



ADNOC Gas



ADNOC GAS INVESTOR PRESENTATION



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Q2 2024 RESULTS PRESENTATION



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Financial results as presented are unaudited figures.

SPEAKERS



Mohamed Al Hashemi
CHIEF OPERATIONS OFFICER



PETER VAN DRIEL
CHIEF FINANCIAL OFFICER

Q2 2024 KEY HIGHLIGHTS

PERFORMANCE



\$1.19 billion

Net Income, +21% YoY

\$1.0 billion

Free Cash Flow

- 21% YoY increase in Net Income
- 18% YoY increase in EBITDA with a margin of 34%
- Free cash flow of \$1Bn as growth capex starts to ramp up
- Interim dividend of \$1,706 million to be paid in Sep 2024, +5% YoY as per policy

GROWTH



20%+ capacity

increase by 2028¹

Up to **40%** EBITDA¹

Growth by 2028

- \$400+ million in capex incurred during the quarter, primarily on growth projects
- Enhanced capital efficiency with ESTIDAMA ownership transfer
- Ruwais LNG FID announced by ADNOC with EPC contract awarded

OPERATIONS



908 TBTU

Sales Volumes

99.7%

Reliability

- 1% YoY increase in sales volumes - significant uplift in LPG, Naphtha offset by LNG
- Continued focus on operational efficiency and cost optimization
- Excellent safety performance with zero TRIR in Q2 24

1. Assuming an oil price of \$80/bbl

*MMBTU: Metric Million British Thermal Unit

CORE GROWTH PROJECTS DRIVEN BY ROBUST DEMAND

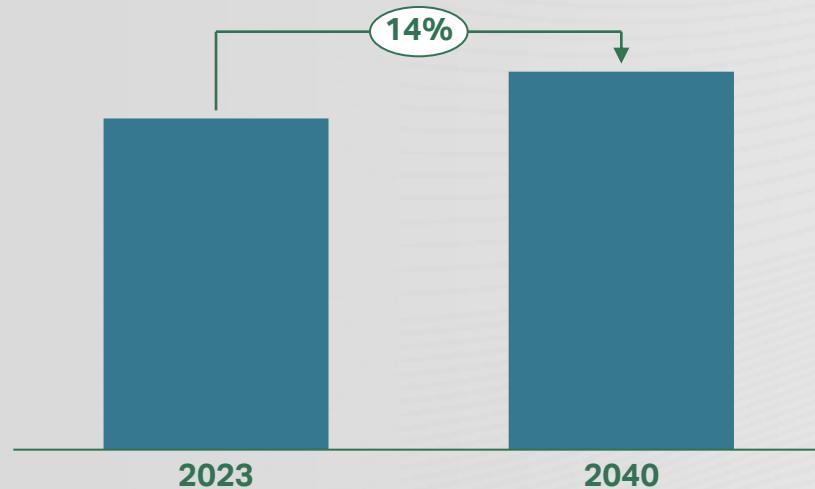
Average Forecast Real GDP Growth (2024 – 2029)

Advanced Economies
2.3%

Emerging Economies
2.6%

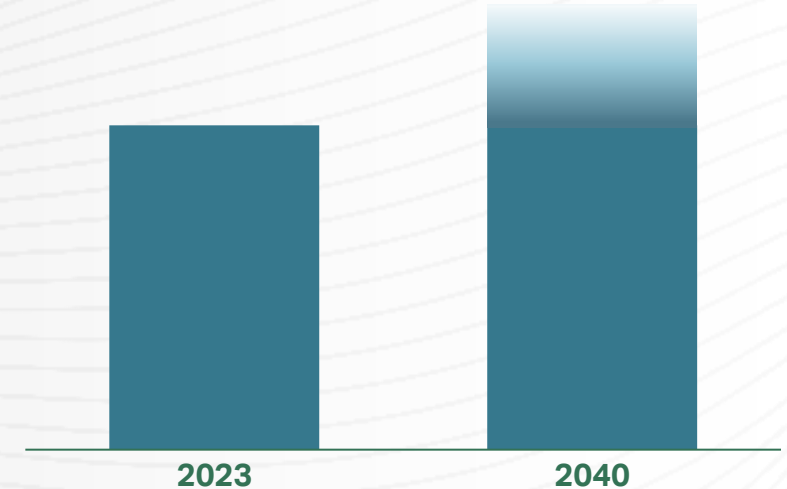
UAE
3.6%

Global Gas Demand by Sector



- **Global gas demand** is expected to see a ~14% increase by 2040
- **UAE Domestic gas demand** growth to exceed global growth significantly, driven by:
 - **GDP and population growth**
 - **UAE Government** initiatives to attract new industries to the UAE including AI data centres

UAE Gas Demand Growth



CORE GROWTH PROJECTS

Growth projects with 20% capacity increase potential in the next 5 years



E P 5.0: Enhancement in different locations

ADNOC GAS PROJECTS		EXPECTED COMPLETION	
FID	IGD-E2	A	Q1 2025
FID	MERAM	C	Q4 2025
	P 5.0	E	2027
	Bab Gas Cap	F	2028
	LNG 2.0	G	2028

Driven by UAE's current plan to grow oil production from **3 to 5** million bbl/d

FID	ESTIDAMA	B	Q3 2025	Transferred to ADNOC
FID	Habshan CO2 Recovery & Injection	D	Q1 2026	ADNOC project managed by ADNOC Gas
FID	Ruwais LNG*	H	2028	ADNOC project *

* Ruwais LNG has been developed by ADNOC outside ADNOC Gas perimeter. ADNOC Gas intends to acquire the project.

RUWAIS LNG – DERISKED OPPORTUNITY FOR ADNOC GAS



July 2024

2028 Completion

A Landmark Energy Project

- Two LNG liquefaction trains with a total export capacity of 9.6mmtpa
- Deliveries are expected to start in 2028
- Will leverage AI, digitalization, and the most cutting-edge technology to boost efficiency and safety throughout the plant
- ADNOC Gas has ample financial flexibility to execute the project



World Leading Partners Confirmed



10%



10%



TotalEnergies

10%



MITSUI & CO.

