OQ BASE INDUSTRIES (SFZ) SAOG (FORMERLY KNOWN AS OQ METHANOL (SFZ) SAOC)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2024

Registered office and principal place of business
P.O box 316, P.C 217
Salalah Free Zone,
Dhofar Governate

OQ BASE INDUSTRIES (SFZ) SAOG (FORMERLY KNOWN AS OQ METHANOL (SFZ) SAOC)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2024 (UN-AUDITED)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT

		Consolidated		Parent Company	
	Notes	**30 Sep 2024 RO (Un–audited)**	31 Dec 2023 RO (Un –audited) (Re-presented) *	**30 Sep 2024 RO (Un–audited)**	31 Dec 2023 RO (Audited)
ASSETS					
Non-current assets					
Property, plant and equipment	*14*	**582,644,334**	580,278,731	**302,285,396**	315,633,358
Intangible assets	*15*	**-**	-	**-**	-
Right of use assets	*16.1*	**8,533,587**	6,442,655	**5,160,521**	3,273,941
Investment in a subsidiary	*17*	**-**	-	**61,628,676**	-
Derivatives	*31*	**2,611,478**	6,285,834	**1,194,685**	2,856,427
		593,789,399	593,007,220	**370,269,278**	321,763,726
Current assets					
Inventories	*18*	**12,189,834**	9,385,596	**10,260,745**	8,117,203
Trade and other receivables	*19*	**7,818,984**	16,037,337	**2,687,189**	8,391,495
Due from related parties	*32(ii)*	**22,683,622**	59,709,976	**21,046,986**	25,680,349
Derivatives	*31*	**6,476,619**	11,281,716	**2,994,475**	5,415,673
Bank deposits	*20*	**15,674,455**	84,185,279	**175,608**	36,201,752
Cash and cash equivalents	*21*	**142,814,798**	24,534,268	**71,363,833**	12,142,612
		207,658,312	205,134,172	**108,528,836**	95,949,084
Total assets		**801,447,711**	798,141,392	**478,798,114**	417,712,810
EQUITY AND LIABILITIES					
Equity					
Share capital	*22*	**38,510,000**	38,510,000	**38,510,000**	38,510,000
Subordinated loans from shareholders	*24*	**-**	-	**-**	-
Legal reserve	*23*	**12,836,750**	12,836,750	**12,836,667**	12,836,667
Hedging reserve	*31*	**9,088,097**	8,272,100	**4,189,160**	8,272,100
Other reserve	*22.2*	**(7,716,418)**	-	**-**	-
Shareholder's contribution (OQ BI)	*22.1*	**61,628,676**	54,422,230	**61,628,676**	-
Retained earnings		**161,292,792**	138,900,934	**160,268,343**	138,900,927
Total equity		**275,639,897**	252,942,014	**277,432,846**	198,519,694
Non-current liabilities					
Term loan	*25*	**305,794,674**	327,535,617	**140,804,715**	153,537,066
Lease liabilities	*16.2*	**13,523,225**	11,517,153	**8,114,107**	6,319,696
Provision for rich gas	*28*	**72,040,183**	54,720,429	**-**	-
Employees' end of service benefits	*27*	**1,286,213**	1,851,241	**1,226,621**	1,436,399
		392,644,295	395,624,440	**150,145,443**	161,293,161
Current liabilities					
Term loan	*25*	**44,657,540**	44,919,684	**26,628,344**	26,890,488
Subordinated loans from shareholder (OQ LPG)	*26*	**38,240,958**	55,642,818	**-**	-
Lease liabilities	*16.2*	**281,767**	281,767	**260,887**	260,887
Provision for rich gas - current	*28*	**18,301,964**	-	**-**	-
Trade and other payables	*29*	**31,244,852**	47,711,718	**20,208,569**	29,229,710
Due to related parties	*32(iii)*	**436,438**	1,018,951	**4,122,025**	1,518,870
		133,163,519	149,574,938	**51,219,825**	57,899,955
Total liabilities		**525,807,814**	545,199,378	**201,365,268**	219,193,116
Total equity & liabilities		**801,447,711**	798,141,392	**478,798,114**	417,712,810

The financial statements were approved and authorized for issue by the Board of Directors on ___ January 2025 and signed on their behalf by:_

Ali Al Lawati – Chairman

Saleh Al Mahthuri - Deputy Chairman

Khalid Al Asmi - CEO

* The Group has re-presented the comparative financial statements to reflect the common control transaction. For further details, refer to Note 2.

The accompanying notes form an integral part of these consolidated financial statements.

The independent auditors' report is set forth on pages 2 - 3

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED

		Consolidated (Un-audited)			
		Three months period ended		Nine months period ended	
		30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	Notes	**RO**	RO	**RO**	RO
Revenue	*8*	**55,666,615**	44,532,642	**159,963,473**	147,068,781
Cost of sales	*9*	**(39,274,626)**	(32,937,482)	**(117,081,639)**	(100,856,594)
Gross profit		**16,391,989**	11,595,160	**42,881,834**	46,212,187
Other income	*12*	**-**	-	**38,494**	-
Administrative and general expenses	*10*	**(2,470,213)**	(1,619,062)	**(6,300,164)**	(4,837,759)
Selling and promotion expenses		**-**	(12,285)	**-**	(25,819)
Provision for related party receivable	*32 (ii)*	**-**	-	**(5,323,615)**	-
Operating profit		**13,921,776**	9,963,813	**31,296,549**	41,348,609
Finance income	*13 (i)*	**968,356**	6,847,424	**4,028,853**	14,835,572
Finance costs	*13 (ii)*	**(5,195,109)**	(7,800,394)	**(21,520,407)**	(21,374,086)
Profit for the period		**9,695,023**	9,010,843	**13,804,995**	34,810,095
Other comprehensive income:					
Items that are or may be reclassified subsequently to profit or loss					
Effective portion of changes in the fair value of cash flow hedges – Gross	*31*	**(2,168,158)**	6,067,346	**1,697,119**	10,795,317
Cash flow hedges – reclassified to profit or loss	*31*	**(3,143,629)**	(4,014,678)	**(10,176,572)**	(11,522,641)
Items not to be reclassified subsequently to profit or loss					
Remeasurement of defined benefit plan, actuarial losses	*27*	**-**	-	**(29,519)**	-
Other comprehensive loss for the period		**(5,311,787)**	2,052,668	**(8,508,972)**	(727,324)
Total comprehensive income for the period		**4,383,236**	11,063,511	**5,296,023**	34,082,771
Profit for the period attributable to:					
- **Equity holders of the Parent Company**		**9,695,023**	9,010,843	**13,804,995**	34,810,095
Total comprehensive income attributable to:					
- **Equity holders of the Parent Company**		**4,383,236**	11,063,511	**5,296,023**	34,082,771
Earnings per share					
Basic earnings per share - (Baizas) *	*30 a*	**3.87**	3.60	**5.51**	13.90
Diluted earnings per share - (Baizas) *	*30 b*	**2.82**	3.10	**4.05**	11.46

* Basic and Diluted EPS are based on number of shares issued subsequent to the period ended 30 September 2024.

The accompanying notes form an integral part of these consolidated financial statements.

The independent auditors' report is set forth on pages 2 - 3.

CONDENSED PARENT COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED

		Parent Company (Un-audited)			
		Three months period ended		**Nine months period ended**	
		30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	Notes	**RO**	RO	**RO**	RO
Revenue	*8*	**38,127,046**	27,766,626	**106,424,893**	92,422,309
Cost of sales	*9*	**(25,860,968)**	(20,038,752)	**(74,500,602)**	(63,115,477)
Gross profit		**12,266,078**	7,727,874	**31,924,291**	29,306,832
Other income	*12*	**-**	-	**38,494**	-
Administrative and general expenses	*10*	**(1,677,885)**	(1,634,209)	**(4,519,581)**	(3,999,024)
Selling and promotion expenses		**-**	(12,285)	**-**	(25,819)
Operating profit		**10,588,193**	6,081,380	**27,443,204**	25,281,989
Finance income	*13 (i)*	**378,957**	2,605,330	**2,120,614**	5,911,244
Finance costs	*13 (ii)*	**(2,546,658)**	(3,268,925)	**(8,167,809)**	(8,421,970)
Profit for the period		**8,420,492**	5,417,785	**21,396,009**	22,771,263
Other comprehensive income:					
Items that are or may be reclassified subsequently to profit or loss					
Effective portion of changes in the fair value of cash flow hedges – Gross	*31*	**2,309,458**	5,242,076	**811,625**	5,588,383
Cash flow hedges – reclassified to profit or loss	*31*	**(1,497,833)**	(2,101,967)	**(4,894,565)**	(6,041,922)
Items not to be reclassified subsequently to profit or loss					
Remeasurement of defined benefit plan, actuarial losses	*27*	**-**	-	**(28,593)**	-
Other comprehensive loss for the period		**811,625**	3,140,109	**(4,111,533)**	(453,539)
Total comprehensive income for the period		**9,232,117**	8,557,894	**17,284,476**	22,317,724
Profit for the period attributable to:					
- **Equity holders of the Parent Company**		**8,420,492**	5,417,785	**21,396,009**	22,771,263
Total comprehensive income attributable to:					
- **Equity holders of the Parent Company**		**9,232,117**	8,557,894	**17,284,476**	22,317,724
Earnings per share					
Basic earnings per share - (Baizas) *	*30 a*	**3.36**	2.16	**8.55**	9.10
Diluted earnings per share - (Baizas) *	*30 b*	**2.43**	1.57	**6.18**	6.58

* Basic and Diluted EPS are based on number of shares issued subsequent to the period ended 30 September 2024.

The accompanying notes form an integral part of these consolidated financial statements.

The independent auditors' report is set forth on pages 2 - 3.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE PERIOD ENDED 30 SEPTEMBER 2024

Consolidated	Attributable to owners of the Parent Company							
(Un-audited)	Share capital RO	Equity subordinated loan RO	Legal reserve RO	Fair value reserves RO	Other reserve RO	Shareholders' contribution RO	Retained earnings RO	Total RO
Balance at 1 January 2023	38,510,000	51,942,236	12,836,667	16,291,995	-	35,563,665	116,197,705	271,342,268
Total comprehensive income for the period								
Profit for the period	-	-	-	-	-	24,787,060	22,719,691	47,506,751
Other comprehensive loss for the period	-	-	-	(8,019,895)	-	(5,928,495)	(16,379)	(13,964,769)
Total comprehensive income for the period	-	-	-	(8,019,895)	-	18,858,565	22,703,312	33,541,982
Settlement of subordinated loan (note 24)	-	(51,942,236)	-	-	-	-	-	(51,942,236)
Transfer to legal reserve	-	-	83	-	-		(83)	-
Balance at 31 December 2023	38,510,000	-	12,836,750	8,272,100	-	54,422,230	138,900,934	252,942,014
Balance at 1 January 2024	**38,510,000**	**-**	**12,836,750**	**8,272,100**	**-**	**54,422,230**	**138,900,934**	**252,942,014**
Total comprehensive income for the period								
Profit / (loss) for the period	**-**	**-**	**-**	**-**	**-**	**(8,615,456)**	**22,420,451**	**13,804,995**
Other comprehensive loss for the period	**-**	**-**	**-**	**(6,900,421)**	**-**	**(1,579,958)**	**(28,593)**	**(8,508,972)**
Total comprehensive income for the period	**-**	**-**	**-**	**(6,900,421)**	**-**	**(10,195,414)**	**22,391,858**	**5,296,023**
Other equity movements & adjustments:								
Waiver of interest on shareholder loan (note 26)	**-**	**-**	**-**	**-**		**17,401,860**	**-**	**17,401,860**
Acquisition of LPG	-	-	**-**	**7,716,418**	**(7,716,418)**	**(61,628,676)**	**-**	**(61,628,676)**
Consideration payable to OQ SAOC	-	-	**-**	**-**	**-**	**61,628,676**	**-**	**61,628,676**
Balance at 30 September 2024	**38,510,000**	**-**	**12,836,750**	**9,088,097**	**(7,716,418)**	**61,628,676**	**161,292,792**	**275,639,897**

The accompanying notes form an integral part of these consolidated financial statements.

