ADNOC Murban RSC LTD

FINANCIAL STATEMENTS

31 DECEMBER 2024

OPERATING AND FINANCIAL SUMMARY
For the year ended 31 December 2024

	Opening Receivable (USD'000)	Invoiced (USD'000)	Receipts (USD'000)	Closing Receivable (USD'000)
31 December 2024				
ADNOC Trading	1,719,691	6,915,117	(8,073,780)	561,028
ADNOC*	1,164,865	22,709,052	(22,113,975)	1,759,942
Total	**2,884,556**	**29,624,169**	**(30,187,755)**	**2,320,970**
31 December 2023			**	
ADNOC Trading	1,965,359	20,435,685	(20,681,353)	1,719,691
ADNOC*	934,071	10,131,855	(9,901,061)	1,164,865
Total	2,899,430	30,567,540	(30,582,414)	2,884,556

	For the year ended 31 December 2024 USD'000	For the year ended 31 December 2023 USD'000
Total crude oil value lifted		
ADNOC Trading (refer to note 4 & 5)	6,915,117	20,435,685
ADNOC (refer to note 4 & 5)	22,709,052	10,131,855
	29,624,169	30,567,540

*During year ended 31 December 2024, ADNOC lifted crude oil amounting to USD 22,709 million (2023: USD 10,132 million), for which no revenue was recognised (refer to note 4 & 5).

Receivable from ADNOC excludes USD 1.0 million receivable in respect of share capital.

**This is excluding excess cash of USD 68,670 thousand received from ADNOC Trading, which was classified as due to related party as of 31 December 2023.

OPERATING AND FINANCIAL SUMMARY (continued)
For the year ended 31 December 2024

	As at and for the year ended 31 December 2024 USD'000	As at and for the year ended 31 December 2023 USD'000
Cash received from ADNOC Trading	8,073,780	20,750,023
Cash received from ADNOC	22,113,975	9,901,061
	30,187,755	30,651,084
Receivables		
ADNOC Trading on account of crude oil delivered (refer to note 7)	561,028	1,719,691
ADNOC on account of partial settlement of financial asset at FVTPL (refer to note 7)	1,759,942	1,164,865
	2,320,970	2,884,556
Repayment of capital contribution to ADNOC (refer to note 9)***	**(34,687,059)**	(29,715,004)
Cash and cash equivalents	**2,320,323**	2,939,070

*** During the year ended 31 December 2024, repayments amounting to USD 34,687 million of capital contribution were made based on collections in the current year amounting to USD 30,188 million, collection of finance income amounting to USD 7.5 million, net proceeds from issue of interest-bearing bonds amounting to USD 3,946 million, opening cash balance of USD 2,939 million leaving a closing cash balance of USD 2,320 million after payment of USD 69.0 million on account of extra cash that was received from ADNOC Trading during the year ended 31 December 2023 and USD 4.6 million to suppliers for their services.

*** During the year ended 31 December 2023, repayments amounting to USD 29,715 million of capital contribution were made based on collections in the current year amounting to USD 30,582 million, collection of finance income amounting to USD 8.9 million, opening cash balance of USD 1,995 million and extra cash received from ADNOC Trading amounting to USD 69.0 million leaving a closing cash balance of USD 2,939 million after payment of USD 1 million to suppliers for their services.

ADNOC MURBAN RSC LTD

Audit report and financial statements
for the year ended 31 December 2024

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ADNOC MURBAN RSC LTD

Directors' report
for the year ended 31 December 2024

The Directors have pleasure in submitting their report, together with the audited financial statements of ADNOC Murban RSC LTD ("the Company") for the year ended 31 December 2024.

Principal activities
The principal activities of the Company are limited to receiving its assigned interest in Crude Oil from ADNOC and the sale of such Crude Oil under the relevant material contracts (see note 2 of the financial statements). In connection with the Company's establishment, the Company entered into (i) the Assignment Agreement with ADNOC and (ii) the Offtake Agreement with ADNOC Trading and ADNOC (see note 2 of the financial statements).

Results for the year
The Company generated cash flows of USD 30,122 million from its operating and investing activities (2023: USD 30,659 million) and used it for repayment of capital contribution amounting to USD 34,687 million (2023: USD 29,715 million). Furthermore, during the year the Company generated net proceeds of USD 3,946 million from issue of interest-bearing bonds (2023: USD Nil). In addition, during the year ended 31 December 2024 the Company made a net loss of USD 38,016 million (2023: a profit of USD 18,702 million) mainly due to non-cash fair value changes to the financial asset carried at fair value through profit or loss.

Directors
The Directors of the Company during the year and as of 31 December 2024 are as follows:

- Mr. Ahmed Khalfan Salem Muftah Almansoori;
- Mr. Khalfan Rashed Khalfan Rashed Aldahmani;
- Mr. Ahmed Hamad Al Shamsi
- Ms. Huda Abdulla Al Hanaee

There have been no changes in the Directors of the Company subsequent to the year ended 31 December 2024.

Directors' statement to the disclosure to auditors
In so far as the Directors are aware, there is no relevant information of which the Company's auditors are unaware.

The Company's auditors have been provided with access to all information of which we are aware that is relevant to the preparation of financial statements.

Auditors
EY have expressed their willingness to be re-appointed as auditor for the year ending 31 December 2025.

