This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

OFFER TO SUBSCRIBE FOR SHARES IN A FREE ZONE COMPANY IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

Prospectus for the Public Offering of Shares in

ADNOC Logistics & Services plc (the "Company")

(a public company limited by shares incorporated in the Abu Dhabi Global Market ("ADGM") and subject to the ADGM Companies Regulations 2020 (as amended))

Dated: 10 May 2023

This is the prospectus (the "**Prospectus**") for the sale of 1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) ordinary shares with a nominal value of USD 0.54 each being equivalent to AED 1.983 each, representing 15% (Fifteen per cent) of the total issued shares in the share capital of the Company (the "**Offer Shares**"), to be offered by the Company's sole shareholder namely; Abu Dhabi National Oil Company (ADNOC) P.J.S.C (the "**Selling Shareholder**") in a public subscription in the United Arab Emirates (the "**UAE**") only. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche (as defined below) at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the Securities and Commodities Authority in the UAE (the "**SCA**" or the "**Authority**"). The offer price will be in AED and determined based on the offer price range (the "**Offer Price Range**"), which will be announced on the same day and before the opening of the Offer Period on **16 May 2023.** The Offer Shares will be duly and validly issued as at the date of listing (the "**Listing**") of the Shares on the Abu Dhabi Securities Exchange (the "**ADX**").

The final offer price (the "Final Offer Price") and the final offering size (the "Final Offer Size") will be announced after the closing of the subscription of the Second Tranche. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.

Except in the UAE only, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession,

circulation or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

The Company is not subject to UAE Federal Decree by Law No. 32 of 2021 concerning commercial companies (as amended) (the "**UAE Commercial Companies Law**"). The Authority is not responsible for the content of this Prospectus, or the information contained herein. The Company is subject to the ADGM Companies Regulations 2020 (as amended) (the "**Companies Regulations**") and other applicable rules and regulations in the ADGM. The ADGM Registration Authority (the "**ADGM Registration Authority**") is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" and the "Important Notice" sections of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

Offer Period

The Offer Period for the First Tranche, the Second Tranche, and the Third Tranche (as described in this Prospectus) starts on 16 May 2023 and will close on 23 May 2023 for the First Tranche and Third Tranche and on 24 May 2023 for the Second Tranche.

This is the initial public offering (the "**Offering**"), of 1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) Offer Shares in the capital of the Company, a public company limited by shares incorporated in the ADGM, which are being offered for sale by the Selling Shareholder. The Offer Shares are being offered for sale by the Selling Shareholder in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers.

If all of the Offer Shares are subscribed for and allocated, the Offer Shares will represent 15% (Fifteen per cent) of the total issued ordinary shares in the capital of the Company (the "**Shares**") (this percentage has been calculated based on the total number of Shares in the share capital of the Company). The Selling Shareholder reserves the right to amend the size of the Offering and the size of each Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA. Prior to this Offering, the Shares have not been listed on any financial market and there has been no public market for the Shares. Following the closing of the Offer Periods in respect of the First Tranche, the Second Tranche and the Third Tranche and accepting the subscription for Shares, the Company will apply to list its Shares on the ADX.

Date of the SCA's approval of publishing this Prospectus: 9 May 2023

This Prospectus contains data that has been submitted in accordance with the rules

for issuance and disclosure issued by the SCA in the United Arab Emirates and publishing this Prospectus has been approved by the SCA on 9 May 2023. However, the SCA's approval of publishing this prospectus does not constitute an endorsement of the feasibility of investment in the Offer Shares nor a recommendation to subscribe to the Offer Shares; the approval only confirms that this Prospectus contains the minimum information required in accordance with the applicable rules issued by the SCA with respect to prospectuses. The SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and the SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the company's board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in this Prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable enquiries, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the Subscribers or which may influence their decision to invest.

Method of offer and sale of the Offer Shares in a public subscription:

The Offer Shares represent 1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) Shares, which will be offered for sale by the Selling Shareholder in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers. The Selling Shareholder reserves the right to amend the size of the Offering and the size of each Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of SCA.

In creating the subscription orders ledger, the Offer Shares subscribed to by the Second Tranche Subscribers will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Second Tranche Subscribers must not be less than 60%, and the subscription percentage of First Tranche and Third Tranche Subscribers must not be more than 40% of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. If the Third Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the First Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche and the Third Tranche Subscribers for the Offering and any accrued profit on such amounts one day after the subscription closing until one day prior to the refund to the First Tranche and Third Tranche Subscribers, provided that the refund is made within five working days from the date on which all allocations of Offer Shares to successful First Tranche and Third Tranche Subscribers is determined.

The Selling Shareholder may not, whether directly or indirectly or through any of its subsidiaries, subscribe for any of the Offer Shares.

Book Building Mechanism

Book building is a mechanism carried out during the Offering which assists in determining the Final Offer Price.

The book building process comprises these steps:

1. The company whose shares are to be listed hires one or more investment banks who are tasked with assisting the company in determining the price range at which the shares can be sold.

2. The appointed investment banks invite certain qualified investors, typically institutional and sophisticated investors and fund managers, to submit bids for the number of shares that they are interested in buying and the prices at which they would be willing to pay for such shares. The qualified investors' bids are recorded in a register specifically for recording the subscription orders for the shares being offered.

3. The book is 'built' by listing and evaluating the aggregated demand for the issue from the submitted bids. The investment banks analyse the subscription orders register from qualified investors and, based on that analysis, determine with the company and its selling shareholder(s) the final price for the shares, which is termed the final offer price.

4. Shares are then allocated to the accepted qualified investor bidders, at the discretion of the company and its selling shareholder(s).

Listing Advisor

First Abu Dhabi Bank PJSC has been appointed to be the Listing Advisor of the Company (in accordance with the requirements for that role as described in Article 33 (Second) (14) of the Offering Regulations) for a period of twelve (12) months from the date of Listing.

A list of further definitions and abbreviations is provided in the "**Definitions and Abbreviations**" Section of this Prospectus.

Tranche Structure

A. First Tranche

The First Tranche offer will be made pursuant to this Prospectus, 9% (nine per cent) of the Offer Shares, representing 99,879,734 (ninety nine million eight hundred seventy nine thousand seven hundred thirty four) Shares, are allocated to the First Tranche. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares, subject to the limits and conditions set out in this Prospectus. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. Shares in the First Tranche available for allocation in excess of the aggregate minimum guaranteed allocation shall be allocated on a pro-rata basis. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval. The First Tranche is restricted to the following persons:

- ***Individual Subscribers***

Natural persons (including natural persons constituting Assessed Professional Investors) who do not participate in the Second Tranche and the Third Tranche) who hold a NIN with the ADX and have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the "**US Securities Act**"). There is no citizenship or residence requirements in order to qualify as an Individual Subscriber.

Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- ***Other investors***

Other investors (companies and establishments) who do not participate in the Second Tranche and the Third Tranche and who have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act).

All First Tranche Subscribers must hold a NIN with the ADX.

The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche, and the Third Tranche does not exceed 40% of the Offer Shares in aggregate.

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be available to Second Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche, and the Third Tranche, and/or (ii) close the Offering at the level of applications received.

The minimum application size for subscribers in the First Tranche is AED 5,000 (five thousand UAE dirhams) with any additional application to be made in increments of AED 1,000 (one thousand UAE dirhams). Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the total number of Shares available in the First Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the number of Shares applied for by the said Subscriber in the First Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

Multiple applications in the Third Tranche under the same NIN number will be aggregated and the minimum guaranteed allocation will be applied once only and the additional subscribed shares remaining after the minimum allocation (if any) will be allocated on a pro-rata basis.

There is no maximum application size for subscribers in this Tranche.

B. Second Tranche

The Second Tranche offer will be made pursuant to the Second Tranche Document, 88% (eighty eight per cent) of the Offer Shares, representing 976,601,838 (nine hundred seventy six million six hundred one thousand eight hundred thirty eight) Shares, are allocated to the Second Tranche, which is restricted to "**Professional Investors**" (as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time)), which specifically include those investors which can be categorised in the following manner:

- ***"Deemed Professional Investors"*** *which include**:***

a. international corporations and organisations whose members are state, central banks or national monetary authorities;

b. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them;

c. central banks or national monetary authorities in any country, state or legal authority;

d. capital market institutions licensed by the SCA or regulated by a supervisory authority equivalent to the SCA;

e. financial institutions;

f. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds;

g. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions;

h. any company whose shares are listed or accepted to trade in any market of an IOSCO member country;

i. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more;

j. licensed family offices with assets of AED 15,000,000 or more;

k. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans); and

l. a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements:

   (i) holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities);

(ii) has a net annual revenue of AED 150,000,000 or more; or

(iii) an aggregate total of cash and investments on its balance sheet; or total equity (after deducting paid up share capital), of not less than AED 7,000,000.

- ***"Service-Based Professional Investors",*** *which include:*

a. Any person conducting an activity involving the provision of credit facilities for commercial purposes for:

(i) an undertaking;

(ii) a person in control of an undertaking;

(iii) any member of the group to which the undertaking belongs; or

(iv) any joint investment venture in which the undertaking is a partner.

b. A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies.

- ***"Assessed Professional Investors"*** *which include:*

a. a natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a "HNWI");

a natural person who is:

(i) approved by the SCA or a similar supervisory authority;

(ii) an employee of a licensed entity or a regulated financial institution who has been employed for the past two years;

(iii) assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or

(iv) represented by an entity licensed by the SCA;

b. a natural person (the "account participant") with a joint account for investment management with a HNWI (the "main account holder"), provided that each of the following conditions are satisfied:

(i) the account participant must be an immediate or second degree relative of the main account holder;

(ii) the account is used to manage the investments of the main account holder and their subscribers; and

(iii) written confirmation is obtained from the subscriber (i.e. the account participant) confirming that investment decisions relating to the joint investment account are made on their behalf by the main account holder;

c. special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI;

d. an undertaking which satisfies the following requirements:

(i) maintain an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), is not less than AED 4,000,000; and

(ii) has sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and

e. an undertaking which:

(i) has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors),

(ii) is a holding or subsidiary company; or

(iii) is a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor.

who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited in connection with any Offering to natural persons) and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the US Securities Act ("**Rule 144A**") and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (c) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (d) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory Authority (the "**FSRA**") Financial Services and Markets Regulations (the "**FSMR**") and the FSRA Market Rules and made only to persons who are "Professional Clients" as defined in the ADGM Conduct of Business Rulebook.

All Second Tranche Subscribers (Professional Investors) must hold a NIN with the ADX.

If all of the Offer Shares in the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The minimum application size for the Second Tranche Subscribers (Professional Investors) is AED 5,000,000 (five million UAE dirhams).

There is no maximum application size for the Second Tranche Subscribers (Professional Investors).

C. Third Tranche

The Third Tranche offer will be made pursuant to this Prospectus, 3% (three per cent) of the Offer Shares, representing 33,293,245 (thirty three million two hundred ninety three thousand two hundred forty five) Shares are allocated to the Third Tranche. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 2,500 (two thousand five hundred) Shares, subject to the limits and conditions set out in this Prospectus. The final minimum guaranteed allocation for each Subscriber in the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval. Shares in the Third Tranche available for allocation in excess of the aggregate minimum guaranteed allocation shall be allocated on a pro-rata basis. The Third Tranche is restricted to the following persons:

Natural persons (including Assessed Professional Investors (as described under the Second Tranche)), who hold a NIN with the ADX and have a bank account and do not participate in the First Tranche nor the Second Tranche and who are;

- the relevant individuals employed by any of the ADNOC Group Companies residing in the UAE ("**ADNOC Group Companies Employees**"); or

- retired employees of the ADNOC Group Companies who are UAE nationals and residing in the UAE ("**UAE National Retirees**").

If all of the Offer Shares in the Third Tranche are not fully subscribed for, the unsubscribed Offer Shares will be available to the First Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche and/or (ii) close the Offering at the level of subscriptions received.

The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the Second Tranche Subscribers does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% of the Offer Shares in aggregate.

All Third Tranche Subscribers must hold a NIN with the ADX.

The minimum application size for subscribers in this Tranche is AED 5,000 with any additional application in increments of at least AED 1,000. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 2,500 (two thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the total number of Shares available in the Third Tranche; and (ii) the number of Shares allocated to any single Subscriber in the Third Tranche pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the number of Shares applied for by the said Subscriber in the Third Tranche based on the Final Offer Price.

The final minimum guaranteed allocation for each Subscriber in the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

Multiple applications in the Third Tranche under the same NIN number will be aggregated and the minimum guaranteed allocation will be applied once only and the additional subscribed shares remaining after the minimum allocation (if any) will be allocated on a pro-rata basis.

There is no maximum application size for subscribers in the Third Tranche.

Every Subscriber in any of the above-mentioned Tranches must hold a NIN with ADX and a bank account number in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one Tranche. In the event a person applies for Offer Shares in more than one Tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the Authority has been obtained for publication of the Prospectus for the offer and sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). Other than in the ADGM, the Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the Authority.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not sighted or endorsed by the Authority, will be available at www.adnoc.ae/en/adnoc-ls , https://adnoc.ae/en/adnocls-ipo. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into this Prospectus.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" section of the Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

This Prospectus was issued on 10 May 2023

This Prospectus is available on the website of the Company at
www.adnoc.ae/en/adnoc-ls
https://adnoc.ae/en/adnocls-ipo

Name and Contact Details of the Offer Participants

JOINT LEAD MANAGERS

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park, AlQurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

Abu Dhabi Commercial Bank PJSC

Shaikh Zayed Street

P.O. Box 939

Abu Dhabi, United Arab Emirates

EFG Hermes UAE LLC

Office 106, the Offices 3, One Central, DWTC

P.O. Box 112736

Dubai, United Arab Emirates

HSBC Bank Middle East Limited

HSBC Tower, Level 18

Downtown Dubai, P.O. Box 66

Dubai, United Arab Emirates

LEAD RECEIVING BANK

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park, AlQurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

RECEIVING BANKS

As per the list of banks attached in Annex (3) to this Prospectus.