The independent auditors' report is set forth on pages 2 - 3.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE PERIOD ENDED 30 SEPTEMBER 2024

Parent Company	**Share capital RO**	**Equity subordinated loan RO**	**Legal reserve RO**	**Fair value reserves RO**	**Shareholders' contribution RO**	**Retained earnings RO**	**Total RO**
(Audited)							
Balance at 1 January 2023	38,510,000	51,942,236	12,836,667	16,291,996	-	116,197,704	235,778,604
Total comprehensive income for the period							
Profit for the period	-	-	-	-	-	22,717,489	22,717,489
Other comprehensive loss for the period	-	-	-	(8,019,896)	-	(14,266)	(8,034,162)
Total comprehensive income for the period	-	-	-	(8,019,896)	-	22,703,223	14,683,327
Settlement of subordinated loan (note 24)	-	(51,942,236)	-	-		-	(51,942,236)
Balance at 31 December 2023	38,510,000	-	12,836,667	8,272,100	-	138,900,927	198,519,694
(Un-audited)							
Balance at 1 January 2024	**38,510,000**	**-**	**12,836,667**	**8,272,100**	**-**	**138,900,927**	**198,519,694**
Total comprehensive income for the period							
Profit for the period	**-**	**-**	**-**	**-**		**21,396,009**	**21,396,009**
Other comprehensive loss for the period	**-**	**-**	**-**	**(4,082,940)**	**-**	**(28,593)**	**(4,111,533)**
Total comprehensive income for the period	**-**	**-**	**-**	**(4,082,940)**	**-**	**21,367,416**	**17,284,476**
Consideration payable to OQ SAOC	**-**	**-**	**-**	**-**	**61,628,676**	**-**	**61,628,676**
Balance at 30 September 2024	**38,510,000**	**-**	**12,836,667**	**4,189,160**	**61,628,676**	**160,268,343**	**277,432,846**

The accompanying notes form an integral part of these consolidated financial statements.

The independent auditors' report is set forth on pages 2 - 3.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER

		Consolidated (Un-audited)		Parent Company (Un-audited)	
		Nine months period ended		Nine months period ended	
	Note	**30 Sep 2024 RO**	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Cash flows from operating activities					
Profit for the period		**13,804,995**	34,810,095	**21,396,009**	22,771,263
Adjustments for:					
Depreciation and amortisation	*14.1*	**24,611,816**	21,621,545	**16,457,578**	13,543,682
Provision for related party receivable	*32 (ii)*	**5,323,615**	-	**-**	-
Reversal of inventory obsolescence	*18.1*	**(43,349)**	34,378	**(43,349)**	34,378
Finance costs	*13(ii)*	**21,520,407**	21,374,086	**8,167,809**	8,421,970
Finance income	*13(i)*	**(4,028,853)**	(14,835,572)	**(2,120,614)**	(5,911,244)
Charge for provision for rich natural gas	*28*	**30,432,113**	22,741,311	**-**	-
Accrual for employees' end of service benefits	*27*	**124,119**	186,242	**107,429**	149,729
Reversal of employees' end of service benefits	*27*	**(535,109)**	-	**(173,141)**	-
		91,209,754	85,932,085	**43,791,721**	39,009,778
Changes in:					
Inventories		**(2,760,889)**	2,175,023	**(2,100,193)**	159,567
Trade and other receivables		**8,218,353**	(5,505,335)	**5,704,305**	(2,408,225)
Due from related parties		**8,676,883**	17,667,593	**1,764,527**	16,177,249
Trade and other payables		**(544,877)**	6,020,032	**(3,562,003)**	2,631,288
Due to related parties		**(582,513)**	(17,740,776)	**2,603,155**	(4,530,216)
Cash generated from operating activities		**104,216,711**	88,548,623	**48,201,512**	51,039,442
Employees' end of service benefits paid	*27*	**(183,556)**	(40,312)	**(172,659)**	(9,467)
Net cash from operating activities		**104,033,155**	88,508,311	**48,028,853**	51,029,975
Cash flows from investing activities					
Investment in bank deposits	*20*	**(171,774,889)**	(89,652,470)	**(91,435,967)**	(89,652,470)
Proceeds from bank deposits	*20*	**240,285,713**	89,176,051	**127,462,111**	89,176,051
Acquisitions of property, plant and equipment		**(19,830,860)**	(9,819,419)	**(5,692,878)**	(8,853,798)
Proceeds from sale of property, plant and equipment		**-**	18,207,480	**-**	-
Interest received		**4,028,853**	8,916,781	**2,120,614**	5,911,244
Net cash used in investing activities		**52,708,817**	16,828,423	**32,453,880**	(3,418,973)
Cash flows from financing activities					
Repayment of lease liabilities - principal portion		**(345,606)**	(133,600)	**(258,638)**	-
Proceeds from settlement of derivatives	*31*	**10,176,572**	11,522,641	**4,894,565**	6,041,922
Interest paid (including interest on lease liabilities)		**(25,578,642)**	(27,226,662)	**(12,452,859)**	(13,930,597)
Proceeds from term loans		**-**	4,702,645	**-**	-
Repayment of term loans	*25*	**(22,713,766)**	(24,531,405)	**(13,444,580)**	(14,622,396)
Repayment of shareholder's loans	*26*	**-**	(17,543,228)	**-**	-
Net cash generated from financing activities		**(38,461,442)**	(53,209,609)	**(21,261,512)**	(22,511,071)
Net increase in cash and cash equivalents		**118,280,530**	52,127,125	**59,221,221**	25,099,931
Cash and cash equivalents at 1 January		**24,534,268**	113,631,011	**12,142,612**	46,037,465
Cash and cash equivalents at 30 September	*21*	**142,814,798**	165,758,136	**71,363,833**	71,137,396

The accompanying notes form an integral part of these condensed consolidated financial statements.

The independent auditors' report is set forth on pages 2- 3.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. Legal status and principal activities

OQ Base Industries (SFZ) SAOG (the “Parent Company” or "OQ BI" or the “Company”), formerly known as OQ Methanol (SFZ) SAOC, is a Public Joint Stock Company registered in the Sultanate of Oman. The Parent Company was originally incorporated in the Sultanate of Oman on 27 February 2006 as a Limited Liability Company and later converted to Closed Joint Stock Company. On 12 December 2024, the Parent Company successfully listed its shares in a secondary sale and become Public Joint Stock Company.

OQ BI is a subsidiary of OQ SAOC ("the Holding Company"), a closely held joint stock company incorporated in the Sultanate of Oman. The Holding company is wholly owned and controlled by the Government of the Sultanate of Oman ("the Government") through the Oman Investment Authority ("OIA"). The Government of the Sultanate of Oman is identified as the "Ultimate Controlling Party."

The Holding Company owns 51% of the shares of OQ BI and remaining 49% of the shares has been issued to the general public in secondary sale as part of the initial public offering subsequent to the period ended 30 September 2024.

On 17 July 2024, OQ BI has acquired 100% stake of OQ LPG (SFZ) SPC (the “subsidiary” or “OQ LPG”), formerly known as OQ LPG (SFZ) SAOC and is a wholly owned subsidiary of OQ BI. OQ BI and OQ LPG together referred to as the “Group”.

Both OQ BI and OQ LPG are located in the Salalah Free Zone. OQ BI’s principal business activities involve the production of methanol and ammonia through its Methanol Plant and Ammonia Plant, respectively. OQ LPG’s principal business activities involve the production of propane, butane, condensate and cooking gas through its LPG Plant.

2. Basis of Preparation

These condensed consolidated and parent company interim financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting and the minimum disclosure requirements issued by Financial Services Authority (FSA) (formerly known as Capital Market Authority (“CMA”).

The condensed consolidated and parent company interim financial statements represent the first-time preparation of such statements for the Group. In accordance with IFRS guidelines for common control transactions, the comparative period has been presented as if OQ LPG had been a subsidiary since the commencement of its operations. This approach aligns with the guidance permitting retrospective presentation to reflect the substance of the transaction under common control. The financial information for the comparative period has been represented on this basis, ensuring consistency and comparability with the current period’s consolidated results.

The accounting policies used in the preparation of the condensed parent company and consolidated interim financial statements are consistent with those used in the preparation of the annual Parent Company for the year ended 31 December 2023 except for the basis of consolidation as disclosed in note 4 and the adoption of new and amended standards as disclosed in note 5 below. Parent company accounting policies are applicable to Group except for the basis of consolidation as mentioned below. The condensed parent company and consolidated interim financial statements do not contain all information and disclosures required for full financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with annual Parent Company for the year ended 31 December 2023. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Parent Company financial position and performance since the last annual financial statements.

3. Change in accounting policy

Except as described below in note 5, the accounting policies used in the preparation of the condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2023. The interim financial information should be read in conjunction with the annual audited financial statements for the year ended 31 December 2023, which have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Functional and presentation currency

The functional currency of the Company is US Dollar (“US$”) as this is the currency in which the majority of transactions are denominated in. The presentation currency is Omani Rials (“RO”) which is used to meet the requirement of the Financial Service Authority. The fixed exchange rate used for conversion is US$ 1 = RO 0.3845.

Use of estimates and judgements

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

4. Basis of consolidation

(a) Business combination and goodwill

The Group accounts for business combinations under the acquisition method, except for transactions under common control, when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, of the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

4. Basis of consolidation *(continued)*

(b) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Group, using consistent accounting policies (refer note 1).

(c) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(d) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(e) Non-controlling interests

NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(f) Common control transactions

Transactions involving entities under common control where the transaction in substance are accounted for using the acquisition method. For transactions involving entities under common control where the transaction does not have any substance, the Group adopts the pooling of interest method which is commonly known as ‘predecessor’s value method’.

Under the pooling of interest method, the carrying value of assets and liabilities in the books of the transferor (as adjusted to comply with Group’s accounting policies), are used to account for these transactions. The relevant book value is the carrying amount of the investee in the separate financial statements of the transferor.

No goodwill is recognised as a result of the transfer. Any difference between the consideration paid and the net assets acquired is reflected as ‘shareholders’ contribution’ within equity.

The Group’s acquisition of OQ LPG is considered to be a business combination under Common Control as both OQ LPG and the Parent Company are ultimately controlled by OQ SAOC. As such, these condensed consolidated financial statements have been represented by following merger accounting rules, as if the business combination had occurred from the beginning of the earliest period presented. The adaption of merger accounting has resulted in changes to the presentation of certain comparative figures which have been represented to conform with the current year’s presentation.

5. New and amended standards adopted by the Parent Company

The Group has adopted all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on 1 January 2024. The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024:

New accounting standards or amendments	**Effective for annual periods beginning on or after**
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	1 January 2024
Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	1 January 2024

The above standards and amendments do not have any material impact on the Group’s financial statements except for the amendment to IAS 1 which has been disclosed below.

The Group has adopted Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to IAS 1, as issued in 2020 and 2022. The amendments apply retrospectively for annual reporting periods beginning on or after 1 January 2024.

They clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current liabilities that are subject to covenants within 12 months after the reporting period. This resulted in a change in the accounting policy for classification of liabilities that can be settled in a Group’s own shares (e.g. convertible notes issued by the Group). Previously, the Group ignored all counterparty conversion options when classifying the related liabilities as current or non-current. Under the revised policy, when a liability includes a counterparty conversion option that may be settled by a transfer of entity's shares, the Group takes into account the conversion option in classifying the host liability as current or non-current. The Group’s other liabilities were not impacted by the amendments.

The Group applied this amendment retrospectively. The period is represented to present comparative information as if the requirements of the amendment had always been applied. The above amendment only impacted the classification of the subordinated loan from a shareholder of subsidiary, as the loan had a conversion option and was impacted by the revised policy. The related liability has been reclassified from non-current to current in all the period reported because the conversion option can be exercised by the shareholders within 12 months after the reporting period (in this case at any time).

6. New standards, amendments and interpretations not yet effective or adopted

A number of new standards are effective for annual periods beginning after 1 January 2024 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these condensed consolidated financial statements.

The following new or amended standards are not expected to have a significant impact on the Group’s condensed consolidated financial statements.

6. New standards, amendments and interpretations not yet effective or adopted *(continued)*

New accounting standards or amendments	**Effective for annual periods beginning on or after**
Lack of Exchangeability – Amendments to IAS 21	1 January 2025
Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments and IFRS 7, Financial Instruments: Disclosures)	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements- IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures	Available for optional adoption / effective date deferred indefinitely

There are no other standards, amendments and interpretations that are not yet effective that are expected to have a material impact in the current or future reporting periods or on foreseeable future transactions.

