

ADNOC Logistics & Services



# FIRST NINE MONTHS OF 2024 RESULTS PRESENTATION



13 November 2024

ADNOC Logistics & Services

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# Agenda & Presenters



**1** Health & Safety

**2** 9M 2024 Highlights

**3** Growth Strategy

**4** Financial & Operational Performance

**5** Decarbonization & Sustainability

**6** Guidance

**7** Closing Remarks

**7** Appendix



**Abdulkareem Al Masabi**  
Chief Executive Officer



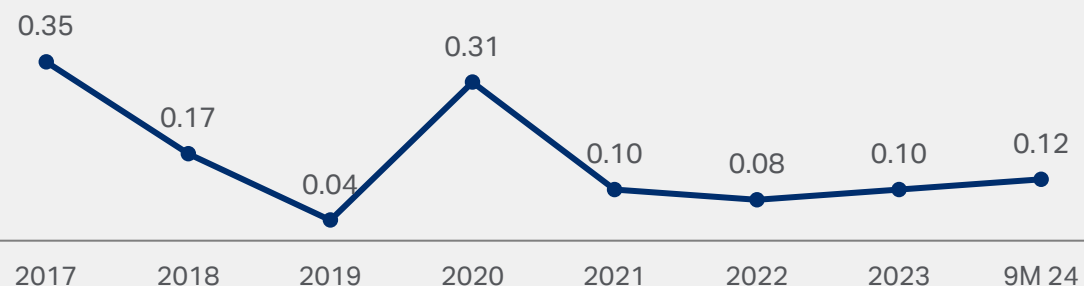
**Nicholas Gleeson**  
Chief Financial Officer

# 100% Health, Safety & Environment: ADNOC L&S' Leading Principle

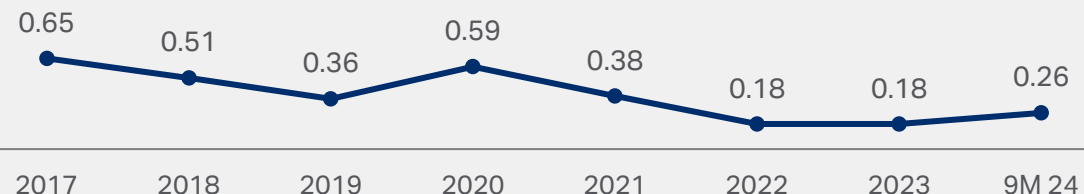
Continued strong focus on health & safety KPIs

## OUTSTANDING HEALTH & SAFETY TRACK RECORD

### Lost Time Incident Frequency (LTIF)



### Total Recordable Incident Rate (TRIR)



## LEADING WITH INNOVATION

ADNOC++

**ENERGY<sup>ai</sup>**  
by ADNOC

### Successful deployment of SMARTi Solution on offshore fleet

- Deployed AIQ's SMARTi safety monitoring solution across 86 vessels, enhancing health and safety with AI-enabled technology.
- Processes over 1 billion images daily with 90% accuracy, detecting hazards in real-time.
- Provides 24/7 continuous safety surveillance, integrating seamlessly into existing CCTV platforms



### PLATINUM Rating from ideasUK

- ADNOC Logistics & Services has received the **highest rating** from ideasUK in recognition of its innovation processes. This elevation from a Gold rating in 2023 underscores the organization's commitment to cultivating a strong culture of innovation.

# 9M 2024 Results Highlights

## HIGHLIGHTS

- Strong growth continues with Revenue up by 38%, EBITDA up by 37% and Net profit up by 27% YoY growth for 9M 2024.
- This robust growth is a result of the ongoing implementation of ADNOC L&S' ambitious transformational growth strategy.
- Continued strong asset base growth with up to 23 new energy efficient vessels.
- Integrated Logistics growth driven by higher transported volumes; an enhanced contribution from JUBs<sup>1</sup>, increased rates, and high utilization, fleet growth, and continued delivery of project activities.
- Shipping growth driven by strong charter rates for Tankers and Dry-bulk and additional earnings from 4 new VLCCs<sup>2</sup> delivered in 2023.
- Services growth driven by increased volumes in petroleum ports and onshore terminal operations.
- Interim 2024 dividend of \$136.5 million (AED501.3 million), equivalent to 6.78 Fils per share.
- Investments growth guidance anticipate an additional \$3bn+ by 2029, beyond the projects already announced. The profit and loss guidance for 2024 remains unchanged<sup>3</sup>.

## KEY FINANCIAL HIGHLIGHTS – 9M 2024



## THREE KEY OPERATING SEGMENTS

	 <b>Integrated Logistics</b>	 <b>Shipping</b>	 <b>Services</b>
<b>Revenue</b>	\$1,671 mm	\$745 mm	\$252 mm
<b>EBITDA</b>	\$505 mm	\$316 mm	\$46 mm

# Accelerating our Growth Strategy

Expansion of fleet in line with transformational growth strategy to meet rising global demand for energy



- Delivery of 6 LNG<sup>1</sup> carriers (2025-2026)
- Delivery of 8 to 10 LNG carriers (beginning 2028)

## 6 LNG carriers:

- 5 of these are already contracted to ADNOC Gas on long-term charters from seven years (one vessel) to fifteen years (four vessels).
- Strong revenue growth (c.20% YoY) expected over 2025-27 for Gas Carriers driven by these new additions partially offset by disposals of older vessels.

## 8 to 10 LNG carriers:

- Time chartered to ADNOC Group subsidiaries for a period of 20 years to support growing export volumes.



## 4 VLACs<sup>2</sup> from Jiangnan Shipyard in China

- Awarded shipbuilding contracts of 4 VLACs priced ~\$500 million.
- The VLACs are scheduled for delivery from 2026 to 2028.
- The VLACs are not yet contracted and are targeted to serve the emerging ammonia transportation market.
- VLACs will each have a capacity of 93,000 cubic meters of ammonia and can run on dual fuel (LPG or conventional).
- Ammonia is considered a likely key contributor to industrial emission reduction



## 9 VLECs<sup>3</sup> from Jiangnan Shipyard in China

- Awarded shipbuilding contracts of 9 VLECs priced ~\$1.4 billion.
- The VLECs are scheduled for delivery from 2025 to 2027.
- Deployed on 20 years' time charter contracts, generating revenue of ~\$4 billion.
- Each VLEC has a capacity of 99,000 cubic meters.
- VLECs run on dual fuel engines powered by either ethane or conventional fuels.

# Financial Summary

Strong Financials



(USD millions)	Q3 24	Q2 24	QoQ %	Q3 23	YoY %	9M 24	9M 23	YoY %
Revenue	928	899	3%	702	32%	2,668	1,927	38%
EBITDA	275	306	-10%	218	26%	867	635	37%
Margin	30%	34%	-4%	31%	-1%	32%	33%	-1%
Net Profit	175	208	-16%	148	18%	576	455	27%
EPS (\$ / share) <sup>1</sup>	0.02	0.03	-16%	0.02	18%	0.08	0.06	27%
EPS (AED / share) <sup>1</sup>	0.09	0.10	-16%	0.07	18%	0.29	0.23	27%
OFCF <sup>2</sup>	175	251	-30%	340	-49%	708	644	10%
Capital expenditures	136	100	35%	282	-52%	361	504	-28%
Free Cash Flow	39	150	-74%	58	33%	347	140	148%
Net Debt	213	(55)	489%	(102)	309%	213	(102)	309%
Net Debt to EBITDA	0.19x	(0.04)x	N/A	(0.12)x	N/A	0.18x	(0.12)x	N/A

## Financial Highlights

### Income Statements:

- Revenue rose by 38%, reaching \$2.67 billion in 9M 2024.
- EBITDA surged by 37% to \$867 million maintaining a strong margin of 32% in 9M 2024.
- Net profit \$576 million in 9M 2024, a 27% increase from 9M 2023.

### Balance Sheet:

- Net debt increased in Q3/9M 2024 reflecting the financing of the strategic growth, although, Net debt to EBITDA ratio remain low providing ample capacity for debt financing to support planned transformational growth.

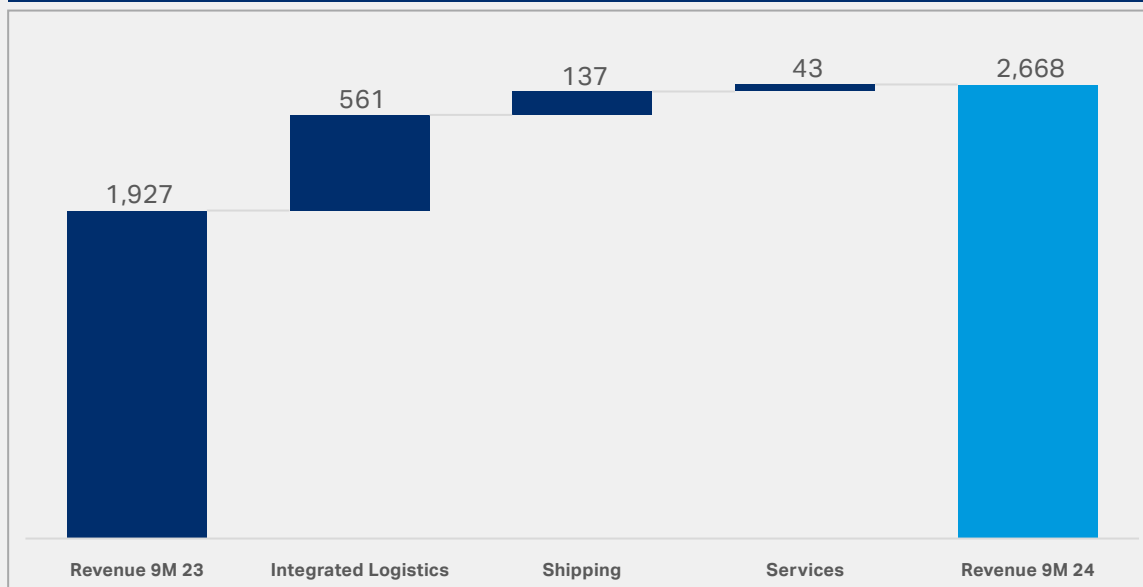
### Cash Flow:

- Strong free cash flow comfortably funded growth in 9M 2024.
- Strong financial position reflected by low Net Debt to EBITDA ratio.