Signed on behalf of the Board of Directors

Mr. Ahmed Khalfan Salem Muftah Almansoori
Chairperson

Abu Dhabi

Building a better
working world

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

ADNOC MURBAN RSC LTD

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of ADNOC Murban RSC (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Financial asset at Fair Value Through Profit or Loss ("FVTPL") - measurment
On 1 January 2022, the Company entered into an assignment agreement with ADNOC. The assignment agreement was recorded as a financial asset at FVTPL. As of 31 December 2024, the Company's financial asset at FVTPL amounted to USD 472.6 billion (note 6) representing 99% of the Company's total assets as of that date. The measurement (at fair value) of the financial asset at FVTPL is considered as a key audit matter given the magnitude of the financial asset and the estimates involved in determining the fair value.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

ADNOC MURBAN RSC LTD continued

Report on the Audit of the Financial Statements continued

Key audit matters continued

Financial asset at Fair Value Through Profit or Loss ("FVTPL") - measurment continued

The valuation was undertaken by management and an external valuer (the "Valuers"). The valuation methodology used to determine the fair value of the financial asset at FVTPL is discounted cash flow ("DCF") model.

The audit procedures performed to address this key audit matter include the following:

1 We involved our internal valuation specialists in reviewing the valuation of the financial asset at FVTPL including the appropriateness of the valuation methodology as well as the reasonableness of the key assumptions and inputs used in the valuation including the pricing curve and discount rate;

2 We assessed the external valuer independence, qualification and expertise and read the terms of their engagement to determine whether there were any matters that might have affected their objectivity or may have imposed scope limitations upon their work; and

3 We assessed the adequacy of disclosures made in the financial statements in line with the requirements of IFRS Accounting Standards.

Revenue recognition

On 1 January 2022, the Company entered into an offtake agreement with ADNOC Trading and ADNOC. The Company concluded that it acts as a principal for the sale of Crude Oil to ADNOC Trading and recognized revenue of USD 6,915 million (note 5) during the year ended 31 December 2024. Crude Oil quantities lifted by ADNOC amounting to USD 22,709 million (note 5) for the year ended 31 December 2024 were recorded as settlement of financial asset at FVTPL.

Revenue recognition is considered a key audit matter given the magnitude of the amount and the significant judgments applied (note 4).

The audit procedures performed to address this key audit matter include the following:

1 We reviewed the revenue recognition policy applied by the Company to assess its compliance with IFRS Accounting Standards' requirements;

2 We reviewed the underlying contractual terms of the offtake agreement on which management's key judgments are made;

3 We have performed substantive audit procedures which involved testing of transactions during the year; and

4 We assessed the adequacy of disclosures made in the financial statements in line with requirements of IFRS Accounting Standards.

Other information

Other information consists of the information included in the Operating and financial summary and Directors' report other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

ADNOC MURBAN RSC LTD continued

Report on the Audit of the Financial Statements continued

Other information continued
In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and the Board of Directors (the "Directors") for the financial statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards and in compliance with the applicable provisions of the Company's Articles of Association and the Companies Regulations 2020 of Abu Dhabi Global Market ("ADGM"), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Directors are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF

ADNOC MURBAN RSC LTD continued

Report on the Audit of the Financial Statements continued

Auditor's responsibilities for the audit of the financial statements continued

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the Companies Regulations 2020 of ADGM, we report that, in our opinion:

i) The financial statements include, in all material respects, the applicable requirements of the Companies Regulations 2020 of ADGM; and
ii) The financial information included in the report of the Board of Directors is consistent with the books of account and records of the Company.

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (88) of 2021 regarding financial statements Audit Standards for the Subject Entities, we report that, in connection with our audit of the financial statements for the year ended 31 December 2024, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2024:

i) Its Article of Association or Law of Establishment; and
ii) Relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

For Ernst & Young

Raed Ahmad

13 March 2025
Abu Dhabi, United Arab Emirates

Statement of profit or loss and other comprehensive income
for the year ended 31 December 2024

	Notes	2024 USD'000	2023 USD'000
Revenue	**5**	**6,915,117**	20,435,685
Cost of goods sold		**(6,915,117)**	(20,435,685)
Gross margin		**-**	-
Change in fair value of financial asset at FVTPL	**6**	**(37,962,212)**	18,694,132
Administrative expenses		**(4,843)**	(1,034)
Finance cost	**10**	**(56,806)**	-
Finance income		**7,489**	8,886
(Loss) / profit for the year		**(38,016,372)**	18,701,984
Other comprehensive income		**-**	-
Total comprehensive (loss) / income for the year		**(38,016,372)**	18,701,984

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

Statement of financial position
as at 31 December 2024

	Notes	31 December 2024 USD'000	31 December 2023 USD'000
ASSETS			
Non-current asset			
Financial asset at FVTPL	6	446,675,213	513,148,927
Current assets			
Financial asset at FVTPL	6	25,974,499	27,087,166
Due from related parties	7	2,321,970	2,885,556
Cash and cash equivalents	8	2,320,323	2,939,070
		30,616,792	32,911,792
Total assets		477,292,005	546,060,719
EQUITY			
Share capital	9	1,000	1,000
Capital contributions	9	542,503,182	577,190,241
Accumulated losses		(69,216,775)	(31,200,403)
Total equity		473,287,407	545,990,838
Non-current liability			
Interest-bearing bonds	10	3,946,370	-
Current liabilities			
Due to related parties	7	1,340	69,785
Accrued interest and other accruals		56,888	96
		58,228	69,881
Total liabilities		4,004,598	69,881
Total equity and liabilities		477,292,005	546,060,719

Mr. Ahmed Khalfan Salem Muftah Almansoori
Director

Mr. Khalfan Rashed Khalfan Rashed Aldahmani
Director

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

Statement of changes in equity
for the year ended 31 December 2024

	Share capital USD'000	Capital contributions USD'000	Accumulated losses USD'000	Total equity USD'000
Balance as at 1 January 2023	1,000	606,905,245	(49,902,387)	557,003,858
Repayment of capital contribution (note 9)	-	(29,715,004)	-	(29,715,004)
Total comprehensive income for the year	-	-	18,701,984	18,701,984
Balance as at 31 December 2023	1,000	577,190,241	(31,200,403)	545,990,838
Balance as at 1 January 2024	1,000	577,190,241	(31,200,403)	545,990,838
Repayment of capital contribution (note 9)	-	(34,687,059)	-	(34,687,059)
Total comprehensive loss for the year	-	-	(38,016,372)	(38,016,372)
Balance as at 31 December 2024	**1,000**	**542,503,182**	**(69,216,775)**	**473,287,407**