7. Significant agreements

The Group has entered into various agreements with third parties. A summary of the significant agreements is as follows;

a) Lease of land / Sub-usufruct Agreement

(i) Methanol

As at 10 October 2007, OQ BI has signed a lease agreement relating to the site of the methanol plant, along with a Sub-usufruct agreement with Salalah Free Zone Company SAOC (SFZ) for an area of 489,131.43 square meters. The agreement is valid for a period of 30 years.

(ii) Ammonia

As at 1 June 2017, OQ BI has signed a lease agreement relating to the site of the ammonia plant, along with an Amendment Sub-usufruct agreement with Salalah Free Zone Company SAOC (SFZ) for an area of 118,242.96 square meters. The initial period considered for ammonia lease agreement is for a period of 30 years from the commencement of the commercial operations.

(iii) LPG

On 31 March 2016, OQ LPG was given Sub-usufruct rights by Salalah Free Zone Company SAOC (SFZ) for a term of 30 years with an extension available per the agreement. The plot area of 214,693 Sqm has been allotted under this agreement. The rental terms are at escalating rental rate at each 5-year interval with an initial period starting from 1 March 2017.

(iv) Salalah Port agreements

The Salalah Port Services Company SAOG and OQ LPG entered into set of agreements in relation to the requirements for LPG plant operations and the Syndicated facility:

Lease agreement

On 16 May 2017, the lease of the land has been granted to the OQ LPG for an initial term of 30 years with an extension of additional 10 years for a plot area of 76,844 Sqm.

7. Significant agreements *(continued)*

a) Lease of land / Sub-usufruct Agreement *(continued)*

(iv) Salalah Port agreements *(continued)*

Port facilities agreement

On 16 May 2017, under the terms of the lease agreement, the port has allotted facilities to OQ LPG through the port facilitates agreement for a period similar to lease term of plot area at 30 years.

Right of way agreement

On 16 May 2017, under the terms of the lease agreement, the port has granted permissions as right of way to OQ LPG through the Right of way agreement for a period similar to lease term of 30 years for use in construction and existence of Pipe Rack for supply of LPG products through port facilities.

b) Gas Supply Agreement

On 14 January 2008, OQ BI entered into a Gas Supply Agreement ("GSA") with the Government of the Sultanate of Oman through the Ministry of Energy and Minerals (formerly Ministry of Oil and Gas) {the "Seller"} for a period of 25 years from the date of commencement of OQ BI commercial production of methanol. Under the agreement the seller undertakes to supply 0.65 trillion cubic feet of gas for a period of 15 years from the start of production to OQ BI. As per the amendment on 30 March 2014 the seller undertakes to supply 0.26 trillion cubic feet in total for the first six years after the expiry of 15 years and for the remaining term of the agreement, to supply gas on a reasonable effort basis. The agreement provides for a minimum purchase undertaking on the part of OQ BI under a take or pay basis.

The price of the gas is based on million British Thermal Units (BTUs). The price is a factor of weighted average netback price per tonne of methanol for actual shipments during the invoice month, as specified in the agreement.

c) Off-take Agreement

(i) *Methanol*

OQ BI signed a Methanol off-take agreement dated 20 September 2007 with a related party, OQ Trading Limited (OQT), a subsidiary of the Parent Company, for off-take of 100% of the methanol's production, for a period of five years from the start of OQ BI's commercial production of methanol.

(ii) Ammonia

OQ BI signed an Ammonia off-take agreement dated 11 June 2017 with a related party, OQ Trading Limited, a subsidiary of the Parent, for off-take of 100% of the ammonia production, for a period of ten years from the start of OQ BI's commercial production of ammonia.

(iii) LPG

On 1 June 2017, OQ LPG (SFZ) SPC entered into the LPG and condensate offtake agreement with OQ Trading LLC for a period of 15 years parallel to the syndicated facility.

7. Significant agreements *(continued)*

d) Syndicate Facility Agreement

(i) OQ Base Industries (SFZ) SAOG

On 13 July 2017, OQ Base Industries (SFZ) SAOG has entered into a new agreement for syndicated long-term facility in the aggregate maximum amount of US$728 million (RO 280.3 million) (see note 22). The Commercial Facility shall be used:

- in or towards OQ BI Refinancing;
- in or towards repayment of loans provided by the Shareholders to fund Ammonia Project Costs prior to Financial Close in an amount not exceeding USD 30 million (RO 11.5 million); and
- to fund Ammonia Project Costs incurred by or on behalf of OQ BI.

Bank Muscat SAOG is the onshore bank and onshore security agent.

(ii) OQ LPG (SFZ) SPC

A syndicate of 8 banks ("Lenders") have provided loan facility ("syndicated facility") of RO 246 million (2020: RO 246 million) to OQ LPG, as a special purpose vehicle incorporated to build own, operate and transfer liquefied petroleum gas ("LPG") plant, out of which OQ LPG utilised RO 241 million (2020: RO 214 million) with on gross cash flow stated in note 25. The syndicate is composed of 3 local and 5 foreign banks with secured loan facility is repayable in 24 semi-annual instalments. Repayment under the term loan facility has commenced from 31 December 2020. The main covenants of the agreement are to maintain gearing ratio at threshold of 77.5% Debt versus 22.5% Equity (which includes shareholder loan and capital). The agreement was signed on 17 May 2017. Standard Chartered Bank UK is the Facility agent for this arrangement, with Bank Muscat Oman as an onshore agent and Société Générale UK as an offshore agent.

e) Port Facilities Agreement

OQ BI signed a port facilities agreement dated 14 November 2007 with Salalah Port Services Company SAOG (SPS) to provide OQ BI with access to the port area and the relevant port facilities in order to facilitate shipping of the product and the transportation of seawater to and from the Plant.

f) Shareholder loan agreements (the "Shareholder loan)

The OQ LPG has entered into shareholder loan agreements with legal shareholder OOFDC (parent company of OQ LPG). These shareholders loan agreements are subordinated to the secured facility provided by the Lenders. The three agreements are as under:

Base equity

The Parent Company of OQ LPG has provided a funding facility of RO 57.8 million (31 December 2023: RO 57.8 million) out of which utilised amount is RO 57.8 million (31 December 2023: RO 57.8 million) as of 30 June 2024 through this agreement which represent the 22.5% of the equity portion of the project. The agreement was signed on 15 May 2017. Refer to Note 26.

Standby equity

The Parent Company of OQ LPG has guaranteed a sum of loans as standby equity of RO 29.261 million (31 December 2023:RO 29.261 million) under this agreement to cover escalations for varied scenarios during and beyond construction period. The agreement was signed on 15 May 2017.

7. Significant agreements *(continued)*

f) Shareholder loan agreements (the "Shareholder loan) *(continued)*

Standby equity (continued)

The Parent Company of OQ LPG has guaranteed a sum of loans as contingent funds for implications of value added tax (VAT) on the project once implemented. The funds under the agreement are to the value of RO 11.551 million (31 December 2023: RO 11.551 million), the agreement was signed on 15 May 2017.

g) Engineering procurement and construction agreement

The EPC Contract for the construction of the LPG plant has been awarded on 29 December 2016 with the total contract value of RO 224.354 million (31 December 2023: RO 224.354 million) to Petrofac E&C Oman LLC.

h) Engineering and technical support services agreement

On 7 June 2017, OQ LPG (SFZ) SPC entered into the Engineering and Technical Support Services agreement with Tebodin and Partner LLC for supply of manpower for a 40-month period commencing on 27 March 2017.

i) Engineering procurement and construction agreement – Ammonia

The EPC Contract for the construction of the Ammonia plant has been awarded on 22 February 2017 with the total contract value of RO 129.36 million (USD 335.9 million) (2022: RO 129.36 million (USD 335.9 million)) to SNC-LAVALIN INC.

j) Pipe rack agreement

On 7 June 2017, OQ LPG entered in the agreement with OQ Gas Networks SAOG for funding portion of the New Pipe Rack at Salalah Port. The agreement value is of RO 7.7 million (31 December 2023: RO 7.7 million) to be funded in accordance with the Pipe Rack milestone payments paid by OQ Gas Networks SAOG. In addition, OQ LPG entered into another agreement with OQ Gas Networks SAOG for existing pipe rack re-enforcement work with total cost of RO 6.488 million (31 December 2023: RO 6.488 million). In prior periods, these costs were recognized as receivable from the Ministry. During 2024, it was determined that the Ministry has no obligation to repay OQ LPG for the construction costs. As the pipe rack is now being utilized by the OQ LPG, it has been reclassified as a part of the OQ LPG's PPE. The asset will be depreciated over the remaining useful life of the plant.

k) BOOT and NGS agreement

On 11 June 2017, OQ LPG entered into a Build, Own, Operate and Transfer (BOOT) and Natural Gas Supply Agreement ("NGS or "Agreement") with the Sultanate of Oman through the Ministry of Oil and Gas (the "Government') (now novated to Integrated Gas Company (IGC)) for an initial term of 25 years with extension available at sole discretion of the Government for an additional 10 years. Under the Agreement, the Government undertakes to supply Rich Natural Gas during the commissioning of the Project and from the commercial operation date (COD). OQ LPG is required to provide anticipated scheduled commercial operation date to the Government no later than 6 months prior to such scheduled COD.

7. Significant agreements *(continued)*

k) BOOT and NGS agreement *(continued)*

The Gas supply is at zero cost, with recovery through sharing of profit at 80% payable to the Government under terms of the NGS. The 20% of the profit will be retained by OQ LPG under the same terms of the sharing. Shareholder loans, including accrued interest thereon, will be recovered in priority along with senior secured debt provided by the lenders under the syndicated facility agreement.

Under this agreement, the rich gas received from the Ministry has been recognized as cost of sales upon consumption. The LPG plant has been accounted for in accordance with IAS 16 and recognized as property, plant, and equipment in the consolidated statement of financial position. Refer note 3 for significant accounting judgements involved in recognition.

7.1. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the condensed consolidated financial statements requires the management to make estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

There are no significant judgments involved in allocations related to the preparation of combined financial statements.

In the process of applying the Reporting entity's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in these consolidated financial statements:

(i) Judgement in identifying whether a contract includes a lease

The Reporting entity has entered into a contract with Salalah Free Zone for the following leases:

- Land on which the methanol plant, building and related civil works are constructed is leased for a minimum period of 30 years with effect from 10 October 2007; and
- Land on which the ammonia plant, building and related civil works are under construction is leased for a period of 28 years and 7 months with effect from 1 June 2017.
- Land on which the LPG plant, building and related civil works are under construction is leased for a period of 30 years with effect from 16 May 2017.

The Management has assessed that the Reporting entity has the right to control over the use of leasehold land for the term stated above and that the contracts meet the identification criteria of lease under IFRS 16. Therefore, the Reporting entity does have the right to obtain substantially all of the economic benefits from the use of the lands. As a result, the Reporting entity has concluded that the contract contains a lease.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed 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 CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

7.1. Critical accounting judgements and key sources of estimation uncertainty *(continued)*

ii) Judgement involved in assessment of containing lease on off take agreements

As disclosed in the significant agreement (offtake agreements (c)), Combined entities has 3 offtake agreements with OQ trading which is off taker of Methanol, Ammonia and LPG Products. As per the agreement, OQ BI and OQ LPG have the discretion to sell the products to third parties and determine annual nomination to OQ Trading. Additionally, OQ Trading does not have the right to direct the use of the assets, as OQ BI and OQ LPG retain control over key operational decisions. Furthermore, OQ Trading does not determine the design of the underlying assets during the construction. Hence, the management has evaluated and concluded that off-take agreements do not meet the definition of a lease under IFRS 16. Hence, it has been accounted for PPE under IAS 16 and proceeds are recognized in accordance with IFRS 15 Revenue.

iii) Judgement involved in lease identification on port facilities and right of way

As disclosed in the significant agreements (a) iv and (e), Reporting entity has 2 agreements with Salalah Port Services Company SAOG. Management evaluated contracts related to port facilities and rights of way under IFRS 16 to determine if they contain leases:

Port facilities: The contracts provide OQ BI and OQ LPG access to port facilities on a non-exclusive basis. Despite detailed specifications in the contract, the Lessor retains discretion over which facilities are allocated to OQ BI and OQ LPG. As a result, management concluded that no identified asset is conveyed, and the contract does not meet the definition of a lease under IFRS 16. Hence, relevant payments have been considered as an expenditure in the statement of profit or loss.

