Unaudited interim condensed consolidated financial statements of Energy Development Oman SAOC (“EDO”) for the three-month and six-month periods ended 30 June 2026

Energy Development Oman SAOC

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Energy Development Oman SAOC

Board of Directors report

Responsibilities of the Board of Directors for the Energy Development Oman SAOC ("EDO") unaudited interim condensed consolidated financial statements

The members of the EDO Board hereby declare that, to the best of their knowledge, the unaudited interim condensed consolidated financial statements for the three-month and six-month periods ended 30 June 2026, which have been prepared in accordance with IAS 34 "Interim Financial Reporting", present fairly, in all material respects, the unaudited interim condensed consolidated financial position of EDO as at 30 June 2026 and the related unaudited interim condensed consolidated statement of profit or loss and other comprehensive income for three-month and six-month periods then ended, statements of changes in equity and cash flows for the six-month period then ended and explanatory notes.

The Board of Directors of EDO approved the information contained in the unaudited interim condensed consolidated financial statements of EDO on 10 September 2026.

On behalf of the Board

Mazin Al Lamki

Chief Executive Officer
Energy Development Oman SAOC
10 September 2026

Sultan Al Mamari

Chief Financial Officer
Energy Development Oman SAOC
10 September 2026

Report on review of unaudited interim condensed consolidated financial statements to the Directors of Energy Development Oman SAOC

Introduction

We have reviewed the accompanying unaudited interim condensed consolidated statement of financial position of Energy Development Oman SAOC (the "Company") and its subsidiaries (together the "Group") as at 30 June 2026 and the related unaudited interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended, statement of changes in equity and statement of cash flows for the six-month period then ended and explanatory notes. The Directors are responsible for the preparation and presentation of these unaudited interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – 'Interim Financial Reporting'. Our responsibility is to express a conclusion on these unaudited interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unaudited interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 – 'Interim Financial Reporting'.

PricewaterhouseCoopers

Muscat, Sultanate of Oman

14 September 2026

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س.ت : ١٢٣٠٨٦٥
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Energy Development Oman SAOC
Unaudited interim condensed consolidated statement of profit or loss and other comprehensive income
For the three-month and six-month periods ended

		Unaudited		Unaudited	
		Three month period ended		Six month period ended	
	Notes	30-Jun-26 US$'000	30-Jun-25 US$'000	30-Jun-26 US$'000	30-Jun-25 US$'000
Revenue	3	4,929,833	3,661,161	8,585,316	7,429,418
Other operating income	5	26,826	4,104	66,673	10,308
Finance income		4,002	2,251	6,696	4,434
Total revenues and other income		4,960,661	3,667,516	8,658,685	7,444,160
Production expenses		(327,614)	(279,584)	(611,777)	(570,466)
Royalty expenses		(2,120,055)	(1,286,563)	(3,468,223)	(2,708,759)
Depreciation, depletion and amortisation		(1,373,518)	(1,202,665)	(2,448,683)	(2,174,407)
Exploration assets written off		387	-	373	-
Other expenses		(1,765)	(4,431)	(11,468)	(15,317)
Provision for settlement of net retirement benefit assets	12	-	-	-	(411,033)
Profit before interest and tax		1,138,096	894,273	2,118,907	1,564,178
Finance costs	6	(145,345)	(92,144)	(291,315)	(251,829)
Profit before tax		992,751	802,129	1,827,592	1,312,349
Income tax expenses	14	(767,217)	(715,272)	(1,410,027)	(1,283,579)
Profit for the period		225,534	86,857	417,565	28,770
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods					
Re-measurement of pension fund obligation		-	-	-	35,397
Total comprehensive income for the period		225,534	86,857	417,565	64,167

The attached notes 1 to 19 form part of these unaudited interim condensed consolidated financial statements

Energy Development Oman SAOC
Unaudited interim condensed consolidated statement of financial position
As at 30 June

	Notes	*Unaudited* *30-Jun-26* *US$'000*	*Audited* *31-Dec-25* *US$'000*
Assets			
Non-current assets			
Property, plant and equipment	7	23,462,439	24,138,312
Right-of-use assets		639,437	648,817
Receivables and prepayments		12,702	16,101
Housing loans		6,584	6,853
Other non-current assets		2,606	2,762
Total of non-current assets		24,123,768	24,812,845
Current assets			
Inventories		492,291	523,748
Receivables and prepayments		80,561	56,498
Due from related parties		2,622,107	1,830,660
Housing loans		2,291	2,702
Cash and cash equivalents	10	757,883	606,071
Term deposits		42,269	-
Total of current assets		3,997,402	3,019,679
Total assets		28,121,170	27,832,524
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital		1,300	1,300
Retained earnings		6,832,194	8,176,348
Other equity contribution		134,886	137,417
Subordinated shareholder loan		3,311,721	3,311,721
Total shareholders' equity		10,280,101	11,626,786
Liabilities			
Non current liabilities			
Provision for staff end-of-service and other retirement benefits		1,563	2,122
Lease liabilities		508,818	502,799
Abandonment provision	11	4,232,606	4,134,210
Deferred tax liabilities		3,526,362	3,642,241
Loans and borrowings		6,432,500	5,580,490
Due to related parties		87,569	94,325
Total of non-current liabilities		14,789,418	13,956,187
Current liabilities			
Payables and accruals		2,556,447	1,954,467
Income tax payables	14	271,665	45,326
Due to related parties		14,233	16,817
Lease liabilities		209,306	232,941
Total of current liabilities		3,051,651	2,249,551
Total liabilities		17,841,069	16,205,738
Total Shareholders' equity and liabilities		28,121,170	27,832,524

These unaudited interim condensed consolidated financial statements were approved and authorised for issue by the Board of Directors on 10 September 2026 and are signed on their behalf by:

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 19 form part of these unaudited interim condensed consolidated financial statements

