("MAF") terminal or at the designated delivery point. The MoEM maintains all the contracts with the end customers. The sale price for OEB is set out in the relevant oil sales agreement between the MoEM and the MoEM's customers. The Group will deliver the OEB to the relevant MoEM customer at the vessel's permanent manifold flange connection.

Natural Gas Sales Agreement

The Group has entered into an agreement with the Government to sell its entire NAG production to the Government at agreed fixed prices for the first 5 years of the agreement as determined in the agreement effective 6 May 2021. The agreed fixed price (per MMBTU) for 2021, 2022, 2023, 2024, and 2025 is US$ 2.51, US$ 2.59, US$ 2.69, US$ 2.77, and US$ 2.89 respectively. Post the first 5 years, annual prices shall be determined for each subsequent 5-year period according to a blended transfer price calculation methodology, as defined in the agreement.

Fiscal Protocol

The Government has issued a fiscal guideline in relation to the Group's participating interest in the concession agreement for Block 6. This guideline (referred to as the "Fiscal Protocol"), also provides detailed information on royalties and taxes relevant to the Group.

Shareholder's bridge facility agreement

The Group's funding policy requires Block 6 capital costs to be funded (i) through debt up to the debt capacity of FFO (Funds From Operations) / Debt of 45%, and (ii) the remaining balance of the Block 6 capital cost through Block 6 revenue.

The Group ("Borrower") entered into a shareholder bridge facility agreement ("Shareholder Loan Agreement" or "the bridge facility") with The Government of the Sultanate of Oman represented by the Ministry of Finance ("Government" or "Lender" or "MOF"). Under this agreement, Government makes available to the Group a finance facility. Any amounts drawn down pursuant to the Bridge Facility may be effected by way of cash funds transfer or through Offsets (Offsets means any Bridge Loan or part thereof which, rather than being paid by way of a funds transfer, is satisfied / paid by way of making an adjustment / offset agreed by the Parties against funds payable by the Borrower to the Lender).

In the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance. This decision was communicated to MOF and has been accepted by them.

1.2 Basis of Preparation

The Group's consolidated financial statements for the year ended 31 December 2024 have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB).

1.3 Going concern

The Group's current liabilities exceeded its current assets by US$ 116,940 ('000) as of 31 December 2024 (31 December 2023: US$ 1,273,522 ('000)). The net current liability position is primarily due to the shareholder's loan (refer to note 19) amounting to US$ 907,000 ('000) (31 December 2023: US$ 1,282,000 ('000)) classified under current liabilities. The liquidity risk associated with the shareholder loan is minimal. Further, the Board of Directors and management believe that the Group generates sufficient free cash flows to meet its liabilities and has adequate resources to continue in operational existence for the foreseeable future and not less than 12 months from the end of the reporting period. Accordingly, the consolidated financial statements have been prepared on the basis that the Group will continue to operate as a going concern.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The judgments, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. However, the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and/or liabilities in the future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

(a) Judgments

In the process of applying the accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant impact on the amounts recognised in the Group's consolidated financial statements.

Revenue from contracts with customers

The Group applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations

At inception of the contract with customers, the Group assesses the performance obligations embedded in the contracts. Based on the assessment, the Group has concluded that there is generally only one performance obligation with respect to the sale of crude oil, condensate and NAG respectively. There are no other performance obligations or benefits derived by the customers from the contracts.

Determining the timing of satisfaction of performance obligation

The Group recognise revenue when (or as) it satisfies a performance obligation by transferring a promised good to customers. An asset is transferred when (or as) the customer obtains control of that asset, which is upon delivery of goods. Under the terms of existing contracts, the Group has determined that shipping or transportation services are not being provided to the customers, and the only performance obligation is sale of crude oil and petroleum products.

Determining transaction price and allocation

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer. Since sale of crude oil, condensate and NAG is the only performance obligation, the entire transaction price is allocated to sale of the product respectively.

Principal versus agent considerations

The Group enters into contracts with its customers for supply of crude oil, condensate and NAG. The Group determined that it controls the goods before they are transferred to customers, and it has the ability to direct the use of goods or obtain benefits from the goods. The following factors indicate that the Group controls the goods before they are being transferred to customers. Therefore, the Group determined that it is a principal in all its revenue arrangements.

- The Group is primarily responsible for fulfilling the promise to provide the specified goods.
- The Group has inventory risk before the specified goods have been transferred to the customers.
- The Group has discretion in establishing the price for the specified goods.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

Revenue from contracts with customers (continued)

Consideration of significant financing component in a contract

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less. The Group concluded that there is no significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of goods to the customer.

Determining the lease term of contracts with renewal and termination options – the Group as lessee

Management determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. Management applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Management included the renewal period as part of the lease term for leases of rigs, hoists, facilities, well service units, vehicles and cargo haulage equipment with a shorter non-cancellable period of 1-2 years. The Group typically exercises its option to renew these leases because based on the previous experience and the future intention of the management to continue, there is a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of certain production facilities, for example rigs, hoists, vehicles and well service units with longer non-cancellable lease periods (i.e., >5 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Management has considered and evaluated the following factors before determining not to embrace the extension options beyond the original term:

- management’s long-term strategy is to re-tender rig contracts and move towards mechanised rigs wherever possible.
- the economic benefit for continuing with the same supplier (same lease) is not proven, hence it is not reasonably certain to exercise the extension option, due to the fact that there are competitors in the market who are expected to offer competitive prices. which may result in a retendering process.
- the expected changes in technologies in the ensuing five years.
- New technologies in the market and strategic studies would reassess the economic feasibility of leases.

With reference to certain drilling equipment, hub offices, electronic equipment and certain equipment relating to rigs and hoists, these contracts are less than 12 months at the transition date and the management is of the view that most of the extension options may not be exercised. The Group could replace these assets without significant cost or business disruption. Therefore, these have not been included in the lease liabilities. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

Identification of non-lease components

In addition to containing a lease, the Group's service arrangement involves additional services, including personnel cost, maintenance, production related activities and other items. These are considered to be non-lease components and the Group has decided to separate these from the lease components. Judgment is required to identify these. The consideration in the contract is then allocated between the lease and non-lease components on a relative stand-alone price basis. This requires the Group to estimate stand-alone prices for each lease and non-lease component.

Accounting for leases and joint operations

Where the Group participates in a joint operation, determining whether to recognise and whether to measure a lease obligation involves judgment and requires identification of which entity has primary responsibility for the lease obligations entered into in relation to the joint operation's activities. Where the joint operation (including all parties to that arrangement) has the right to control the use of the identified asset and all parties have a legal obligation to make payments to the third-party supplier, each joint operation participant would recognise its proportionate share of the lease-related balances. This assessment would be based on the terms and conditions of each arrangement. The Group does not have any direct primary legal obligation to pay the third-party suppliers for the lease payments. Therefore, the Group has recognised only its share of lease liabilities, in addition to its share of right of use assets.

Identifying in-substance fixed rates versus variable lease payments

The lease payments used to calculate the lease-related balances under IFRS 16 include fixed payments, in- substance fixed payments and variable payments based on an index or rate. Variable payments not based on an index or rate are excluded from the measurement of lease liabilities and related assets. For some of the Group's drilling rig contracts, in addition to the fixed payments, there are payments that are contractually described as variable but are in-substance fixed payments because the contract terms require the payment of a fixed amount that is unavoidable. The payments are expressed as a rate paid for each operating day, hour or fraction of an hour and can change depending on when and how the asset is being used. Therefore, the management has had to apply judgment to identify in-substance fixed payments included in the lease payments used to calculate the lease-related balances. Other payments identified as variable, not based on an index or rate, are excluded from recognition and measurement of the lease related balances. Management has assessed that while there is variability in the pricing, there is a minimum rate which is considered to be the lowest rate that it would pay while the asset is available for its use, which is the standby or cold-stack rate. The major maintenance and inclement weather rates do not represent the minimum as these are only payable when the asset is not available for use. The additional full operating rates represent variable lease payments.

Functional currency

The functional currency for the Group, is the currency of the primary economic environment in which the Group operates. The functional currency of the Group is the US dollar (US$). Determination of functional currency may involve certain judgments to identify the primary economic environment in which the Group operates. This includes consideration of the currency which influences sales prices, the country whose competitive forces and regulations mainly determine the sale price of its goods, and the currency which influences the labour, materials, and other costs of providing goods or services differ.

Management considers US$ to be, the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. US$ is the currency in which the Group measures its performance and reports its results, as well as the currency in which it receives funds from the MoEM.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

Exploration and evaluation expenditure

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment to determine whether future economic benefits are likely from future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is, in itself, an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates have a direct impact on when the Group defers exploration and evaluation expenditure.

Assessment of contingencies and claims

In the ordinary course of business, the Group is subject to a number of contingencies arising from litigation and claims brought by private parties, including contractors and employees. The operations of the Group continue, from time to time, to be affected to varying degrees by political, legislative, fiscal and regulatory developments, including those relating to the protection of the environment and indigenous groups in the clusters in which it operates. The industry in which the Group is engaged is also subject to physical risks of various types. The nature and frequency of these developments and events, as well as their effect on future operations and costs, are unpredictable. While these matters are not expected to have a material impact on the Group, no assurance can be provided.

(b) Estimates and assumptions

The preparation of the consolidated financial statements, in conformity with IFRS, requires that the management make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Proved hydrocarbon reserve and resource estimates

The determination of the Group's reserves requires significant degree of estimates and assumptions to be applied. Hydrocarbon reserves are estimates of the measure of hydrocarbons that can be economically and legally extracted from the Group's oil and gas properties.

Management estimates the hydrocarbon reserves according to the Code of Practice for Hydrocarbon Resource Volume Classification, Estimation and Reporting; CP-186. In relation to proven reserves, the Group complies with rules set by the Security and Exchange Commission (SEC) (except for the calculation of NAG prices, which is based on the management's internal estimate). Management complies with the principles contained in the Petroleum Resources Management System (PRMS) framework as issued by the Society of Petroleum Engineers (SPE). The Group's resources classification is set in conjunction with the industrial standard petroleum resource classification.

Management estimates its commercial reserves and resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves that are attributable to private shareholders as per the concession agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs. Royalty expenses incurred by the Group on the sale of crude oil and condensate were also considered as a part of the future development cost.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Proved hydrocarbon reserve and resource estimates (continued)

Future commodity price assumptions tend to be stable because management does not consider short-term increases or decreases in prices as being indicative of long-term levels, but they are nonetheless subject to change. Expected production volumes, which comprise proved reserves, are used for the depreciation calculation of production wells and facilities. As discussed above, hydrocarbon reserves estimates are inherently imprecise. For 2024, the long-term Brent oil price assumption used in the estimation of commercial reserves is US$ 81.14 /bbl. (2022: US$ 82.77 /bbl.). For 2024, long-term gas price assumption used in the estimation of commercial reserves is based on the Group's existing NAG sales agreements (valid till the end of 2025) and the managements forecast of future gas price till the end of concession period. As the economic assumptions used may change and as additional geological information is obtained during the operation of a cluster, estimates of recoverable reserves may change.

On 23 September 2024, the Ministry of Finance as signatory to the Fiscal Protocol and representative of the Government of Oman notified the Group vide letter 8160/3/5/2024-4 that the royalty mechanism was designed to balance the Government's return while ensuring the Group achieves sustainable returns. The Ministry of Finance further confirmed that if the royalty charges on the Group results in negative operating profits for a specific cluster or field, the Government, in consultation with the Group, will make necessary alterations to the royalty to ensure that net cashflows of the Group from the relevant cluster or field remain positive or at break even.

Based on the above letter from the Ministry of Finance, the Group has revised the royalty charges within the future development costs. This revision ensures that the calculation of commercial reserves is aligned to maintain consistency in the useful lives of fields or clusters between the operating entity, Petroleum Development Oman LLC, and the Group. This change is treated as a change in accounting estimate in line with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and will impact the Group's reported consolidated financial position and results, which include:

- Changes in depreciation, depletion and amortisation charges in the consolidated statement of profit or loss and other comprehensive income where such charges are determined using the Unit of Production (UOP) method, or where the useful life of the related assets changes. For 2024 the depreciation, depletion and amortisation charges have decreased by US$ 177,736 ('000).
- Revision in provisions for decommissioning — where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities. As of 31 December 2024, the abandonment provision has been reduced by US$ 306,178 ('000).

Depreciation, depletion and amortisation (Unit-Of-Production (UOP) method)

Property, plant and equipment related to hydrocarbon production activities are depreciated on a unit-of-production basis over the proved developed oil and gas reserves of the cluster concerned, other than assets whose useful lives differ from the lifetime of the cluster which are depreciated applying the straight-line method. This results in a depreciation charge proportional to the depletion of the anticipated remaining production from the cluster. For the purpose of proved developed reserves, management uses the SEC-mandated yearly average oil prices and management's estimate of the fixed gas prices. Yearly average oil prices and the fixed gas prices are applied in the determination of proved reserves. Estimates of proved reserves are inherently imprecise, require the application of judgment and are subject to regular revision, either upward or downward, based on new information including details relating to the drilling of additional wells, the observation of long-term reservoir performance under producing conditions and the changes in economic factors, including commodity prices, unforeseen operational issues, contract terms, legislation or development plans.

Changes to estimates of proved developed reserves affect prospectively the amounts of depreciation, depletion and amortisation charged and, consequently, the carrying amounts of production assets. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the cluster at which the asset is located. The calculation of the UOP rate of depreciation will be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future capital expenditure estimates change.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Development, exploration and evaluation expenditure

Expenditure on the construction, installation and completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including services are capitalised within property, plant and equipment and is depreciated from the commencement of production. The capitalisation policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Cost incurred on unsuccessful development or delineation wells are written-off.

Significant estimates and assumptions are required to determine whether it is appropriate to continue to carry costs associated with exploration wells and exploratory type stratigraphic test wells on the balance sheet. This includes costs relating to exploration, seismic evaluation, geological and geophysical or other related costs. It is not unusual to have such costs being capitalised on the balance sheet while additional appraisal drilling and seismic work on the potential oil and natural gas cluster is performed or while the optimum development plans and timing are established. However, these seismic costs are part of the cluster that are producing developed petroleum resources.

The costs are carried based on the current regulatory and political environment or any known changes to that environment. All such carried costs are subject to regular technical, commercial and management review on at least an annual basis to confirm the continued intent to develop, or otherwise extract value from, the discovery. These costs are incurred on the producing clusters and therefore, management estimates that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. The carrying amount of capitalised costs are included as part of property, plant and equipment under producing assets.

Decommissioning (abandonment provision)

Liabilities for decommissioning costs are recognised when the Group has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, estimates of the extent and costs of decommissioning activities, the emergence of new restoration techniques or experience at other production sites. The discount rate used for computing the abandonment provision for the year ended 31 December 2024 is 6.67%. (6.85% - 31 December 2023) which is based on long-dated Oman government bonds.

The provision for the costs of decommissioning wells, production facilities and pipelines at the end of their economic lives is estimated using existing technology, at future prices, depending on the expected timing of the activity, and discounted using the nominal discount rate. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

External valuers may be used to assist with the assessment of future decommissioning costs. The involvement of external valuers is determined on a case-by-case basis, taking into account factors such as the expected gross cost or timing of abandonment. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The provision at the reporting date represents management's best estimate of the present value of the future decommissioning costs required. A +0.5% change in the nominal discount rate could reduce the Group's provisions by approximately US$ 235,574 ('000) (2023: US$ (203,016) ('000)). A -0.5% change in the nominal discount rate could increase the Group's provisions by approximately US$ 256,645 ('000) (2023: US$ 220,201 ('000)). A two-year change in the timing of expected future decommissioning expenditures does not have a material impact on the value of the Group's decommissioning provision. Management does not consider a change of greater than two years to be reasonably possible either in the next financial year or as a result of changes in the longer-term economic environment.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Provision for expected credit losses of financial assets

Due from related parties, other receivables and other assets

For these categories of assets, management applies a general approach in calculating ECLs. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information. the Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices. The areas requiring significant judgment related to the valuation of inventories include estimating the shrinkage that has occurred between physical inventory counts. These judgments and estimates, under certain circumstances, produce varying financial results.

Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of profit or loss and other comprehensive income (Note 15).

Leases - Estimating the incremental borrowing rate

Management cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease. Management estimates the IBR using observable inputs (such as market interest rates) when available and is required to consider certain contract and entity-specific judgments.

Estimated useful lives of property, plant and equipment (excluding production wells and facilities) (straight line method)

Management determines the estimated useful lives of property, plant and equipment for calculating depreciation. The cost of property, plant and equipment is depreciated over the estimated useful lives of the assets or remaining concession period, which is based on the expected usage of the asset, expected physical wear and tear, and the repairs and maintenance program, and the residual value. Management reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Management reviews the residual value at the end of each reporting period and changes are adjusted prospectively. For line fill, management believes that the residual value of the line fill is greater than the cost.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Useful lives of right-of-use assets

Management determines the estimated useful lives of its right-of-use assets for calculating amortisation. The cost of right-of-use assets are amortised over the estimated useful lives of the assets, which is based on shorter of the lease term and the estimated useful lives of the assets. Management reviews the estimated useful lives of right-of-use assets at the end of each annual reporting period. Any change in the lease term or pattern of consumption of these assets are adjusted prospectively.

Impairment of property, plant and equipment

Management assesses, at each reporting date, whether there is any indication that an asset or a group of assets is impaired. If any such indication exists, Management estimates the recoverable amount of the asset or group of assets. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset if the asset generates cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples like available fair value indicators.

The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value. The assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves and operating performance (which includes production and sales volumes). Significant estimates and associated assumptions are involved in determining the cash-generating units, expected future cash flows and discount rates. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Pension and other post-employment benefits

Accounting for defined benefit pensions involves making significant estimates when measuring the Group's pension plan surpluses and deficits. These estimates require assumptions to be made about many uncertainties. Pensions and other post-retirement benefit assumptions are reviewed by management at the end of each year. These assumptions are used to determine the projected benefit obligation at the year end and hence the surpluses and deficits recorded in the Group's consolidated statement of financial position, and pension and other post-retirement benefit expense for the following year.

The present value of defined benefit pension plans is determined using actuarial valuations. The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate, future salary increases, mortality rates and future pension increases. Any changes in these assumptions will impact the carrying amount of pension obligations. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used vary from year to year, with resultant effects on future net income and net assets. Changes to some of these assumptions, in particular the discount rate and inflation rate, could result in reasonable changes to the carrying amounts of the Group's pension and other post-retirement benefit obligations within the next financial year. Any differences between these assumptions and the actual outcome will also affect future net income and net assets.

The values ascribed to these assumptions and a sensitivity analysis of the impact of changes in the assumptions on the benefit expense and obligation used are provided in Note 22.

As of 31 December 2023, the Omani Staff Pension Scheme, previously a defined benefit retirement scheme, was discontinued, and the PDO Omani Pension Fund (OPF) was mandated to transfer a portion of its liabilities and equivalent assets to the Social Protection Fund (SPF). However, as of 31 December 2024, discussions between PDO and SPF are still ongoing to finalize the exact amount of liabilities and related assets to be transferred.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

Estimates and assumptions (continued)

Pension and other post-employment benefits (continued)

There remains significant uncertainty regarding both the quantum of the liability and related assets to be transferred and the treatment of any remaining net retirement benefit asset post-transfer. Since the risks and returns associated with the assets to be transferred belong to SPF from 1 January 2025, and the transfer is expected to be completed within 2025, the net retirement benefit asset as of 31 December 2024 has been classified as current.

Effective 1 January 2024, the Group has commenced contributions to the SPF under the Social Protection Law. Since SPF operates as a defined contribution retirement scheme, the Group's contributions are recognized as an expense when employees render service. These contributions are recorded in the consolidated statement of comprehensive income or capitalized to property, plant, and equipment, depending on employees' respective functions.

3. Material accounting policy information

The accounting policies set out below, which comply with IFRS, have been applied consistently to all periods presented in these consolidated financial statements, unless stated otherwise. These describe the Group's significant accounting policies adopted in the preparation of these consolidated financial statements, which are relevant for an understanding of the consolidated financial statements.

Revenue from contracts with customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The 5-step approach for revenue recognition is as follows:

- Step 1: Identify contracts with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

In addition to revenue, the standard also applies to:

- the cost to fulfil the contract; and
- the incremental costs of obtaining a contract.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in all of its revenue arrangements since it controls the goods or services before transferring them to the customer

Revenue from sale of crude oil, condensate and NAG

The crude oil produced by the upstream operations is sold to external customers. Revenue from the sale of crude oil is recognised at the point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or other delivery mechanism and the customer accepts the product and takes physical possession. For export sales of crude oil and condensate, the control passes to the customer when the crude oil or condensate passes the flange connection between the delivery hose and the customer's receiving vessel's permanent manifold connection. For domestic sales of crude oil and condensate, the control passes on to the customer once the oil is transported through the Main Oil Line ("MOL") from the the Group's tank farm connect to the customer's tank farm, i.e., at the Mina Al Fahal ("MAF") connect point. For NAG sales, the control of the natural gas transfers to the customer at the gas delivery point i.e., the inlet flange of the customer's plant. Consequently, the Group's performance obligations are considered to relate only to the sale of crude oil, condensate and NAG.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Revenue from contracts with customers (continued)

***Revenue from sale of crude oil, condensate and NAG* (continued)**

Under the terms of the relevant concession arrangements, the Group is entitled to its participating share in the crude oil based on its participating interest. Revenue from contracts with customers is recognised based on the actual volumes sold to customers. No adjustments are made to revenue for any differences between volumes sold to customers and unsold volumes which the Group is entitled to sell based on its participating interest. Revenue in respect of such volumes is only recognised when there is a transfer of output to the Group's customers.

Further, as regards to the pricing mechanism, the Group's sales of crude oil and condensate are priced based on market prices. The crude oil price is determined based on the daily market prices of the Oman Export Blend Crude Oil Future Contract, which is fixed and agreed at the time of delivery of crude oil and condensate. The Group also charges a premium for additional barrels nominated by the customers over and above the designated limit of oil barrels. The transaction price does not vary significantly under the terms of the contract. At the time of delivery, there is only a minimal risk of a change in the transaction price to be allocated to the crude oil volume sold. Accordingly, at the point of sale there is not a significant risk of revenue reversal relative to the cumulative revenue recognised, and there is no need to constrain any variable consideration under IFRS 15. The NAG price is determined based the Natural Gas Sales agreement between the Group and MoEM with effect from 6 May 2021.

The transportation and shipping cost associated with the transfer of the product to the point of sale is recognised as a selling cost. Revenue resulting from arrangements that are not considered contracts with customers is presented as other operating income.

Significant financing component

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Group does not receive any long terms advances from customers in relation to its revenue arrangements.

Other operating revenue

Other operating revenue relates to the Group's share of compensation for the lower grade of crude oil and condensate produced by one of the oil fields that is blended and commingled with the Oman Crude Oil Blend in accordance with the Oman Blend Revenue Distribution Agreement ("OBRDA"). As per OBRDA a compensation is paid by the Operator of Mukhaizna Block to other oil producers in the Sultanate. The calculation is performed by a third party and the compensation is split based on the production volumes of each respective oil producer. These are recognised on a monthly basis when the calculation of the compensation is ascertained and agreed with the parties.

Finance income

For all financial instruments measured at amortised cost, interest income is calculated using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included as finance income in the consolidated statement of profit or loss and other comprehensive income.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Joint arrangements

Under IFRS 11, Joint Arrangements, an arrangement in which two or more parties have joint control is a joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligation for the liabilities, relating to the arrangement.

Where the Group acts as a joint operator, the Group recognises its interest in relation to a joint operation. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of a joint arrangement. In relation to its interests in joint operations, the Group recognises its:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

PDO is classified as a joint operation by the Group, where the Group holds 60% participating interest in the joint operation.

Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 December 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Basis of consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The Group's consolidated financial statements include entities listed in note 1.1.

Property, plant and equipment (oil and gas properties – production wells and facilities)

Initial recognition

Production wells and facilities are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost (if the asset was previously classified as assets in development), and any costs directly attributable to bringing the asset into operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

In certain cases, expenditure is transferred from 'exploration and evaluation assets' to 'production wells and facilities' once the work completed to date supports the future development of the asset and such development receives appropriate approvals. After transfer of the exploration and evaluation assets, all subsequent expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, is capitalised within 'production wells and facilities'. Expenditure incurred on exploration, seismic and other geological and geophysical costs are capitalised as part of 'production wells and facilities' as these are incurred on various clusters that are part of producing assets. Costs incurred on exploration and drilling of unsuccessful development or delineation wells are written off.

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset and is immediately written off. All other day-to-day repairs and maintenance costs are expensed as incurred.

Depreciation, depletion and amortisation

Production wells and facilities are in principle depreciated/amortised over the proved developed reserves of the field concerned, other than assets whose useful lives differ from the lifetime of the field which are depreciated applying the straight-line method. The unit-of-production rate calculation for the depreciation/amortisation of field development costs takes into account expenditures incurred to date. Estimates of oil and natural gas reserves determined in accordance with US Securities and Exchange Commission (SEC) guidelines, including the application of oil prices using 12-month historical price data in assessing the commerciality of technical volumes and management's estimate of the fixed gas prices, are typically used to calculate depreciation, depletion and amortisation charges for the Group's oil and gas properties. Therefore, where this approach is adopted, charges are not dependent on management forecasts of future oil prices.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Property, plant and equipment (Oil and gas properties – production wells and facilities) (continued)

Depreciation, depletion and amortisation (continued)

Other assets which are part of production wells and facilities are generally depreciated on a straight-line basis over their estimated useful lives, which is generally 20 years.

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised. The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period and adjusted prospectively, if appropriate.

Property, plant and equipment (exploration and evaluation assets)

Exploration, evaluation and development costs that relate to the acquisition and installation of production facilities, development drilling costs and applicable exploration costs that are expected to generate probable future economic benefits are capitalised. These costs are initially classified as 'exploration and evaluation assets' pending determination of successful exploration using the successful efforts method. Under the successful efforts method, exploration costs associated with exploratory wells are initially capitalised until the drilling of the well is complete and the results have been evaluated. If potential commercial quantities of hydrocarbons are found, these costs continue to be capitalised subject to further appraisal activities that would determine the commercial viability and technical feasibility of the reserves. If potentially commercial quantities of hydrocarbons have not been found, and no alternative use of the well is determined, the previously capitalised costs are written off.

Exploratory wells remain capitalised while additional appraisal drilling on the potential oil and/or gas field is performed or while optimum development plans are established. All such capitalised costs are not subject to amortisation, but are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When proved reserves of hydrocarbons are determined and there is a firm plan for development approved by management, the relevant capitalised costs are transferred to production wells and facilities.

The determination of whether potentially economic oil and natural gas reserves have been discovered by an exploration well is usually made within one year of well completion, but can take longer, depending on the complexity of the geological structure. Exploration wells that discover potentially economic quantities of oil and natural gas and are in areas where major capital expenditure (e.g., a platform or a pipeline) would be required before production could begin, and where the economic viability of that major capital expenditure depends on the successful completion of further exploration or appraisal work in the area, remain capitalised as long as such work is under way or firmly planned.