Right of way: The contract explicitly establishes the right of way for the construction of a pipeline. However, the pipe rack has been constructed as an elevated structure, detached from the land, and thus does not constitute an identifiable asset. Additionally, OQ LPG’s rights to this right of way are non-exclusive. Based on these factors, management has concluded that there is no identified asset within this arrangement. Furthermore, there are no significant restoration obligations associated with this arrangement. Consequently, the arrangement does not fulfill the criteria for classification as a lease under IFRS 16. As such, the related payments are recognized as an expense in the statement of profit or loss.

iv) Judgement involved in classification of LPG Plant

As disclosed in significant agreements (k), OQ LPG entered into a BOOT and NGS agreement. According to this agreement, Integrated Gas Company (IGC) does not have control over pricing; OQ LPG independently sets its prices, with key contracts linked to market indices, and the arrangement is a public-to-public transaction. Based on these facts, management has assessed the applicability of IFRIC 12 and concluded that the arrangement does not meet the criteria for service concession accounting. As a result, the plant and machinery are classified as property, plant, and equipment in accordance with IAS 16.

Rich gas received from IGC is treated as inventory and recognized as cost of sales upon consumption. Given the nature of rich gas, it cannot be stored and is supplied directly to production through pipelines as needed. Therefore, no inventory related to rich gas exists as of the reporting date.

v) Judgement involved in own use contract of under Gas Supply Agreement

As disclosed in significant agreements (b), OQ BI entered into a Gas Supply Agreement (GSA) with the Ministry of Energy for the purchase of gas to be used in Methanol production. Based on the agreement, GSA does not involve trading, speculation, or net settlement. Instead, the gas is purchased solely for use in production as a non-financial item, and physical delivery is required under the terms of the contract. Management assessed whether the contract should be treated as a financial instrument or fall under the "own use" exemption. IFRS 9 applies to contracts that involve financial instruments or can be settled on a net basis, including contracts held for trading or speculation.

7.1. Critical accounting judgements and key sources of estimation uncertainty *(continued)*

v) Judgement involved in own use contract of under Gas Supply Agreement *(continued)*

As the gas is a raw material and not part of a speculative arrangement and not settled on a net basis, management has concluded that the contract qualifies for the "own use" exemption under IFRS 9. Hence, cost of gas has been recognized in the statement of profit or loss.

vi) Judgement involved in classification of Provision for rich gas

As disclosed in note 7 (k) for significant agreements, the reporting entity is required to share 80% of its future profits with the IGC from the revenue generated on sale of Butane, Propane, Condensate and LPG (cooking gas) as a consideration for the rich gas supplied by the IGC. Management has estimated the amount payable based on the expected future cash flows from the plant and recognized a liability which involves applying certain critical estimates as detailed in Note 5.1(iv) for Critical estimates. As per the agreement with the IGC, any payments for this obligation will commence after the repayment of shareholder loans and senior secured debt provided by lenders, including any accrued interest thereon. Considering these payments are not at the discretion of the reporting entity, this balance payable is classified as a liability in accordance with IAS 32.

7.1.1 Critical estimates

i) Provision for rich gas

The reporting entity recognizes the cost of gas received (inventory) from IGC by projecting production, sales, and expenses over a 25-year period based on its operating model (based on NGSA/BOOT agreement). The net cash flows payable to IGC are determined based on this 25-year forecast. The price of gas is derived by dividing IGC’s total share by the total quantity. The financial liability to IGC is measured at fair value through profit or loss (P&L), with future payments discounted to present value using the rate disclosed in Note 28. The estimation process involves significant judgment and the use of assumptions, which are reviewed annually.

8. Revenue

Revenue from contracts with customers:

	Consolidated (Un-audited)			
	Three months period ended		**Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Gross revenue	**56,337,237**	44,904,112	**161,614,027**	148,108,883
Less: discount / premium	**(670,622)**	(371,470)	**(1,650,554)**	(1,040,102)
	55,666,615	44,532,642	**159,963,473**	147,068,781

	Parent Company (Un-audited)			
	Three months period ended		**Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Gross revenue	**38,797,668**	28,138,096	**108,075,447**	93,462,411
Less: discount / premium	**(670,622)**	(371,470)	**(1,650,554)**	(1,040,102)
	38,127,046	27,766,626	**106,424,893**	92,422,309

In the following table, revenue from contracts with customers is disaggregated by timing of revenue recognition, major product lines and geographical markets;

8. Revenue *(continued)*

Revenue from contracts with customers *(continued):*

i) Timing of recognition

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Products transferred at a point in time	**55,666,615**	44,532,642	**159,963,473**	147,068,781

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Products transferred at a point in time	**38,127,046**	27,766,626	**106,424,893**	92,422,309

ii) Major products

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Methanol	**27,702,466**	20,804,962	**79,866,359**	62,764,527
Ammonia	**10,424,580**	6,961,664	**26,558,534**	29,657,782
Butane	**4,153,160**	4,983,500	**15,387,703**	16,486,421
Propane	**7,111,929**	7,753,529	**23,065,357**	25,930,410
Condensate	**4,014,824**	2,336,375	**8,673,206**	6,749,777
LPG (Cooking gas)	**2,259,656**	1,692,612	**6,412,314**	5,479,864
	55,666,615	44,532,642	**159,963,473**	147,068,781

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Methanol	**27,702,466**	20,804,962	**79,866,359**	62,764,527
Ammonia	**10,424,580**	6,961,664	**26,558,534**	29,657,782
	38,127,046	27,766,626	**106,424,893**	92,422,309

iii) Primary geographical markets

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Export – United Arab Emirates	**53,406,958**	42,840,030	**153,551,158**	141,588,917
Local – Sultanate of Oman	**2,259,657**	1,692,612	**6,412,315**	5,479,864
	55,666,615	44,532,642	**159,963,473**	147,068,781

8. Revenue *(continued)*

Revenue from contracts with customers *(continued):*

iii) Primary geographical markets *(continued)*

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Export – United Arab Emirates	**38,127,046**	27,766,626	**106,424,893**	92,422,309
	38,127,046	27,766,626	**106,424,893**	92,422,309

9. Cost of sales

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Natural gas consumption	**17,072,663**	12,610,819	**45,591,846**	38,116,772
Notional cost of rich gas (note 28)	**8,369,620**	7,963,847	**30,432,113**	22,741,311
Changes in inventory of LPG	**740,320**	432,976	**(366,022)**	2,037,285
Depreciation and amortization (note 14.1)	**8,218,096**	6,973,729	**24,365,019**	21,374,059
Staff salaries and related costs (note 11)	**2,270,879**	2,429,375	**7,464,921**	7,848,677
Repair and maintenance	**733,916**	1,097,483	**2,468,824**	2,064,857
Spare parts and tools	**126,538**	435,181	**586,612**	727,851
Process, laboratory chemicals and other materials	**150,281**	(55,602)	**397,943**	274,841
Utilities cost	**100,279**	40,905	**502,275**	523,279
Hired services cost	**365,902**	102,491	**955,146**	502,751
Reversal for inventory obsolescence (note 18.1)	**-**	34,378	**(43,349)**	34,378
Other costs	**1,126,132**	871,900	**4,726,311**	4,610,533
	39,274,626	32,937,482	**117,081,639**	100,856,594

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Natural gas consumption	**17,072,663**	12,610,819	**45,591,846**	38,116,772
Depreciation and amortization (note 14.1)	**5,496,686**	4,442,172	**16,264,275**	13,348,923
Staff salaries and related costs (note 11)	**1,219,028**	1,058,133	**5,285,110**	4,841,848
Repair and maintenance	**600,766**	741,732	**1,989,579**	1,709,106
Spare parts and tools	**40,612**	167,478	**357,128**	460,148
Process, laboratory chemicals and other materials	**150,281**	115,687	**397,943**	274,841
Reversal for inventory obsolescence (note 18.1)	**-**	34,378	**(43,349)**	34,378
Other costs	**1,280,932**	868,353	**4,658,070**	4,329,461
	25,860,968	20,038,752	**74,500,602**	63,115,477

10. Administrative and general expenses

	Consolidated (Un-audited)			
	Three months period ended		**Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Staff salaries and related costs (note 11)	**1,094,103**	438,441	**2,687,548**	1,521,846
Depreciation and amortization (note 14.1)	**81,876**	85,555	**246,814**	247,578
Insurance	**304,059**	275,709	**1,293,064**	1,078,612
Repair and maintenance	**61,815**	41,146	**179,487**	136,046
Corporate social responsibility	**54,796**	41,094	**102,039**	42,052
Advertisement and public relations	**106,126**	5,633	**112,057**	537,725
Travelling expenses	**76,731**	53,327	**168,947**	134,880
Short-term lease car rentals (note 16.3)	**25,005**	3,351	**66,761**	3,351
Professional fees *	**47,066**	130,303	**164,047**	193,854
Office supplies	**67,384**	11,823	**212,304**	42,768
Communications	**5,531**	16,642	**15,509**	18,777
Other expenses	**545,721**	516,038	**1,051,587**	880,270
	2,470,213	1,619,062	**6,300,164**	4,837,759

	Parent Company (Un-audited)			
	Three months period ended		**Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Staff salaries and related costs (note 11)	**829,662**	771,418	**2,112,712**	1,527,842
Depreciation and amortization (note 14.1)	**64,242**	72,378	**193,303**	194,759
Insurance	**217,685**	171,029	**978,376**	676,283
Repair and maintenance	**54,493**	35,425	**155,796**	104,008
Corporate social responsibility	**54,796**	41,094	**102,039**	42,052
Advertisement and public relations	**106,126**	36,972	**112,057**	537,725
Travelling expenses	**64,326**	33,944	**138,831**	93,055
Short-term lease car rentals (note 16.3)	**25,005**	3,351	**66,761**	3,351
Professional fees *	**36,713**	114,871	**128,604**	139,527
Office supplies	**43,359**	4,891	**156,903**	4,891
Communications	**2,643**	2,871	**5,865**	5,006
Other expenses	**178,835**	345,965	**368,334**	670,525
	1,677,885	1,634,209	**4,519,581**	3,999,024

* This includes remuneration paid to auditors for the period ended 30 September 2024, comprising RO 84,000 (30 September 2023: RO 13,780) for audit services, RO 21,777 (30 September 2023: RO 3,200) for tax-related services, and RO 76,805 for IPO-related services, categorized as non-assurance services provided in both periods.

