

**Abu Dhabi Marine Business and  
Services Company P.J.S.C.**

REVIEW REPORT AND INTERIM CONDENSED  
CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (UNAUDITED)

# Abu Dhabi Marine Business and Services Company P.J.S.C.

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## INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

As at and for the three-month period ended 31 March 2023 (Unaudited)

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# Review report on interim condensed consolidated financial information to the Board of Directors of Abu Dhabi Marine Business and Services Company P.J.S.C.

## Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Abu Dhabi Marine Business and Services Company P.J.S.C. (the 'Company') and its subsidiaries (together the 'Group') as at 31 March 2023 and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

## Scope of review

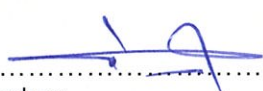
We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial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

## Conclusion

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

PricewaterhouseCoopers

05 MAY 2023

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Rami Sarhan  
Registered Auditor Number 1152  
Abu Dhabi, United Arab Emirates

PricewaterhouseCoopers (Abu Dhabi Branch), Licence no. 1001301  
Al Khateem Tower, Abu Dhabi Global Market, 25th Floor, PO Box 45263, Abu Dhabi - United Arab Emirates  
T: +971 (0)2 694 6800, F: +971 (0)2 645 6610, [www.pwc.com/me](http://www.pwc.com/me)

Jacques Fakhoury, Douglas O'Mahony, Wassim El Afchal, Murad Ainsour and Rami Sarhan are registered as practising auditors with the UAE Ministry of Economy

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023 (Unaudited)

		<i>(Unaudited)</i> 31 March 2023 USD'000	<i>(Audited)</i> 31 December 2022 USD'000
	<i>Notes</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	3,191,860	3,151,384
Right-of-use assets	7	65,153	67,208
Intangible assets	8	13,534	14,716
Investment properties	9	98,530	99,757
Investment in a joint venture	10	66,373	62,641
Goodwill		15,697	15,697
Trade and other receivables	12	124,299	124,252
Sub-lease receivables	7	<u>14,622</u>	<u>15,474</u>
<b>Total non-current assets</b>		<b><u>3,590,068</u></b>	<b><u>3,551,129</u></b>
<b>Current assets</b>			
Inventories	11	95,272	105,570
Trade and other receivables	12	224,601	216,963
Due from related parties	15	482,154	465,954
Sub-lease receivables	7	3,473	3,911
Cash and cash equivalents		<u>333,333</u>	<u>164,933</u>
<b>Total current assets</b>		<b><u>1,138,833</u></b>	<b><u>957,331</u></b>
<b>TOTAL ASSETS</b>		<b><u>4,728,901</u></b>	<b><u>4,508,460</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	13	2,529,779	272,294
General reserve		103,226	103,226
Retained earnings		1,212,214	1,067,285
Shareholder contribution		<u>149,920</u>	<u>357,485</u>
<b>Total equity</b>		<b><u>3,995,139</u></b>	<b><u>1,800,290</u></b>
<b>Non-current liabilities</b>			
Shareholder loan	15	-	1,900,000
Lease liabilities	7	64,665	69,269
Dismantling liability	7	1,778	1,727
Due to related parties	15	35,743	35,743
Other payables		-	69,490
Employees' end of service benefits		<u>31,193</u>	<u>31,464</u>
<b>Total non-current liabilities</b>		<b><u>133,379</u></b>	<b><u>2,107,693</u></b>
<b>Current liabilities</b>			
Trade and other payables	14	458,957	462,899
Lease liabilities	7	9,239	9,768
Due to related parties	15	<u>132,187</u>	<u>127,810</u>
<b>Total current liabilities</b>		<b><u>600,383</u></b>	<b><u>600,477</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>733,762</u></b>	<b><u>2,708,170</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>4,728,901</u></b>	<b><u>4,508,460</u></b>



Dr. Sultan Al Jaber  
Chairman



Abdulkareem Al Masabi  
Chief Executive Officer



Nicholas Gleeson  
Chief Financial Officer

The attached notes on pages 6 to 27 form part of this interim condensed consolidated financial information.



# Abu Dhabi Marine Business and Services Company P.J.S.C.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For the three months ended 31 March 2023 (Unaudited)

		<i>For the three- month period ended March 31 2023</i>	<i>For the three- month period ended March 31 2022</i>
		<i>USD'000</i>	<i>USD'000 (Restated)*</i>
	<i>Notes</i>		
Revenues	3	592,177	312,957
Direct costs		<u>(426,409)</u>	<u>(272,013)</u>
<b>Gross profit</b>		<b>165,768</b>	<b>40,944</b>
General and administrative expenses		<b>(31,288)</b>	(22,591)
Reversal of expected credit losses		<b>3,895</b>	242
Other income		<u><b>2,834</b></u>	<u>579</u>
<b>Operating profit</b>		<b>141,209</b>	<b>19,174</b>
Share of profit from joint venture	10	<b>3,732</b>	613
Finance income	4	<b>1,386</b>	388
Finance costs	5	<u><b>(1,131)</b></u>	<u>(3,936)</u>
<b>Profit before tax for the period</b>		<b>145,196</b>	<b>16,239</b>
Income tax		<u><b>(267)</b></u>	<u>-</u>
<b>Profit for the period</b>		<b>144,929</b>	<b>16,239</b>
<b>Other comprehensive income / (loss)</b>			
<i>Items that will not be subsequently reclassified to profit or loss</i>			
Re-measurement gain/ (loss) on employee defined benefit obligation		<b>=</b>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><b>144,929</b></u>	<u><b>16,239</b></u>

\* Amounts as at 31 March 2022 have been restated to USD, based on the Group's change in presentation currency - See Note 2.1. The attached notes on pages 6 to 27 form part of this interim condensed consolidated financial information.

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2023 (Unaudited)

	<i>Share capital</i> USD '000	<i>General reserve</i> USD '000	<i>Retained earnings</i> USD '000	<i>Shareholder contribution</i> USD '000	<i>Total</i> USD '000
Balance as at 1 January 2022 (Restated)*	272,294	77,147	822,153	357,485	1,529,079
Total comprehensive income for the period	-	-	16,239	-	16,239
Transfers to general reserve	=	=	=	=	=
Balance as at 31 March 2022 (Restated)*	<b><u>272,294</u></b>	<b><u>77,147</u></b>	<b><u>838,392</u></b>	<b><u>357,485</u></b>	<b><u>1,545,318</u></b>
Balance as at 1 January 2023	272,294	103,226	1,067,285	357,485	1,800,290
Shareholder contribution converted to share capital (note 15)	357,485	-	-	(357,485)	-
Forgiveness of loan from shareholder (note 15)	-	-	-	1,900,000	1,900,000
Conversion of forgiven shareholder loan to share capital (note 15)	1,900,000	-	-	(1,900,000)	-
Remaning consideration payable on acquisition of ZMI assumed by the shareholder (note 15)	-	-	-	149,920	149,920
Total comprehensive income for the period	=	=	144,929	=	144,929
Balance as at 31 March 2023	<b><u>2,529,779</u></b>	<b><u>103,226</u></b>	<b><u>1,212,214</u></b>	<b><u>149,920</u></b>	<b><u>3,995,139</u></b>

\* Amounts as at 31 March 2022 have been restated to USD, based on the Group's change in presentation currency - See Note 2.1. The attached notes on pages 6 to 27 form part of this interim condensed consolidated financial information.