طاقة عمان
ENERGY OMAN
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Energy Development Oman SAOC
Unaudited interim condensed consolidated statement of changes in equity
For the six-month period ended

	Notes	Share capital US$ 000	Retained earnings US$ 000	Other equity contribution US$ 000	Subordinated shareholder loan US$ 000	Total equity US$ 000
Balance at 31 Dec 2025 (audited)		**1,300**	**8,176,348**	**137,417**	**3,311,721**	**11,626,786**
Profit for the period		**-**	**417,565**	**-**	**-**	**417,565**
Other comprehensive income		**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period		**-**	**417,565**	**-**	**-**	**417,565**
Transactions with shareholder						
Interim dividend	**13**	**-**	**(1,734,000)**	**-**	**-**	**(1,734,000)**
Distribution of assets in specie	**13**	**-**	**(27,719)**	**-**	**-**	**(27,719)**
Capital contribution - land fees waiver		**-**	**-**	**(2,531)**	**-**	**(2,531)**
Balance at 30 June 2026 (unaudited)		**1,300**	**6,832,194**	**134,886**	**3,311,721**	**10,280,101**
Balance at 31 Dec 2024 (audited)		1,300	10,075,354	121,041	-	10,197,695
Profit for the period		-	28,770	-	-	28,770
Other comprehensive income		-	35,397	-	-	35,397
Total comprehensive income for the period		-	64,167	-	-	64,167
Conversion of shareholder loan and accrued interest into equity (unaudited)		-	-	-	3,311,721	3,311,721
Transactions with shareholder						
Interim dividend	13	-	(597,000)	-	-	(597,000)
Distribution of assets in specie	13	-	(26,502)	-	-	(26,502)
Capital contribution - land fees waiver		-	-	11,814	-	11,814
Balance at 30 June 2025 (unaudited)		1,300	9,516,019	132,855	3,311,721	12,961,895

The attached notes 1 to 19 form part of these unaudited interim condensed consolidated financial statements

Energy Development Oman SAOC
Unaudited interim condensed consolidated statement of cash flows
For the six-month period ended

	Notes	Unaudited 30-Jun-26 US$'000	Unaudited 30-Jun-25 US$'000
Operating activities:			
Profit before tax		**1,827,592**	1,312,349
Adjustments for:			
Depreciation and depletion on property, plant and equipment	7	**2,409,153**	2,139,584
Depreciation on right of use assets		**39,530**	34,823
Royalty expense		**3,468,223**	2,708,759
Additions to provisions for obsolete stock		**6,575**	6,281
Gain on disposals of property, plant and equipment	5	**(15)**	(1,633)
Exploration assets written off, net of reversal	7	**(373)**	-
Finance cost	6	**291,315**	251,829
Finance income		**(6,696)**	(4,434)
Provision for settlement of net retirement benefit asset	12	**-**	411,033
Net movement in provision for staff end-of-service and other retirement benefits		**(559)**	(2,653)
		8,034,745	6,855,938
Working capital changes:			
Changes in inventories		**24,882**	7,431
Changes in receivables and prepayments		**(24,395)**	12,374
Changes in amounts due from related parties		**(791,447)**	(83,610)
Changes in payables and accruals		**(60,808)**	(69,960)
Net movement in housing loans and other non-current assets		**836**	1,228
Changes in amounts due to related parties		**(9,340)**	(1,492)
Change in restricted cash		**20,062**	1,155
		7,194,535	6,723,064
Income tax paid		**(1,299,567)**	(1,293,014)
Royalty paid		**(2,821,796)**	(2,772,063)
Cost associated with distribution of assets in specie	13	**(27,719)**	(26,502)
Net cash from operating activities		**3,045,453**	2,631,485
Investing activities:			
Acquisition of property, plant, and equipment		**(1,572,886)**	(1,768,007)
Expenditure on exploration and evaluation assets	7	**(117,251)**	(121,925)
Proceeds from disposal of property, plant, and equipment	7	**20**	1,633
Investment in term deposits		**(42,269)**	-
Finance income received		**6,696**	4,434
Net cash used in investing activities		**(1,725,690)**	(1,883,865)
Financing activities:			
Loans and borrowings drawn down		**849,009**	-
Dividend paid	13	**(1,734,000)**	(597,000)
Finance cost paid		**(138,881)**	(133,705)
Payment of lease liabilities		**(125,217)**	(126,785)
Capital contribution - land fees waiver		**1,200**	11,814
Net cash used in financing activities		**(1,147,889)**	(845,676)
Increase/(Decrease) in cash and cash equivalents		**171,874**	(98,056)
Cash and cash equivalents at beginning of the period	10	**577,110**	428,570
Cash and cash equivalents at end of period	10	**748,984**	330,514

For details of non-cash transactions refer note 1.1, 7, 11 and 13.

The attached notes 1 to 19 form part of these unaudited interim condensed consolidated financial statements.

Notes to the unaudited interim condensed consolidated financial statements

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 the Sultanate of Oman.

The Ministry of Energy and Minerals (the "MoEM") 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 2019, 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 Non-Associate Gas "NAG" in accordance with the terms of "Gas Agreements" (see below) between the Government and PDO (the "Gas Operations").