10%

Three Heads of Agreements Secured

70% of Ruwais LNG production capacity secured through sales commitments

Track-record

- More than 50 years operational and marketing experience in LNG
- Access to an expanding fleet of LNG carriers

EPC Contract

- \$5.5bn contracted awarded for two LNG trains

ESG

- First LNG export facility in the MENA region to run on clean power

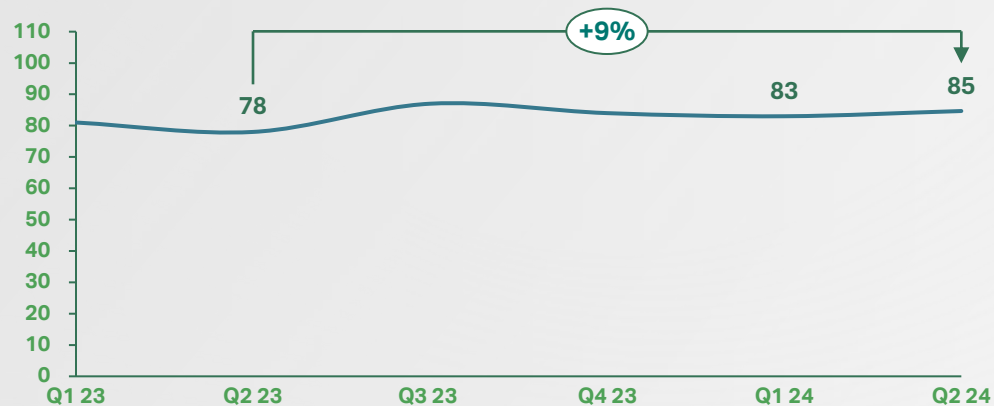


PRICING ENVIRONMENT 2023-2024

Strong growth in key ETL product prices in Q2 24 versus Q2 23

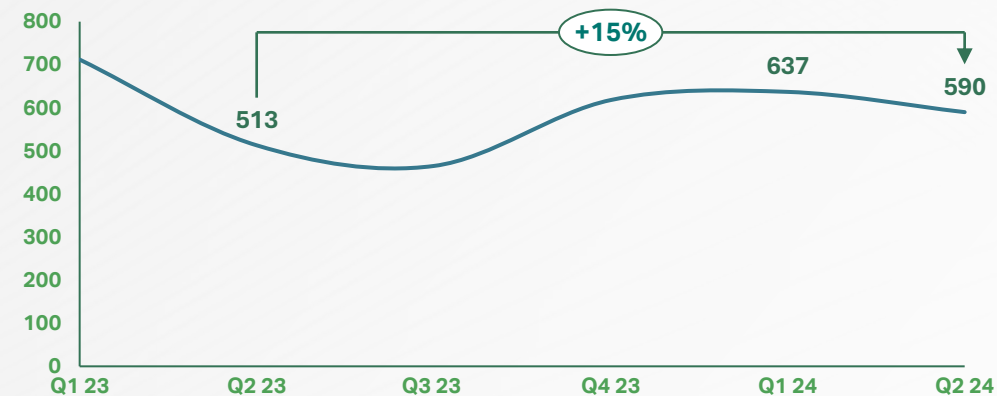
Brent Oil

\$/bbl



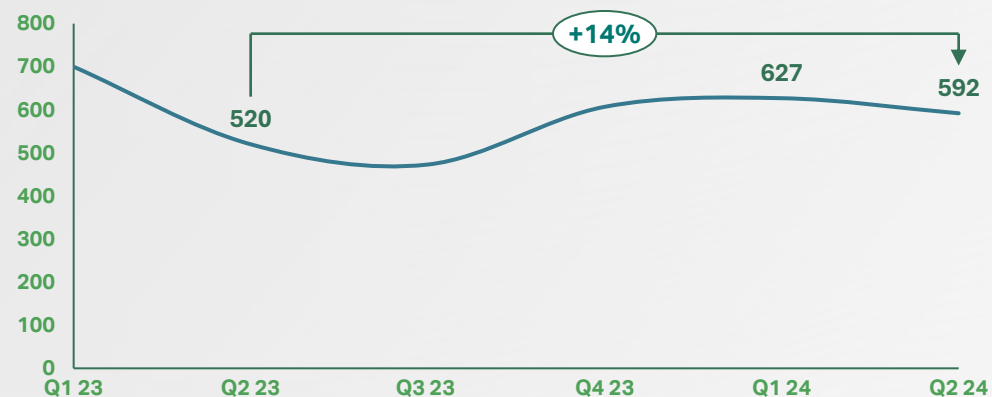