All other research and development expenditure are recognised in the consolidated statement of profit or loss and other comprehensive income as incurred. The expenditure incurred on drilling development wells is capitalised and written off when found to be dry.

Property, plant and equipment (main oil / gas line, line fill and other facilities)

The main oil and gas pipelines are stated at cost less any depreciation or impairment in value. Minimum quantities of crude oil, condensate and NAG ('line fill'), which is necessary to bring a pipeline into working order, is treated as a part of the related pipelines and is classified as a part of property, plant and equipment. This is on the basis that it is not held for sale or consumed in a production process but is necessary to the operation of a facility during more than one operating cycle.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Property, plant and equipment (Capital work-in-progress)

Capital work-in-progress is not depreciated. Capital work-in-progress is recorded at cost, less impairment. Allocated costs along with borrowing costs directly attributable to the construction of the asset are capitalised. Other capital work-in-progress is recorded at cost which represents the purchase price or cost of service required to complete an asset. The capital work-in-progress is transferred to the appropriate asset category and depreciated in accordance with the Group's policies when construction of the asset is completed and commissioned.

Property, plant and equipment (abandonment assets)

Abandonment and restoration costs associated with provisions for asset retirement are capitalised and depreciated as per classified asset categories (either unit-of-production method or based on the useful life of the asset). The Group records a provision and a corresponding asset for abandonment/decommissioning activities in upstream operations for well plugging, site restorations and other abandonment activities. The abandonment asset and the related obligation for a well is recognised when it is drilled. For other assets, these are recognised in the period when sufficient information becomes available to estimate a range of potential settlement dates.

Property, plant and equipment (all other assets)

Other property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets or remaining concession period, whichever is shorter, as follows:

Concession and preliminary expenses	Over the period of concession
Buildings, repair shop, airport and instrumentation	20 to 33 years
Movables, vehicles, software, computing and communication	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated financial statements during the financial period in which they are incurred. An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the fair value less costs to sell and the carrying amount of the asset) is included in the consolidated financial statements in the year the asset is derecognised.

The carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated financial statements as the expense is incurred.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted prospectively, if appropriate at each reporting date.

Inventories

Crude oil

Crude oil inventory is stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out method. The cost of crude oil includes the purchase cost, the cost of refining, including the proportion of depreciation, depletion and amortisation, and overheads based on normal operating capacity. Net realisable value is determined by reference to sales prices existing at the reporting date, adjusted where the sale of inventories after the reporting period gives evidence about their net realisable value at the end of the period. Crude oil inventories include the Group's stock entitlement, with adjustment for over lift / under lift stock.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Inventories (continued)

Consignment stock

NAG owned by the Group that is stored in pipelines owned by a related party is classified as inventory, under consignment stock. Since, these pipelines are not owned by the Group, the related line fill inventories used to operate the pipelines are not classified as part of property, plant and equipment. The Group recognise these line fill inventories as consignment stock, as they are possessed by a related party. Consignment stock is stated at cost of production.

Other inventories

Material stock, project bulk material stock and well advance stock are materials and supplies to be consumed in the production process and are valued at cost on a weighted average basis. Inventories are valued at cost less provision for obsolete, slow-moving and defective items. Cost is determined on the weighted average cost basis and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition.

Leases

The Group as a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the contract is considered as a lease. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Production wells and facilities	
- Crude oil production facilities	10 to 25 years
- Rigs and hoists	2 to 25 years
- Well service units	2 to 12 years
Movables, vehicles, software, computing and communication	
- Logistics and other equipment	7 to 17 years
- Vehicles	2 to 15 years
- Corporate equipment	2 to 4 years

If ownership of the leased asset transfers to the the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section impairment of non-financial assets.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses unless they are incurred to produce inventories in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Use of hindsight

The Group applies the use of hindsight practical expedients to leases where the Group has determined the lease term as the lease contract contains an option to extend or terminate the lease. Based on this the Group has determined different lease terms for different leases based on the contract option.

iv) Short term leases and low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of certain assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain an extension or purchase option). It also applies the low-value assets recognition exemption to leases of certain office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group’s cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a five-year period.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Impairment of non-financial assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables and due from related parties that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that The Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Financial instruments (continued)

i) Financial assets (continued)

Subsequent measurement (continued)

Financial assets at amortised cost (continued)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes bank balances and cash, trade and other receivables, due from related parties, housing loan receivables and other non-current assets.

The Group does not have any financial assets at fair value through OCI or financial assets carried at fair value through profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages for due from related parties, other receivables and other financial assets. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs as these financial assets do not contain a significant financing component and usually have a maturity of one year or less. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on ECLs at each reporting date.

The Group has established default rates that is based on its historical credit loss experience and the probability of default associated with the Oman Government, adjusted for forward-looking factors specific to the customers and the economic environment, and taking into account any coverage by letters of credit. The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, The Group may also consider a financial asset to be in default when internal or external information indicates that The Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass- through’ arrangement; and either (a) The Group has transferred substantially all the risks and rewards of the asset, or (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Financial instruments (continued)

i) Financial assets (continued)

Derecognition of financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, trade and other payables, lease liabilities, due to related parties and other liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

This category generally applies to borrowings, trade and other payables, lease liabilities, due to related parties and other liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on a current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Current versus non-current classification (continued)

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and bank

Cash and bank balances in the consolidated statement of financial position comprise cash at banks and cash in hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consists of cash in hand and cash at bank, as defined above, as they are considered an integral part of the Group's cash management.

Borrowing costs

Borrowing costs include interest and direct costs such as underwriting, stamp duty, legal and other related costs in connection with borrowings. Costs other than interest are deferred when incurred and amortised over the contractual term of the debt. Interest costs are computed using the effective interest rate method in accordance with IFRS 9. Borrowing costs incurred for the purpose of acquiring, constructing or producing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete or suspended if the development of the asset is suspended.

Borrowing costs which are directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Fair value measurements (continued)

There are no assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements. The fair values of financial assets and financial liabilities are not significantly different from their carrying values largely due to the short-term nature of these instruments.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Abandonment provision (decommissioning costs)

Liabilities for decommissioning costs are recognised when the Group has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Where an obligation exists for a new facility or item of plant, such as oil and natural gas production or transportation facilities, this liability will be recognised on construction or installation. Similarly, where an obligation exists for a well, this liability is recognised when it is drilled. An obligation for abandonment may also crystallise during the period of operation of a well, facility or item of plant through a change in legislation or through a decision to terminate operations; an obligation may also arise in cases where an asset has been sold but the subsequent owner is no longer able to fulfil its abandonment obligations. The provision for the costs of decommissioning wells, production facilities and pipelines at the end of their economic lives is estimated using existing technology, at future prices, depending on the expected timing of the activity, and discounted using the nominal discount rate. Abandonment obligations are provided for at the present value of expected costs to settle the obligation using estimated cash flows. The value of the obligation is added to the carrying amount of the related asset and amortised over the useful life of the asset.

Changes in the estimated timing, cash flows or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to abandonment assets. Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of profit or loss and other comprehensive income. If the change in estimate results in an increase in the abandonment provision and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature fields, the estimate for the revised value of oil and gas assets net of abandonment provisions exceed the recoverable value, that portion of the increase is charged directly to expense.

The discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the consolidated statement of profit or loss as a finance cost. Other than the unwinding of discount on or utilisation of the provision, any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding asset where that asset is generating or is expected to generate future economic benefits.

Environmental expenditures and liabilities

Expenditures that relate to an existing condition caused by past operations and do not contribute to current or future earnings are expensed. Liabilities for environmental costs are recognised when a clean-up is probable, and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites. The amount recognised is the best estimate of the expenditure required to settle the obligation. Provisions for environmental liabilities have been estimated using existing technology, at future prices and discounted using a nominal discount rate.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Omani pension contribution / Omani staff pension scheme

Until 31 December 2023, PDO operated a defined benefit pension scheme ("the Scheme") for its Omani staff engaged in the oil and gas operations, which requires contributions to be made to a separately administered unregistered fund which is governed by rules set out by PDO.

All Omani employees who were employed on a full-time basis were eligible to be a Member of the Scheme from the date of joining PDO provided they could complete 15 actual years of service effective from 1 January 2014 with PDO before they reach the age of 60 years for male and 55 years for female (with an option to work until the age of 60 years). PDO contributed into the Scheme each month as determined by the Pensions Committee acting on Actuarial Advice and classifies the Scheme as a Plan Asset under IAS 19 Employee Benefits. The cost of providing benefits under the plan was determined using the projected unit credit method, with actuarial valuations carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), was reflected immediately in the balance sheet, with a charge/credit recognized in other comprehensive income in the period in which they occurred. Re-measurement recognized in other comprehensive income was reflected immediately in retained earnings and was not reclassified to the consolidated statement of other comprehensive income. Past service cost was recognized in the consolidated statement of profit or loss in the period of the plan amendment. Net interest was calculated by applying the discount rate at the beginning of the period to the net defined liability/asset.

Defined benefit costs were categorised as follows:

- Service cost (including current service cost, past service costs as well as gains and losses on curtailment and settlements)
- Net interest expense/income
- Re-measurement

The Group presented the first two components of the defined benefit costs in the consolidated statement of profit or loss and the third component in other comprehensive income. The retirement benefit obligation recognized in the balance sheet represented the actual deficit or surplus in the defined benefit plan.

In April 2021, Royal Decree 33/2021 was issued, in which the subject of integration of pension funds was addressed. The decree stipulated that all local pension funds be merged into two funds, one concerned with civil funds and the other with military and security funds.

In July 2023, Royal Decrees 50/2023 and 52/2023 (the "Royal Decrees"), establishing the Social Protection Fund ("SPF"), and concurrently, the Social Protection Law (the "Law") has been enacted. The Law, in line with the Royal Decrees, took effect on 1 January 2024.

The SPF had clarified to the Group that the revised transfer date would be 1 January 2025 and the Group is to continue finalizing its post-integration arrangements and certain assumptions which will enable PDO to quantify the liability (and associated assets) which needs to be transferred to the SPF. Although this exercise was initially expected to be completed in 2024, it has not progressed as planned. As a result, for the year 2024, the Scheme benefits have been valued under the Scheme rules for service up to 31 December 2023, using projected salaries.

From 1 January 2024, the contribution by Omani staff is 7.5% of their basic salaries plus allowances whilst the contributions made by PDO are 11% of their basic salaries plus allowances as prescribed by the SPF. The contribution to SPF under the Law is a defined contribution retirement scheme as the Group's liability is restricted to it's contributions to the SPF. The Group's contribution for the defined contribution retirement scheme is recorded when the employee renders service to the Group. The charge is recorded in the consolidated statement of comprehensive income or is capitalised to property, plant and equipment based on the employees' respective functions.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Non-Omani staff pension liabilities

Non-Omani terminal benefits are accounted for on an accrual's basis. End-of-service benefits for seconded expatriate staff is based upon the liability accrued in accordance with the defined contributions of the irrespective pension schemes. End-of-service benefits for other expatriate staff are accrued in accordance with the provisions of the Oman Labour Law, 2003 (as amended). Further details are contained in Note 23.

Foreign currencies

The Group's consolidated financial statements are presented in United States Dollars, which is also the parent company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Distribution of assets

Any transfer of non-financial assets, including inventories, under common control, without consideration is considered to be an equity transaction either in specie distribution or contribution. The Group which gives away the non-financial asset reflects the transaction as a distribution in specie to the Government and accounts for the transfer by derecognising the distributed asset at its carrying value against the equity.

Capital contribution

Capital contributions represent any amount provided by the shareholder to support the Group's operations or expansion. Generally, there is no condition attached to capital contribution received by the Group. These contributions are recognized under other equity contribution (part of "shareholders' equity") when there is reasonable assurance that the contribution will be received. These contributions have no embedded repayment terms and are primarily infused to support the operations of the Group. Any potential repayment would be at the sole discretion of the Group. Therefore, these contributions are classified under equity in accordance with IAS 32.

Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The charge for current tax is calculated based on the income reported by the Group, as adjusted for items that are non-taxable or disallowed elements, and other allowable expenses. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdiction where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Tax (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Royalties

In accordance with the Fiscal Protocol, the Group shall pay royalties to the Government based in the Group's weekly revenue from the sale of its participating interest share of crude oil and condensate. The Group pays royalties to the Government based on sliding scale royalty rate on the weekly revenue from the sale of crude oil and condensate calculated by applying the Oman export blend crude oil price (MOG Prices) for the nominated month of lifting times the number of barrels of crude oil and condensate lifted by the Group at the petroleum delivery point in such month after deduction of the Government's share of FSA Barrels. The royalties payable by the Group meet the criteria to be treated as an expense, and accordingly, recognised in the consolidated statement of profit or loss.

Cash dividend

EDO recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of EDO. A distribution is authorised when it is approved by the shareholder of EDO. A corresponding amount is recognised directly in equity. Dividends for the year that is approved after the reporting date is dealt with as an event after the reporting date.

However, in the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance. This decision was communicated to MOF and has been accepted by them.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Changes in significant accounting policies

New and amended standards and interpretations

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows, and exposure to liquidity risk.

These amendments had no impact on the consolidated financial statements of the Group.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Group's consolidated financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. The amendments had no impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

4. Revenue

2024	*Crude oil US$'000*	*NAG & condensate US$'000*	*Total US$'000*
Crude oil	**11,725,777**	**-**	**11,725,777**
NAG	**-**	**1,919,337**	**1,919,337**
Condensate	**-**	**2,420,156**	**2,420,156**
Total revenue from contracts with customers	**11,725,777**	**4,339,493**	**16,065,270**
2023			
Crude oil	11,612,126	-	11,612,126
NAG	-	1,934,498	1,934,498
Condensate	-	2,876,290	2,876,290
Total revenue from contracts with customers	11,612,126	4,810,788	16,422,914

In terms of the timing of revenue recognition, revenue is recognised at a point in time, when the control of goods is transferred to the customer. The Group does not render any other services. There are no financing components with respect to the contracts with customers.

Contract balances

Refer note 16 for trade receivables

Contract liabilities represent advances received to deliver goods and are short-term in nature. These advances do not have any financing component and are customary in nature. The duration between the transfer of a promised goods or services to a customer and the payment for that goods or services will be less than a year. Therefore, it is not considered as variable consideration and did not have any impact on the transaction price.

There were no contract liabilities at the beginning of the year and at the beginning of the earliest period presented, as a result no revenue was recognised during 2024 and 2023 from the contract liabilities.

Information about the Group's performance obligation is summarised in Note 3 "Material accounting policy information" under '*Revenue from contracts with customers*'.

5. Other income and expenses

5.a Other operating income

	31-Dec-24 US$'000	*31-Dec-23 US$'000*
OBRDA compensation	**28,659**	50,493
Changes in abandonment estimates	**80**	111,215
Gain on disposals of property, plant and equipment	**7,434**	28,594
Foreign exchange gain	**2,427**	3,786
Tender, other fees	**867**	7,443
	39,467	201,531

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

5. Other income and expenses (continued)

5.b Other expenses

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Manpower overheads	**(12,561)**	(8,584)
General administration expenses	**(5,297)**	(3,730)
Consulting and advisory	**(22,258)**	(16,485)
IT - tools and services	**(2,621)**	(1,268)
Bank charges	**(153)**	(37)
Exploration assets written off	**(51,660)**	(25,359)
(Addition) reversal to ECL provisions (Note 16 and Note 19)	**(1,226)**	582
Miscellaneous expense	**(126)**	(826)
	(95,902)	(55,707)

Other expenses include fees relating to external auditor amounting to US$ 948 ('000) (2023: 1,136 ('000)). Out of this, audit fees for the year amounts to US$ 648 ('000) (2023: 806 ('000)) and the balance relates to non-audit services.

5.c. Finance costs

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Unwinding cost on abandonment provision (Note 21)	**(206,158)**	(168,705)
Interest expense on lease liabilities (Note 20)	**(26,036)**	(28,525)
Bank interest	**(217,790)**	(237,859)
Shareholder's loan interest (Note 19)	**(180,378)**	(155,576)
Profit on Sukuk bond	**(81,116)**	(15,939)
	(711,478)	(606,604)

5.d. Finance income

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Interest income	**9,201**	7,559

6. Depreciation, depletion, and amortisation

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Depreciation on property, plant and equipment (Note 10a)	**(3,672,882)**	(3,768,420)
Depreciation on right-of-use assets (Note 10b)	**(65,777)**	(72,370)
	(3,738,659)	(3,840,790)

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

7. Production expenses

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Well production expenses	**(324,986)**	(293,273)
Change in inventory (crude oil inventory and consignment stock)	**64,216**	44,267
Throughput and other income	**95,505**	105,054
Surface operations and maintenance expenses	**(566,259)**	(540,627)
Other production expenses	**(488,275)**	(431,332)
	(1,219,799)	(1,115,911)

The production expenses include staff costs of US$ 412,449 ('000) and US$ 452,337 ('000) for the years ended 31 December 2024 and 2023, respectively (Note 9).

8. Royalty expenses (Note 19)

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Royalty expense on crude oil	**(5,206,337)**	(5,231,426)
Royalty expense on condensate	**(1,069,694)**	(1,294,025)
	(6,276,031)	(6,525,451)

9. Staff cost

	31-Dec-24 ***US$'000***	***31-Dec-23*** *US$'000*
Basic salaries and allowances	**(544,801)**	(517,247)
Retirement benefit costs	**(4,342)**	(3,508)
Staff pension scheme	**(50,976)**	(167,747)
Variable pay	**(103,326)**	(74,130)
Overtime and others	**(13,164)**	(890)
	(716,609)	(763,522)

During the years ended 31 December 2024 and 2023, staff costs of US$ 291,600 ('000) and US$ 302,600 ('000) respectively, were capitalised in "Production wells & production facilities" and "Work in progress".

Staff costs of US$ 412,449 ('000) and US$ 452,337 ('000) for the years ended 31 December 2024 and 2023, respectively, are included within production expenses (Note 7).

Staff costs of US$ 12,561 ('000) and US$ 8,585 ('000) for the years ended 31 December 2024 and 2023, respectively, are included within other expense (Note 5b).

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

10.a Property, plant, and equipment

	Production wells & production facilities US$'000	*Concession & preliminary expenses US$'000*	*Building, repair shop, airport and instrumentation US$'000*	*Movables, vehicle, software, computing & communication US$'000*	*Main Oil/Gas Line & other facilities US$'000*	*Exploration and evaluation assets US$'000*	*Work in progress US$'000*	*Abandonment assets US$'000*	*Total US$'000*
Cost									
At 1 January 2024	60,424,919	4,620	1,775,931	1,005,304	737,183	35,950	1,950,126	2,119,534	68,053,567
Additions	1,565,701	-	24,491	42,733	7,553	205,246	1,997,125	201,662	4,044,511
Change in estimates	-	-	-	-	-	-	-	(112,441)	(112,441)
Transfer within assets classes / to other assets	2,880,833	-	109,386	36,141	664	(74,325)	(2,952,699)	-	-
Assets written-off and / or disposed	(24,737)	-	(319)	-	(27)	(51,660)	-	(98,019)	(174,762)
At 31 December 2024	64,846,716	4,620	1,909,489	1,084,178	745,373	115,211	994,552	2,110,736	71,810,875
Depreciation									
At 1 January 2024	(41,388,421)	(4,620)	(900,420)	(813,726)	(465,737)	-	-	(985,586)	(44,558,510)
Charge for the period	(3,406,545)	-	(70,978)	(48,867)	(16,573)	-	-	(129,919)	(3,672,882)
Transfer within assets classes / to other assets	1,459	-	(707)	(752)	-	-	-	-	-
Assets written-off and / or disposed	14,155	-	316	-	27	-	-	-	14,498
At 31 December 2024	(44,779,352)	(4,620)	(971,789)	(863,345)	(482,283)	-	-	(1,115,505)	(48,216,894)
Net book value at 31 December 2024	20,067,364	-	937,700	220,833	263,090	115,211	994,552	995,231	23,593,981

1. The net book value of assets written off and/or disposed (excluding abandonment assets and exploration and evaluation assets) for the year ended 31 December 2024 amounted to US$ 10,585 ('000) and the sale consideration received against the disposal of the assets is US$ 18,019 ('000). The gain on disposals of property, plant, and equipment amounting to US$ 7,434 ('000) is charged to 'other operating income' in the consolidated statement of profit or loss and other comprehensive income (Note 5.b).
2. Work-in-progress also includes depreciation expenses on right-of-use assets and interest expenses on lease liabilities that were capitalised amounted to US$ 140,910 ('000) and US$ 25,950 ('000) respectively. These are considered as non-cash transactions and therefore, excluded from the consolidated statement of cash flows.
3. For the year ended 31 December 2024, borrowing cost amounting to US$ 11,134 ('000) is capitalised in work-in-progress.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

10.a Property, plant, and equipment (continued)

	Production wells & production facilities US$'000	*Concession & preliminary expenses US$'000*	*Building, repair shop, air port and instrumentation US$'000*	*Movables, vehicle, software, computing & communication US$'000*	*Main Oil Line & other facilities US$'000*	*Exploration and evaluation assets US$'000*	*Work in progress US$'000*	*Abandonment Assets US$'000*	*Total US$'000*
Cost									
At 1 January 2023	56,782,714	4,620	1,717,683	935,176	726,344	47,803	2,031,765	1,507,478	63,753,583
Additions	1,384,241	-	43,031	50,934	9,611	222,828	2,108,173	271,652	4,090,470
Change in estimates	-	-	-	-	-	-	-	423,776	423,776
Transfer within assets classes / to other assets	2,360,941	-	15,217	21,667	1,228	(209,322)	(2,189,731)	-	-
Assets written-off and / or disposed	(102,977)	-	-	(2,473)	-	(25,359)	(81)	(83,372)	(214,262)
At 31 December 2023	60,424,919	4,620	1,775,931	1,005,304	737,183	35,950	1,950,126	2,119,534	68,053,567
Depreciation									
At 1 January 2023	(37,973,195)	(4,620)	(838,928)	(769,633)	(449,491)	-	(846)	(818,212)	(40,854,925)
Charge for the year	(3,476,742)	-	(61,492)	(46,566)	(16,246)	-	-	(167,374)	(3,768,420)
Transfer within assets classes / to other assets	(846)	-	-	-	-	-	846	-	
Assets written-off and / or disposed	62,362	-	-	2,473	-	-	-	-	64,835
At 31 December 2023	(41,388,421)	(4,620)	(900,420)	(813,726)	(465,737)	-	-	(985,586)	(44,558,510)
Net book value at 31 December 2023	19,036,498	-	875,511	191,578	271,446	35,950	1,950,126	1,133,948	23,495,057

1. The net book value of assets written off and/or disposed (excluding abandonment assets and exploration and evaluation assets) for the year ended 31 December 2023 amounted to US$ 40,696 ('000) and the sale consideration received against the disposal of asset is US$ 69,290 ('000). The gain on disposals of property, plant, and equipment amounting to US$ 28,594 ('000) is charged to 'other operating income' in the consolidated statement of profit or loss and other comprehensive income.
2. Work-in-progress also includes depreciation expenses on right-of-use assets and interest expenses on lease liabilities that were capitalised amounting to US$ 140,716 ('000) and US$ 24,308 ('000) respectively. These are considered as non-cash transactions and therefore, excluded from the condensed interim consolidated statement of cash flows.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

10.b Right-of-use assets

	Production wells & production facilities US$'000	*Movables, vehicle, software, computing & communication US$'000*	*Total US$'000*
Cost			
At 1 January 2024	**1,700,689**	**113,212**	**1,813,901**
Modification adjustment [1] (Note 20)	**106,772**	**4,828**	**111,600**
Additions (Note 20)	**176,479**	**4,520**	**180,999**
Disposals	**(238,906)**	**(54,946)**	**(293,852)**
At 31 December 2024	**1,745,034**	**67,614**	**1,812,648**
Accumulated depreciation			
At 1 January 2024	**(933,900)**	**(102,148)**	**(1,036,048)**
Charge for the period	**(197,912)**	**(8,775)**	**(206,687)**
Disposals	**196,193**	**54,946**	**251,139**
At 31 December 2024	**(935,619)**	**(55,977)**	**(991,596)**
Net book value on 31 December 2024	**809,415**	**11,637**	**821,052**

Depreciation for the year was reported as follows:	
Depreciation expense charged to consolidated statement of profit or loss (Note 6)	**65,777**
Depreciation expense capitalised as part of property, plant and equipment (Note 10a)	**140,910**
	206,687

[1]Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets. This is considered as a non-cash transaction and therefore, excluded from the consolidated statement of cash flows. The Group also had non-cash additions to right-of-use assets and lease liabilities of US$ 180,999 ('000) in 2024 (US$ 210,535 ('000) in 2023) (Note 20).

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

10.b Right-of-use assets (continued)

	Production wells & production facilities US$'000	*Movables, vehicle, software, computing & communication US$'000*	*Total US$'000*
Cost			
At 1 January 2023	1,604,896	123,220	1,728,116
Modification adjustment [1] (Note 20)	17,986	16,932	34,918
Additions (Note 20)	210,535	-	210,535
Disposals	(132,728)	(26,940)	(159,668)
At 31 December 2023	1,700,689	113,212	1,813,901
Accumulated depreciation			
At 1 January 2023	(801,608)	(102,787)	(904,395)
Charge for the period	(194,782)	(18,304)	(213,086)
Disposals	62,490	18,943	81,433
At 31 December 2023	(933,900)	(102,148)	(1,036,048)
Net book value on 31 December 2023	766,789	11,064	777,853

[1]Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

11. Cash and bank balances

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Cash at bank	**435,398**	706,236
Cash in hand	**88**	82
	435,486	706,318
Restricted cash (refer note 24)	**(6,916)**	(11,765)
Cash and bank balances for cash flow purposes	**428,570**	694,553

Cash at bank includes US$ 6,916 ('000) (2023: US$ 11,765 ('000)) balances relating to Block 10 & 11 under the Master Services Agreement between EDO and Shell Development Oman LLC (SDO) (Refer Note 24).

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Balances with:		
Energy Development Oman S.A.O.C. and its subsidiaries	**419,360**	698,511
Petroleum Development Oman LLC	**16,126**	7,807
	435,486	706,318

The Group is voluntarily maintaining a balance in a separate bank account to service the next 3 months of interest and installment obligations on its loan facilities. Currently, the Group is maintaining this balance to cover interest and installment obligations associated with the US$ 2,000,000 ('000) term loan, OMR 375,000 ('000) term loan, and Sukuk trust certificates. There is no restriction on the usage of this balance.

For the Group, cash equivalents comprise cash at bank (in current accounts). These balances earn some small amount of interest and can be withdrawn on demand. Considering the macroeconomic factors, the management has not assumed any probability of default relating to these financial assets.