# Financial Performance

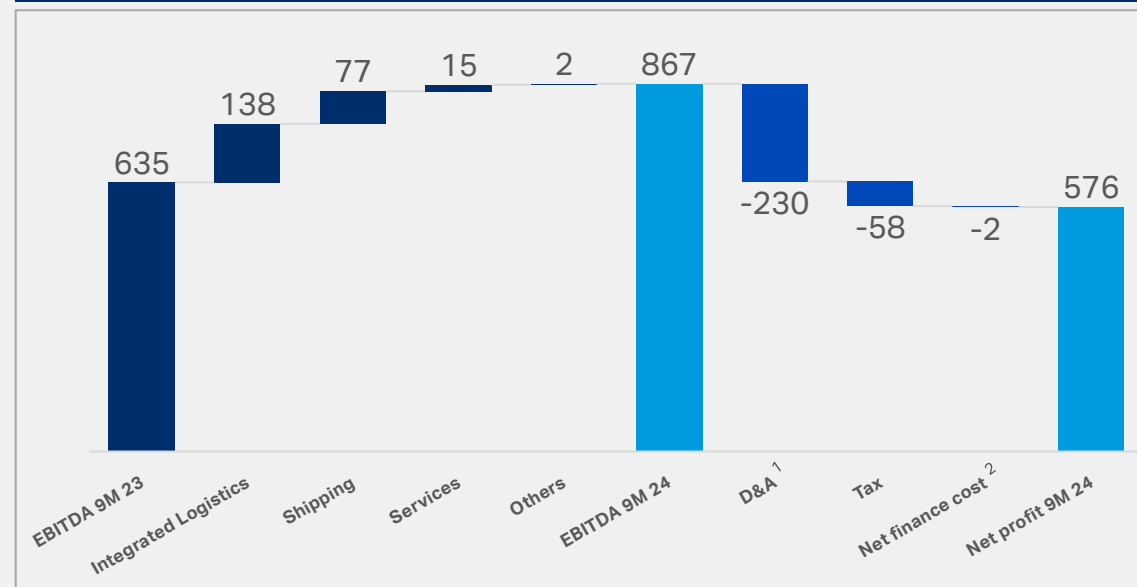
Consistent robust growth fueled by value-adding investments and continuous efficiency enhancements

## REVENUE GROWTH YOY (\$MM)



- Continued revenue growth in 9M 2024 across business segments.
- Integrated Logistics' revenue driven by increase in transported volumes, higher activity rates, resilient utilization and fleet growth.
- Shipping revenues driven by higher charter rates for Tankers and Dry-bulk and additional earnings from four new VLCCs added in 2023.

## EBITDA & NET PROFIT GROWTH YOY (\$MM)



- Strong revenue growth and cost efficiencies led to a 37% EBITDA increase in 9M 2024.
- Strong EBITDA margin of 32% in 9M 24 driven by revenue growth and continuing delivery of cost efficiencies.
- Net profit growth remains strong despite UAE corporate tax rate at 9% from 1 Jan 2024.

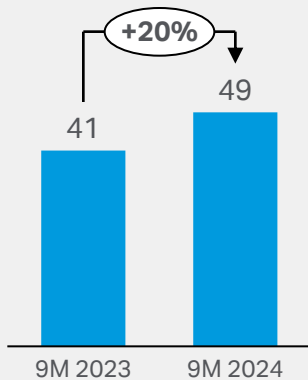


# Integrated Logistics: Growth Highlights

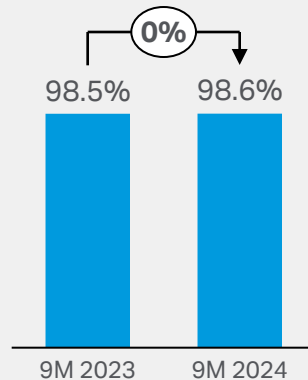
Continue to deliver growth across key activities

## Offshore Contracting: Number of Vessels

Number of Vessels



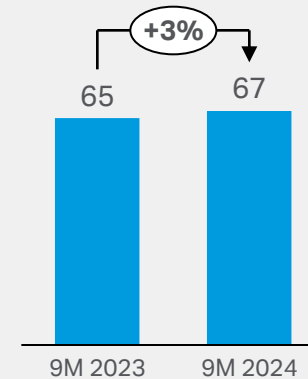
Utilization Rate



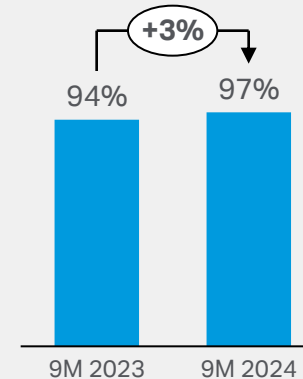
- Continued strong demand led to fleet expansion including offshore vessels.
- Continuous high utilization rate across the fleet.

## Offshore Services: Number of Vessels and Utilization Rate

Number of Vessels



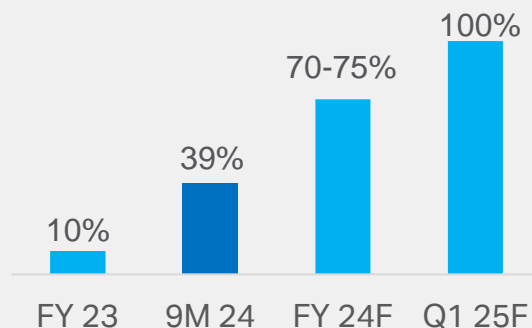
Utilization Rate



- Fleet 100% contracted benefiting from strong Offshore Chartering demand across GCC.

## Offshore projects: EPC<sup>1</sup> contract update

G-Island Project Completion Rate



- \$975-million artificial island construction contract with ADNOC Offshore (G-Island).
- Accelerated EPC project execution scheduled in H2 24.
- Project targeted to be 70-75% completed in 2024.

## Projects Progress & Asset Additions



Hail & Ghasha

Accelerated Drilling & Logistics activities during 9M 2024



EPC Al Omairah Island Construction Project

Project \$975m scheduled for completion H1 - 2025

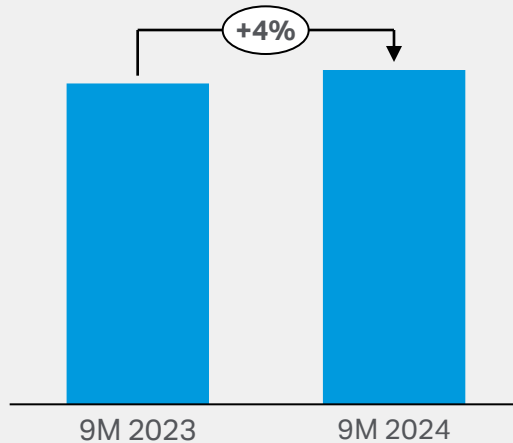


Delivery of non-self propelled accommodation barge and three dynamic positioning offshore vessels

# Integrated Logistics: Offshore Contracting

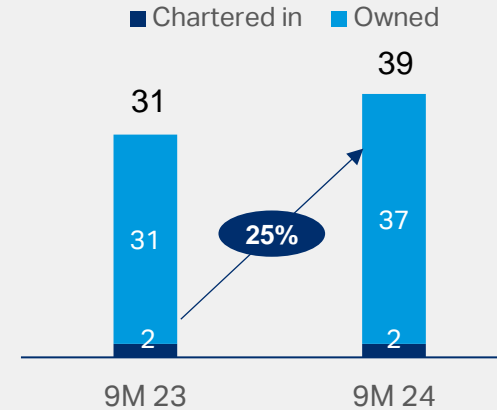
Strong growth across offshore contracting operational activities

## Material Handling Volume (KMT<sup>1</sup>)



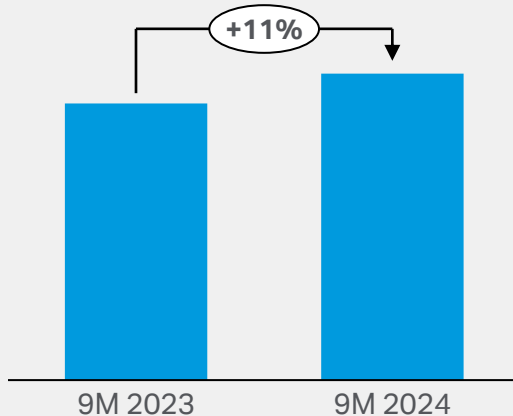
- Higher volumes in 9M 24 compared to 9M 23 driven by growing demand.