After the formation of EDO, the following subsidiaries were incorporated by EDO:

Legal name & CR	Date of incorporation	Business description/objective
Hydrogen Oman SPC ("Hydrom") CR - 1428787	13 June 2022	Hydrom objective is to structure and accelerate the development of the green hydrogen sector in Sultanate of Oman.
Oman New Energies SPC ("ONE") CR – 1458799	24 November 2022	ONE is incorporated to explore future power-related business. As of 30 June 2026, ONE is not operational and has not commenced commercial activities.
EDO Gas SPC ("GasCo") CR - 1491751	25 June 2023	GasCo has taken over the participating right/interest of the Gas Operations of Block 6 from EDO (w.e.f. 1 July 2023).
EDO Sukuk Limited CR – not applicable	26 June 2023	EDO Sukuk Limited is a special-purpose vehicle incorporated in the Cayman Islands. It was established to act as an issuer and trustee of the Sukuk trust certificates relating to the trust certificates issuance programme.
EDO InfraCo SPC ("Infra") CR – 1521732	11 December 2023	Infra is incorporated on 11 December 2023. As of 30 June 2026, it is not operational, and has not commenced commercial activities.
One Supply Oman SPC (formerly ECO SPC) CR - 1587365	3 September 2024	One Supply Oman SPC is established 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 other oil and gas operations in the Sultanate of Oman.
Energy Development Sukuk SPC CR – 1620227	25 August 2025	EDO Sukuk has been established as a special-purpose entity to raise funds through the issuance of Sukuk to investors in 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:

Notes to the unaudited interim condensed consolidated financial statements (continued)

1. Background and basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

- 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
- the Oman Export Blend sale and purchase agreement
- the Natural gas sales agreement
- Fiscal Protocol
- Shareholder's bridge facility agreement and subordinated shareholder loan agreement; and

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. The Government had novated the Oil Concession Agreement in favour of the Group, effective 24 February 2021.

Under this agreement, PDO operates as a cost centre, wherein all costs related to the Block 6 oil operations are incurred. PDO has no entitlement to proceeds from crude oil. The property, plant, and equipment ("PPE") relating to the Oil Operations are recognised in the books of PDO. The investment in PPE, operational costs, and other costs is funded 60% by the Government and 40% by POHOL as shareholders' contributions. The Oil Concession Agreement includes the right to use associated gas, which is internally consumed by PDO as part of the production process relating to the Oil Operations.

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, 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, which is classified as a joint operation.

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.

Notes to the unaudited interim condensed consolidated financial statements (continued)

1. Background and basis of preparation (continued)

1.1 Background (continued)

Formation of EDO (continued)

Gas Concession Agreements (continued):

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.

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's 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's customer at the vessel's permanent manifold flange connection.

Natural Gas Sales Agreement:

Following the expiry of the previous Natural Gas Sales Agreement, which was effective until 31 December 2025, the Group entered into a new agreement with a Government entity to sell its entire NAG production for a period of five years, effective from 1 January 2026, as stipulated in the agreement. Thereafter, the price shall be calculated using 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 and subordinated shareholder loan agreement:

During the period ended 30 June 2025, the shareholder loan, together with the outstanding interest as of 31 December 2024, amounting to US$ 3,311,721 ('000), has been fully subordinated to all current and future financial debt of the Group. In accordance with the Subordinated Shareholder Loan Agreement, no further interest shall accrue on the shareholder loan and repayment of the loan is entirely at the discretion of the Group, and the Shareholder has no right to demand repayment (in whole or in part) at any time. The shareholder's loan was converted into equity as per the agreed terms in the Subordinated Shareholder Loan Agreement. As a result, the shareholder loan was reclassified as an equity instrument and is presented within equity as a subordinated shareholder loan. This transfer is considered as non-cash transaction for cashflow purposes.

1.2 Basis of preparation

The unaudited interim condensed consolidated financial statements as of and for the three-month and six-month periods ended 30 June 2026 have been prepared in accordance with International Accounting Standard IAS 34, *Interim Financial Reporting* ("IAS 34"). These unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the complete set of annual consolidated financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") accounting standards as issued by the International Accounting Standards Board ("IASB") ("IFRS Accounting Standards") and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. In addition, results for the three-month and six-month periods ended 30 June 2026 are not necessarily indicative of the results for the year ending 31 December 2026.

Notes to the unaudited interim condensed consolidated financial statements (continued)

1. Background and basis of preparation (continued)

1.3 Going Concern

As of 30 June 2026, 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 date of approval of these unaudited interim condensed consolidated financial statements. Accordingly, the unaudited interim condensed consolidated financial statements have been prepared on the basis that the Group will continue to operate as a going concern.

2. Material accounting policy information

The accounting policies and significant judgments, estimates, and assumptions adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2025.

There are no new standards, amendments or interpretations that are effective on or after 1 January 2026 that have a material impact on the unaudited interim condensed consolidated financial statements. The Group has not early adopted any new accounting standards, interpretations or amendments that are issued but which are not effective.

The Group is currently assessing the detailed implications of applying the new standard, which will be effective for annual reporting periods beginning on or after 1 January 2027, on its financial statements.

3. Disclosure segment information

The Group is a combination of the following components:

- exploration and production of crude oil from Oil Operations, and
- exploration and production of NAG and condensate from the Gas Operations,

For the purpose of the unaudited interim condensed 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 also includes the associated gas (AG) produced from oil reserves that are developed.
- NAG & Condensate segment - includes activities related to:
    - the non-associated gas reserves that are developed;
    - the liquefied petroleum 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.
- Corporate & others – includes leading strategic initiatives for new business streams, raising external debt, etc.

Segment performance is evaluated based on profit or loss before tax and is measured consistently with profit or loss in the unaudited interim condensed consolidated financial statements.

Notes to the unaudited interim condensed consolidated financial statements (continued)

3. Disclosure segment information (continued)

The following tables present revenue and profit information for the Group's operating segments for the six-month period ended 30 June 2026 and 30 June 2025:

30 June 2026 (unaudited)	Crude oil US$'000	NAG & condensate US$'000	Corporate and others US$'000	Adjustments & eliminations US$'000	Total US$'000
Crude oil	**6,403,668**	**-**	**-**	**-**	**6,403,668**
NAG	**-**	**1,022,404**	**-**	**-**	**1,022,404**
Condensate	**-**	**1,158,606**	**-**	**-**	**1,158,606**
LPG	**-**	**638**	**-**	**-**	**638**
Total revenue	**6,403,668**	**2,181,648**	**-**	**-**	**8,585,316**
Production expenses	**(498,112)**	**(113,665)**	**-**	**-**	**(611,777)**
Royalty expenses	**(2,915,940)**	**(552,283)**	**-**	**-**	**(3,468,223)**
Depreciation on property, plant and equipment	**(1,660,020)**	**(749,133)**	**-**	**-**	**(2,409,153)**
Depreciation on right-of-use assets	**(32,744)**	**(6,786)**	**-**	**-**	**(39,530)**
Finance income	**1,385**	**-**	**5,311**	**-**	**6,696**
Unwinding cost on abandonment provision	**(85,443)**	**(35,826)**	**-**	**-**	**(121,269)**
Interest expense on lease liabilities	**(10,067)**	**(1,736)**	**-**	**-**	**(11,803)**
Interest expense on loans and borrowings	**-**	**-**	**(158,243)**	**-**	**(158,243)**
Profit / (loss) before tax	**1,216,350**	**723,843**	**(112,601)**	**-**	**1,827,592**

30 June 2025 (unaudited)	Crude oil US$'000	NAG & condensate US$'000	Corporate and others US$'000	Adjustments & eliminations US$'000	Total US$'000
Crude oil	5,499,560	-	-	-	5,499,560
NAG	-	931,787	-	-	931,787
Condensate	-	996,235	-	-	996,235
LPG	-	1,836	-	-	1,836
Total revenue	5,499,560	1,929,858	-	-	7,429,418
Production expenses	(464,279)	(106,187)	-	-	(570,466)
Royalty expenses	(2,297,117)	(411,642)	-	-	(2,708,759)
Depreciation on property, plant and equipment	(1,548,533)	(591,051)	-	-	(2,139,584)
Depreciation on right-of-use assets	(27,817)	(6,747)	(259)	-	(34,823)
Finance income	1,291	-	3,143	-	4,434
Unwinding cost on abandonment provision	(71,496)	(36,869)	-	-	(108,365)
Interest expense on lease liabilities	(9,788)	(2,125)	(61)	-	(11,974)
Interest expense on loans and borrowings	-	-	(131,490)	-	(131,490)
Profit / (loss) before tax	679,175	776,465	(143,291)	-	1,312,349

Notes to the unaudited interim condensed consolidated financial statements (continued)

3. Disclosure segment information (continued)

The following tables present revenue and profit information for the Group's operating segments for the three-month period ended 30 June 2026 and 30 June 2025:

	Crude oil	*NAG & condensate*	*Corporate and others*	*Adjustments & eliminations*	*Total*
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*
30 June 2026 (unaudited)					
Crude oil	**3,741,221**	**-**	**-**	**-**	**3,741,221**
NAG	**-**	**547,153**	**-**	**-**	**547,153**
Condensate	**-**	**641,459**	**-**	**-**	**641,459**
Total revenue	**3,741,221**	**1,188,612**	**-**	**-**	**4,929,833**
Production expenses	**(280,983)**	**(46,631)**	**-**	**-**	**(327,614)**
Royalty expenses	**(1,809,035)**	**(311,020)**	**-**	**-**	**(2,120,055)**
Depreciation on property, plant and equipment	**(913,283)**	**(440,616)**	**-**	**-**	**(1,353,899)**
Depreciation on right-of-use assets	**(16,224)**	**(3,395)**	**-**	**-**	**(19,619)**
Finance income	**677**	**-**	**3,325**	**-**	**4,002**
Unwinding cost on abandonment provision	**(42,693)**	**(17,878)**	**-**	**-**	**(60,571)**
Interest expense on lease liabilities	**(4,923)**	**(843)**	**-**	**-**	**(5,766)**
Interest expense on loans and borrowings	**-**	**-**	**(79,008)**	**-**	**(79,008)**
Profit / (loss) before tax	**683,419**	**369,522**	**(60,190)**	**-**	**992,751**
30 June 2025 (unaudited)					
Crude oil	2,714,219	-	-	-	2,714,219
NAG	-	479,033	-	-	479,033
Condensate	-	466,860	-	-	466,860
LPG	-	1,049	-	-	1,049
Total revenue	2,714,219	946,942	-	-	3,661,161
Production expenses	(227,971)	(51,613)	-	-	(279,584)
Royalty expenses	(1,103,551)	(183,012)	-	-	(1,286,563)
Depreciation on property, plant and equipment	(851,927)	(333,222)	-	-	(1,185,149)
Depreciation on right-of-use assets	(13,884)	(3,373)	(259)	-	(17,516)
Finance income	657	-	1,594	-	2,251
Unwinding cost on abandonment provision	(35,735)	(18,435)	-	-	(54,170)
Interest expense on lease liabilities	(4,798)	(1,038)	(61)	-	(5,897)
Interest expense on loans and borrowings	-	-	(32,077)	-	(32,077)
Profit / (loss) before tax	480,270	356,551	(34,692)	-	802,129

Notes to the unaudited interim condensed consolidated financial statements (continued)

3. Disclosure segment information (continued)

Adjustments and eliminations

The Group's organisational structure reflects the various activities in which the Group is engaged. On 30 June 2026 and 30 June 2025, the Group had three reportable segments: crude oil, NAG & Condensate, and corporate & others.

The outstanding balances between the crude oil segment and the NAG & condensate segment for six-month ended 30 June 2026 amounted to US$ nil ('000) (31 December 2025: US$ 2,285 ('000)).