Butane

\$/MMBtu



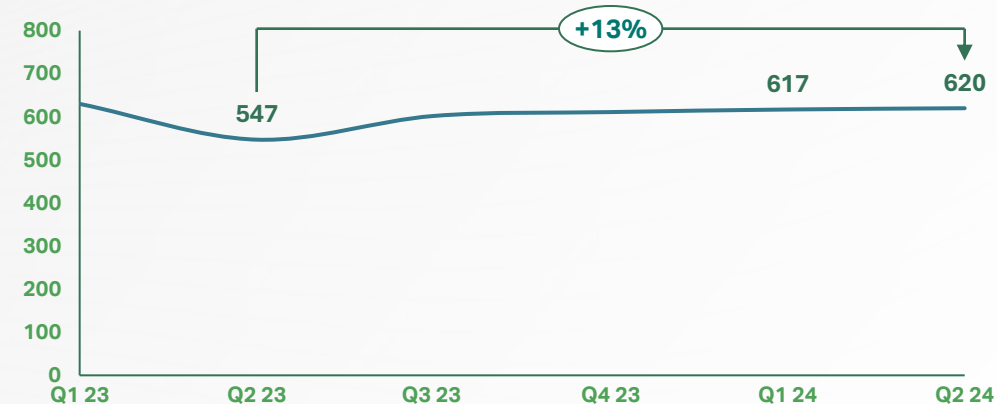
Propane

\$/ton



NAPHTHA

\$/ton

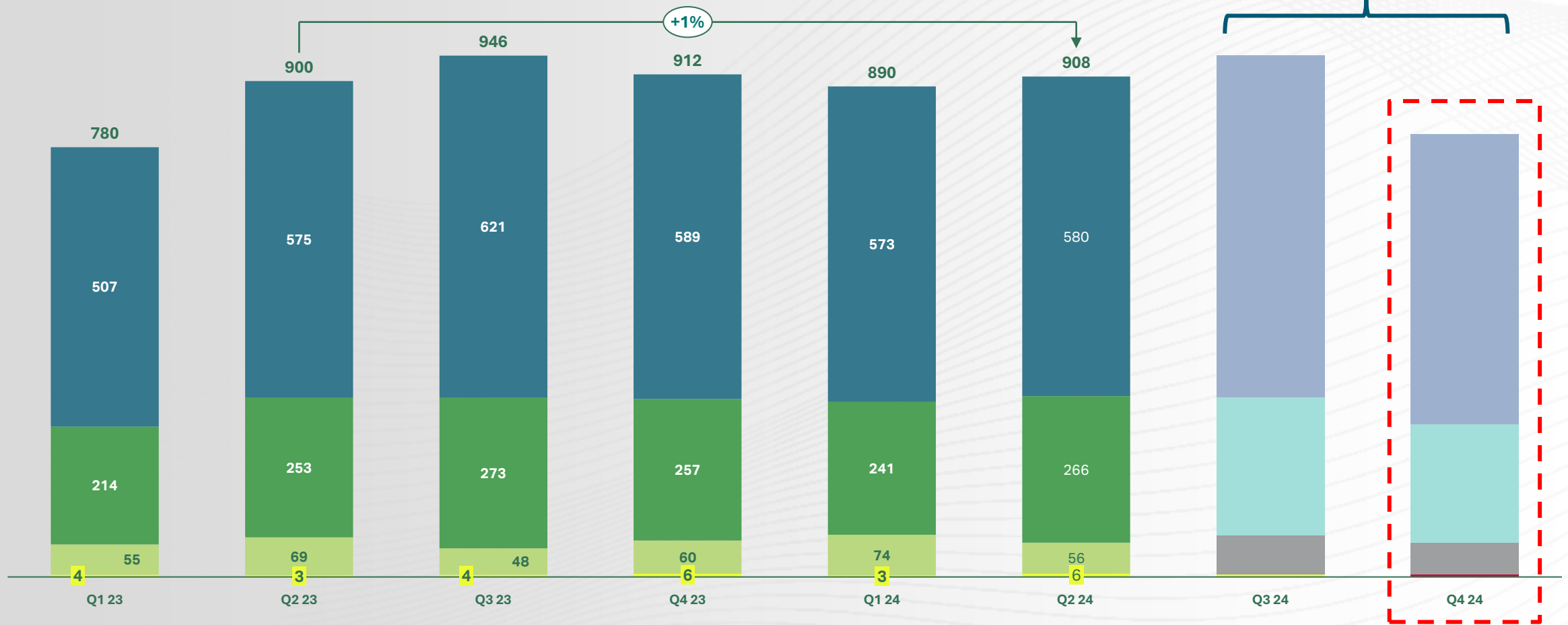


IMPROVED SALES VOLUME

Domestic gas production volumes stable; slight increase in Exports & Traded Liquids volumes



Sales Quantity (TBTU)



■ Domestic Gas ■ LNG JV Products share
■ Export & Traded Liquids ■ Sulphur

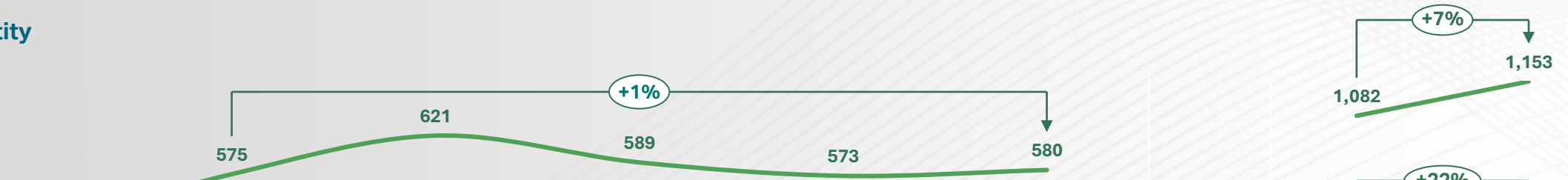
Shutdown window

STRONG Y-O-Y DOMESTIC GAS EBITDA GROWTH

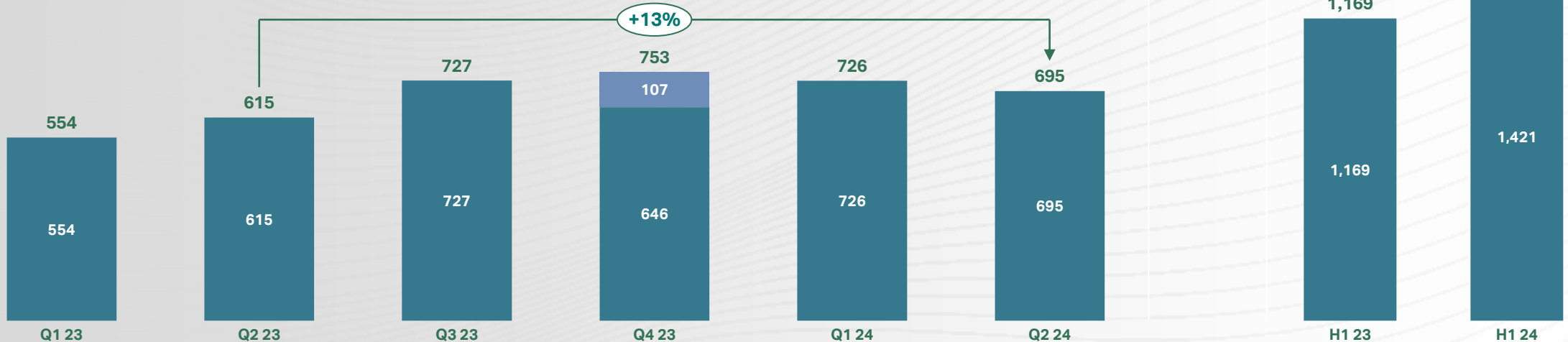
Domestic Gas EBITDA improved to \$695 million, up 13% due to favorable contract prices