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

Statement of cash flows
for the year ended 31 December 2024

	Notes	2024 USD'000	2023 USD'000
Cash flows from operating activities			
Cash receipts from ADNOC Trading on account of crude oil sales		**8,073,780**	20,750,023
Cash receipts from ADNOC on account of partial settlement of financial asset at FVTPL		**22,113,975**	9,901,061
Cash settlement towards ADNOC Trading on account of excess cash received		**(68,670)**	-
Payment to suppliers		**(4,632)**	(1,078)
Net cash from operating activities		**30,114,453**	30,650,006
Cash flows from investing activity			
Finance income received		**7,489**	8,886
Net cash from investing activity		**7,489**	8,886
Cash flows used in financing activities			
Proceeds from issue of interest-bearing bonds	**10**	**3,946,370**	-
Repayment of capital contribution to ADNOC	**9**	**(34,687,059)**	(29,715,004)
Net cash used in financing activities		**(30,740,689)**	(29,715,004)
Net (decrease) / increase in cash and cash equivalents		**(618,747)**	943,888
Cash and cash equivalents at the beginning of the year		**2,939,070**	1,995,182
Cash and cash equivalents at the end of the year	**8**	**2,320,323**	2,939,070

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

1 Corporate information

ADNOC Murban RSC LTD (the "**Company**") was incorporated on 19 August 2021 as a restricted scope company, with registration number 000006216, pursuant to the Abu Dhabi Global Market Companies Regulations 2020. The Company is a wholly owned subsidiary of Abu Dhabi National Oil Company (ADNOC) P.J.S.C. (**"ADNOC"** or the **"Parent Company"**) which is wholly owned by the Emirate of Abu Dhabi. The registered office of the Company is on 28th Floor, Al Sarab Tower, ADGM Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

The principal activities of the Company are limited to receiving its assigned interest in Murban Crude Oil from ADNOC ("Assigned Crude Oil" or "Crude Oil") and the sale of such Crude Oil under the relevant material contracts (see note 2). In connection with the Company's establishment, the Company entered into (i) the Assignment Agreement with ADNOC and (ii) the Offtake Agreement with ADNOC Trading and ADNOC (see note 2).

In September 2024, the Company issued medium and long-term debt securities and used the proceeds from each issuance for (1) a partial repayment of the capital contribution made to the Company for the assignment by ADNOC of the rights under the Assignment Agreement; and (2) for payment of all costs and expenses relating to such offering of medium and long-term debt securities.

These financial statements were approved by the Board of Directors and authorised for issue on 7 March 2025.

2 Material contracts

Assignment Agreement
On 1 January 2022, the Company entered into a 30-year assignment agreement (the **"Assignment Agreement"**) with ADNOC. Pursuant to the Assignment Agreement, ADNOC assigned to the Company for thirty (30) years one million barrels per day (**"Volume Availability Commitment"**) of Murban Crude Oil (**"Assigned Crude Oil"**) from ADNOC's rights to receive Crude Oil from the onshore concessions located in Abu Dhabi. In addition, ADNOC may in the future (at ADNOC's absolute discretion) assign additional volumes of Crude Oil to the Company. ADNOC's concessions are granted by the Supreme Council for Financial and Economic Affairs (formerly the Supreme Petroleum Council) on behalf of the Government of Abu Dhabi to ADNOC and certain international companies, granting ADNOC and certain international companies the exclusive right to explore, develop and produce hydrocarbon resources over certain onshore fields through individual operating companies.

Under the terms of the Assignment Agreement, ADNOC has committed to deliver to the Company an aggregate quantity not less than one (1) million barrels per day of the Assigned Crude Oil for the term of the Assignment Agreement for a total consideration of USD 637,650 million which shall be paid in any manner and at any point in time, at the Company's discretion. In the event of ADNOC's failure to deliver the Volume Availability Commitment, ADNOC shall make payments for shortfall quantities of Crude Oil multiplied by the simple average official selling price (**"OSP"**) applicable during the reconciliation period (being a period of six months in each contract year or as otherwise agreed in writing by the Company and ADNOC).

2 Material contracts (continued)

Assignment Agreement (continued)
OSP for Crude Oil is defined in the Assignment Agreement as the official selling price as announced by the Government of Abu Dhabi from time to time or if, for any period of time, no official selling price has been announced by the Government of Abu Dhabi, such other price as the Company and ADNOC may agree in writing. In the event that the Assignment Agreement is terminated by the Company due to material breach, or insolvency of ADNOC, payment default by ADNOC or termination of the concessions prior to expiry of the term of the Assignment Agreement, the Company shall be entitled to termination payment from ADNOC equal to the fair value of Assigned Crude Oil (minus all quantities delivered or otherwise paid for by ADNOC) as of the date of termination of the Assignment Agreement. ADNOC can terminate the Assignment Agreement without any termination payment in case of breach by the Company or if the Company becomes insolvent.

Offtake Agreement
On 1 January 2022, the Company also entered into 30-year offtake agreement (the **"Offtake Agreement"**) with ADNOC Trading Ltd (**"ADNOC Trading"**) and ADNOC (collectively referred as the "**Buyers**") pursuant to which the Company will make available to the Buyers at the designated delivery points quantities of Crude Oil for a price equivalent to the OSP. ADNOC will also act as the alternative buyer of such Crude Oil if ADNOC Trading does not intend, or is not able, to take delivery of any quantity of Crude Oil made available for delivery by the Company under the Offtake Agreement. If ADNOC Trading and ADNOC does not take delivery of such Crude Oil, the Company shall be entitled to sell such Crude Oil to any person through ADNOC Trading on back-to-back terms, and therefore, there is no firm commitment from ADNOC Trading or ADNOC to take delivery of the Crude Oil and either ADNOC or ADNOC Trading can choose not to take delivery of Crude Oil.

