

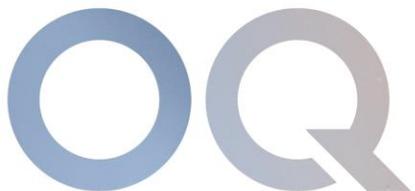


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OQ GAS NETWORK SAOC

MSX Investor Roadshow

6 September 2022



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Today's Presenters



Mansoor Ali Al-Abdali
Managing Director, OQGN

- 27 years of experience in operations, maintenance, and engineering of oil and gas facilities with primary skills in pipeline management.
- Engineering Degree from the University of Manchester.



Khalid Al-Qassabi
Vice President Finance, OQGN

- 17 years of experience in the energy & financial sector in Oman.
- Bachelor degree in Accounting and Finance from the University of Leeds.

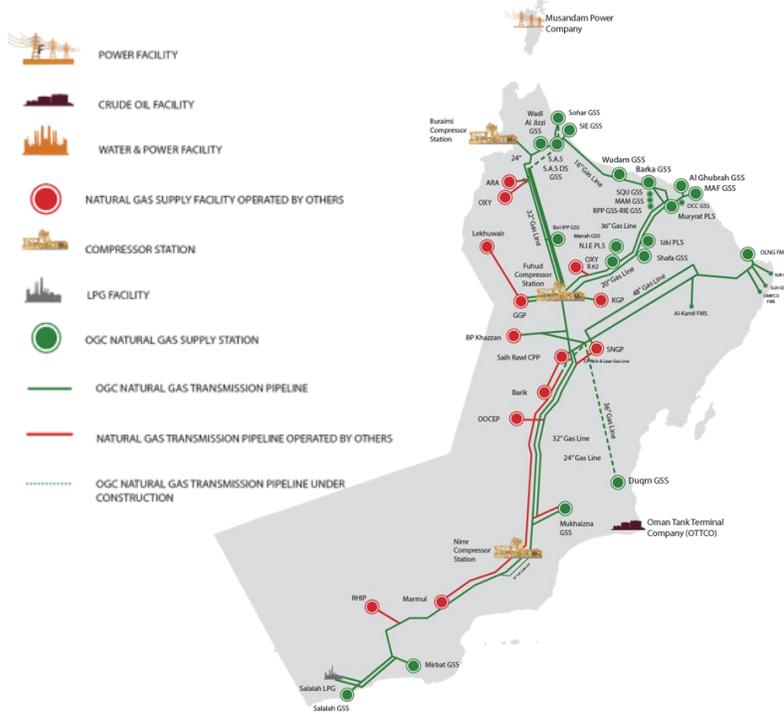
OQGN: One of the largest energy infrastructure players in Oman with a strong asset base of c.US\$ 2.5bn



Exclusive in natural gas transmission sector in Oman with one of the longest concession terms of 50 years



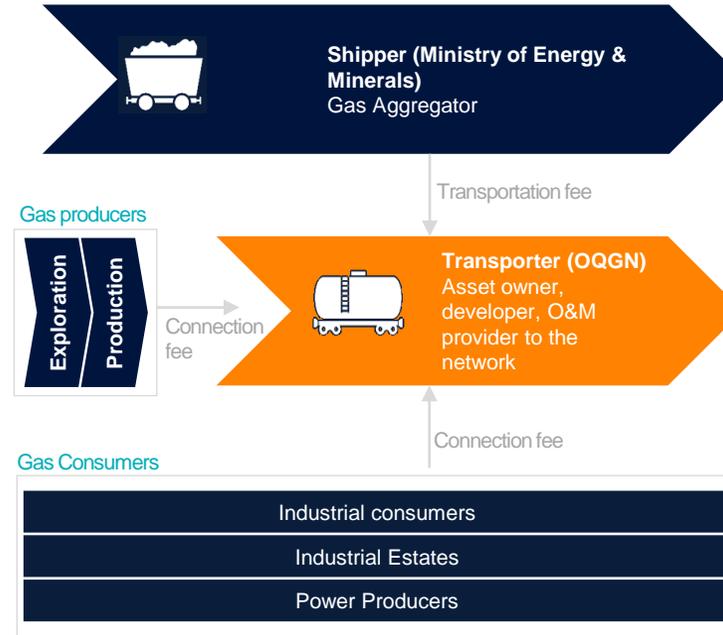
Critical infrastructure spread across Oman