## Number of Jack-Up Barges



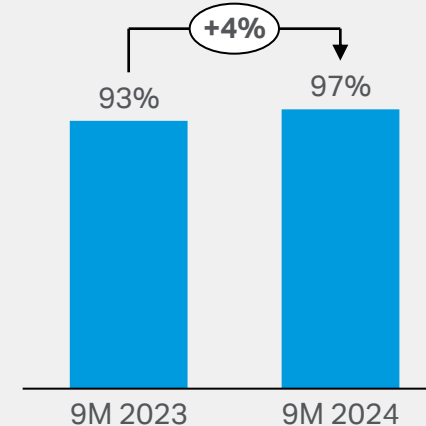
- Fleet expansion (in 2023), reinforcing status as owner/operator of the world's largest fleet of self-elevating, self-propelled JUBs.

## Diesel Sales Volume (MIG)



- Higher diesel sales volumes compared to 9M 2023 due to growth in offshore activities.

## Jack-Up Barges – Utilization Rates

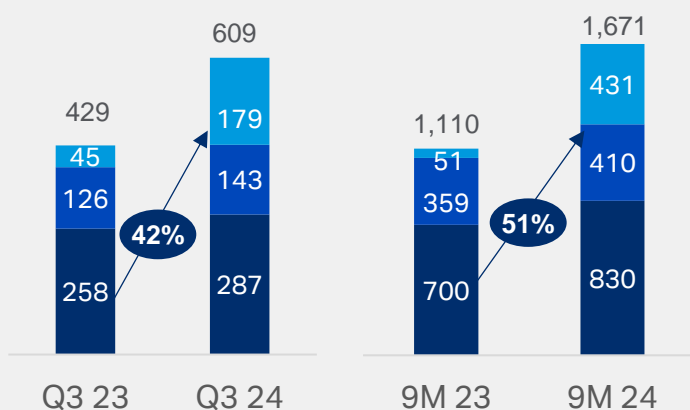


- Fleet 100% contracted benefiting from strong JUBs<sup>2</sup> demand across GCC.

# Integrated Logistics – Financials

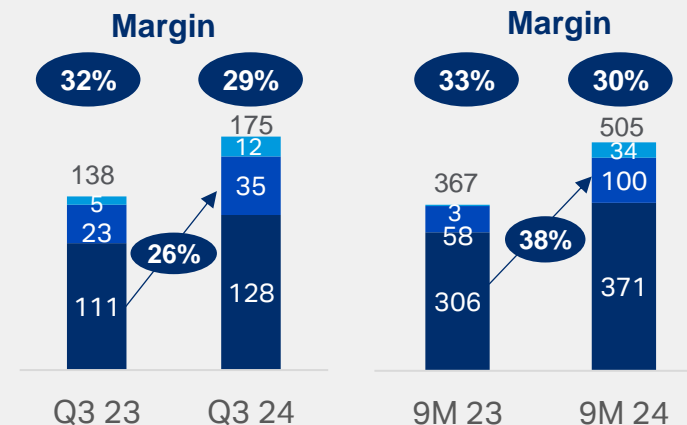
Strong revenue and profitability growth driven by expansion in overall activity levels

## REVENUE (\$MM)



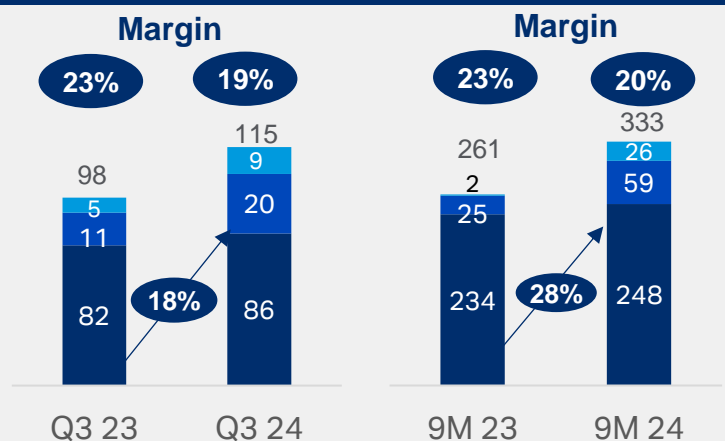
- Robust revenue growth fueled by continued strong business activity, resilient utilization & rates and fleet expansion.
- Planned progress on the G-Island EPC<sup>1</sup> contract and accelerated Hail & Ghasha project also contributed to substantial growth.

## EBITDA (\$MM)



- Higher revenues translated into EBITDA growth mainly due to the expansion of our JUBs<sup>2</sup> fleet (in 2023) and higher utilization & rates.

## NET PROFIT (\$MM)



- Strong revenue and EBITDA growth translated into higher profitability.

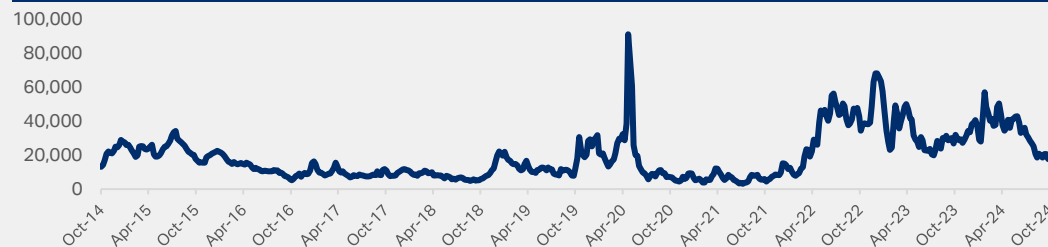
## OUTLOOK



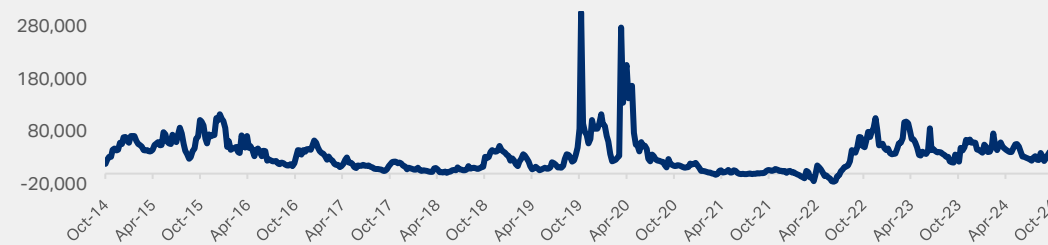
- Overall outlook remains strong across Integrated Logistics segments.
- Continuous growth supported by accelerated projects and expansion of the Offshore Contracting and Offshore Services.

# Shipping : Benchmark TCE rates

## TANKERS (PRODUCT)



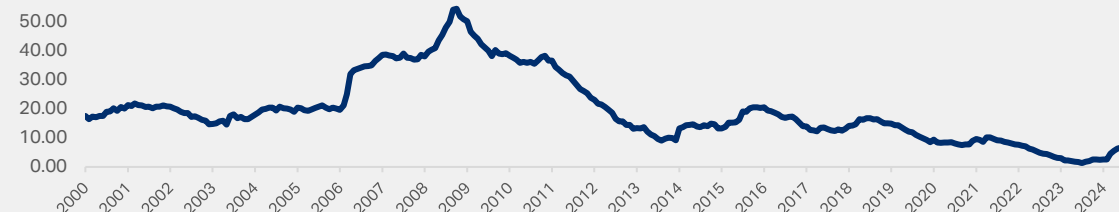
## TANKERS (CRUDE)



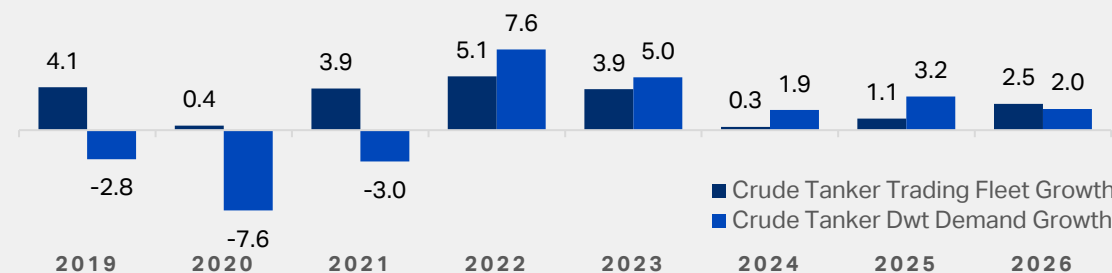
## DRY-BULK



## Tanker Orderbook as % fleet



## Tanker Supply & Demand Balance (Crude) - %



- Tanker market fundamentals expected to remain robust in 2024 and 2025 underpinned by steady increase in ton-mile demand and limited fleet growth, coupled with geopolitical events driving supply disruptions. (despite a recent downturn in product tanker rates)
- Across energy shipping the undersupply of vessels to meet projected demand results in a healthy outlook for rates.