The Company can terminate the Offtake Agreement if there is material breach, payment default or insolvency of ADNOC or ADNOC Trading (buyers). The buyers can also terminate the Offtake Agreement if there is material breach by the Company. Further, the Company has the option to terminate the Offtake Agreement for convenience.

The effective date of the above agreements is 1 January 2022.

3 Basis of preparation and material accounting policy information

3.1 Basis of preparation and statement of compliance

These financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and the Companies Regulations 2020 of Abu Dhabi Global Market (ADGM). These financial statements have been prepared on the historical cost basis except for the financial asset at FVTPL which was initially recognised and subsequently remeasured at fair value at each reporting date and crude oil inventories which are stated at fair value less costs to sell as explained in the accounting policies. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

3 Basis of preparation and material accounting policy information (continued)

3.2 Functional and presentation currency

These financial statements are presented in United States Dollars ("**Dollar**" or "**USD**"), which is the Company's functional and presentation currency. The functional currency is the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that USD most faithfully represents the economic effects of underlying transactions, events and conditions as the share capital issued by the Company, the material contracts (see note 2) and the Crude oil trading are denominated or executed in USD. All values are rounded to the nearest thousand except when otherwise indicated.

3.3 Material accounting policy information

The material accounting policies adopted are set out below.

Revenue recognition
For contracts determined to be within the scope of revenue recognition, the Company is required to apply a five-step model to determine when to recognise revenue, and at what amount. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

The Company recognises revenue from contracts with customers based on the five-step model set out in IFRS 15:

Step 1: Identify the contract(s) with a customer

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify the performance obligations in the contract

A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract

For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Revenue recognition (continued)
The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Company's performance as and when the Company performs; or
- The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

As the Offtake Agreement does not require the Company to deliver minimum quantities to ADNOC Trading, and requires the payment of OSP as of the relevant dates, the Offtake Agreement is an executory contract accounted for under IFRS 15 *Revenue from Contracts with Customers* and as a result, revenue will be recognised when ADNOC Trading takes delivery of Crude Oil.

The Company’s revenues are derived primarily from the sale of Crude Oil under the Offtake Agreement with ADNOC Trading. Revenue is recognised when control of the Crude Oil has passed, being when the Crude Oil is delivered to ADNOC Trading, the Buyer has full discretion over the Crude Oil delivery and there is no unfulfilled obligation that could affect the ADNOC Trading’s acceptance of the Crude Oil. The Crude Oil is sold to ADNOC Trading at the OSP which is the transaction price agreed under the Offtake Agreement. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The Company does not adjust the transaction price for significant financing as payment is due typically within a short period of time.

The Company obtains legal title of the Crude Oil only momentarily before legal title is transferred to ADNOC Trading. The Company has determined that is acting as the principal in the transaction with ADNOC Trading as the nature of the Company’s promise is an obligation to deliver the Crude Oil itself under the Offtake Agreement. See note 4 for factors the Company considered in making that determination.

Financial instruments
Financial assets and financial liabilities are recognised in the Company’s statement of financial position when the Company becomes a party to the contractual provisions of an instrument. Financial assets are any assets that are (a) cash; (b) an equity instrument of another entity; (c) a contractual right to receive cash or another financial asset from another entity; or to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity; or (d) a contract that will or may be settled in the entity’s own equity instruments and is a non-derivative for which the entity is or may be obliged to receive a variable number of the entity’s own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity’s own equity instruments.

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Financial instruments

For this purpose the entity's own equity instruments do not include: instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments; puttable instruments classified as equity or certain liabilities arising on liquidation classified by IAS 32 as equity instruments. Financial liabilities are any liabilities that are (a) a contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or (b) a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Initial recognition

Financial assets at initial recognition are classified as at amortised cost, at fair value through other comprehensive income (FVTOCI) or at FVTPL. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as FVTPL, unless the Company designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as FVTOCI on initial recognition;
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)
Financial assets at FVTPL (continued)
The Company entered into the Assignment Agreement as explained in note 2, which gives the Company the right to receive the Volume Availability Commitment per day of Crude Oil for 30 years. The Assignment Agreement falls under the scope of IFRS 9 due to following:

- The agreement represents a contract to buy a non-financial item that can be settled net in cash, as if the contract was a financial instrument; and
- The settlement net in cash is demonstrated by the fact that the Crude Oil is a commodity which is readily convertible to cash given the fact that there is an active market for Crude Oil, and its price is publicly available.

The assignment agreement is to be measured at fair value through profit or loss, as it would not meet the SPPI test under IFRS 9. The fair value of the financial asset at FVTPL is determined in the manner described in note 6.

Since the payment of consideration relating to the assignment agreement shall be made in any manner and at any point of time at the Company's discretion, the Company classified the consideration under the Assignment Agreement as a capital contribution in kind from ADNOC.

The Company's other financial assets include due from a related party which are subsequently recognised at amortised cost using the effective interest method and are subject to impairment.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses (ECL) associated with its due from a related party. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument and depends on whether there has been a significant increase in credit risk.

The due from related party are considered to have low credit risk, and the loss allowance is therefore limited to 12 months' expected losses. The Company has not recognised any loss allowance as there is a no risk of default on the due from related party considering the fact that the amount is due from ADNOC and ADNOC Trading (a wholly owned subsidiary of ADNOC) which has a strong capacity to meet its contractual cash flow obligations in the near team and the fact that it is a wholly-owned subsidiary of the Government of Abu Dhabi.