Sales Quantity
MMBTU



EBITDA
\$ millions



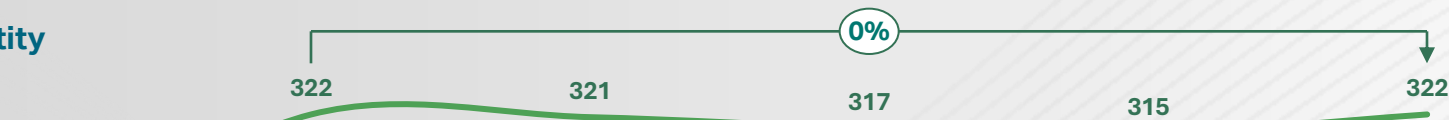
— Volume ■ One-off payment ■ EBITDA

21% EBITDA EXPANSION DRIVEN BY ETL

Significant EBITDA expansion for Export Traded Liquids supported by improved prices

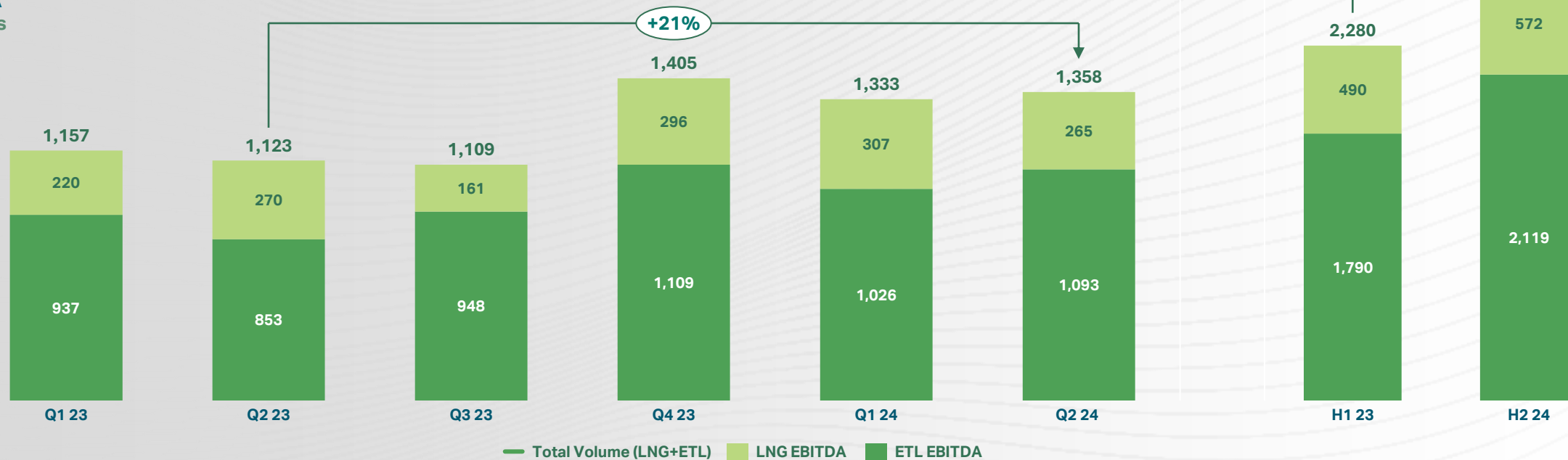
Sales Quantity

MMBTU



EBITDA

\$ millions



Note: Sales Quantity includes the combined quantity for Export & Traded Liquids and LNG.