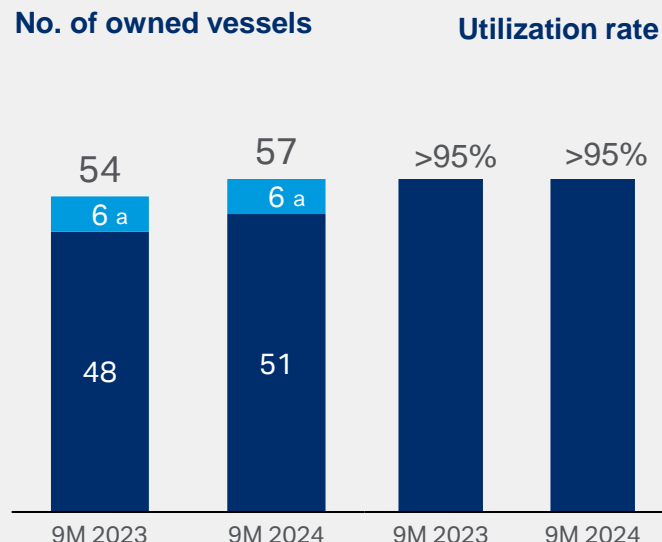
Source: ADNOC L&S. Benchmark Crude: Clarkson's – 50% Bonny Off – Ningbo + 50% Middle East Gulf to China + \$8k/day higher for the combined benefit of eco + scrubber; Benchmark Tankers: Clarkson's – Middle East to China; Benchmark Dry Bulk: Baltic Dry Index Note: TCE = Time Charter Equivalent; Benchmark data are 3-month moving average



# Shipping: Operational Highlights

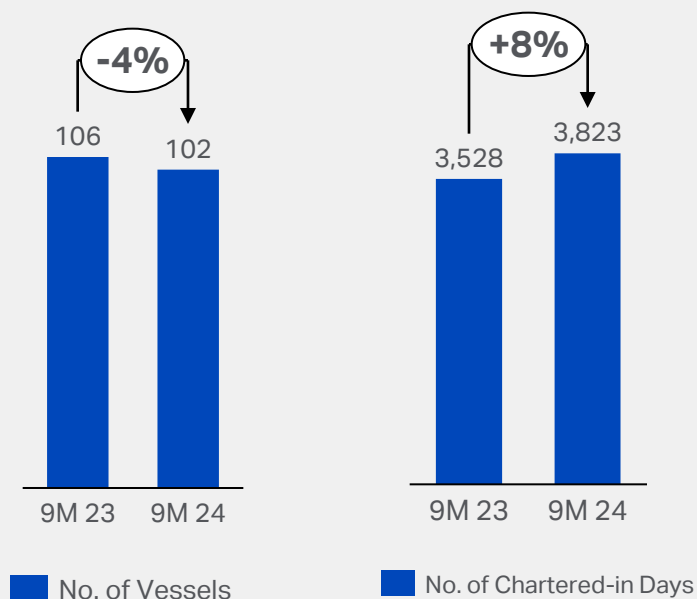
Continue to deliver strong growth in returns as demand outpaces supply

## NUMBER OF SHIPPING VESSELS<sup>1</sup>



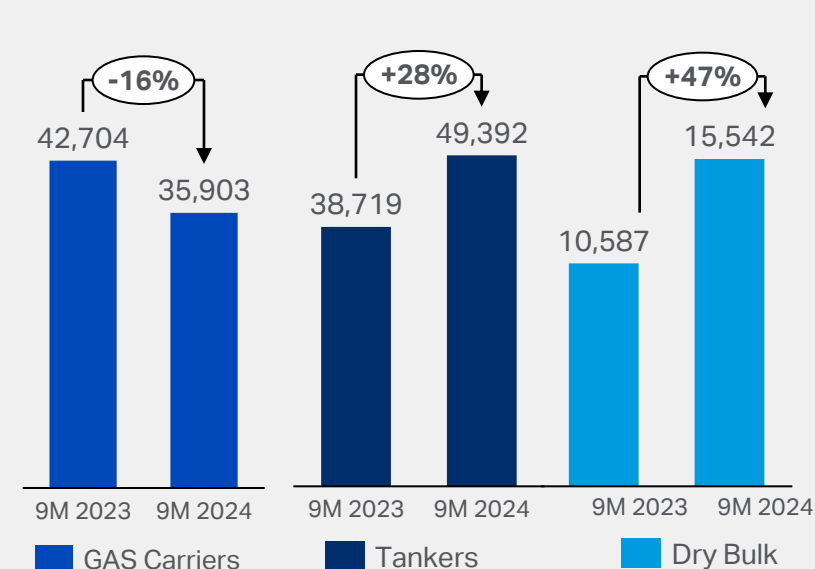
- Continued fleet expansion and strong utilization rates.
- Robust performance driven by favorable supply / demand balance.

## NUMBER OF CHARTERED-IN VESSELS



- Chartered-in fleet mainly in Dry-Bulk shipping as ADNOC moved to 100% CFR<sup>2</sup> sales for Sulphur exports, increasing demand.

## TIME CHARTER EQUIVALENT (USD)

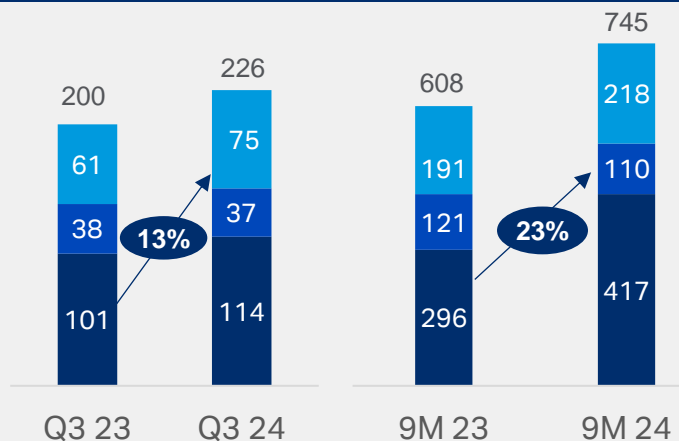


- Time charter equivalent earnings for Tankers and Dry-bulk increased significantly driven by continued robust ton-mile demand.

# Shipping - Financials

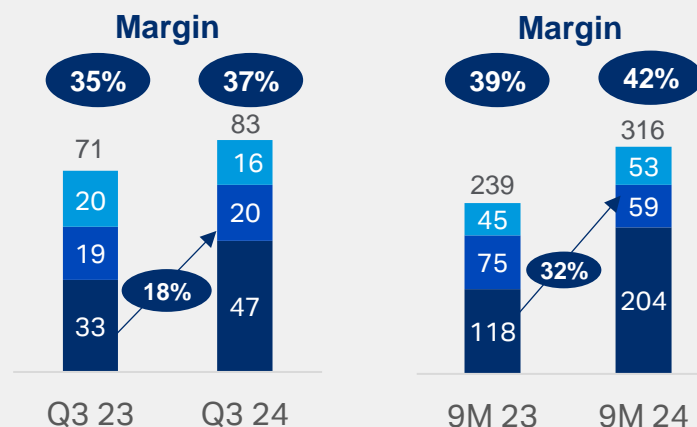
Robust charter rates in Tankers and Dry-bulk, coupled with the expansion of the VLCC fleet, led to substantial revenue growth, which in turn boosted EBITDA and enhanced Net Profit

## REVENUE (\$MM)



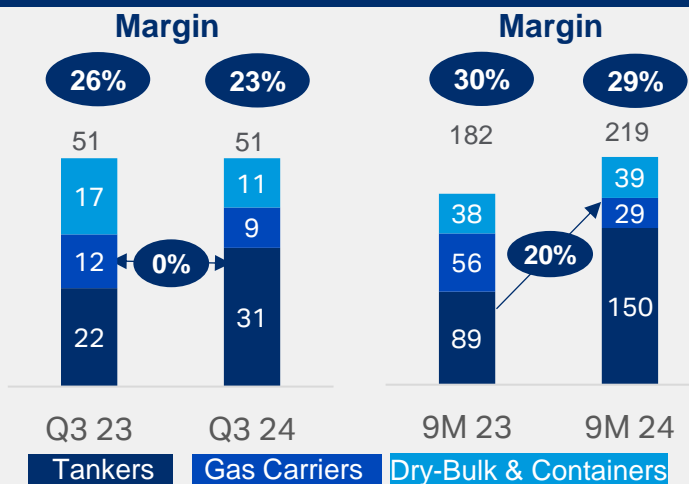
- Expansion of the VLCC fleet and strong charter rates in Tankers & Dry-bulk drove revenue growth.
- Revenue decreased for Gas Carriers in 9M 24 due to cessation of spot charter-in operations and technical off hire days for dry docks.

## EBITDA (\$MM)



- The increase in EBITDA and margins were the result of significant revenue growth driven by elevated charter rates for Tankers and Dry-bulk offsetting lower contribution from Gas Carriers.

## NET PROFIT (\$MM)



- Net profit increased in 9M 24 driven by strong revenue & EBITDA growth and partially offset by a lower profitability from Gas Carriers.

## OUTLOOK



Tankers



Gas Carriers



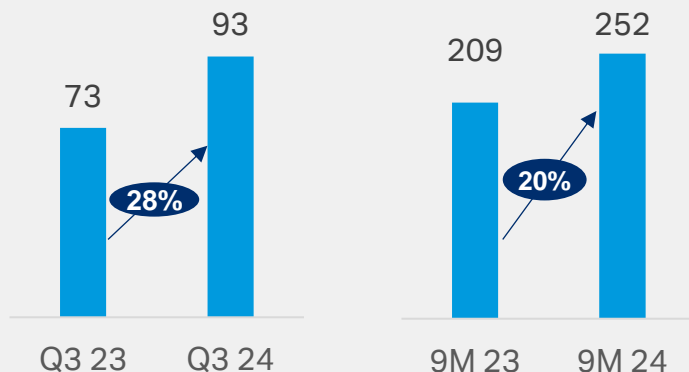
Dry-Bulk & Containers

- Tankers:** Continued tight vessel supply expected to persist at least to 2026.
- Gas Carriers:** Continued growth driven by newbuild deliveries from 2025.
- Dry-Bulk & Containers:** Anticipate stable rates in 2024 and onwards.