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Financial instruments (continued)

***Financial assets* (continued)**
Derecognition of financial assets
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Company's statement of financial position) when:

- The contractual rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities and equity instruments
Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Financial liabilities measured subsequently at amortised cost
The Company's financial liabilities are measured subsequently at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition of financial liabilities
The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Effective interest method
The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest revenue or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or liability, or (where appropriate) a shorter period, to the amortised cost of a financial asset or liability.

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Fair value measurement
Fair value is the price that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of a financial asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

For financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which is described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are 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); and
- Level 3 inputs are unobservable inputs for the asset or liability that are derived from valuation techniques.

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks.

Inventories
Crude oil inventories are stated at fair value less costs to sell, with changes in fair value less costs to sell recognised in profit or loss in the period of the change.

Accruals
Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Taxation
Current income tax
The Company is subject to taxation effective from 1 January 2024 as per fiscal letter issued by Supreme Council for Financial and Economic Affairs (SCFEA). Tax rate applicable to the Company is 9%.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the SCFEA. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3 Basis of preparation and other material accounting policy information (continued)

3.3 Material accounting policy information (continued)

Taxation (continued)
Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of profit or loss and other comprehensive income.

Deferred tax assets and liabilities are offset for financial reporting purposes when they relate to income taxes levied by the Supreme Council for Financial and Economic Affairs ("SCEFA").

3.4 New and revised IFRSs applied with no material effect on these financial statements

In the current year, the Company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements -Amendments to IAS 7 and IFRS 7

3.5 New and revised IFRSs that are issued, but not yet effective and not early adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- Amendments to IAS 21: Lack of exchangeability;
- Issuance of IFRS 18 (replacing IAS 1): Presentation and Disclosure in Financial Statements; and
- Issuance of IFRS 19: Subsidiaries without Public Accountability: Disclosures

The Company does not expect that the adoption of these new and amended standards and interpretations will have a material impact on its financial statements.

4 Critical judgments and key sources of estimation uncertainty

The preparation of the financial statements in compliance with IFRS requires the Company to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical judgements and estimates used in the preparation of these financial statements are as follows:

Critical judgements

Shareholder right to terminate the Assignment Agreement
ADNOC can terminate the Assignment Agreement without any termination payment being made to the Company in case of breach of the Assignment Agreement by the Company or if the Company becomes insolvent.

The Company deems these rights given to ADNOC to terminate the Assignment Agreement to be non-substantive. In reaching such conclusion the Company considered the likelihood of breaching the Assignment Agreement or becoming insolvent and concluded that both events are very unlikely to occur. The Company has also taken into account the fact that voluntary liquidation or dissolution of the Company is defined as a shareholder reserved matter in the Company's articles of association, which also include a declaration of solvency as further explained in note 9. Accordingly, the Company believes it is appropriate to record the capital contributions in equity and a separate financial asset at FVTPL.

Assessment on the Company's sale of Crude Oil to ADNOC Trading under the Offtake Agreement
The Company concluded that it acts as a principal for the sale of Crude Oil to ADNOC Trading under the Offtake Agreement. In reaching such conclusion, the Company considered the following judgments:

- ADNOC Trading is a separate legal entity and is not party to the Assignment Agreement with ADNOC,
- The Offtake Agreement is entered between the Company as seller and ADNOC Trading and ADNOC as buyers.
- The contractual terms of the Offtake Agreement give the right to ADNOC Trading and ADNOC not to take delivery of Crude Oil which then exposes the Company to the risks and rewards associated with the Crude Oil volumes to then sell to third party customers.
- The Offtake Agreement also provides the Company with the right to terminate the Offtake Agreement for convenience and to sell the Crude Oil to third party customers. Though the likelihood of this happening is remote, the Company considered the contractual term that provides ADNOC Murban the ability to cancel the Offtake Agreement unilaterally.
- The Company assessed that it obtains control of Crude Oil before it is delivered to ADNOC Trading since it has primary responsibility for fulfilling the promise to provide the goods.

4 Critical judgments and key sources of estimation uncertainty (continued)

Critical judgements (continued)

Determination that sales to ADNOC under the Offtake Agreement does not meet the criteria to be recognised as revenue
As the Assignment Agreement and the Offtake Agreement were entered into at or near the same time between ADNOC and the Company for the same commodity, both agreements are considered in combination, and hence, the economic substance of ADNOC's offtake of Crude Oil under the Offtake Agreement is considered ADNOC's settlement of its obligation under the Assignment Agreement in cash rather than by delivery of Crude Oil, and accordingly, IFRS 15 for revenue recognition is not applicable. During year ended 31 December 2024, ADNOC lifted crude oil amounting to USD 22,709 million (2023: USD 10,132 million), for which no revenue was recognised.

Key sources of estimation uncertainty

Fair valuation of the financial asset at FVTPL
The determination of fair value for the financial asset at FVTPL is a critical source of estimation uncertainty because there is no observable market price for such contract or other similar contracts.

The valuation methodology used to determine the fair value of the financial asset at FVTPL is discounted cash flow ("**DCF**") model. The DCF model estimates the value of the financial asset based on its expected future cash flows. The fair value of the financial asset at FVTPL relies on an estimate of the future prices of Crude Oil beyond the standard contract term for Crude Oil futures. In addition, the valuation includes an estimate of when the Volume Availability Commitment will be delivered and the credit risk of the parties to the Assignment Agreement which also impact the fair value of the Assignment Agreement.

The Company determined these inputs as follows:

- A Crude Oil pricing curve has been derived from a build-up approach of underlying benchmark pricing plus a historical differential.