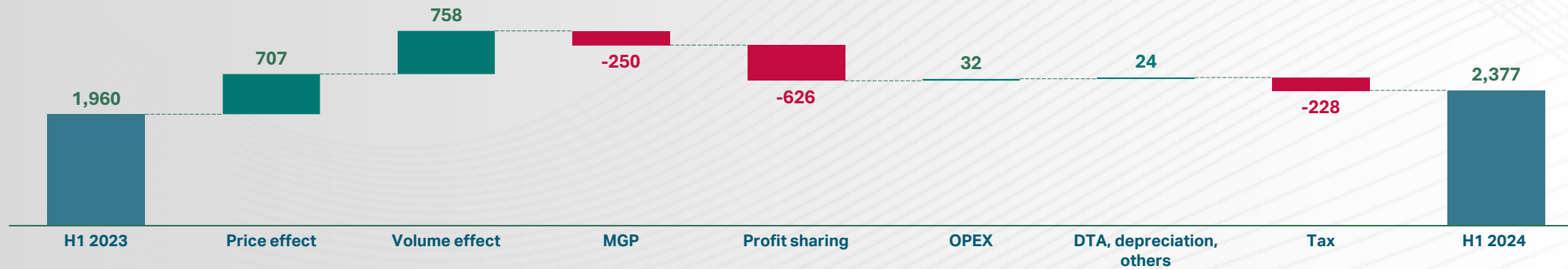
21% Y-O-Y INCREASE IN NET INCOME

Net income improvement enabled by positive price movement and efficiency gains



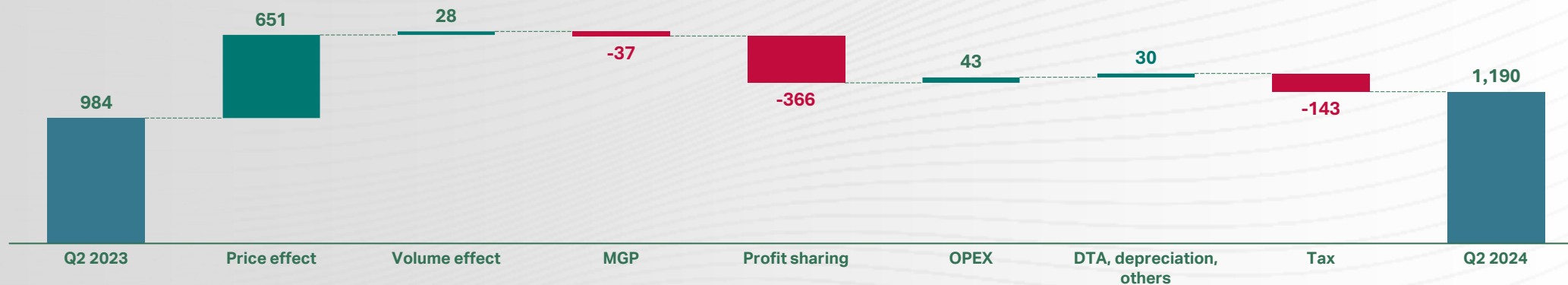
Net Income – H1 2024 vs. H1 2023

\$, millions



Net Income – Q2 2024 vs. Q2 2023

\$, millions



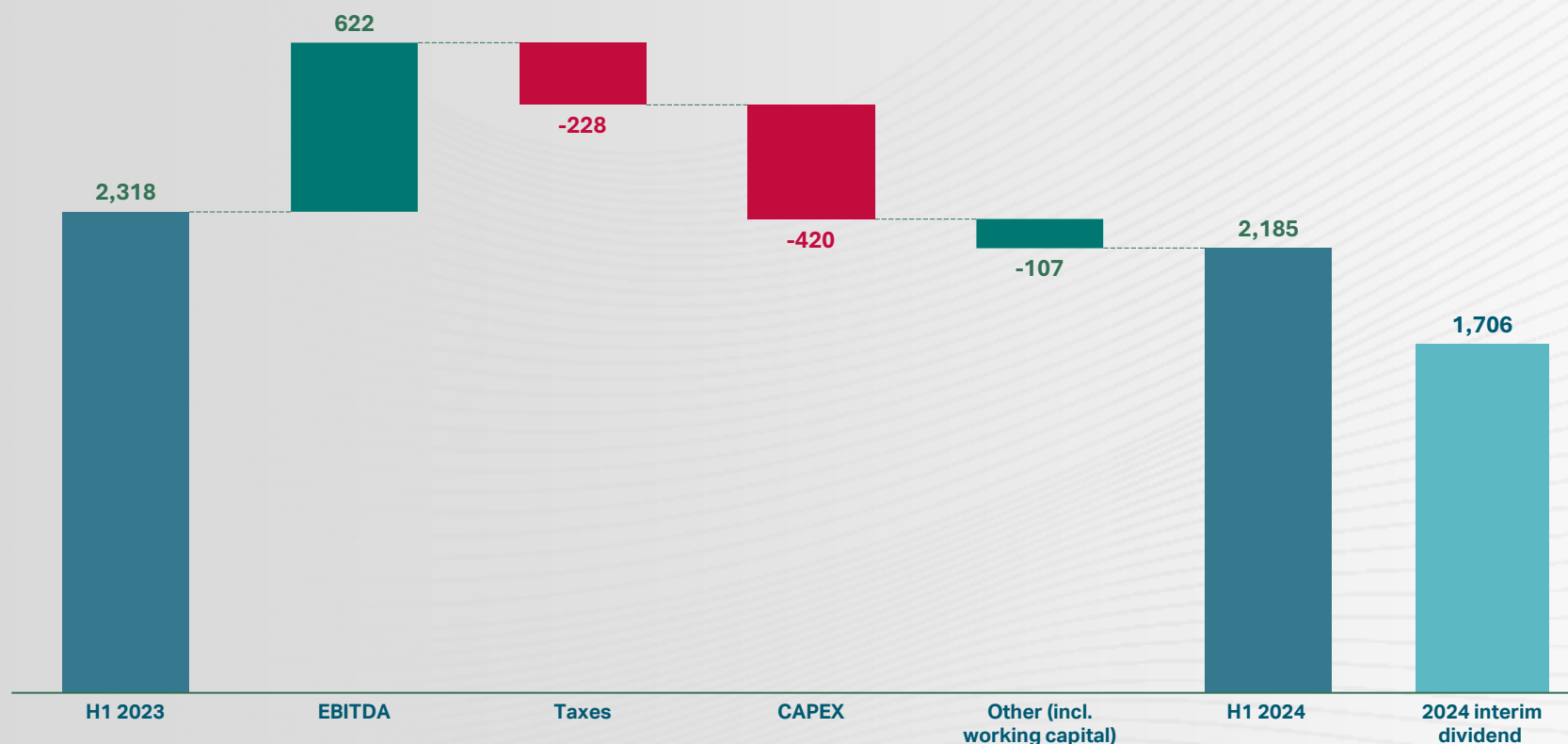
MGP: Minimum Gas Payment

STRONG FREE CASH FLOW OF \$2.2 BILLION

Exceeding H1 2024 interim dividend by 28%

Free Cash Flow – H1 2024 vs. H1 2023

\$, millions



Interim dividend timeline

- Board approval 9 Aug
- Entitlement Date 15 Aug
- Ex-Div Date 16 Aug
- Record Date 19 Aug
- Expected Payment 2-4 Sep

OUTLOOK

2024 CAPITAL MARKET GUIDANCE

Financial		2024 guidance	H1 2024 actual	2024 updated guidance
	EBITDA Margin %	34%	34%	34%

Sales volume	<i>(in TBTU)</i>	2024 guidance	H1 2024 actual	2024 updated guidance
	Domestic Gas Products	2,215 – 2,300	1,153	2,240 – 2,280
	Exports & Traded Liquids	940 – 960	507	940 – 960
	LNG JV Products	240 - 260	130	240 – 260