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2026 and 31 December 2025, respectively:

	Crude oil	***NAG & condensate***	***Corporate and others***	***Adjustments & eliminations***	***Total***
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***
30 June 2026 (unaudited)					
Segment Assets	**15,327,439**	**9,399,079**	**3,394,652**	**-**	**28,121,170**
Segment Liabilities	**7,021,895**	**3,076,744**	**7,742,430**	**-**	**17,841,069**
Other disclosures					
Capital expenditure*	**1,346,368**	**409,417**	**-**	**-**	**1,755,785**
31 December 2025 (audited)					
Segment Assets	15,726,382	9,788,259	2,320,168	(2,285)	27,832,524
Segment Liabilities	7,681,432	2,856,446	5,670,145	(2,285)	16,205,738
Other disclosures					
Capital expenditure*	2,963,429	1,128,325	-	-	4,091,754

** excluding abandonment assets*

4. Staff cost

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Basic salaries and allowances	**(146,172)**	(141,889)	**(293,058)**	(282,286)
Retirement benefit costs	**(694)**	(763)	**(1,450)**	(1,594)
Staff pension scheme	**(15,682)**	(13,761)	**(30,066)**	(27,369)
Variable pay	**(23,919)**	(18,048)	**(64,038)**	(51,483)
Overtime and others	**(6,585)**	(5,121)	**(12,208)**	(9,246)
	(193,052)	(179,582)	**(400,820)**	(371,978)
Staff cost breakdown:				
Capitalised in production wells & production facilities and work in progress	**(100,700)**	(70,966)	**(169,800)**	(128,646)
Charged to production expenses	**(89,334)**	(105,650)	**(223,011)**	(235,887)
Charged to other expenses	**(3,018)**	(2,966)	**(8,009)**	(7,445)
	(193,052)	(179,582)	**(400,820)**	(371,978)

Notes to the unaudited interim condensed consolidated financial statements (continued)

5. Other operating income

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
OBRDA compensation	**9,596**	1,994	**14,590**	7,982
Scrap sales	**16,956**	-	**50,339**	**-**
Changes in abandonment estimates	**(184)**	-	**-**	-
Gain on disposal of property, plant and equipment	**13**	1,567	**15**	1,633
Foreign exchange gain	**147**	-	**420**	-
Tender and other fees	**298**	543	**1,309**	693
	26,826	4,104	**66,673**	10,308

6. Finance costs

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Unwinding cost on abandonment provision (Note 11)	**(60,571)**	(54,170)	**(121,269)**	(108,365)
Interest expense on lease liabilities	**(5,766)**	(5,897)	**(11,803)**	(11,974)
Bank interest	**(45,785)**	(40,317)	**(91,905)**	(80,519)
Shareholder's loan interest	**-**	33,962	**-**	-
Sukuk bond	**(33,223)**	(25,722)	**(66,338)**	(50,971)
	(145,345)	(92,144)	**(291,315)**	(251,829)

Notes to the unaudited interim condensed consolidated financial statements (continued)

7. Property, plant, and equipment

	Production wells & production facilities	*Concession & preliminary expenses*	*Building, repair shop, airport and instrumentation*	*Movables, vehicle, software, computing & communication*	*Main Oil/Gas Line & other facilities*	*Exploration and evaluation assets*	*Work in progress*	*Abandonment assets*	*Total*
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Cost									
At 31 Dec 2025 (audited)	**68,177,771**	**4,620**	**2,031,584**	**1,131,957**	**769,425**	**237,923**	**1,382,925**	**2,655,770**	**76,391,975**
Additions (unaudited)	**1,208,925**	**-**	**5,477**	**11,635**	**10,307**	**117,251**	**402,190**	**118,596**	**1,874,381**
Change in estimates (unaudited)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(116,150)**	**(116,150)**
Transfer within assets classes / to other assets (unaudited)	**814,735**	**-**	**5,536**	**-**	**897**	**(114)**	**(821,054)**	**-**	**-**
Assets written-off and / or disposed (unaudited)	**(226)**	**-**	**-**	**-**	**(4)**	**373**	**-**	**(25,319)**	**(25,176)**
At 30 Jun 2026 (unaudited)	**70,201,205**	**4,620**	**2,042,597**	**1,143,592**	**780,625**	**355,433**	**964,061**	**2,632,897**	**78,125,030**
Depreciation									
At 31 Dec 2025 (audited)	**(48,307,465)**	**(4,620)**	**(1,062,655)**	**(974,736)**	**(552,377)**	**-**	**-**	**(1,351,810)**	**(52,253,663)**
Charge for the period (unaudited)	**(2,189,975)**	**-**	**(38,327)**	**(45,781)**	**(8,208)**	**-**	**-**	**(126,862)**	**(2,409,153)**
Assets written-off and / or disposed (unaudited)	**221**	**-**	**-**	**-**	**4**	**-**	**-**	**-**	**225**
At 30 Jun 2026 (unaudited)	**(50,497,219)**	**(4,620)**	**(1,100,982)**	**(1,020,517)**	**(560,581)**	**-**	**-**	**(1,478,672)**	**(54,662,591)**
Net book value at 30 Jun 2026 (unaudited)	**19,703,986**	**-**	**941,615**	**123,075**	**220,044**	**355,433**	**964,061**	**1,154,225**	**23,462,439**

1. The net book value of assets written off and/or disposed (excluding abandonment assets and exploration and evaluation assets) for the period ended 30 June 2026 amounted to US$ 5 ('000) and the sale consideration received against the disposal of the assets is US$ 20 ('000). The gain on disposals of property, plant, and equipment amounting to US$ 15 ('000) is charged to 'other operating income' in the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income (Note 5).
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$ 56,400 ('000) and US$ 9,248 ('000) respectively. These are considered as non-cash transactions and therefore, excluded from the unaudited interim condensed consolidated statement of cash flows.