Listing Advisor

First Abu Dhabi Bank PJSC

FAB Building

Khalifa Business Park, AlQurm District

P.O. Box 6316

Abu Dhabi, United Arab Emirates

IPO SUBSCRIPTION LEGAL COUNSEL

Legal advisor to the Company as to English, U.S. and ADGM law

Shearman & Sterling LLP

Etihad Towers

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Corniche Road

P.O. Box 2948

Abu Dhabi, UAE

Legal advisor to the Company as to UAE law

IBRAHIM & PARTNERS

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ADGM Square

Tel: (971) 2694 8668

E-mail: Info@inp.legal

P.O. Box 5100746

Abu Dhabi, United Arab Emirates

Legal advisor to the Joint Lead Managers as to English, U.S., UAE, and ADGM law

Allen & Overy LLP

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Abu Dhabi, United Arab Emirates

AUDITORS TO THE COMPANY

PricewaterhouseCoopers (Abu Dhabi Branch)

Al Khatem Tower, Level 25

Abu Dhabi Global Market

P.O Box 45263

Abu Dhabi, United Arab Emirates

IPO SUBSCRIPTION AUDITORS

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Investor Relations

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+971 2 602 8520

P.O. Box 61,

Abu Dhabi, United Arab Emirates

Company's Website:
https://adnoc.ae/en/adnocls-ipo
www.adnoc.ae/en/adnoc-ls

This Prospectus was issued on 10 May 2023

IMPORTANT NOTICE

(To be carefully read by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this Prospectus in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, Section 8 ("**Investment Risks"**) as well as the Articles of Association of the Company, when considering making an investment in the Company.

- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offer, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.

- Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche and Third Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

- The contents of this Prospectus should not be construed as legal, financial or tax advice.

- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revision or addition by publication in two daily newspapers in accordance with the rules issued by the Authority. The Selling Shareholder reserves the right to cancel the Offering at any time and at their sole discretion with the prior written approval of the SCA.

- The Offer Shares are being offered for sale under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).

- This Prospectus is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the SCA.

- If the Offer Shares are offered in another jurisdiction, the Company shall offer the Offer Shares in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction.

- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the FSRA Markets Rules or the DIFC Markets Law or under the DIFC Markets Rules.

- The Offer has not been approved or licensed by the FSRA or DFSA and does not constitute an offer of securities in the ADGM in accordance with the FSRA Markets Rules or in the DIFC in accordance with the DIFC Markets Law or the DIFC Markets Rules.

- The publication of this Prospectus has been approved by the SCA. The SCA's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to the prospectus and issued by the SCA have been met. The SCA and the ADX shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.

The publication of this Prospectus was approved on 9 May 2023.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

As at the date of this Prospectus, ADNOC holds 100% of the Company's issued share capital. The Company was incorporated in the ADGM on 19 April 2023 for the purpose of facilitating the Listing of Abu Dhabi Marine Business and Services Company PJSC ("**ADNOC L&S**"). The Company holds 100% of the issued share capital of ADNOC L&S.

ZMI Holdings Acquisition

On 1 November 2022, ADNOC L&S completed the acquisition of 100% of the share capital of ZMI Holdings, the owner and operator of a large active fleet of offshore jack-up barges and offshore support vessels (the "**ZMI Holdings Acquisition**"). ZMI Holding's financial results since 1 November 2022 are reflected in ADNOC L&S's consolidated financial statements as at and for the year ended 31 December 2022. Accordingly, the financial results of ADNOC L&S as at and for the three-month period ended 31 March 2022 and for each of the years ended 31 December 2022, 2021 and 2020 are not fully comparable with the financial results for the periods following the ZMI Holdings Acquisition. ZMI Holdings will continue to operate as a wholly-owned subsidiary of ADNOC L&S. See Note 29 to the audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 for further details of the ZMI Holdings Acquisition.

Presentation of Financial Information

This Prospectus contains the following financial statements and information.

The Company

At the time of this Prospectus, the Company has had limited corporate activity since its formation and has not prepared any financial statements. Consequently, no standalone financial information of the Company is presented in this Prospectus.

ADNOC L&S

(a) The audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 and the audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2021 (which includes unaudited comparative financial information as at and for the year ended 31 December 2020) (the "**ADNOC L&S Annual Financial Statements**"), and

(b) The unaudited interim condensed consolidated financial information of ADNOC L&S as at and for the three-month period ended 31 March 2023 (which includes the unaudited comparative financial information for the three-month period ended 31 March 2022) (the "**ADNOC L&S Interim Financial Information**" and, together with the ADNOC L&S Annual Financial Statements, the "**ADNOC L&S Financial Statements**").

The ADNOC L&S Annual Financial Statements have been prepared in accordance with the requirements of International Financial Reporting Standards ("**IFRS**") and interpretations issued by the IFRS Interpretations Committee ("**IFRS IC**") applicable to companies reporting

under IFRS as issued by the International Accounting Standard Board ("**IASB**"). The ADNOC L&S Interim Financial Information has been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting'.

ZMI Holdings

(a) The audited special purpose consolidated financial statements of ZMI Holdings as at and for the year ended 31 December 2021 and 2020) (the "**ZMI Holdings Annual Financial Statements**"), and

(b) The unaudited interim condensed consolidated financial information of ZMI Holdings as at and for the ten-month period ended 31 October 2022 (which includes unaudited comparative financial information for the ten-month period ended 31 October 2021) (the "**ZMI Holdings Interim Financial Information**" and, together with the ZMI Holdings Annual Financial statements, the "**ZMI Holdings Financial Statements**").

The ZMI Holdings Annual Financial Statements have been prepared in accordance with IFRS as issued by the IASB, under the historical cost convention, except for the redefined benefit obligation which is recognised at the present value of future obligations using the projected unit credit method.

For the purpose of these special purpose consolidated financial statements, USD is the functional and presentation currency of the ZMI Holdings group.

In 2021, the ZMI Holdings was restructured to enable it to prepare consolidated financial statements. The new group was established as ZMI Holdings Group with the parent entity being ZMI Holdings.

The ZMI Holdings Annual Financial Statements are the first set of special purpose consolidated financial statements for this restructured ZMI Holdings group under IFRS. As described in Note 1 to the ZMI Holdings Annual Financial Statements, this is accounted for as a capital reorganisation under IFRS and as such even though this may be the first set of financial statements, the requirements of IFRS 1 - First Time Adoption of IFRS ("**IFRS 1**") do not apply as the ZMI Holdings group had prepared combined IFRS financial statements for the years ended 31 December 2021 and 2020.

The ZMI Holdings Annual Financial Statements are prepared by management of ZMI Holdings for ADNOC L&S solely for the purpose of inclusion in this Prospectus in connection with the Offering and therefore special purpose in nature. The ZMI Holdings Interim Financial Information has been prepared in accordance with IAS 34 – Interim Financial Reporting.

Unaudited Pro Forma Financial Information

The Prospectus includes the unaudited pro forma statement of comprehensive income of ADNOC L&S for the year ended 31 December 2022 prepared to illustrate the impact of the ZMI Holdings Acquisition on the consolidated statement of comprehensive income of ADNOC L&S as if the ZMI Holdings Acquisition had taken place on 1 January 2022 (the "**Unaudited Pro Forma Financial Information**").

The Unaudited Pro Forma Financial Information presented in this Prospectus has been

derived from the ADNOC L&S Annual Financial Statements and the ZMI Holdings Interim Financial Information, included elsewhere in this Prospectus.

The Unaudited Pro Forma Financial Information has been prepared in accordance with the applicable accompanying notes to the Unaudited Pro Forma Financial Information as described in the notes thereto and has been compiled in a manner consistent with the accounting policies used in the preparation of ADNOC L&S Annual Financial Statements, which has been prepared in accordance with the IFRS.

The historical financial statements of ADNOC L&S and ZMI Holdings are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and there are no differences between the accounting policies applied in preparing the historical consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 and ZMI Holdings interim condensed consolidated financial information as at and for the ten-month period ended 31 October 2022. Therefore no pro forma adjustments have been made to the Unaudited Pro Forma Financial Information to reflect alignment of accounting policies.

The Unaudited Pro Forma Financial Information is based on available information and certain assumptions that management believes are reasonable under the circumstances. The unaudited pro forma adjustments give effect to events that are directly attributable to the ZMI Holdings Acquisition, are factually supportable, and are expected to have a continuing impact on the consolidated comprehensive income of the ADNOC L&S. The unaudited pro forma adjustments and related assumptions are described in the accompanying notes to the Unaudited Pro Forma Financial Information.

The Unaudited Pro Forma Financial Information has been prepared by, and is the responsibility of, the Company's management. It should be read together with the information included under the headings "*Selected Unaudited Pro Forma Financial Information and Other Adjusted Unaudited Pro Forma Financial Information Data*", "*Selected Historical Financial and Key Operating Information*", "*Use of Offer Proceeds*", the ADNOC L&S Annual Financial Statements and the ZMI Holdings Interim Financial Information included elsewhere in this Prospectus.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only. Due to its nature, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the ADNOC L&S's actual financial performance and may not give a true picture of its financial performance. In addition, the Unaudited Pro Forma Financial Information does not reflect forward-looking information and is not intended to present the expected future results of ADNOC L&S, given that it has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the ZMI Holdings Acquisition, applied to the historical financial information of ADNOC L&S. Further, the Unaudited Pro Forma Financial Information does not take into account the potential effects resulting from changes in management strategy and operational decisions resulting from the ZMI Holdings Acquisition. The Unaudited Pro Forma Financial Information does not purport to project the Group's results of operations for any future period and it also does not reflect the impact of any potential synergies deriving from the transaction.

The Unaudited Pro Forma Financial Information has not been prepared in accordance with

Regulation S-X of the Securities Act. Neither the assumptions underlying the pro forma adjustments, nor the resulting Unaudited Pro Forma Financial Information have been audited or reviewed in accordance with any generally accepted auditing standards. Any reliance you place on this information should fully take this into consideration.

The Unaudited Pro Forma Financial Information set out in this Prospectus is based on available information and certain assumptions and estimates that we believe to be reasonable and may differ materially from the actual amounts that would have been achieved had the ZMI Holdings Acquisition occurred on the respective date mentioned above. The Unaudited Pro Forma Financial Information does not include all information required for financial statements under IFRS and should be read in conjunction with the ADNOC L&S Financial Statements and the ZMI Holdings Financial Statements included elsewhere in this Prospectus.

Non-IFRS Measures

We present in this Prospectus certain financial measures of ADNOC L&S that are not defined, and thus not calculated, in accordance with IFRS, or any other generally accepted accounting principles to assess the financial performance of our business that are termed "non-IFRS measures" because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, or are calculated using financial measures that are not calculated in accordance with IFRS. These non-IFRS measures include Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Capital Expenditure, Capital Expenditure as a percentage of revenue, EBITDA, EBITDA Margin, Free Cash Flow, Levered Free Cashflow, Net Debt and Cash, Net Debt and Cash / EBITDA, Net Debt and Cash / Adjusted EBITDA, Operating Free Cash Flow and Total Working Capital Adjustments. We present non-IFRS measures because we believe that these and other similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Because these non-IFRS measures are not standardised, these may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. An explanation of the relevance of each of the non-IFRS measures, a reconciliation of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out below We do not regard these non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

We define:

- "**Adjusted EBITDA**" as EBITDA adjusted for pension adjustment.
- "**Adjusted EBITDA Margin**" as Adjusted EBITDA as a percentage of revenue for the period presented.
- "**Adjusted Net Income**" as profit for the period adjusted for pension adjustment.
- "**Capital Expenditure**" as purchase of property, plant and equipment.

- "**Capital Expenditure as a percentage of revenue**" as Capital Expenditure as a percentage of revenue for the period.

- "**EBITDA**" as profit before income tax, finance costs, finance income, depreciation and amortisation.

- "**EBITDA Margin**" as EBITDA as a percentage of revenue for the period.

- "**Free Cash Flow**" as Operating Free Cash Flow less Capital Expenditure.

- "**Levered Free Cash Flow**" as Free Cash Flow less interest paid on shareholder loans.

- "**Net Debt and Cash**" as debt and debt-like items consisting of shareholder loan and current and non-current lease liabilities less cash and cash equivalent balances.

- **"Net Debt and Cash / EBITDA"** as Net Debt and Cash divided by EBITDA for the period.

- **"Net Debt and Cash / Adjusted EBITDA"** as Net Debt and Cash divided by Adjusted EBITDA for the period.

- "**Operating Free Cash Flow**" as Adjusted EBITDA and Total Working Capital Adjustments less income tax expense.

- "**Total Working Capital Adjustments**" as the sum of working capital adjustments – inventories, working capital adjustments – trade and other receivables, working capital adjustments – due from related parties, working capital adjustments – trade and other payables, working capital adjustments – pension liabilities paid and working capital adjustments – due to related parties.