12. Issued capital and reserves

Authorised shares

	31-Dec-24 ***US$ 000***	*31-Dec-23* *US$ 000*
Ordinary shares of OMR 1 each	**1,300**	1,300
	1,300	1,300

Ordinary shares issued and fully paid

	31-Dec-24 ***US$ 000***	*31-Dec-23* *US$ 000*
Issued on 6 December 2020	**1,300**	1,300
	1,300	1,300

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

12. Issued capital and reserves (continued)

OCI items, net of tax:

The disaggregation of OCI in retained earnings is shown below:

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Re-measurement of pension fund obligation	**28,240**	28,866
Deferred tax related to items recognised in OCI during the year	**(15,532)**	(15,876)
	12,708	12,990

13. Housing loans

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Current assets	**2,958**	1,866
Non-current assets	**7,525**	8,359
	10,483	10,225

Housing loans comprise loans disbursed by PDO to Omani staff for the purchase or construction of accommodation under PDO's Housing Loan Scheme. The loans are secured by a mortgage over the title deeds of the accommodation purchased or constructed. The loans are non-interest bearing and have a term ranging from 18 to 20 years.

PDO's housing loan receivables balances were neither past due nor impaired as of the reporting date.

Expected credit loss for housing loans receivables

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
At 1 January and 31 December	**690**	690

14. Disclosure segment information

The Group is a combination of the following three components:

- exploration and production of crude oil from Oil Operations,
- exploration and production of NAG and condensate from the Gas Operations, and
- the sales & marketing of the crude oil, NAG and condensate undertaken by the MoEM.

For the purpose of the consolidated financial statements, the operating segment is organised into business units based on the types of products and various activities in which the Group is engaged and thus has three reportable segments, as follows:

- Crude oil segment - includes all activities related to the crude oil exploration, production, sales and marketing. This segment is further split into export and domestic sales categories.
- NAG & Condensate segment - includes activities related to:
  - the non-associated gas reserves that are developed; and
  - the condensate exploration, production, sales and marketing, which is blended with crude oil and sold at the same price.
- Corporates & others – includes leading strategic initiative for new business streams, accelerate the development of the green hydrogen sector, raising external debt, etc.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

14. Disclosure segment information (continued)

Adjustments and eliminations

Finance income, finance costs and capital expenditures are allocated to individual segments to which the expenditure is attributable to. Finance income relates to interest income accrued on bank balances. Finance cost relates to the interest component for the lease liabilities, abandonment provisions and loans and borrowings. Capital expenditure consists of additions to property, plant and equipment.

The Group's organisational structure reflects the various activities in which the Group is engaged. At 31 December 2024 and 31 December 2023, the Group had three reportable segments: crude oil, NAG & Condensate and corporate & others.

The following table represents the information on the segments noted above:

2024	Crude oil US$'000	NAG & condensate US$'000	Corporate and others US$'000	Adjustments & eliminations US$'000	Total US$'000
Sale of crude oil	11,725,777	-	-	-	11,725,777
Sale of NAG	-	1,919,337	-	-	1,919,337
Sale of condensate	-	2,420,156	-	-	2,420,156
Total revenue	11,725,777	4,339,493	-	-	16,065,270
Depreciation on property, plant and equipment	2,505,896	1,166,986	-	-	3,672,882
Depreciation on right-of use assets	51,703	13,557	517	-	65,777
Other operating income - tender, admin and penalty fee	-	-	(867)	-	(867)
Finance income	(1,849)	-	(7,352)	-	(9,201)
Interest expense on lease liabilities	21,115	4,806	115	-	26,036
Interest expense on loans and borrowings	-	-	479,284	-	479,284
Profit / (loss) before tax	2,833,722	1,750,645	(512,298)	-	4,072,069
Segment assets	15,654,550	9,973,226	2,218,449	(2,531)	27,843,694
Segment liabilities	6,869,605	2,690,608	8,088,317	(2,531)	17,645,999
Other disclosures					
Capital expenditure*	2,718,176	1,124,673	-	-	3,842,849

** excluding abandonment assets*

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

14. Disclosure segment information (continued)

	Crude oil	*NAG & condensate*	*Corporate and others*	*Adjustments & eliminations*	*Total*
2023					
Sale of crude oil	11,612,126	-	-	-	11,612,126
Sale of NAG	-	1,934,498	-	-	1,934,498
Sale of condensate	-	2,876,290	-	-	2,876,290
Total revenue	11,612,126	4,810,788	-	-	16,422,914
Depreciation on property, plant and equipment	2,518,537	1,249,883	-	-	3,768,420
Depreciation on right-of use assets	57,895	13,959	516	-	72,370
Other operating income - tender, admin and penalty fee	-	-	(7,443)		(7,443)
Finance income	(1,156)	-	(6,403)	-	(7,559)
Interest expense on lease liabilities	22,905	5,483	137	-	28,525
Interest expense on loans and borrowings	-	-	409,374	-	409,374
Profit / (loss) before tax	2,915,310	1,995,274	(423,043)	-	4,487,541
Segment assets	16,261,333	10,742,031	670,665	(2,440)	27,671,589
Segment liabilities	6,072,020	2,778,141	7,774,777	(2,440)	16,622,498
Other disclosures					
Capital expenditure*	2,721,155	1,097,663	-	-	3,818,818

** excluding abandonment assets*

15. Inventories

	31-Dec-24 US$'000	*31-Dec-23 US$'000*
Material stock	**193,883**	190,199
Project bulk material stock (flowlines and hook-up)	**307,316**	241,588
Crude oil inventory	**143,198**	79,499
Consignment stock	**9,688**	9,171
Well advance stock	**6,803**	8,264
	660,888	528,721

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

15. Inventories (continued)

The below table presents the movement in provision for material stock.

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1 January	**33,050**	29,435
Additions to provisions (recognised in consolidated statement of profit or loss)	**3,820**	7,807
Write-offs	**(239)**	(4,192)
At 31 December	**36,631**	33,050

16. Receivables and prepayments

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Trade receivables	**18,450**	20,820
Prepayments	**31,289**	35,098
Hardship loan to employees	**29,924**	27,520
VAT recoverable	**24,134**	19,182
Other receivables	**11,170**	15,442
Prepayment and other receivables - MNE (refer note 24)	**6,899**	20,736
	121,866	138,798
Less: expected credit losses	**17,048**	15,822
	104,818	122,976
Less: non-current portion of receivables and prepayments	**19,949**	16,549
Current portion of receivables and prepayments	**84,869**	106,427

Trade receivables are non-interest bearing and are normally settled within 30-60-day terms.

Ageing of the trade receivables is as follows:

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Less than 1 month	**9,772**	8,905
2 to 3 months	**1,569**	5,412
3 to 6 months	**661**	1,307
6 to 12 months	**1,282**	1,936
More than 1 year	**5,166**	3,260
	18,450	20,820

Expected credit loss for trade and other receivables

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1 January	**15,822**	16,122
Additions/(reversals) of provisions	**1,226**	(300)
At 31 December	**17,048**	15,822

The Group applies a simplified approach to calculate ECLs. The Group considers the receivables in default when contractual payments are 90 days past due. The Group has established default rates that is based on its historical credit loss experience and the probability of default associated with Oman Government, adjusted for forward-looking factors specific to the customers. Additionally, the Group fully provides for receivables when contractual payments are more than one year past due.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

17. Payables and accruals

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Trade payables	**434,289**	392,523
Accrued expenses	**558,731**	660,043
Deferred income	**1,575**	1,575
Other payables and provisions	**95,387**	96,520
Trade payables and accruals - MNE (refer note 24)	**13,815**	32,501
Royalty payables	**678,544**	714,755
Interest payable	**461,761**	228,691
	2,244,102	2,126,608

Trade payables and other payables are non-interest bearing and are normally settled within a 30–45 day term.

For details of the Group's liquidity risk management processes (Note 25).

18. Loans and borrowings

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Outstanding loan		
USD 2.5 billion term loan	**-**	2,414,474
Less: net upfront charges on term loan	**-**	(20,867)
	-	2,393,607
OMR 375 million term loan	**975,292**	975,292
Less: net upfront charges on term loan	**(1,557)**	(2,539)
	973,735	972,753
Issuance of Sukuk bonds USD 1 billion	**1,000,000**	1,000,000
Less: net upfront charges on Sukuk bonds	**(5,368)**	(5,985)
	994,632	994,015
USD 2 billion term loan	**2,000,000**	-
Less: net upfront charges on term loan	**(13,341)**	-
	1,986,659	-
Issuance of Sukuk bonds USD 750 million	**750,000**	-
Less: net upfront charges on Sukuk bonds	**(766)**	-
	749,234	-
Shareholder's loan (Note 19)	**2,891,518**	3,263,799
	7,595,778	7,624,174

Movement in shareholder loan presented below:

At 1 January	**3,263,799**	3,418,563
Interim dividend converted to shareholder's loan (refer note 19)	**1,649,448**	3,703,783
Repayments during the year	**(2,021,729)**	(3,858,547)
At 31 December	**2,891,518**	3,263,799

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

18. Loans and borrowings (continued)

The maturity analysis of loans and borrowings are as follows:

	31-Dec-24 *US$'000*	*31-Dec-23* *US$'000*
Current		
USD 2.5 billion term loan	**-**	342,105
Shareholder's loan (Note 19)	**907,000**	1,282,000
	907,000	1,624,105
Non-current		
USD 2.5 billion term loan	**-**	2,051,502
OMR 375 million term loan	**973,735**	972,753
Issuance of Sukuk bonds USD 1 billion	**994,632**	994,015
USD 2 billion term loan	**1,986,659**	-
Issuance of Sukuk bonds USD 750 million	**749,234**	-
Shareholder's loan (Note 19)	**1,984,518**	1,981,799
	6,688,778	6,000,069
	7,595,778	7,624,174

USD 2 billion term loan: EDO SAOC entered into a term loan facility agreement of US$ 2 billion through a consortium arrangement with Abu Dhabi Commercial Bank PJSC acting as a lead arranger and coordinator. This term loan is repayable as bullet repayment after 5 years from the date of the facility agreement dated 27 May 2024. The rate of interest is the aggregate of the margin (1.55% per annum) and applicable SOFR.

USD 2.5 billion term loan: On August 11, 2021, EDO SAOC entered into a USD 2.5 billion term loan facility agreement through a consortium arrangement, with First Abu Dhabi Bank PJSC acting as the agent for the other finance parties. The loan was originally scheduled for full repayment in 2028, with interest calculated as the sum of a 2.05% per annum margin and the applicable SOFR. However, the loan was subsequently repaid using proceeds from a USD 2 billion term loan, with the remaining balance covered through a short-term loan facility.

Issuance of Sukuk Bonds USD 750 million: EDO Sukuk Limited issued Sukuk trust certificates amounting to US$ 750,000 ('000) in July 2024. The Sukuk trust certificates are listed on the London Stock Exchange's International Securities Market and are payable after 7 years (July 2031) from the date of issuance. Profits are payable half yearly at 5.662% per annum.

OMR 375 million term loan: OMR 375 million term loan amounting to US$ 975,292 ('000) was raised during February 2023. Principal amount will be repaid after 42 months (August 2026) as a bullet payment. Interest is payable quarterly at 4.4% per annum.

Issuance of Sukuk Bonds USD 1 billion: EDO Sukuk Limited issued Sukuk trust certificates amounting to US$ 1,000,000 ('000) in September 2023. The Sukuk trust certificates are listed on the London Stock Exchange's International Securities Market and is payable after 10 years (September 2033) from the date of issuance. Profits are payable half yearly at 5.875% per annum.

RCF OMR 150 million facility: It is a short-term loan facility maintained by EDO to meet its short-term funding requirements. As of December 31, 2024, there is no outstanding balance under this facility (December 31, 2023 : US$ Nil).

19. Related party transactions

The Group is ultimately held and controlled by the Government of the Sultanate of Oman. The Group operates in an economic environment dominated by entities directly or indirectly controlled by the Government of the Sultanate of Oman through its government authorities, agencies, affiliations, and other organisations, collectively referred to as government-related entities.

The Group has elected to take the exemption available under IAS 24 Related Party Disclosures, to disclose only the key transactions and outstanding balances, including commitments, with the

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

19. Related party transactions (continued)

Government of the Sultanate of Oman and any other entity that is considered to be a related party because the same government has control, joint control or significant influence over itself and the other entity.

The Group has transactions with other government-related entities, including but not limited to sales and purchases of goods, rendering and receiving services, and use of public utilities. These transactions are

conducted in the ordinary course of the Group on terms comparable to those with other entities that are not government related.

The nature of the related party transaction with the Government entities that are considered to be significant transactions and that have significant balances outstanding as at the end of the reporting periods are detailed below:

Revenue

The Group's 100% NAG revenue is from Government entities amounting to US$ 1,919,337 ('000) for the year ended 31 December 2024 (31 December 2023: US$ 1,934,498 ('000)) with corresponding receivables of US$ 306,155 ('000) as at 31 December 2023 (31 December 2023: US$ 303,609 ('000)).

With respect to crude oil, 100% revenue is from Government amounting to US$ 11,725,777 ('000) during the year ended 31 December 2024 (31 December 2023: US$ 11,612,126 ('000)) with a corresponding receivable of US$ 1,117,164 ('000) as at 31 December 2024 (31 December 2023: US$ 931,681 ('000)).

With respect to condensate revenue, 100% revenue is from the Government amounting to US$ 2,420,156 ('000) during the year ended 31 December 2024 (31 December 2023: US$ 2,876,290 ('000)) with a corresponding receivable of US$ 371,135 ('000) as at 31 December 2024 (31 December 2023: US$ 422,610 ('000)).

Other operating income

Other operating income includes compensation received from a related Government entity for the lower grade of crude oil and condensate of US$ 28,659 ('000) during the year ended 31 December 2024 (31 December 2023: US$ 50,493 ('000)) with corresponding receivables of US$ 4,758 ('000) as at 31 December 2024 (31 December 2023: US$ 4,599 ('000)).

Royalty

The royalty paid by the Group to the Government on its weekly revenue. For the year ended 31 December 2024 the Group has recognised royalty expense of US$ 6,276,031 ('000) (31 December 2023: US$ 6,525,451 ('000)) with a corresponding payable of US$ 678,544 ('000) as of 31 December 2024 (31 December 2023: US$ 714,755 ('000)).

Purchase cost

The purchase of residue reinjected from a related Government entity amounts to US$ 59,636 ('000) for the year ended 31 December 2024 (31 December 2023: US$ 8,974 ('000)) and the cumulative payables to this related Government entity as of 31 December 2024 is nil (31 December 2023: US$ 31,368 ('000)). As at 31 December 2024, outstanding payables related to residue reinjection, totalling US$ 99,139('000), was waived off by the MOF. This waiver is considered an equity transaction and has been accounted for as a contribution from the Government under other equity contribution.

Distribution of assets in specie

During the year ended on 31 December 2024, out of the total the Group's share of oil production, the Group transferred production volumes of 1,830 ('000) barrels (31 December 2023: 1,825 ('000)) to the Government (non-cash transaction). This arrangement amounting to US$ 47,912 ('000) (31 December 2023: 45,453 ('000)) for the year ended 31 December 2024 is considered as an equity transaction and accounted for as a distribution of asset in specie to the Government under retained earnings.

Distribution of interim dividends

During the year ended 31 December 2024, the Group has declared interim dividends (non-cash transaction) amounting to US$ 1,649,448 ('000) (31 December 2023: US$ 3,703,783 ('000)) out of which it has paid no dividend to its shareholder (31 December 2023: nil). The interim dividend payable for the year ended 31 December 2024 amounting to US$ 1,649,448 ('000) (31 December 2023: US$ 3,703,783 ('000)) has been transferred to the shareholder loan account (31 December 2023: US$ 3,703,783 ('000)).

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

19. Related party transactions (continued)

Distribution of interim dividends (continued)

The repayment of this loan will be based on terms specified in an agreement, along with an interest of 5% p.a. payable on the outstanding amount. During the year ended 31 December 2024 Interest expense on the shareholder loan amounted to US$ 180,378 ('000) (2023: 155,576 ("000")).

In the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance (rather than a dividend payment). This decision was communicated to MOF and has been accepted by them.

Waiver of land fees (capital contribution)

The land fee refers to the fees payable by a project company ("Nominee") to HDO under project agreements entered into by HDO. During each project term, HDO is required to pay the land fee collected from a Nominee in full to the Ministry of Housing and Urban Planning ("MHUP" or "Grantor") within 30 days of receiving the corresponding payment from a Nominee.

However, as per MOF's letter No. 2023-120-Hydrom-MD dated 20 November 2023, HDO has been granted the right to retain the land fees received from Nominees during the development phase until construction begins. This retained land fees is not required to be repaid to MHUP even after the commencement of construction. This allows HDO to finance its activities and cover expenses independently. During the year ended 31 December 2024, the Group has collected US$ 21,902 ('000) as land fees and same has been considered as an equity transaction and accounted for as capital contribution from the Government under other equity contribution.

Loan from the Omani Pension Fund

PDO has entered into a credit facility with the Omani Pension Fund, under which PDO has utilised the loan proceeds in the development of a project in Ras Al Hamra ("RAH"). The amount due to the Omani Pension Fund and related accrued interest amounts to US$ 61,901 ('000) for the year ended 31 December 2024 (31 December 2023: US$ 63,854 ('000)). Interest is charged at 4.8% per annum on the loan. Principal repayment has start from FY 2024 and it will be fully repaid by 2043.

Transactions with Key managerial personnel ("KMP")

The Group had following transactions with key managerial personnel in 2024 and 2023.

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Salaries and other benefits	**22,382**	26,404
	22,382	26,404

The table below shows the amounts due to related parties and due from related parties as at 31 December 2024 and 31 December 2023.

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Due from related parties - current	**1,802,637**	1,668,436
Due to related parties - current	**15,863**	168,894
Due to related parties - non current	**104,594**	-

Expected credit loss for related party receivables

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1 January	**1,330**	1,612
Amount provided during the year	**-**	-
Amounts reversed during the year	**-**	(282)
At 31 December	1,330	1,330

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

20. Lease liabilities

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Opening balance	**862,583**	907,750
Modification adjustments [1]	**111,600**	34,919
Additions [2]	**180,999**	210,535
Disposals	**(42,713)**	(78,235)
Accretion of interest	**51,986**	52,833
Payments	**(256,358)**	(265,219)
Total	**908,097**	862,583

1. Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets. This is a non-cash transaction.
2. The additions during the year amounting to US$ 180,999 ('000) for 2024 and US$ 210,535 ('000) for 2023 are non-cash transactions (Note 10b).

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Current	**238,915**	225,167
Non-current	**669,182**	637,416
	908,097	862,583

The following is the break up of interest expense on lease liability:

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Interest expense on lease liabilities charged to consolidated statement of profit or loss (Note 5.c)	**26,036**	28,525
Interest expense on lease liabilities capitalised as part of property, plant, and equipment (Note 10a)	**25,950**	24,308
	51,986	52,833

The Group has lease contracts that include extension and termination options. The Group may reconsider and re-evaluate whether it will exercise these extension or termination options. These options will be evaluated by management to provide flexibility in managing the leased-asset portfolio and align with the business needs. Extension and termination options that are subject to future reconsideration are not reflected as part of lease liabilities. Currently, there is no exposure to these potential additional payments in excess of the recognised lease liabilities until these decisions have been taken by the Group. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised (Note 2).

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

21. Abandonment provision

	31-Dec-24 *US$'000*	*31-Dec-23* *US$'000*
Non-current		
At 1 January	**3,176,514**	2,506,968
Additions in provision due to asset acquisition (Note 10a)	**201,662**	271,652
Reduction in provision due to disposals	**(98,019)**	(83,372)
Remeasurements and change in estimates	**(112,521)**	312,561
Unwinding of interest cost	**206,158**	168,705
At 31 December	**3,373,794**	3,176,514

The Group makes full provision for the future cost of the decommissioning of oil and gas wells and production facilities on a discounted basis on the installation of those wells and infrastructure. The abandonment provision represents the present value of the abandonment costs relating to oil and gas properties, which are expected to be incurred up to 2044 for oil and gas, when the producing oil and gas properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions are based on the current economic environment adjusted for suitable inflation, which management believes form 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. The movements in the abandonment provision are due to the change in inputs for the discounting factor, the estimated lifetime of clusters and the estimated cost of abandoned wells based on the average expected cost of the wells.

However, actual decommissioning costs will ultimately depend upon the 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 rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.

Abandonment cost recognised in the consolidated statement of profit or loss and other comprehensive income:

	31-Dec-24 *US$'000*	*31-Dec-23* *US$'000*
Abandonment asset depreciation (Note 10a)	**129,919**	167,374
Impact of changes in estimate during the year	**(80)**	(111,215)
Unwinding of interest cost	**206,158**	168,705
	335,997	224,864

The abandonment provision has been estimated using existing technologies at current prices and discounted using a discount rate of 6.67% in 2024 and 6.85% in 2023.

The utilization of the provision in the next twelve months period is not expected to be significant and therefore, the entire abandonment provision is classified as non-current liabilities.

The additions, reductions and remeasurements and change in estimates are non-cash transactions.

22. Due to Omani pension scheme

The Omani Staff Pension Scheme (the "Pension Scheme") is a defined benefit retirement scheme which is a separately administered unregistered pension scheme maintained by PDO for the benefit of its Omani staff. The contribution by Omani staff was 7% of their basic salaries plus allowances whilst the contributions made by PDO was 36.6% of their basic salaries plus allowances. The Pension Scheme ended on 31 December 2023.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

22. Due to Omani pension scheme (continued)

The last actuarial valuation of the Omani Staff Pension Scheme, performed as at 31 December 2024, showed the described pension scheme's position.

The following tables summarise the components of the pension expense recognised in the consolidated statement of profit or loss and other comprehensive income and the funded status and amounts recognised in the consolidated statement of financial position for the pension scheme.

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Return on plan assets (other than net interest)	**101,486**	157,134
Actuarial (loss) / gain from changes in financial assumptions	**(78,659)**	(140,765)
Actuarial gain from changes in experience adjustments	**5,413**	12,497
Amount recognised in other comprehensive income / (loss)	**28,240**	28,866
Deferred tax related to items recognised in OCI during the year	**(15,532)**	(15,876)
Remeasurement gain on pension fund obligation	**12,708**	12,990

Consolidated statement of financial position – net retirement benefit assets

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Fair value of Pension Scheme net assets	**2,685,314**	2,419,648
Present value of funded obligations	**(2,274,281)**	(2,061,390)
Net retirement benefit assets	**411,033**	358,258

Pension scheme costs

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Current service costs	**-**	86,797
Net interest expense	**(24,541)**	(20,003)
Past service cost	**5**	79
Total charge	**(24,536)**	66,873
Less: contribution paid by PDO	**-**	(154,691)
Surplus contribution to Omani staff pension scheme	**(24,536)**	(87,818)

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

22. Due to Omani pension scheme (continued)

Movement in present value of pension scheme assets

	31-Dec-24 **US$'000**	*31-Dec-23* US$'000
Opening fair value of scheme	**2,419,648**	2,025,432
Interest income	**165,694**	150,200
Return on plan assets (other than net interest)	**101,486**	157,134
Contribution paid by PDO	**-**	154,691
Contribution paid by the employees	**-**	24,064
Benefits paid	**(1,514)**	(91,873)
Fair value of pension scheme assets	**2,685,314**	2,419,648

Movement in present value of funded obligations

	31-Dec-24 **US$'000**	*31-Dec-23* US$'000
Opening funded obligations	**2,061,390**	1,783,857
Current service costs	**-**	86,797
Interest costs	**141,153**	130,198
Past service	**5**	79
Re-measurement loss/(gain):		
- Actuarial loss/(gain) from changes in financial assumptions	**78,659**	140,765
- Actuarial gain from change in experience adjustment	**(5,413)**	(12,497)
Benefit paid	**(1,513)**	(91,873)
Contribution paid by the employees	**-**	24,064
Present value of funded obligations	**2,274,281**	2,061,390

The principal assumptions used in determining the pension scheme obligations are shown below:

	2024 **%**	*2023* %
Discount rate at 31 December	**6.65**	6.85%
Inflation rate	**2.00**	2.00%
Expected rate of return on assets	**6.65**	6.85%
Future salary increases	**3.00**	3.00%
Future pension increases	**2.00**	2.00%
Mortality rate	**58% of ELT13* improving to 50% of ELT13 over the next 17 years**	58% of ELT13* improving to 50% of ELT13 over the next 16 years

**English Life Table No.13 ("ELT 13") reflects the assumed mortality of Omanis covered by the Public Authority of Social Insurance ("PASI").*

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

22. Due to Omani pension scheme (continued)

Salary risk

The present value of the defined benefit plan liability is calculated by reference to future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

Change in defined benefit obligation.

	2024		2023	
	Increase US$'000	**Decrease US$'000**	Increase US$'000	Decrease US$'000
Discount rate (1% movement)	**(376,800)**	**429,600**	(339,600)	388,800
Future salary growth (1% movement)	**184,800**	**(168,000)**	162,000	(148,800)

Restructuring of Oman pension and social protection system

In April 2021, Royal Decree 33/2021 was issued, in which the subject of integration of pension funds was addressed. The decree stipulated that all local pension funds be merged into two funds, one concerned with civil funds and the other with military and security funds.

In July 2023, Royal Decrees 50/2023 and 52/2023 (the "Royal Decrees"), establishing the Social Protection Fund ("SPF"), and concurrently, the Social Protection Law (the "Law") has been enacted. The Law, in line with the Royal Decrees, took effect on 1 January 2024. The PDO Omani Pension Fund ("OPF") is mandated to transfer a segment of the OPF's assets and liabilities to the Social Protection Fund. Under the SPF, the contribution by Omani staff is 7.5% of their basic salaries plus allowances whilst the contributions made by PDO are 11% of their basic salaries plus allowances.

As of 31 December 2023, the Omani Staff Pension Scheme, previously a defined benefit retirement scheme, was discontinued, and the PDO Omani Pension Fund (OPF) was mandated to transfer a portion of its liabilities and equivalent assets to the Social Protection Fund (SPF). However, as of 31 December 2024, discussions between PDO and SPF are still ongoing to finalize the exact amount of liabilities and related assets to be transferred.

There remains significant uncertainty regarding both the quantum of the liability and related assets to be transferred and the treatment of any remaining net retirement benefit asset post-transfer. Since the risks and returns associated with the assets to be transferred belong to SPF from 1 January 2025, and the transfer is expected to be completed within 2025, the net retirement benefit asset as of 31 December 2024 has been classified as current.

Effective 1 January 2024, the Group has commenced contributions to the SPF under the Social Protection Law. Since SPF operates as a defined contribution retirement scheme, the Group's contributions are recognized as an expense when employees render service. These contributions are recorded in the consolidated statement of profit or loss and other comprehensive income or capitalized to property, plant, and equipment, depending on employees' respective functions.

23. Provision for staff end-of-service and other retirement benefits

The defined contribution pension schemes to which seconded staff contribute are funded by payments to trusts, which are administered independently of PDO. PDO's obligations are limited to these contributions, which are expensed when due.