Notes to the unaudited interim condensed consolidated financial statements (continued)

7. Property, plant, and equipment (continued)

	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 31 December 2024 (audited)	64,846,716	4,620	1,909,489	1,084,178	745,373	115,211	994,552	2,110,736	71,810,875
Additions	1,645,656	-	20,730	42,157	13,200	236,151	2,133,860	248,200	4,339,954
Change in estimates	-	-	-	-	-	-	-	329,238	329,238
Transfer within assets classes / to other assets	1,703,452	-	101,365	6,419	10,870	(76,619)	(1,745,487)	-	-
Assets written-off and / or disposed	(18,053)	-	-	(797)	(18)	(36,820)	-	(32,404)	(88,092)
At 31 December 2025 (audited)	68,177,771	4,620	2,031,584	1,131,957	769,425	237,923	1,382,925	2,655,770	76,391,975
Depreciation									
At 31 December 2024 (audited)	(44,779,352)	(4,620)	(971,789)	(863,345)	(482,283)	-	-	(1,115,505)	(48,216,894)
Charge for the year	(3,675,048)	-	(70,846)	(56,458)	(16,670)	-	-	(236,305)	(4,055,327)
Transfer within assets classes / to other assets	129,179	-	(20,020)	(55,730)	(53,429)	-	-	-	-
Assets written-off and / or disposed	17,756	-	-	797	5	-	-	-	18,558
At 31 December 2025 (audited)	(48,307,465)	(4,620)	(1,062,655)	(974,736)	(552,377)	-	-	(1,351,810)	(52,253,663)
Net book value at 31 Dec 2025 (audited)	19,870,306	-	968,929	157,221	217,048	237,923	1,382,925	1,303,960	24,138,312

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 2025 amounted to US$ 310 ('000) and the sale consideration received against the disposal of the assets is US$ 11 ('000). The loss on disposals of property, plant, and equipment amounting to US$ 299 ('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$ 136,330 ('000) and US$ 24,103 ('000) respectively. These are considered as non-cash transactions and therefore, excluded from the consolidated statement of cash flows.

Notes to the unaudited interim condensed consolidated financial statements (continued)

8. Inventories

As of 30 June 2026, the provision for obsolete inventories amounted to US$ 52,300 ('000) (31 December 2025: US$ 46,211 ('000)). During the six-month period ended 30 June 2026, additional provisions of US$ 6,575 ('000) were recognised in the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income, and US$ 486 ('000) of the provision was utilized against inventory write-offs.

9. Risk management

Management believes that the fair values of the Group's financial assets and liabilities that are measured and recognised at amortised cost are not materially different from their carrying amounts at the end of the reporting period.

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

Based on the assumption that the crude oil price moves +/- 20% this would result in a change of US$ 16/bbl for the three-month and six-month periods ended 30 June 2026 (30 June 2025: US$ 15/bbl), with a consequent:

- increase in profit before tax of US$ 185,319 ('000) in case of a 20% increase in crude oil price for the three-month period ended 30 June 2026 (30 June 2025: US$ 148,348 ('000)) and
- decrease in profit before tax of US$ 294,598 ('000) in case of a 20% decrease in crude oil price for the three-month period ended 30 June 2026 (30 June 2025: US$ 225,747 ('000)), respectively, where all other variables are held constant.
- increase in profit before tax of US$ 538,619 ('000) in case of a 20% increase in crude oil price for the six-month period ended 30 June 2026 (30 June 2025: US$ 350,997 ('000)) and
- decrease in profit before tax of US$ 350,705 ('000) in case of a 20% decrease in crude oil price for the six-month period ended 30 June 2026 (30 June 2025: US$ 412,908 ('000)), respectively, where all other variables are held constant.

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. Interest rate risk from changes in interest rates that affect the fair value or future cash flows of financial instruments, is significant for the Group as there are material interest-bearing instruments.

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 on the floating rate term loans, 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 unaudited interim condensed consolidated financial statements (continued)

9. Risk management (continued)

Market risk (continued)

Interest rate risk (continued)

30-Jun-26	***Increase/ Decrease in basis points***	***Effect on profit before tax***	
		Three-month US$'000	***Six-month US$'000***
	+50	**(3,438)**	**(6,875)**
	-50	**3,438**	**6,875**

30-Jun-25	*Increase/ Decrease in basis points*	*Effect on profit before tax*	
		Three-month US$'000	*Six-month US$'000*
	+50	(2,500)	(5,000)
	-50	2,500	5,000

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 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. The financial assets include cash and cash at bank held with leading and reputed banks (refer note 10).

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. Royalty payables, trade payables, accrued expenses, other payables and due to related parties are generally settled within 30 to 45 days of receipt of invoice, based on the contractual terms. For loans and borrowings and lease liabilities, it is based on the term and conditions of respective agreements with relevant counter parties.

10. Cash and cash equivalents

	Unaudited 30-Jun-26 US$'000	*Audited 31-Dec-25 US$'000*
Cash at bank	**757,883**	606,071
	757,883	606,071
Restricted cash	**(8,899)**	(28,961)
Cash and cash equivalents for cash flow purposes	**748,984**	577,110

Notes to the unaudited interim condensed consolidated financial statements (continued)

10. Cash and cash equivalents (continued)

Cash at bank includes US$ 8,899 (‘000) (31 December 2025: US$ 28,961 (‘000)) balances relating to the following:

- US$ 5,101 (‘000) (31 December 2025: US$ 23,280 (‘000)) received from the OPF following the discontinuation of OPF operations. The amount is held for the settlement of OPF’s remaining obligations and for transfer to SPF.
- US$ 3,798 (‘000) (31 December 2025: US$ 5,681 (‘000)) Block 10 & 11 under the Master Services Agreement between EDO and Shell Development Oman LLC (SDO).

The Group is voluntarily maintaining a balance 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, □ 375,000 (‘000) term loan, US$ 1,000,000 (‘000) term loan and Sukuk trust certificates. There is no restriction on the usage of this balance.

Cash at bank 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.

11. Abandonment provision

	Unaudited	*Audited*
	30-Jun-26	*31-Dec-25*
	US$'000	*US$'000*
Non-current		
At 1 January	**4,134,210**	3,373,794
Additions in provision due to asset acquisition (Note 7)	**118,596**	248,200
Reduction in provision due to disposals (Note 7)	**(25,319)**	(32,404)
Remeasurements and change in estimates	**(116,150)**	329,238
Unwinding of interest cost	**121,269**	215,382
	4,232,606	4,134,210

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 forms 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.

Changes in existing decommissioning, restoration, and similar liabilities, are deducted from the cost of related abandonment assets and shall not exceed the carrying amount of the related abandonment asset. If a decrease in the liability exceeds the carrying amount of the related abandonment asset, the excess shall be recognised in the statement of profit or loss and other comprehensive income.