Unaudited Pro Forma Non-IFRS Measures

In respect of the year ended 31 December 2022, EBITDA and EBITDA Margin are also presented in this Prospectus on a pro forma basis to illustrate the impact of the ZMI Holdings Acquisition had it occurred on 1 January 2022.

We define:

- "**Pro forma EBITDA**" as pro forma profit for the year before pro forma income tax, pro forma finance costs, pro forma finance income, pro forma depreciation and pro forma amortisation.

- "**Pro forma EBITDA Margin**" as Pro forma EBITDA as a percentage of pro forma revenue for the year.

Adjusted Unaudited Pro Forma Non-IFRS Measures

In respect of the year ended 31 December 2022, pro forma profit for the year and Pro forma EBITDA are further adjusted to remove the impact of the loss on sale of vessels, plant and equipment as recognised in the ZMI Holdings Interim Financial Information as at and for the

ten-month period ended 31 October 2022.

We define:

- "**Adjusted pro forma EBITDA**" as Pro forma EBITDA before the loss on sale of vessels, plant and equipment.

- "**Adjusted pro forma EBITDA Margin**" as Adjusted pro forma EBITDA as a percentage of pro forma revenue for the year.

- "**Adjusted pro forma Net Income**" as pro forma profit for the year before the loss on sale of vessels, plant and equipment.

- "**Net Debt and Cash / Adjusted pro forma EBITDA**" as Net Debt and Cash divided by Adjusted pro forma EBITDA for the year ended 31 December 2022.

When reviewing performance, the Board uses a combination of both IFRS measures and non-IFRS measures. The adjusted performance measures provide additional information in line with how financial performance is measured by management and reported to our Board. We believe that non-IFRS measures are a useful indicator of our ability to incur and service our indebtedness and can assist certain investors, security analysts and other interested parties in evaluating us. You should exercise caution in comparing the non-IFRS measures as reported by us to non-IFRS measures of other companies. Non-IFRS measures have limitations as an analytical tool, and you should not consider them in isolation. Some of these limitations include the following: (i) they do not reflect our future requirements for capital expenditures or contractual commitments; (ii) they do not reflect future changes in, or cash requirements for, our working capital needs; (iii) they do not reflect the interest expense, or the cash requirements necessary, to service interest or principal payments on our debt; and (iv) although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised will often need to be replaced in the future and non-IFRS measures do not reflect any cash requirements that would be required for such replacements

None of such non-IFRS measures or any of the other non-IFRS financial measures is a measurement of performance or liquidity under IFRS or any other generally accepted accounting principles and prospective investors should not consider such non-IFRS measures or any of the other non-IFRS financial measures as an alternative to net income, operating profit or other financial measures determined in accordance with IFRS or other generally accepted accounting principles. Such non-IFRS measures and the other non-IFRS financial measures described in this Prospectus are unaudited and the presentation of these measures is not intended to and does not comply with the reporting requirements of the SEC and will not be subject to review by the SEC; compliance with its requirements would require us to make changes to the presentation of this information. Accordingly, prospective investors should not place undue reliance on such non-IFRS measures the other non-IFRS financial measures contained in this Prospectus. The financial information included in this Prospectus is not intended to comply with the SEC requirements.

The reconciliations of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS, or calculations of such non-IFRS Measures, as applicable, are set out in "*Selected Historical Financial and Key Operating*

Information" and "*Selected Unaudited Pro Forma Financial Information and Other Adjusted Unaudited Pro Forma Financial Information Data".*

Currency presentation

Unless otherwise indicated, all references in this document to:

"**UAE dirham**" or "**AED**" are to the lawful currency of the United Arab Emirates; and

"**US dollar**" or "**USD**" are to the lawful currency of the United States of America.

The value of the UAE dirham has been pegged to US dollar at a rate of AED 3.6725 per USD 1 since 1997. All AED/USD conversions in this Prospectus have been calculated at this rate.

Rounding

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100%.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements. The forward-looking statements contained in this Prospectus speak only as of the date of this Prospectus. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “would”, “risk”, “intends”, “estimates”, “aims”, “plans”, “targets” “predicts”, “continues”, “assumes”, “positioned”, “anticipates” “potential” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this Prospectus to reflect any change in beliefs or expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material statement in this Prospectus; or (ii) by applicable laws of the UAE.

Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to Section 8 (“**Investment Risks**”) for further information.

IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus. Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed "**Investment Risks**") as well as the Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorized to give any information or to make any representation or warranty in connection with the Offer or the Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorized by the Company, the Selling Shareholder or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorized by the Company, the Selling Shareholder, the Joint Lead Managers, the Joint Bookrunners or any other Offer Participant, or any other of the Company's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks set out on pages 11 and 12, are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE. Neither HSBC Bank Middle East Limited nor any of its respective affiliates is responsible for participating in, marketing or managing any aspect of the Offering to natural persons (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche).

Neither the content of the Company's website or any other website referred to in the Prospectus, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholder, any other Offer Participant, nor any Advisor bears or accepts any responsibility for the contents of such websites.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, or the Advisors accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers or the Advisors makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholder, any of the Offer Participants, the Joint Lead Managers or the Advisors warrants or guarantees the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

This Prospectus will not be subject to revision, unless the prior written approval of the SCA is received. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the SCA, to withdraw the Prospectus and cancel the Offer at any time and in its sole discretion. If the Offer is withdrawn, the subscription amounts will be fully refunded to the Subscribers, along with any accrued profits. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this Prospectus or that the information in it is correct as of any subsequent time.

First Abu Dhabi Bank PJSC has been appointed as listing advisor ("**Listing Advisor**") and First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited, EFG Hermes UAE LLC, and Abu Dhabi Commercial Bank PJSC have been appointed as joint lead managers (the "**Joint Lead Managers**"), each of whom is licensed by the SCA, and will manage the issuance, marketing and promotion of the Offer Shares in the UAE and coordinate with the Company, the SCA and the other Offer Participants with regard to the offering of the Offer Shares in the UAE. First Abu Dhabi Bank PJSC has also been appointed as the lead receiving bank (the "**Lead Receiving Bank**") and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche, the Second Tranche and the Third Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited, EFG Hermes UAE LLC, Abu Dhabi Commercial Bank PJSC, and a syndicate of regional and international banks have been appointed as joint bookrunners (the "**Joint Bookrunners**"). Neither HSBC Bank Middle East Limited nor any of its affiliates are participating in receiving the subscription funds or bookrunnings or otherwise participating in, or managing, any aspect of the Offering to natural persons (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche).

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Prospectus) as a client to any of the Offer Participants in relation to the Offer. Whereas each Offer Participant shall be liable, including the Selling Shareholder and the Board members, with regard to the completeness and accuracy of the information

contained in this Prospectus, within the limits of the scope of work and expertise of each Offer Participant.

The Joint Lead Managers and the other Offer Participants may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Offer Participants and the Company do not constitute any conflict of interest between them.

The Board members of the Company whose names are set out in this Prospectus assume joint and several responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that, they have carried out appropriate due diligence investigations, that the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the SCA.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis, having reviewed the information contained in this Prospectus (in its entirety) that has been provided by the Selling Shareholder and the Board members of the Company whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus, or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where any action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholder, any of the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, or the Advisors accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including electronic mail. None of the Company, the Selling Shareholder, the other Offer Participants, the Joint Lead Managers the Joint Bookrunners, or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers or the Joint Bookrunners under the regulatory regime of any jurisdiction where

the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Lead Managers, the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accepts any responsibility whatsoever or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this Prospectus or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Lead Managers, the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accordingly disclaims all and any responsibility or liability whatsoever which it might otherwise have in respect of this Prospectus or any such statement or the public offering of the Offer Shares in the UAE generally.

The publication of the Prospectus was approved by the SCA on 9 May 2023.

Definitions and Abbreviations

AD DED	Abu Dhabi Department of Economic Development.
ADGM	Abu Dhabi Global Market.
ADNOC	Abu Dhabi National Oil Company (ADNOC) P.J.S.C., a leading diversified energy group.
ADNOC L&S or Abu Dhabi Marine Business and Services	Abu Dhabi Marine Business and Services Company PJSC.
ADNOC Group Companies	ADNOC and the group of companies owned by ADNOC.
ADNOC Group Companies Employees	The relevant individuals employed by any of the ADNOC Group Companies.
ADX	Abu Dhabi Securities Exchange in the UAE.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Articles of Association	The articles of association of the Company, as set out in Annex 2.
ADNOC L&S Annual Financial Statements	The audited consolidated financial statements of ADNOC L&S as at and for the years ended 31 December 2022 and the audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2021 (which includes the unaudited comparative financial information as at and for the year ended 31 December 2020).
ADNOC L&S Financial Statements	The ADNOC L&S Annual Financial Statements and the ADNOC L&S Interim Financial Information.
ADNOC L&S Interim Financial Information	The unaudited reviewed interim condensed consolidated financial information of ADNOC L&S as at and for the three-month period ended 31 March 2023 (which includes the unaudited comparative financial information for the three-month period ended 31 March 2022).
ADNOC LNG	Abu Dhabi Gas Liquefaction Company Limited.
ADNOC Offshore	Abu Dhabi Company for Offshore Petroleum Operations Limited.

ADNOC Onshore	Abu Dhabi Company for Onshore Petroleum Operations Limited.
Authority or SCA	The Securities and Commodities Authority of the United Arab Emirates.
Board or Board of Directors	The board of directors of the Company.
Closing Date	23 May 2023 for the First Tranche and the Third Tranche and 24 May 2023 for the Second Tranche.
Companies Regulations	ADGM Companies Regulations 2020 (as amended).
Company	ADNOC Logistics & Services plc, a public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
DFSA	Dubai Financial Services Authority in the UAE.
DIFC	Dubai International Financial Centre.
Directors	The Executive Directors and the Non-Executive Directors.
Electronic Applications	Applications via internet / mobile / FTS banking / and ATMs as provided by the Receiving Banks and ADX to the First Tranche and the Third Tranche Subscribers.
EU	The European Union.
European Economic Area	The market consisting of the EU member states and EFTA states.
Executive Directors	The executive Directors of the Company.
Expression of Interest (EOI)	The platform for registering interest in the Offering by the Third Tranche Subscribers in order to be eligible for allotment in the Third Tranche.
Final Offer Price	The offer price at which all the Subscribers in the First Tranche, the Second Tranche, and the Third Tranche will purchase each Offer Share will be at the Final Offer Price. The Final Offer Price of each Offer Share will be determined following a bookbuild process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholder and the Company. The shares of the Second Tranche Subscribers must represent all of the Offer Shares

	used to calculate the Final Offer Price of each Offer Share. Following closing of the Second Tranche, the Company will publish an announcement setting out the Final Offer Price (the "**Offer Price Announcement**"), on the following website: https://adnoc.ae/en/adnocls-ipo , www.adnoc.ae/en/adnoc-ls
Financial year	The financial year of the Company starts on 1 January and ends on 31 December of each year.
First Tranche	The Offering of the Offer Shares in the UAE to First Tranche Subscribers.
First Tranche Subscribers	Individual Subscribers and other investors (including natural persons, companies and establishments) who do not participate in the Second Tranche and the Third Tranche and who hold a NIN with the ADX and have a bank account.
FSMR	Financial Services and Markets Regulations 2015.
FSRA	ADGM Financial Services Regulatory Authority.
FTS	UAE Central Bank Fund Transfer ("**FTS**") mode.
GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
Governance Rules	The Chairman of the SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Guide (as amended from time to time).
Group, our, us or we	The Company and its subsidiaries.
IFRS	International Financial Reporting Standards.
Individual Subscribers	Natural persons who hold a NIN with the ADX and have a bank account (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There are no citizenship or residence requirements.
Joint Bookrunners	First Abu Dhabi Bank PJSC, EFG Hermes UAE LLC, Abu Dhabi Commercial Bank PJSC, and a syndicate of regional and international banks have been

	appointed as joint bookrunners.
Joint Lead Managers	First Abu Dhabi Bank PJSC; HSBC Bank Middle East Limited; EFG-Hermes UAE LLC; and Abu Dhabi Commercial Bank PJSC.
Lead Receiving Bank	First Abu Dhabi Bank PJSC
Listing	The listing of the Shares to trading on the ADX.
Listing Advisor	First Abu Dhabi Bank PJSC
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the United Arab Emirates.
Maximum Investment	No maximum subscription in Offer Shares has been set.
MENA	Middle East and North Africa.
Minimum Investment	The minimum subscription for Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 (five thousand UAE dirhams), with any additional investment to be made in increments of at least AED 1,000 (one thousand UAE dirhams). The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE dirhams) (see the section on "**Subscription Amounts**" in the first section of this Prospectus for further details).
NIN	A unified investor number that a Subscriber must obtain from ADX for the purposes of subscription.
Non-Executive Directors	The non-executive Directors of the Company.
Offer Participants	The entities listed on pages 11 and 12 of this Prospectus.
Offer Period	The subscription period for the First Tranche and the Third Tranche starts 16 May 2023 and will close on 23 May 2023. The subscription period for the Second Tranche starts on 16 May 2023 and will close on 24 May 2023.
Offer Price Range	The Offer Shares are being offered at an offer price range in AED that will be published on the first day and

	before opening of the Offer Period.
Offer Shares	1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA.
Offering or Offer	The public subscription of 1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) Shares of the total Shares of the Company which are being offered for sale by the Selling Shareholder. The Selling Shareholder reserves the right to amend the size of the Offering and the size of any Tranche at any time prior to the end of the subscription period in its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA.
Offering Regulations	SCA Chairman of the Board Resolution No. (11/R.M) of 2016 on the Regulations for Issuing and Offering Shares of Public Joint Stock Companies, as amended.
Professional Client	Persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module.
Professional Investors	"**Professional Investors**" (as defined in the SCA Board of Directors' Chairman Decision No.13/R.M of 2021 (as amended from time to time), which specifically include those investors which can be categorised in the following manner: 1. **"Deemed Professional Investors"** which include: a. international corporations and organisations whose members are states, central banks or national monetary authorities; b. governments, government institutions, their investment and non-investment bodies and companies wholly owned by them; c. central banks or national monetary authorities in any country, state or legal authority; d. capital market institutions licensed by the SCA

	or regulated by a supervisory authority equivalent to the SCA; e. financial institutions; f. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies and regulated pension funds; g. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions; h. any company whose shares are listed or accepted to trade in any market of an IOSCO member country; i. a trustee of a trust which has, during the past 12 months, assets of AED 35,000,000 or more; j. licensed family offices with assets of AED 15,000,000 or more. k. joint ventures and associations which have or had, at any time during the past two years, net assets of AED 25,000,000 or more (excluding partner and shareholder loans); l. a body corporate who fulfils (on the date of its last financial statements) a "large undertaking" test, whereby it fulfils at least two of the following requirements: i. holds total assets of AED 75,000,000 or more (excluding short-term liabilities and long-term liabilities); ii. has a net annual revenue of AED 150,000,000 or more; or iii. an aggregate total of cash and investments on its balance sheet; or total equity (after deducting paid up share capital), of not less than AED 7,000,000; **2. "Service-Based Professional Investors",** which include**:** a. Any person conducting an activity involving the provision of credit facilities for commercial purposes for: (i) an undertaking; (ii) a person in control of an undertaking;