Provision for Omani end-of-service benefits represents amounts due to Omani staff who are not members of the Omani pension scheme and who have contracts that provide for the payment of end-of-service benefits upon termination or expiration of their employment contracts. Provision for non-Omani end-of-service benefits represents amounts due to non-Omani staff who are not members of any pension scheme and who have contracts that provide for the payment of end-of-service benefits upon termination or expiration of their employment contracts.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

23. Provision for staff end-of-service and other retirement benefits (continued)

Following are the balances of Non-Omani and other staff pension provisions:

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
Provision for Omani staff voluntary enhanced early retirement scheme	**2,937**	5,942
Provision for non-Omani staff end-of-service benefits	**1,439**	1,444
Provision for Omani staff end-of-service benefits (Not under Omani Pension Fund)	**918**	1,061
	5,294	8,447
Less: non-current portion	**2,937**	-
Current portion	**2,357**	8,447

PDO's obligations are limited to these contributions, which are expensed when due. The tables below provide details of the provisions created (and utilised) during the year.

Provision for Omani staff voluntary enhanced early retirement scheme

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1 January	**5,942**	9,489
Paid during the year	**(3,005)**	(3,547)
At 31 December	**2,937**	5,942

Provision for non-Omani staff terminal benefits

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1 January	**1,444**	1,476
Provision made during the year	**2,932**	3,049
Paid during the year	**(2,937)**	(3,081)
At 31 December	**1,439**	1,444

Provision for Omani staff terminal benefits (not under Omani Pension Fund)

	31-Dec-24	*31-Dec-23*
	US$'000	*US$'000*
At 1st January	**1,061**	997
Provision made during the year	**-**	103
Paid during the year	**(143)**	(39)
31 December	**918**	1,061

24. Mabrouk North East (Block 10 & Block 11)

A Master Services Agreement (the Agreement) between Gas Operations and Shell Development Oman LLC (SDO) was executed on March'22 for Block 10 and November'22 for Block 11. The agreement provides a framework to enable Gas Operations to provide certain services to SDO on an "at cost" basis. Accordingly Gas Operations, for the purposes of providing services under the Agreement maintains certain working capital items in Gas Operation's books such as cash at bank, payable to vendors etc. which are offset by the receivable due from SDO.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

24. Mabrouk North East (Block 10 & Block 11) (continued)

The position of various working capital items for Block 10 & 11 as on reporting date is as follows:

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Cash at bank	**6,916**	11,765
Other receivables (VAT)	**55**	72
Prepayments	**-**	-
Payables and accruals	**(13,815)**	(32,501)
Receivable from SDO	**6,844**	20,664
	-	**-**

25. Risk management objectives and policies

The Group operates internationally but has limited exposure to financial risks. The financial risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risk (including commodity price risk, interest rate risk and foreign currency risk), credit risk, and liquidity risk.

Market risk - The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk: commodity price risk, interest rate risk and foreign currency risk.

Commodity price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commodity prices. The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of crude oil and condensate it produces. The Group does not hedge the risk, as there is no active risk management.

Commodity price sensitivity

Based on the assumption that the crude oil price moves +/- 20% this would result in a change of US$ 16/bbl. for the year ended 31 December 2024 (31 December 2023: US$ 16/bbl.), with a consequent change in royalties expense. Following is the net impact of +/- 20% change in crude oil price:

- increase in profit before tax of US$ 802,569 ('000) in case of 20% increase in crude oil price for the ended 31 December 2024 (31 December 2023: US$ US$ 343,414 ('000)) and
- decrease in profit before tax of US$ 860,993 ('000) in case of 20% decrease in crude oil price for the year ended 31 December 2023 (31 December 2023: US$ 849,836 ('000)), respectively, where all other variables are held constant.

There is no commodity price risk associated with NAG produces, because the Group has entered into an agreement with the Government to sell its entire NAG production to the Government at agreed fixed price.

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 term loan obligations with floating interest rates.

The sensitivity analyses below have been determined based on the exposure to interest rates for instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax for the period (through the impact on floating rate borrowings rates). There is no direct impact on the Group's equity.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

25. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

31 December 2024	***Increase/Decrease in basis points***	***Effect on profit before tax US$ 000***
	+50	**(10,000)**
	-50	**10,000**

31 December 2023	*Increase/Decrease in basis points*	*Effect on profit before tax US$ 000*
	+50	(12,072)
	-50	12,072

Foreign currency risk

Currency risk in respect of the Group is mitigated significantly via a policy of awarding contracts and purchase orders mainly in US$ or Omani Rials only. The Omani Rial is effectively pegged to the US$. Only in exceptional cases, based on a commercial evaluation, are contracts/purchase orders awarded denominated in other currencies and therefore are not considered to have significant impact on the Group.

Credit risk - Credit risk is the risk that counterparties might not fulfil their contractual payment obligations towards an entity.

The Group is exposed to credit risk in respect of its trade and other receivables, housing loans, due from related parties and bank balances. Credit risk is controlled as balances are regularly reviewed and, where necessary an appropriate recovery action is taken. The expected credit loss model is applied for recognition and measurement of impairments in financial assets measured at amortised cost. Such credit losses have historically been nominal and the loss allowance for trade and other receivables, housing loans, due from related parties is presented in Note 16, Note 13 and Note 19 respectively. Other financial assets consist of cash and cash at bank held with leading and reputed banks. (Note 11).

The expected credit loss as at 31 December 2024 is US$ 17,842 (‘000) (2023: US$ 17,152 (‘000)), which represents 0.98% (31 December 2023: 0.96%) of all trade receivables, prepayments and related parties on account of crude oil and NAG sales. The increase in percentage compared with prior year is mainly due to changes in the macroeconomic environment.

Liquidity risk – This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management regularly monitors future liquidity requirements. Trade payables are normally settled within 30 to 45 days of receipt of invoice based on the contractual terms. The table below summarises the maturities of the Group’s undiscounted financial liabilities at each reporting date, based on contractual payment dates.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

25. Financial risk management objectives and policies (continued)

Contractual maturities of financial liabilities

	Up to one year	*1-5 years*	*More than 5 years*	*Total contractual cash flows*	*Carrying amount*
	US$ 000	*US$ 000*	*US$ 000*	*US$ 000*	*US$ 000*
31 December, 2024					
Trade payables	**434,289**	**-**	**-**	**434,289**	**434,289**
Accrued expenses	**558,731**	**-**	**-**	**558,731**	**558,731**
Other payables	**95,387**	**-**	**-**	**95,387**	**95,387**
Royalty payables	**678,544**	**-**	**-**	**678,544**	**678,544**
Due to related party	**24,686**	**73,807**	**69,784**	**168,277**	**120,457**
Loans and borrowings	**1,169,328**	**6,859,814**	**2,029,310**	**10,058,452**	**7,595,778**
Lease liabilities	**245,874**	**611,239**	**237,599**	**1,094,712**	**908,097**
	3,206,839	**7,544,860**	**2,336,693**	**13,088,392**	**10,391,283**

	Up to one year	*1-5 years*	*More than 5 years*	*Total contractual cash flows*	*Carrying amount*
	US$ 000	*US$ 000*	*US$ 000*	*US$ 000*	*US$ 000*
31 December, 2023					
Trade payables	392,523	-	-	392,523	392,523
Accrued expenses	660,043	-	-	660,043	660,043
Other payables	92,438	-	-	92,438	92,438
Royalty payables	714,755	-	-	714,755	714,755
Due to related party	66,303	73,254	93,413.00	232,970	172,976
Loans and borrowings	615,856	7,019,342	1,276,288	8,911,486	7,624,174
Lease liabilities	231,456	573,084	244,129	1,048,669	862,583
Total	2,773,374	7,665,680	1,613,830	12,052,884	10,519,492

26. Capital commitments

	31-Dec-24 US$'000	*31-Dec-23 US$'000*
Future capital expenditure authorised by the Board of Directors of PDO and Gas Operations	**21,977,400**	19,769,000

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

27. Income tax

The Group's obligation to pay current tax is defined in the Fiscal Protocol and shall be recurring in nature. The Group is liable to pay tax at an amount equal to fifty-five percent (55%) of its income chargeable to tax from 24 February 2021 for oil operations and from 06 May 2021 for NAG & condensate operations.

Since, the taxes were applicable only from FY 2021 year there is an opening non-deductible element arising on account of difference between accounting base (IFRS) and continuing tax base (as per concession agreement) of depreciation on property, plant, and equipment as the Group availed the initial recognition exception under IAS 12 - *'Income Taxes'*. Accordingly, the effective tax rate is expected to be significantly higher than the tax rate of 55% due to non-deductible element on initial recognition. The major components of income tax expense in the consolidated statement of profit or loss and other comprehensive income are:

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Income taxes		
Current income tax expense		
- For the period	**(2,638,625)**	(2,826,957)
- Adjustments for prior periods	**40,961**	-
	(2,597,664)	(2,826,957)
Deferred income tax expense relating to origination and reversal of temporary differences:		
Deferred tax asset	**209,832**	426,026
Deferred tax liabilities	**(972,022)**	(1,389,548)
	(762,190)	(963,522)
Income tax expense recognised in consolidated statement of profit or loss	**(3,359,854)**	(3,790,479)

Tax liability amounting to US$ 105,994 ('000) is payable as of 31 December 2024 (31 December 2023: 140,516).
*During the year ended 31 December 2024, the group has reversed the tax payables amounting to US$ 40,961 ('000) (31 December 2023: Nil)

Reconciliation of income tax expense and the accounting profit multiplied by the domestic tax rate:

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Profit before tax	**4,072,069**	4,487,541
Income tax @ 55% on profit before tax	**2,239,638**	2,468,148
Tax impact of non-deductible expenses and tax-exempt revenu	**358,026**	358,809
Net deferred tax liability	**762,190**	963,522
Income tax expense recognised in consolidated statement of profit or loss	**3,359,854**	3,790,479

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

27. Income tax (continued)

Reconciliation of effective tax rate:

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Accounting profit before tax:	**4,072,069**	4,487,541
Tax using Company's statutory tax rate of 55% (2023: 55%)	**2,239,638**	2,468,148
Less: tax effect items which are taxed at a lower rate	**(2,879)**	(3,024)
Add: tax effect on permanent difference expenses in accordance with Fiscal Protocol	**263,606**	225,156
Add: tax effect of the unwinding of the permanent difference on IRE of PPE	**921,238**	1,122,378
Less: tax effect on special arrangement	**(26,352)**	(24,999)
Add: items not taxed (HDO)	**5,564**	2,820
Less: current tax adjustment for prior periods	**(40,961)**	-
At the effective income tax rate of 83% (2023: 84%)	**3,359,854**	3,790,479
Income tax expense reported in the statement of profit or loss	**3,359,854**	3,790,479

Deferred tax

Deferred tax related to items recognised in OCI during in the year

	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*
Re-measurement of pension fund obligation	**(15,532)**	(15,876)
Deferred tax (asset) / liability recognised in OCI during in the year	**(15,532)**	(15,876)

Deferred tax relates to the following:

	Consolidated statement of financial position		***Consolidated statement of profit or loss***	
	31-Dec-24 ***US$'000***	*31-Dec-23* *US$'000*	***31-Dec-24*** ***US$'000***	*31-Dec-23* *US$'000*
Property, plant and equipment	**(4,453,777)**	(3,522,882)	**(930,895)**	(1,074,414)
Due to related parties (Due to OETC)	**31,278**	35,151	**(3,873)**	35,151
Abandonment asset	**(547,377)**	(623,671)	**76,294**	(244,575)
Abandonment provision	**1,855,587**	1,747,083	**108,504**	368,251
Right of use asset	**(451,579)**	(427,820)	**(23,759)**	22,624
Lease liability	**499,453**	474,419	**25,034**	(22,260)
Net retirement benefit assets	**(226,068)**	(197,042)	**(13,495)**	(48,299)
Net Deferred tax liability	**(3,292,483)**	(2,514,762)	**(762,190)**	(963,522)

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

28. New standards, interpretations and amendments issued but not yet effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Group is currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have an impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

29. Comparative figures

Certain figures in the comparative financial information as at and for the year ended 31 December 2023 have been reclassified. These changes have been made to improve the quality of information presented and to conform with the presentation in the current year. Such reclassification does not affect previously reported profit or equity. The following previous year's figures are reclassified:

Consolidated statement of profit or loss and other comprehensive income

- Exploration assets written off: In the FY 2023 consolidated financial statements, the exploration assets written off amounting to US$ 25,359 ('000) were classified under "other operating income" (as part of "gain on disposals of property, plant, and equipment"). For comparative purposes in the FY 2024 consolidated financial statements, this amount has been reclassified from "other operating income" to "other expenses."
- Staff costs (Note 9): In the FY 2023 consolidated financial statements, staff costs amounting to US$ 8,585 ('000) were previously not included in the note. For the comparative financial information in the FY 2024 consolidated financial statements, US$ 6,872 ('000), US$ 270 ('000), US$ 553 ('000) and US$ 890 ('000) has now been included under basic salaries and allowances, staff pension scheme, variable pay and overtime and others, respectively.

Consolidated statement of financial position

- An amount of US$ 20,664 ('000) previously classified as "due from related parties" has been reclassified to "receivables and prepayments" under "prepayments and other receivables – MNE."
- An amount of US$ 4,082 ('000) previously classified as "due to related parties" has been reclassified to "payables and accruals" under "other payables and provisions."
- Reclassifications within Receivables and Prepayments:
    - US$ 72 ('000) previously classified as "other receivables" has been reclassified to "prepayments and other receivables – MNE."
    - US$ 2,534 ('000) previously classified as "hardship loan to employees" has been reclassified to "other receivables".

Consolidated statement of cash flows

- Additions to provisions for obsolete stock and obsolete stock write-off: In the FY 2023 consolidated statement of cash flows, "additions to provisions for obsolete stock and obsolete stock write-off" amounting to US$ 3,615 ('000) were included within "changes in inventories." For the FY 2024 comparative financial information, this amount has been reclassified from "changes in inventories" to "additions to provisions for obsolete stock and obsolete stock write-off."
- Additions/(reversals) to ECL provisions: "Additions/(reversals) to ECL provisions" amounting to US$ (300) ('000) and US$ (282) ('000) were previously included within "changes in receivables and prepayments" and "changes in amounts due from related parties," respectively. These amounts have now been reclassified to "additions/(reversals) to ECL provisions."
- Exploration assets written off: The amount of US$ 25,359 ('000) previously included within "gain on disposals of property, plant, and equipment" has been reclassified to "exploration assets written off."
- Change in restricted cash: An amount of US$ 9,739 ('000) previously included within "cash and bank balances" has been reclassified to "change in restricted cash."

30. International Tax Reform - Pillar Two model rules (Oman)

Oman has issued Royal Decree No. 70/2024 ("the Top-Up Tax Law"), promulgating the law for Top-Up Tax on Constituent Entities of Multinational Groups. This move is in alignment with the rules issued by the Organisation for Economic Co-operation and Development (OECD) and is part of Pillar Two, to avoid Base Erosion and Profit Shifting (BEPS). The objective of the Law is to ensure that Constituent Entities are taxed at a minimum effective tax rate of 15% through a series of measures that are in line with international tax principles.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

30. International Tax Reform - Pillar Two model rules (Oman) (continued)

The law is effective for financial years beginning on or after 1 January 2025. Multinationals ("MNEs") with a consolidated group turnover of Euro 750 million in at least 2 out of the previous 4 financial years would be under scope. Currently, Oman has issued the law with the executive regulations to be released in due course on how the Oman Tax Authority intends to implement the law and related compliance requirements.

EDO Group is currently assessing the impact of the newly introduced Top-Up Tax Law.

The Group has applied the mandatory temporary exception provided under Amendments to IAS 12 – Income Taxes to neither recognize nor disclose information on deferred tax assets or liabilities related to Pillar Two income taxes.

31. Climate change

The Group and its customers may face significant climate-related risks in the future. These risks include the threat of financial loss and adverse non-financial impacts that encompass the political, economic, and environmental responses to climate change. The key sources of climate risks have been identified as physical and transition risks. Physical risks arise as the result of acute weather events such as hurricanes, floods, and wildfires, and longer-term shifts in climate patterns, such as sustained higher temperatures, heat waves, droughts, and rising sea levels and risks. Transition risks may arise from the adjustments to a net-zero economy, e.g., changes to laws and regulations, litigation due to failure to mitigate or adapt, and shifts in supply and demand for certain commodities due to changes in consumer behaviour and investor demand. These risks are receiving increasing regulatory, political, and societal scrutiny, both within the country and internationally. While certain physical risks may be predictable, there are significant uncertainties as to the extent and timing of their manifestation. For transition risks, uncertainties remain as to the impacts of the impending regulatory and policy shifts, changes in consumer demands, and supply chains. The Group is currently under progress in embedding climate risk in its Risk framework, including the development of appropriate risk appetite metrics and maintaining policies, processes and controls to incorporate climate risks in the management of principal risk categories. Despite the progress, the Group acknowledges the need for further efforts to fully integrate climate in the Group's risk assessments and management protocols.

32. Approval of the consolidated financial statements

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 06 March 2025 and are signed on their behalf by the Chief Executive Officer and the Chief Financial Officer of Energy Development Oman SAOC on 06 March 2025.

Energy Development Oman SAOC ("EDO") consolidated financial statements
for the year ended 31 December 2023

Energy Development Oman SAOC

Contents

Board of Directors report	3
Independent Auditor's Report to the Shareholder of Energy Development Oman SAOC ("EDO")	4-8
Consolidated statement of profit or loss and other comprehensive income	9
Consolidated statement of financial position	10
Consolidated statement of changes in equity	11
Consolidated statement of cash flows	12
Notes to the consolidated financial statements	13-70

ENERGY DEVEOPMENT OMAN SAOC

Board of Directors report for the year ended 31 December 2023

Responsibilities of the Board of Directors for the Energy Development Oman ("EDO") Consolidated Financial Statements

The members of EDO Board hereby declare that, to the best of their knowledge, the consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS") and relevant requirements of Commercial Companies Law of 2019, present fairly, in all material respects, the consolidated financial position of EDO as at 31 December 2023 and the related consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and explanatory notes.

The Board of Directors of EDO have approved the information contained in the consolidated financial statements of EDO.

On behalf of the Board

Mazin Al Lamki
Chief Executive Officer
Energy Development Oman
22 February 2024

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Sultan Al Mamari
Chief Financial Officer
Energy Development Oman
22 February 2024

Building a better working world

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Energy Development Oman SAOC (the "Company") and its subsidiaries (together, "the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of profit or loss or other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

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

Key audit matters

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

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

Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Key audit matter	*How our audit addressed the key audit matter*
Estimation of crude oil and non-associated gas (NAG) reserves Oil and gas reserves are an indicator of the future potential of the Group's performance. Crude oil and NAG reserves estimates are used in the calculation of depreciation, depletion and amortisation (DD&A), impairment testing and in the estimation of abandonment provisions of production wells and production facilities. The principal risk is the impact of the crude oil and NAG reserves estimate on the consolidated financial statements through DD&A, impairment testing, and abandonment provisions estimate. Auditing the estimation of crude oil and NAG reserves is complex. There is significant estimation uncertainty in assessing the quantities of reserves and resources in place. The estimates are based on the Group's management and petroleum engineers' ("experts") assessments of petroleum initially in place, production curves and certain other inputs, including forecast production volumes, future capital and operating cost assumptions and estimated life of field. Also, technical uncertainties are involved in determining the level of reserves in each clusters/area. Due to significant estimation uncertainty involved, we have considered estimation of crude oil and NAG reserves as a key audit matter. Proved developed reserves, which are estimated by the Group's petroleum engineers in accordance with industry best practice and Securities and Exchange Commission (SEC) rules (as set forth in the Note 2 to the consolidated financial statements entitled "Significant judgments, estimates and assumptions"), change according to production, and the price of hydrocarbons. The accounting policies relating to estimation of crude oil and NAG reserves, DD&A and abandonment provisions are set out in Note 3 to the consolidated financial statements entitled "Material accounting policy information".	We obtained an understanding of the controls over the Group's crude oil and NAG reserves' estimation process. We then evaluated the design of these controls and tested their operating effectiveness. We involved professionals with crude oil and NAG reserves audit experience for evaluating the key assumptions and methodologies applied by management and experts. Our audit procedures in this area included the following, but were not limited to: • Testing whether significant additions or reductions in crude oil and NAG reserves were made in the period in which the new information became available, by understanding the changes in circumstances that drove the change; • Assessing that reserve movements were in compliance, in all material respects, with the Group's reserves and resources guidance; • Evaluating the professional qualifications, competence and objectivity of Group's experts' who are responsible for crude oil and NAG reserves estimation; • We assessed the assumptions used by the management and experts and compared the assumptions to the macroeconomic indicators, hydrocarbon production, operating costs, capital expenditures forecasts and other performance indicators, approved by the Company's management. We compared the estimates of reserves to the estimates included in the DD&A, impairment and abandonment provisions. • On a sample basis, performing look back analysis of historical data to identify indications of estimation bias, if any, over time.

Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Other information

Other information comprises the Board of Directors' report. Those charged with governance and management is responsible for the other information.

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

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

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs and the relevant requirements of the Commercial Companies Law of 2019, as amended, and for such internal control as those charged with governance determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)
As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of those charged with governance's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Building a better working world

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ENERGY DEVELOPMENT OMAN SAOC (CONTINUED)

Report on other legal and regulatory requirements

As required by the applicable provisions of the Commercial Companies Law of 2019 and the Ministerial Decision 146/2021, we report that:

- we have obtained all the information and explanations we considered necessary for the purposes of our audit;
- the Group has maintained accounting records and the consolidated financial statements are in agreement therewith;
- the Group has carried out physical verification of inventories;
- the financial information included in the Board of Directors' report is consistent with the books of accounts of the Group; and
- based on the information that has been made available to us, nothing has come to our attention, which causes us to believe that the Group has contravened, during the year ended 31 December 2023, any of the applicable provisions of the Commercial Companies Law of 2019 or its Articles of Association, which would materially affect the financial performance of the Group for the year ended 31 December 2023 or its consolidated financial position as at 31 December 2023.

Imtiaz Ibrahim
22 February 2024
Muscat

ERNST & YOUNG LLC
C.R. No. 1226813

Energy Development Oman SAOC
Consolidated statement of profit or loss and other comprehensive income
For the year ended

	Notes	31-Dec-23 US$'000	31-Dec-22 US$'000
Revenue	4	16,422,914	17,281,524
Other operating income	5.a	176,172	193,456
Finance income	5.d	7,559	2,385
Total revenues and other income		16,606,645	17,477,365
Production expenses	7	(1,115,911)	(1,412,711)
Royalty expenses	8	(6,525,451)	(7,397,206)
Depreciation, depletion and amortisation	6	(3,840,790)	(3,567,022)
Other expenses	5.b	(30,348)	(19,932)
Profit before interest and tax		5,094,145	5,080,494
Finance costs	5.c	(606,604)	(396,605)
Profit before tax		4,487,541	4,683,889
Income tax expenses			
Income tax expenses	27	(3,790,479)	(3,914,669)
Profit for the year		697,062	769,220
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods			
Re-measurement of pension fund obligation	22	12,990	(91,457)
Total comprehensive income for the year		710,052	677,763

The attached notes 1 to 30 form part of these consolidated financial statements

Energy Development Oman SAOC
Consolidated statement of financial position
As at 31 December

	Notes	31-Dec-23 US$'000	31-Dec-22 US$'000
Non-current assets			
Property, plant and equipment	10a	23,495,057	22,898,658
Right-of-use assets	10b	777,853	823,721
Net retirement benefit assets	22	358,258	241,575
Receivables and prepayments	16	16,549	18,593
Housing loans	13	8,359	9,357
Other non-current assets		3,745	4,623
Total of non-current assets		24,659,821	23,996,527
Current assets			
Inventories	15	528,721	413,470
Receivables and prepayments	16	85,763	105,355
Due from related parties	19	1,689,100	2,302,550
Housing loans	13	1,866	2,804
Cash and bank balances	11	706,318	249,403
Other current assets		-	4,834
Total of current assets		3,011,768	3,078,416
Assets held for sale	24	-	52,315
Total assets		27,671,589	27,127,258
Shareholders' equity			
Share capital	12	1,300	1,300
Retained earnings		11,047,791	14,086,975
Total equity		11,049,091	14,088,275
Non current liabilities			
Provision for staff end-of-service and other retirement benefits	23	8,447	11,962
Lease liabilities	20	637,416	681,110
Abandonment provision	21	3,176,514	2,506,968
Deferred tax liabilities	27	2,514,762	1,535,363
Loans and borrowings	18	6,000,069	4,447,903
Total of non-current liabilities		12,337,208	9,183,306
Current liabilities			
Loans and borrowings	18	1,624,105	1,445,292
Payables and accruals	17	2,122,526	1,983,133
Tax payables		140,516	49,973
Due to related parties	19	172,976	98,324
Lease liabilities	20	225,167	226,640
Total of current liabilities		4,285,290	3,803,362
Liabilities associated with assets held for sale	24	-	52,315
Total liabilities		16,622,498	13,038,983
Total equity and liabilities		27,671,589	27,127,258

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 22 February 2024 and are signed on their behalf by the Chief Executive Officer and the Chief Financial Officer of Energy Development Oman SAOC on 22 February 2024:

Mazin Al Lamki
Chief Executive Officer
Energy Development Oman SAOC

Sultan Al Mamari
Chief Financial Officer
Energy Development Oman SAOC

The attached notes 1 to 30 form part of these consolidated financial statements.

شركة تنمية طاقة عمان ش.م.ع.م
س.ت: ١٣٧٨٥٥٦
C.R. No: 1378556
P.O. Box: 828
Postal Code: 116
Sultanate of Oman
ENERGY DEVELOPMENT OMAN S.A.O.C.