c. 4,010 km pan Oman pipeline network

c. 37 bn SCM of gas delivered in 2021

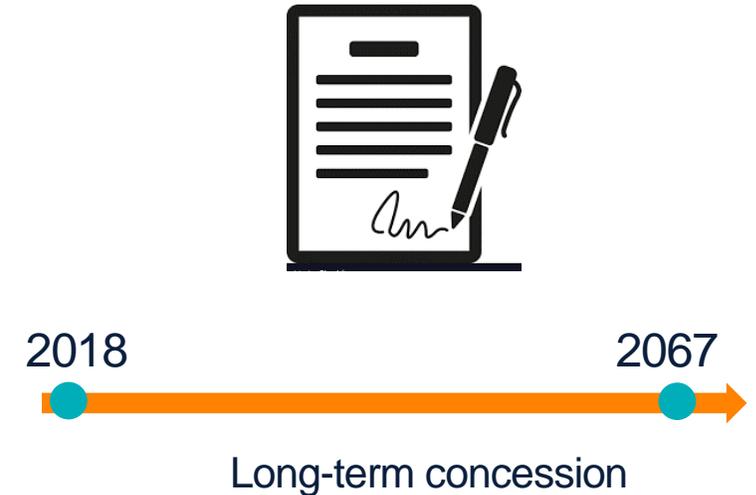
Exclusive position in the market



Sole gas pipeline operator in Oman

59+ customers served across sectors ⁽¹⁾

Long term concession



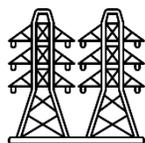
50 year concession till **2067**

One of the longest concession for any project in Oman

Critical supplier of gas for leading sectors, serving as backbone of Oman's national economy



OQGN's Pipelines Supplying into Critical Sectors of Oman's Economy



**Power &
Desalination**



Industrial & Commercial



Chemicals



**E&P and Refining
Operations**



OLNG



Hydrogen

Large energy-intensive industrial projects will be a major contributor to gas demand

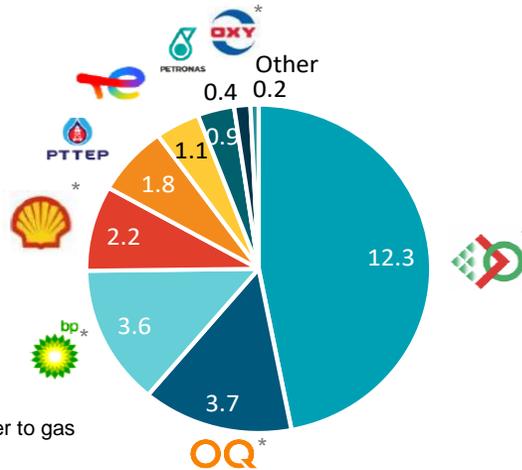
Oman's vision to source 20% of the country's power generation from renewables by 2030 in order to redirect natural gas to new industrial projects as well as hydrogen and blue ammonia

Further upside from re-purposing of gas pipelines for hydrogen transportation, with expected hydrogen capacity growth from 1 GW in 2025 to 30 GW in 2040

Strong volume growth underpinned by upstream gas reserves



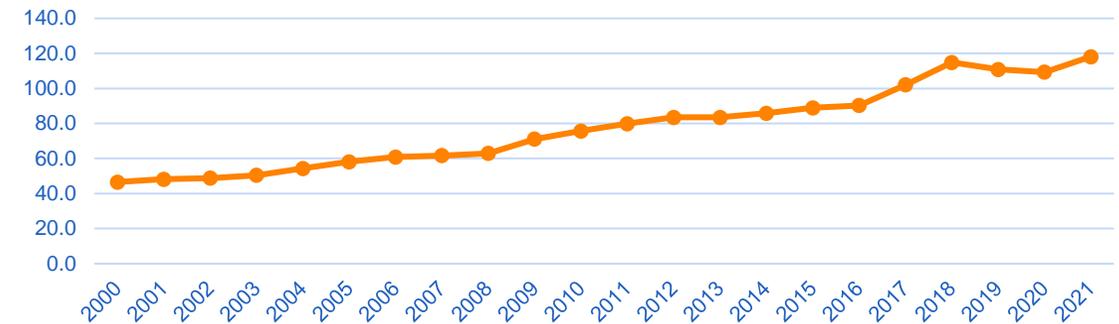
Giant Upstream Gas Fields in Oman Boosting Long Term Prospects



Note: Figures in the pie chart refer to gas reserves in trillion cubic feet (tcf)

Growth in Gas Delivery with High Operating Efficiency

Natural Gas delivery via OQGN (MMSCMD)



Vast gas reserve and resource base with >26 tcf reserves remaining and significant under- or undeveloped gas resources in place

Significant presence of world-class IOCs in Oman's gas sector driving development of some of Oman's largest gas fields. Gas production growth is expected to remain strong on the back of surging demand

The government owns the exclusive rights to 100% of the non-associated gas in the country