Lower volumes expected in H2 due to Q4 shutdown activity

Net Profit Unit Margins	<i>(in \$/MMBTU)</i>	2024 guidance	H1 2024 actual	2024 updated guidance
	Domestic Gas Products	1.05 – 1.07	1.01	1.01 – 1.05
	Exports & Traded Liquids	1.75 – 1.85	1.76	1.75 – 1.80
	LNG JV Products	1.75 – 1.85	1.91	1.75 – 1.85
	Sulphur (\$ Millions)	55 -75	41	60 – 80

Investments	<i>(\$ Million)</i>	2024 guidance	H1 2024 actual	2024 updated guidance
	CAPEX	2,000-2,500	819	2,000 – 2,300

CAPEX guidance revised due to transfer of ESTIDAMA project to ADNOC

Note: Assuming an oil price of 80 - 90 \$/bbl

2024 CAPITAL MARKET GUIDANCE (CONT'D)

Capital Structure	<ul style="list-style-type: none">• Company expects to gradually increase leverage to fund growth capex requirements• Conservative long-term leverage target of up to 1.5x net debt / EBITDA
Growth Capex	<ul style="list-style-type: none">• \$13.2Bn over 2024 - 28 (peak Capex in 2025-26)
Maintenance Capex	<ul style="list-style-type: none">• \$300-400m p.a.
Dividends	<ul style="list-style-type: none">• Interim dividend of \$1,706 million in September 2024 and the final dividend for 2024 of \$1,706 million expected to be paid in Q2 2025• Target dividend growth rate of 5% per annum on a dividend per share basis over the period 2024-2027

AN INTEGRATED GLOBAL GAS PLAYER



Q2 2024 EBITDA up 18%
\$2,086 million



Q2 2024 Net Income up 21%
\$1,190 million



\$1,706 million Interim dividend
5% growth over 2023



99.7% asset reliability
Focus on operational efficiency
and cost optimization



Enhanced Capital Efficiency
Ownership transfer of
ESTIDAMA to ADNOC



Progress on Ruwais LNG
3 Heads of Agreements and EPC
contracts signed by ADNOC



APPENDIX



SHAREHOLDER AND FREE FLOAT UPDATE

Shareholder Structure of ADNOC Gas

As of October 2024

Shareholders	No of shares	Percentage (%)
Abu Dhabi National Oil Company (ADNOC)	69,076,279,811	90.0%
Abu Dhabi National Energy Co PJSC	3,837,571,094	5.0%
ADNOC Gas ESOP	153,502,844	0.2%
Free Float	3,684,068,263	4.8%

Free-Float Shares Update

As of 30 September 2024

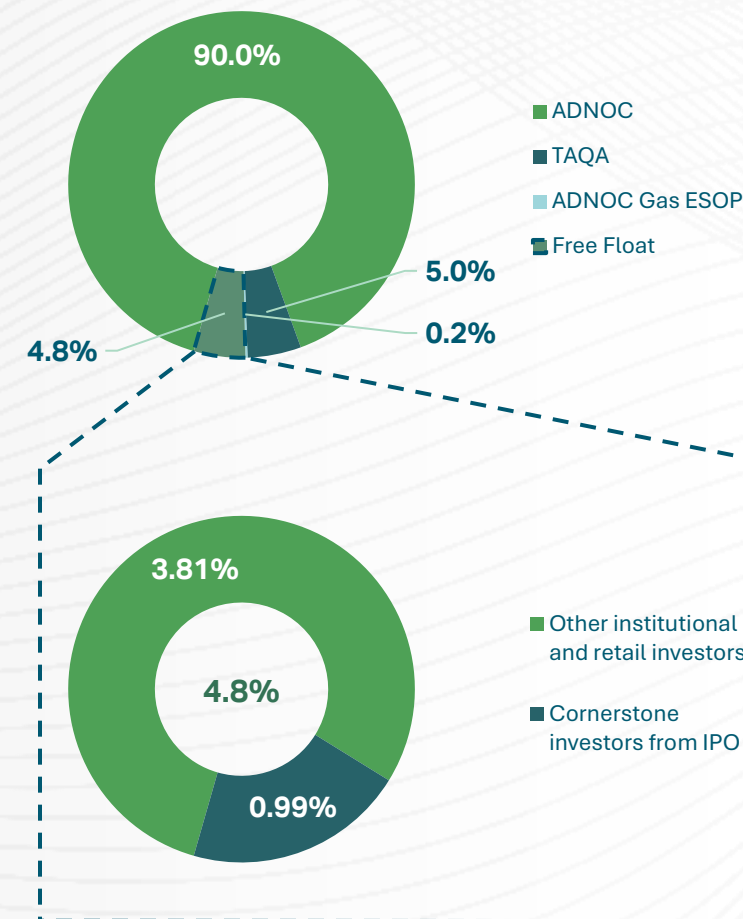
Free Float	No of shares	Percentage (%)
Of which remaining held by IPO cornerstone investors ¹	762,721,233	0.99%
Of which held by other institutional and retail investors (each holding below 5%)	2,921,347,030	3.81%
Free Float	3,684,068,263	4.8%

Free float
Update



- Increase in free float (shares not held by ADNOC, TAQA or ADNOC Gas ESOP) to 4.8%
- Shares held by free float investors (excluding IPO cornerstone investors) increased to 3.81%

ADNOC Gas Shareholders (%)



1. Lock-up on cornerstone investors expired in March 2024, previous cornerstone investors continue to hold 762,721,233 shares in ADNOC Gas (vs. 1,317,141,347 at IPO)

AI AT THE CORE OF OUR GROWTH STRATEGY

Operational excellence driven by embracing AI and technology

Our strong operational performance is underpinned by a firm belief in the transformative potential of AI, digitalization and technology, which is evident in our strategic deployment of AI solutions in predictive analytics and real-time optimization.

Achievements



Significant enhancements to plant availability and output gains:

- CPAD : (Centralized Predictive, Analytic & Diagnostic)
- iRTO (Integrated Real Time Optimization)
- Drone Inspection.