Energy Development Oman SAOC
Consolidated statement of changes in equity
For the year ended 31 December

	Notes	Share capital US$ 000	Retained earnings US$ 000	Total equity US$ 000
Balance at 1 January 2023		**1,300**	**14,086,975**	**14,088,275**
Profit for the year		**-**	**697,062**	**697,062**
Other comprehensive income - re-measurement of pension fund obligation	**22**	**-**	**12,990**	**12,990**
Interim dividend	**19**	**-**	**(3,703,783)**	**(3,703,783)**
Distribution of assets in specie	**19**	**-**	**(45,453)**	**(45,453)**
At 31 December 2023		**1,300**	**11,047,791**	**11,049,091**
Balance at 1 January 2022		1,300	18,757,909	18,759,209
Profit for the year		-	769,220	769,220
Other comprehensive loss - re-measurement of pension fund obligation	22	-	(91,457)	(91,457)
Interim dividend	19	-	(5,308,158)	(5,308,158)
Distribution of assets in specie	19	-	(40,539)	(40,539)
At 31 December 2022		1,300	14,086,975	14,088,275

The attached notes 1 to 30 form part of these consolidated financial statements

Energy Development Oman SAOC
Consolidated statement of cash flows

For the year ended

	Notes	31-Dec-23 US$'000	31-Dec-22 US$'000
Operating activities:			
Profit before tax		**4,487,541**	4,683,889
Adjustments for:			
Pension scheme costs	***22***	**66,873**	75,445
Depreciation, depletion and amortization	**6**	**3,768,420**	3,498,355
Depreciation on right of use assets	**6**	**72,370**	68,667
Royalty expenses	***8***	**6,525,451**	7,397,206
Gain on changes in abandonment estimates	***5.a***	**(111,215)**	(92,627)
Gains on disposals of property, plant and equipment	***5.a***	**(3,235)**	(20,970)
Finance income	***5.d***	**(7,559)**	(2,385)
Finance cost	***5.c***	**606,604**	396,605
Net movement in National objective investments		**4,834**	22,160
Net movement in employee's end of service and other retirement benefits		**(3,515)**	(4,501)
		15,406,569	16,021,844
Working capital changes:			
Changes in inventories		**(115,251)**	71,184
Changes in receivables and prepayments		**21,636**	36,671
Changes in amounts due from related parties		**613,450**	(1,238,886)
Changes in payables and accruals		**45,990**	97,619
Changes in amounts due to related parties		**74,652**	2,508
		16,047,046	14,990,940
Income tax paid		**(2,736,413)**	(2,488,562)
Contribution towards Omani staff pension scheme	***22***	**(154,691)**	(148,925)
Royalty paid		**(6,591,835)**	(7,160,642)
Cost associated with distribution of assets in specie	***19***	**(45,453)**	(40,539)
Net cash from operating activities		**6,518,654**	5,152,272
Investing activities:			
Acquisition of property, plant, and equipment		**(3,400,290)**	(3,110,772)
Expenditure on exploration and evaluation assets	***10a***	**(222,828)**	(183,629)
Proceeds from disposal of property, plant, and equipment		**38,616**	55,445
Finance income	***5.d***	**7,559**	2,385
Net movement in housing loans and other non-current assets		**2,814**	1,299
Net cash used in investing activities		**(3,574,129)**	(3,235,272)
Financing activities:			
Loan received		**1,965,718**	-
Loan repaid		**(3,944,073)**	-
Dividend paid	***19***	**-**	(1,655,268)
Finance cost		**(244,036)**	(109,758)
Payment of principal portion of lease liabilities	***20***	**(265,219)**	(243,351)
Net cash used in financing activities		**(2,487,610)**	(2,008,377)
Increase (Decrease) in cash and bank balances		**456,915**	(91,377)
Cash and bank balances at beginning of the year	***11***	**249,403**	340,780
Cash and bank balances at end of year	***11***	**706,318**	249,403

For details of non-cash transactions refer note 10a, 10b, 19, 20, 21, 22 and 24

The attached notes 1 to 30 form part of these consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and Basis of preparation

1.1 Background

Formation of EDO

Energy Development Oman SAOC ("EDO" or the "Company") was established on 3 December 2020 in the Sultanate of Oman. EDO was registered on 24 December 2020 through Royal Decree as a 100% owned subsidiary of the Government of the Sultanate of Oman (the "Government"). The Company together with its subsidiaries (hereinafter referred to as 'the Group') has a presence in Oman.

The Group has taken over the participating rights/interests of the Oil and Gas Operations of Block 6 from the Ministry of Energy and Minerals (the "MoEM"). Block 6 is the Sultanate's largest and most significant oil and gas operation and covers a geographic area of approximately 90,000 square km., which includes a substantial part of the Oman Mountain Fold belt and Rub al Khali basins, including the Ghaba and Fahud salt basins.

The MoEM's 60% interest in Petroleum Development Oman LLC ("PDO"), a limited liability company registered in the Sultanate of Oman in accordance with the Commercial Companies Law, as amended, and 100% interest in Gas Operations were transferred to the Group on 24 February 2021 and 6 May 2021, respectively (also referred to as the "Royal Decree"). Gas Operations are managed by PDO.

PDO is responsible for the following activities:

i. undertaking all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, transportation, storage, and delivery of crude oil in accordance with the terms of an "Oil Concession Agreement" (see below) for Block 6 (the "Oil Operations"); and
ii. undertaking all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, and transportation of NAG in accordance with the terms of "Gas Agreements" (see below) between the Government and PDO (the "Gas Operations").

After the formation of EDO, EDO incorporated the following five subsidiaries:

- Hydrogen Oman SPC ("HDO") on 13 June 2022 having commercial registration certificate number 1428787. The objective of HDO is to structure and accelerate the development of the green hydrogen sector in Oman.
- Oman New Energies SPC ("ONE") on 24 November 2022 having commercial registration number 1458799. One is incorporated to explore future power-related business. As of 31 December 2023, ONE is not operational, and no transactions are recorded in its books.
- EDO Gas SPC ("GasCo") on 25 June 2023 having commercial registration certificate number 1491751. GasCo has taken over the participating right/interest of the Gas Operations of Block 6 from the EDO (w.e.f. 1 July 2023).
- EDO InfraCo SPC ("Infra") on 11 December 2023 having commercial registration number 1521732. As of 31 December 2023, Infra is not operational, and no transactions are recorded in its books.
- On 26 June 2023, the Company established EDO Sukuk Limited, a special purpose vehicle incorporated in the Cayman Islands. EDO Sukuk Limited was established as a means to fund the Group by acting as issuer and trustee of the Sukuk trust certificates.

Under the Fiscal Protocol, which applies to the Group's share of crude oil and gas production, including the applicability of royalties and taxes under the pre-existing Block 6 Oil Concession agreement, various additional agreements have been entered into between the Government and the Group. The agreements define the fiscal terms applicable to the Group's revenue from the Block 6 Operations. The key agreements entered between the Government and the Group are as follows:

- Oil concession agreement
- Oil operating agreement
- PDO shareholders' agreement
- the Block 6 Gas Concession Agreement which applies to Non-Associated Gas ('NAG') and condensate, including its related taxes

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and Basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

- the Oman Export Blend sale and purchase agreement; and
- the Natural gas sales agreement
- Fiscal Protocol
- Shareholder's bridge facility agreement

Oil Concession Agreement

The Government and Private Oil Holdings Oman Limited ("POHOL") had entered into an Oil Concession Agreement for Block 6 effective 1 January 2005 and expiring on 31 December 2044. Under this agreement, PDO operated as a cost centre, wherein all costs related to the Block 6 oil operations were incurred. PDO had no entitlement to proceeds from crude oil. The property, plant, and equipment ("PPE") relating to the Oil Operations were recognised in the books of PDO. The investment in PPE, operational costs and other costs were funded 60% by the Government and 40% by POHOL as shareholders' contributions. The Oil Concession Agreement includes the right to use associated gas, which was internally consumed by PDO as part of the production process relating to the Oil Operations. The Government has novated the Oil Concession Agreement in favour of the Group effective 24 February 2021.

Oil Operating Agreement

The Government and POHOL (acting in their capacities as participants in the Oil Concession Agreement) and PDO (acting in its capacity as the Block 6 operator) entered into an operating agreement for Block 6, which took effect on 1 January 2005 (the "Oil Operating Agreement"). The Oil Operating Agreement will remain in effect for as long as the Oil Concession Agreement remains in force. On 24 December 2020, the Government transferred its rights and obligations under the Oil Operating Agreement to EDO with effect from 24 February 2021 in accordance with the terms of the Oil Operating Agreement.

Under the terms of the Oil Operating Agreement, PDO is authorised to act as operator of the Block 6 operations under the terms of the Oil Concession Agreement

PDO Shareholders' Agreement

The Government, PDO, Shell, TotalEnergies and PTTEP entered into the Petroleum Development Oman LLC shareholders' agreement (the "PDO Shareholders' Agreement"). The PDO Shareholders' Agreement became effective on 1 January 2005. On 24 December 2020, the Government transferred its rights and obligations under the agreement to EDO with effect from 24 February 2021 in accordance with the terms of the PDO Shareholders' Agreement.

The purpose of the PDO Shareholders' Agreement is to regulate the parties' respective rights and obligations with respect to the management and operation of PDO.

Gas Agreements and Gas Concession Agreements

In the capacity of the manager of the Gas Operations, PDO undertook all projects, operations, and activities directly or indirectly related to the exploration, development, extraction, and transportation of NAG in accordance with the directions of the Government. PDO had no entitlement to the proceeds from the sale of NAG. The gas sales agreements were entered into by the MoEM with the end customers. PDO had no ownership of the PPE relating to the Gas Operations. The investment in PPE, operational costs, and other costs was fully funded by the Government.

The Government has granted the Group the rights to explore, search and drill for, produce, develop, and sell NAG and Condensate in the Gas Concession Area in accordance with the terms of this Gas Concession Agreement effective 6 May 2021 and expiring on 31 December 2044. By virtue of this Gas Concession Agreement, the Group has exclusive ownership of all NAG at the point of gas production, exclusive ownership of condensate, and exclusive ownership of all gas assets, in accordance with the terms of this Gas Concession Agreement.

On 16 July 2023, EDO Board approved the amendment and novation of the Gas Concession Agreement and the NAG sales agreement, and the transfer thereof to GasCo by the Company.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and Basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

Oman Export Blend Sale and Purchase Agreement

The Group has entered into an agreement with the Government for the sale of 'Oman Export Blend' crude oil (OEB). Under the terms of this agreement, the Group shall sell its share of crude oil and condensate production to the MoEM or designated MoEM customers at the Mina Al Fahal ("MAF") terminal or at the designated delivery point. The MoEM maintains all the contracts with the end customers. The sale price for OEB is set out in the relevant oil sales agreement between the MoEM and the MoEM's customers. The Group will deliver the OEB to the relevant MoEM customer at the vessel's permanent manifold flange connection.

Natural Gas Sales Agreement

The Group has entered into an agreement with the Government to sell its entire NAG production to the Government at agreed fixed prices for the first 5 years of the agreement as determined in the agreement effective 6 May 2021. The agreed fixed price (per MMBTU) for 2021, 2022, 2023, 2024, and 2025 is US$ 2.51, US$ 2.59, US$ 2.69, US$ 2.77, and US$ 2.89 respectively. Post the first 5 years, annual prices shall be determined for each subsequent 5-year period according to a blended transfer price calculation methodology, as defined in the agreement.

Fiscal Protocol

The Government has issued a fiscal guideline in relation to the Group's participating interest in the concession agreement for Block 6. This guideline (referred to as the "Fiscal Protocol"), also provides detailed information on royalties and taxes relavant to the Group.

Shareholder's bridge facility agreement

The Group's funding policy requires Block 6 capital costs to be funded (i) through debt up to the debt capacity of FFO (Funds From Operations) / Debt of 45%, and (ii) the remaining balance of the Block 6 capital cost through Block 6 revenue.

The Group ("Borrower") entered into a shareholder bridge facility agreement ("Shareholder Loan Agreement" or "the bridge facility") with The Government of the Sultanate of Oman represented by the Ministry of Finance ("Government" or "Lender"). Under this agreement, Government makes available to the Group a finance facility. Any amounts drawn down pursuant to the Bridge Facility may be effected by way of cash funds transfer or through Offsets (Offsets means any Bridge Loan or part thereof which, rather than being paid by way of a funds transfer, is satisfied / paid by way of making an adjustment / offset agreed by the Parties against funds payable by the Borrower to the Lender).

In the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance (rather than a dividend payment).

The Block 6 Operations

Prior to the "formation of EDO", the Oil and Gas Operations of Block 6 (the "Block 6 Operations") were conducted by the MoEM, the Ministry of Finance (the "MOF"), and PDO. PDO was a joint operation between the MoEM (60%) and Private Oil Holdings Oman Limited ("POHOL") (40%).

1.2 Basis of Preparation

The Group's consolidated financial statements for the year ended 31 December 2023 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB).

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

1. Background and Basis of preparation (continued)

1.3 Going concern

Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the Group's consolidated financial statements have been prepared on the going concern basis.

2. Significant judgments, estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. Management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The judgments, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the circumstances. However, the resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and/or liabilities in the future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

(a) Judgments

In the process of applying the accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant impact on the amounts recognised in the Group's consolidated financial statements.

Revenue from contracts with customers

The Group applied the following judgments that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Identifying performance obligations

At inception of the contract with customers, the Group assesses the performance obligations embedded in the contracts. Based on the assessment, the Group has concluded that there is generally only one performance obligation with respect to the sale of crude oil, condensate and NAG respectively. There are no other performance obligations or benefits derived by the customers from the contracts.

Determining the timing of satisfaction of performance obligation

The Group recognise revenue when (or as) it satisfies a performance obligation by transferring a promised good to customers. An asset is transferred when (or as) the customer obtains control of that asset, which is upon delivery of goods. Under the terms of existing contracts, the Group has determined that shipping or transportation services are not being provided to the customers, and the only performance obligation is sale of crude oil and petroleum products.

Determining transaction price and allocation

The Group considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods to a customer. Since sale of crude oil, condensate and NAG is the only performance obligation, the entire transaction price is allocated to sale of the product respectively.

Principal versus agent considerations

The Group enters into contracts with its customers for supply of crude oil, condensate and NAG. The Group determined that it controls the goods before they are transferred to customers, and it has the ability to direct the use of goods or obtain benefits from the goods. The following factors indicate that

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

Revenue from contracts with customers (continued)

Principal versus agent considerations (continued)

the Group controls the goods before they are being transferred to customers. Therefore, the Group determined that it is a principal in all its revenue arrangements.

- The Group is primarily responsible for fulfilling the promise to provide the specified goods.
- The Group has inventory risk before the specified goods have been transferred to the customers.
- The Group has discretion in establishing the price for the specified goods.

Consideration of significant financing component in a contract

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised goods to the customer and when the customer pays for that goods will be one year or less. The Group concluded that there is no significant financing component for those contracts where the customer elects to pay in advance considering the length of time between the customer's payment and the transfer of goods to the customer.

Determining the lease term of contracts with renewal and termination options – The Group as lessee

Management determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. Management applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

Management included the renewal period as part of the lease term for leases of rigs, hoists, facilities, well service units, vehicles and cargo haulage equipment with a shorter non-cancellable period of 1-2 years. The Group typically exercises its option to renew these leases because based on the previous experience and the future intention of the management to continue, there is a significant negative effect on production if a replacement asset is not readily available. The renewal periods for leases of certain production facilities, for example rigs, hoists, vehicles and well service units with longer non-cancellable lease periods (i.e., >5 years) are not included as part of the lease term as these are not reasonably certain to be exercised. Management has considered and evaluated the following factors before determining not to embrace the extension options beyond the original term:

- management’s long-term strategy is to re-tender rig contracts and move towards mechanised rigs wherever possible.
- the economic benefit for continuing with the same supplier (same lease) is not proven, hence it is not reasonably certain to exercise the extension option, due to the fact that there are competitors in the market who are expected to offer competitive prices. which may result in a retendering process.
- the expected changes in technologies in the ensuing five years.
- New technologies in the market and strategic studies would reassess the economic feasibility of leases.

With reference to certain drilling equipment, hub offices, electronic equipment and certain equipment relating to rigs and hoists, these contracts are less than 12 months at the transition date and the management is of the view that most of the extension options may not be exercised. The Group could replace these assets without significant cost or business disruption. Therefore, these have not been included in the lease liabilities.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

Determining the lease term of contracts with renewal and termination options – The Group as lessee (continued)

Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised. The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

Identification of non-lease components

In addition to containing a lease, the Group's service arrangement involves additional services, including personnel cost, maintenance, production related activities and other items. These are considered to be non-lease components and the Group has decided to separate these from the lease components. Judgment is required to identify these. The consideration in the contract is then allocated between the lease and non-lease components on a relative stand-alone price basis. This requires the Group to estimate stand-alone prices for each lease and non-lease component.

Accounting for leases and joint operations

Where the Group participates in a joint operation, determining whether to recognise and whether to measure a lease obligation involves judgment and requires identification of which entity has primary responsibility for the lease obligations entered into in relation to the joint operation's activities. Where the joint operation (including all parties to that arrangement) has the right to control the use of the identified asset and all parties have a legal obligation to make payments to the third-party supplier, each joint operation participant would recognise its proportionate share of the lease-related balances. This assessment would be based on the terms and conditions of each arrangement. The Group does not have any direct primary legal obligation to pay the third-party suppliers for the lease payments. Therefore, the Group has recognised only its share of lease liabilities, in addition to its share of right of use assets.

Identifying in-substance fixed rates versus variable lease payments

The lease payments used to calculate the lease-related balances under IFRS 16 include fixed payments, in- substance fixed payments and variable payments based on an index or rate. Variable payments not based on an index or rate are excluded from the measurement of lease liabilities and related assets. For some of the Group's drilling rig contracts, in addition to the fixed payments, there are payments that are contractually described as variable but are in-substance fixed payments because the contract terms require the payment of a fixed amount that is unavoidable. The payments are expressed as a rate paid for each operating day, hour or fraction of an hour and can change depending on when and how the asset is being used. Therefore, the management has had to apply judgment to identify in-substance fixed payments included in the lease payments used to calculate the lease-related balances. Other payments identified as variable, not based on an index or rate, are excluded from recognition and measurement of the lease related balances. Management has assessed that while there is variability in the pricing, there is a minimum rate which is considered to be the lowest rate that it would pay while the asset is available for its use, which is the standby or cold-stack rate. The major maintenance and inclement weather rates do not represent the minimum as these are only payable when the asset is not available for use. The additional full operating rates represent variable lease payments.

Functional currency

The functional currency for the Group, is the currency of the primary economic environment in which the Group operates. The functional currency of the Group is the US dollar (US$). Determination of functional currency may involve certain judgments to identify the primary economic environment in which the Group operates. This includes consideration of the currency which influences sales prices, the country whose competitive forces and regulations mainly determine the sale price of its goods, and the currency which influences the labour, materials, and other costs of providing goods or services differ.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(a) Judgments (continued)

***Functional currency* (continued)**

Management considers US$ to be, the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. US$ is the currency in which the Group measures its performance and reports its results, as well as the currency in which it receives funds from the MoEM.

Exploration and evaluation expenditure

The application of the the Group's accounting policy for exploration and evaluation expenditure requires judgment to determine whether future economic benefits are likely from future exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is, in itself, an estimation process that involves varying degrees of uncertainty depending on how the resources are classified. These estimates have a direct impact on when the Group defers exploration and evaluation expenditure.

Assessment of contingencies and claims

In the ordinary course of business, the Group is subject to a number of contingencies arising from litigation and claims brought by private parties, including contractors and employees. The operations of the Group continue, from time to time, to be affected to varying degrees by political, legislative, fiscal and regulatory developments, including those relating to the protection of the environment and indigenous groups in the clusters in which it operates. The industry in which the Group is engaged is also subject to physical risks of various types. The nature and frequency of these developments and events, as well as their effect on future operations and costs, are unpredictable. While these matters are not expected to have a material impact on the Group, no assurance can be provided.

(b) Estimates and assumptions

The preparation of the consolidated financial statements, in conformity with IFRS, requires that the management make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Proved hydrocarbon reserve and resource estimates

The determination of the Group's reserves requires significant degree of estimates and assumptions to be applied. Hydrocarbon reserves are estimates of the measure of hydrocarbons that can be economically and legally extracted from the Group's oil and gas properties.

Management estimates the hydrocarbon reserves according to the Code of Practice for Hydrocarbon Resource Volume Classification, Estimation and Reporting; CP-186. In relation to proven reserves, the Group complies with rules set by the Security and Exchange Commission (SEC) (except for the calculation of NAG prices, which is based on the management's internal estimate). Management complies with the principles contained in the Petroleum Resources Management System (PRMS) framework as issued by the Society of Petroleum Engineers (SPE). The Group's resources classification is set in conjunction with the industrial standard petroleum resource classification.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Proved hydrocarbon reserve and resource estimates (continued)

Management estimates its commercial reserves and resources based on information compiled by appropriately qualified persons relating to the geological and technical data on the size, depth, shape and grade of the hydrocarbon body and suitable production techniques and recovery rates. Commercial reserves are determined using estimates of oil and gas in place, recovery factors and future commodity prices, the latter having an impact on the total amount of recoverable reserves and the proportion of the gross reserves that are attributable to private shareholders as per the concession agreements. Future development costs are estimated using assumptions as to the number of wells required to produce the commercial reserves, the cost of such wells and associated production facilities, and other capital costs. These are regularly reviewed and updated.

Future commodity price assumptions tend to be stable because management does not consider short-term increases or decreases in prices as being indicative of long-term levels, but they are nonetheless subject to change. Expected production volumes, which comprise proved reserves, are used for the depreciation calculation of production wells and facilities. As discussed above, hydrocarbon reserves estimates are inherently imprecise. For 2023, the long-term Brent oil price assumption used in the estimation of commercial reserves is US$ 82.77 /bbl. (2022: US$ 96.19 /bbl.). For 2023, long-term gas price assumption used in the estimation of commercial reserves is based on the Group's existing NAG sales agreements (valid till the end of 2025) and the managements forecast of future gas price till the end of concession period. As the economic assumptions used may change and as additional geological information is obtained during the operation of a cluster, estimates of recoverable reserves may change. Such changes may impact the Group's reported consolidated financial position and results, which include:

- The carrying value of property, plant and equipment due to changes in estimated future cash flows and depreciation.
- Depreciation, depletion and amortisation charges in the consolidated statement of profit or loss and other comprehensive income may change where such charges are determined using the Unit of Production (UOP) method, or where the useful life of the related assets change.
- Provisions for decommissioning may require revision — where changes to reserves estimates affect expectations about when such activities will occur and the associated cost of these activities.

Depreciation, depletion and amortisation (Unit-Of-Production (UOP) method)

Property, plant and equipment related to hydrocarbon production activities are depreciated on a unit-of-production basis over the proved developed oil and gas reserves of the cluster concerned, other than assets whose useful lives differ from the lifetime of the cluster which are depreciated applying the straight-line method. This results in a depreciation charge proportional to the depletion of the anticipated remaining production from the cluster. For the purpose of proved developed reserves, management uses the SEC-mandated yearly average oil prices and management's estimate of the fixed gas prices. Yearly average oil prices and the fixed gas prices are applied in the determination of proved reserves. Estimates of proved reserves are inherently imprecise, require the application of judgment and are subject to regular revision, either upward or downward, based on new information including details relating to the drilling of additional wells, the observation of long-term reservoir performance under producing conditions and the changes in economic factors, including commodity prices, unforeseen operational issues, contract terms, legislation or development plans.

Changes to estimates of proved developed reserves affect prospectively the amounts of depreciation, depletion and amortisation charged and, consequently, the carrying amounts of production assets. The life of each item, which is assessed at least annually, has regard to both its physical life limitations and present assessments of economically recoverable reserves of the cluster at which the asset is located. The calculation of the UOP rate of depreciation will be impacted to the extent that actual production in the future is different from current forecast production based on total proved reserves, or future capital expenditure estimates change.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Development, exploration and evaluation expenditure

Expenditure on the construction, installation and completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, including services are capitalised within property, plant and equipment and is depreciated from the commencement of production. The capitalisation policy requires management to make certain estimates and assumptions about future events and circumstances, in particular, whether an economically viable extraction operation can be established. Cost incurred on unsuccessful development or delineation wells are written-off.

Significant estimates and assumptions are required to determine whether it is appropriate to continue to carry costs associated with exploration wells and exploratory type stratigraphic test wells on the balance sheet. This includes costs relating to exploration, seismic evaluation, geological and geophysical or other related costs. It is not unusual to have such costs being capitalised on the balance sheet while additional appraisal drilling and seismic work on the potential oil and natural gas cluster is performed or while the optimum development plans and timing are established. However, these seismic costs are part of the cluster that are producing developed petroleum resources.

The costs are carried based on the current regulatory and political environment or any known changes to that environment. All such carried costs are subject to regular technical, commercial and management review on at least an annual basis to confirm the continued intent to develop, or otherwise extract value from, the discovery. These costs are incurred on the producing clusters and therefore, management estimates that the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. The carrying amount of capitalised costs are included as part of property, plant and equipment under producing assets.

Decommissioning (abandonment provision)

Liabilities for decommissioning costs are recognised when the Group has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Decommissioning costs will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its decommissioning provision at each reporting date. The ultimate decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, estimates of the extent and costs of decommissioning activities, the emergence of new restoration techniques or experience at other production sites. The discount rate used for computing the abandonment provision for the year ended 31 December 2023 is 6.85%. (7.26% - 31 December 2022) which is based on long-dated Oman government bonds.

The provision for the costs of decommissioning wells, production facilities and pipelines at the end of their economic lives is estimated using existing technology, at future prices, depending on the expected timing of the activity, and discounted using the nominal discount rate. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

External valuers may be used to assist with the assessment of future decommissioning costs. The involvement of external valuers is determined on a case-by-case basis, taking into account factors such as the expected gross cost or timing of abandonment. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The provision at the reporting date represents management's best estimate of the present value of the future decommissioning costs required. A +0.5% change in the nominal discount rate could reduce the Group's provisions by approximately US$ 203,016 ('000) (2022: US$ (161,525) ('000)). A -0.5% change in the nominal discount rate could increase the Group's provisions by approximately US$ 220,201 ('000) (2022: US$ 174,938 ('000)). A two-year change in the timing of expected future decommissioning expenditures does not have a material impact on the value of the Group's decommissioning provision. Management does not consider a change of greater than two years to be reasonably possible either in the next financial year or as a result of changes in the longer-term economic environment.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Provision for expected credit losses of financial assets

Due from related parties, other receivables and other assets

For these categories of assets, management applies a general approach in calculating ECLs. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's

historical experience and informed credit assessment, that includes forward-looking information. the Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Impairment of inventories

Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices. The areas requiring significant judgment related to the valuation of inventories include estimating the shrinkage that has occurred between physical inventory counts. These judgments and estimates, under certain circumstances, produce varying financial results.

Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of profit or loss and other comprehensive income (Note 15).

Leases - Estimating the incremental borrowing rate

Management cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease. Management estimates the IBR using observable inputs (such as market interest rates) when available and is required to consider certain contract and entity-specific judgments.

Estimated useful lives of property, plant and equipment (excluding production wells and facilities) (straight line method)

Management determines the estimated useful lives of property, plant and equipment for calculating depreciation. The cost of property, plant and equipment is depreciated over the estimated useful life, which is based on the expected usage of the asset, expected physical wear and tear, and the repairs and maintenance program and the residual value. Management reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Management reviews the residual value at the end of each reporting period and changes are adjusted prospectively. For line fill, management believes that the residual value of the line fill is greater than the cost.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

2. Significant judgments, estimates and assumptions (continued)

(b) Estimates and assumptions (continued)

Useful lives of right-of-use assets

Management determines the estimated useful lives of its right-of-use assets for calculating amortisation. The cost of right-of-use assets are amortised over the estimated useful lives of the assets, which is based on shorter of the lease term and the estimated useful lives of the assets. Management reviews the estimated useful lives of right-of-use assets at the end of each annual reporting period. Any change in the lease term or pattern of consumption of these assets are adjusted prospectively.

Impairment of property, plant and equipment

Management assesses, at each reporting date, whether there is any indication that an asset or a group of assets is impaired. If any such indication exists, Management estimates the recoverable amount of the asset or group of assets. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset if the asset generates cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by valuation multiples like available fair value indicators.

The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value. The assessments require the use of estimates and assumptions such as long-term oil prices (considering current and historical prices, price trends and related factors), discount rates, operating costs, future capital requirements, decommissioning costs, exploration potential, reserves and operating performance (which includes production and sales volumes). Significant estimates and associated assumptions are involved in determining the cash-generating units, expected future cash flows and discount rates. These estimates and assumptions are subject to risk and uncertainty. Therefore, there is a possibility that changes in circumstances will impact these projections, which may impact the recoverable amount of assets and/or CGUs.