During the six-month period ended 30 June 2026, the Group has recorded remeasurements and change in estimates of abandonment provision of US$ 116,150 ('000). This change resulted from revisions to discount rates, estimated well restoration costs and cluster life extension. The discount rate reflected a 0.66% decrease in percentage change during the period from 31 December 2025 to 30 June 2026.

The additions, reductions and remeasurements and change in estimates are non-cash transactions.

The utilization of the provision in the twelve months period is not expected to be significant and therefore, the entire abandonment provision is classified as non-current liabilities.

Notes to the unaudited interim condensed consolidated financial statements (continued)

12. Net retirement benefit assets

The Omani Staff Pension Scheme (the "Pension Scheme") was a defined benefit retirement scheme and was a separately administered unregistered pension scheme maintained by PDO for the benefit of its Omani staff. Contributions by Omani staff were 7% of their basic salaries plus allowances, while contributions made by PDO were 36.6% of their basic salaries plus allowances. The Pension Scheme ended on 31 December 2023.

No actuarial valuation of the Omani Staff Pension Scheme was performed as at 30 June 2026 and 31 December 2025.

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.

	Unaudited	*Audited*
	30-Jun-26	*31-Dec-25*
	US$'000	*US$'000*
Fair value of Pension Scheme net assets	**-**	2,685,314
Present value of funded obligations	**-**	(2,274,281)
Write-off of net retirement benefit assets	**-**	(411,033)
Net retirement benefit assets	**-**	-

Settlement of net retirement benefit assets

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 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 were still ongoing to finalize the exact amount of liabilities and related assets to be transferred.

Subsequently, on 14 April 2025, PDO received and acknowledged Royal Directives issued by His Majesty the Sultan, as communicated via Private Office Letter Ref. No. 159/2025 dated 20 March 2025 and confirmed through Board Circular BC/2025/007. These Directives mandated the full transfer of all the assets and liabilities maintained at OPF to SPF.

In accordance with the Royal Directives, all residual pension-related obligations and associated employee liabilities, including any existing or potential legal claims arising from the merger of the pension funds, are to be transferred to SPF. SPF will assume full responsibility for the payment of accrued and residual pension entitlements to eligible employees.

As a result of the above, the Group will effectively and irrevocably extinguish all present and future obligations upon the full transfer of all the assets and liabilities maintained at OPF to SPF. Accordingly, the Group has written off the net retirement benefit assets, as the net retirement benefit assets are not expected to be recoverable. As per IAS 19, loss on settlement is the difference between the present value of the defined benefit obligation being settled and the fair value of the plan assets transferred.

During 2025, the Group and SPF signed an agreement for the Transfer of Obligations and Assets from the Fund to SPF. Under the terms of the agreement, the Group is committed to transferring all pension related obligations and assets to SPF.

As at 31 December 2025, the transfer of pension-related assets had been completed.

Notes to the unaudited interim condensed consolidated financial statements (continued)

12. 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$ 547,153 ('000) and US$ 1,022,404 ('000) for the three-month and six-month periods ended 30 June 2026 respectively, (30 June 2025: (three-month) US$ 479,033 ('000) (six-month) US$ 931,787 ('000)) with corresponding receivables of US$ 370,422 ('000) as at 30 June 2026 (31 December 2025: US$ 319,225 ('000)).

With respect to crude oil, 100% of revenue is from Government amounting to US$ 3,741,221 ('000) and US$ 6,403,668 ('000) during the three-month and six-month periods ended 30 June 2026 respectively, (30 June 2025: (three-month) US$ 2,714,219 ('000) (six-month) US$ 5,499,560 ('000)) with a corresponding receivable of US$ 1,837,790 ('000) as at 30 June 2026 (31 December 2025: US$ 1,199,979 ('000)).

With respect to condensate revenue, 100% of the revenue is from the Government amounting to US$ 641,459 ('000) and US$ 1,158,606 ('000) during the three-month and six-month periods ended 30 June 2026 respectively, (30 June 2025: (three-month) US$ 466,860 ('000) (six-month) US$ 996,235 ('000)) with a corresponding receivable of US$ 414,317 ('000) as at 30 June 2026. (31 December 2025: US$ 290,958 ('000)).

Royalty

The Royalty is paid by the Group to the Government on a weekly basis. For the three-month and six-month periods ended 30 June 2026 the Group has recognised royalty expenses of US$ 2,120,055 ('000) and US$ 3,468,223 ('000) respectively, (30 June 2025: (three-month) US$ 1,286,563 ('000) and (six-month) US$ 2,708,759 ('000)) with a corresponding payable of US$ 1,207,331 ('000) as of 30 June 2026 (31 December 2025: US$ 560,904 ('000)).

Distribution of assets in specie

During the six-month period ended on 30 June 2026, out of the total Group's share of oil production, the Group transferred production volumes of 905 ('000) barrels (30 June 2025: 905 ('000)) to the Government. This arrangement, amounting to US$ 27,719 ('000) for the six-month period ended 30 June 2026 and US$ 26,502 ('000) for the six-month period ended 30 June 2025 is considered as an equity transaction and accounted for as a distribution of assets in specie to the Government under retained earnings.

Interim dividend

During the six-month period ended 30 June 2026, the Group declared and paid interim dividends amounting to US$ 1,734,000 ('000) (30 June 2025: US$ 597,000 ('000)).

Notes to the unaudited interim condensed consolidated financial statements (continued)

13. Related party transactions (continued)

Transactions with Key managerial personnel* ("KMP")

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Salaries and other benefits	**7,432**	6,555	**14,494**	12,861

*KMP are those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of that Group. The Group considers the Chief Executive Officer, Chief Financial Officer, the directors, and the senior members of EDO / PDO / Gas operations as KMP.

