



ADNOC L&S Plc Announces Q3 and First Nine Months of 2024 Financial Results

Revenue up by 38% and EBITDA up by 37% with Net Profit increasing by 27% year-on-year for the first nine months of 2024; maintaining full year guidance

Robust balance sheet, strong cash flow generation and long-term earnings visibility, with majority of revenues (>65%) contracted

Navig8 acquisition progressing well through regulatory approvals with anticipated completion by 31 March 2025 at the latest

Interim 2024 dividend of \$136.5 million (AED501.3 million) paid 31 October equivalent to 6.78 Fils per share

Continued strong asset base growth with up to 23 new energy efficient vessels committed to in 2024 including 8-10 LNG carriers, nine VLECs, and four VLACs

Abu Dhabi, UAE – November 13, 2024: ADNOC Logistics and Services plc (ADNOC L&S / the Company) (ADX symbol ADNOCLS / ISIN AEE01268A239), a global energy maritime logistics leader, today announced its third quarter (“Q3”) and first nine months (“9M”) 2024 financial results.

ADNOC L&S Revenue for the 9M 2024 was \$2,668 million (AED9,798 million), up 38% compared to 9M 2023. EBITDA rose by 37% to \$867 million (AED3,184 million) in the same period driven by robust performance across all business segments, sustaining EBITDA margins at 32%. Net profit for 9M 2024 was \$576 million (AED2,117 million), equating to \$0.08 (AED0.29) per share, an increase of 27% comparing to 9M 2023.



The Company's Q3 revenue increased by 32% year-on-year (y-o-y) to \$928 million (AED3,410 million) with EBITDA up by 26% y-o-y to \$275 million (AED1,011 million). Net profit for Q3 grew 18% y-o-y to \$175 million (AED643 million). This strong financial performance is a result of the continuous execution of ADNOC L&S' transformative growth strategy, focused on value-accretive investments in energy-related maritime logistics. After just 18 months after of its record-setting IPO, ADNOC L&S has already delivered commitments to the majority of its strategic investment goal, backed by over 340 years of incremental long-term contracted demand.

Captain Abdulkareem Al Masabi, CEO of ADNOC L&S, said: "These robust financial results demonstrate continued delivery of our strategy and our focus on delivering strong shareholder value through growth. The expected contribution of Navig8 will further boost our profile as a global energy maritime logistics company, while our strong balance sheet provides for further organic and inorganic value-accretive growth opportunities."

Segmental Financial Performance for 9M 2024

Revenues from ADNOC L&S' Integrated Logistics segment increased to \$1,671 million (AED6,137 million), up 51% on 9M 2023. This growth was driven by the improved utilization of Jack-Up Barges (JUBs) coupled with the expanded fleet; higher logistics volumes; accelerated Hail & Ghasha project delivery; and Engineering, Procurement and Construction (EPC) project progress, in particular the contribution of the G-Island project (expected to be 70-75% complete by year-end). Integrated Logistics EBITDA rose by 38% to \$505 million (AED1,856 million) for the first nine months of 2024 against the comparable period in 2023.

Revenues from the Shipping segment increased 23% to \$745 million (AED2,737 million) on 9M 2023, driven by strong charter rates for Tankers and Dry Bulk, coupled with additional revenue from the four new Very Large Crude Carriers (VLCCs) acquired in 2023. This was slightly offset by a reduction in profits from Gas Carriers due to cessation of spot charter-in operations and technical offhire days in Q1 2024.

Shipping EBITDA increased 32% to \$316 million (AED1,159 million) from 9M 2023, contributing to a three-percentage point expansion in EBITDA margin to 42%.

Revenues from the Services segment increased 20% to \$252 million (AED924 million) compared to 9M 2023. This segment generated an EBITDA of \$46 million (AED168 million),



up 48%, mainly powered by increased volumes in petroleum port and onshore terminal operations.