	(iii) any member of the group to which the undertaking belongs; or (iv) Any joint investment venture in which the undertaking is a partner. b. A person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies. **3. "Assessed Professional Investors"** which include**:** a. a natural person who owns net assets, excluding the value of their main residence, of not less than AED 4,000,000 (a "HNWI"); b. a natural person who is: i. approved by the SCA or a similar supervisory authority; ii. an employee of a licensed entity or a regulated financial institution who has been employed for the past two years; iii. assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); or iv. represented by an entity licensed by the SCA; c. a natural person (the "**account participant**") with a joint account for investment management with a HNWI (the "**main account holder**"), provided that each of the following conditions are satisfied: i. the "account participant" must be an immediate or second degree relative of the "main account holder"; ii. the account is used to manage the investments of the "main account holder" and their subscribers; and iii. written confirmation is obtained from the subscriber (i.e. the "account participant") confirming that investment decisions relating to the joint investment account are made on their behalf by the "main account holder"; and d. special purpose vehicles and trusts established for the purpose of managing an investment

	portfolio of assets for a HNWI; e. an undertaking which satisfies the following requirements: i. an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), is not less than AED 4,000,000; and ii. is assessed to have sufficient knowledge and experience in respect of the relevant investments and their risks (following a suitability assessment); and f. an undertaking which which i. it has a controller (e.g. a person controlling the majority of the shares or voting rights in the relevant undertaking or possesses the ability to appoint or remove the majority of the relevant undertaking's board of directors), ii. a holding or subsidiary company iii. a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor. who, in each case, has been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited in connection with any Offering to natural persons) and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the US Securities Act ("**Rule 144A**") and to whom an offer can be made in accordance with Rule 144A; (b) a person outside the United States to whom an offer can be made in reliance on Regulation S under the US Securities Act; (c) a person in the DIFC to whom an offer can be made in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook, and made only to persons who meet the "Deemed Professional Client" criteria set out in the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons; or (d) a person in the ADGM to whom an offer can be made in accordance with the Financial Services Regulatory

	Authority (the "**FSRA**") Financial Services and Markets Regulations (the "**FSMR**") and the FSRA Market Rules and made only to persons who are "Professional Clients" as defined in the ADGM Conduct of Business Rulebook.
QIB	A "qualified institutional buyer" as defined in Rule 144A.
Receiving Banks	The list of banks attached in Annex 3 of this Prospectus.
Regulation S	Regulation S under the US Securities Act.
Rule 144A	Rule 144A under the US Securities Act.
Second Tranche	The offer of Offer Shares to Second Tranche Subscribers made under the Second Tranche Document.
Second Tranche Document	The Second Tranche offer document has been drafted in a specific manner to be addressed only to Professional Investors for the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and it has not been reviewed, endorsed, or approved by the SCA, and the offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus. The offer document for the Second Tranche which will be available at https://adnoc.ae/en/adnocls-ipo www.adnoc.ae/en/adnoc-ls
Second Tranche Subscribers	Professional Investors.
Selling Shareholder	Abu Dhabi National Oil Company (ADNOC) P.J.S.C
Shareholder	Holder of Shares in the capital of the Company.
Shares	The ordinary shares of the Company with a nominal value of USD 0.54 each being equivalent to AED 1.983 each
SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who

	applies for subscription in the Offer Shares.
Third Tranche	The offer of Offer Shares to Third Tranche Subscribers.
Third Tranche Subscribers	ADNOC Group Companies Employees and UAE National Retirees, who have registered their interest in the EOI platform.
Tranche	The First Tranche, the Second Tranche or the Third Tranche.
Unaudited Pro Forma Financial Information	The unaudited pro forma statement of comprehensive income for the year ended 31 December 2022 prepared to illustrate the impact of the ZMI Holdings Acquisition on the consolidated statement of comprehensive income for ADNOC L&S as if the ZMI Holdings Acquisition had taken place on 1 January 2022.
UAE	United Arab Emirates.
UAE Central Bank	The central bank of the United Arab Emirates.
UK	The United Kingdom of Great Britain and Northern Ireland.
UK Bribery Act of 2010	The UK Bribery Act of 2010 covering offences relating to bribery and for connected purposes.
Underwriting Agreement	The underwriting agreement among the Company, the Selling Shareholder and the Joint Lead Managers.
United States or US	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.
U.S. Foreign Corrupt Practices Act of 1977	The act to amend the US Securities Exchange Act of 1934 (as amended) to make it unlawful for certain issuers to make certain payments to foreign officials and other foreign persons, to require such issuers to maintain accurate records, and for other purposes.
US Securities Act	The US Securities Act of 1933, as amended.
VAT	Value added tax.
ZMI Holdings	ZMI Holdings and its subsidiaries.
ZMI Holdings Acquisition	The acquisition of 100% of the share capital of ZMI Holdings by Zinc HoldCo RSC LTD, a wholly-owned

	subsidiary of ADNOC L&S.
ZMI Holdings Annual Financial Statements	The audited special purpose consolidated financial Statements of ZMI Holdings as at and for the years ended 31 December 2021 and 2020.
ZMI Holdings Financial Statements	The ZMI Holdings Annual Financial Statements and the ZMI Holdings Interim Financial Information.
ZMI Holdings Interim Financial Information	The unaudited interim condensed consolidated financial information of ZMI Holdings as at and for the ten-month period ended 31 October 2022 (which includes unaudited comparative financial information for the ten-month period ended 31 October 2021).

First Section: Subscription terms and conditions

Key details of Offer Shares for sale to the public

- **Name of the Company:** ADNOC Logistics & Services plc (Free Zone Company)
- **Commercial License of the Company:** 000009847
- **Company head office:** Part of Level 28, 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.
- **Share capital**: The share capital of the Company as at the date of this Prospectus has been set at USD 3,995,189,332.56 being equivalent to AED 14,672,332,824 divided into 7,398,498,764 (seven billion three hundred ninety eight million four hundred ninety eight thousand seven hundred sixty four) Shares paid-in-full, with the nominal value of each Share being USD 0.54 being equivalent to AED 1.983 each.
- **Percentage, number and type of the Offer Shares:** 1,109,774,817 (one billion one hundred nine million seven hundred seventy four thousand eight hundred seventeen) Shares, all of which are ordinary shares, all Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations, and which constitute of 15% of the Company's issued share capital (this percentage has been calculated based on the total number of Shares in the capital as at the date of the Listing date)**.**
- **Offer Price Range per Offer Share:** The Offer Price Range will be in UAE dirhams and announced prior to the day of opening the Offer Period and on the same day and before opening of the Offer Period on 16 May 2023.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**
    - **First Tranche:** The First Tranche of the Offering will be open to First Tranche Subscribers as described on the cover page of this Prospectus and the "**Definitions and Abbreviations**" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with ADX and a bank account number. 9% (nine per cent) of the Offer Shares, representing 99,879,734 (ninety nine million eight hundred seventy nine thousand seven hundred thirty four) Shares are allocated to the First Tranche. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% of the Offer Shares in aggregate. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the total number of Shares available in the First Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche pursuant to the minimum guaranteed allocation in the

First Tranche not exceeding the number of Shares applied for by the said Subscriber in the First Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

- **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with ADX. 88% (eighty-eight per cent) of the Offer Shares, representing 976,601,838 (nine hundred seventy six million six hundred one thousand eight hundred thirty eight) Shares are allocated to the Second Tranche. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% of the Offer Shares in aggregate.

- **Third Tranche**: The Third Tranche of the Offering will be open to Third Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Third Tranche must hold a NIN with ADX and a bank account number. 3% (three per cent) of the Offer Shares, representing 33,293,245 (thirty three million two hundred ninety three thousand two hundred forty five) Shares are allocated to the Third Tranche. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% of the Offer Shares in aggregate. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 2,500 (two thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the total number of Shares available in the Third Tranche; and (ii) the number of Shares allocated to any single Subscriber in the Third Tranche pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the number of Shares applied for by the said Subscriber in the Third Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

- **Public subscription in the Offer Shares is prohibited as follows:**

Public subscription is prohibited to any Subscriber whose investment is restricted by the

laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber is situated. It is the Subscriber's responsibility to determine whether the Subscriber's application for, and investment in, the Offer Shares conforms to the laws of the applicable jurisdiction(s).

- **Minimum Investment:**

  The minimum subscription in Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 (five thousand UAE dirhams) with any additional investment to be made in AED 1,000 (one thousand UAE dirhams) increments. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (five million UAE dirhams).

- **Maximum Investment:**

  No maximum subscription in Offer Shares has been set.

  Subscription by Selling Shareholder:

  The Selling Shareholder may not subscribe for Offer Shares, whether directly or indirectly, or through any of its subsidiaries.

- **Lock-up period:**

  Pursuant to the terms of an underwriting agreement among the Company, the Selling Shareholder and the Joint Bookrunners (the "**Underwriting Agreement**"), we and the Selling Shareholder (in the case of the Selling Shareholder, subject to certain exceptions), which held 100% of the Shares immediately prior to the Offering, have contractually agreed, for a period of 12 months after Listing, subject to certain exceptions, not to: (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant, or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of, directly or indirectly, any Shares, or securities convertible or exchangeable into or exercisable for any Shares or warrants or other rights to purchase Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, or file any registration statement under the Securities Act or any similar document with any other securities regulator, stock exchange, or listing authority with respect to any of the foregoing; (ii) enter into any swap, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Shares, in each case, whether any such transaction is to be settled by delivery of Shares or other securities, in cash or otherwise; or (iii) publicly announce such an intention to effect any such transaction, in each case, without the prior written consent of the Joint Lead Managers, such consent not to be unreasonably withheld or delayed.

- **Reasons for the Offering and Use of Offer Proceeds**

  The Company will not receive any proceeds from the Offering. All proceeds will be received by the Selling Shareholder and all expenses of the Offering (including underwriting commissions and any discretionary fees) will be borne by the Selling Shareholder. The

Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholdings to more actively manage and optimise its portfolio of assets, while providing increased trading liquidity in the Shares and raising our profile with the international investment community.

Further Information on the First Tranche and the Third Tranche

1. Subscription applications

Each Subscriber in the First Tranche and the Third Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber); or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Receiving Banks and the Joint Lead Managers reserve the right to disqualify all or some of the subscription applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with all required documents and the subscription amount during the Offer Period for the First Tranche and the Third Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Banks shall refuse to accept the subscription application from the Subscriber until the Subscriber satisfies all the required information or documentation before the close of the subscription.

All of the Third Tranche Subscribers who are interested in participating in the Third Tranche are required to submit their Expression of Interest ("**EOI**") along with their corresponding NIN details through the platforms provided by ADNOC. The list of Third Tranche Subscribers who had submitted their EOI will be forwarded to the Lead Receiving Bank a day prior to the start of the subscription period and any incremental additions to the list of Third Tranche Subscribers will be provided to the Lead Receiving Bank on a daily basis until 12:00PM on 22 May 2023. Any EOI received thereafter will not qualify for the Third Tranche allocation.

If any of the Third Tranche Subscribers participating in the Third Tranche have not provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the First Tranche, and if any of the Third Tranche Subscribers participating in the First Tranche have provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the Third Tranche.

Subscription for Offer Shares would deem the Subscriber to have accepted the Articles of Association of the Company and complied with all the resolutions issued by the Company's general meeting. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing this Prospectus and the Company's Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein or through electronic channels (see "**Electronic subscription**").

The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was

made. Each subscription application shall be clearly signed or certified by the Subscriber or his or her representative.