11. Staff salaries and related costs

	Consolidated (Un-audited)			
	Three months period ended		**Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Wages and salaries	**2,538,927**	2,565,768	**8,346,733**	7,882,492
Employees' end of service benefits (note 27)	**29,660**	35,007	**124,119**	186,242
Contributions to defined contribution retirement plan	**214,997**	194,253	**646,898**	556,570
Other benefits	**581,399**	72,788	**1,034,720**	745,219
	3,364,983	2,867,816	**10,152,470**	9,370,523

11. Staff salaries and related costs (continued)

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Wages and salaries	**1,653,438**	1,669,520	**5,965,196**	5,230,206
Employees' end of service benefits (note 27)	**17,226**	26,237	**107,429**	149,729
Contributions to defined contribution retirement plan	**145,465**	123,014	**438,493**	368,043
Other benefits	**232,561**	10,780	**886,704**	621,712
	2,048,690	1,829,551	**7,397,822**	6,369,690

The staff salaries and related costs are allocated to administrative and general expenses and cost of sales as follows:

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Administrative and general expenses	**1,094,103**	438,441	**2,687,548**	1,521,486
Cost of sales	**2,270,879**	2,429,375	**7,464,921**	7,848,677
	3,364,983	2,867,816	**10,152,470**	9,370,523

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Administrative and general expenses	**829,662**	771,418	**2,112,712**	1,527,842
Cost of sales	**1,219,028**	1,058,133	**5,285,110**	4,841,848
	2,048,690	1,829,551	**7,397,822**	6,369,690

12. Other income

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Other miscellaneous income	**-**	-	**38,494**	-

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Other miscellaneous income	**-**	-	**38,494**	-

13. Finance income and finance cost

i) Finance income

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	RO	RO	**RO**	RO
Interest income on bank deposits	**676,568**	3,582,054	**3,507,071**	8,915,891
Discount - rich gas	**283,998**	3,076,495	**-**	5,918,792
Other finance income	**7,790**	188,875	**521,782**	889
	968,356	6,847,424	**4,028,853**	14,835,572

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	RO	RO	**RO**	RO
Interest income on bank deposits	**371,235**	2,416,529	**1,819,408**	5,910,774
Other finance income	**7,722**	188,801	**301,206**	470
	378,957	2,605,330	**2,120,614**	5,911,244

ii) Finance cost

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	RO	RO	**RO**	RO
Interest on term loan	**7,857,779**	9,737,186	**24,936,073**	26,851,657
Reclassification of cash flow hedge	**(3,143,629)**	(4,014,678)	**(10,176,572)**	(11,522,641)
Interest on lease liabilities (note 16.2)	**214,430**	180,816	**642,569**	541,947
Deferred finance cost	**231,236**	249,854	**710,679**	763,359
Unwinding of discount - rich gas	**-**	-	**5,189,605**	-
Interest on sub-ordinated loan	**-**	1,642,179	**-**	4,637,625
Foreign exchange loss	**35,293**	5,037	**218,053**	28,868
Other finance costs	**-**	-	**-**	73,271
	5,195,109	7,800,394	**21,520,407**	21,374,086

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	RO	RO	**RO**	RO
Interest on term loan	**3,720,920**	5,101,935	**12,064,008**	13,575,277
Reclassification of cash flow hedge	**(1,497,833)**	(2,101,967)	**(4,894,565)**	(6,041,922)
Interest on lease liabilities (note 16.2)	**129,617**	100,578	**388,851**	301,734
Deferred finance cost	**144,372**	164,065	**450,085**	505,991
Foreign exchange loss	**49,582**	4,314	**159,430**	27,304
Other finance costs	**-**	-	**-**	53,586
	2,546,658	3,268,925	**8,167,809**	8,421,970

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. Property, plant and equipment

Consolidated (Un-audited)	Building and civil facilities RO	Furniture and fixture RO	Plant and equipment RO	Vehicles RO	Capital work-in-progress RO	Capital spares RO	Total RO
Cost							
Balance at 1 January 2023	42,546,836	679,442	620,647,797	1,123,862	197,384,147	1,846,312	864,228,396
Additions	911,454	50,369	13,184	-	25,899,883	89,364	26,964,254
Transfer	7,198,104	59,645	187,349,830	-	(194,607,579)	-	-
Disposals	-	-	(19,392,581)	-	-	-	(19,392,581)
Balance at 31 December 2023	50,656,394	789,456	788,618,230	1,123,862	28,676,451	1,935,676	871,800,069
Balance at 1 January 2023	42,546,836	679,442	620,647,797	1,123,862	197,384,147	1,846,312	864,228,396
Additions	-	-	-	-	9,433,788	-	9,433,788
Transfer	7,198,104	59,645	187,349,830	-	(194,607,579)	-	-
Disposals	-	-	(19,392,581)	-	-	-	(19,392,581)
Balance at 30 September 2023	49,744,940	739,087	788,605,046	1,123,862	12,210,356	1,846,312	854,269,603
Balance at 1 January 2024	**50,656,394**	**789,456**	**788,618,230**	**1,123,862**	**28,676,451**	**1,935,676**	**871,800,069**
Additions *	**23,025,856**	**-**	**-**	**-**	**3,690,816**	**-**	**26,716,672**
Transfer **	**-**	**-**	**17,050,730**	**-**	**(17,050,730)**	**-**	**-**
Balance at 30 September 2024	**73,682,250**	**789,456**	**805,668,960**	**1,123,862**	**15,316,537**	**1,935,676**	**898,516,741**

* During the period, the Group made additions to its PPE, which included pipe rack assets amounting to RO 23 million. Initially, this pipe rack was constructed on behalf of the Ministry of Transportation and was recognized as a receivable. However, following discussions with the Ministry, it was determined that the Ministry has no obligation to repay OQ LPG for the construction costs. As the pipe rack is now being utilized by the OQ LPG, it has been reclassified as a part of the OQ LPG's PPE. The asset will be depreciated over the remaining useful life of the plant. furthermore, there are no significant restoration obligations associated with this asset.

** As of the period ended 30 September 2024, following the turnaround of the Methanol Plant, the Group capitalized RO 17. 1 million from work-in-progress to property, plant, and equipment. The remaining balances of RO 17.2 million including capital spares, related to capital improvement projects currently in progress which will be capitalised once it is available for use.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

14. Property, plant and equipment *(continued)*

Consolidated (Un-audited)	**Building and civil facilities RO**	**Furniture and fixture RO**	**Plant and machineries RO**	**Vehicles RO**	**Capital work-in-progress RO**	**Capital spares RO**	**Total RO**
Accumulated depreciation							
Balance at 1 January 2023	14,988,629	639,280	247,897,957	648,573	-	111,574	264,286,013
Depreciation	2,127,125	39,818	26,007,759	59,082	-	186,642	28,420,426
Disposal	-	-	(1,185,101)	-	-	-	(1,185,101)
Balance at 31 December 2023	17,115,754	679,098	272,720,615	707,655	-	298,216	291,521,338
Balance at 1 January 2023	14,988,629	639,280	247,897,957	648,573	-	111,574	264,286,013
Depreciation	1,348,822	15,886	19,791,908	44,312	-	139,981	21,340,909
Disposal	-	-	(1,185,101)	-	-	-	(1,185,101)
Balance at 30 September 2023	16,337,451	655,166	266,504,764	692,885	-	251,555	284,441,821
Balance at 1 January 2024	**17,115,754**	**679,098**	**272,720,615**	**707,655**	**-**	**298,216**	**291,521,338**
Depreciation	**2,233,293**	**23,997**	**21,909,486**	**44,312**	**-**	**139,981**	**24,351,069**
Balance at 30 September 2024	**19,349,047**	**703,095**	**294,630,101**	**751,967**	**-**	**438,197**	**315,872,407**
Carrying amount							
At 30 September 2024	**54,333,203**	**86,361**	**511,038,859**	**371,895**	**15,316,537**	**1,497,479**	**582,644,334**
At 30 September 2023	33,407,489	83,921	522,100,282	430,977	12,210,358	1,594,757	569,827,782
At 31 December 2023	33,540,640	110,358	515,897,615	416,207	28,676,451	1,637,460	580,278,731

14. Property, plant and equipment *(continued)*

Parent Company	Building and civil facilities RO	Furniture and fixture RO	Plant and equipment RO	Vehicles RO	Capital work-in-progress RO	Capital spares RO	Total RO
Cost							
Balance at 1 January 2023	23,054,356	585,150	335,147,088	561,862	195,183,945	1,846,312	556,378,713
Additions	850,074	-	13,184	-	24,930,071	89,364	25,882,693
Transfer	7,198,104	59,645	187,349,830	-	(194,607,579)	-	-
Balance at 31 December 2023	31,102,534	644,795	522,510,102	561,862	25,506,437	1,935,676	582,261,406
Balance at 1 January 2023	23,054,356	585,150	335,147,088	561,862	195,183,945	1,846,312	556,378,713
Additions	-	-	-	-	8,723,821	-	8,723,821
Transfer	7,198,104	59,645	187,349,830	-	(194,607,579)	-	-
Balance at 30 September 2023 (Un-audited)	30,252,460	644,795	522,496,918	561,862	9,300,187	1,846,312	565,102,534
Balance at 1 January 2024	**31,102,534**	**644,795**	**522,510,102**	**561,862**	**25,506,437**	**1,935,676**	**582,261,406**
Additions	**2,868,836**	**-**	**-**	**-**	**74,311**	**-**	**2,943,147**
Transfer	**-**	**-**	**17,050,730**	**-**	**(17,050,730)**	**-**	**-**
Balance at 30 September 2024 (Un-audited)	**33,971,370**	**644,795**	**539,560,832**	**561,862**	**8,530,018**	**1,935,676**	**585,204,553**
Accumulated depreciation							
Balance at 1 January 2023	14,068,152	545,042	233,461,862	561,862	-	111,574	248,748,492
Depreciation	1,474,136	26,537	16,192,241	-	-	186,642	17,879,556
Balance at 31 December 2023	15,542,288	571,579	249,654,103	561,862	-	298,216	266,628,048
Balance at 1 January 2023	14,068,152	545,042	233,461,862	561,862	-	111,574	248,748,492
Depreciation	861,510	15,886	12,362,883	-	-	139,981	13,380,260
Balance at 30 September 2023 (Un-audited)	14,929,662	560,928	245,824,745	561,862	-	251,555	262,128,752
Balance at 1 January 2024	**15,542,288**	**571,579**	**249,654,103**	**561,862**	**-**	**298,216**	**266,628,048**
Depreciation	**1,208,481**	**14,814**	**14,927,833**	**-**	**-**	**139,981**	**16,291,109**
Balance at 30 September 2024 (Un-audited)	**16,750,769**	**586,393**	**264,581,936**	**561,862**	**-**	**438,197**	**282,919,157**
Carrying amount							
At 30 September 2024 (Un-audited)	**17,220,601**	**58,402**	**274,978,896**	**-**	**8,530,018**	**1,497,479**	**302,285,396**
At 30 September 2023 (Un-audited)	15,322,798	83,867	276,672,173	-	9,300,187	1,594,757	302,973,782
At 31 December 2023	15,560,246	73,216	272,855,999	-	25,506,437	1,637,460	315,633,358

14. Property, plant and equipment *(continued)*

14.1 Reconciliation of depreciation and amortization charge

The depreciation and amortization charges for the period / year were as follows;

	Consolidated (Un-audited)		Parent Company (Un-audited)	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Property, plant and equipment (note 14)	**24,351,069**	21,340,909	**16,291,109**	13,380,260
Intangible assets (note 15)	**-**	8,633	**-**	270
Right-of-use assets (note 16.1)	**260,747**	272,003	**166,469**	163,152
	24,611,816	21,621,545	**16,457,578**	13,543,682

The depreciation and amortisation charge are allocated to cost of sales and administrative and general expenses as follows:

	Consolidated (Un-audited)		Parent Company (Un-audited)	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Cost of sales (note 9)	**24,365,019**	21,374,059	**16,264,275**	13,348,923
Administrative and general expenses (note 10)	**246,797**	247,486	**193,303**	194,759
	24,611,816	21,621,545	**16,457,578**	13,543,682

15. Intangible assets

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Cost						
At beginning of the period / year	**2,257,897**	2,257,897	2,257,897	**1,928,135**	1,928,135	1,928,135
Additions during the period / year	**-**	-	-	**-**	-	-
At end of the period / year	**2,257,897**	2,257,897	2,257,897	**1,928,135**	1,928,135	1,928,135
Amortisation						
At beginning of the period / year	**2,257,897**	2,249,174	2,249,174	**1,928,135**	1,927,775	1,927,775
Charge for the period/year (note 14.1)	**-**	8,633	8,723	**-**	270	360
At end of the period / year	**2,257,897**	2,257,807	2,257,897	**1,928,135**	1,928,045	1,928,135
Carrying amount at end of the period/year	-	90	-	-	90	-

16. Leases

The condensed consolidated statements of financial position and profit or loss shows the following amounts relating to lease of right of use assets and related lease liabilities:

16.1 Right-of-use assets

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Cost						
Balance at beginning of the period / year	**8,219,777**	8,211,213	8,211,213	**4,361,622**	4,361,622	4,361,622
Modification	**2,351,679**	8,564	8,564	**2,053,049**	-	-
Balance at end of the period / year	**10,571,456**	8,219,777	8,219,777	**6,414,671**	4,361,622	4,361,622
Accumulated depreciation						
Balance at beginning of the period / year	**1,777,122**	1,507,963	1,507,963	**1,087,681**	870,145	870,145
Charge for the period/ year (note 14.1)	**260,747**	272,003	269,159	**166,469**	163,152	217,536
Balance at end of the period / year	**2,037,869**	1,779,966	1,777,122	**1,254,150**	1,033,297	1,087,681
Carrying amount at end of the period/year	**8,533,587**	6,439,811	6,442,655	**5,160,521**	3,328,325	3,273,941