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the three months ended 31 March 2023 (Unaudited)

		<i>Three months ended 31 March 2023 USD'000</i>	<i>Three months ended 31 March 2022 USD'000 (Restated)*</i>
	<i>Notes</i>		
<b>OPERATING ACTIVITIES</b>			
Profit for the period		144,929	16,239
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment	6	48,940	27,707
Depreciation on investment properties		1,261	1,455
Depreciation on right-of-use assets	7	2,055	1,842
Profit on initial recognition of sub-lease receivables	7	-	(664)
Provision for dismantling expenses		51	28
Amortisation of intangible assets		1,327	682
Gain on disposal of property, plant & equipment		(2,706)	-
Reversal of provision for expected credit losses		(3,833)	(345)
(Reversal of) / Provision for expected credit losses on due from related parties		(62)	103
Provision for employees' end of service benefits		1,535	1,271
Share of profit from joint venture	10	(3,732)	(613)
Finance income	4	(1,386)	(388)
Finance costs	5	1,131	3,936
		189,510	51,253
<i>Working capital adjustments:</i>			
Inventories		10,298	(3,754)
Trade and other receivables		48,228	(10,239)
Due from related parties		(16,138)	(25,654)
Trade and other payables		(19,200)	13,224
Due to related parties		4,377	(63,851)
<b>Cash flows from operating activities</b>		217,075	(39,021)
Employees' end of service benefits paid		(1,806)	(2,215)
Receipt against sub-leases (finance leases)	7	1,557	2,529
Interest paid		(1)	-
<b>Net cash generated from operating activities</b>		216,825	(38,707)
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	6	(45,940)	(127,742)
Proceeds from disposal of property, plant & equipment		2,706	-
Investment in joint venture	10	-	(3,400)
Advances to suppliers		(47)	(37,440)
Interest received		1,119	35
<b>Net cash used in investing activities</b>		(42,162)	(168,547)
<b>FINANCING ACTIVITIES</b>			
Payments of lease liabilities	7	(6,263)	(6,776)
<b>Net cash used in financing activities</b>		(6,263)	(6,776)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		168,400	(214,030)
Cash and cash equivalents at beginning of the period		164,933	368,447
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>		333,333	154,417
Significant non-cash transactions excluded from the consolidated statement of cash flows are:			
Additions to right-of-use assets	7	-	29,497
Additions to sub lease receivables	7	-	2,502
Additions to lease liabilities	7	-	31,714
Shareholder contribution converted to share capital	15	357,485	-
Shareholder loan converted to share capital	15	1,900,000	-
Remaining consideration payable on acquisition of ZMI converted to shareholder contribution	15	149,920	-

\* Amounts as at 31 March 2022 have been restated to USD, based on the Group's change in presentation currency - See Note 2.1. The attached notes on pages 6 to 27 form part of this interim condensed consolidated financial information.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**1 CORPORATE INFORMATION**

Abu Dhabi Marine Business and Services Company P.J.S.C. (the "Company") is a public joint stock company. The Company was established in 2016 under Law No. 15 of 2016. The Company is a wholly owned subsidiary of Abu Dhabi National Oil Company ("ADNOC" or the "ultimate holding company"). The Company and its subsidiaries (collectively referred to as the "Group") are engaged in the business of providing freight and charter services for the transportation of petroleum products and crude oil on ocean going vessels owned or hired from third parties, operation and maintenance of oil terminals, material handling, manpower and equipment supply, rental of stores, warehouses, office space and provision and supply of chemicals and other on-shore oil and gas field services.

The registered office of the Company is at P.O. Box 61, Abu Dhabi, United Arab Emirates (UAE).

This interim condensed consolidated financial information of the Group was authorised for issuance by the Board of Directors and signed on their behalf on 5 May 2023.

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION**

**Statement of compliance**

The interim condensed consolidated financial information for the three months ended 31 March 2023 have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by IASB.

**Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). From the year ended 31 December 2022, the Group changed their presentation currency to the United States Dollars ("USD") from the United Arab Emirates Dirhams ("AED"). The Group has chosen to present the financial statements in USD, as this is common in the shipping industry as such this presentation is to align with the industry. As a result of the peg between USD and AED this had no impact other than dividing all previously reported figures by 3.6725. The comparative financial information for the three month period ended 31 March 2022 have been restated to USD throughout this interim condensed consolidated financial information.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2022. In addition, results for three months ended 31 March 2023 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2023.

**Basis of preparation**

The interim condensed consolidated financial information have been presented in United States Dollars (USD), which is the presentation currency of the Group as well as of the ultimate holding company. All values are rounded to the nearest thousand (USD'000), except where otherwise indicated.



# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 2.2 BASIS OF CONSOLIDATION

The interim condensed consolidated financial information include the financial information of the Company and its subsidiaries listed below:

	Country of incorporation	Percentage holding 31 March 2023	31 December 2022
<b>Direct subsidiaries</b>			
Abu Dhabi Marine Operations and Services Company LLC	UAE	100%	100%
Abu Dhabi Marine Assets Company LLC	UAE	100%	100%
Abu Dhabi Marine International Holdings RSC Limited	UAE	100%	100%
Zinc Holdco RSC Ltd	UAE	100%	100%
<b>Indirect subsidiaries</b>			
Al Gafai Marine Services Company LLC	UAE	100%	100%
Sirdal National Marine Services Company LLC	UAE	100%	100%
National Gas Carrier Company	Liberia	100%	100%
Abu Dhabi National Shipping Company BVI	British Virgin Islands	100%	100%
Abu Dhabi Marine International Chartering Holdings RSC Limited	UAE	100%	100%
Abu Dhabi Marine International Operations Holdings RSC Limited	UAE	100%	100%
Umm Al Lulu Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Janana Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Al Bazem Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Al Samha Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Al Sader Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Al Reem Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Ghantout Marine Services – Sole Proprietorship LLC	UAE	100%	100%
Abu Dhabi III Shipping Company Inc	Liberia	100%	100%
Bani Yas Shipping Company Inc	Liberia	100%	100%
Mezaira'a Shipping Company Inc	Liberia	100%	100%
Arrilah I Shipping Company Inc	Liberia	100%	100%
Abu Al Abyad Shipping Company Inc	Liberia	100%	100%
Al Yasat II Shipping Company Inc	Liberia	100%	100%
Liwa V Shipping Company Inc	Liberia	100%	100%
Diyyinah Shipping Company Inc	Liberia	100%	100%
Yamilah III Shipping Company Inc	Liberia	100%	100%
Butinah Shipping Company Inc	Liberia	100%	100%
Ras Ghumays I Shipping Company Inc	Liberia	100%	100%
Yas Shipping Company Inc	Liberia	100%	100%
Al Karama Shipping Company Inc	Liberia	100%	100%
HoldCo 1 Inc	Liberia	100%	100%
HoldCo 2 Inc	Liberia	100%	100%
Al Khtam Inc	Liberia	100%	100%
Al Ruwais Inc	Liberia	100%	100%
Tarif Inc	Liberia	100%	100%
Al Bateen Inc	Liberia	100%	100%
Al Falah Inc	Liberia	100%	100%
Al Khaznah Inc	Liberia	100%	100%
Shahamah Inc	Liberia	100%	100%
Ghasha Inc	Liberia	100%	100%
Ish Inc	Liberia	100%	100%
Umm Al Ashtan Limited	Liberia	100%	100%
Al Hamra Limited	Liberia	100%	100%
Mraweh Limited	Liberia	100%	100%
Mubaraz Limited	Liberia	100%	100%
Al Wathba Inc	Liberia	100%	100%
Al Dhafra Inc	Liberia	100%	100%
Das Inc	Liberia	100%	100%
Zakum Inc	Liberia	100%	100%