The Receiving Banks and the Joint Lead Managers may reject subscription applications submitted by any Subscriber in the First Tranche and the Third Tranche for any of the following reasons:

- If the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the subscribers is not filled in correctly);

- If the subscription application amount is paid using a method that is not a permitted method of payment;

- If the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche and the Third Tranche offers;

- If the completed subscription application form is not clear and fully legible;

- If the Manager's Cheque is returned for any reason;

- If the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;

- If the NIN is not made available to ADX or if the NIN is incorrect;

- If the subscription application is found to be duplicated (any acceptance of such duplicate application is solely at the discretion of the Company and the Selling Shareholder);

- If the subscription application is otherwise found not to be in accordance with the terms of the Offering;

- If the Subscriber is found to have submitted more than one application (it is not permitted to apply in more than one of the First Tranche or the Second Tranche, or the Third Tranche, nor is it permitted to apply in either Tranche more than once), any acceptance of such duplicate / multiple application(s) is solely at the discretion of the Company and the Selling Shareholder);

- If the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);

- If a Subscriber has not adhered to the rules applicable to the First Tranche or the Second Tranche, or the Third Tranche offers;

- If it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Regulations, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the SCA or the ADX; or

- If for any reason FTS/SWIFT/online/mobile/ATM subscription Channels transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Joint Lead Managers may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the Subscribers before the notification of the allocation of Shares to such rejected Subscribers.

2. Documents accompanying subscription applications

Subscribers shall submit the following documents along with their subscription application forms:

For individuals who are UAE or GCC nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates ID; and

- In case the signatory is different from the Subscriber:

- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;

- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and

- a copy of the passport/Emirates ID of the Subscriber for verification of signature; or

- In case the signatory is a guardian of a minor, the following will be submitted:

    - Original and copy of the guardian's passport/Emirates ID for verification of signature;

    - Original and copy of the minor's passport; and

    - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For corporate bodies including banks, financial institutions, investment funds and other companies and establishments:

- **UAE registered corporate bodies:**

    - The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;

- The original and a copy of the document that authorizes the signatory to sign on behalf of the Subscriber and to represent the Subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and

- The original and a copy of the passport/Emirates ID of the signatory.

- **Foreign corporate bodies:** the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

For individuals who are ADNOC Group Companies Employees or UAE National Retirees participating in the Third Tranche:

- their EOI along with their corresponding NIN details through the platforms provided; and

- the original and a copy of a valid passport or Emirates ID.

3. Method of subscription and payment for the First Tranche and the Third Tranche

A. Method of payment for First Tranche and the Third Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with ADX and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's Cheque) drawn on a bank licensed and operating in the UAE, in favor of **"ADNOC L&S PLC – IPO";**

- Debiting a Subscriber's account with a Receiving Bank; or

- Electronic subscriptions (please refer to the section on Electronic subscription below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's Cheque.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;

- Cheques (not certified); or

- Any other mode of payment other than mentioned above.

Please refer to the Annex 3 for the Receiving Bank's participating branches.

Additionally, Third Tranche Subscribers can submit their application at the receiving centers set up at the following ADNOC offices:

- ADNOC Head Office, Corniche Street, Abu Dhabi.
- Sheikh Khalifa Energy Complex I, Abu Dhabi.
- Al Ruwais, Abu Dhabi.

B. Electronic subscription (E-subscription)

The Receiving Banks may also have their own electronic channels (ATMs, on-line internet banking applications, mobile banking applications, etc.) interfaced with the ADX eKtetab IPO system. By submitting the electronic subscription application, the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is authorising the relevant Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favor of "**ADNOC L&S PLC - IPO**" held at the Receiving Bank, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to Electronic Applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any profit thereon following the closing of the Offer Period and prior to the Listing of the Shares shall be performed solely by, and processed through, the Receiving Bank in which the electronic subscription application was submitted.

Subscription applications may also be received through UAE Central Bank Fund Transfer System ("**FTS**"). The investor choosing the FTS method will be required to provide their valid NIN with ADX along with the value of Offer Shares subscribed for in the special instructions field.

ADX ePortal Subscription:

For applying through ADX ePortal Subscriptions:

Please access -

For Arabic – https://www.adx.ae/Arabic/Pages/ProductsandServices/ipo.aspx

For English - https://www.adx.ae/English/Pages/ProductsandServices/ipo.aspx

Refer to the "ADX IPO ePortal Subscription Instructions" page and follow the instructions. Click on the IPO Subscription Link provided to subscribe for the First Tranche and the Third Tranche.

Please reach us on 800-ADX(239) or via email on info@adx.ae for any queries on the above.

FAB EIPO-Subscription

Access

https://www.bankfab.com/en-ae/cib/iposubscription.

Refer to the “How to subscribe page” and follow the instructions and submit subscriptions for the First Tranche.

FAB Mobile Banking application (For FAB Clients)

If you need any support, please call FAB Call Centre No. +971 26161800

Abu Dhabi Islamic Bank

ADIB’s electronic subscription channels, including online internet banking, are accessible via ADIB’s official website www.adib.ae and mobile banking app.

These are duly interfaced with the ADX database and are only available to ADIB account holders.

ADIB account holders will access ADIB’s electronic subscription channels with their relevant username and password and this will be deemed to be sufficient for the purposes of fulfilling the identification requirements.

ADIB account holders complete the electronic application form relevant to their tranche by providing all required details including an updated ADX NIN, an active ADIB account number, the amount they wish to subscribe for, and by selecting the designated brokerage account.

By submitting the electronic subscription form, the ADIB account holder accepts the Offering terms and conditions, authorizes ADIB to debit the amount from the respective ADIB account and to transfer the same to the IPO account in favor of the issuer account held at ADIB, as detailed in the subscription application.

ADIB account holders with a successful subscription automatically receive an acknowledgement of receipt by email and have to keep this receipt until they receive the allotment notice.

If you need any support, please call ADIB Call Centre at + 971 2 652 0878.

Abu Dhabi Commercial Bank

Process Steps:

Step # 1 ADCB customers to visit the https://www.adcb.com/ADNOCLogistics as and click IPO Subscription Link

Step # 2 Complete login authentication using UAE Pass or (Customer ID, Mobile Number and OTP)

Step # 3 Enter NIN Number

Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.

In case of any issues or support, please contact ADCB call centre at 600502030.

Al Maryah Bank

To subscribe through Mbank, download Mbank UAE app on your mobile device from Apple App store or Google Play or Huawei AppGallery. For instructions on the process of applying for the IPO through the app, access https://www.mbank.ae/IPO. Refer to the section "How to subscribe" for step by step guidance.

Applications for Minors can also be made through the app.

Applicants can also issue ADX NINs from the Mbank mobile app.

Subscription applications through Al Maryah Community Bank LLC will only be accepted if made by UAE residents.

In case of any issues or support, please contact Mbank call centre at 600 571 111.

Important dates relevant to the methods of payment of the subscription amounts

- Subscription amounts paid by way of cheque must be submitted by 12pm (mid-day) on **20 May 2023 (2 working days prior to the Closing date).**
- Subscription applications received through online/FTS, must be made before 1pm on **22 May 2023 (1 working day prior to the Closing Date).**

Subscription amounts

Subscribers in the First Tranche and the Third Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 (five thousand UAE dirhams) or more, with any subscription over AED 5,000 (five thousand UAE dirhams) to be made in increments of AED 1,000 (one thousand UAE dirhams). Subscribers in the First Tranche and the Third Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

Each Subscriber in the First Tranche and the Third Tranche will be guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares and 2,500 (two thousand five hundred) Shares respectively, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche and the Third Tranche not exceeding the total number of Shares available in the First Tranche and the Third Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche and the Third Tranche pursuant to the minimum guaranteed allocation in the First Tranche and the Third Tranche not exceeding the number of Shares applied for by the said Subscriber in the First Tranche and the Third Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche and the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

Final Offer Price

The offer price at which all the Subscribers will purchase Offer Shares will be at the Final Offer Price.

The Offer Shares will be sold in an initial public offer and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by the Second Tranche Subscribers (see details of who may apply in the Second Tranche). Second Tranche Subscribers will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (as in, by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information indicating the extent of the demand at various price levels provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

Subscription process

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide the NIN with ADX and bank account details will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply for the Offer Shares in one Tranche. In the event a person applies for Offer Shares in more than one Tranche, then the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and the date of the investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as NIN number, amount, date and customer bank account details.

If the address of the Subscriber is not filled in correctly, the Company, the Selling Shareholder, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

4. Further information on various matters

Offer Period

Commences on 16 May 2023 for the First Tranche, the Second Tranche, and the Third Tranche and closes on 23 May 2023 for the First Tranche and the Third Tranche and closes on 24 May 2023 for the Second Tranche.

Receiving Banks

- **Lead Receiving Bank:** First Abu Dhabi Bank PJSC.
- **Receiving Banks:** a list of banks attached in Annex 3 of this Prospectus.

Method of allocation of Offer Shares to different categories of Subscribers

Under SCA CHAIRMAN OF THE BOARD RESOLUTION NO. (11/R.M) OF 2016 ON THE REGULATIONS FOR ISSUING AND OFFERING SHARES OF PUBLIC JOINT STOCK COMPANIES, AS AMENDED

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and any accrued profit resulting thereon.

Notice of Allocation

A notice to successful Subscribers in the First Tranche and the Third Tranche will be sent by way of SMS initially confirming the acceptance of subscription and number of Offer Shares allocated to them. This will be followed by a notice setting out each Subscriber's allocation of Offer Shares, which will be sent by registered mail or e-mail provided in the subscription for, as applicable, to each Subscriber.

Method of refunding surplus amounts to Subscribers

By no later than 28 May 2023 (being within five (5) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within five (5) working days of such allocation, the surplus subscription amounts, and any accrued profit resulting thereon, shall be refunded to Subscribers in the First Tranche and the Third Tranche who did not receive Offer Shares, and the subscription amounts and any accrued profit resulting thereon shall be refunded to the Subscribers in the First Tranche and the Third Tranche whose applications have been rejected for any of the above reasons. The surplus amount and any accrued profit thereon will be returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

The difference between the subscription amount accepted by the Company and the Selling Shareholder for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber pursuant to the terms of this Prospectus.

Inquiries and complaints

Subscribers who wish to submit an inquiry or complaint with respect to any rejected requests, allocation or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Joint Lead Managers. The Subscriber must remain updated on the

status of any such inquiry or complaint. The Subscriber's relationship remains only with the party receiving the subscription request.

Listing and trading of Shares

Subsequent to the allocation of Offer Shares, the Company will list all of its Shares on the ADX in accordance with the applicable listing and trading rules as at the Listing date. Trading in the Shares will be effected on an electronic basis, through the ADX's share registry, with the commencement of such trading estimated to take place after completion of the registration.

Voting rights

All Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Shareholders' resolutions.

Risks

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in a section headed "**Investment Risks**" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

5. Timetable for subscription and Listing

The dates set out below outline the expected timetable for the Offering. However, the Company and the Selling Shareholder reserve the right to change any of the dates/times, or to shorten or extend the specified time periods, upon obtaining the approval of the appropriate authorities and publishing such change during the Offering period in daily newspapers.

Event	Date
Offering commencement date (The Offer Period for the First Tranche and the Third Tranche shall continue for 7 days, including Fridays and Saturdays, for the purposes of accepting Subscribers' applications)	**16 May 2023**
Closing Date of the First Tranche and the Third Tranche	**23 May 2023**
Closing Date of the Second Tranche	**24 May 2023**
Announcement of Final Offer Price	**25 May 2023**
Allocation of First Tranche and Third Tranche	**28 May 2023**
SMS confirmation to all successful First Tranche and Third Tranche Subscribers	**30 May 2023**

Commencement of refunds related to the surplus subscription monies, and any accrued profit resulting thereon, to the First Tranche and Third Tranche Subscribers and commencement of dispatch of registered mail relating to allotment of Offer Shares	**30 May 2023**
Expected date of Listing the Shares on the ADX	**1 June 2023**

6. Tranches

The Offering of the Offer Shares is divided as follows:

The First Tranche:

Size: 99,879,734 (ninety nine million eight hundred seventy nine thousand seven hundred thirty four) Shares representing 9% (nine per cent) of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and the Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the total number of Shares available in the First Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the number of Shares applied for by the said Subscriber in the First Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.

Eligibility: First Tranche Subscribers (as described in the section of this Prospectus headed "**Definitions and Abbreviations**").

Minimum application size: AED 5,000 (five thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams). Each Subscriber in the First Tranche will be

	guaranteed a minimum allocation of up to 1,500 (one thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the total number of Shares available in the First Tranche; and (ii) the number of Shares allocated to any single Subscriber in the First Tranche pursuant to the minimum guaranteed allocation in the First Tranche not exceeding the number of Shares applied for by the said Subscriber in the First Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the First Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the First Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval. Multiple applications in the First Tranche under the same NIN number will be aggregated and the minimum guaranteed allocation will be applied once only, with the balance allocated on a pro-rata basis.
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, at the outset, up to 1,500 (one thousand five hundred) Offer Shares will be allocated to each Subscriber, subject to the total number of Shares allocated pursuant to the minimum guaranteed allocation not exceeding the total number of Shares available in the First Tranche, and any additional Offer Shares will then be allocated to First Tranche Subscribers pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the First Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by Professional Investors (the Second Tranche Subscribers) or, alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche, and the Third Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	976,601,838 (nine hundred seventy six million six hundred one thousand eight hundred thirty eight) Shares representing 88% (eighty-eight per cent) of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the Second Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and the approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate.
Eligibility:	Professional Investors (as described in the section of this Prospectus headed "**Definitions and Abbreviations**").
Minimum application size:	The minimum application size is AED 5,000,000 (five million UAE dirhams).
Maximum application size:	There is no maximum application size.
Allocation policy:	Allocations within the Second Tranche will be determined by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited in connection with any Offering to natural persons). It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserves the right to allocate Offer Shares in the Second Tranche in any way they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Offer Shares or that they are allocated a number of Offer Shares lower than the number of Offer Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Second Tranche are fully subscribed, the Offer will be withdrawn.