Creation of up to \$1 billion in value since 2016

Future goals – 2024 and beyond



Pioneer AI in the gas industry



Continued exploration of Autonomous Operations, 3D Printing & AI Copilot



Benefits up to \$2 billion expected over the next 5 years

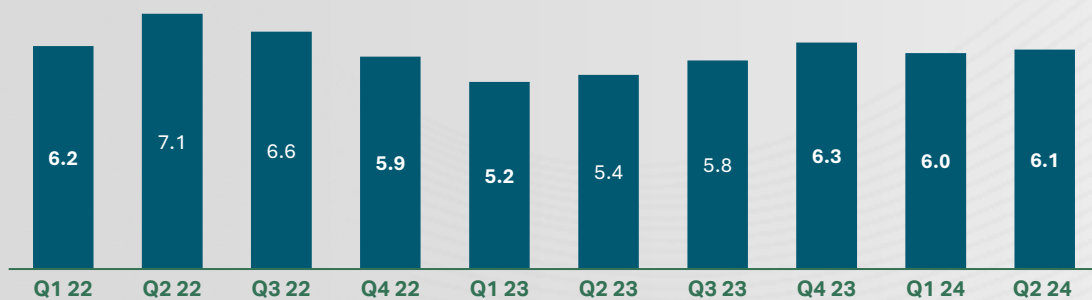


FINANCIAL PERFORMANCE

Resilient margins in changing price environments

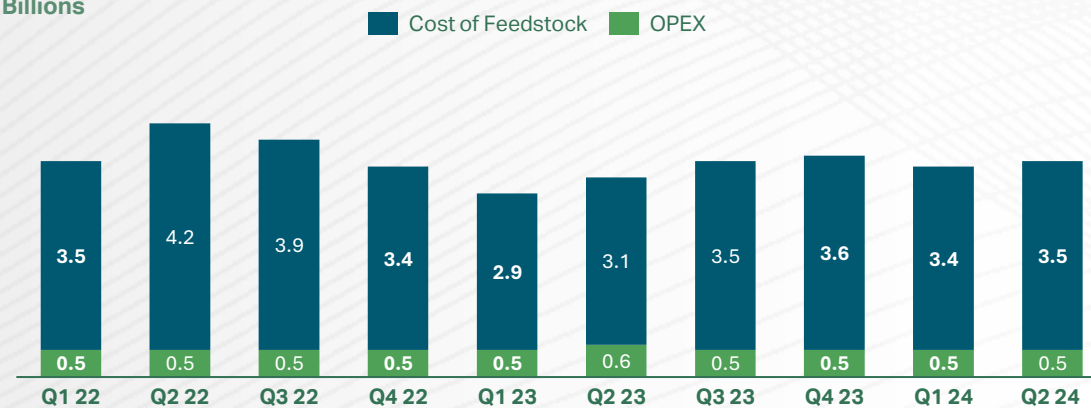
REVENUES

US\$, Billions



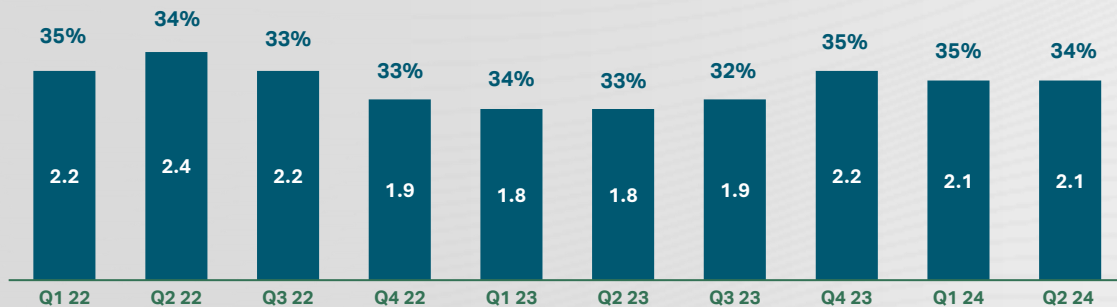
COSTS

US\$, Billions



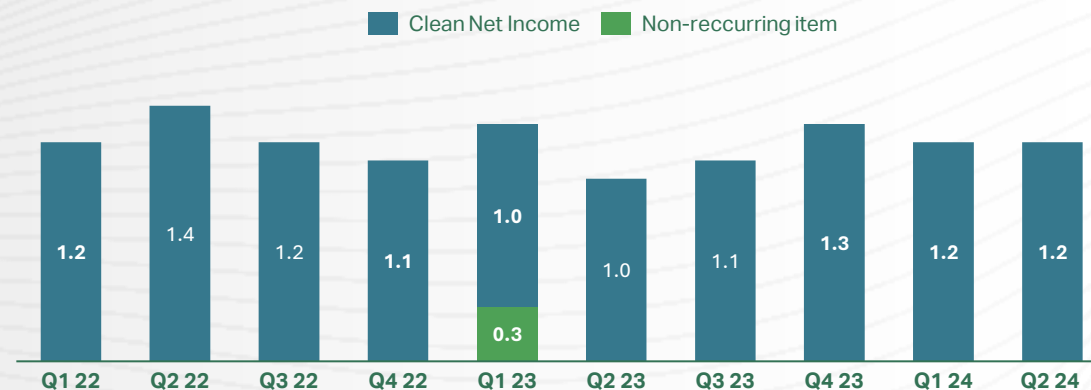
EBITDA

US\$, Billions



NET INCOME