# Services

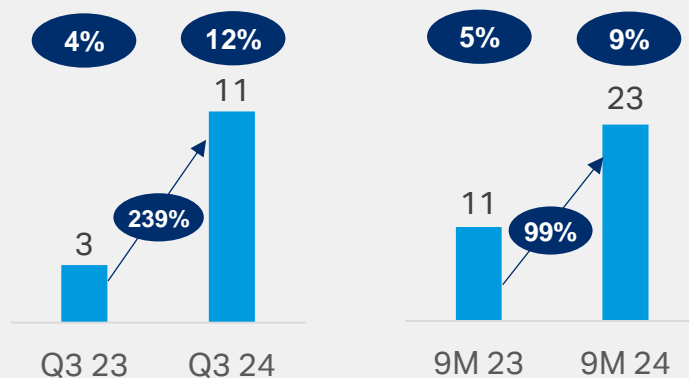
Exceptional EBITDA and profitability growth in 9M 2024 driven by increased volumes in petroleum ports and onshore terminal operations

## REVENUE (\$MM)



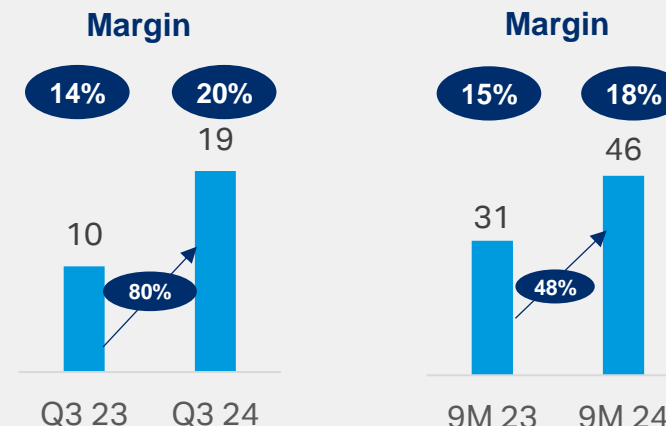
- 9M 24 revenue increase driven by higher activity levels in petroleum port and onshore terminal operations.
- Revenue also supported by execution of Marine Terminal Operations contract with ADNOC Offshore effective from 1 Jan 2024.

## NET PROFIT (\$MM)



- 9M 24 net profit increase driven by exceptional EBITDA growth and margin expansion.

## EBITDA (\$MM)



- Strong EBITDA growth and margin expansion mainly driven by one-off other income for liquidated damages recovered on late deliveries of Tail Back Boats for petroleum port operations.

## OUTLOOK



Marine Terminal Operations



Onshore



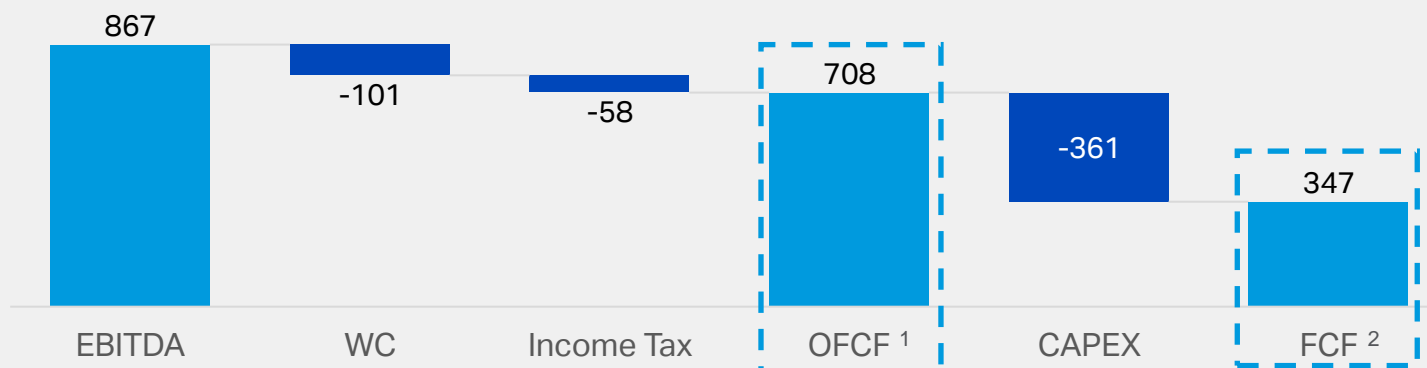
Oil Spill & HNS<sup>1</sup> Response

- Consistent performance under long-term contracts, complemented by new growth opportunities.

# Cash Flow Profile

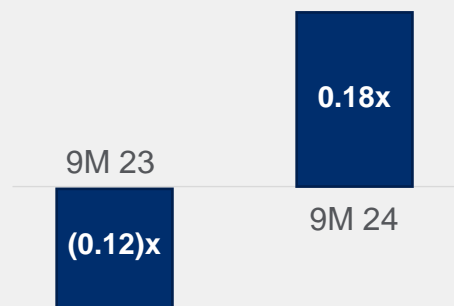
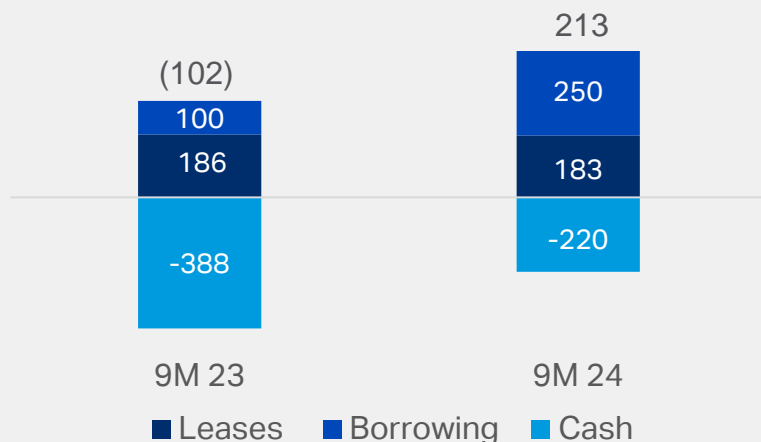
Continued strong free cash flows boost financial strength for future expansion

## FREE CASH FLOW EVOLUTION (\$MM)



## NET DEBT (\$MM)

## NET DEBT / EBITDA



## COMMENTARY

### CASHFLOW

- Strong free cash flow driven by strong growth in core businesses and profitability.
- Value accretive investments continued to be primarily funded through free cash flows and ADNOC group loan, leaving considerable debt financing capacity.

### NET DEBT

- Continuous strong financial position with a net debt to EBITDA ratio of 0.18x .
- High flexibility and capacity to finance value accretive growth opportunities at efficient cost of debt.