Cash and cash equivalents and term deposits held with banks

As at 30 June 2026, the Group held cash and cash equivalents of US$ 226,400 ('000) (31 December 2025: US$ 221,857 ('000)) and term deposits of US$ 42,269 ('000) (31 December 2025: US$ nil) with banks that are government-related entities within the meaning of IAS 24 Related Party Disclosures. These balances arise in the ordinary course of the Group's treasury activities and are held on terms comparable to those available from banks that are not government related.

14. 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 the financial year 2021 there is an opening non-deductible element arising on account of the difference between the accounting base ("IFRS Accounting Standards") 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 the non-deductible element on initial recognition. The major components of income tax expense in the interim condensed consolidated statement of profit or loss and other comprehensive income are:

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Income taxes				
Current income tax expense				
- For the period	**(843,625)**	(680,136)	**(1,525,906)**	(1,437,074)
Deferred income tax expense relating to origination and reversal of temporary differences:				
- Deferred tax asset	**140,117**	72,972	**145,538**	400,620
- Deferred tax liabilities	**(63,709)**	(108,108)	**(29,659)**	(247,125)
	76,408	(35,136)	**115,879**	153,495
Income tax expense recognised in consolidated statement of profit or loss	**(767,217)**	(715,272)	**(1,410,027)**	(1,283,579)

Income tax payables amounting to US$ 271,665 ('000) is payable as of 30 June 2026 (31 December 2025: US$ 45,326 ('000)).

Notes to the unaudited interim condensed consolidated financial statements (continued)

14. Income tax (continued)

Deferred tax

Deferred tax related to items recognised in OCI during the period:

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Re-measurement of pension fund obligation	**-**	-	**-**	35,397
Deferred tax liability recognised in OCI during the period	**-**	-	**-**	35,397

Reconciliation of effective tax rate:

	Unaudited	*Unaudited*	***Unaudited***	*Unaudited*
	Three-month period ended		***Six-month period ended***	
	30-Jun-26	*30-Jun-25*	***30-Jun-26***	*30-Jun-25*
	US$'000	*US$'000*	***US$'000***	*US$'000*
Profit before tax	**992,751**	802,129	**1,827,592**	1,312,349
Tax using Company's statutory tax rate of 55% (2025: 55%)	**546,013**	441,171	**1,005,176**	721,792
Less: tax effect items which are taxed at a lower rate	**(7,548)**	(384)	**(21,524)**	(1,257)
Add: tax effect on permanent difference expenses in accordance with Fiscal Protocol	**-**	17,643	**-**	72,320
Add: tax effect of the unwinding of the permanent difference on IRE of PPE	**236,226**	264,672	**440,753**	469,902
Less: tax effect on special arrangement	**(8,133)**	(7,830)	**(15,245)**	(14,576)
Add: items not taxed (HDO)	**659**	-	**867**	-
Add: adjustment of deferred tax amount (OCI) on reversal of net retirement benefit assets to statement of profit or loss	**-**	-	**-**	35,398
At the effective income tax rate of 77% (30 June 2025: 98%)	**767,217**	715,272	**1,410,027**	1,283,579
Income tax expense reported in the statement of profit or loss	**767,217**	715,272	**1,410,027**	1,283,579

15. Capital commitments

	Unaudited	*Audited*
	30-Jun-26	*31-Dec-25*
	US$'000	*US$'000*
Future capital expenditure authorised by the Board of Directors of PDO and Gas Operations	**23,398,900**	23,401,800

Notes to the unaudited interim condensed consolidated financial statements (continued)

16. Loans and borrowings

On 22 January 2026, the Group completed the issuance of senior unsecured Sukuk certificates with an aggregate principal amount of US$ 650,000 ('000). The issuance was done under the International Trust Certificate Issuance Programme wherein EDO is the guarantor. The Sukuk has a ten-year tenor and will mature in January 2036. The Sukuk carries a fixed profit rate of 5.14% per annum, payable on a semi-annual basis. The Sukuk trust certificates are listed on the London Stock Exchange's International Securities Market.

At initial recognition, the Company recorded an amount of US$ 649,296 ('000) for the issuance proceeds net of transaction costs.

On 13 May 2026, the Group completed the issuance of additional senior unsecured Sukuk trust certificates with an aggregate principal amount of US$ 200,000 ('000) under the Trustee's Trust Certificate Issuance Programme. The additional trust certificates are due in January 2036 and have been consolidated and form a single series with the US$ 650,000 ('000) trust certificates issued on 22 January 2026.

The additional trust certificates carry the same terms and conditions as the original issuance, including a fixed profit rate of 5.14% per annum payable semi-annually, and mature in January 2036.

17. New joint venture arrangement with Sumitomo Corporation

On 29 June 2026, One Supply Oman SPC and Sumitomo Corporation (a company incorporated under the laws of Japan) incorporated One Supply Chain LLC ("OSC") (CR - 1662479), with each party holding a 50% interest. OSC is established to operate a strategic partnership delivering supply chain management solutions within the hydrocarbon sector in the Sultanate of Oman.

18. Geopolitical developments

Management continues to monitor the evolving geopolitical developments in the region. Based on the information available up to the date of approval of these financial statements, the Group's operations in the Sultanate of Oman have continued without material disruption, and no material impact on the Group's operations, financial position, financial performance or cash flows has been identified. Management will continue to monitor developments and assess any potential future implications as part of its ongoing risk management and business continuity processes

19. Subsequent events

Voluntary prepayment of loans and borrowings

Subsequent to the reporting date, on 24 July 2026, the Group executed a voluntary prepayment of US$ 250,000 ('000) against the US$ 2 billion term loan facility, in compliance with the terms and conditions of the loan agreement.

Corporate Brand – Energy Oman

With effect from 9 Aug 2026, EDO adopted 'Energy Oman' as its corporate brand. This represents a change in corporate branding only and does not constitute a change in the Company's legal name or reporting entity. The legal name of the Company remains Energy Development Oman SAOC.