The Third Tranche:

Size:	33,293,245 (thirty three million two hundred ninety three thousand two hundred forty five) Shares representing 3% (three percent) of the Offer Shares. The Selling Shareholder reserves the right to amend the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws of the UAE and approval of the SCA, provided that the subscription percentage of the Subscribers in the Second Tranche does not fall below 60% (sixty per cent) of the Offer Shares and the subscription percentage of the Subscribers in the First Tranche and the Third Tranche does not exceed 40% (forty per cent) of the Offer Shares in aggregate. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 2,500 (two thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the total number of Shares available in the Third Tranche; and (ii) the number of Shares allocated to any single Subscriber in the Third Tranche pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the number of Shares applied for by the said Subscriber in the Third Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each Subscriber in the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.
Eligibility:	Third Tranche Subscribers (as described in the section of this Prospectus headed "**Definitions and Abbreviations**").
Minimum application size:	AED 5,000 (five thousand UAE dirhams), with any additional application in increments of at least AED 1,000 (one thousand UAE dirhams). Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 2,500 (two thousand five hundred) Shares, subject to (i) the total number of Shares allocated pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the total number of Shares available in the Third Tranche; and (ii) the number of Shares allocated to any single Subscriber in the Third Tranche pursuant to the minimum guaranteed allocation in the Third Tranche not exceeding the number of Shares applied for by the said Subscriber in the Third Tranche based on the Final Offer Price. The final minimum guaranteed allocation for each

	Subscriber in the Third Tranche shall be determined at the end of the subscription period based on the total number of Subscribers in the Third Tranche and the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval. Multiple applications in the Third Tranche under the same NIN number will be aggregated and the minimum guaranteed allocation will be applied once only, with the balance allocated on a pro-rata basis.
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the Third Tranche, at the outset, up to 2,500 (two thousand five hundred) Offer Shares will be allocated to each Subscriber, subject to the total number of Shares allocated pursuant to the minimum guaranteed allocation not exceeding the total number of Shares available in the Third Tranche, and any additional Offer Shares will then be allocated to Third Tranche Subscribers pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled back on the same basis if the Third Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price. The Selling Shareholder reserves the right to amend the minimum guaranteed amount after obtaining SCA's approval.
Unsubscribed Offer Shares:	If not all of the Offer Shares allocated to the Third Tranche are fully subscribed, such unsubscribed Offer Shares shall be made available for subscription by First Tranche Subscribers or, alternatively (in consultation with the SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche, and the Third Tranche or close the Offering at the level of applications received.

Multiple applications

A Subscriber should only submit an application for Offer Shares under one Tranche. Multiple applications within one Tranche will be aggregated under a single NIN. In the event a Subscriber applies for subscription in more than one Tranche, the Receiving Banks and the Joint Lead Managers may deem one or both applications invalid.

Important notes

Subscribers in the First Tranche and the Third Tranche will be notified of whether they have been successful in their application for Offer Shares by means of an SMS.

Upon Listing of the Shares on the ADX, the Shares will be registered on an electronic system as applicable to the ADX. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the ADX.

Subject to the approval of the SCA, the Selling Shareholder reserves the right to alter the percentage of the Offer Shares, which are to be made available to either the First Tranche, the Second Tranche or the Third Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company:	**ADNOC Logistics & Services plc** A free zone public company limited by shares incorporated in the ADGM pursuant to the Companies Regulations.
Primary objects of the Company:	Activities of holding companies.
Head office:	Part of Level 28, 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.
Branches:	None.
Details of trade register and date of engaging in the activity:	License No. 000009847; Issue Date: 19 April 2023.
Term of the Company:	Not applicable for ADGM companies.
Financial year:	1 January to 31 December.
Major banks dealing with the Company:	ADNOC HQ Treasury: lender Standard Chartered Bank: lender to AW Shipping JV First Abu Dhabi Bank, and Abu Dhabi Commercial Bank: Corporate banking services ADNOC Global Treasury Services (AGTS with JP Morgan): centralized cash clearing

Details of current Board Members:

Name	Year of birth	Position	Year appointed
H.E. Dr. Sultan Ahmed Sultan Essa Aljaber*	1973	Chairperson (Independent Member)	2023
Khaled Salmeen Anber Salmeen*	1973	Director (Independent Member)	2023
Khaled Mohamed	1985	Director	2023

Abdulla Alalkeem Alzaabi*		(Independent Member)	
Dr. Abdulla Humaid Saif Aljarwan Alshamsi*	1985	Director (Independent Member)	2023
Tayba Abdulrahim Mohamed Alhashmi*	1977	Director (Independent Member)	2023
Khalid Abdulhaq Abdulla Barkat Abdulsamad*	1976	Director (Independent Member)	2023
Mashal Saoud Mohamed Alkindi Alseiari*	1984	Director (Independent Member)	2023

(*) denotes that the Director is considered "*independent*" under the Governance Rules.

None of the board members hold any memberships in the boards of directors of any joint stock companies in the UAE except for:

- **H.E. Dr. Sultan Ahmed Sultan Essa Aljaber who holds a number of board memberships in joint stock companies in the UAE.**
- **Khaled Mohamed Abdulla Alalkeem Alzaabi – who holds the following Board membership in:**
    1. Abu Dhabi Oil Refining Company (ADNOC Refining).
    2. Board Member- Borouge plc
- **Khaled Salmeen Anber Salmeen – Director who holds the following Board membership in:**
    1. Borouge plc
    2. Abu Dhabi Marine and Services Company PJSC
    3. Abu Dhabi National Oil Company for Distribution PJSC
    4. Abu Dhabi Future Energy Company PJSC - Masdar
    5. Abu Dhabi Oil Refining Company
    6. Fertiglobe plc
    7. ADNOC Gas plc

No bankruptcy ruling or a bankruptcy arrangement was issued against any member of the board of directors or members of the senior management of the Company.

None of the members of the board of directors or the senior management and their first-degree relatives own any shares in the Company.

Summary of the remuneration of the board of directors and senior management team

The Board and the senior management did not receive remuneration in the 12 months ended 31 December 2022.

BUSINESS DESCRIPTION:

Investors should read this section of this Prospectus in conjunction with the more detailed information contained in this Prospectus, including the financial and other information appearing included elsewhere in this Prospectus.

Overview

We are a global energy maritime logistics leader and the dedicated and vital logistics arm for the ADNOC Group providing critical and highly specialised services across ADNOC's entire value chain. We provide market-leading, reliable and cost-competitive maritime and logistics solutions through our three key business units:

- *Integrated Logistics* through which we believe we are one of the largest end-to-end, fully integrated energy logistics service providers for the energy sector and one of the largest owners and operators of self-propelled, self-elevating jack-up barges. In addition, we operate what we believe is one of the largest energy logistics bases in the GCC region in Mussafah and one of the largest single warehouses in the Middle East in KEZAD.

- *Shipping* through which we believe we own and operate one of the largest diversified shipping fleets in the GCC region of more than 500 modern and technologically advanced vessels, including 56 owned vessels, six VLGCs owned by AW Shipping Limited and vessels which are either contractually committed or contracted and under construction for scheduled delivery between 2023 and 2026. We provide market leading commercial shipping and ship management as well as chartering services for the transport of crude oil, refined products, dry bulk and gas (LPG and LNG).

- *Marine Services* operates a fleet of 65 specialised vessels. Through this business unit we provide a wide range of specialist services relating to marine terminals, all petroleum port operations in the Emirate of Abu Dhabi and oil spill and hazardous and noxious substances response operations. We are one of the largest oil spill and hazardous and noxious substances responders in the UAE.

The ADNOC Group companies, including ADNOC Offshore, ADNOC Onshore, Borouge and ADNOC Gas, constitute the largest portion of our client base.

We provide services to over 100 global clients with whom we have built long-standing relationships and ship to more than 50 countries across the world. A long-term contractual framework with our anchor client underpins our revenue and cash flows, and helps us achieve high returns with limited variability (including contracts with minimum volume commitments at fixed rates) As at 31 December 2022 and based on revenues for the year ended 31 December 2022, over 65% of our total revenue is derived from Long-Term Agreements with our clients, including approximately 99% in the Integrated Logistics business unit, approximately 22% in the Shipping business unit and 100% in the Marine Services business unit.

We have a well-defined and ambitious growth strategy aimed at accelerating our growth by leveraging our existing relationship with the ADNOC Group companies. ADNOC and the UAE have made significant investments in the energy sector and are expected to continue to do

so, with ADNOC announcing in late 2022 its USD 150 billion investment program for the five-year period 2023 to 2027 (inclusive). In particular, we expect this to serve as a major growth catalyst for us and we expect to benefit from ADNOC's planned growth and investment strategy to accelerate its targeted capital expenditure as ADNOC is aiming to meet upstream growth ambitions through the expansion of oil production capacity, the development of new gas reservoirs, the continuous exploration of new hydrocarbon prospects in addition to targeted expansion of its refining and petrochemical capacity, LNG exports and hydrogen production. Furthermore, we aim to significantly expand services to our existing clients, attract new clients and explore further growth opportunities in new geographies and areas, such as the construction offshore logistics services sector and expansion of our integrated logistics services platform offering.

As at the date of this Prospectus, the Company is 100% owned by ADNOC. We have a strong leadership team based in Abu Dhabi which allows us to optimise operational and commercial processes in order to deliver efficiencies across the entire organisation. We are committed to operational and commercial excellence while focusing our operational strategy to achieve the highest standards of ESG, safety, reliability and integrity across the entire organisation.

Our Vision and Mission

Our vision and mission is to be the leading global energy maritime logistics company of choice.

Our Competitive Strengths

We are a mission-critical energy logistics service provider to ADNOC, Abu Dhabi and the UAE

We believe that we are a key enabler of the global flow and export of energy commodities, in particular the oil and gas production in the UAE which is managed by the ADNOC Group. The oil and gas industry production and exports are critical to the UAE economy, contributing approximately 50% of the Emirate of Abu Dhabi's nominal gross domestic product in 2021, having produced 4.6 million barrels of oil equivalent per day of which approximately 73% was exported. ADNOC is one of the largest integrated energy companies globally that operates across the hydrocarbon value chain, including exploration, production, storage, refining, petrochemicals, gas processing, marketing and distribution. ADNOC has access to approximately 95% of the UAE's total oil and gas reserves.

As the logistics service provider of choice to the ADNOC Group, we provide critical and highly specialised services across ADNOC's entire value chain. Our offshore energy logistics services are vital to enabling offshore production of oil in the UAE while our marine services help to ensure uninterrupted operations of the petroleum ports in Abu Dhabi and safety of sea operations through oil spill response hazardous and noxious substances response operations. Our business strategy going forward is underpinned by ADNOC's global growth strategy and plans to accelerate its targets relating to the production and processing capacity growth, international expansion and low carbon solutions. See "—*Our Growth Strategy*".

We are a global, fully-integrated energy maritime logistics leader with a world class asset base

We provide fully-integrated, end-to-end services in the global energy maritime logistics industry through our three key business units: Integrated Logistics, Shipping and Marine Services.

Our Integrated Logistics business unit provides onshore and offshore services, including a wide range of services relating to the offshore logistics sector, such as jack-up barges services, supply services and personnel transportation, diving support and others in addition to other services, such as packaging, container terminal operations, jetty services and operations, and warehousing and material management, all of which are critical to the commodity supply chain. We operate five logistics bases and warehouses in Mussafah, Ruwais, Riash and Fujairah. We provide our services at what we believe are world-class infrastructure bases, such as the KEZAD Gateway in the UAE, the terminal handling at the Khalifa Port, and warehousing services through one of the largest single warehouses in the Middle East region.

The transformative ZMI Holdings Acquisition was part of our strategic value creation and growth program and reinforced our commitment to deliver growth and drive investment in the UAE. As at the date of this Prospectus, we own and operate a fleet of 31 high-quality, best-in-class specification jack-up barges (of which 23 are owned and eight are operated) and 101 owned offshore support and passenger transport vessels (and additional approximately 90 operated vessels), which we believe strengthens our position as one of the largest shipping and integrated energy logistics companies and provides us with growth opportunities both in the UAE and internationally. We expect to derive significant synergies from the ZMI Holdings Acquisition as we integrate ZMI Holdings' services as part of our Integrated Logistics business unit.

Our Shipping business unit operates one of the largest diversified shipping fleets in the GCC region of more than 500 modern and technologically advanced vessels, including 56 owned vessels, six VLGCs owned by AW Shipping Limited and vessels which are either contractually committed or contracted and under construction for scheduled delivery contractually committed to be delivered in the medium term between 2023 and 2026. We provide market leading commercial shipping and ship management as well as chartering services for the transport of crude oil, refined products, dry bulk and gas (LPG and LNG).

Our Marine Services business unit operates a fleet of 65 specialised vessels. We provides a comprehensive range of specialist services relating to marine terminal operations, all petroleum ports in the Emirate of Abu Dhabi and oil spill and hazardous and noxious substances response operations. We believe we are one of the largest oil spill and hazardous and noxious substances response responders in the UAE.

