



ADNOC L&S plc Delivers Robust Q1 2025 Financial Results, Fueled by Strategic Expansion

Revenue increases 41% and EBITDA up 20% year-on-year following completion of Navig8 acquisition in January 2025

The Company remains confident in its 2025 and medium-term outlook

2025 annual dividend expected to grow 5% to \$287 million, in line with the Company's progressive dividend policy

Company remains committed to its transformational growth strategy, and leveraging AI technologies to drive efficiencies

Abu Dhabi, UAE – May 12, 2025: ADNOC Logistics and Services plc (ADNOC L&S / the Company) (ADX symbol ADNOCLS / ISIN AEE01268A239), a global energy maritime logistics company, announced today financial results for the first quarter ("Q1") ending March 31, 2025.

ADNOC L&S revenue for Q1 was \$1,181 million (AED4,339 million), a 41% year-on-year increase. EBITDA rose by 20% to \$344 million (AED1,262 million) in the same period, driven by robust performance across all business segments, sustaining the EBITDA margin at 29%. Net profit for Q1 2025 was \$185 million (AED678 million), down 5% compared to Q1 2024, mainly due to lower commercial shipping rates, but up 3% compared to the previous quarter. Despite evolving market conditions, ADNOC L&S' strategic diversification and resilient business model supports delivery of strong net profit and operating cash flow.

The Company continues to unlock additional value and efficiencies from its extensive portfolio of assets, while leveraging progressive synergies from its shipping and logistics subsidiaries, Navig8 and Zakher Marine International (ZMI).



Captain Abdulkareem Al Masabi, CEO of ADNOC L&S, said: “ADNOC L&S continues to deliver robust financial results and significant business growth. Our recent acquisition of 80% of Navig8, and the integration of their capabilities into our expansive services portfolio, further strengthens our customer offerings and international footprint, unlocking new shareholder value. Moving forward, we will continue to deliver on our transformational growth strategy while leveraging cutting-edge technologies and AI solutions to further enhance operational efficiencies.”

Segmental Financial Performance for Q1 2025

Revenues from the Integrated Logistics segment increased to \$628 million (AED2,307 million), up 23% compared to Q1 2024. The increase was largely driven by higher revenues from Engineering, Procurement and Construction (EPC) projects including the Al Omairah Island and Hail & Ghasha projects, and improved utilization and rates earned from Jack-Up Barges (JUBs). Integrated Logistics' EBITDA rose by 15% to \$182 million (AED669 million) compared to Q1 2024.

Revenues from the Shipping segment increased 87% to \$469 million (AED1,722 million), compared to Q1 2024, driven primarily by the consolidation of revenue from the Navig8 tanker fleet. Shipping EBITDA increased 26% to \$143 million (AED527 million) compared to the same period last year, generating a robust EBITDA margin of 31%.

Revenues from the Services segment increased 9% to \$84 million (AED310 million) compared to Q1 2024. EBITDA from the Services segment grew 52% year-on-year to \$18 million (AED66 million), mainly driven by higher Borouge Container Terminal volumes and shares of profit from Integr8.

Strategic Update

In the first quarter of 2025, ADNOC L&S continued to accelerate its transformational growth strategy. In January, the Company completed an acquisition of an 80% stake in Navig8 for ~\$1 billion (AED3.7 billion), adding a modern fleet of 32 tankers and expanding the Company's services portfolio.

ADNOC L&S continues to secure its future earnings. The Company has added 340 years of newly contracted revenues against its recent order of energy-efficient vessels, including \$2.95 billion (AED10.8billion) invested into eight new Liquefied Natural Gas Carriers, nine Very Large Ethane Carriers, and four Very Large Ammonia Carriers.

Additional growth is driven by the Integrated Logistics business segment through long-term contracts and improved utilization for Jack-Up Barges (JUBs) in the UAE and the GCC region, including hire contracts for the deployment of 19 JUBs, and the acquisition and deployment of nine Offshore Support Vessels to support EPC projects.

Technology and AI Adoption

ADNOC L&S is at the forefront of leveraging cutting-edge technology and AI solutions to enhance operational efficiencies. A notable advancement is the enhancement of its Integrated Logistics Management System (ILMS), which is currently being upgraded to be powered by AI-driven tool. This transformation will significantly optimize vessel routes and schedules, enhance decision-making processes, and improve vessel utilization. Additionally, the Company has implemented SmartPort, an AI-enabled solution designed to digitalize and optimize pilotage and port operations, further solidifying its commitment to innovation and efficiency.

Financial Summary

USD Million	Q1 25	Q1 24	YoY %	Q4 24	QoQ %
Revenue	1,181	840	41%	881	34%
EBITDA ⁽¹⁾	344	286	20%	282	22%
Net Profit	185	194	-5%	180	3%
Net cash from Operating Activities	265	305	-13%	298	-11%

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

Outlook

The Company's EBITDA and Net Income guidance for 2025 are maintained, with continued strength and growth in Integrated Logistics business returns helping to offset weaker than anticipated Shipping results in Q1 due to weaker shipping market rates, with an improving outlook for rates. ADNOC L&S remains confident in its medium-term (2026-2029) guidance, reflecting its continued positive long-term growth and strategic expansion.

With increased market volatility, the Company has intensified value-efficiency initiatives and is also benefiting from strategic diversification of income streams and is focused on maintaining the benefits of long-term contracted income with high quality counterparties and portfolio balance as protections against downside risk in individual operating segments.



Growth Investments: After delivering significant committed growth in 2024, both organic and inorganic, the Company maintains its capital expenditure guidance, reflecting its commitment to long-term growth and strategic expansion. ADNOC L&S still anticipates an additional \$3 billion+ of value-accretive organic investment spend by 2029, beyond the projects already announced and incorporated in guidance, applying the same investment return criteria.

Dividend Policy: The Company's dividend policy remains unchanged with a projected total dividend payable for 2025 of \$287 million (a 5% increase from 2024 annualized dividend), in line with the stated progressive dividend policy and subject to relevant approvals.

Capital Structure: The Company targets a 2.0-2.5x net debt / EBITDA ratio over the medium term, with the recently committed Hybrid Capital Instrument, debt, and free cash flows after dividends, the primary funding sources for committed and anticipated growth investment.

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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 and solutions to more than 100 customers in over 50 countries. ADNOC L&S' key subsidiaries include Zakher Marine International Holdings (100% ownership), an Abu Dhabi-based owner and operator of offshore support vessels; and Navig8 (80% ownership), a global ship owner and commercial pools operator also offering bunkering and ship management solutions.

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

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