    - A range of pricing curve was determined by applying the following methodology:
        - An underlying benchmark was selected based on data observability and historical price correlation to Crude Oil.
        - A range of forecasts for the underlying benchmark, Brent, was developed by using various data sources over the short, medium, and long-term horizons.
        - A range of applicable differentials between Crude Oil and Brent was estimated based on historical price observed.
        - The range of differentials was applied to the Brent forecasts for the purpose of constructing the Crude Oil real price curves.
        - The resulting Crude Oil curves were tested by comparing the forecast prices in the short end to the Crude Oil futures, as well as performing a lookback analysis by reviewing historical pricing during periods of similar market conditions as of the effective date of the Assignment Agreement.
        - A range of nominal Crude Oil prices was derived from the real price forecasts by an appropriate escalation factor.

4 Critical judgments and key sources of estimation uncertainty (continued)

Key sources of estimation uncertainty (continued)

Fair valuation of the financial asset at FVTPL (continued)

  - As at 31 December 2024, the valuation which is within the range as determined in the methodology above, was calculated using a curve which was constructed using futures in the short term and a single analyst forecast in the medium to long term.

- Subsequent cash flows are determined from the forecasted Crude Oil price based on the Volume Availability Commitment of one million (1,000,000) barrels of Crude Oil per day; and

- A term structure credit adjusted curve has been considered for discounting purposes. The curve used was the USD Abu Dhabi Sovereign curve on the assumption that ADNOC credit risk is similar to that of the Abu Dhabi Sovereign. The effective discount rate over the tenor of the instrument was 5.52% (2023: 4.82%)

As at 31 December 2024, the financial asset at FVTPL was valued at USD 472,650 million (2023: USD 540,236 million) and is categorised under Level 3 in the fair value hierarchy. Refer to note 6 for quantitative sensitivity analysis on significant unobservable inputs.

5 Revenue

During the year ended 31 December 2024, the Company has recognised revenue of USD 6,915 million (2023: USD 20,436 million), on account of Crude oil lifted by ADNOC Trading under the Offtake Agreement. However, for the Crude oil lifted by ADNOC under the Offtake Agreement amounting to USD 22,709 million (2023: USD 10,132 million) for the year ended 31 December 2024, no revenue has been recognised as explained in the critical judgements (note 4).

Revenue is recognised at a point in time upon lifting of Crude oil by ADNOC Trading.

Geographical markets
All revenue is generated in United Arab Emirates.

6 Financial asset at FVTPL

	31 December 2024 USD'000	31 December 2023 USD'000
At the beginning of the year	**540,236,093**	552,109,501
Change in fair value	**(37,962,212)**	18,694,132
Settlement of financial asset	**(29,624,169)**	(30,567,540)
At year end	**472,649,712**	540,236,093
Current	**25,974,499**	27,087,166
Non-current	**446,675,213**	513,148,927
	472,649,712	540,236,093

Financial asset at FVTPL represents the Assignment Agreement, which gives the Company the right to receive the Volume Availability Commitment per day of Crude Oil for 30 years (see notes 2 and 4).

Financial asset at FVTPL is recognised initially at fair value and is subsequently remeasured to fair value at each reporting date, with any fair value gains or losses recognised in profit or loss. Fair value of the financial asset at FVTPL is determined in the manner described in note 4. In addition, the financial asset is adjusted during the year for settlement of the Volume Availability Commitment as per the Assignment Agreement.

Significant unobservable inputs to valuation:
The significant unobservable inputs used in the fair value measurement categorised within Level 3 of the fair value hierarchy, together with a quantitative sensitivity analysis as at 31 December 2024 and as at 31 December 2023 are shown below:

	Increase/decrease in basis points / %	***Effect on Profit (loss) USD'million***
Discount rate:		
31 December 2024: 5.52%	**+100**	**(47,544)**
	-100	**56,073**
31 December 2023: 4.82%	+100	(57,756)
	-100	68,784

6 Financial asset at FVTPL (continued)

Significant unobservable inputs to valuation: (continued)

Pricing Curve:		
31 December 2024:	**+5%**	**23,632**
Range: USD 67.1 – 79.6 / barrel (real price)	**-5%**	**(23,632)**
31 December 2023:	+5%	27,012
Range: USD 72.99 – 93.59 / barrel (real price)	-5%	(27,012)

There were no transfers into or out of Level 3 fair value measurement during the year ended 31 December 2024 and 2023.

7 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties represent ADNOC and its affiliates, the Government of Abu Dhabi and related departments and institutions, associated companies, joint ventures, shareholders, directors, and key management personnel of the Company and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions. The terms of related party transactions are approved by the Company's Board of Directors. As at 31 December 2024 and 31 December 2023, the Company is a party to certain contracts with ADNOC Group such as the Assignment Agreement and Offtake Agreement as discussed further in note 2.

Balances with related parties mainly comprise:

	31 December 2024 USD'000	31 December 2023 USD'000
Related party balances:		
Financial asset at FVTPL (note 6)	**472,649,712**	540,236,093
Amounts due from related parties		
ADNOC*	**1,760,942**	1,165,865
ADNOC Trading**	**561,028**	1,719,691
	2,321,970	2,885,556

7 Related parties (continued)

	31 December 2024 USD'000	31 December 2023 USD'000
*Amounts due from ADNOC pertains to the following:		
Crude oil lifted by ADNOC**	**1,759,942**	1,164,865
Initial share capital	**1,000**	1,000
	1,760,942	1,165,865
Amounts due to related parties		
ADNOC***	**1,340**	1,115
ADNOC Trading****	**-**	68,670
	1,340	69,785

**Receivables from ADNOC Trading and ADNOC pertain to quantities of Crude Oil lifted under the Offtake Agreement and on account of partial settlement of financial asset at FVTPL, respectively. The receivables from ADNOC and ADNOC Trading on account of Crude Oil lifted, are non-interest bearing and are recoverable within 30 days from the invoice date.