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

#### 2.2 BASIS OF CONSOLIDATION (continued)

	Country of incorporation	Percentage holding	
		31 March 2023	31 December 2022
<i>Indirect subsidiaries</i> (continued)			
Hili Inc	Liberia	100%	100%
Arzanah Inc	Liberia	100%	100%
Al Jimi Inc	Liberia	100%	100%
Murban Inc	Liberia	100%	100%
Jarnain Inc	Liberia	100%	100%
Newco 1 Inc	Liberia	100%	100%
Newco 2 Inc	Liberia	100%	100%
Newco 3 Inc	Liberia	100%	100%
Newco 4 Inc	Liberia	100%	100%
Newco 14 Inc	Liberia	100%	100%
Newco 15 Inc	Liberia	100%	100%
Newco 16 Inc	Liberia	100%	100%
Newco 17 Inc	Liberia	100%	100%
Newco 18 Inc	Liberia	100%	100%
Newco 19 Inc	Liberia	100%	100%
Newco 20 Inc	Liberia	100%	100%
Newco 21 Inc	Liberia	100%	100%
Newco 22 Inc	Liberia	100%	100%
Newco 23 Inc	Liberia	100%	100%
Newco 24 Inc	Liberia	100%	100%
Newco 25 Inc	Liberia	100%	100%
Newco 26 Inc	Liberia	100%	100%
Newco 27 Inc	Liberia	100%	100%
Newco 28 Inc	Liberia	100%	100%
Newco 29 Inc	Liberia	100%	100%
Newco 30 Inc	Liberia	100%	100%
Newco 31 Inc	Liberia	100%	100%
Newco 32 Inc	Liberia	100%	100%
Newco 33 Inc	Liberia	100%	100%
Newco 34 Inc	Liberia	100%	100%
Newco 35 Inc	Liberia	100%	100%
ZMI Holdings	Cayman Islands	100%	100%
Zakher Marine International Inc	Panama	100%	100%
Zakher Marine International Inc. – Abu Dhabi Branch	UAE	100%	100%
QMS Holding Limited	British Virgin Islands	100%	100%
QMS 2 Offshore Services Ltd	Saint Vincent & Grenadines	100%	100%
QMS 2 Offshore Services Ltd. – Abu Dhabi Branch	UAE	100%	100%
QMS Petroleum Services Inc	Panama	100%	100%
QMS Petroleum Services Inc. – Abu Dhabi Branch	UAE	100%	100%
MBBS Inc	Panama	100%	100%
MBBS Inc. – Abu Dhabi Branch	UAE	100%	100%
Al Shahama Inc	Panama	100%	100%
Al Bahia Inc	Panama	100%	100%
Al Maryah Inc	Panama	100%	100%
QMS China Inc	Panama	100%	100%
QMS Achiever Inc	Panama	100%	100%
QMS Gladiator Inc	Panama	100%	100%
Petrodrill Inc	Panama	100%	100%
Subhiya Inc	Panama	100%	100%
QMS Gloria Inc	Panama	100%	100%
Bani Yas Inc	Panama	100%	100%
Nadiya Inc	Panama	100%	100%
Zakher Marine Saudi Company Limited	KSA	100%	100%



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**

**2.2 BASIS OF CONSOLIDATION (continued)**

	<i>Country of incorporation</i>	<i>Percentage holding</i>	
		<b>31 March 2023</b>	<b>31 December 2022</b>
<i>Indirect subsidiaries (continued)</i>			
Premier Marine Services W.L.L	Qatar	100%	100%
Volo Travel and Tourism (Sole Proprietorship) L.L.C	UAE	100%	100%
Lexus Inc	Panama	100%	100%
QMS Offshore Industries L.L.C	UAE	100%	100%
QMS Neptune Inc	Panama	100%	100%
QMS Aquarius Inc	Panama	100%	100%
QMS Leo Inc	Panama	100%	100%
QMS Amora Inc	Panama	100%	100%
QMS Sentinel Inc	Panama	100%	100%
<i>Joint venture</i>			
AW Shipping Limited	UAE	50%	50%

**2.3 SIGNIFICANT ACCOUNTING POLICIES**

**2.3.1 New and amended standards adopted by the Group**

The accounting policies adopted in the preparation of the interim consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, and the notes, except for the adoption of certain new and revised standards, that became effective in the current period as set out below:

**IFRS 17 Insurance Contracts (effective 1 January 2023).** IFRS 17 was issued in May 2017 as replacement for IFRS 4 Insurance Contracts. It requires a current measurement model where estimates are remeasured in each reporting period. The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under IFRS 9.

**Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2 (effective 1 January 2023).** The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.

**Definition of Accounting Estimates – Amendments to IAS 8 (effective 1 January 2023).** The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**

**2.3 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3.1 New and amended standards adopted by the Group (continued)**

*Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 (effective 1 January 2023).* The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

Other than the above, there are no other material IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2023.

The application of these amendments to IFRSs has not had any material impact on the amounts reported for the current period but may affect the accounting for the Group's future transactions or arrangements.

**2.3.2 New and revised IFRS in issue but not yet effective and not early adopted**

The Group has not early adopted new and revised IFRS that have been issued but are not yet effective.

*Non-current liabilities with covenants – Amendments to IAS 1 (effective 1 January 2024).* Amendments made to IAS 1 Presentation of Financial Statements in 2020 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g., the receipt of a waiver or a breach of covenant). The amendments also clarified what IAS 1 means when it refers to the 'settlement' of a liability.