16.2 Lease liabilities

Movement in lease liabilities are as follows;

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Balance at beginning of the period / year	**11,798,920**	12,036,153	12,036,153	**6,580,583**	6,798,793	6,798,793
Modification	**2,351,679**	-	-	**2,053,049**	-	-
Accretion of interest (note 13 (ii))	**642,569**	541,947	724,038	**388,851**	301,734	402,312
Payments	**(988,176)**	(859,044)	(961,271)	**(647,489)**	(725,444)	(620,522)
Balance at end of the period / year	**13,804,992**	11,719,056	11,798,920	**8,374,994**	6,375,083	6,580,583

The current and non-current classification of lease liabilities as of the reporting date is as follows:

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Lease liability – current	**281,767**	280,808	281,767	**260,887**	260,887	260,887
Lease liability - non-current	**13,523,225**	11,438,248	11,517,153	**8,114,107**	6,114,196	6,319,696
	13,804,992	11,719,056	11,798,920	**8,374,994**	6,375,083	6,580,583

17. Investment in subsidiary

	Parent Company
	30 Sep 2024 RO (Un-audited)
Investment in a subsidiary – OQ LPG	**61,628,676**

During 2024, OOFDC transferred its 100% shareholding in OQ LPG to OQ BI with effect from 17 July 2024, and therefore became the wholly owned subsidiary of the Parent Company. The transfer was executed at the carrying value of OQ LPG net assets as of 30 June 2024 and commercial registration was completed on 28th July 2024. The share capital increase of OQBI was approved by the shareholders during an Extraordinary General Meeting held on 9th October 2024. Accordingly, the Parent Company completed its acquisition of the shares for consideration of RO 61,628,676 which was settled in the form of 1,540,716,900 shares issued to OQ SAOC at RO 40 baiza each. The consideration is payable as of 30 September 2024.

The Parent Company's acquisition of OQ LPG is considered to be a business combination under Common Control as both OQ LPG and the Parent Company are ultimately controlled by OQ SAOC. As such, these consolidated financial statements have been represented by following merger accounting rules, as if the business combination had occurred from the beginning of the earliest period presented. The adaption of merger accounting has resulted in preparation of the consolidated financial statements for the first time.

18. Inventories

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Finished products:						
Methanol products	**3,347,373**	3,612,922	1,557,948	**3,347,373**	3,612,922	1,557,948
LPG products	**1,584,263**	1,713,064	1,218,240	**-**	-	-
	4,931,636	5,325,986	2,776,188	**3,347,373**	3,612,922	1,557,948
Store, supplies and consumables:						
Spare parts	**5,838,822**	5,668,491	5,254,475	**5,493,996**	5,644,098	5,211,755
Consumables	**1,262,108**	1,306,095	1,239,278	**1,262,108**	1,306,095	1,231,845
Chemicals and other materials	**225,191**	282,733	226,927	**225,191**	282,733	226,927
	12,257,757	12,583,305	9,496,868	**10,328,668**	10,845,848	8,228,475
Less: Allowance for slow moving inventories (note 18.1)	**(67,923)**	(87,110)	(111,272)	**(67,923)**	(87,110)	(111,272)
	12,189,834	12,496,195	9,385,596	**10,260,745**	10,758,738	8,117,203

18.1 Movement in the allowance for slow moving inventories is as follows;

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
At beginning of the period / year	**111,272**	52,732	52,732	**111,272**	52,732	52,732
(Reversal) / charge for the period / year	**(43,349)**	34,378	58,540	**(43,349)**	34,378	58,540
At end of the period / year	**67,923**	87,110	111,272	**67,923**	87,110	111,272

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19. Trade and other receivables

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Advances to vendors	**238,681**	2,127,102	2,069,756	**238,681**	2,127,102	944,599
Advances to employees	**11,869**	10,446	12,360	**11,869**	10,446	12,360
Prepayment and other receivables	**7,568,434**	6,271,867	13,955,221	**2,436,639**	2,839,604	7,434,536
At end of the period / year	**7,818,984**	8,409,415	16,037,337	**2,687,189**	4,977,152	8,391,495

There has been no change in the estimation techniques or significant assumptions made during the current reporting period. No ECL provision was recognised on trade and other receivables (31 December 2023: nil).

20. Bank deposits

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
At beginning of the period / year	**84,185,279**	53,914,334	53,914,334	**36,201,752**	53,889,334	53,889,334
Deposits	**171,774,889**	89,652,470	214,951,796	**91,435,967**	89,652,470	71,488,469
Withdrawals	**(240,285,713)**	(89,176,051)	(184,680,851)	**(127,462,111)**	(89,176,051)	(89,176,051)
At end of the period / year	**15,674,455**	54,390,753	84,185,279	**175,608**	54,365,753	36,201,752

21. Cash and cash equivalents

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Cash in hand	**24,357**	15,882	21,990	**22,039**	14,748	21,203
Cash at bank	**142,790,441**	165,742,254	24,512,278	**71,341,794**	71,122,648	12,121,409
	142,814,798	165,758,136	24,534,268	**71,363,833**	71,137,396	12,142,612

Cash at banks includes bank balances and call deposits with a maturity of three months or less from the date of acquisition. These call deposits are placed with commercial banks located within the Sultanate of Oman and carry an effective annual interest rate of 1.25% -5.80% (31 December 2023: 1.25%-5.80%) per annum.

22. Share capital

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
OQ BI - Authorised capital						
38,510,000 (ordinary shares of RO 1 each)	**38,510,000**	38,510,000	38,510,000	**38,510,000**	38,510,000	38,510,000
OQ BI - Issued capital						
38,510,000 (ordinary shares of RO 1 each)	**38,510,000**	38,510,000	38,510,000	**38,510,000**	38,510,000	38,510,000

22. Share capital *(continued)*

Shareholders of the OQ BI who own 10% or more of OQ BI's shares, as at year end whether in their name, or through a nominee account, and the number of shares they hold are as follows;

	Consolidated (Un-audited)		Parent Company	
	30 Sep 2024 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	31 Dec 2023 RO (Audited)
OQ SAOC	**34,659,000**	34,659,000	**34,659,000**	34,659,000
Takamul Investment Company LLC	**3,850,999**	3,850,999	**3,850,999**	3,850,999

22.1 Shareholder's contribution

The Shareholder's contribution reserve represents equity contributions arising from transactions under common control. It reflects the difference between the consideration transferred and the carrying amounts of the net assets acquired, as recorded under the book value method. This reserve ensures the continuity of the combining entities' historical values in the consolidated financial statements, aligning with the Group's accounting policy for common control transactions. Adjustments to this reserve may include profits, other comprehensive income, or other equity movements of the acquired entity prior to the transaction date, maintaining consistency and comparability across reporting periods.

22.2 Other Reserve

The Other Reserve represents adjustments arising from the application of book value accounting in common control transactions. It includes equity movements related to specific components, such as other comprehensive income (OCI) reserves of the acquired entity—i.e., hedging reserves—transferred to maintain continuity in the consolidated financial statements. This reserve ensures the historical equity balances of the combining entities are preserved and appropriately reflected. As these components are realized or settled, corresponding adjustments are made to transfer amounts from the Other Reserve to Retained Earnings, ensuring accurate representation of equity over time.

23. Legal reserves

As per Article 274 of the Commercial Companies Law of the Sultanate of Oman, 10% of the profit for the year is required to be transferred to non-distributable legal reserve until the amount of legal reserve becomes equal to one-third of the consolidated entities' issued share capital. The reserve is not available for distribution.

24. Subordinated loans from shareholders

OQ BI has entered into a Subordinated Loan Agreement (the "Subordination Agreement') with its shareholders (the "Subordinated Lenders"). The Subordinated Loan (the "Loan") is unsecured, and the Subordination Agreement states that:

- No interest shall be payable.
- The Subordinated Lenders may, at any time, require that part or the entire loan be converted into the share capital of OQ BI, at par, by serving a written notice.
- The loan is repayable at the discretion of OQ BI.

OQ BI made full settlement of loan in the month of December 2023.

This subordinated loan from shareholders was classified under equity in the consolidated statement of financial position.

25. Term loan

	Consolidated (Un-audited)			**Parent Company**		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Syndicated facilities	**354,849,968**	399,992,427	377,563,734	**169,054,791**	194,479,468	182,499,371
Less: deferred transaction cost	**(4,397,754)**	(5,355,197)	(5,108,433)	**(1,621,732)**	(2,232,791)	(2,071,817)
Total term loan	**350,452,214**	394,637,230	372,455,301	**167,433,059**	192,246,677	180,427,554

The current and non-current classification of term loans as of the reporting date are as follows:

	Consolidated (Un-audited)			**Parent Company**		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Term loan - non-current portion	**305,794,674**	352,204,539	327,535,617	**140,804,715**	169,567,206	153,537,066
Term loan - current portion	**44,657,540**	42,432,692	44,919,684	**26,628,344**	22,679,471	26,890,488
	350,452,214	394,637,231	372,455,301	**167,433,059**	192,246,677	180,427,554

Movement in loan principal during the period/ year are as follows:

	Consolidated (Un-audited)			**Parent Company**		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
At beginning of the period / year	**377,563,734**	419,821,187	419,821,187	**182,499,371**	209,101,864	209,101,864
Receipts during the period / year	-	4,702,645	4,702,645	**-**	-	-
Repayments during the period / year	**(22,713,766)**	(24,531,405)	(46,960,098)	**(13,444,580)**	(14,622,396)	(26,602,493)
At end of the period / year	**354,849,968**	399,992,427	377,563,734	**169,054,791**	194,479,468	182,499,371

The Group has following syndicated long-term loan facilities from the consortium of the financial institutions in the aggregate maximum amount of RO 544.8 million (31 December 2023: RO 526.76 million) as of the reporting date. Below are the details of each syndicated loan facility.

The Group complied with the covenant at the end of the third quarter of 2024. Accordingly, the loan is classified as a non-current liability at 30 September 2024.

The Group expects to comply with the quarterly covenants for at least 12 months after the reporting date.

26. Subordinated loan from shareholder (OQ LPG)

	Consolidated (Un-audited)		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO
At beginning of the period / year	**55,631,081**	82,704,911	82,704,911
Repayment during the year	**-**	(17,543,228)	(27,073,830)
Waiver of loan*	**(17,390,123)**	-	-
At end of the period / year	**38,240,958**	65,161,683	55,631,081
Accrued interest			
At beginning of the period / year	**11,737**	11,286,426	11,286,426
Accrued during the period / year	**-**	4,637,625	6,151,709
Repayment of interest accrual	**-**	-	(17,426,398)
Waiver of interest on loan*	**(11,737)**	-	-
At end of the period / year	**-**	15,924,051	11,737
Total amount (current)	**38,240,958**	81,085,734	55,642,818

* During the period ended 30 September 2024, the shareholder of OQ LPG agreed to waive the interest previously charged and paid on the subordinated loan. As part of this agreement, the interest charged up 1 January 2024, amounting to RO 17.4 million, which was reversed and recognized in equity. Further, the OOFDC agreed to reduce the principal value against the cumulative interest that the Group already paid.

27. Employees' end of service benefits

Movement in employees' end of service benefits during the year is as follows:

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
At 1 January	**1,851,241**	1,780,669	1,780,669	**1,436,399**	1,371,673	1,371,673
Current service cost/ interest	**124,119**	186,242	95,139	**107,429**	149,729	91,412
Net actuarial loss	**29,519**	-	16,379	**28,593**	-	14,260
Excess provision reversed	**(535,109)**	-	-	**(173,141)**	-	-
Payment during the year	**(183,556)**	(40,312)	(40,946)	**(172,659)**	(9,467)	(40,946)
At 30 September / 31 December	**1,286,213**	1,926,599	1,851,241	**1,226,621**	1,511,935	1,436,399

28. Provision for rich gas

	Consolidated (Un-audited)		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO
Balances at beginning of the period / year	**54,720,429**	34,560,134	34,560,134
Provision made (note 9)	**30,432,113**	22,741,311	27,821,781
Discounting of provision (note 13 (i) & (ii))	**5,189,605**	(5,918,792)	(7,661,486)
Balance at end of the period / year	**90,342,147**	51,382,653	54,720,429
Less: current portion	**(18,301,964)**	-	-
Non-current portion	**72,040,183**	51,382,653	54,720,429

This represents accrued expenses in relation to the rich gas supplied for LPG plant recognised during the year. The amount of provision was recognised based on the future projections of LPG. The amount of provision was estimated based projects, actual revenue and actual production during the year.