Strategic Update

ADNOC L&S continues to deliver on its growth strategy. The Navig8 acquisition, announced during the first half of 2024, will accelerate the Company's growth strategy. The transaction, which will be immediately value accretive, is projected to boost ADNOC L&S's earnings per share by at least 20% in the first full year. Regulatory approvals required to complete the deal are in process with anticipated completion remaining 31 March 2025 at the latest.

During the year, the Company also strengthened its asset base with new build contracts for additional energy-efficient vessels. The Company awarded contracts of up to \$2.5 billion (AED9.2 billion) for up to 10 new Liquefied Natural Gas (LNG) Carriers, and through AW Shipping \$1.4 billion (AED5 billion) for nine Very Large Ethane Carriers (VLECs) and approximately \$500 million (AED1,836 million) for four Very Large Ammonia Carriers (VLACs).

Technology and AI Adoption

The Company's Integrated Logistics business manages the complex coordination of transporting millions of tons of critical equipment and resources, coordinating over 80 offshore sites and hundreds of vessels. The Business Unit offers an Integrated Logistics Services Platform (ILSP) – a turnkey offshore logistics solution that provides customers with planning and resource optimization capabilities through a single digital interface. An AI- powered tool, the Integrated Logistics Management System (ILMS), supports the ILSP. The ILMS will help maritime planners to make complex operational decisions effectively to reduce delivery times by as much as 60%. The ADNOC Groups Energy AI strategy is driving industry-wide innovation, and ILMS is one of the first use cases that showcases this shift.

Sustainability and Decarbonization

The ILMS is an innovative sustainability solution which helps improve operational efficiency. Through the use of ILMS it is anticipated that there will be a reduction in the number of vessels required in operations and therefore a reduction in carbon emissions by up to 30%, specifically to the Company' Integrated Logistics business segment.



Financial Summary

USD Million	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 ⁽¹⁾	275	306	-10%	218	26%	867	635	37%
Net Profit	175	208	-16%	148	18%	576	455	27%
Net cash from Operating Activities	192	272	-29%	345	-44%	769	647	19%

⁽¹⁾ EBITDA is calculated as earnings before income tax, finance costs, finance income, depreciation and amortisation

Outlook

The Company raises its medium-term investment guidance to include an incremental \$3 billion+, and maintains its 2024 and medium-term profit & loss outlook: (excluding Navig8 contribution which will be guided separately on a proforma basis in the earnings presentation)

- **Group Revenues:** The Company maintains annual revenue growth of low to mid 30% range in 2024. Over the medium term (2024-2028), the Company expects high single-digit year-on-year percentage growth.
- **Group EBITDA:** The Company anticipates annual EBITDA growth from 2023 to 2024 in the low 30% range. Over the medium term (2024-2028), the Company targets average annual EBITDA growth in the mid-teens' percentage wise.
- **Group Net Income:** The Company expects annual year-on-year net income growth in the low 20% range into 2024. Over the medium term, the Company targets average annual net income growth in the low percentage teens.
- **Growth Investments:** The Company has significantly increased its capital expenditure guidance, reflecting our commitment to long-term growth and strategic expansion. We now anticipate an additional \$3 billion+ by 2029, beyond the projects already announced, applying the same investment return criteria.
- **Dividend policy:** Remains unchanged with a projected total dividend payable for 2024 of \$273 million (5% increase from 2023 annualized dividend), balance 50% for H2 2024 in Q2 2025, subject to approvals.
- **Capital Structure:** The Company targets a 2.0-2.5x net debt / EBITDA ratio over the medium term, with debt and free cash flows after dividends being the primary funding sources for growth investments.

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About ADNOC Logistics & Services

ADNOC Logistics & Services Plc, listed on the Abu Dhabi Securities Exchange (ADX symbol ADNOCLS / ISIN AEE01268A239) is a global energy maritime logistics company based in Abu Dhabi. Through its three business units, Integrated Logistics, Shipping and Services, ADNOC L&S delivers energy products to more than 100 customers in over 50 countries.

To find out more, visit: www.adnocls.ae

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