The new amendments clarify that covenants of loan arrangements will not affect classification of a liability as current or non-current at the reporting date if the entity must only comply with the covenants after the reporting date. However, if the entity must comply with a covenant either before or at the reporting date, this will affect the classification as current or non-current, even if the covenant is only tested for compliance after the reporting date.

The amendments require disclosures if an entity classifies a liability as noncurrent and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The amendments must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)**

**2.3 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.3.2 New and revised IFRS in issue but not yet effective and not early adopted (continued)**

***Lease liability in sale and leaseback – amendments to IFRS 16 (effective 1 January 2024).*** The IASB finalised narrow-scope amendments to the requirements for sale and leaseback transactions in *IFRS 16 Leases* which explain how an entity accounts for a sale and leaseback after the date of the transaction.

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

***Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28 (effective date not finalised).*** The IASB has made limited scope amendments to *IFRS 10 Consolidated financial statements* and *IAS 28 Investments in associates and joint ventures*. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in *IFRS 3 Business Combinations*).

The Group is currently assessing the impact of these standards, and amendments on the future consolidated financial statements of the Group and intends to adopt these, if applicable, when they become effective.

**2.4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of interim condensed financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the consolidated financial statements for the year ended 31 December 2022 with the addition of the following:

***Income taxes***

As disclosed in note 19, the new UAE corporate income tax is now considered substantively enacted. The Group currently believes that there are no material deferred tax positions at 31 March 2023 on the basis that it intends to file as a single tax group. If the Group intended to file taxes on a separate entity basis the transitional provisions of the law as currently enacted would not give rise to a tax base in consolidation adjustments resulting in deferred tax balances. However, the Group has the intent to file on a group basis because it believes that it meets the conditions set out in the law, and approval by the tax authority will be perfunctory. As a consequence the Company has not recorded any deferred taxes because it expects to receive tax basis in its consolidation adjustments by virtue of its intended Group filing position.

***Conversion of shareholder loan to equity***

As disclosed in note 15, the \$1,900,000 thousand shareholder loan was converted to equity during the period. The Group has taken the position that the shareholder's Investment Committee resolution on 23 January 2023 served to legally extinguish the debt given that it was promptly communicated to the Group and was binding. Consequently, interest accrual ceased at this date and the balance became a capital contribution until 30 March 2023 when this was converted into new share capital. See note 15.

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 3 REVENUES

#### *Disaggregation of revenue*

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

		<i>(Unaudited) Three months ended 31 March 2023 USD'000</i>	<i>(Unaudited) Three months ended 31 March 2022 USD'000 (Restated)</i>
	Segments		
Shipping- freight / voyage charter income	Shipping, Integrated logistics & Marine services	169,214	114,614
Base operation services	Integrated logistics	110,954	30,288
Petroleum port operations	Integrated logistics & Marine services	45,398	38,592
Sales of bunkering fuel & water	Integrated logistics	49,910	6,035
Offshore vessels charter income	Integrated logistics & Marine services	116,724	36,829
Operating lease income	Shipping, Integrated logistics & Marine services	49,445	37,324
Onshore services income	Integrated logistics	22,439	20,048
Ship management income	Shipping	16,042	18,342
Drilling chemicals	Integrated logistics	12,051	10,885
		<u>592,177</u>	<u>312,957</u>

### 4 FINANCE INCOME

	<i>(Unaudited) Three months ended 31 March 2023 USD'000</i>	<i>(Unaudited) Three months ended 31 March 2022 USD'000 (Restated)</i>
Interest income on sub-leases (finance leases, note 7)	267	353
Interest income on deposits	<u>1,119</u>	<u>35</u>
	<u>1,386</u>	<u>388</u>

### 5 FINANCE COSTS

	<i>(Unaudited) Three months ended 31 March 2023 USD'000</i>	<i>(Unaudited) Three months ended 31 March 2022 USD'000 (Restated)</i>
Interest cost on shareholder loan	-	1,224
Interest expense on lease liabilities (note 7)	1,130	2,712
Others	<u>1</u>	=
	<u>1,131</u>	<u>3,936</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**6 PROPERTY, PLANT AND EQUIPMENT**

	<i>(Unaudited)</i> <b>31 March</b> <b>2023</b> <b>USD'000</b>	<i>(Audited)</i> <b>31 December</b> <b>2022</b> <b>USD'000</b>
<i>Cost:</i>		
At 1 January	<b>3,685,715</b>	2,034,751
Additions on business acquisition	-	1,365,269
Additions	<b>89,595</b>	350,854
Disposals	<b>(1,878)</b>	(1,090)
Transfer to investment properties	<b>(34)</b>	(85,906)
Transfer to intangible assets	<b>(145)</b>	(6,802)
Transfer from investment properties & intangible assets	-	31,155
Adjustments	-	(2,088)
Write offs	=	<u>(428)</u>
At 31 March / 31 December	<b><u>3,773,253</u></b>	<u>3,685,715</u>
<i>Accumulated depreciation:</i>		
At 1 January	<b>534,331</b>	382,321
Charge for the year	<b>48,940</b>	132,875
Disposals	<b>(1,878)</b>	(940)
Transfers	-	(2)
Transfer from investment properties	-	17,879
Transfer from intangible assets	-	472
Adjustments	=	<u>1,726</u>
At 31 March / 31 December	<b><u>581,393</u></b>	<u>534,331</u>
<i>Net book value:</i>		
At 31 March / 31 December	<b><u>3,191,860</u></b>	<u>3,151,384</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**7 RIGHT-OF-USE ASSETS & LEASE LIABILITIES**

**A. In respect of head-lease:**

<i>USD'000</i>	<i>Land right -of-use asset</i>	<i>Vessels right -of-use asset</i>	<i>Total</i>
As at 1 January 2023 /(Audited)	54,429	12,779	67,208
Depreciation expense	(737)	(1,318)	(2,055)
As at 31 March 2023 /(Unaudited)	<b><u>53,692</u></b>	<b><u>11,461</u></b>	<b><u>65,153</u></b>
As at 1 January 2022 /(Audited)	29,539	7,043	36,582
Additions	27,786	17,228	45,014
Disposals	-	(5,972)	(5,972)
Depreciation expense	(2,896)	(5,520)	(8,416)
As at 31 December 2022 /(Audited)	<b><u>54,429</u></b>	<b><u>12,779</u></b>	<b><u>67,208</u></b>

<i>USD'000</i>	<i>Land lease liability</i>	<i>Vessels lease liability</i>	<i>Total</i>
As at 1 January 2023 /(Audited)	57,284	12,898	70,182
Interest expense	927	112	1,039
Payments	(3,657)	(1,385)	(5,042)
As at 31 March 2023 /(Unaudited)	<b><u>54,554</u></b>	<b><u>11,625</u></b>	<b><u>66,179</u></b>
As at 1 January 2022 /(Audited)	31,222	7,146	38,368
Additions	27,503	17,228	44,731
Gain on disposals	-	(128)	(128)
Disposals	-	(5,971)	(5,971)
Interest expense	3,833	404	4,237
Payments	(5,274)	(5,781)	(11,055)
As at 31 December 2022 /(Audited)	<b><u>57,284</u></b>	<b><u>12,898</u></b>	<b><u>70,182</u></b>