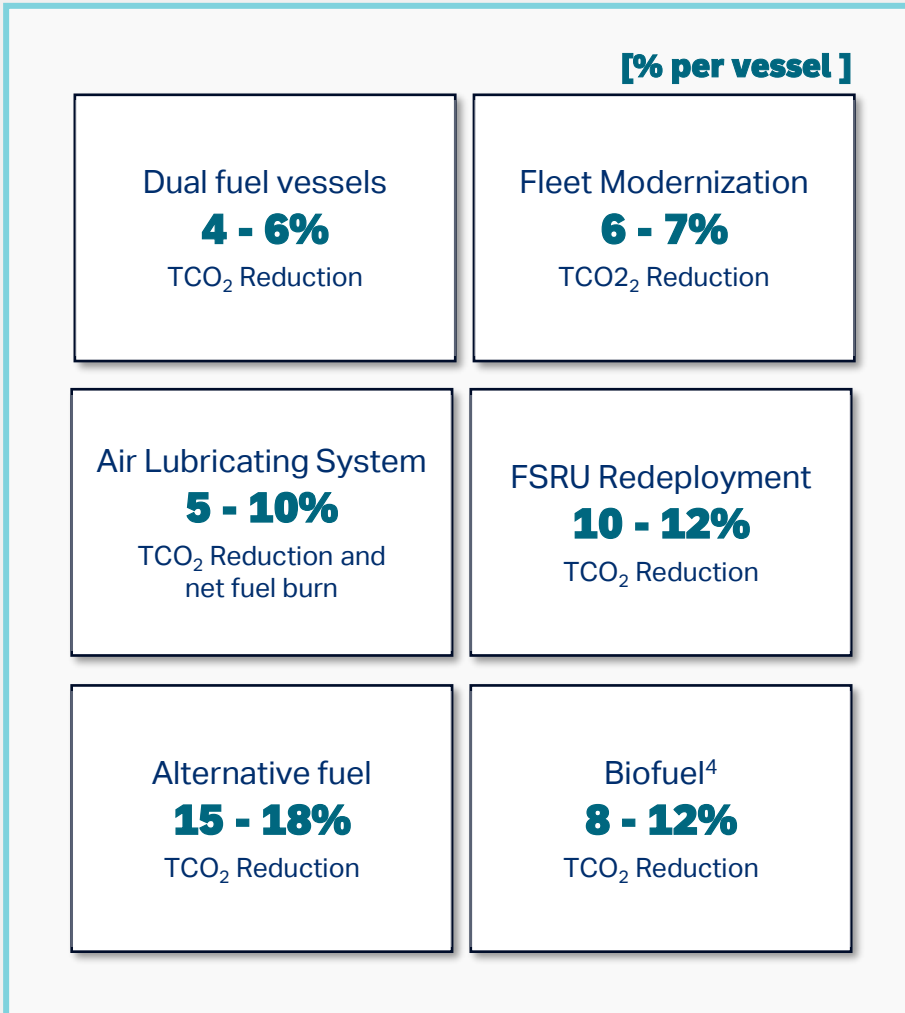


# Sustainability Strategy

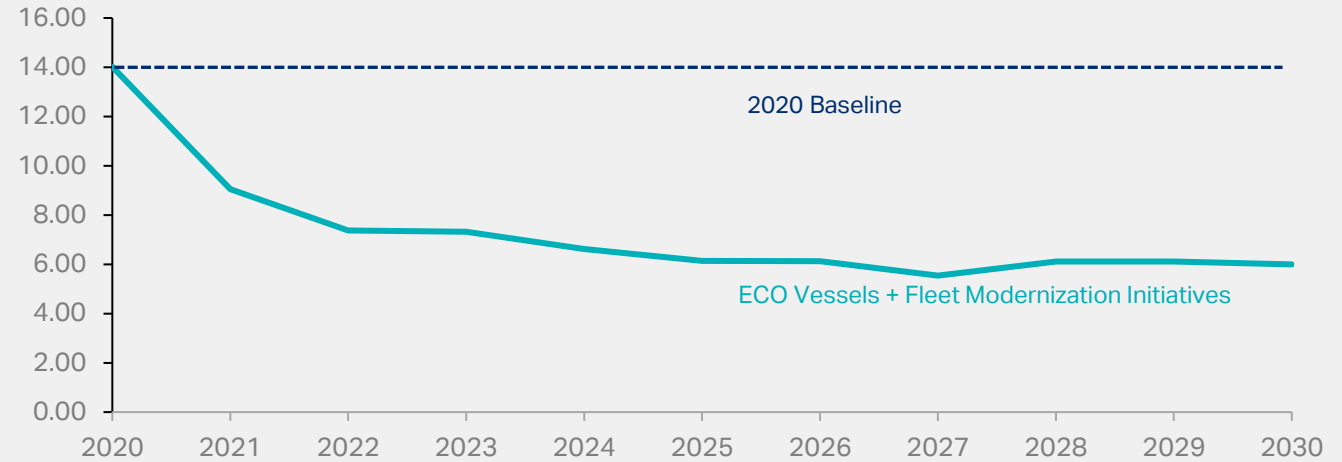
Sustainability abatement opportunities 2024-2050 and case studies

## Technical assessment & opportunities

Potential Abatement projects in our shipping segment 2024-2050



## ADNOC L&S Shipping Fleet Carbon Intensity (AER<sup>3</sup>)



## Case Studies



### Oil Spill Detection and Prediction

- Integrating the Oil spill AI solution with other ADNOC L&S technical platforms to generate complex response strategies based on asset location and the spill trajectory



### Teleoperated LCT<sup>1</sup>




- Teleoperated vessels, are ships that are controlled by operators from a remote location
- 25% reduced fuel consumption for functionality (payload and speed)
- Vessel design approved in Q2; investment case being developed to evaluate the project economics

## HYBRID POWER SOLUTIONS

### Hybrid Power Solution Offshore Logistics

- A pilot project for a hybrid power solution for one of the company's offshore PSVs<sup>2</sup>
- Optimized engine operation reduced engine transients redundant
- Project expansion under review & emission forecast

# Segmental Medium Term (2024-28) Outlook

		REVENUE	EBITDA
	<b>Integrated Logistics</b>	<b>2024:</b> Mid-40%s YoY growth <b>MT:</b> Mid to high single digit YoY growth	<b>2024:</b> Low-30%s YoY growth <b>MT:</b> Mid-single digit YoY growth beyond 2024
	<b>Offshore Contracting</b>	<b>2024:</b> Higher ISLP Volumes, JUB utilization & Hail & Ghasha project acceleration.	<b>2024:</b> Higher ISLP Volumes, JUB utilization & Hail & Ghasha project acceleration.
	<b>Offshore Services</b>	<b>2024:</b> Increase in offshore chartered vessels owned and third party & Increase number of managed vessels.	<b>2024:</b> Increase in offshore chartered vessels owned and third party & Increase in number of managed vessels.
	<b>Offshore Projects</b>	<b>2024:</b> 70-75% Completion of G-Island by End of Year 2024.	<b>2024:</b> 70-75% Completion of G-Island by end of year 2024.
	<b>Shipping</b>	<b>2024:</b> Low to mid teens YoY growth <b>MT:</b> Mid single digit YoY growth	<b>2024:</b> High 20%s YoY growth <b>MT:</b> Mid teens YoY growth
	<b>Tankers</b>	<b>2024:</b> Strong rate environment in the first half, with a slight softening in the second half	<b>2024:</b> Strong rate environment in the first half, with a slight softening in the second half
	<b>Gas Carriers</b>	<b>2024:</b> Slight reduction due to current spot market rates	<b>2024:</b> Slight reduction due to current spot market rates
	<b>Dry-bulk &amp; Containers</b>	<b>2024:</b> Strong rates on Dry-bulk	<b>2024:</b> Strong rates on Dry-bulk
	<b>Services</b>	<b>2024:</b> Mid single digit YoY growth <b>MT:</b> Low-to-mid single digit YoY growth	<b>2024:</b> High single digit YoY growth <b>MT:</b> Flat to low single digit YoY growth

# Group Medium Term Outlook

PF: Proforma 2024 results including Navig8 as though fully consolidated, basis prior year results



## UPDATE ON CONSOLIDATED REVENUE

### 2024:

- Low to mid 30%s YoY growth

### Medium term<sup>1</sup>:

- High single digit YoY growth

### PF 2024:

- Beyond 90% YoY growth

### Medium term<sup>2</sup>:

- High teens YoY growth

## UPDATE ON CONSOLIDATED EBITDA

### 2024:

- Low 30%s YoY growth

### Medium term<sup>1</sup>:

- Mid teens YoY growth

### PF 2024:

- Beyond 70% YoY growth

### Medium term<sup>2</sup>:

- High teens YoY growth

## UPDATE ON CONSOLIDATED NET INCOME

### 2024:

- Low 20% YoY growth

### Medium term<sup>1</sup>:

- Low teens YoY growth

### PF 2024:

- Beyond 50% YoY growth

### Medium term<sup>2</sup>:

- Mid teens YoY growth

## CAPEX

- **2024:** > \$1.0bn in addition to M&A \$1.0bn for the acquisition of 80% of Navig8 by 31 March 2025 latest
- **Medium term:** Anticipate an additional \$3bn+ by 2029, beyond the projects already announced, applying the same investment return criteria
- **Capital allocation policy:** Targeting low double digit unlevered IRRs<sup>3</sup> in Integrated Logistics; High single digit unlevered IRRs on long term contracted high value shipping
- **M&A:** Seeking value-accretive M&A to expand and enhance service offerings geographically and into adjacent business verticals

## CAPITAL STRUCTURE

- **Medium Term:** Target **2.0-2.5x** Net Debt to EBITDA
- Projected average all-in cost of debt finance 6.0%




## Others

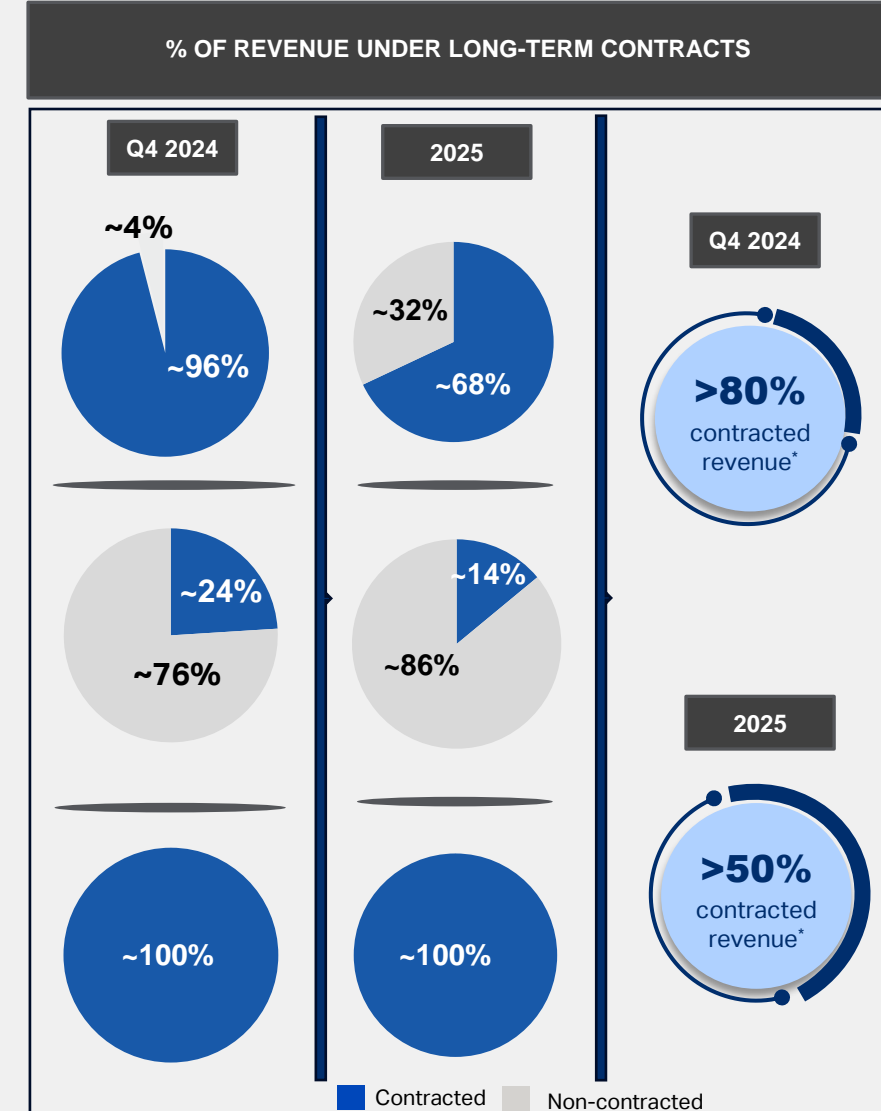
- **Effective tax rate below 9%** from 1 Jan 2024
- **Dividends:** Targeted annual dividend per share growing by 5% annually from the 2024 dividend of \$273 million