The amount of provision estimated was recognised as cost of sales or in the carrying value of inventories. The amount of provision was discounted to the present value using discount rate 6.47% (31 December 2023: 6.38%). The entire provision liability is measured as fair value each year and the fair value gain is recognized in finance income/ finance expense. The outflow of resources from the settlement of provision are expected to occur from 2025.

29. Trade and other payables

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Trade payable	**1,155,436**	506,834	5,786,132	**943,507**	254,383	5,140,488
Employee benefits payable	**-**	-	1,212,725	**-**	-	879,129
Accruals (note 29.1)	**29,712,773**	40,766,116	39,968,139	**19,146,458**	20,788,751	23,063,737
Other payable	**376,643**	346,958	744,722	**118,604**	64,060	146,356
	31,244,852	41,619,908	47,711,718	**20,208,569**	21,107,194	29,229,710

29.1 Accruals

Accruals at the end of the reporting period represent the following:

	Consolidated (Un-audited)			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Natural gas consumption	**6,369,384**	10,699,544	7,000,303	**5,999,944**	10,031,420	7,000,303
EPC cost	**8,821,650**	19,931,892	24,961,693	**4,598,007**	5,123,209	10,216,574
Others	**14,521,739**	10,134,680	8,006,143	**8,548,507**	5,634,122	5,846,860
	29,712,773	40,766,116	39,968,139	**19,146,458**	20,788,751	23,063,737

30. Earnings per share

a) Basic earnings per share

The basic earnings per share is calculated by dividing the net profit for the period attributable to shareholders of the Group by the number of shares that will be in issue at the time of listing as follows:

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Profit attributable to ordinary shareholders for the period	**9,695,023**	9,010,843	**13,804,995**	34,810,095
Number of shares for basic EPS	**2,503,466,900**	2,503,466,900	**2,503,466,900**	2,503,466,900
Basis earnings per share -(Baizas)	**3.87**	3.60	**5.51**	13.90

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Profit attributable to ordinary shareholders for the period	**8,420,492**	5,417,785	**21,396,009**	22,771,263
Number of shares for basic EPS	**2,503,466,900**	2,503,466,900	**2,503,466,900**	2,503,466,900
Basis earnings per share -(Baizas)	**3.36**	2.16	**8.55**	9.10

b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to the shareholders of the Group for the period by the number of shares expected to be in issue at the time of listing, including the conversion option of shareholder loan of OQ LPG, as follows:

	Consolidated (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Profit attributable to ordinary shareholders (diluted)				
Profit attributable to ordinary shareholders for the period	**9,695,023**	9,010,843	**13,804,995**	34,810,095
Interest expenses on subordinated loan		1,642,179	**-**	4,637,625
Depreciation attributable to capitalized interest	**70,997**	70,997	**212,990**	212,990
	9,766,019	10,724,019	**14,017,985**	39,660,710
Number of ordinary shares (diluted)				
- Number of ordinary shares	**2,503,466,900**	2,503,466,900	**2,503,466,900**	2,503,466,900
- Number of shares on conversion of subordinated loan	**956,023,950**	956,023,950	**956,023,950**	956,023,950
Total number of shares for diluted earnings per share	**3,459,490,850**	3,459,490,850	**3,459,490,850**	3,459,490,850
Diluted earnings per share -(Baizas)	**2.82**	3.10	**4.05**	11.46

	Parent Company (Un-audited)			
	Three months period ended		Nine months period ended	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Profit attributable to ordinary shareholders (diluted)				
Profit attributable to ordinary shareholders for the period	**8,420,492**	5,417,785	**21,396,009**	22,771,263
	8,420,492	5,417,785	**21,396,009**	22,771,263
Number of ordinary shares (diluted)				
- Number of ordinary shares	**2,503,466,900**	2,503,466,900	**2,503,466,900**	2,503,466,900
- Number of shares on issued to acquire the loan	**956,023,950**	956,023,950	**956,023,950**	956,023,950
Total number of shares for diluted earnings per share	**3,459,490,850**	3,459,490,850	**3,459,490,850**	3,459,490,850
Diluted earnings per share -(Baizas)	**2.43**	1.57	**6.18**	6.58

31. Derivative financial instruments

The Group manages its cashflow interest rate risk by using floating-to-fixed interest rate swaps (IRS). The terms of the IRS agreements have been negotiated to match the terms of the loan commitments.

Carrying amounts of derivative instruments recognized in the consolidated statement of financial position:

	Consolidated (Un- audited)			**Parent Company**		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO (Un-audited)**	30 Sep 2023 RO (Un-audited)	31 Dec 2023 RO (Audited)
Interest rate swaps used for cashflow hedging	**9,088,097**	30,788,616	17,567,550	**4,189,160**	15,838,456	8,272,100
Derivative- current assets	**6,476,619**	15,813,241	11,281,716	**2,994,475**	8,264,283	5,415,673
Derivative-non-current assets	**2,611,478**	14,975,375	6,285,834	**1,194,685**	7,574,173	2,856,427
	9,088,097	30,788,616	17,567,550	**4,189,160**	15,838,456	8,272,100

Movement in cashflow hedges during the period/ year are as follows:

At beginning of the period / year	**17,567,550**	31,515,940	31,515,940	**8,272,100**	16,291,995	16,291,995
Cumulative changes in fair value - gross	**1,697,119**	10,795,317	1,480,252	**811,625**	5,588,383	46,898
Reclassified to profit or loss *	**(10,176,572)**	(11,522,641)	(15,428,642)	**(4,894,565)**	(6,041,922)	(8,066,793)
At end of the period / year	**9,088,097**	30,788,616	17,567,550	**4,189,160**	15,838,456	8,272,100

* The reclassification relates to hedge accounting previously applied, with the hedged future cash flows settled during the period.

32. Related party transactions and balances

The Group enters into transactions with companies and entities that fall within the definition of a related party as contained in IAS 24 Related Party Disclosures. The Group maintains balances with these related parties which arise in the normal course of business from the commercial transactions at mutually agreed terms. Prices and terms of these transactions are on mutually agreed terms and conditions which are approved by the Group’s management.

Balances and transactions between combining entities, which are also related parties, have been eliminated on consolidated financial statements and not disclosed in this note. The aggregate value of transactions and balances with other related parties for the year ended were as follows:

i) Transactions with related parties

	Consolidated (Un- audited) Nine months period ended		**Parent Company (Un- audited) Nine months period ended**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Sales of goods				
Entities under common control				
Sales – Export	**153,551,158**	141,588,917	**106,424,893**	92,422,309
Sales - Local	**6,412,315**	5,479,864	**-**	-
Purchases of goods and services				
Entities under common control				
Purchase of gas	**45,591,846**	38,116,772	**45,591,846**	38,116,772
Electricity payment	**502,275**	523,279	**-**	-
Lease payments	**988,175**	-	**647,489**	-

32. Related party transactions and balances *(continued)*

i) Transactions with related parties *(continued)*

	Consolidated (Un- audited)		Parent Company (Un- audited)	
	Nine months period ended		Nine months period ended	
	30 Sep 2024	30 Sep 2023	**30 Sep 2024**	30 Sep 2023
	RO	RO	**RO**	RO
Purchases of property plant and equipment				
Transfer of asset from related party	**23,025,856**	-	**2,868,836**	-
Financing related				
Entities under common control				
Interest on shareholder loan	-	4,637,625	-	-
Purchase of subsidiary	-	-	**61,628,676**	-

ii) Balances due from related parties (current)

Party Name	Nature of the transactions	Consolidated (Un- audited)		
		30 Sep 2024	30 Sep 2023	31 Dec 2023
		RO	RO	RO
Entities under common control				
Ministry of Transport	Pipe rack	-	23,025,451	23,025,451
OQ Trading LLC	Sales – Export	**21,457,538**	16,177,515	30,292,084
Ministry of Finance (IGC)	Current account	**6,427,129**	844,262	6,378,398
OQ Gas Networks SAOG	Current account	**9,185**	10,408	10,102
OQ Refineries LLC	Services	-	2,423	3,906
OQ RPI LLC	Current account	**40,207**	-	-
OQ Aromatics	Current account	-	56	-
Holding Company (OQ SAOC)		**73,178**	-	35
		28,007,237	40,060,115	59,709,976
Provision for impairment (Note ii.a)		**(5,323,615)**	-	-
		22,683,622	40,060,115	59,709,976

Party Name	Nature of the transactions	Parent Company		
		30 Sep 2024	30 Sep 2023	31 Dec 2023
		RO	RO	RO
		(Un-audited)	(Un-audited)	(Audited)
Entities under common control				
OQ Trading LLC	Sales – Export	**15,421,777**	11,327,148	18,764,745
OQ LPG (SFZ) SPC	Wholly owned subsidiary	**5,502,279**	4,882,234	6,902,118
OQ Gas Networks SAOG	Current account	**9,545**	10,258	9,545
OQ Refineries LLC	Services		2,423	3,906
OQ RPI LLC	Current account	**40,207**	-	-
OQ Aromatics	Current account	-	56	-
Holding Company (OQ SAOC)		**73,178**	-	35
		21,046,986	16,222,119	25,680,349

ii. a) In the past, the Group recorded a receivable from its related party supplier, IGC. During the current year, collection of claims was not certain, and, accordingly, the receivable balance has been provided for.

iii) Balances due to related parties *(current)*

Party Name	Nature of the transactions	Consolidated (Un- audited)		
		30 Sep 2024	30 Sep 2023	31 Dec 2023
		RO	RO	RO
OQ RPI LLC	Current account	**760**	119,634	-
OQ Refineries LLC	Services	-	197,068	318,460
OQ Gas Networks SAOG	Expenditure funded	-	957	-
OQ EP SAOG	Current account	-	-	16,123
OQ Aromatics	Current account	-	2,929	2,784
Others	Current account	-	109	5,232
Parent Company (OQ SAOC)	Current account	**435,678**	53,814	676,352
		436,438	374,511	1,018,951

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32. Related party transactions and balances *(continued)*

iii) Balances due to related parties *(current)*

Party Name	Nature of the transactions	Parent Company **30 Sep 2024 RO (Un-audited)**	 30 Sep 2023 RO (Un-audited)	 31 Dec 2023 RO (Audited)
OQ RPI LLC	Current account	**-**	119,274	-
OQ LPG (SFZ) SPC	Wholly owned subsidiary	**3,685,965**	93,151	763,639
OQ Refineries LLC	Services	**381**	37	121,429
OQ EP SAOG	Current account	**-**	-	4,763
OQ Aromatics	Current account	**-**	145	-
Parent Company (OQ SAOC)	Current account	**435,679**	53,586	629,039
		4,122,025	266,193	1,518,870

iv) Provision for rich gas (payable to related party – non- current)

Party Name	Nature of the transactions	Consolidated (Un- audited) **30 Sep 2024 RO**	 30 Sep 2023 RO	 31 Dec 2023 RO
Entities under common control				
Ministry of Energy and Minerals (note 28)	*Notional gas provision*	**90,342,147**	**51,382,653**	54,720,429

v) Subordinated loan from shareholders

Party Name	Nature of the transactions	Consolidated (Un- audited) **30 Sep 2024 RO**	 30 Sep 2023 RO	 31 Dec 2023 RO
Entities under common control				
Subordinated loan from shareholder (note 26) - OOFDC	Shareholder of OQ LPG	**-**	81,085,734	55,642,818

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

In accordance with IAS 24 "Related Party Disclosures", the Parent Company has chosen to avail partial exemption under IAS 24 available to government entities, including the Oman Investment Authority (OIA) and other entities controlled, jointly controlled, or significantly influenced by the Government of Oman. All individually significant transactions and balances are disclosed in the notes above. There are no other transactions that are individually insignificant or collectively significant.

vi) Compensation of key management personnel

The Board of OQ BI, collectively represents OQ BI and OQ LPG, have established their own key management personnel, who are responsible for making all significant decisions for the Group. In accordance with IAS 24 – Related Party Disclosures, the Group considers key management personnel including all members of the Board and other individuals who are authorized by the board to plan, direct, and control the operating activities of the consolidated entities.