**B. In respect of sub-lease:**

<i>USD'000</i>	<i>Land sub-lease receivables</i>	<i>Vessels sub-lease receivables</i>	<i>Total</i>
As at 1 January 2023 /(Audited)	12,623	6,762	19,385
Interest income	211	56	267
Payments received	(545)	(1,012)	(1,557)
As at 31 March 2023 /(Unaudited)	<b><u>12,289</u></b>	<b><u>5,806</u></b>	<b><u>18,095</u></b>
As at 1 January 2022 /(Audited)	13,182	13,065	26,247
Additions	-	7,487	7,487
Disposals	-	(6,809)	(6,809)
Loss on reversals	-	(2,380)	(2,380)
Profit on initial recognition of sub-leases	-	872	872
Interest income	884	357	1,241
Payments received	(1,443)	(5,830)	(7,273)
As at 31 December 2022 /(Audited)	<b><u>12,623</u></b>	<b><u>6,762</u></b>	<b><u>19,385</u></b>



# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 7 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (CONTINUED)

#### B. In respect of sub-lease (continued)

<i>USD'000</i>	<i>Land sub -lease liability</i>	<i>Vessel sub- lease liability</i>	<i>Total</i>
As at 1 January 2023 /(Audited)	2,465	6,390	8,855
Interest expense	38	53	91
Payments	<u>(277)</u>	<u>(944)</u>	<u>(1,221)</u>
As at 31 March 2023 /(Unaudited)	<u><b>2,226</b></u>	<u><b>5,499</b></u>	<u><b>7,725</b></u>
As at 1 January 2022 /(Audited)	2,575	10,133	12,708
Additions	-	7,487	7,487
Disposals	-	(6,808)	(6,808)
Interest expense	167	281	448
Payments	<u>(277)</u>	<u>(4,703)</u>	<u>(4,980)</u>
As at 31 December 2022 /(Audited)	<u><b>2,465</b></u>	<u><b>6,390</b></u>	<u><b>8,855</b></u>

Sub-lease receivables are analysed in the consolidated statement of financial position as follows:

	<i>(Unaudited) 31 March 2023 USD'000</i>	<i>(Audited) 31 December 2022 USD'000</i>
Current portion	3,473	3,911
Non-current portion	<u><b>14,622</b></u>	<u><b>15,474</b></u>
	<u><b>18,095</b></u>	<u><b>19,385</b></u>

Lease liabilities are analysed in the consolidated statement of financial position as follows:

	<i>(Unaudited) 31 March 2023 USD'000</i>	<i>(Audited) 31 December 2022 USD'000</i>
Relating to head-lease (in respect of right-of-use assets)	66,179	70,182
Relating to sub-lease receivables (in respect of liabilities for sub-leased assets)	<u><b>7,725</b></u>	<u><b>8,855</b></u>
	<u><b>73,904</b></u>	<u><b>79,037</b></u>
Current portion	9,239	9,768
Non-current portion	<u><b>64,665</b></u>	<u><b>69,269</b></u>
	<u><b>73,904</b></u>	<u><b>79,037</b></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**7 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (CONTINUED)**

The movement in provision for dismantling liability on leased land is as follows:

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
As at 1 January	1,727	1,324
Additions during the period / year	-	286
Accretion during the period / year	<u>51</u>	<u>117</u>
At 31 March / 31 December	<u>1,778</u>	<u>1,727</u>

**8 INTANGIBLE ASSETS**

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-</i> <i>2022</i> <i>USD'000</i>
Cost:		
At 1 January	27,884	22,390
Transfer from property, plant and equipment (note 6)	145	6,802
Transfer to property, plant and equipment (note 6)	-	(1,964)
Adjustments	=	656
At 31 March / 31 December	<u>28,029</u>	<u>27,884</u>
Accumulated amortization:		
At 1 January	13,168	4,699
Charge for the period / year	1,327	10,005
Transfer to property, plant and equipment (note 6)	-	(472)
Adjustments	=	(1,064)
At 31 March / 31 December	<u>14,495</u>	<u>13,168</u>
Net book value		
At 31 March / 31 December	<u>13,534</u>	<u>14,716</u>

Intangible assets comprise the cost of acquired enterprise computer systems, software and licenses. Transfer to property, plant and equipment include closed circuits camera hardware previously classified as intangible assets now reclassified.

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 9 INVESTMENT PROPERTIES

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i>  <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-</i> <i>2022</i>  <i>USD'000</i>
Cost:		
At 1 January	155,348	98,633
Transfer to property, plant and equipment (note 6)	-	(29,191)
Transfer from property, plant and equipment (note 6)	<u>34</u>	<u>85,906</u>
At 31 March / December	<u>155,382</u>	<u>155,348</u>
Accumulated depreciation:		
At 1 January	55,591	68,365
Transfer to property, plant and equipment (note 6)	-	(17,879)
Charge for the period / year	1,261	5,105
At 31 March / December	<u>56,852</u>	<u>55,591</u>
Net book value	<u>98,530</u>	<u>99,757</u>

### 10 INVESTMENT IN A JOINT VENTURE

Details of the Group's investment in a joint venture at 31 December are as follows:

<i>Name of joint venture</i>	<i>Percentage holding</i> <i>2023</i>	<i>2022</i>	<i>Country of</i> <i>incorporation</i>	<i>Principal activity</i>
AW Shipping Limited	50%	50%	UAE	Shipping services

The movement in the carrying value of investment in joint venture is summarised below:

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i>  <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i>  <i>USD'000</i>
As at 1 January	62,641	73,842
Equity investment	-	10,200
Receipts from joint venture	-	(22,385)
Dividend received	-	(1,042)
Share of profit for the period / year	<u>3,732</u>	<u>2,026</u>
At 31 March / 31 December	<u>66,373</u>	<u>62,641</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**10 INVESTMENT IN A JOINT VENTURE (continued)**

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
<b>Statement of financial position</b>		
Total assets	422,224	410,923
Total liabilities	<u>(289,478)</u>	<u>(285,640)</u>
Net assets	<u>132,746</u>	<u>125,283</u>
	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
<b>Statement of comprehensive income</b>		
Revenue	18,652	18,589
Expenses	<u>(11,188)</u>	<u>(14,537)</u>
Total comprehensive income	<u>7,464</u>	<u>4,052</u>

**11 INVENTORIES**

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
Bunkers	26,984	41,571
Lubes	5,407	4,886
Raw materials & finished goods	10,268	8,376
Spare parts, fuel and consumables	62,173	60,297
Firefighting foam and dispersant stock	<u>405</u>	<u>405</u>
	105,237	115,535
Less: provision for slow-moving and obsolete inventories	<u>(9,965)</u>	<u>(9,965)</u>
	<u>95,272</u>	<u>105,570</u>