Pension and other post-employment benefits

Accounting for defined benefit pensions involves making significant estimates when measuring the Group's pension plan surpluses and deficits. These estimates require assumptions to be made about many uncertainties. Pensions and other post-retirement benefit assumptions are reviewed by management at the end of each year. These assumptions are used to determine the projected benefit obligation at the year end and hence the surpluses and deficits recorded in the Group's consolidated statement of financial position, and pension and other post-retirement benefit expense for the following year.

The present value of defined benefit pension plans is determined using actuarial valuations. The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate, future salary increases, mortality rates and future pension increases. Any changes in these assumptions will impact the carrying amount of pension obligations. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. The assumptions used vary from year to year, with resultant effects on future net income and net assets. Changes to some of these assumptions, in particular the discount rate and inflation rate, could result in reasonable changes to the carrying amounts of the Group's pension and other post-retirement benefit obligations within the next financial year. Any differences between these assumptions and the actual outcome will also affect future net income and net assets.

The values ascribed to these assumptions and a sensitivity analysis of the impact of changes in the assumptions on the benefit expense and obligation used are provided in Note 22.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information

The accounting policies set out below, which comply with IFRS, have been applied consistently to all periods presented in these consolidated financial statements, unless stated otherwise. These describe the Group's significant accounting policies adopted in the preparation of these consolidated financial statements, which are relevant for an understanding of the consolidated financial statements.

Revenue from contracts with customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The 5-step approach for revenue recognition is as follows:

- Step 1: Identify contracts with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

In addition to revenue, the standard also applies to:

- the cost to fulfil the contract; and
- the incremental costs of obtaining a contract.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in all of its revenue arrangements since it controls the goods or services before transferring them to the customer

Revenue from sale of crude oil, condensate and NAG

The crude oil produced by the upstream operations is sold to external customers. Revenue from the sale of crude oil is recognised at the point in time when control of the product is transferred to the customer, which is generally when the product is physically transferred into a vessel, pipe or other delivery mechanism and the customer accepts the product and takes physical possession. For export sales of crude oil and condensate, the control passes to the customer when the crude oil or condensate passes the flange connection between the delivery hose and the customer's receiving vessel's permanent manifold connection. For domestic sales of crude oil and condensate, the control passes on to the customer once the oil is transported through the Main Oil Line ("MOL") from the the Group's tank farm connect to the customer's tank farm, i.e., at the Mina Al Fahal ("MAF") connect point. For NAG sales, the control of the natural gas transfers to the customer at the gas delivery point i.e., the inlet flange of the customer's plant. Consequently, the Group's performance obligations are considered to relate only to the sale of crude oil, condensate and NAG.

Under the terms of the relevant concession arrangements, the Group is entitled to its participating share in the crude oil based on its participating interest. Revenue from contracts with customers is recognised based on the actual volumes sold to customers. No adjustments are made to revenue for any differences between volumes sold to customers and unsold volumes which the Group is entitled to sell based on its participating interest. Revenue in respect of such volumes is only recognised when there is a transfer of output to the Group's customers.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Revenue from contracts with customers (continued)

***Revenue from sale of crude oil, condensate and NAG* (continued)**

Further, as regards to the pricing mechanism, the Group's sales of crude oil and condensate are priced based on market prices. The crude oil price is determined based on the daily market prices of the Oman Export Blend Crude Oil Future Contract, which is fixed and agreed at the time of delivery of crude oil and condensate. The Group also charges a premium for additional barrels nominated by the customers over and above the designated limit of oil barrels. The transaction price does not vary significantly under the terms of the contract. At the time of delivery, there is only a minimal risk of a change in the transaction price to be allocated to the crude oil volume sold. Accordingly, at the point of sale there is not a significant risk of revenue reversal relative to the cumulative revenue recognised, and there is no need to constrain any variable consideration under IFRS 15. The NAG price is determined based the Natural Gas Sales agreement between the Group and MoEM with effect from 6 May 2021.

The transportation and shipping cost associated with the transfer of the product to the point of sale is recognised as a selling cost. Revenue resulting from arrangements that are not considered contracts with customers is presented as other operating income.

Significant financing component

Using the practical expedient in IFRS 15, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. The Group does not receive any long terms advances from customers in relation to its revenue arrangements.

Other operating revenue

Other operating revenue relates to the Group's share of compensation for the lower grade of crude oil and condensate produced by one of the oil fields that is blended and commingled with the Oman Crude Oil Blend in accordance with the Oman Blend Revenue Distribution Agreement ("OBRDA"). As per OBRDA a compensation is paid by the Operator of Mukhaizna Block to other oil producers in the Sultanate. The calculation is performed by a third party and the compensation is split based on the production volumes of each respective oil producer. These are recognised on a monthly basis when the calculation of the compensation is ascertained and agreed with the parties.

Finance income

For all financial instruments measured at amortised cost, interest income is calculated using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included as finance income in the consolidated statement of profit or loss and other comprehensive income.

Supply of crude oil barrels to the Government

The Government raised a loan of US$ 4 billion in the form of a Pre-Export Facility (PXF) through Yibal Export B.V. The facility was structured as a pre-export financing ("PXF"). The Group shall transfer to the Government such barrels of crude oil as may be required and notified by the Government to perform its obligations under a Forward Sale Arrangement ('FSA Barrels') to satisfy the requirements under the PXF. These FSA barrels are transferred at free of charge and on a 'first priority basis', that is, from the first barrels of crude oil to reach the Petroleum Delivery Point in that month. The Government has the ownership rights of these FSA Barrels and is entitled to dispose of these barrels. The Group's obligations to transfer these FSA Barrels to the Government shall at all times take priority over other obligations. On 21 October 2022, Government's obligation under the PXF arrangement was settled in full. Further, the Group and the Government has agreed that from 21 October 2022, the Group is entitled to the FSA barrels and the settlement of the receivables (sale proceeds) and payables (royalty and taxes) on these FSA barrels would be done on net basis for the year ended on 31 December 2022. Since, the FSA barrels (21 October 2022 to 31 December 2022) were transferred to the Government and there is no other performance obligation pending for the Group to perform, the Group has recognised revenue on the FSA barrels. The Group and the Government has also agreed to consider

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Supply of crude oil barrels to the Government (continued)

the stand alone selling price (monthly official selling price) as the transaction price for the FSA barrels. (Note 19)

Joint arrangements

Under IFRS 11, Joint Arrangements, an arrangement in which two or more parties have joint control is a joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligation for the liabilities, relating to the arrangement.

Where the Group acts as a joint operator, the Group recognises its interest in relation to a joint operation. Joint operations arise where the investors have rights to the assets and obligations for the liabilities of a joint arrangement. In relation to its interests in joint operations, the Group recognises its:

- Assets, including its share of any assets held jointly;
- Liabilities, including its share of any liabilities incurred jointly;
- Revenue from the sale of its share of the output arising from the joint operation; and
- Expenses, including its share of any expenses incurred jointly.

PDO is classified as a joint operation by the Group, where the Group holds 60% participating interest in the joint operation.

Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Basis of consolidation (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

The Group's consolidated financial statements include entities listed in note 1.1.

Property, plant and equipment (Oil and gas properties – production wells and facilities)

Initial recognition

Production wells and facilities are stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost (if the asset was previously classified as assets in development), and any costs directly attributable to bringing the asset into operation. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

In certain cases, expenditure is transferred from 'exploration and evaluation assets' to 'production wells and facilities' once the work completed to date supports the future development of the asset and such development receives appropriate approvals. After transfer of the exploration and evaluation assets, all subsequent expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of development wells, is capitalised within 'production wells and facilities'. Expenditure incurred on exploration, seismic and other geological and geophysical costs are capitalised as part of 'production wells and facilities' as these are incurred on various clusters that are part of producing assets. Costs incurred on exploration and drilling of unsuccessful development or delineation wells are written off.

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Group, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset and is immediately written off. All other day-to-day repairs and maintenance costs are expensed as incurred.

Depreciation, depletion and amortisation

Production wells and facilities are in principle depreciated/amortised over the proved developed reserves of the field concerned, other than assets whose useful lives differ from the lifetime of the field which are depreciated applying the straight-line method. The unit-of-production rate calculation for the depreciation/amortisation of field development costs takes into account expenditures incurred to date. Estimates of oil and natural gas reserves determined in accordance with US Securities and Exchange Commission (SEC) guidelines, including the application of oil prices using 12-month historical price data in assessing the commerciality of technical volumes and management's estimate of the fixed gas prices, are typically used to calculate depreciation, depletion and amortisation charges for the Group's

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Property, plant and equipment (Oil and gas properties – production wells and facilities) (continued)

Depreciation, depletion and amortisation (continued)

oil and gas properties. Therefore, where this approach is adopted, charges are not dependent on management forecasts of future oil prices.

Other assets which are part of production wells and facilities are generally depreciated on a straight-line basis over their estimated useful lives, which is generally 20 years.

Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised. The asset's residual values, useful lives and methods of depreciation/amortisation are reviewed at each reporting period and adjusted prospectively, if appropriate.

Property, plant and equipment (Exploration and evaluation assets)

Exploration, evaluation and development costs that relate to the acquisition and installation of production facilities, development drilling costs and applicable exploration costs that are expected to generate probable future economic benefits are capitalised. These costs are initially classified as 'exploration and evaluation assets' pending determination of successful exploration using the successful efforts method. Under the successful efforts method, exploration costs associated with exploratory wells are initially capitalised until the drilling of the well is complete and the results have been evaluated. If potential commercial quantities of hydrocarbons are found, these costs continue to be capitalised subject to further appraisal activities that would determine the commercial viability and technical feasibility of the reserves. If potentially commercial quantities of hydrocarbons have not been found, and no alternative use of the well is determined, the previously capitalised costs are written off.

Exploratory wells remain capitalised while additional appraisal drilling on the potential oil and/or gas field is performed or while optimum development plans are established. All such capitalised costs are not subject to amortisation, but are subject to technical, commercial and management review, as well as review for indicators of impairment at least once a year. This is to confirm the continued intent to develop or otherwise extract value from the discovery. When proved reserves of hydrocarbons are determined and there is a firm plan for development approved by management, the relevant capitalised costs are transferred to production wells and facilities.

The determination of whether potentially economic oil and natural gas reserves have been discovered by an exploration well is usually made within one year of well completion, but can take longer, depending on the complexity of the geological structure. Exploration wells that discover potentially economic quantities of oil and natural gas and are in areas where major capital expenditure (e.g., a platform or a pipeline) would be required before production could begin, and where the economic viability of that major capital expenditure depends on the successful completion of further exploration or appraisal work in the area, remain capitalised as long as such work is under way or firmly planned.

All other research and development expenditure are recognised in the consolidated statement of profit or loss and other comprehensive income as incurred. The expenditure incurred on drilling development wells is capitalised and written off when found to be dry.

Property, plant and equipment (Main oil / gas line, line fill and other facilities)

The main oil and gas pipelines are stated at cost less any depreciation or impairment in value. Minimum quantities of crude oil, condensate and NAG ('line fill'), which is necessary to bring a pipeline into working order, is treated as a part of the related pipelines and is classified as a part of property, plant and equipment. This is on the basis that it is not held for sale or consumed in a production process but is necessary to the operation of a facility during more than one operating cycle.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Property, plant and equipment (Capital work-in-progress)

Capital work-in-progress is not depreciated. Capital work-in-progress is recorded at cost, less impairment. Allocated costs along with borrowing costs directly attributable to the construction of the asset are capitalised. Other capital work-in-progress is recorded at cost which represents the purchase price or cost of service required to complete an asset. The capital work-in-progress is transferred to the appropriate asset category and depreciated in accordance with the Group's policies when construction of the asset is completed and commissioned.

Property, plant and equipment (Abandonment assets)

Abandonment and restoration costs associated with provisions for asset retirement are capitalised and depreciated as per classified asset categories (either unit-of-production method or based on the useful life of the asset). The Group records a provision and a corresponding asset for abandonment/decommissioning activities in upstream operations for well plugging, site restorations and other abandonment activities. The abandonment asset and the related obligation for a well is recognised when it is drilled. For other assets, these are recognised in the period when sufficient information becomes available to estimate a range of potential settlement dates.

Property, plant and equipment (all other assets)

Other property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Concession and preliminary expenses	Over the period of concession
Buildings, repair shop, airport and instrumentation	20 to 33 years
Movables, vehicles, software, computing and communication	5 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated financial statements during the financial period in which they are incurred. An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the fair value less costs to sell and the carrying amount of the asset) is included in the consolidated financial statements in the year the asset is derecognised.

The carrying values are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, being the higher of their fair value less costs to sell and their value in use.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the consolidated financial statements as the expense is incurred.

The assets' residual values, useful lives and methods of depreciation are reviewed, and adjusted prospectively, if appropriate at each reporting date.

Inventories

Crude oil

Crude oil inventory is stated at the lower of cost and net realisable value. Cost is determined by the first-in-first-out method. The cost of crude oil includes the purchase cost, the cost of refining, including the proportion of depreciation, depletion and amortisation, and overheads based on normal operating capacity. Net realisable value is determined by reference to sales prices existing at the reporting date, adjusted where the sale of inventories after the reporting period gives evidence about their net realisable value at the end of the period. Crude oil inventories include the Group's stock entitlement, with adjustment for over lift / under lift stock.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy infomation (continued)

Inventories (continued)

Consignment stock

NAG owned by the Group that is stored in pipelines owned by a related party is classified as inventory, under consignment stock. Since, these pipelines are not owned by the Group, the related line fill inventories used to operate the pipelines are not classified as part of property, plant and equipment. The Group recognise these line fill inventories as consignment stock, as they are possessed by a related party. Consignment stock is stated at cost of production.

Other inventories

Material stock, project bulk material stock and well advance stock are materials and supplies to be consumed in the production process and are valued at cost on a weighted average basis. Inventories are valued at cost less provision for obsolete, slow-moving and defective items. Cost is determined on the weighted average cost basis and includes expenditure incurred in acquiring inventories and bringing them to their existing location and condition.

Leases

The Group as a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. If the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the contract is considered as a lease. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Production wells and facilities	
- Crude oil production facilities	10 to 25 years
- Rigs and hoists	2 to 25 years
- Well service units	2 to 12 years
Movables, vehicles, software, computing and communication	
- Logistics and other equipment	7 to 17 years
- Vehicles	2 to 15 years
- Corporate equipment	2 to 4 years

If ownership of the leased asset transfers to the the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section impairment of non-financial assets.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in- substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses unless they are incurred to produce inventories in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

iii) Use of hindsight

The Group applies the use of hindsight practical expedients to leases where the Group has determined the lease term as the lease contract contains an option to extend or terminate the lease. Based on this the Group has determined different lease terms for different leases based on the contract option.

iv) Short term leases and low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of certain assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain an extension or purchase option). It also applies the low-value assets recognition exemption to leases of certain office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell (FVLCS) and its value-in-use (VIU) and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded entities or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group’s cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a five-year period.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Impairment of non-financial assets (continued)

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or cash-generating unit's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss and other comprehensive income.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables and due from related parties that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows.

The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that The Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Financial instruments (continued)

i) Financial assets (continued)

Subsequent measurement (continued)

Financial assets at amortised cost (continued)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes bank balances and cash, trade and other receivables, due from related parties, housing loan receivables and other non-current assets.

The Group does not have any financial assets at fair value through OCI or financial assets carried at fair value through profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages for due from related parties, other receivables and other financial assets. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs as these financial assets do not contain a significant financing component and usually have a maturity of one year or less. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on ECLs at each reporting date.

The Group has established default rates that is based on its historical credit loss experience and the probability of default associated with the Oman Government, adjusted for forward-looking factors specific to the customers and the economic environment, and taking into account any coverage by letters of credit. The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, The Group may also consider a financial asset to be in default when internal or external information indicates that The Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass- through’ arrangement; and either (a) The Group has transferred substantially all the risks and rewards of the asset, or (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Financial instruments (continued)

i) Financial assets (continued)

Derecognition of financial assets (continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include borrowings, trade and other payables, lease liabilities, due to related parties and other liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation

process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit or loss and other comprehensive income.

This category generally applies to borrowings, trade and other payables, lease liabilities, due to related parties and other liabilities.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss and other comprehensive income.

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on a current/non-current classification. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Current versus non-current classification (continued)

A liability is classified as current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount reported in the consolidated statement of financial position if, and only if:

- There is a currently enforceable legal right to offset the recognised amounts and
- There is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and bank

Cash and bank balances in the consolidated statement of financial position comprise cash at banks and cash in hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consists of cash in hand and cash at bank, as defined above, as they are considered an integral part of the Group's cash management.

Borrowing costs

Borrowing costs include interest and direct costs such as underwriting, stamp duty, legal and other related costs in connection with borrowings. Costs other than interest are deferred when incurred and amortised over the contractual term of the debt. Interest costs are computed using the effective interest rate method in accordance with IFRS 9. Borrowing costs incurred for the purpose of acquiring, constructing or producing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete or suspended if the development of the asset is suspended.

Borrowing costs which are directly attributable to the construction of qualifying assets, which are assets that necessarily take a substantial period of time to prepare for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Fair value measurements (continued)

There are no assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements. The fair values of financial assets and financial liabilities are not significantly different from their carrying values largely due to the short-term nature of these instruments.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated statement of profit or loss and other comprehensive income, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Abandonment provision (Decommissioning costs)

Liabilities for decommissioning costs are recognised when the Group has an obligation to plug and abandon a well, dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. Where an obligation exists for a new facility or item of plant, such as oil and natural gas production or transportation facilities, this liability will be recognised on construction or installation. Similarly, where an obligation exists for a well, this liability is recognised when it is drilled. An obligation for abandonment may also crystallise during the period of operation of a well, facility or item of plant through a change in legislation or through a decision to terminate operations; an obligation may also arise in cases where an asset has been sold but the subsequent owner is no longer able to fulfil its abandonment obligations. The provision for the costs of decommissioning wells, production facilities and pipelines at the end of their economic lives is estimated using existing technology, at future prices, depending on the expected timing of the activity, and discounted using the nominal discount rate. Abandonment obligations are provided for at the present value of expected costs to settle the obligation using estimated cash flows. The value of the obligation is added to the carrying amount of the related asset and amortised over the useful life of the asset.

Changes in the estimated timing, cash flows or cost of decommissioning are dealt with prospectively by recording an adjustment to the provision and a corresponding adjustment to abandonment assets. Any reduction in the decommissioning liability and, therefore, any deduction from the asset to which it relates, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to the consolidated statement of profit or loss and other comprehensive income. If the change in estimate results in an increase in the abandonment provision and, therefore, an addition to the carrying value of the asset, the Group considers whether this is an indication of impairment of the asset as a whole, and if so, tests for impairment. If, for mature fields, the estimate for the revised value of oil and gas assets net of abandonment provisions exceed the recoverable value, that portion of the increase is charged directly to expense.

The discounted liability is increased for the change in present value based on the discount rate that reflects current market assessments and the risks specific to the liability. The periodic unwinding of the discount is recognised in the consolidated statement of profit or loss as a finance cost. Other than the unwinding of discount on or utilisation of the provision, any change in the present value of the estimated expenditure is reflected as an adjustment to the provision and the corresponding asset where that asset is generating or is expected to generate future economic benefits.

Environmental expenditures and liabilities

Expenditures that relate to an existing condition caused by past operations and do not contribute to current or future earnings are expensed. Liabilities for environmental costs are recognised when a clean-up is probable, and the associated costs can be reliably estimated. Generally, the timing of recognition of these provisions coincides with the commitment to a formal plan of action or, if earlier, on divestment or on closure of inactive sites. The amount recognised is the best estimate of the

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Abandonment provision (Decommissioning costs) (continued)

Environmental expenditures and liabilities (continued)

expenditure required to settle the obligation. Provisions for environmental liabilities have been estimated using existing technology, at future prices and discounted using a nominal discount rate.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Omani staff pension scheme

PDO operates a defined benefit pension scheme ("the Scheme") for its Omani staff engaged in the oil and gas operations, which requires contributions to be made to a separately administered unregistered fund which is governed by rules set out by PDO.

All Omani employees employed on a full-time basis are eligible to be a Member of the Scheme from the date of joining PDO if he or she is able to complete 15 actual years of service effective from 1 January 2014 with PDO before they reach the age of 60 years for male and 55 years for female (with an option to work until the age of 60 years). PDO contributes into the Scheme each month as determined by the Pensions Committee acting on Actuarial Advice and classifies the Scheme as a Plan Asset under IAS 19 Employee Benefits. The cost of providing benefit under the plan is determined by using the projected unit credit method with actuarial valuation being carried out at the end of each annual reporting period.

Re-measurement, comprising actuarial gain and losses, and the return of plan assets (excluding interest), is reflected immediately in the balance sheet with a charge/credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive cost is reflected immediately in retained earnings and will not be reclassified to the consolidated statement of other comprehensive income. Past service cost is recognised in the consolidated statement of profit or loss in the period of the plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability/asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service costs as well as gains and losses on curtailment and settlements)
- Net interest expense/income
- Re-measurement

The Group presents the first two components of the defined benefit costs in the consolidated statement of profit or loss and third component in other comprehensive income. The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the defined benefit plan. Further details are contained in Note 22.

Non-Omani staff pension liabilities

Non-Omani terminal benefits are accounted for on an accrual's basis. End-of-service benefits for seconded expatriate staff is based upon the liability accrued in accordance with the defined contributions of the irrespective pension schemes. End-of-service benefits for other expatriate staff are accrued in accordance with the provisions of the Oman Labour Law, 2003 (as amended). Further details are contained in Note 23.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Foreign currencies

The Group's consolidated financial statements are presented in United States Dollars, which is also the parent company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of profit or loss and other comprehensive income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

Distribution of assets

Any transfer of non-financial assets, including inventories, under common control, without consideration is considered to be an equity transaction either in specie distribution or contribution. The Group which gives away the non-financial asset reflects the transaction as a distribution in specie to the Government and accounts for the transfer by derecognising the distributed asset at its carrying value against the equity.

Tax

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The charge for current tax is calculated based on the income reported by the Group, as adjusted for items that are non-taxable or disallowed elements, and other allowable expenses. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the jurisdiction where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:
- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Tax (continued)

Deferred tax (continued)

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Royalties

In accordance with the Fiscal Protocol, the Group shall pay royalties to the Government based in the Group's weekly revenue from the sale of its participating interest share of crude oil and condensate. The Group pays royalties to the Government based on sliding scale royalty rate on the weekly revenue from the sale of crude oil and condensate calculated by applying the Oman export blend crude oil price (MOG Prices) for the nominated month of lifting times the number of barrels of crude oil and condensate lifted by the Group at the petroleum delivery point in such month after deduction of the Government's share of FSA Barrels. The royalties payable by the Group meet the criteria to be treated as an expense, and accordingly, recognised in the consolidated statement of profit or loss.

Cash dividend

EDO recognises a liability to pay a dividend when the distribution is authorised, and the distribution is no longer at the discretion of EDO. A distribution is authorised when it is approved by the shareholder of EDO. A corresponding amount is recognised directly in equity. Dividends for the year that is approved after the reporting date is dealt with as an event after the reporting date.

However, in the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance (rather than a dividend payment).

Changes in significant accounting policies

New and amended standards and interpretations

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

3. Material accounting policy information (continued)

Changes in significant accounting policies (continued)

New and amended standards and interpretations (continued)

Deferred tax related to assets and liabilities arising from a single transaction (continued)

to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented. These amendments had no impact on the consolidated financial statements of the Group.

Global minimum top-up tax

The Group has adopted International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12) upon their release on 23 May 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure. These amendments had no impact on the consolidated financial statements of the Group.

Material accounting policy information

The Group also adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements. These amendments had no impact on the consolidated financial statements of the Group.

IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)

- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The new standard had no impact on the Group's consolidated financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

4. Revenue

2023	*Crude oil US$'000*	*NAG & condensate US$'000*	*Total US$'000*
External customers - Crude oil	**11,612,126**	**-**	**11,612,126**
External customers - NAG	**-**	**1,934,498**	**1,934,498**
External customers - Condensate	**-**	**2,876,290**	**2,876,290**
Total revenue from contracts with customers	**11,612,126**	**4,810,788**	**16,422,914**
2022			
External customers - Crude oil	11,711,655	-	11,711,655
External customers - NAG	-	2,055,460	2,055,460
External customers - Condensate	-	3,514,409	3,514,409
Total revenue from contracts with customers	11,711,655	5,569,869	17,281,524

In terms of the timing of revenue recognition, revenue is recognised at a point in time, when the control of goods is transferred to the customer. The Group does not render any other services. There are no financing components with respect to the contracts with customers.

Contract balances

Refer note 16 for trade receivables

Contract liabilities represent advances received to deliver goods and are short-term in nature. These advances do not have any financing component and are customary in nature. The duration between the transfer of a promised goods or services to a customer and the payment for that goods or services will be less than a year. Therefore, it is not considered as variable consideration and did not have any impact on the transaction price.

There were no contract liabilities at the beginning of the year and at the beginning of the earliest period presented, as a result no revenue was recognised during 2023 and 2022 from the contract liabilities.

Information about the Group's performance obligation is summarised in Note 3 "Material accounting policy information" under '*Revenue from contracts with customers'*.

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

5. Other income and expenses

5.a Other operating income

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
OBRDA compensation (Note 3, 'Other operating revenue')	**50,493**	76,429
Changes in abandoment estimates (Note 21)	**111,215**	92,627
Gains on disposals of property, plant and equipment	**3,235**	20,970
Foreign exchange gain	**3,786**	2,475
Tender fee	**1,773**	955
Land fee	**5,670**	-
	176,172	193,456

5.b Other expenses

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Manpower Overheads	**(8,584)**	(4,259)
General Administration expenses	**(3,774)**	(1,440)
Consulting and Advisory	**(16,304)**	(7,016)
IT - Tools and Services	**(1,268)**	(409)
Bank charges	**(174)**	(4)
Reversal (Additions) to ECL provisions (Note 16 and Note 19)	**582**	(5,969)
Miscellaneous expense	**(826)**	(835)
	(30,348)	(19,932)

Other expenses include fees relating to external auditor amounting to US$ 1,136 ('000) (2022: 848 ('000)). Out of this, audit fees for the year amounts to US$ 806 ('000) (2022: 848 ('000)) and the balance relates to non-audit services.

5.c. Finance costs

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Unwinding cost on abandonment provision (Note 21)	**(168,705)**	(173,635)
Interest expense on lease liabilities (Note 20)	**(28,525)**	(24,804)
Bank interest	**(237,859)**	(125,050)
Shareholder's loan interest (Note 19)	**(155,576)**	(73,116)
Sukuk bond	**(15,939)**	-
	(606,604)	(396,605)

5.d. Finance income

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Interest income	**7,559**	2,385
	7,559	2,385

Notes to the consolidated financial statements of the Energy Development Oman SAOC (continued)

6. Depreciation, depletion, and amortisation

	31-Dec-23 **US$'000**	*31-Dec-22* US$'000
Depreciation on property, plant and equipment (Note 10a)	**(3,768,420)**	(3,498,355)
Depreciation on right-of-use assets (Note 10b)	**(72,370)**	(68,667)
	(3,840,790)	(3,567,022)

7. Production expenses

	31-Dec-23 **US$'000**	*31-Dec-22* US$'000
Well production expenses	**(293,273)**	(280,001)
Change in inventory (crude oil inventory and consignment stock)	**44,267**	(138,316)
Throughput and other income	**105,054**	103,718
Surface operations and maintenance expenses	**(540,627)**	(556,316)
Other production expenses	**(431,332)**	(541,796)
	(1,115,911)	(1,412,711)

The production expenses include staff costs of US$ 452,337 ('000) and US$ 429,851 ('000) for the years ended 31 December 2023 and 2022, respectively (Note 9).