1. Group medium term outlook (Excluding Navig8)  
 2. 2024-28 including Navig8 on proforma basis; Refer to appendix for accounting treatment details  
 3. Internal Rate of Return

# Contracted Revenue

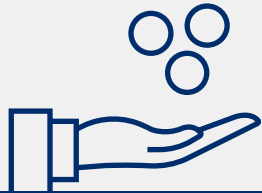
Anchored by long-term contracts

Segment	Q4 2024	2025-29	2030++
 <div>Integrated Logistics</div>	<div>\$720 m</div> <p><b>Integrated Logistics</b> : mainly consist of</p> <ul style="list-style-type: none"> <li>Offshore contracting : Material Handling contract, Jack up barges, H&amp;G, property leasing &amp; ATN.</li> <li>Offshore projects – various EPC projects such as G Island</li> <li>Offshore Services – various vessel such as DP11, PSVs, Ferry Boats</li> </ul>	<div>\$5.6 bn</div>	<div>\$2.1 bn</div>
 <div>Shipping</div>	<div>\$55 m</div> <p><b>Shipping</b>: Majorly includes long term contract for Gas Carriers. Dry bulk, Containers and tanker are mostly generating revenue on SPOT basis.</p>	<div>\$1.9 bn*</div>	<div>\$11.0 bn*</div>
 <div>Services</div>	<div>\$66 m</div> <p><b>Services</b>: Mainly consist of long-term service contracts of Ruwais packaging, gateway operations at Khalifa and Kizad, OSRC contract with ADNOC and contracted Diving Services.</p>	<div>\$1.3 bn</div>	<div>\$3.3 bn</div>

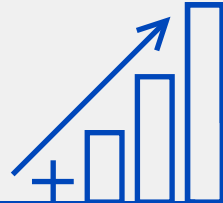




# Closing Remarks



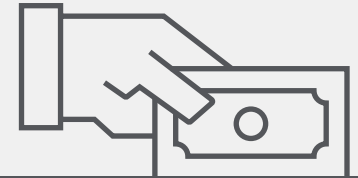
**STRONG  
CONTINUED  
EARNINGS  
GROWTH**



**STRONG  
EBITDA  
MARGIN**



**GROWTH  
STRATEGY  
EXECUTION**



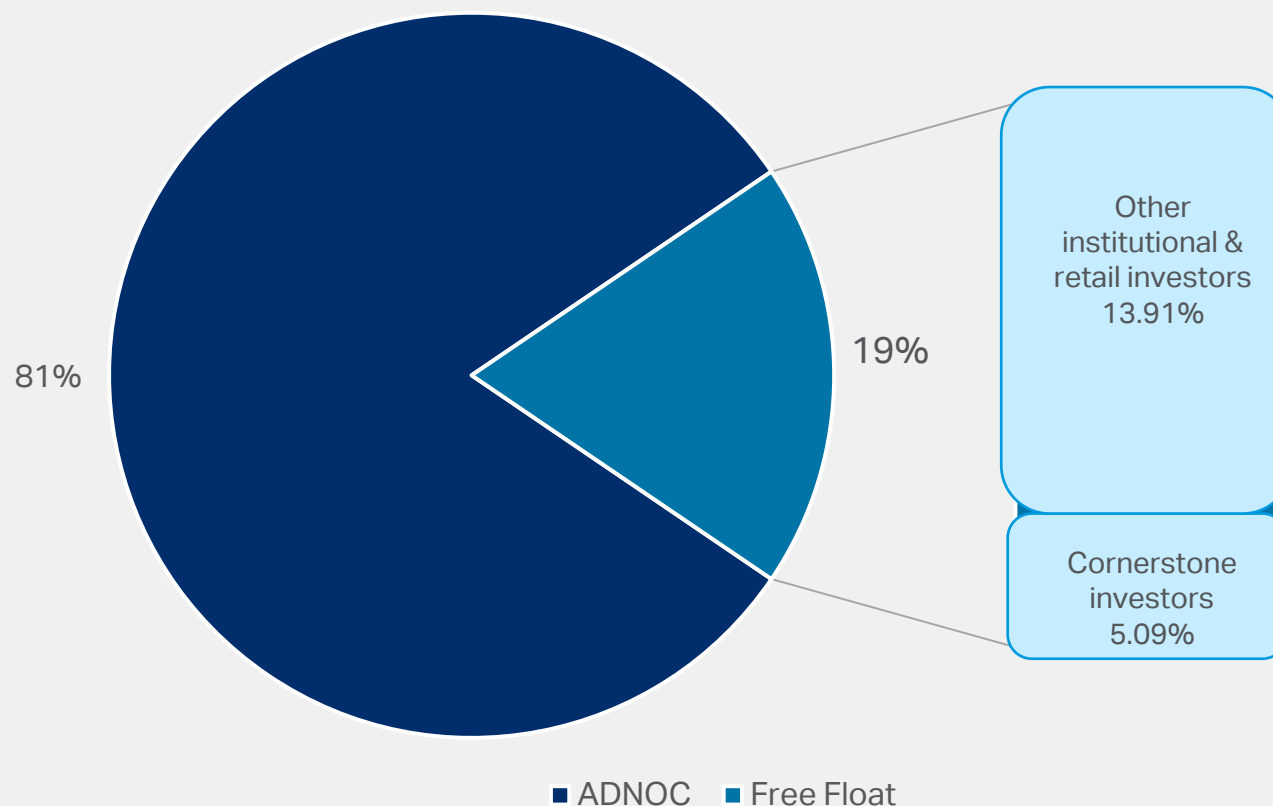
**COMMITTED  
TO ATTRACTIVE  
SHAREHOLDERS  
RETURNS**

# APPENDIX



# ADNOC L&S Shareholder & Free Float

## ADNOC L&S SHAREHOLDERS (%)



- Free float percentage excluding cornerstone investors increased by 1.13% since IPO

# Navig8 Acquisition

Acquisition of 80% in Navig8 with a path to full ownership in 3 years



## TRANSACTION OVERVIEW



### The Target

- Global maritime operator with commercial shipping pools and a fleet of 32x<sup>1</sup> high quality, modern tankers
- Service offerings include bunkering, technical management, commercial pooling, environmental and digital solutions, and market analytics



### Deal Economics

- Initial acquisition of an 80% stake for c. \$1.04bn cash consideration
- Remaining 20% stake to be acquired in June 2027 (minimum of c. \$0.34bn with potential c. \$0.12bn uplift subject to financial performance over 2024E-2026E)
- Implied Enterprise Value of c. \$2.0bn (on a 100% basis) equating to a 4.9x CY23A EV/EBITDA
- Transaction expected to be > 20% EPS accretive in first full year and to deliver a low double-digit unlevered IRR
- Acquisition to be financed using available free cash after dividends and debt capacity



### Conditionality

- The Transaction is subject to customary regulatory approvals
- Completion of the Transaction is expected in late 2024 (or early 2025)

## PRO-FORMA FINANCIALS (2023)

	ADNOC Logistics & Services		Navig8		ADNOC Logistics & Services + Navig8
Revenue	\$2.8bn	+	\$1.9bn	=	\$4.7bn +68%
EBITDA (% margin)	\$0.9bn (32%)	+	\$0.4bn (21%)	=	\$1.3bn (28%) +44%
Net debt / EBITDA	(0.1x)	+	1.5x	=	1.4x
# Vessels	57x <sup>2</sup>	+	32x <sup>1</sup>	=	89x +56%

## NAVIG8 BUSINESS OVERVIEW

Shipping operations		Shipping services		
Owned vessels	TC-in vessels	Commercial pools	Technical Management & agency	Bunkering
<ul style="list-style-type: none"> <li>Young and high-quality, modern and eco-oriented fleet</li> <li>28x modern tankers 4x newbuild MR tankers</li> <li>Avg. age of 6.1 years and total capacity of 2,300 DWT</li> </ul>	<ul style="list-style-type: none"> <li>Leasing vessels to profit from operation and chartering (consistent with ADNOC L&amp;S business activity)</li> <li>12x vessels currently time-chartered in</li> <li>8x vessels are currently in their extension period</li> </ul>	<ul style="list-style-type: none"> <li>6x shipping pools</li> <li>58x vessels incl. owned, TC-in and 3<sup>rd</sup> party vessels</li> <li>Reduces earnings volatility through access to larger client base</li> </ul>	<ul style="list-style-type: none"> <li>Ownership interests in Suntech Ship Management (50%) and TB Marine Ship management (50%)</li> <li>Engages in technical ship and crew management services</li> <li>Includes also a number of smaller investments in shipping agencies</li> </ul>	<ul style="list-style-type: none"> <li>Bunker fuel trader to both 3<sup>rd</sup> party and owned vessels in pools</li> <li>Back-to-back fuel sale and purchase, limiting spot exposure</li> <li>c. 5.5m annual MT trades, +850 customers</li> </ul>
\$245m	\$163m	\$2m	Net income \$4m <sup>3</sup>	\$14m

CY23A Dec-23  
EBITDA



# Transaction Rationale

Navig8 delivers ADNOC L&S' offering on a global scale, supplemented with new valuable service offerings