Movement in the provision for slow-moving and obsolete inventories is as follows:

	<i>(Unaudited)</i> <i>31-March-</i> <i>2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
At 1 January	9,965	3,687
Charge during the period / year	=	<u>6,278</u>
At 31 March / 31 December	<u>9,965</u>	<u>9,965</u>



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**12 TRADE AND OTHER RECEIVABLES**

	<i>(Unaudited)</i> <i>31-March-2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
Trade receivables	76,834	125,715
Provision for expected credit losses	<u>(5,085)</u>	<u>(8,918)</u>
Trade receivables, net	71,749	116,797
Prepaid expenses and other receivables	131,782	81,416
Receivable from employees	15,338	14,965
Advances to suppliers	<u>5,732</u>	<u>3,785</u>
	<u>224,601</u>	<u>216,963</u>

Movement in the provision for expected credit losses is as follows:

At 1 January	8,918	2,744
(Reversal) / Charge during the period / year	<u>(3,833)</u>	<u>6,174</u>
At 31 March / 31 December	<u>5,085</u>	<u>8,918</u>

Trade and other receivables (non-current) include advances paid to suppliers towards capex acquisitions. Balance were as follows:

	<i>(Unaudited)</i> <i>31-March-2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
Advances to suppliers	<u>124,299</u>	<u>124,252</u>

**13 SHARE CAPITAL**

	<i>(Unaudited)</i> <i>31-March-2023</i> <i>USD'000</i>	<i>(Audited)</i> <i>31-Dec-2022</i> <i>USD'000</i>
<i>Authorised, issued and fully paid</i>		
9,290,615,000 ordinary shares of AED 1 each		
31 December 2023 (1,000,000,000 ordinary shares of AED 1 each)	<u>2,529,779</u>	<u>272,294</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**14 TRADE AND OTHER PAYABLES**

	<i>(Unaudited)</i> <b>31-March- 2023</b> <b>USD'000</b>	<i>(Audited)</i> <b>31-Dec-2022</b> <b>USD'000</b>
Trade accounts payable	<b>86,121</b>	62,060
Other payables and accrued expenses	<b>246,490</b>	315,777
Capital expenses accruals	<b>123,372</b>	79,717
Operating lease rent received in advance	<u><b>2,974</b></u>	<u>5,345</u>
	<u><b>458,957</b></u>	<u>462,899</u>

**15 RELATED PARTY BALANCES AND TRANSACTIONS**

These represent transactions with related parties i.e. the shareholder, directors and entities related to them, companies under common ownership and/or common management and control, their partners and key management personnel. Pricing policies and terms of these transactions are approved by the Group's management.

Transactions with related parties included in the condensed consolidated statement of comprehensive income are as follows:

	<i>(Unaudited)</i> <b>Three months ended March 31 2023</b> <b>USD'000</b>	<i>(Unaudited)</i> <b>Three months ended March 31 2022</b> <b>USD'000 (Restated)</b>
<i>Goods sold and services provided to entities under common control</i>	<b>408,428</b>	176,528
<i>Goods and services received from entities under common control</i>	<b>69,687</b>	11,195
<i>Interest received on cash pooling balances</i>	<b>603</b>	-
<i>Interest paid on shareholder loan</i>	-	2,712

# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Balances with related parties included in the condensed consolidated statement of financial position are as follows:

	<i>(Unaudited)</i> <b>31-March-2023</b> <b>USD'000</b>	<i>(Audited)</i> <b>31-Dec-2022</b> <b>USD'000</b>
<i>Due from related parties (entities under common control):</i>		
ADNOC Offshore	<b>194,271</b>	290,423
ADNOC (Holding Company)	<b>124,013</b>	77,016
ADNOC (Holding Company) cash pooling balance*	<b>82,944</b>	30,462
Abu Dhabi Polymers Company Limited (Borouge ADP)	<b>45,092</b>	27,209
ADNOC Onshore	<b>10,989</b>	12,926
ADNOC Global Trading (AGT)	<b>9,617</b>	13,152
ADNOC Gas Processing	<b>3,684</b>	5,938
ADNOC Distribution	<b>5,275</b>	3,366
ADNOC LNG	<b>4,158</b>	2,276
ADNOC Drilling	<b>2,195</b>	1,187
AW Shipping Limited	-	1,256
ADNOC Refining	-	582
Borouge Pte	<b>54</b>	54
ADNOC Trading	-	<u>307</u>
	<b>482,292</b>	466,154
Less: provision for expected credit losses	<b><u>(138)</u></b>	<b><u>(200)</u></b>
	<b><u>482,154</u></b>	<b><u>465,954</u></b>

\* This balance is held with ADNOC (Holding Company) and earns interest based on rates agreed between the parties.

The movement in provision for expected credit losses on related parties' receivables is as follows:

	<i>(Unaudited)</i> <b>31-March-2023</b> <b>USD'000</b>	<i>(Audited)</i> <b>31-Dec-2022</b> <b>USD'000</b>
Balance at 1 January	<b>200</b>	494
Reversals during the year	<b><u>(62)</u></b>	<b><u>(294)</u></b>
At 31 March / 31 December	<b><u>138</u></b>	<b><u>200</u></b>

The provision for expected credit losses on due from related parties is carried at 100% and 33.3% against balances overdue above 730 days and 365 days respectively.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)**

	<i>(Unaudited)</i> 31-March- 2023 USD'000	<i>(Audited)</i> 31-Dec-2022 USD'000
<i>Due to related parties (entities under common control):</i>		
ADNOC (Holding Company)	113,577	120,531
ADNOC Distribution	46,540	33,347
ADNOC Offshore	1,054	1,707
National Gas Shipping Company	5,531	7,175
ADNOC Refining	650	793
ADNOC Global Trading (AGT)	<u>578</u>	=
	<u>167,930</u>	<u>163,553</u>

These balances are classified and presented in the statement of financial position as below:

	<i>(Unaudited)</i> 31-March- 2023 USD'000	<i>(Audited)</i> 31-Dec-2022 USD'000
Current portion	132,187	127,810
Non-current portion	<u>35,743</u>	<u>35,743</u>
	<u>167,930</u>	<u>163,553</u>

The Group's significant bank balances with Abu Dhabi Government and other entities controlled, jointly controlled or significantly influenced by the Abu Dhabi Government are as follows:

	<i>(Unaudited)</i> 31-March- 2023 USD'000	<i>(Audited)</i> 31-Dec-2022 USD'000
Bank balances	<u>254,220</u>	<u>115,965</u>

**Shareholder loan from ADNOC (Holding Company) (forming part of shareholder's equity):**

The Group's contribution from shareholder of USD 357,485 thousand was interest free and repayable at the absolute discretion of the board of directors of the Group. Accordingly, the amount was classified under equity as shareholder contribution. This amount was converted to share capital on 30 March 2023.