8. Royalty expenses (Note 19)

	31-Dec-23 **US$'000**	*31-Dec-22* US$'000
Royalty expense on crude oil	**(5,231,426)**	(5,679,359)
Royalty expense on condensate	**(1,294,025)**	(1,717,847)
	(6,525,451)	(7,397,206)

9. Staff cost

	31-Dec-23 **US$'000**	*31-Dec-22* US$'000
Basic salaries and allowances	**(510,375)**	(494,968)
Retirement benefit costs	**(3,508)**	(4,300)
Staff pension scheme	**(167,477)**	(157,955)
Other associated costs	**(73,577)**	(64,428)
	(754,937)	(721,651)

During the years ended 31 December 2023 and 2022, staff costs of US$ 302,600 ('000) and US$ 291,800 ('000) respectively, were capitalised in "Production wells & production facilities" and "Work in progress".

Staff costs of US$ 452,337 ('000) and US$ 429,851 ('000) for the years ended 31 December 2023 and 2022, respectively, are included within production expenses (Note 7) .

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

10.a Property, plant, and equipment

	Production wells & production facilities US$'000	*Concession & preliminary expenses US$'000*	*Building, repair shop, air port and instrumentation US$'000*	*Movables, vehicle, software, computing & communication US$'000*	*Main Oil/Gas Line & other facilities US$'000*	*Exploration and evaluation assets US$'000*	*Work in progress US$'000*	*Abandonment assets US$'000*	*Total US$'000*
Cost									
At 1 January 2023	56,829,764	4,620	1,717,683	935,176	726,344	47,803	2,031,765	1,507,478	63,800,633
Additions	1,384,241	-	43,031	50,934	9,611	222,828	2,108,173	271,652	4,090,470
Change in estimates	-	-	-	-	-	-	-	423,776	423,776
Transfer within assets classes/ to other assets	2,360,941	-	15,217	21,667	1,228	(209,322)	(2,189,731)	-	-
Assets written-off and/ or disposed	(102,977)	-	-	(2,473)	-	(25,359)	(81)	(83,372)	(214,262)
At 31 December 2023	60,471,969	4,620	1,775,931	1,005,304	737,183	35,950	1,950,126	2,119,534	68,100,617
Depreciation									
At 1 January 2023	(38,020,245)	(4,620)	(838,928)	(769,633)	(449,491)	-	(846)	(818,212)	(40,901,975)
Charge for the year	(3,476,742)	-	(61,492)	(46,566)	(16,246)	-	-	(167,374)	(3,768,420)
Transfer within assets classes/ to other assets	(593)	-	-	-	-	-	593	-	-
Assets written-off and/ or disposed	62,362	-	-	2,473	-	-	-	-	64,835
At 31 December 2023	(41,435,218)	(4,620)	(900,420)	(813,726)	(465,737)	-	(253)	(985,586)	(44,605,560)
Net book value at 31 December 2023	19,036,751	-	875,511	191,578	271,446	35,950	1,949,873	1,133,948	23,495,057

1. The net book value of assets written-off and/ or disposed (excluding abandonment assets) for the year ended 31 December 2023 amounting to 66,055 ('000) and the sale consideration received against the disposal of asset is US$ 69,290 ('000). Therefore the gain/loss on disposals of property, plant and equipment amounting to US$ 3,235 ('000) is charged to 'other operating income' in the consolidated statement of profit or loss and other comprehensive income.
2. Work-in-progress also includes depreciation expenses relating to right-of-use assets that were capitalised amounting to US$ 140,715 ('000). (Note 10b). This is considered as a non-cash transaction and therefore, excluded from the consolidated state of cash flows.
3. Interest expense on lease liabilities capitalised as part of property, plant, and equipment amounting to US$ 24,308 ('000). This is considered as a non-cash transaction and therefore, excluded from the consolidated state of cash flows (Note 20).

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

10.a Property, plant, and equipment (continued)

	Production wells & production facilities US$'000	*Concession & preliminary expenses US$'000*	*Building, repair shop, air port and instrumentation US$'000*	*Movables, vehicle, software, computing & communication US$'000*	*Main Oil Line & other facilities US$'000*	*Exploration and evaluation assets US$'000*	*Work in progress US$'000*	*Abandonment Assets US$'000*	*Total US$'000*
Cost									
At 1 January 2022	52,390,271	4,620	1,615,030	807,801	658,893	4,258	3,425,822	1,889,924	60,796,619
Additions	761,482	-	34,225	44,088	8,804	183,629	2,423,186	129,048	3,584,462
Change in estimates								(443,498)	(443,498)
Transfer within assets classes/ to other assets	3,732,582	-	68,656	87,605	58,869	(130,468)	(3,817,244)	-	-
Assets written-off and/ or disposed	(54,570)	-	(228)	(4,318)	(222)	(9,616)	-	(67,996)	(136,950)
At 31 December 2022	56,829,765	4,620	1,717,683	935,176	726,344	47,803	2,031,764	1,507,478	63,800,633
Depreciation									
At 1 January 2022	(34,772,798)	(4,620)	(778,823)	(728,391)	(433,762)	-	(846)	(718,859)	(37,438,099)
Charge for the year	(3,277,316)	-	(60,177)	(45,558)	(15,951)	-	-	(99,353)	(3,498,355)
Assets written-off and/ or disposed	29,869	-	72	4,316	222	-	-	-	34,479
31 December, 2022	(38,020,245)	(4,620)	(838,928)	(769,633)	(449,491)	-	(846)	(818,212)	(40,901,975)
Net book value at 31 December 2022	18,809,520	-	878,755	165,543	276,853	47,803	2,030,918	689,266	22,898,658

1. The net book value of assets written-off and/ or disposed (excluding abandonment assets) for the year ended 31 December 2022 amounting to 34,475 ('000) and the sale consideration received against the disposal of asset is US$ 55,445 ('000). Therefore the gain/loss on disposals of property, plant and equipment amounting to US$ 20,970 ('000) is charged to 'other operating income' in the consolidated statement of profit or loss and other comprehensive income.

2. Work-in-progress also includes depreciation expenses relating to right-of-use assets that were capitalised amounting to US$ 135,719 ('000). (Note 10b). This is considered as a non-cash transaction and therefore, excluded from the consolidated state of cash flows.

3. Interest expense on lease liabilities capitalised as part of property, plant, and equipment amounting to US$ 25,290 ('000). This is considered as a non-cash transaction and therefore, excluded from the consolidated state of cash flows (Note 20).

Notes to the consolidated financial statements of the Energy Development Oman SAOC
(continued)

10.b Right-of-use assets

	Production wells & production facilities *US$'000*	Movables, vehicle, software, computing & communication *US$'000*	Total *US$'000*
Cost			
At 1 January 2023	1,604,896	123,220	1,728,116
Modification adjustment [1]	17,986	16,932	34,918
Additions	210,535	-	210,535
Disposals	(132,728)	(26,940)	(159,668)
At 31 December 2023	1,700,689	113,212	1,813,901
Accumulated depreciation			
At 1 January 2023	(801,608)	(102,787)	(904,395)
Charge for the period	(194,782)	(18,304)	(213,086)
Disposals	62,490	18,943	81,433
At 31 December 2023	(933,900)	(102,148)	(1,036,048)
Net book value on 31 December 2023	766,789	11,064	777,853

Depreciation for the year was reported as follows:	
Depreciation expense charged to consolidated statement of profit or loss (Note 6)	72,370
Depreciation expense capitalised as part of property, plant and equipment (Note 10a)	140,716
	213,086

[1]Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets. This is considered as a non-cash transaction and therefore, excluded from the consolidated state of cash flows. The Group also had non-cash additions to right-of-use assets and lease liabilities of US$ 210,535 ('000) in 2023 (US$ 114,537 ('000) in 2022) (Note 20).

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

10.b Right-of-use assets (continued)

31 December 2022

	Production wells & production facilities US$'000	Movables, vehicle, software, computing & communication US$'000	Total US$'000
Cost			
At 1 January 2022	1,731,680	121,934	1,853,614
Modification adjustment [1]	(199,607)	1,374	(198,233)
Additions	114,537	-	114,537
Disposals	(41,714)	(88)	(41,802)
At 31 December 2022	1,604,896	123,220	1,728,116
Accumulated depreciation			
At 1 January 2022	(677,456)	(85,338)	(762,794)
Charge for the period	(184,085)	(20,301)	(204,386)
Disposals	59,933	2,852	62,785
At 31 December 2022	(801,608)	(102,787)	(904,395)
Net book value on 31 December 2022	803,288	20,433	823,721

Depreciation for the year was reported as follows:	
Depreciation expense charged to consolidated statement of profit or loss (Note 6)	68,667
Depreciation expense capitalised as part of property, plant and equipment (Note 10a)	135,719
	204,386

[1]Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets.

Notes to the consolidated financial statements of the Energy Development Oman SAOC
(continued)

11. Cash and bank balances

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Cash at bank	**706,236**	249,248
Cash in hand	**82**	155
	706,318	249,403

Cash at bank includes US$ 11,765 ('000) (2022: US$ 21,502 ('000)) balances relating to Block 10 & 11 under the Master Services Agreement between EDO and Shell Development Oman LLC (SDO) (Refer Note 24 b).

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Balances with:		
Energy Development Oman S.A.O.C.	**684,908**	216,006
Petroleum Development Oman LLC	**7,807**	10,293
EDO Gas Operations (managed by PDO LLC)	**13,603**	23,104
	706,318	249,403

For the Group, cash equivalents comprise of cash at bank (in current accounts). These balances earn some small amount of interest and can be withdrawn on demand. Considering the macroeconomic factors, the management has not assumed any probability of default relating to these financial assets.

The Group is required to maintain a separate cash balance as per Debt Service Reserve Account (DSRA) requirement. The Group has obligation to maintain next 3 month's of principal and interest obligations under DSRA requirement to serve its future payments. Currently the Group is maintaining balance as per DSRA requirement to cover liability associated with US$ 2,500,000 ('000) term loan, OMR 375,000 ('000) term loan and Sukuk trust certificates.

12. Issued capital and reserves

Authorised shares

	31-Dec-23 ***US$ 000***	*31-Dec-22* *US$ 000*
Ordinary shares of OMR 1 each	**1,300**	1,300
	1,300	1,300

Ordinary shares issued and fully paid

	31-Dec-23 ***US$ 000***	*31-Dec-22* *US$ 000*
Issued on 06 December 2020	**1,300**	1,300
	1,300	1,300

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

12. Issued capital and reserves (continued)

OCI items, net of tax:

The disaggregation of OCI in retained earnings is shown below:

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Re-measurement of pension fund obligation	**28,866**	(203,237)
Deferred tax related to items recognised in OCI during the year	**(15,876)**	111,780
	12,990	(91,457)

13. Housing loans

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Current assets	**1,866**	2,804
Non-current assets	**8,359**	9,357
	10,225	12,161

Housing loans comprise loans disbursed by PDO to Omani staff for the purchase or construction of accommodation under PDO's Housing Loan Scheme. The loans are secured by a mortgage over the title deeds of the accommodation purchased or constructed. The loans are non-interest bearing and have a term ranging from 18 to 20 years.

PDO's housing loan receivables balances were neither past due nor impaired as of the reporting date.

Expected credit loss for housing loans receivables

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1 January and 31 December	**690**	690

14. Disclosure segment information

The Group is a combination of the following three components:

- exploration and production of crude oil from Oil Operations,
- exploration and production of NAG and condensate from the Gas Operations, and
- the sales & marketing of the crude oil, NAG and condensate undertaken by the MoEM.

For the purpose of the consolidated financial statements, the operating segment is organised into business units based on the types of products and various activities in which the Group is engaged and thus has three reportable segments, as follows:

- Crude oil segment - includes all activities related to the crude oil exploration, production, sales and marketing. This segment is further split into export and domestic sales categories.
- NAG & Condensate segment - includes activities related to:
  - the non-associated gas reserves that are developed; and
  - the condensate exploration, production, sales and marketing, which is blended with crude oil and sold at the same price.
- Corporates & others – includes leading strategic initiative for new business streams, accelerate the development of the green hydrogen sector, raising external debt, etc.

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

14. Disclosure segment information (continued)

Adjustments and eliminations

Finance income, finance costs and capital expenditures are allocated to individual segments to which the expenditure is attributable to. Finance income relates to interest income accrued on bank balances. Finance cost relates to the interest component for the lease liabilities, abandonment provisions and loans and borrowings. Capital expenditure consists of additions to property, plant and equipment.

The Group's organisational structure reflects the various activities in which the Group is engaged. At 31 December 2023 and 31 December 2022, the Group had three reportable segments: crude oil, NAG & Condensate and corporate & others.

The following table represents the information on the segments noted above:

2023	Crude oil US$'000	NAG & condensate US$'000	Corporate and others US$'000	Adjustments & eliminations US$'000	Total US$'000
External customers -crude oil	11,612,126	-	-	-	11,612,126
External customers - NAG	-	1,934,498	-	-	1,934,498
External customers - Condensate	-	2,876,290	-	-	2,876,290
Total revenue	11,612,126	4,810,788	-	-	16,422,914
Depreciation on property, plant and equipment	2,518,537	1,249,883	-	-	3,768,420
Depreciation on right-of use assets	57,895	13,959	516	-	72,370
Other operating income - land fee	-	-	5,670	-	5,670
Interest income	(1,156)	-	(6,403)	-	(7,559)
Interest expense on lease liabiities	22,905	5,483	137	-	28,525
Interest expense on loans and borrowings	-	-	(409,374)	-	(409,374)
Profit before tax	2,915,310	1,995,274	(423,043)	-	4,487,541
Segment Assets	16,261,333	10,742,031	670,665	(2,440)	27,671,589
Segment Liabilities	6,072,020	2,778,141	7,774,777	(2,440)	16,622,498
Other disclosures					
Capital expenditure	2,721,155	1,097,663	-	-	3,818,818

Notes to the consolidated financial statements of the Energy Development Oman SAOC
(continued)

14. Disclosure segment information (continued)

2022	*Crude oil* *US$'000*	*NAG & condensate* *US$'000*	*Corporate and others* *US$'000*	*Adjustments & eliminations* *US$'000*	*Total* *US$'000*
External customers -crude oil	11,711,655	-	-	-	11,711,655
External customers - NAG	-	*2,055,460*	-	-	2,055,460
External customers -Condensate	-	*3,514,409*	-	-	3,514,409
Total revenue	11,711,655	5,569,869	-	-	17,281,524
Depreciation on property, plant and equipment	2,107,956	1,390,399	-	-	3,498,355
Depreciation on right-of use assets	51,456	16,778	433	-	68,667
Interest income	(47)	-	(2,338)	-	(2,385)
Interest expense on lease liabiities	17,627	7,052	125	-	24,804
Interest expense on loans and borrowings	-	-	198,166	-	198,166
Profit before tax	2,747,648	2,143,511	(207,270)	-	4,683,889
Segment Assets	15,733,132	10,825,014	604,161	(35,049)	27,127,258
Segment Liabilities	4,034,065	2,236,568	6,751,084	(35,049)	12,986,668
Other disclosures					
Capital expenditure	2,482,495	972,919	-	-	3,455,414

15. Inventories

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Material stock	**190,199**	178,690
Project bulk material stock (flowlines and hook-up)	**241,588**	185,221
Crude oil inventory	**79,499**	34,585
Consignment stock	**9,171**	9,818
Well advance stock	**8,264**	5,156
	528,721	413,470

The below table presents the movement in provision for material stock.

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
At 1 January	**29,435**	31,978
Additions to provisions (recognised in consolidated statement of profit or loss)	**7,807**	10,800
Write-offs	**(4,192)**	(13,343)
At 31 December	**33,050**	29,435

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

16. Receivables and prepayments

	31-Dec-23 *US$'000*	*31-Dec-22* *US$'000*
Trade receivables	**20,820**	17,764
Prepayments	**35,098**	44,454
Hardship loan to employees	**30,054**	25,866
VAT recoverable	**19,182**	32,129
Other receivables	**12,980**	19,857
	118,134	140,070
Less: expected credit losses	**15,822**	16,122
At 31 December	**102,312**	123,948
Less: non-current portion of receivables and prepayments	**16,549**	18,593
Current portion of receivables and prepayments	**85,763**	105,355

Trade receivables are non-interest bearing and are normally settled within 30-60-day terms.
Other receivables include US$ 72 ('000) (2022: US$ 8,049 ('000)) relating to Block 10 & 11 under the Master Services Agreement between EDO and Shell Development Oman LLC (SDO) (Refer Note 24 b).

Ageing of the trade receivables is as follows:

	31-Dec-23 *US$'000*	*31-Dec-22* *US$'000*
Less than 1 month	**8,905**	4,397
2 to 3 months	**5,412**	6,245
3 to 6 months	**1,307**	1,592
6 to 12 months	**1,936**	2,097
More than 1 year	**3,260**	3,433
	20,820	17,764

Expected credit loss for trade and other receivables

	31-Dec-23 *US$'000*	*31-Dec-22* *US$'000*
At 1 January	**16,122**	10,403
Charge for the Period	**-**	-
(Reversals)/additions to provisions	**(300)**	5,719
At 31 December	**15,822**	16,122

The Group applies a simplified approach to calculate ECLs. The Group considers the receivables in default when contractual payments are 90 days past due. The Group has established default rates that is based on its historical credit loss experience and the probability of default associated with Oman Government, adjusted for forward-looking factors specific to the customers.

Notes to the consolidated financial statements of the Energy Development Oman SAOC
(continued)

17. Payables and accruals

	31-Dec-23 *US$'000*	*31-Dec-22* *US$'000*
Trade payables		
Foreign:	**392,523**	332,584
Domestic:	**-**	1,759
	392,523	334,343
Accrued expenses	**660,043**	626,324
Deferred income	**1,575**	2,331
Other payables and provisions	**124,939**	231,999
Royalty payables	**714,755**	781,139
Interest payable on shareholder loan	**228,691**	-
National objective liability	**-**	6,997
	2,122,526	1,983,133

Trade payables and other payables are non-interest bearing and are normally settled within a 30–45 day term.

Other payables and provisions include US$ 32,501 (‘000) (2022: US$ 50,066 (‘000)) relating to Block 10 & 11 under the Master Services Agreement between EDO and Shell Development Oman LLC (SDO) (Refer Note 24).

For details of the Group’s liquidity risk management processes (Note 25).

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

18. Loans and borrowings

	31-Dec-23 *US$'000*	*31-Dec-22* *US$'000*
Outstanding loan		
USD 2.5 billion term loan	**2,414,474**	2,500,000
Less: net upfront charges on term loan	**(20,867)**	(25,368)
	2,393,607	2,474,632
OMR 375 million term loan	**975,292**	-
Less: net upfront charges on term loan	**(2,539)**	-
	972,753	-
Issuance of sukuk bonds	**1,000,000**	-
Less: net upfront charges on Sukuk bonds	**(5,985)**	-
	994,015	-
Shareholder's loan (Note 19)	**3,263,799**	3,418,563
	7,624,174	5,893,195
The maturity analysis of loans and borrowings are as follows:		
Current		
USD 2.5 billion term loan	**342,105**	85,526
Shareholder's loan (Note 19)	**1,282,000**	1,359,766
	1,624,105	1,445,292
Non-current		
USD 2.5 billion term loan	**2,051,502**	2,389,106
OMR 375 million term loan	**972,753**	-
Issuance of sukuk bonds	**994,015**	-
Shareholder's loan (Note 19)	**1,981,799**	2,058,797
	6,000,069	4,447,903
	7,624,174	5,893,195

Movement in shareholder loan presented below:

At 1 January	3,418,563	-
Interim dividend converted to shareholder's loan (refer note 19)	3,703,783	3,418,563
Repayments during the year	(3,858,547)	-
At 31 December	3,263,799	3,418,563

The USD 2.5 billion term loan is repayable in equal instalments of US$ 85,526 ('000) from twenty-seven months after the date of the facility agreement dated 11 August 2021. The instalments will be paid once every three months up to 81 months from the date of the facility agreement, aggregating nineteen instalments. This loan is repayable in full in 2028 with a final instalment of US$ 875,000 ('000). The rate of interest on each instalment is the aggregate of the margin (2.05% per annum) and applicable SOFR.

OMR 375 million term loan amounting to US$ 975,292 ('000) is raised during February 2023. Principal amount will be repaid after 42 months as a bullet payment. Interest is payable quarterly at 4.4% per annum.

On 26 June 2023, the Company established EDO Sukuk Limited, a special purpose vehicle incorporated in the Cayman Islands. EDO Sukuk Limited was established as a means to fund the Group by acting as issuer and trustee of the Sukuk trust certificates. Sukuk trust certificates amounting to US$ 1,000,000 ('000) were issued in September 2023. The Sukuk trust certificates are listed on the London Stock Exchange's International Securities Market and is payable after 10 years from the date of issuance. Profits are payable half yearly at 5.875% per annum.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

19. Related party transactions

The Group is ultimately held and controlled by the Government of the Sultanate of Oman. The Group operates in an economic environment dominated by entities directly or indirectly controlled by the Government of the Sultanate of Oman through its government authorities, agencies, affiliations, and other organisations, collectively referred to as government-related entities.

The Group has elected to take the exemption available under IAS 24 Related Party Disclosures, to disclose only the key transactions and outstanding balances, including commitments, with the Government of the Sultanate of Oman and any other entity that is considered to be a related party because the same government has control, joint control or significant influence over itself and the other entity.

The Group has transactions with other government-related entities, including but not limited to sales and purchases of goods, rendering and receiving services, and use of public utilities. These transactions are conducted in the ordinary course of the Group on terms comparable to those with other entities that are not government related.

The nature of the related party transaction with the Government entities that are considered to be significant transactions and that have significant balances outstanding as at the end of the reporting periods are detailed below:

Revenue

The Group's 100% NAG revenue is from Government entities amounting to US$ 1,934,498 ('000) for the year ended 31 December 2023 (31 December 2022: US$ 2,055,460 ('000)) with corresponding receivables of US$ 303,609 ('000) as at 31 December 2023 (31 December 2022: US$ 516,921 ('000)).

With respect to crude oil, 100% revenue is from Government amounting to US$ 11,612,126 ('000) during the year ended 31 December 2023 (31 December 2022: US$ 11,711,655 ('000)) with a corresponding receivable of US$ 931,681 ('000) as at 31 December 2023 (31 December 2022: US$ 1,290,714 ('000)).

With respect to condensate revenue, 100% revenue is from the Government amounting to US$ 2,876,290 ('000) during the year ended 31 December 2023 (31 December 2022: US$ 3,514,409 ('000)) with a corresponding receivable of US$ 422,610 ('000) as at 31 December 2023 (31 December 2022: US$ 425,054 ('000)).

Other operating income

Other operating income includes compensation received from a related Government entity for the lower grade of crude oil and condensate of US$ 50,493 ('000) during the year ended 31 December 2023 (31 December 2022: US$ 76,429 ('000)) with corresponding receivables of US$ 4,599 ('000) as at 31 December 2023 (31 December 2022: US$ 38,208 ('000)).

Royalty

The Royalty paid by the Group to the Government on its weekly revenue. For the year ended 31 December 2023 the Group has recognised royalty expense of US$ 6,525,451 ('000) (31 December 2022: US$ 7,397,206 ('000)) with a corresponding payable of US$ 714,755 ('000) as of 31 December 2023 (31 December 2022: US$ 781,139 ('000)).

Purchase cost

The purchase of residue reinjected by a related Government entity amounts to US$ 8,974 ('000) for the year ended 31 December 2023 (31 December 2022: US$ 2,017 ('000)) and the cumulative payables to to this related Government entity as of 31 December 2023 is US$ 31,368 ('000) (31 December 2022: US$ 30,528 ('000)).

Distribution of assets in specie

During the year ended on 31 December 2023, out of the total the Group's share of oil production, the Group transferred production volumes of 1,825 ('000) barrels (31 December 2022: 1,825 ('000)) to the Government (non-cash transaction). This arrangement amounting to US$ 45,453 ('000) (31 December 2022: 40,539 ('000)) for the year ended 31 December 2023 is considered as an equity transaction and accounted for as a distribution of asset in specie to the Government under retained earnings.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

19. Related party transactions (continued)

Supply of crude oil barrels to the Government

Production expenses and depreciation, depletion and amortisation include the cost of FSA barrels transferred to the Government for the year ended 31 December 2023 amounted to Nil and Nil respectively (31 December 2022: US$ 274,824 ('000) and US$ 438,327 ('000)). The total cost of FSA barrels amounted to Nil for year ended 31 December 2023 (31 December 2022: US$ 713,151 ('000)).

Distribution of interim dividends

During the year ended 31 December 2023, the Group has declared interim dividends amounting to US$ 3,703,783 ('000) (31 December 2022: US$ 5,308,158 ('000)) out of which it has paid Nil (31 December 2022: US$ 1,655,268 ('000)) to its shareholder.

The remaining dividend is settled in the following manner:

1. The Group has agreed with its shareholder to classify interim dividend payable amounting to US$ 3,703,783 ('000) as a "Shareholder's loan" to fund the Block 6 capital costs (non-cash transaction). The repayment of this loan will be based on terms specified in an agreement, along with an interest of 5% p.a. payable on the outstanding amount. During the year ended 31 December 2023 Interest expense on the shareholder loan amounted to US$ 155,576 ('000) (2022: 73,116 ("000").
2. In the meeting held on 26 February 2023, the EDO Board approved the treatment of 2023 residual cash paid to MOF as a repayment of the shareholder loan balance (rather than a dividend payment).
3. During the year ended 31 December 2023, the Group had no obligation under the Fiscal Protocol to transfer petroleum barrels under the Forward Sale Agreement. However, during the year ended 31 December 2022, out of the Group's obligation under the Fiscal Protocol to transfer petroleum barrels under the Forward Sale Agreement, the Group transferred an additional 10,613 ('000) barrels of crude oil to the Government. The sale proceeds towards these additional barrels of crude oil aggregated to US$ 1,012,075 ('000) and the related royalty and taxes aggregated to US$ 491,349 ('000) and US$ 286,399 ('000) respectively. The Group has agreed with it's shareholder to settle these balances (i.e. receivable from shareholder amounting to US$ 1,012,075 ('000) (sale proceeds) and payable to shareholder amounting to US$ 777,748 ('000) (royalty and taxes)) on a net basis. The Group further agreed with it's shareholder to settle the remaining balance of US$ 234,327 ('000) (sale proceeds net off royalty and taxes) against the interim dividend payable by the Group to it's shareholder.