US\$, Billions

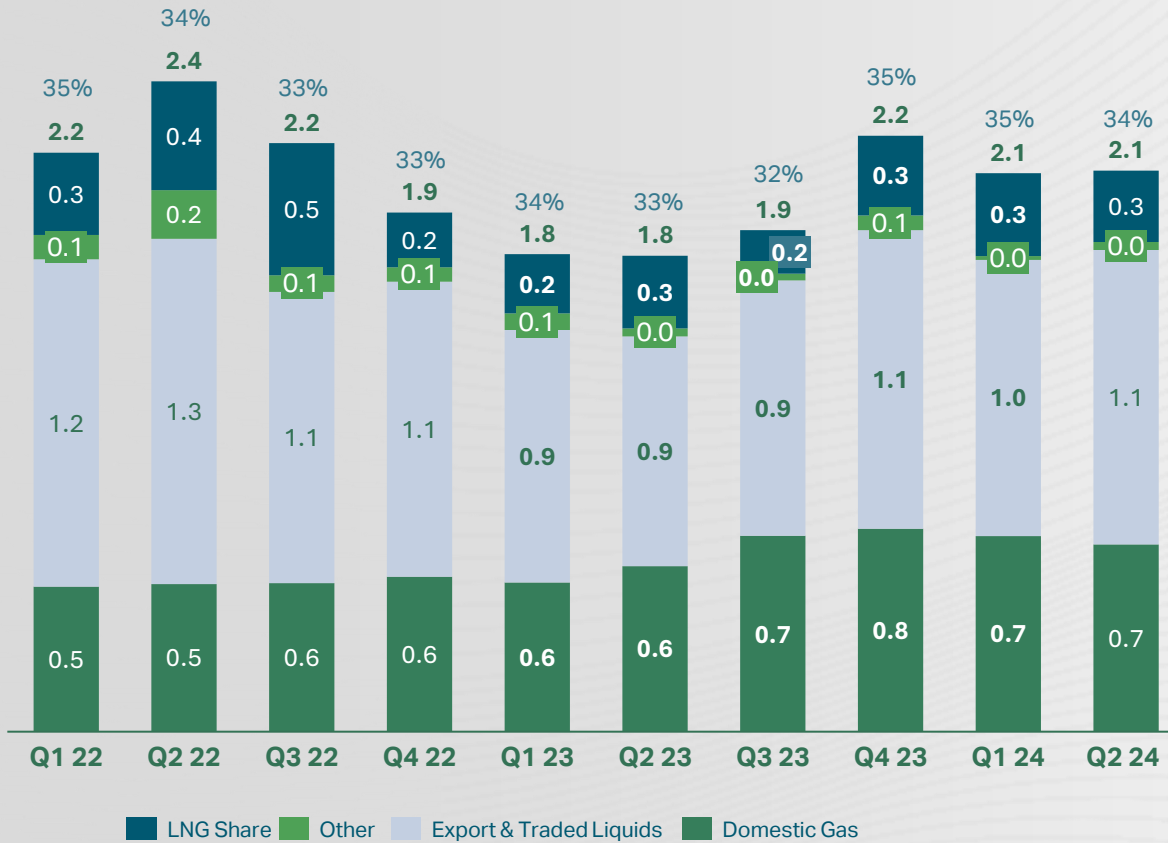


QUARTERLY COMPARISON

EBITDA

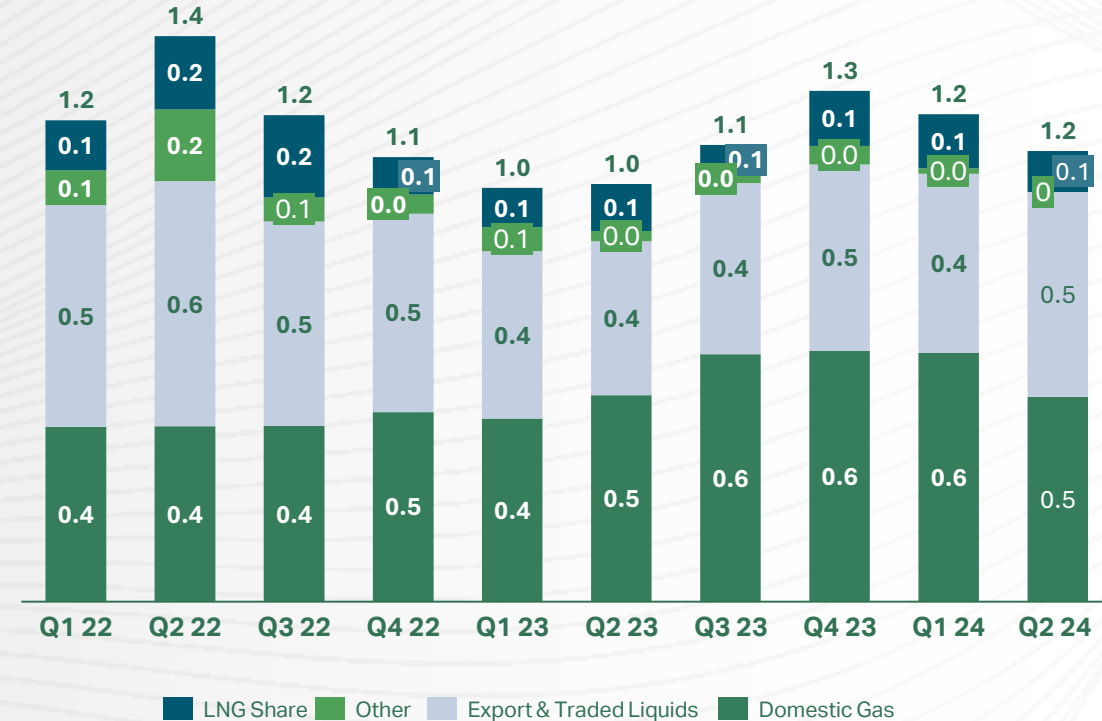
\$ Billions

EBITDA Margin



NET INCOME

\$ Billions



FINANCIAL SUMMARY



\$ Million (unaudited figures)	Q2 23	Q1 24	Q2 24	YoY %	QoQ %
				Q2 24 vs. Q2 23	Q2 24 vs. Q1 24
Revenue	5,397	6,011	6,076	13%	1%
COGS	-3,078	-3,410	-3,480	13%	2%
Opex	-553	-525	-510	-8%	-3%
EBITDA	1,766	2,076	2,086	18%	1%
Net Income	984	1,187	1,190	21%	0%
EBITDA Margin	33%	35%	34%	2%	-1%
Capital Expenditure	-226	-387	-431	91%	11%
Free Cash Flow	1,600	1,183	1,002	-37%	-15%