**Shareholder loan from ADNOC (Holding Company) (forming part of non-current liabilities):**

In 2021, the Group entered into a loan facility agreement with ADNOC (Holding Company) with an initial approved amount of USD 850,000 thousand. This facility is to be used for acquisition of assets only. The loan carries interest of six (6) months LIBOR plus a margin of 1.2% per annum, payable biannually on 30 June and 31 December of each year. Loan terms mention that it is fully repayable by 31 December 2022 and the loan repayment date may be extended by another one year at the sole discretion of the Holding Company.



NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)**

**Shareholder loan from ADNOC (Holding Company) (forming part of non-current liabilities): (continued)**

In April 2022, Holding Company and Group entered into an Amendment and Restatement Agreement by which the repayment date under the existing Shareholder loan was deferred to 31 December 2023 and the facility size was increased by USD 400,000 thousand, thereby reaching the amount of USD 1,250,000 thousand.

On 23 October 2022, the Holding Company and the Group entered into a Second Amendment and Restatement Agreement by which the repayment date under the existing Shareholder loan shall be deferred to 31 December 2024 and the facility size was increased by USD 1,050,000 thousand, reaching the amount of USD 2,300,000 thousand. On 25 October 2022, the Group further drew down USD 1,300,000 thousand) for a business acquisition.

As at 31 December 2022, the Group had drawn USD 1,900,000 thousand from the facility. This loan was converted to share capital during the period.

During the period, on 23 January 2023 the Holding Company resolved to forgive the loan with effect from 1 January 2023 and communicated this to the Group resulting in derecognition of the liability and a capital contribution in the same amount. Later in the period, on 30 March 2023, this capital contribution was converted into additional legal share capital.

**Assumption of ZMI earn out liability by ADNOC (Holding Company):**

During the period, the seller of the ZMI business acquired in November 2022 and the Holding Company agreed that the earn out consideration of \$149,920 thousand arising from the business combination would be payable by the Holding Company and that the Group would be released from any obligation to make any payments on this debt. Consequently, the debt was derecognized and the balance treated as a non-cash capital contribution.

**Terms and conditions of transactions with related parties**

The sales to and services from related parties are made at agreed rates with the related parties. Outstanding balances at the period end are unsecured, interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group's significant balances are with entities controlled, jointly controlled or significantly influenced by the ADNOC.

**16 CONTINGENCIES AND COMMITMENTS**

*(a) Bank guarantees:*

At 31 March 2023, the Group had bank guarantees issued by the bank and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to USD 3,181 thousand (December 31 2022: USD 2,999 thousand).

*(b) Capital commitments:*

At 31 March 2023, the Group's capital commitments amount to USD 1,264,644 thousand (December 31 2022: USD 1,371,929 thousand).

*(c) Purchases commitments:*

At 31 March 2023, the Group's purchases commitments amount to USD 46,170 thousand (December 31 2022: USD 86,275 thousand).

*(d) Contingencies:*

The Group is party to claims filed by third parties. No liability has been booked by the Group in this respect, since management believes that it is more likely than not that claims will be awarded in their favor and the claim amount is immaterial.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**17 FAIR VALUE OF FINANCIAL INSTRUMENTS**

Financial instruments comprise of financial assets and financial liabilities.

As at 31 March 2023 and 31 December 2022, the Group considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial information approximate their fair values.

**18 OPERATING SEGMENTS**

Information regarding the Group's operating segments is set out below in accordance with IFRS 8, 'Operating Segments'. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of Directors, as the chief operating decision maker (CODM), in order to allocate resources to the segment and to assess its performance.

The Group's strategic steering committee, consisting of the Chief Executive Officer, the Chief Financial Officer and the Senior Vice President of Strategy, also examines the group's performance from both a product and a service perspective but final decisions are made by the Board. The operating segments are identified based on the nature of different services provided and are managed separately because they have different economic characteristics – such as trends in sales growth, rates of return and level of capital investment – and have different marketing strategies.

The CODM primarily uses EBITDA to monitor the performance of the business. For management purposes, the Group is organised into six operating segments and five reportable segments. These are referred to as "business units" as follows:

**Shipping:**

Shipping comprises the following reportable segments: (i) tankers; (ii) gas carriers and ship management services; and (iii) dry bulk shipping (including containers).

**Integrated Logistics:**

Integrated logistics comprises two operating segments, offshore and onshore logistics services, which are aggregated into one reportable segment which also includes charter hire of offshore support vessels and barges.

**Marine Services:**

Marine services reportable segment comprises petroleum port operations and oil spill response services.

**Others:**

One-off items and COVID-19 related expenses are classified under Others by management to facilitate better understanding of the business and to ensure proper decision making. Finance income, finance costs, provision for expected credit losses, other income and other expenses which are largely non-operational costs are recorded under this segment to facilitate better decisions.



# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 18 OPERATING SEGMENTS (continued)

The following schedules illustrates the Group's activities according to the operating segments for the period ended 31 March 2023 in USD'000s:

2023	Tankers (Unaudited)	Gas carriers (Unaudited)	Dry-bulk shipping (Unaudited)	Integrated logistics (Unaudited)	Marine services (Unaudited)	Others (Unaudited)	Total (Unaudited)
Revenues	95,800	45,378	59,389	350,956	40,654	-	592,177
Direct costs	(59,117)	(25,212)	(48,256)	(260,611)	(33,213)	-	(426,409)
COVID - 19 costs *	-	-	-	-	-	-	-
<b>Gross profit</b>	<b>36,683</b>	<b>20,166</b>	<b>11,133</b>	<b>90,345</b>	<b>7,441</b>	-	<b>165,768</b>
General and administrative expenses	(3,081)	(1,823)	(2,295)	(20,335)	(3,754)	-	(31,288)
Reversal of provision for expected credit losses, net *	-	-	-	-	-	3,895	3,895
Other income	-	-	-	-	-	2,834	2,834
<b>Operating profit</b>	<b>33,602</b>	<b>18,343</b>	<b>8,838</b>	<b>70,010</b>	<b>3,687</b>	<b>6,729</b>	<b>141,209</b>
Share of profit from joint venture *	-	3,732	-	-	-	-	3,732
Finance income	-	-	-	267	-	1,119	1,386
Finance costs	-	-	-	(1,130)	-	(1)	(1,131)
<b>Profit before tax for the period *</b>	<b>33,602</b>	<b>22,075</b>	<b>8,838</b>	<b>69,147</b>	<b>3,687</b>	<b>7,847</b>	<b>145,196</b>
Income tax *	-	-	-	(267)	-	-	(267)
<b>Profit for the period *</b>	<b>33,602</b>	<b>22,075</b>	<b>8,838</b>	<b>68,880</b>	<b>3,687</b>	<b>7,847</b>	<b>144,929</b>
Depreciation and amortisation in direct costs	8,720	6,758	2,605	29,173	4,188	-	51,444
Depreciation and amortisation in general and administrative expenses	211	125	157	1,391	257	-	2,141
Income tax	-	-	-	267	-	-	267
Finance income	-	-	-	(267)	-	(1,119)	(1,386)
Finance costs	-	-	-	1,130	-	1	1,131
<b>EBITDA</b>	<b>42,533</b>	<b>28,958</b>	<b>11,600</b>	<b>100,574</b>	<b>8,132</b>	<b>6,729</b>	<b>198,526</b>