***The Company does not have any employee, and it receives corporate services from ADNOC. Amount due to ADNOC includes corporate services fee amounting to USD 200 thousand for the year ended 31 December 2024 (2023: USD 200 thousand) as per the Corporate Services Agreement between ADNOC and the Company. The balance is interest free, unsecured and is expected to be settled in cash within one year.

**** Amount due to ADNOC Trading represents excess cash received which is subsequently paid back to ADNOC Trading in January 2024.

Transactions with related parties included in the statement of profit or loss and other comprehensive income are as follows:

	2024 USD'000	2023 USD'000
Revenue (note 5)	**6,915,117**	20,435,685
Cost of goods sold	**(6,915,117)**	(20,435,685)
Corporate services (included in admin expenses)	**(200)**	(200)

8 Cash and cash equivalents

	31 December 2024 USD'000	31 December 2023 USD'000
Cash at banks	**2,320,323**	2,939,070

Bank balance is denominated in US Dollar and earned interest at a range of 3.8% - 4.05% per annum for the year ended 31 December 2024 (31 December 2023: 4.05% - 4.85% per annum).

9 Share capital and capital contributions

The Company is a wholly owned subsidiary of ADNOC. The authorised and issued share capital of the Company is comprised of 1,000,000 shares of USD 1 per share (2023: 1,000,000 shares of USD 1 per share). All shares have been fully subscribed by ADNOC.

The Company recorded capital contributions of USD 637,650 million as of 1 January 2022 for the consideration recognised by the Company in relation to the Assignment Agreement of the Crude Oil (see note 2). Under the Assignment Agreement, the payment of consideration shall be made in any manner and at any point in time, at the Company's discretion and accordingly this is classified as equity within these financial statements. The commitments made by ADNOC in the Assignment Agreement are legally enforceable by the Company and are to be funded over 30 years by ADNOC through the daily deliveries of the Volume Availability Commitment or cash settlement of equivalent market value. The Company's Articles of Association has a declaration of solvency which states that prior to any resolution of the Shareholder to dissolve or merge the Company, the Board of Directors shall make a declaration of solvency certifying that the Company is able to pay its debts in full, together with all interest due on its debts (at the contractual rate applicable to such interest and based on any forward-looking assumptions as the Board reasonably determines) for a period of not less than twelve (12) months from the commencement of such Shareholder resolution. The Shareholder has confirmed that such article will not be amended or deleted so long as the Assignment Agreement remains effective.

During the year ended 31 December 2024, the Company at its sole discretion approved and repaid an amount of USD 34,687 million (2023: USD 29,715 million) as a repayment towards capital contributions made by ADNOC.

10 Interest-bearing bonds

On 11 September 2024, the Company issued USD 4 billion bonds under the newly established Global Medium Term Note Program (the "Program"). These bonds are admitted to trading and listed at the International Securities Market of the London Stock Exchange plc (the "London Stock Exchange") (the "ISM"). The bonds under the Program were issued through three tranches as follows:

Interest-bearing bonds tranche	Coupon rate	Effective interest rate	Maturity	Principal amount USD'000	Non-Current USD'000
a five-year	4.250%	4.33%	September 2029	1,000,000	995,135
a ten-year	4.500%	4.64%	September 2034	1,500,000	1,479,750
a thirty-year	5.125%	5.22%	September 2054	1,500,000	1,471,485
				4,000,000	**3,946,370**

The interest-bearing bonds are recorded at amortised cost using the effective interest rates. Interest of each tranche is payable semi-annually at coupon rate. The principal amount is repayable in one bullet payment at respective maturity of each tranche.

The liability of interest-bearing bonds is stated net of discount and transaction costs incurred in connection with the bond arrangement amounting to USD 39.5 million and USD 14.2 million, respectively.

The Company has categorised the Interest-bearing bonds into the Level 1 hierarchy for the purpose of disclosing its fair value. As of 31 December 2024, the fair value of five-year interest-bearing bond amounted to USD 968 million (31 December 2023: USD Nil), ten-year interest-bearing bond amounted to USD 1,412 million (31 December 2023: USD Nil) and thirty-year interest-bearing bond amounted to 1,356 million (31 December 2023: USD Nil) (Note 15).

Finance cost amounting to USD 56.8 million has been recorded in respect of interest-bearing bonds for the year ended 31 December 2024 (31 December 2023: USD Nil).

11 Financial risk management objectives and policies

The main risks arising from the Company's financial instruments are market risk, credit risk and liquidity risk. These risks are monitored by the Directors on a continued basis.

Market risk

The Company is exposed to the risk of fluctuations in prevailing market commodity prices on Crude Oil. If there is a sustained drop in Crude Oil Price, the amounts payable to the Company under the Offtake Agreement will be reduced and consequently the cashflow of the Company may be significantly impacted, thereby having a material adverse effect on the Company's business, results of operations and financial condition.

The sensitivity analyses for financial asset at FVTPL is presented in note 6. The sensitivity analyses are intended to illustrate the sensitivity to changes in market variables on the Company's financial instruments and show the impact on profit or loss and shareholders' equity, where applicable.

11 Financial risk management objectives and policies (continued)

Market risk (continued)

As a general policy, the Company aims to sell the products at prevailing market prices. In addition, the Company's risk management strategy is to protect the Company against adverse fluctuations in oil prices by reducing its exposure to variability in cash flows to the extent that it is practicable and cost effective to do so.

Interest rate risk

The interest rates for the first, second and third tranches of the interest-bearing bonds issued are fixed at 4.250%, 4.500% and 5.125%, respectively (refer note 10). Therefore, the Company is not subject to significant interest rate risk.

Credit risk

The Company's credit risk primarily relates to concentration of credit attributable to the balance from related parties. The Directors estimate that the credit and concentration risk is not significant as the exposure is with a related party. The Directors have determined that the expected credit loss on receivable from related parties is insignificant considering that these relate to ADNOC which is a wholly-owned subsidiary of the Government of Abu Dhabi.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Directors, which have built an appropriate liquidity risk management framework for the Company's short, medium and long-term funding and liquidity management requirements.