At the core of our business, we continue to maintain a focus on operational excellence and building on our existing high levels of asset reliability across our operations. We run world-class, large-scale assets that have a proven track record of operational excellence. We maintain our operations' high reliability through regular and timely maintenance programs and robust asset management policies and procedures across our operations.

We have highly visible cash flows, underpinned by Long-Term Agreements and ADNOC Group companies as anchor clients

A long-term contractual framework with our anchor client underpins our revenue and cash flows, and helps us achieve high returns with limited variability and reflects.

All contracts with ADNOC Group companies are negotiated on an arms-length basis and go through our internal approval procedures to ensure that the opportunity is in the best interest of the Company and aligned with our strategy. Such procedures are designed to maintain uniform processes and standards for performing economic evaluation, risk mitigation assessments and due diligence of commercial opportunities in line with our corporate governance framework.

Highly experienced senior management team driving robust financial performance

Our senior management team has significant years of professional experience in the maritime logistics and shipping industry and has a track record of successfully managing and integrating our key projects. We believe that this combination of industry and regional expertise has allowed us to develop long-standing working relationships with our commercial partners, regulators and other key stakeholders. The members of our senior management team, many of whom have significant leadership experience in other parts of the ADNOC Group, have worked in various management and leadership roles across major companies in the industry. We believe the team's combined industry and regional expertise enables us to clearly understand and effectively manage the inherent risks associated with our business.

Our Growth Strategy

Expand the scope of services provided to ADNOC Group

ADNOC and the UAE have made significant investments in the energy sector and expect to continue to do so, with ADNOC announcing in late 2022 its USD 150 billion investment program for the five-year period 2023 to 2027 (inclusive). We expect this to serve as a major growth catalyst for us, providing numerous opportunities to our business both directly and indirectly. ADNOC's sizable investment program is aiming to deliver transformative steps to make the lower carbon intensity energy that the world requires available today, while investing in the clean energies of tomorrow. ADNOC is aiming to meet upstream growth ambitions through the expansion of oil production capacity (expected to increase from 4 million barrels per day to up to 5 million barrels per day by the end of 2027), the development of new (including unconventional) non-associated gas reservoirs (such as Hail and Ghasha) and the continuous exploration of new hydrocarbon prospects (which has so far resulted in ADNOC identifying an additional 2 billion barrels of oil and 1 trillion cubic feet of natural gas reserves in 2022 alone). In addition, ADNOC is targeting to increase its refining capacity to more than 1 million barrels per day, double its petrochemical capacity by 2030, further increase its LNG exports by up to 9.6 million tonnes by 2027 and its green hydrogen production of 1 million tonnes per year. Furthermore, ADNOC has earmarked USD 15 billion for landmark decarbonisation projects by 2030, including carbon capture, electrification, new CO2 absorption technology and enhanced investments in hydrogen and renewables.

As the logistics and maritime service provider of choice to the ADNOC Group companies, we

believe that we are well positioned to benefit from ADNOC's growth strategy. In particular, we are targeting a two-fold increase in ADNOC's production volumes to be transported by us by 2030, while growing our share of ADNOC's increased exports in the future. Our strategy envisages maximising our share of ADNOC's targeted logistics spend, hence increasing volumes, services and our owned fleet in order to deliver added operational efficiencies. We intend to make additional investments targeted at supporting ADNOC's exports of hydrogen derivatives and expanding our marine services solutions.

We believe that there is further potential to leverage our relationship with the ADNOC Group companies in the future.

The following table sets out examples of additional projects with the ADNOC Group companies which we believe create further opportunities for us:

Project	**Summary**
Expansion of our ILSP solutions to ADNOC Offshore	We created the ILSP model as part of our ongoing commitment to support the continued growth of the region's energy sector. By managing all logistics requirements through one system, the ILSP model can reduce project logistics costs, with customers being invoiced in a unique, cost-per-tonne format, moving away from the standard asset lease model. We intend to expand our ILSP services significantly in the future. The scope of our services are expected to include, among others: • offshore passenger transportation services, including infield movement utilising aviation and marine assets to support day-to-day operations, • Das & Zirku island airport operations, • assistance with aviation technical & standards to ensure compliance and safe operations, • voyage and flight reservation and booking services, and • additional client support aviation and marine services.
Transformation of group-wide warehouse and logistics management operations	• We manage approximately 40% of ADNOC Group's warehouse capacity. As a result of the implementation of our ILSP model and services provided at KEZAD Gateway, we have established a track record in delivering value across this supply chain. • ADNOC Group currently operates over 40 facilities catering to warehousing and logistics across its network, with more operating companies in the ADNOC Group expected to require warehouse space and logistics going

forward.

- As a result of the implementation of our ILSP model and services provided at KEZAD Gateway, we have established a track record in delivering value across this supply chain.

We are focused on decarbonisation efforts and believe we are able to help drive the energy transition in the UAE.

It is critically important that our business is carried out in a sustainable, socially conscious, and environmentally responsible manner, and as such, we seek to place ESG policies and strategy at the core of our business. See "*—Environmental, Social and Governance (ESG)*".

Our guiding principles are the policies and ambitions of the broader ADNOC Group and the UAE. We believe that we are a sustainability leader for the UAE's maritime and logistics ecosystem, leveraging our marine heritage to enhance the UAE's status in the global maritime industry. Our aim is to contribute to achieving the UAE's 2050 net-zero target in line the International Maritime Organisation's decarbonisation targets. We aim to by lower the annual greenhouse gas emissions from international shipping by at least half by 2050 (compared with the 2008 levels) to reduce carbon intensity of international shipping, in particular to lower the carbon dioxide emissions per transport by at least 40% by 2030 while aiming towards 70% by 2050 compared to 2008. We may also consider using offsets in order to meet a portion of our decarbonisation targets. Our ESG strategy is intended to: (i) reduce our operational environmental footprint, (ii) continue to promote local talent and the UAE "in-country value" measures which to date have resulted in employment engagement rate of 72% in 2022 and an in-country value contribution of 72% in 2022, (iii) maintain a strong health and safety culture, with a total recordable incident rate of 0.18 in 2022 and 100% of business ethics and compliance trainings completed by all employees, and (iv) ensure that all of our contractors adhere to the relevant HSE performance standards and participate in HSE workshops.

We have invested or committed approximately USD 2 billion in environment-friendly, new-build vessels with scheduled delivery dates between 2023 and 2026. Furthermore, we have reduced the fuel consumption of our LNG fleet in 2015 by 40% compared to 2012 and, with the delivery of our new modern vessels, expect to further significantly reduce the fuel consumption in the medium term. We have successfully trialled the use of, and continue to use, biofuels in 13 of our vessels since 2020 and have equipped 37% of our vessels with a proprietary artificial intelligence-enabled smart vessel monitoring system.

Expand our relationships with, and scope of services provided to, our existing and new clients

We see a significant potential in further leveraging and strengthening relationships with our existing clients and expanding the scope of our services to new clients.

Shipping

As part of our growth strategy supported by our business plan and internal forecasting models, we intend to increase the scope of our international shipping services and our fleet size in the

future to benefit from changing global trade patterns and forecasted growth of global oil and gas production, sulphur exports and global expansion of operations by our clients. According to MSI, there has been a structural underinvestment in exploration and production, which is likely to result in a widening of the supply-demand gap in the medium term. The Middle East is expected to increase its market share while providing over 40% of global oil and gas production growth volumes in this decade. The disruption of pipeline flows from Russia to Europe has opened up strategic opportunities for our business as the Middle East's seaborne export of oil and gas is expected to partially replace the supply of oil and gas from Russia to Europe. As a result, we expect a structural shift away from pipeline flows to seaborne trade in Europe. The oil and gas demand from South Asia and China is also expected to continue to increase beyond the current Russian inflows to such regions which further adds to our business' strategic opportunities in areas such as LNG shipping. Our growth strategy is supported by four additional new VLCCs which are scheduled for delivery within 2023 and six new LNG carriers which are scheduled for delivery between 2025 and 2026. Our investment in the new LNG carriers reflects the increasing demand for LNG, especially as related to energy security, shifting logistics and the scarcity of available LNG tonnage in the long-term. See "*—Our Medium Term Targets*". We intend to grow our fleet further in the future.

Integrated Logistics Services Platform (ILSP) Model

In March 2023, we together with ADNOC Offshore, launched our Integrated Logistics Services Platform (ILSP) at our base in Mussafah. We believe it is one of the largest turnkey offshore logistics offerings in the world designed to enable coordinated end-to-end management of energy logistics and maritime operations. We have created the ILSP as part of our ongoing commitment to support the continued growth of the region's energy sector. By managing all logistics requirements through one system designed to provide integrated end-to-end wholesale services covering all key services across the value chain, our ILSP services can significantly reduce project logistics costs with customers being invoiced in a unique, cost-per-tonne format instead of a standard asset lease model. We believe that our ILSP services has the potential to contribute significantly to the growth and margin expansion in our Integrated Logistics business unit in the future.

Since the adoption rate of the integrated logistics services solutions by other providers is currently low in the GCC region due the relative novel nature of such model, we expect our ILSP services to grow substantially in the future. We are one of the first offshore logistics providers to implement the ILSP model in the GCC region and are therefore well positioned to benefit from the adoption and implementation of ILSP by our existing and new clients in the UAE, the wider GCC region as well as other parts of the world.

Offshore logistics services for the engineering, procurement and construction (EPC) sector

We aim to capture new growth areas by partnering with and supporting EPC contractors with offshore services, in particular through our jack-up barges which are required across all stages from development to decommissioning of a field, including dredging and construction of artificial islands. We are one of the largest owners and operators of self-propelled, self-elevating jack-up barges, a leading provider of offshore support vessels and subsea services in the GCC region, with operations across the UAE, KSA, Qatar and China. As a result, we believe that we are well positioned to add significant value to EPC contractors given our

experience, existing infrastructure and asset base. We have been awarded four EPC projects since the end of 2021, including a recent contract signed with Samsung C&T to provide end-to-end logistics services to offshore islands, and have a significant pipeline of other projects at various stages of the tender process.

The demand for jack-up barge services is expected to grow in the future as a result of anticipated demand growth for rig-less operations, higher levels of planned oil production as well as ongoing and new EPC projects. In particular, the UAE, Saudi Arabia and Qatar, which have historically utilised jack-up barge services to a significant extent, are expected to further contribute to the demand increase for such services. Furthermore, as the global offshore wind farms sector grows due to the ongoing transition to renewable energy sources and increased focus on offshore wind capacity, we expect the demand for jack-up services to increase correspondingly since jack-up barges are used to set up and maintain offshore wind farms.

Enlarge geographic footprint and operations

Since 2020 we have increased our global gas shipping services through AW Shipping Limited while our jack-up barges fleet operates in KSA, Qatar and China. We intend to continue to pursue our growth strategy aimed at enlarging our geographic footprint and operations outside of the UAE opportunistically and in line with our growth strategy and targeted expansion plans while leveraging our relationship with the ADNOC Group companies. In particular, we believe that the increasing offshore energy exploration in North Africa and the GCC region, including in Morocco, Egypt, Sudan, Jordan, Saudi Arabia and Qatar, a and demand for jack-up barges and offshore marine and other services in those and other regions, including in China and the Far East, present potential opportunities for our geographic expansion in the future.

Explore entering into new business verticals

We aim to actively explore entering into new business verticals, including services relating to decarbonisation, which we believe present further growth opportunities for our business. We intend to pursue this growth strategy by focusing on various verticals, including:

- Owning and operating green carriers, such as methanol and low-carbon ammonia as a carrier fuel for clean hydrogen. We are well positioned to support services in the low-carbon ammonia production in the UAE.

- Advising clients on decarbonisation, emissions abatement and other solutions with a view to growing our renewable energy services and supporting the broader decarbonisation agenda. For example, we aim to explore marine solutions aimed at lowering gas emissions.

- Exploring further opportunities and investments in the hydrogen vessels, storage and distribution sectors by leveraging Abu Dhabi's position as a leader in hydrogen in emerging international markets.

Our History

ADNOC L&S was established in 2016 by virtue of an Emiri Decree as Abu Dhabi Marine Business and Services Company "A public joint stock company" and a wholly-owned

subsidiary of ADNOC, through the integration of several ADNOC entities (the combination Abu Dhabi National Tanker Company, Petroleum Services Company (ESNAAD) PJSC (established by the merger of Abu Dhabi Drilling Chemicals & Products and National Marine Services) and Abu Dhabi Petroleum Ports Operating Company (IRSHAD) (a joint venture between ADNOC and LAMNALCO) active in the tanker, gas carrier, logistics and infrastructure segments). ADNOC L&S is headquartered in Abu Dhabi, UAE.

Year	Milestone
1975	ADNOC established Abu Dhabi National Tanker Company.
1979	ADNOC and LAMNALCO agreed to form Abu Dhabi Petroleum Ports Operating Company (IRSHAD) as a joint venture between them.
1993	ADNOC established National Gas Shipping Company (NGSCO).
2003	Petroleum Services Company (ESNAAD) PJSC established by the merger of Abu Dhabi Drilling Chemicals & Products and National Marine Services.
2014	ADNOC acquired 100% of IRSHAD's share capital.
2016	ADNOC established ADNOC L&S through integration of ADNATCO, ESNAAD and IRSHAD.
2017	Transfer of business, assets and employees to ADNOC L&S from ADNATCO, ESNAAD and IRSHAD.
2020	ADNOC L&S, acting through Abu Dhabi Marine International Operations Holdings RSC Limited, entered into a joint venture with Wanhua Chemical (Singapore) Pte Ltd to establish AW Shipping Limited.
2021	ADNOC L&S acquires assets and resources from Speedy International Asset Services Equipment Rental LLC.
2022	ADNOC L&S acquired ZMI Holdings.
2023	In preparation for the Offering, in April 2023 we established our new holding company in the Abu Dhabi Global Market which holds 100% of shares of ADNOC L&S.