# Abu Dhabi Marine Business and Services Company P.J.S.C.

## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION 31 March 2023 (Unaudited)

### 18 OPERATING SEGMENTS (continued)

For the period ended 31 March 2022 in USD'000s:

2022 (Restated)	Tankers (Unaudited)	Gas carriers (Unaudited)	Dry-bulk shipping (Unaudited)	Integrated logistics (Unaudited)	Marine services (Unaudited)	Others (Unaudited)	Total (Unaudited)
Revenues	42,304	36,869	71,026	127,232	35,526	-	312,957
Direct costs	(57,076)	(19,648)	(55,042)	(105,023)	(32,219)	-	(269,008)
COVID - 19 costs *	-	-	-	-	-	(3,005)	(3,005)
<b>Gross profit / (loss)</b>	<b>(14,772)</b>	<b>17,221</b>	<b>15,984</b>	<b>22,209</b>	<b>3,307</b>	<b>(3,005)</b>	<b>40,944</b>
General and administrative expenses	(2,527)	(1,913)	(2,462)	(11,613)	(4,076)	-	(22,591)
Reversal of provision for expected credit losses, net *	-	-	-	-	-	242	242
Other income	-	-	-	664	-	(85)	579
<b>Operating profit / (loss)</b>	<b>(17,299)</b>	<b>15,308</b>	<b>13,522</b>	<b>11,260</b>	<b>(769)</b>	<b>(2,848)</b>	<b>19,174</b>
Share of profit from joint venture *	-	613	-	-	-	-	613
Finance income	-	-	-	353	-	35	388
Finance costs	-	-	-	(1,224)	-	(2,712)	(3,936)
<b>(Loss) / Profit before tax for the period *</b>	<b>(17,299)</b>	<b>15,921</b>	<b>13,522</b>	<b>10,389</b>	<b>(769)</b>	<b>(5,525)</b>	<b>16,239</b>
Income tax *	-	-	-	-	-	-	-
<b>Profit / (loss) for the period *</b>	<b>(17,299)</b>	<b>15,921</b>	<b>13,522</b>	<b>10,389</b>	<b>(769)</b>	<b>(5,525)</b>	<b>16,239</b>
Depreciation and amortisation in direct costs	8,894	5,243	2,471	9,965	3,631	-	30,204
Depreciation and amortisation in general and administrative expenses	166	125	162	762	267	-	1,482
Finance income	-	-	-	(353)	-	(35)	(388)
Finance costs	-	-	-	1,224	-	2,712	3,936
<b>EBITDA</b>	<b>(8,239)</b>	<b>21,289</b>	<b>16,155</b>	<b>21,987</b>	<b>3,129</b>	<b>(2,848)</b>	<b>51,473</b>

The shipping segment's vessels are deployed throughout the world and are not concentrated in certain geographical areas. The Group's management does not consider the geographical distribution of the group's operations to be relevant for their internal management analysis and therefore no geographical segment information has been disclosed.

All operating segments' results are reviewed regularly by the Group's management to make decisions about resources to be allocated to the segment and assess their performance, and for which discrete financial information is available.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION  
31 March 2023 (Unaudited)

**18 OPERATING SEGMENTS (continued)**

The following table represents segment assets for the Group's operating segments as reviewed by the management in USD'000s:

<b>31-March-23</b>	<b>Tankers</b>	<b>Gas carriers</b>	<b>Dry-bulk shipping</b>	<b>Integrated logistics</b>	<b>Marine services</b>	<b>Total</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Property, plant & equipment *	1,146,356	245,012	166,997	1,496,523	136,972	<b>3,191,860</b>
Investment properties *	-	-	-	98,530	-	<b>98,530</b>

<b>31-Dec-22</b>	<b>Tankers</b>	<b>Gas carriers</b>	<b>Dry-bulk shipping</b>	<b>Integrated logistics</b>	<b>Marine services</b>	<b>Total</b>
	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>	<b>(Audited)</b>
Property, plant & equipment *	1,052,148	125,168	167,505	1,667,172	139,391	<b>3,151,384</b>
Investment properties *	-	-	-	99,757	-	<b>99,757</b>

\* These relate to additional voluntary disclosures not presented to CODM, but which are allocated on a reasonable and consistent basis to provide additional information.

**19 TAX ASSESSMENT**

On 16 January 2023, the UAE government published a Cabinet Decision setting the threshold at which the new Corporate Income Tax will apply. This event made the Corporate Income Tax substantively enacted, and enacted within the meaning of IAS 12. Current Taxes as defined in IAS 12 will be payable for financial years ending after 1 January 2024. So, the Group will be subject to Corporate Income Tax for the first time during the year ending 31 December 2024. However, enactment of the legislation requires the Group to record deferred taxes using the enacted rate of 9%. Management has assessed the conditions of the law, the filing options available and has the intent and ability to file under the legislation on a consolidated basis. On this basis, management has assessed that there would be no deferred tax assets or liabilities to be recorded arising from the enactment of UAE Corporate Tax Law.

**20 OTHER MATTERS**

The subsequent events note in the 31 December 2022 annual financial statements stated that shareholder approval for the extinguishment of the shareholder loan described in note 15 had not been obtained and that approval for the share issuance was also outstanding. During the process of preparing this financial information, the Group realized that this disclosure was not updated. The loan was waived on 23 January 2023 to be effective from 1 January 2023 and shares were subsequently issued on 30 March 2023 as described in notes 2.4 and 15. In addition, the subsequent events note at year end did not include the agreement with the shareholder to assume the earn-out liability associated with the ZMI business combination which resulted in a further capital contribution on 2 January 2023. This transaction is disclosed in note 15.

The financial statements issued for the year ended 31 December 2022 contained additional voluntary disclosures in respect of earnings per share. During the interim period, the extinguishment of the shareholder contribution and issuance of share capital described above and in note 15 occurred, while the number of shares issued was based on the par value of the shares. In accordance with the requirements of IAS 33, 'Earnings per share', the calculation should have taken into account the bonus element inherent within this subsequent share issuance, and as such, the earnings per share disclosed would have been different. However, as Abu Dhabi Marine Business and Services Company P.J.S.C. is not a listed entity and is also not the entity which will become listed on the Abu Dhabi Exchange via the initial public offering, the earnings per share disclosure is not required and no EPS information is voluntarily presented in this financial information. Accordingly revised annual EPS information has not been calculated and presented in this interim condensed consolidated financial information.