Key management personnel compensation comprises the following:

	Consolidated (Un- audited) **30 Sep 2024 RO**	 30 Sep 2023 RO	Parent Company (Un- audited) **30 Sep 2024 RO**	 30 Sep 2023 RO
Short term employee benefits	**431,011**	250,751	**431,011**	250,751

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

33. Operating segment information

Group has the following two strategic divisions, which are its reportable segments. These divisions offer different products and are managed separately because they require different manufacturing plants and machineries and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	**Operations**
Methanol Integrated Plant	Producing and selling methanol and ammonia products
LPG Plant	Producing and selling LPG products

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by the Board of Directors of OQ BI (Chief Operating Decision Maker (CODM)) for Group, in deciding how to allocate resources and in assessing performance. None of the other operating segments have been aggregated to form the above reportable operating segment.

CODM monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment at least quarterly. Segment performance is evaluated based on EBITDA and Net profit. Information related to each reportable segment is set out below.

	Methanol Integrated Plant (Parent Company)		**LPG Plant**		**Consolidated**	
	30 Sep 2024 RO	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO
Revenue						
- Export	**106,424,893**	92,422,309	**47,126,265**	49,166,608	**153,551,158**	141,588,917
- Local	**-**	-	**6,412,315**	5,479,864	**6,412,315**	5,479,864
	106,424,893	92,422,309	**53,538,580**	54,646,472	**159,963,473**	147,068,781
EBITDA	**43,900,782**	38,825,671	**12,007,583**	24,144,575	**55,908,365**	62,970,246
Depreciation and amortization	**(16,457,578)**	(13,543,682)	**(8,154,238)**	(8,077,863)	**(24,611,816)**	(21,621,545)
Finance cost	**(8,167,809)**	(8,421,970)	**(13,352,598)**	(12,952,116)	**(21,520,407)**	(21,374,086)
Finance income	**2,120,614**	5,911,244	**1,908,239**	8,924,328	**4,028,853**	14,835,572
Net Profit / (loss)	**21,396,009**	22,771,263	**(7,591,014)**	12,038,924	**13,804,995**	34,810,187

30 September 2024/ 31 December 2023

	Methanol Integrated Plant (Parent Company)		**LPG Plant**		**Consolidated**	
	30 Sep 2024 RO	31 Dec 2023 RO	**30 Sep 2024 RO**	31 Dec 2023 RO	**30 Sep 2024 RO**	31 Dec 2023 RO
Total assets	**478,798,114**	417,712,810	**322,649,597**	386,333,741	**801,447,711**	798,141,392
Total liability	**201,365,267**	219,193,116	**324,442,547**	326,769,901	**525,807,814**	545,199,378
Other disclosures						
Cash and cash equivalents	**71,363,833**	12,142,612	**71,450,965**	12,391,656	**142,814,798**	24,534,268
Term loan	**167,433,059**	180,427,554	**183,019,155**	192,027,747	**350,452,214**	372,455,301
Capital Expenditure	**3,922,450**	25,882,693	**24,719,330**	1,081,561	**28,641,781**	26,964,254

Capital expenditure consists of additions to property, plant, and equipment, including construction work in progress (CWIP). The costs, assets, and liabilities disclosed are those approved and reported to the CODM. No common costs have been allocated across segments; all costs are directly attributable to the respective segments.

33. Operating segment information *(continued)*

Geographical information:

The geographical information analyses the Group's revenue and non-current assets by the Group's country of domicile and other countries. A geographical analysis of segment revenue has been based on the geographical location of the customers and segment assets were based on geographical location of the assets. Please refer note 8 (iii) for detail.

All the Group's assets are located in Sultanate of Oman.

Revenues from major products and services:

The Group's revenues from its major products and services are disclosed in note 8 (ii).

Information about major customers:

Revenue from one major customer (OQ Trading International LLC) of the Group represented approximately RO 153,551,158 (96%) (30 September 2023: RO 141,588,917 (96%)) of the Group's total revenue. No other single customer contributed 10% or more of the Group's revenue in the period 2024 and 2023.

34. Capital commitments and contingencies

	Consolidated (Un- audited)		**Parent Company (Un- audited)**	
	30 Sep 2024 RO	31 Dec 2023 RO	**30 Sep 2024 RO**	31 Dec 2023 RO
Capital commitments – Methanol and Ammonia	**15,477,314**	3,652,918	**15,477,314**	3,652,918
Capital commitments – LPG	**11,181,603**	1,025,683	**-**	-
Total capital commitments (related to CWIP)	**26,658,917**	4,678,601	**15,477,314**	3,652,918
Letter of guarantees	**255,000**	200,000	**230,000**	175,000

The minimum future payments under the GSA are as follows:

Up to 1 year	**23,665,602**	23,665,602	-	-
2 to 5 years	**94,662,408**	94,662,408	-	-
Above 5 years	**145,143,092**	174,662,595	-	-
	263,471,102	292,990,605	-	-

35. Financial instruments – Fair value and risk management

Classes and categories of financial instruments

	Consolidated			**Parent Company**		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO	31 Dec 2023 RO
Financial assets measured at amortised cost						
Cash at bank	**142,790,441**	165,742,254	24,512,278	**71,341,794**	71,122,648	12,121,409
Bank deposits	**15,674,455**	54,390,753	84,185,279	**175,608**	54,365,753	36,201,752
Trade and other receivables (excluding prepayments)	**7,525,119**	6,271,867	13,621,371	**2,413,809**	6,271,867	7,140,629
Due from related parties	**22,683,622**	40,060,115	59,709,976	**21,046,986**	16,222,119	25,680,349
	188,673,637	**212,074,236**	**182,028,904**	**94,978,197**	**147,982,387**	**81,144,139**
Financial assets measured at FVOCI						
Derivatives	**9,088,097**	30,788,616	17,567,550	**4,189,160**	15,838,456	8,272,100
	197,761,734	**242,862,852**	**199,596,454**	**99,167,357**	**163,820,843**	**89,416,239**

35. Financial instruments – Fair value and risk management *(continued)*

Classes and categories of financial instruments *(continued)*

	Consolidated			Parent Company		
	30 Sep 2024 RO	30 Sep 2023 RO	31 Dec 2023 RO	**30 Sep 2024 RO**	30 Sep 2023 RO	31 Dec 2023 RO
Financial liabilities measured at amortised cost:						
Term loan	**350,452,214**	394,637,230	372,455,301	**167,433,059**	192,246,677	180,427,554
Subordinated loan from shareholders	**38,240,958**	81,085,734	55,642,818	**-**	-	-
Lease liabilities	**13,804,992**	11,719,056	11,798,920	**8,374,994**	6,375,083	6,580,583
Trade and other payables (excluding accruals)	**1,532,079**	853,792	7,743,579	**1,062,111**	318,443	6,165,973
Due to related parties	**436,438**	374,512	1,018,951	**4,122,025**	266,192	1,518,870
	404,466,681	**488,670,324**	**448,659,569**	**180,992,189**	**199,206,395**	**194,692,980**
Financial liabilities measured at fair value through P&L:						
Provision for rich gas	**90,342,147**	51,382,653	54,720,429	**-**	-	-
	494,808,828	**540,052,977**	**503,379,998**	**180,992,189**	**199,206,395**	**194,692,980**

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. Group management believes that the carrying amounts of financial assets and financial liabilities recognized in the consolidated financial statements approximate their fair values.

Fair value measurements recognized in the condensed consolidated statement of financial position

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 - fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At 30 September 2024 and 31 December 2023 the Group has following level 2 and 3 financial instruments only.

	Consolidated		Parent Company	
	30 Sep 2024 RO	31 Dec 2023 RO	**30 Sep 2024 RO**	31 Dec 2023 RO
Level 2 instruments				
Fair value of derivative- asset – non-current	**2,611,478**	6,285,834	**1,194,685**	2,856,427
Fair value of derivative- asset – current	**6,476,619**	11,281,716	**2,994,475**	5,415,673
	9,088,097	17,567,550	**4,189,160**	8,272,100
Level 3 instruments				
Provision for rich gas – non-current liability	**90,342,147**	54,720,429	**-**	-

Derivative instruments

The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices. There were no transfers between the levels for fair value measurement of the financial instruments held by the Group (31 December 2023: None).

35. Financial instruments – Fair value and risk management *(continued)*

Provision for rich gas

The fair value is calculated as the present value of the estimated future cash flows. Estimates forecasted production, sales, and expenses based on its operating model and agreements, determining the net cash flow. Estimated cash flows are discounted using a risk-free rate discounting rate. There were no transfers between the levels for fair value measurement of the financial instruments held by the Group (31 December 2023: None).

36 Subsequent events

i. Initial Public Offering

On December 12, 2024, OQ Base Industries (OQBI) successfully listed 49% of its shares on the Muscat Stock Exchange (MSX), following the publication of its prospectus in November 2024. The initial public offering (IPO) raised approximately OMR 188 million (USD 489 million) at an offer price of 111 baisas per share.

ii. Transfer of OQ LPG

OQ BI issued ordinary shares to OQ SAOC in consideration for the transfer of OQ LPG. The total consideration for the transaction amounted to RO 61,628,676, and the shares were issued at par value. The share capital increase of OQBI was approved by the shareholders during an Extraordinary General Meeting (EGM) held on 9th October 2024.

iii. OQ LPG Shareholder loan novation and repayment

In October 2024, OQ LPG and OQ BI undertook the novation of back-to-back shareholder loans (SHLs) as part of the Group's ongoing financing restructuring strategy. The following novation agreements were executed:

- The Shareholder Loan (SHL) between OQ SAOC and OOFDC was novated, with the new loan arrangement now being between OQ SAOC and OQ BI.
- The Shareholder Loan (SHL) between OQ LPG and OOFDC was novated, with the new loan arrangement now being between OQ LPG and OQ BI.

The Boards of Directors of both OQ SAOC and OQ BI have approved the novation of these shareholder loans on 13 October 2024. The novation agreements were signed by all parties involved, and the necessary legal documentation was completed to formalize the transfer of these loans.

Additionally, OQ LPG has agreed to fully repay its shareholder loan to OQ BI as part of the group's preparation for the upcoming IPO. This was approved by the Board of Directors of OQ BI on 28 October 2024. The repayment process involves the following steps:

- Repayment of Loan by OQ LPG to OQ BI:

OQ LPG will settle the loan in full by transferring the required funds of RO 38 million (USD 99 million) to OQ BI. This repayment is planned to occur before the launch of the IPO.

The novation of these loans does not result in any immediate financial impact on the financial position as of the reporting date.

As a part of above financing restructuring strategy, OQ BI shareholder loan became payable to OQ SAOC. Accordingly, OQ BI issued ordinary shares to OQ SAOC in consideration for the novated OQ LPG shareholder loan, with a total consideration amounting to RO 38,240,958, issued at par value as a consideration for share conversion option exercised per the shareholder loan agreement. The total share capital increase of OQBI was approved by the shareholders during an Extraordinary General Meeting (EGM) held on 28 October 2024. Subsequent to period end, the loan has been fully paid by OQ LPG.

iv. Share split

On 9 October 2024, the Board of Directors of OQ BI approved a share split at a ratio of 25:1, meaning that each existing share was split into 25 new shares. The par value of each new share was set at 40 Baisas, the current number of shares after considering share issue mentioned in the above resulting in an increase in the total number of shares to 3,459,490,850.

For the calculation of basic earnings per share (EPS), the share count includes ordinary shares as disclosed in note 22, and shares issued subsequently as disclosed in note 36(ii), along with the impact of the share split.

36 Subsequent events *(continued)*

v. Loan Refinancing

As part of the preparations for the upcoming IPO, the Group has initiated the process of refinancing its existing term loans. The refinancing was approved by OQ Board on 9th December 2024 and loan term sheets were signed. The key terms of the refinancing arrangement are as follows:

- OQBI loan of USD 440 million is a fully sharia compliant and repayable in 12 years.
- OQ LPG loan of USD 485 million is a conventional loan and repayable in 8 years.

The loans were fully disbursed on 31 December 2024.