The Company's cash flows may still be significantly impacted if there is a sustained drop in Crude Oil price as the amounts payable to the Company under the Offtake Agreement will be reduced.

The Company limits its liquidity risk by ensuring adequate cash is being generated from revenue generated from delivery of Crude Oil, maintaining adequate reserves, issuance of long term notes, continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities. As a result, the liquidity risk for the Company is assessed to be low. All financial liabilities of the Company as of 31 December 2024 and 2023 will mature in less than one year.

The Company has policies in place to ensure that it has sufficient cash on demand to meet expected operational expenses and payment of its financial obligations. Cash surplus are monitored and managed by the Company through distributions to shareholder or deposits in banks or with the shareholder.

Capital management

For the purpose of the Company's capital management, capital includes issued share capital, capital contributions and accumulated losses measured at USD 473,287 million as of 31 December 2024 (2023: USD 545,991 million). The primary objective of the Company's capital management is to maximise the shareholder's value. The Company does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objectives. The Company manages its capital structure and makes adjustments to it in light of changes in business conditions.

No changes were made in the objectives, policies or processes during the year ended 31 December 2024 and 2023.

12 Segment information

The business activities of the Company are performed on an integrated basis. As discussed in note 2, the principal activities of the Company are limited to receiving its assigned interest in Crude Oil from ADNOC and the sale of such Crude Oil under the relevant material contracts. Accordingly, the Company has determined that the Company has one operating segment, and therefore, one reportable segment.

All of the Company's operations are in the United Arab Emirates.

13 Corporate Taxes

On 9 December 2022, the UAE Ministry of Finance published Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (UAE CT Law) to introduce the Federal Corporate Tax (UAE CT) regime in the UAE. The UAE CT Law applies to Tax Periods commencing on or after 1 June 2023.

Tax periods under the UAE CT Law, mirror each company's financial year end and since the Company's Tax Period commenced from 1 January 2024 (the Company's new financial year commenced after 1 June 2023), the related current taxes shall be accounted for in the financial statements for the period beginning 1 January 2024.

There is an exemption from UAE CT for income derived by businesses engaged in Extractive Business or Non-Extractive Natural Resource Business (as defined in the UAE CT Law). This exemption applies to income earned from such businesses to the extent they are effectively subject to tax at an Emirate level. The Abu Dhabi Government issued a Fiscal Letter to the Company, which imposes Abu Dhabi Emirate tax on the Company with effect from 1 January 2024 in the form of an annual levy amounting to USD 25,000 as well as a 9% tax levied on income, subject to certain exclusions noted within the Fiscal Letter.

The Company has considered tax impact under the Fiscal Letter for the period beginning 1 January 2024 and concluded that tax impact under the Fiscal Letter is not material, as the Company has taxable loss. Accordingly, no current or deferred tax is recognised by the Company in these financial statements.

The levy of USD 25,000 for the current year has been recorded as part of administrative expenses.

Tax reconciliation:

	2024 **USD'000**
Accounting loss before tax	**(38,016,372)**
At income tax rate of 9% as per fiscal letter	**(3,421,473)**
Tax impact on non-deductible expenses	**3,416,599**
Non-recognition of deferred tax asset on losses	**4,874**
Income tax expense reported in the statement of profit or loss	**-**
Effective tax rate	**0%**

14 Contingencies and commitments

Contingent liabilities
As at the end of the reporting period, the Company has the following contingent liabilities.

Guarantees provided by the Company on behalf of ADNOC Group in respect of Rio Grande liquefaction project in South Texas

During 2024, ADNOC signed a share purchase agreement to acquire a 11.7% stake in Phase 1 of NextDecade Corporation's, a leading liquefied natural gas (LNG) export project located in Texas, United States, which also includes an offtake agreement. The acquisition is expected to be completed in first half of 2025.

Under this transaction, the Company has agreed to provide a guarantee to the sellers with respect to ADNOC Group's obligation to pay the equity contribution. The total expected exposure on this guarantee is approximately USD 689 million and is payable to Rio Grande LNG LLC and will expire once the equity is paid by the ADNOC Group. The fair value of this guarantee is expected to be immaterial on initial recognition and since the likelihood of default by the ADNOC Group is remote there are no future credit losses recognized.

The Company has signed a guarantee on behalf of the ADNOC Group for its purchase of output in terms of the above project. The guarantee applies to ADNOC Group's obligation to make payments for output taken when due to the producer over the period of the offtake agreement, which will commence once the acquisition is completed. The total offtake agreement value is USD 4,841 million over twenty years and is the maximum guarantee exposure under the arrangement. The guaranteed amount at any point in time is limited to the amount owed in a particular month and does not extend beyond the period when the invoice is due. The fair value of this guarantee is immaterial on initial recognition and no future credit losses are recognized since the likelihood of default by the ADNOC Group is remote.

Commitments
As at the end of the reporting period, there were no commitments to be disclosed in the financial statements (31 December 2023: none).

15 Fair values of financial instruments

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of financial asset at FVTPL, amounts due from related parties and cash and cash equivalents. Financial liability consists of amount due to related parties and interest-bearing bonds that are measured at amortised cost.

Except for interest-bearing bonds, the fair values of the Company's financial instruments are not materially different from their carrying amounts at the reporting date.

16 Disclosure of auditors' fee

In line with the requirements of Abu Dhabi Accountability Authority (ADAA) Chairman Resolution # 27 of 2023 relating to the Code of Ethics for financial statements preparers and auditors of Subject Entities, the statutory auditor fee for the Company is disclosed as follows:

	2024	2023
	USD'000	USD'000
Fees for audit	**45**	42
Other assurance services	**107**	177
	152	219