## Key complementary services added:



Platform will **globalize** presence across major continents, providing global **24/7** execution capabilities

Next major leg in L&S' transformational growth plan

Access to opportunity sets in new markets

Extension of international customer base

Delivers L&S' geographic expansion strategy

Execution of targeted growth in attractive tanker segment



**Extension of value-added services** in adjacent verticals to existing business activities catering to current and new clients

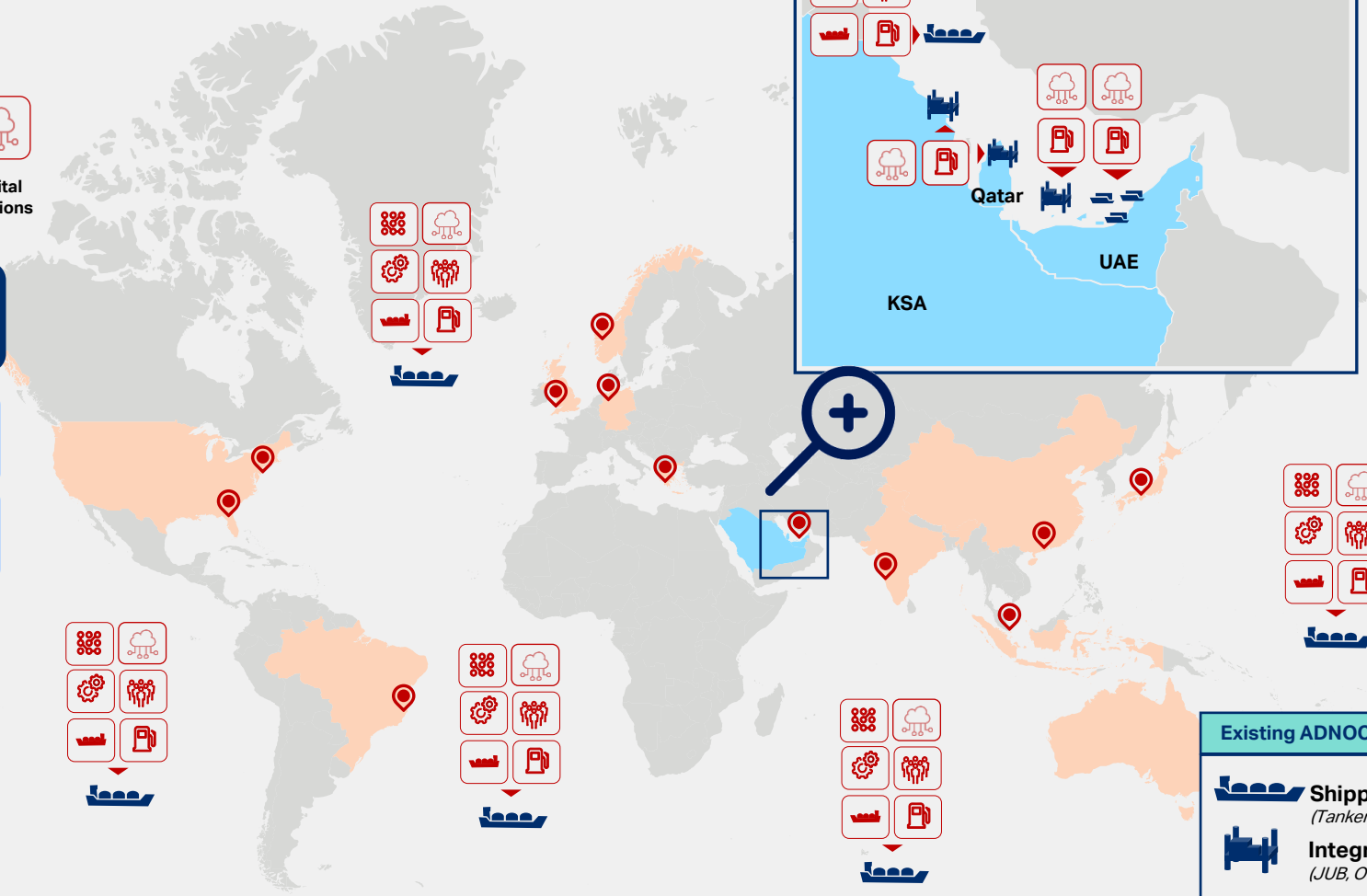
Commercial shipping pools benefit from economies of scale, risk reduction through diversified exposure, network gains and enhanced market access

Bunkering activity enables savings on own assets in addition to profitable service offering

Investments in carbon reduction technologies

Globalization and enhancement of service of commercial and technical capabilities

## ADNOC L&S GCC operations:



## Existing ADNOC L&S asset base

- Shipping**  
(Tankers, Dry Bulk, Gas)
- Integrated logistics**  
(JUB, OSV and Onshore)
- Marine services**  
OSR, Marine vessels

■ ADNOC L&S presence   ■ Navig8 presence   ● Navig8 offices

# Consolidation Consideration for Navig8

## Impact on ADNOC L&S consolidated financial statements

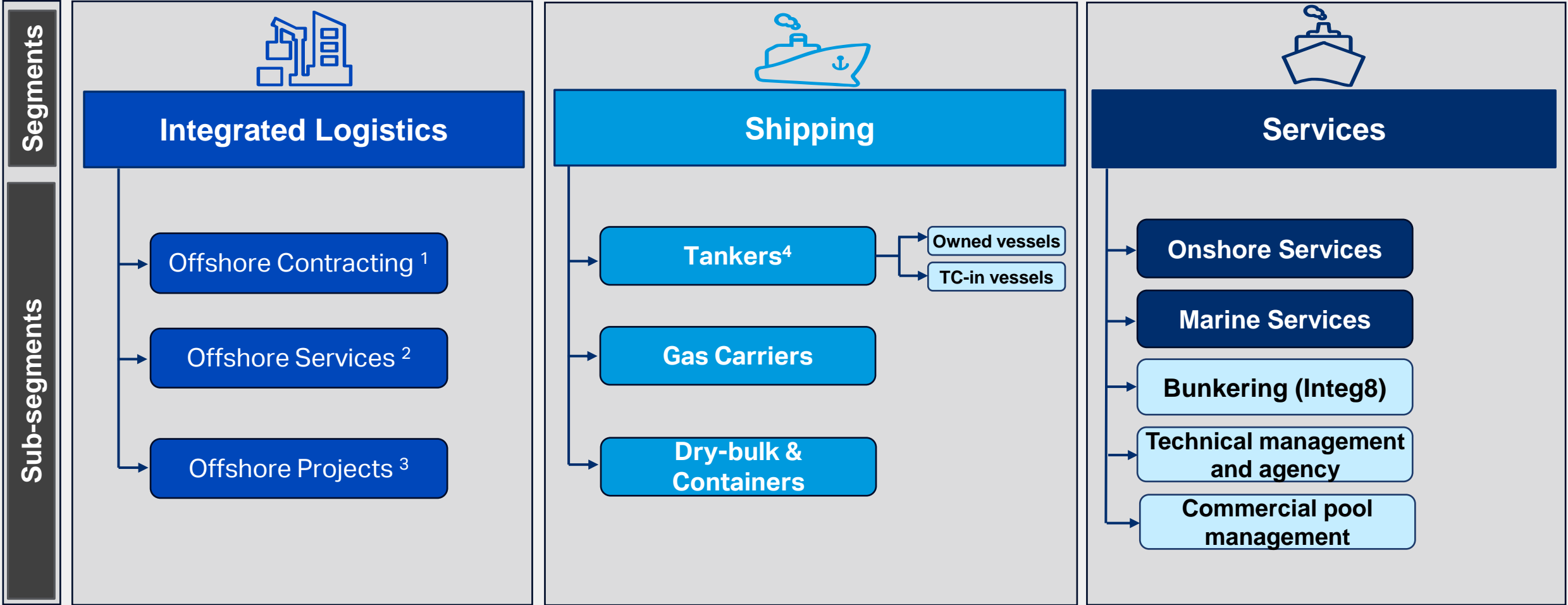
	Items	Acquisition date of 31 Oct 2024	Acquisition date of 31 Jan 2025
1	Line by line consolidation of Navig8 assets and liabilities	As at 31 Oct 2024 & thereafter	As at 31 Jan 2025 & thereafter
2	Purchase Price Allocation basis fair value of assets	As at 31 Oct 2024	As at 31 Jan 2025
3	Line by line consolidation of Navig8 revenue & costs	From 1 Nov 2024	From 1 Feb 2025
4	Profits made from 1 Jan 2024 (Lock Box date) to Acquisition Date	Goes into fair value of net assets as at acquisition date; An offset against or addition to goodwill / bargain gain on acquisition	

## Hypothetical illustration of Purchase Price Allocation on various dates

	Transaction elements	Acquisition Date 1 Jan 2024	Acquisition Date 31 Oct 2024	Acquisition Date 31 Jan 2025
1	Total Purchase consideration	1,040	1,040	1,040
2	Fair value of net assets (hypothetical)	900	1,140	1,200
3	Goodwill / (Bargain purchase gain)	140	(100)	(160)

Note: Bargain purchase gain (if any) goes straight to income statement on Day 1 (Acquisition Date).

# Business Segments Structure Post Navig8 Integration



1. ILSP, H&G, JUBs, Property Leasing & ATN (aids to navigation)  
2. Jetty Ops, Ferries Terminal, various vessel such as DP11, PSVs, Ferry Boats and spot hire of OSVs  
3. EPC (G-island and other minor Projects)  
4. Including ADNOC L&S and Navig8 Tankers

ADNOC Logistics & Services



# THANK YOU



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