Loan from the Omani Pension Fund

PDO has entered into a credit facility with the Omani Pension Fund, under which PDO has utilised the loan proceeds in the development of a project in Ras Al Hamra ("RAH"). The amount due to the Omani Pension Fund and related accrued interest amounts to 63,854 for the year ended 31 December 2023 (31 December 2022: US$ 63,855 ('000)). Interest is charged at 4.8% per annum on the loan. Principal repayment will start annually from FY 2024 and it will be fully repaid by 2043.

Transactions with Key managerial personnel ("KMP")

The Group had following transactions with key managerial personnel in 2023 and 2022.

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Salaries and other benefits	26,404	25,776
	26,404	25,776

The table below shows the amounts due to related parties and due from related parties as at 31 December 2023 and 31 December 2022.

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Due from related parties	**1,689,100**	2,302,550
Due to related parties	**172,976**	98,324

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

19. Related party transactions (continued)

Expected credit loss for related party receivables

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1 January	**1,612**	1,362
Amount provided during the year	**-**	250
Amounts reversed during the year	**(282)**	-
At 31 December	**1,330**	1,612

20. Lease liabilities

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Opening balance	**907,750**	1,163,719
Modification adjustments [1]	**34,919**	(169,896)
Additions [2]	**210,535**	114,537
Disposals	**(78,235)**	(7,352)
Accretion of interest	**52,833**	50,094
Payments	**(265,219)**	(243,352)
Total	**862,583**	907,750

1. Modifications to a lease agreement beyond the original terms and conditions are accounted for as a re-measurement of the lease liability with a corresponding adjustment to the right of use assets. This is a non-cash transaction.

2. The additions during the year amounting to US$ 210,535 (‘000) for 2023 and US$ 114,537 (‘000) for 2022 are non-cash transactions (Note 10b).

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Current	**225,167**	226,640
Non-current	**637,416**	681,110
	862,583	907,750

The following is the break up of interest expense on lease liability:

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Interest expense on lease liabilities (Note 5.c)	**28,525**	24,804
Interest expense on lease liabilities capitalised as part of property, plant, and equipment (Note 10a)	**24,308**	25,290
	52,833	50,094

Notes to the consolidated financial statements of the Energy Development Oman SAOC
(continued)

20. Lease liabilities (continued)

The Group has lease contracts that include extension and termination options. The Group may reconsider and re-evaluate whether it will exercise these extension or termination options. These options will be evaluated by management to provide flexibility in managing the leased-asset portfolio and align with the business needs. Extension and termination options that are subject to future reconsideration are not reflected as part of lease liabilities. Currently, there is no exposure to these potential additional payments in excess of the recognised lease liabilities until these decisions have been taken by the Group. Management exercises significant judgment in determining whether these extension and termination options are reasonably certain to be exercised (Note 2).

21. Abandonment provision

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Non-current		
At 1 January	**2,506,968**	2,808,406
Additions in provision due to asset acquisition	**271,652**	129,048
Reduction in provision due to disposals	**(83,372)**	(67,996)
Remeasurements and change in estimates	**312,561**	(536,125)
Unwinding of interest cost	**168,705**	173,635
At 31 December	**3,176,514**	2,506,968

The Group makes full provision for the future cost of the decommissioning of oil and gas wells and production facilities on a discounted basis on the installation of those wells and infrastructure. The abandonment provision represents the present value of the abandonment costs relating to oil and gas properties, which are expected to be incurred up to 2044 for oil and gas, when the producing oil and gas properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions are based on the current economic environment adjusted for suitable inflation, which management believes form 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. The movements in the abandonment provision are due to the change in inputs for the discounting factor, the estimated lifetime of clusters and the estimated cost of abandoned wells based on the average expected cost of the wells.

However, actual decommissioning costs will ultimately depend upon the 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 rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.

Abandonment cost recognised in the consolidated statement of profit or loss and other comprehensive income:

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Abandonment asset depreciation (Note 10a)	**167,374**	99,353
Impact of changes in estimate during the year	**(111,215)**	(92,627)
Unwinding of interest cost	**168,705**	173,635
	224,864	180,361

The abandonment provision has been estimated using existing technologies at current prices and discounted using a discount rate of 6.85% in 2023 and 7.26% in 2022.

The utilization of the provision in the next twelve months period is not expected to be significant and therefore, the entire abandonment provision is classified as non-current liabilities.

The additions, reductions and remeasurements and change in estimates are non-cash transactions.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

22. Due to Omani pension scheme

PDO has a separately administered pension scheme for the benefit of its Omani staff. The Omani Staff Pension Scheme ("the pension scheme") is a defined benefit retirement scheme. The contribution by Omani staff is 7% of their basic salaries plus allowances whilst the contributions made by PDO are 36.6% of their basic salaries plus allowances. The last actuarial valuation of the Omani Staff Pension Scheme, performed as at 31 December 2023, showed the described pension scheme's position.

The following tables summarise the components of the pension expense recognised in the consolidated statement of profit or loss and other comprehensive income and the funded status and amounts recognised in the consolidated statement of financial position for the pension scheme.

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Return on plan assets (other than net interest)	**157,134**	(416,608)
Actuarial (loss) / gain from changes in financial assumptions	**(140,765)**	182,712
Actuarial gain from changes in experience adjustments	**12,497**	30,659
Amount recognised in other comprehensive income / (loss)	**28,866**	(203,237)
Deferred tax related to items recognised in OCI during the year	**(15,876)**	111,780
Remeasurement gain on pension fund obligation	**12,990**	(91,457)

Pension scheme costs

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Current service costs	**86,797**	101,840
Net interest expense	**(20,003)**	(26,455)
Past service cost	**79**	60
Total charge	**66,873**	75,445
Less: contribution paid by PDO	**(154,691)**	(148,925)
Surplus contribution to Omani staff pension scheme	**(87,818)**	(73,480)

Consolidated statement of financial position – Net retirement benefit assets/(liabilities)

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Fair value of pension scheme net assets	**2,419,648**	2,025,432
Present value of funded obligations	**(2,061,390)**	(1,783,857)
Net retirement benefit assets	**358,258**	241,575

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

22. Due to Omani pension scheme (continued)

Movement in present value of pension scheme assets

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Opening fair value of scheme	**2,025,432**	2,220,932
Interest income	**150,200**	151,145
Return on plan assets (other than net interest)	**157,134**	(416,608)
Contribution paid by PDO	**154,691**	148,925
Contribution paid by the employees	**24,064**	20,715
Benefits paid	**(91,873)**	(99,677)
Fair value of pension scheme assets	**2,419,648**	2,025,432

Movement in present value of funded obligations

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Opening funded obligations	**1,783,857**	1,849,600
Current service costs	**86,797**	101,840
Interest costs	**130,198**	124,690
Past service	**79**	60
Re-measurement loss/(gain):		
- Actuarial loss/(gain) from changes in financial assumptions	**140,765**	(182,712)
- Actuarial gain from change in experience adjustment	**(12,497)**	(30,659)
Benefit paid	**(91,873)**	(99,677)
Contribution paid by the employees	**24,064**	20,715
Present value of funded obligations	**2,061,390**	1,783,857

The principal assumptions used in determining the pension scheme obligations are shown below:

	2023 **%**	*2022* %
Discount rate at 31 December	**6.85%**	7.26%
Inflation rate	**2.00%**	2.00%
Expected rate of return on assets	**6.85%**	7.26%
Future salary increases	**3.00%**	3.00%
Future pension increases	**2.00%**	2.00%
Mortality rate	**59% of ELT13* improving to 50% in 18 years**	59% of ELT13* improving to 50% in 18 years

**English Life Table No.13 ("ELT 13") reflects the assumed mortality of Omanis covered by the Public Authority of Social Insurance ("PASI").*

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

22. Due to Omani pension scheme (continued)

Salary risk

The present value of the defined benefit plan liability is calculated by reference to future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant

Change in defined benefit obligation.

	2023		*2022*	
	Increase US$'000	***Decrease US$'000***	*Increase US$'000*	*Decrease US$'000*
Discount rate (1% movement)	**(339,600)**	**388,800**	(324,000)	284,400
Future salary growth (1% movement)	**162,000**	**(148,800)**	138,000	(126,000)

Restructuring of Oman pension and social protection system

In April 2021, Royal Decree 33/2021 was issued, in which the subject of integration of pension funds was addressed. The decree stipulated that all local pension funds be merged into two funds, one concerned with civil funds and the other with military and security funds.

In July 2023, Royal Decrees 50/2023 and 52/2023 (the "Royal Decrees"), establishing the Social Protection Fund (SPF), and concurrently, the Social Protection Law (the "Law") has been enacted. The Law, as per the Royal Decrees, will take effect on 1 January 2024. The PDO Omani Pension Fund (OPF) is mandated to transfer a segment of the OPF's assets and liabilities to the Social Protection Fund. Under the SPF, the contribution by Omani staff is 7.5% of their basic salaries plus allowances whilst the contributions made by PDO are 11% of their basic salaries plus allowances.

Subsequent to the reporting date, the SPF has clarified to the Group that the revised transfer date would be 1 January 2025 and the Group is to continue finalizing its post-integration arrangements and certain assumptions which will enable PDO to quantify the liability (and associated assets) which needs to be transferred to the SPF. This exercise is expected to be completed during 2024. From 1 January 2024, the contribution by Omani staff is 7.5% of their basic salaries plus allowances whilst the contributions made by PDO are 11% of their basic salaries plus allowances as prescribed by the SPF.

23. Provision for staff end-of-service and other retirement benefits

The defined contribution pension schemes to which seconded staff contribute are funded by payments to trusts, which are administered independently of PDO. PDO's obligations are limited to these contributions, which are expensed when due.

Provision for Omani end-of-service benefits represents amounts due to Omani staff who are not members of the Omani pension scheme and who have contracts that provide for the payment of end-of-service benefits upon termination or expiration of their employment contracts. Provision for non-Omani end-of-service benefits represents amounts due to non-Omani staff who are not members of any pension scheme and who have contracts that provide for the payment of end-of-service benefits upon termination or expiration of their employment contracts.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

23. Provision for staff end-of-service and other retirement benefits (continued)

Following are the balances of Non-Omani and other staff pension provisions:

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Provision for Omani staff voluntary enhanced early retirement scheme	**5,942**	9,489
Provision for non-Omani staff end-of-service benefits	**1,444**	1,476
Provision for Omani staff end-of-service benefits (Not under Omani Pension Fund)	**1,061**	997
	8,447	11,962

PDO's obligations are limited to these contributions, which are expensed when due. The tables below provide details of the provisions created (and utilised) during the year.

Provision for Omani staff voluntary enhanced early retirement scheme

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1 January	**9,489**	13,493
Paid during the year	**(3,547)**	(4,004)
At 31 December	**5,942**	9,489

Provision for Omani staff early enhanced retirements (not under Omani Pension Fund)

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1 January	**-**	155
Paid during the year	**-**	(155)
At 31 December	**-**	-

Provision for non-Omani staff terminal benefits

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1 January	**1,476**	2,066
Provision made during the year	**3,049**	3,484
Paid during the year	**(3,081)**	(4,074)
At 31 December	**1,444**	1,476

Provision for Omani staff terminal benefits (not under Omani Pension Fund)

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
At 1st January	**997**	749
Provision made during the year	**103**	364
Paid during the year	**(39)**	(116)
31 December	**1,061**	997

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

24. (a) Assets held for sale

During 2019, EDO Gas Operations entered into a draft agreement with Shell Integrated Gas Oman BV and Total E&P Oman Development BV ("Shell & Total") wherein Shell & Total required that EDO Gas Operations design, develop and execute services related to operations in the Concession Area of Block 10 and Block 11 (Mabrouk North East Area 1 and Area 2 respectively) (together the 'Concession Area').

In 2022, the Royal Decree was issued for Block 10 (Mabrouk North East Area 1), ratifying the Concession Agreement that was signed by the Government of Oman and Shell, along with its partners, OQ and Marsa Liquefied Natural Gas LLC (a joint venture between Total and OQ). This resulted in the relinquishment of EDO Gas Operations' interest and rights in the exploration and exploitation of NAG and NAG condensate in the Block 10 area, in 2022. Hand over of related assets having a value of USD 733 million, and operations to Shell Development Oman L.L.C was completed in 2022.

In 2022 Royal Decree was issued for Block 11 (Mabrouk North East Area 2). Accordingly handover of the related assets having a value of USD 52 million, and operations to Shell Development Oman LLC was completed in 2023.

Assets held for sale (Mabrouk north east):

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Gross Block: Exploration and evaluation assets	-	52,056
Less: Accumulated depreciation	-	-
Net Block: Exploration and evaluation assets	-	52,056
Cash at bank	-	84
Receivables	-	-
Payables	-	(19)
Due to a related party	-	194
	-	52,315

Liabilities associated with assets held for sale

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Funds from Mabrouk North East participants	-	52,315
	-	52,315

(b) Mabrouk North East (Block 10 & Block 11)

A Master Services Agreement (the Agreement) between Gas Operations and Shell Development Oman LLC (SDO) was executed on March'22 for Block 10 and November'22 for Block 11. The agreement provides a framework to enable Gas Operations to provide certain services to SDO on an "at cost" basis. Accordingly Gas Operations, for the purposes of providing services under the Agreement maintains certain working capital items in Gas Operation's books such as cash at bank, payable to vendors etc. which are offset by the receivable due from SDO.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

24. (b) Mabrouk North East (Block 10 & Block 11) (continued)

The position of various working capital items for Block 10 & 11 as on reporting date is as follows:

	31-Dec-23 **US$'000**	*31-Dec-22* US$'000
Cash at bank	**11,765**	21,502
Other receivables (VAT)	**72**	317
Prepayments	**-**	7,732
Payables and accruals	**(32,501)**	(50,066)
Receivable from SDO	**20,664**	20,515
	-	-

25. Financial risk management objectives and policies

The Group operates internationally but has limited exposure to financial risks. The financial risks that could adversely affect the Group's financial assets, liabilities or future cash flows are market risk (including commodity price risk, interest rate risk and foreign currency risk), credit risk, and liquidity risk.

Market risk - The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risk comprises three types of risk: commodity price risk, interest rate risk and foreign currency risk.

Commodity price risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in commodity prices. The Group is exposed to the risk of fluctuations in prevailing market commodity prices on the mix of crude oil and condensate it produces. The Group does not hedge the risk, as there is no active risk management.

Commodity price sensitivity

Based on the assumption that the crude oil price moves +/- 20% this would result in a change of US$ 16/bbl. for the year ended 31 December 2023 (31 December 2022: US$ 19/bbl.), with a consequent change in royalties expense. Following is the net impact of +/- 20% change in crude oil price:

- increase in profit before tax of US$ 343,414 ('000) in case of 20% increase in crude oil price for the ended 31 December 2023 (31 December 2022: US$ US$ 900,423 ('000)) and
- decrease in profit before tax of US$ 849,836 ('000) in case of 20% decrease in crude oil price for the year ended 31 December 2023 (31 December 2022: US$ 890,162 ('000)), respectively, where all other variables are held constant.

There is no commodity price risk associated with NAG produces, because the Group has entered into an agreement with the Government to sell its entire NAG production to the Government at agreed fixed price.

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 term loan obligations with floating interest rates.

The sensitivity analyses below have been determined based on the exposure to interest rates for instruments at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax for the period (through the impact on floating rate borrowings rates). There is no direct impact on the Group's equity.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

25. Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk (continued)

31 December 2023	***Increase/Decrease in basis points***	***Effect on profit before tax US$ 000***
	+50	**(12,072)**
	-50	**12,072**

31 December 2022	*Increase/Decrease in basis points*	*Effect on profit before tax US$ 000*
	+50	(12,500)
	-50	12,500

Foreign currency risk

Currency risk in respect of the Group is mitigated significantly via a policy of awarding contracts and purchase orders mainly in US$ or Omani Rials only. The Omani Rial is effectively pegged to the US$. Only in exceptional cases, based on a commercial evaluation, are contracts/purchase orders awarded denominated in other currencies and therefore are not considered to have significant impact on the Group.

Credit risk - Credit risk is the risk that counterparties might not fulfil their contractual payment obligations towards an entity.

The Group is exposed to credit risk in respect of its trade and other receivables, housing loans, due from related parties and bank balances. Credit risk is controlled as balances are regularly reviewed and, where necessary an appropriate recovery action is taken. The expected credit loss model is applied for recognition and measurement of impairments in financial assets measured at amortised cost. Such credit losses have historically been nominal and the loss allowance for trade and other receivables, housing loans, due from related parties is presented in Note 16, Note 13 and Note 19 respectively. Other financial assets consist of cash and cash at bank held with leading and reputed banks. (Note 11).

The expected credit loss in 2023 is US$ 17,152 (‘000) (2022: US$ 17,736 (‘000)), which represents 0.96% (2022: 0.73%) of all trade receivables, prepayments and related parties on account of crude oil and NAG sales. The increase in percentage compared with prior year is mainly due to changes in the macroeconomic environment.

Liquidity risk – This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. Management regularly monitors future liquidity requirements. Trade payables are normally settled within 30 to 45 days of receipt of invoice based on the contractual terms. The table below summarises the maturities of the Group’s undiscounted financial liabilities at each reporting date, based on contractual payment dates.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

25. Financial risk management objectives and policies (continued)

Contractual maturities of financial liabilities

	Up to one year US$ 000	*1-5 years US$ 000*	*More than 5 years US$ 000*	*Total contractu-al cash flows US$ 000*	*Carrying amount US$ 000*
31 December, 2023					
Trade payables	**392,523**	**-**	**-**	**392,523**	**392,523**
Trade payables and accruals (Note 24)	**32,501**	**-**	**-**	**32,501**	**32,501**
Accrued expenses	**660,043**	**-**	**-**	**660,043**	**660,043**
Other payables	**92,438**	**-**	**-**	**92,438**	**92,438**
Royalty payables	**714,755**	**-**	**-**	**714,755**	**714,755**
Due to related party	**66,303**	**73,254**	**93,413**	**232,970**	**172,976**
Loans and borrowings	**615,856**	**7,019,342**	**1,276,288**	**8,911,486**	**7,624,174**
Lease liabilities	**231,456**	**573,084**	**244,129**	**1,048,669**	**862,583**
Total	**2,805,875**	**7,665,680**	**1,613,830**	**12,085,385**	**10,551,993**

	Up to one year US$ 000	*1-5 years US$ 000*	*More than 5 years US$ 000*	*Total contractual cash flows US$ 000*	*Carrying amount US$ 000*
31 December, 2022					
Trade payables	334,343	-	-	334,343	334,343
Trade payables and accruals (Note 24)	50,066	-	-	50,066	50,066
Accrued expenses	626,324	-	-	626,324	626,324
Other payables	181,933	-	-	181,933	181,933
Royalty payables	781,139	-	-	781,139	781,139
Due to related party	98,324	-	-	98,324	98,324
Loans and borrowings	1,635,569	5,048,984	-	6,684,553	5,893,195
Lease liabilities	233,381	633,358	228,641	1,095,380	907,750
Total	3,941,079	5,682,342	228,641	9,852,062	8,873,074

26. Capital Commitments

	31-Dec-23 US$'000	*31-Dec-22 US$'000*
Future capital expenditure authorised by the Board of Directors of PDO and Gas Operations	**19,769,000**	21,156,280

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

26. Capital Commitments (continued)

Supply of crude oil barrels to the Government

The Government raised a loan of US$ 4 billion in the form of a Pre-Export Facility (PXF) through Yibal Export B.V. The facility was structured as a pre-export financing ("PXF"). Under the Fiscal Protocol, the Group transfers to the Government such barrels of Petroleum as may be required and notified by the Government to perform its obligations under a Forward Sale Arrangement ('FSA Barrels') to satisfy the requirements under the PXF. These FSA barrels are transferred at free of charge and on a 'first priority basis', that is, from the first barrels of Petroleum. The Government has the ownership rights of these FSA Barrels and is entitled to dispose of these barrels. The Group's obligations to transfer these FSA Barrels to the Government shall at all times take priority over other obligations. On 21 October 2022, Government's obligation under the PXF arrangement was settled in full. Further, the Group and the Government has agreed that from 21 October 2022, the Group is entitled to the FSA barrels and the settlement of the receivables (sale proceeds) and payables (royalty and taxes) on these FSA barrels would be done on net basis for the year ended on 31 December 2022. Since, the FSA barrels (21 October 2022 to 31 December 2022) were transferred to the Government and there is no other performance obligation pending for the Group to perform, the Group has recognised revenue on the FSA barrels. The Group and the Government has also agreed to consider the standalone selling price (monthly official selling price) as the transaction price for the FSA barrels (Note 19). From 1 January 2023, the Group does not have any obligations to transfer these FSA Barrels to the Government.

27. Income tax

The Group's obligation to pay current tax is defined in the Fiscal Protocol and shall be recurring in nature. The Group is liable to pay tax at an amount equal to fifty-five percent (55%) of its income chargeable to tax from 24 February 2021 for oil operations and from 06 May 2021 for NAG & condensate operations.

Since, the taxes were applicable only from FY 2021 year there is an opening non-deductible element arising on account of difference between accounting base (IFRS) and continuing tax base (as per concession agreement) of depreciation on property, plant, and equipment as the Group availed the initial recognition exception under IAS 12 - *'Income Taxes'*. Accordingly, the effective tax rate is expected to be significantly higher than the tax rate of 55% due to non-deductible element on initial recognition. The major components of income tax expense in the consolidated statement of profit or loss and other comprehensive income are:

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Income taxes		
Current income tax expense	**(2,826,956)**	(2,742,854)
Deferred income tax expense relating to origination and reversal of temporary differences:		
Deferred tax asset	**426,026**	414,496
Deferred tax liabilities	**(1,389,548)**	(1,586,311)
Income tax expense recognised in consolidated statement of profit or loss	**(3,790,478)**	(3,914,669)

Tax liability amounting to US$ 140,516 ('000) is payable as of 31 December 2023 (31 December 2022: 49,973).

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

27. Income tax (continued)

Reconciliation of income tax expense and the accounting profit multiplied by the domestic tax rate:

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Profit before tax	**4,487,541**	4,683,889
Income tax @ 55% on profit before tax	**2,468,148**	2,576,139
Tax impact of non-deductible expenses and tax-exempt revenue	**358,808**	166,715
Net deferred tax liability	**963,522**	1,171,815
Income tax expense recognised in consolidated statement of profit or loss	**3,790,478**	3,914,669

Reconciliation of effective tax rate:

Accounting profit before tax:	**4,487,541**	4,683,889
Tax using Company's statutory tax rate of 55% (2022: 55%)	**2,468,148**	2,576,139
Less: tax effect items which are taxed at a lower rate	**(3,024)**	(954)
Add: tax effect on permanent difference expenses in accordance with Fiscal Protocol	**225,156**	108,991
Add: tax effect of the unwinding of the permanent difference on IRE of PPE	**1,122,378**	1,252,790
Less: tax effect on special arrangement	**(24,999)**	(22,297)
Items not taxed (HDO)	**2,820**	-
At the effective income tax rate of 84% (2022: 83%)	**3,790,479**	3,914,669
Income tax expense reported in the statement of profit or loss	**3,790,479**	3,914,669

Deferred tax

Deferred tax related to items recognised in OCI during in the year

	31-Dec-23 ***US$'000***	*31-Dec-22* *US$'000*
Re-measurement of pension fund obligation	**(15,876)**	111,780
Deferred tax (asset) / liability recognised in OCI during in the year	**(15,876)**	111,780

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

27. Income tax (continued)

Deferred tax (continued)

Deferred tax relates to the following:

	Consolidated statement of financial position		***Consolidated statement of profit or loss***	
	31-Dec-23	*31-Dec-22*	***31-Dec-23***	*31-Dec-22*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Property, plant and equipment	**(3,522,882)**	(2,448,468)	**(1,074,414)**	(1,236,741)
Due to related parties (Due to OETC)	**35,151**	-	**35,151**	-
Abandonment asset	**(623,671)**	(379,096)	**(244,575)**	264,989
Abandonment provision	**1,747,083**	1,378,832	**368,251**	(165,791)
Right of use asset	**(427,820)**	(450,444)	**22,624**	149,508
Lease liability	**474,419**	496,679	**(22,260)**	(143,366)
Net retirement benefit assets	**(197,042)**	(132,866)	**(48,299)**	(40,414)
Net Deferred tax liability	**(2,514,762)**	(1,535,363)	**(963,522)**	(1,171,815)

28. New standards, interpretations and amendments issued but not yet effective

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards, if applicable, when they become effective.

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed.

The amendments will not have a material impact on the Group's consolidated financial statements as the Group does not have have any sale and lease back transactions.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
- In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively.

The amendments will not have a material impact on the Group's consolidated financial statements.

Notes to the consolidated financial statements of the Energy Development Oman SAOC *(continued)*

28. New standards, interpretations and amendments issued but not yet effective (continued)

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: *Disclosures* to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of consolidated financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

The amendments will not have a material impact on the Group's consolidated financial statements.

29. Comparative figures

Certain figures in the comparative financial information as at and for the year ended 31 December 2022 have been reclassified. These changes have been made to improve the quality of information presented and to conform with the presentation in the current year. Such reclassification does not affect previously reported profit or equity. The following previous year's figures are reclassified:

- 'Assets written-off and/ or disposed' amounting to US$ 34,475 ('000) for the year ended 31 December 2022 were originally presented under other expenses in the 2022 financial statements. In the comparative financial information for the year ended 31 December 2022, this amount was netted off against 'gains on disposal of property, plant, and equipment' under 'other operating income'.
- 'National objective investment' of US$ 4,834 ('000) as at 31 December 2022, have been reclassified to 'other current assets' and 'national objective liability' of US$ 6,997 ('000) as at 31 December 2022 have been reclassified to 'payables and accruals'.
- Assets and liabilities relating to Mabrouk North East (Block 10 & Block 11) were previously presented on a net basis. In the comparative financial information as at 31 December 2022 these assets and liabilities are presented on a gross basis. As at 31 December 2022, this change resulted in a corresponding additions to 'receivables and prepayments' by US$ 8,049 ('000), 'cash and bank balances' by US$ 21,502 ('000), 'due from related parties' by US$ 20,515 ('000) and 'payables and accruals' by US$ 50,066 ('000).
- In the consolidated statement of cash flows for the year ended 31 December 2022, net movements in royalties were presented as part of 'changes in payables and accruals' under 'working capital changes'. In the comparative financial statements for the year ended 31 December 2022, royalty expenses of US$ 7,397,206 ('000) are added back as an adjustment to profit before tax and royalty paid of US$ 7,160,642 ('000) are presented after 'working capital changes'. This change does not affect the 'net cash from operating activities'.

  Additionally, the impact of reclassification of Mabrouk North East (Block 10 & Block 11), as detailed above, has led to changes in 'net cash flows from operating activities'.

- In the comparative financial information for the year ended 31 December 2022, certain elements of 'staff costs' are reclassified within 'staff costs' under Note 10. Additionally, in 2023, medical expense reimbursements are included in staff costs, resulting in amendments to the comparatives for the year ended 31 December 2022.

30. Approval of the consolidated financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 22 February 2024 and are signed on their behalf by the Chief Executive Officer and the Chief Financial Officer of Energy Development Oman SAOC on 22 February 2024.

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