Gas delivery CAGR of ~4.5% in the last two decades, reaching 118 mmscmd and delivered to 56 delivery points in 2021

Increase in gas delivery volume due to acquisition of Madayn gas distribution network, commissioning of Marafiq and Duqm refinery and addition of Fahud NGL and OQ LPG as rich gas consumers

OQGN has 20+ years of excellent operational track-record of gas delivery, having consistently achieved gas availability % of above 99.9% over the last eight consecutive years

Backed by an independent regulatory framework with proven track record, OQGN generates reliable and predictable cash flows



Regulated Asset Base Framework

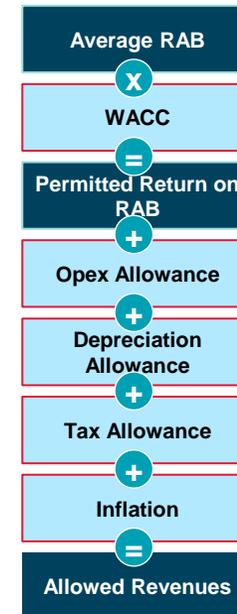
OQGN is operating under RAB framework since Jan 2018

OQGN secures efficient long-term funding given the predictable cash flow profile

Delivers a visible revenue stream in proportion to OQGN's regulated asset base and approved cost of capital set and reviewed by transparent framework

Well-established history of regulating the electricity sector based on similar RAB framework provided by Authority for Public Services (APSR) which is also the regulator for oil & gas sector

Allowed Revenues Build-up



- ✓ Not dependent on volume transported
 - ✓ The higher the RAB/higher the capacity, the more cash flows to OQGN
 - ✓ No risks on gas supply
- ✓ Not dependent on gas price sold to end customers
- ✓ Inflation adjusted
- ✓ Incentives for cost efficiencies

Efficient RAB framework ensuring visibility on revenues and cash flow that is NOT dependent on volumes transported or commodity price realised

Robust financial performance backed by sound regulatory framework



Revenue
~US\$409
mn

RAB
~US\$2.5
bn

EBITDA
~US\$200
mn



Equity
~US\$1.4
bn

Capex
~US\$170
mn

Participation in Oman's hydrogen development ambitions together with RAB expansion to deliver future growth opportunities

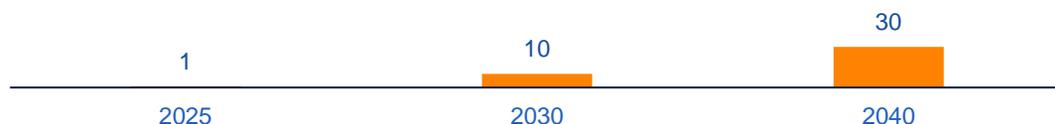


Hydrogen Upsides

Oman Has Strong Hydrogen Ambitions...

Oman is showing strong interest in developing hydrogen-centric economy which may boost sales gas demand as a feedstock for blue hydrogen:

Expected Growth of Hydrogen in Oman (GW)



...And is Taking Welcoming Steps to Attract Foreign Capital

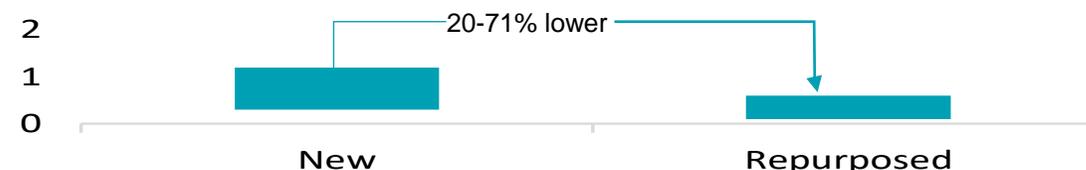
In March 2022, Oman announced the establishment of both a new Directorate General for Clean Energy and Hydrogen at the Ministry of Energy and Minerals, and of a new subsidiary of Energy Development Oman, to be called Hydrogen Development Oman

And Then Use Gas Pipeline an Efficient Approach to Transport Hydrogen...

Oman is close to concluding a feasibility study for blending hydrogen into existing natural gas networks

\$/kg-H₂/1,000km

Hydrogen transport costs for 28-56 inch transmission pipelines over 1,000km



...Already Exploring New Hydrogen Opportunities Alongside Trusted Partners

Counties	Partners	Deal Type	Date Signed
	OQ, Marebuni, Linde, Dutco	Joint Development Agreement	Oct-2021
	OQ, KOGAS	MoU	Nov-2021
	OQ, DEME, Hyport, Uniper	Cooperation Agreement	Jul-2021
	OQ, ACWA Power, Air Products	MoU	Dec-2021
	BP and Ministry of Energy	Strategic Framework Agreement	Jan-2022

Thank you