ZMI Holdings Acquisition

The ZMI Holdings Acquisition was part of our strategic value creation and growth program, reinforcing our commitment to deliver growth and drive investment in the UAE. We acquired one of the largest fleets of 23 self-propelled, self-elevating jack-up barges and 38 offshore support vessels operating across the UAE, KSA, Qatar and China. Since its establishment in the Emirate of Abu Dhabi in 1984, ZMI Holdings has significantly grown to provide a world-class service offering across the global offshore energy sector.

The ZMI Holdings Acquisition has significantly complemented our capabilities as owner and

operator of a diversified advanced fleet of jack-up barges and complementary offshore support vessels and subsea services. ZMI Holdings has long-term contracts with a blue-chip client base consisting primarily of leading national oil companies ("**NOCs**"), international oil companies ("**IOCs**"), and EPC operators. We expect to derive significant synergies from the ZMI Holdings Acquisition as we integrate ZMI Holdings' services as part of our Integrated Logistics business unit.

Corporate Structure

As at the date of this Prospectus, ADNOC holds 100% of the Company's issued share capital. The Company holds 100% of ADNOC L&S' issued share capital.

Operating Segments

In the year ended 31 December 2022, management of ADNOC L&S changed the manner in which the business is segmented and the level of reporting provided to the CODM. The CODM primarily uses EBITDA to monitor the performance of the business. Accordingly, the 2021 comparative segments have been restated to illustrate the revised structure in a consistent manner.

ADNOC L&S applies IFRS 8 Operating Segments. For management purposes, the business is organised into six operating segments (plus "others"): (i) tankers, (ii) gas carriers, (iii) dry bulk shipping (which includes containers), (iv) offshore logistics services, (v) onshore logistics services, (vi) marine services and (vii) others. For reporting purposes, offshore logistics services and onshore logistics services are aggregated into one reportable segment which results in five reportable segments (plus "others"): (i) tankers, (ii) gas carriers, (iii) dry-bulk shipping (which includes containers), (iv) integrated logistics, (v) marine services and (vi) others.

We organise our reportable segments into three main business units (plus "Others"), by aggregating tankers, gas carriers and dry bulk shipping reportable segments into one Shipping business unit, as follows:

- **Integrated Logistics**: comprising offshore logistics (which include services provided by ZMI Holdings, charter hire of offshore support vessels and barges and related services) and onshore logistics services. These two operating segments are aggregated into one reportable segment.

- **Shipping**: comprising the following operating segments, which are also reportable segments: (i) tankers; (ii) gas carriers and ship management services; and (iii) dry bulk shipping (which includes containers).

- **Marine Services**: comprising marine terminal (including petroleum ports operations) and oil spill and hazardous and noxious substances response services which are aggregated in one reportable segment.

- **Others**: comprising one-off items and head office expenses classified as such 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.

Integrated Logistics

We believe our Integrated Logistics business unit is one of the largest end-to-end, fully integrated energy logistics services providers.

We provide a variety of services, including (i) logistics solutions, such as warehousing (managed or leased out) from bases in Mussafah, Ruwais, Riash and KEZAD Gateway; (ii) end-to-end supply chain logistics solutions, such as warehouse management, materials handling, waste management, aids to navigation maintenance, offshore logistics and rig/barge move services to ADNOC Offshore; (iii) provision of owned offshore support vessels and jack-up barges on chartering bases; (iv) provision of passenger terminal handling and marine passenger transportation to offshore locations from Mina Zayed Port; (v) provision of other EPC-related offshore logistics services; (vi) tender, manage and operate all offshore support vessels and lift boat requirements (owned and chartered) for ADNOC Offshore; (vii) provision of subsea services (internally and externally) including remotely operated underwater vehicle operations and inspection, maintenance and repair services at single point mooring for the facilities of all ADNOC Group companies; and (viii) supplying barite and bentonite to ADNOC Onshore and ADNOC Offshore pursuant to long term agreements.

We own and operate one of the largest fleets of 31 self-elevating jack-up barges and an additional fleet of 101 owned offshore support and passenger transport vessels (and additional approximately 90 operated vessels), including anchor handling tug, platform supply, safety standby and well stimulation vessels and landing craft and crew boats.

We provide integrated logistics solutions for the energy sector and have a strategic presence in all ADNOC offshore and onshore sites, enabling fast response to client needs. Our operations are conducted through a vast integrated logistics network, including nine natural and artificial islands, more than 70 offshore locations, more than 50 jack-up rigs and supporting barges. We operate more than 330 jack-up rig and barge moves, more than 190 offshore vessels supporting integrated logistics, 4,500 logistics equipment items and more than 460,000 square metres of storage space (as of 31 December 2022).

Business Lines

Our Integrated Logistics services are provided through three main business lines: (i) offshore logistics, (ii) onshore logistics, and (iii) jack-up barges.

Offshore Logistics

Offshore logistics is the largest business line in our Integrated Logistics business unit. Key services provided by the offshore logistics segment also include offshore managed hubs, material and equipment handling, facility servicing, mini dive support services, chartering, cargo and supply, personnel transport, safety and intervention services and other projects / EPC-related logistics services. Offshore logistics manages an extensive fleet, including, 101 owned offshore support and passenger transport vessels (and additional approximately 90 operated vessels), including anchor handling tug, platform supply, safety standby and well

stimulation vessels and landing craft and crew boats as well as three ferries transporting approximately 130,000 passengers per year. Furthermore, we operate major logistics bases and warehouses with 243 terminal handling equipment units, including six quay cranes and eighteen rubber tyre gantries. We view the offshore logistics business line as a source of future potential growth with the ADNOC Group companies and other parties, including through EPC-related services as well as being capable of providing additional services to clients that meets the evolving market landscape in the UAE and beyond.

Key clients of our offshore logistics business line are ADNOC Offshore, ADNOC Onshore and ADNOC Drilling. ADNOC Offshore operates across a vast area of approximately 250km^2, with key offshore fields including Zakum, Umm Lulu, Nasr and the Hail and Ghasha mega-project, being one of the world's largest offshore sour gas developments that is set to play a key role in helping the UAE achieve gas self-sufficiency. The Hail and Ghasha concession is set to expire by 2058.

The following table sets out our owned fleet in the offshore logistics business line (excluding offshore support vessels of ZMI Holdings) as at 31 March 2023:

Vessel	Built	Age (years)	Capacity (DWT)	Number of vessels
Crew Boats				
ADNOC 110	2007	15	150	1
ADNOC 151	2007	15	150	1
ADNOC 152-159	2011-2012	10-11	4	8
ADNOC C03	2022	0	144	1
Platform Supply				
ADNOC 850-851	2006-2008	14-16	1,263	2
ADNOC 221	2005	17	2,177	1
ADNOC 222-230	2015-2016	6-7	1,046-2,216	9
Offshore Supply				
ADNOC F01	2016	8	35	1
ADNOC S01-S02	2015-2016	6-7	1,724-3,757	2
ADNOC C02	2018	4	24	1

ADNOC B01	2016	8	n.a.	1
Passenger				
Ameer Al Kouloub	2013	9	86	1
Yasat – Ghagha 1	2015	7	56	2
ADNOC C01	2017	5	27	1
Safety Standby				
ADNOC 710-712	2008-2011	11-14	300-808	3
Fast Intervention				
ADNOC 810-812	2009-2010	12-13	370-425	3
ADNOC 251-252	2012	10	313-320	2
ADNOC 713-715	2009-2012	10-13	310-338	3
ADNOC W01	2014	8	4,811	1
ADNOC 250	2012	10	300	1
Anchor Handling				
ADNOC A01	2008	14	313	1
ADNOC A02-A06	2008-2013	9-14	326-1,903	5
ADNOC 510-511	2006	16	1,254-1,266	2
ADNOC 512-513	2008	14	1,269	2
Dive Support				
Aradah	2012	10	n.a.	1
Tawam-1	2015	7	n.a.	1
JASH	1983	39	n.a.	1

Maintenance

ADNOC 950-952	2007	15	693-1,753	3
ADNOC 1010-1011	2010	12	1,400-2,171	2

Onshore Logistics

Onshore logistics provides a variety of logistics solutions, including warehousing and material management, packaging and container terminal operations as well as jetty services and operations through a number of bases:

- **Borouge Container Terminal in Ruwais** in the Emirate of Abu Dhabi, with 760 thousand twenty-foot equivalent units annual throughput capacity and through which we provide shipping services of more than 3.5 million metric tonnes of cargo a year.

- **KEZAD Gateway** in the Emirate of Abu Dhabi, which comprises (i) a warehouse which is one of the largest warehouses in the Middle East, developed as a advanced polymer storage hub and is designed to enables Borouge to store 180,000 tonnes of polyolefins, with 2.5 million tonnes per year throughput, and (ii) the Khalifa Port. KEZAD Gateway provides terminal handling, warehousing operations and related services (including warehousing facilities, logistics operations and transhipment services catering to Borouge export products to worldwide destinations) at the Khalifa Port for all Borouge polymers. In addition, over 200,000 square metres of land within the 609,071 plot can be further developed to support expansion of the hub facility to meet future demands. The base currently uses existing container terminal facilities and will also have access to any future railway networks inside the Khalifa Port.

- **Logistics base in Musaffah** in the Emirate of Abu Dhabi. At over 1.5 million square meters, Mussafah is one of the largest integrated energy supply bases in the UAE and can accommodate an average of 4,500 port calls per year. It provides onshore and offshore logistics services to the ADNOC Group companies and other clients, including warehousing to more than 70 offshore locations, including nine islands (three natural islands and six artificial islands). It is capable of providing its port services and material handling through 14 berths, 78 forklifts and more than 360 vessels PCM, 760 specialist manpower and eight heavy lift cranes that can carry between 60 and 220 tonnes. The Mussafah logistics base has the infrastructure to manufacture barite and bentonite chemicals needed to for drilling operations. The base comprises a 870 metre quayside jetty, a grinding plant, warehouses, offices and open yard space. We provide our ILSP offering through the state-of-the-art integrated planning centre located at the Musaffah base.

- **Riash logistics base** in the Emirate of Abu Dhabi, includes warehousing space at Ruwais and loading areas alongside four vessel jetties. The base is capable of receiving international cargo, loading, packing and reshipping materials, and is currently undergoing development to expand footprint and capabilities including lengthening jetties and expanding warehousing space.

- **Fujairah base**, through which the oil spill and hazardous and noxious substances response department will have the ability to respond to any incident within a target response time of three hours. In addition, an oil spill response vessel will be stationed within the Port of Fujairah and can be serviced effectively from the facility.

Jack-up Barges

We own 23 jack-up barges and operate further eight jack-up barges (following novation of certain contracts with ADNOC Offshore). Jack-up barges have a full life of field focus from drilling to construction and operations, maintenance and modification as well as decommissioning, providing a "one stop shop" solution for our clients. The fleet is technologically advanced and operates in the UAE (19 jack-up barges), KSA (8 jack-up barges), Qatar (3 jack-up barges) and has recently deployed its first jack-up barge in the offshore wind sector in China.

Key services provided in this business line include well services, maintenance, accommodation and certain other services, such as third-party chartering and subsea / EPC services. Key clients in this business line include: (i) NOCs with a relationship length of up to 30 years; (ii) IOCs, with a contractual relationship length of up to 15 years; (iii) engineering, procurement and construction companies with a contractual relationship length of up to 20 years; and (iv) other companies with a contractual relationship length of up to 15 years.

We are focused on reducing our overall expenses with a view to maintaining competitiveness. As part of this process, we maintain a young asset base and apply a robust maintenance and real-time monitoring process aimed at quick turnaround times for repairs combined with a long-term contract framework for our jack-up barges services. Our versatile fleet allows for a range of capabilities and a wide scope of services, such as in respect of the oil and gas wells, renewables, accommodation and construction.

Due to the nature of the brownfield projects and operational expenditure driven activity in which jack-up barges are employed, client turnover in this business line tends to be low. Due to the high replacement costs of switching the jack-up barges in an existing project, end clients typically prefer extending existing contracts to ensure continuity of business in a cost-efficient manner under jack-up barges services contracts which typically extend up to 5 years.

The fleet of jack-up barges was built over the past 10 years. The number of owned jack-up barges increased by one from sixteen to seventeen between 2020 and 2021 while six jack-up barges were added to the fleet in 2022. The fleet of owned jack-up barges has historically achieved what we believe are best-in-class utilisation rates (calculated from the start day of the operations if a vessel is acquired during a year) and ranged from approximately 81% in 2020, to 91% in 2021 and 94% in 2022.

Shipping

We offer market-leading commercial and ship management and well as chartering services for the transport of crude oil, refined products, dry bulk and gas ensuring reliable supply of energy and bulk commodities to all our clients. Our fleet is diversified across dry bulk and container, tankers and gas shipping.

As at 31 March 2023, we owned and operated one of the largest diversified, modern and advanced shipping fleets in the GCC region of more than 500 modern and technologically advanced vessels, including 56 owned vessels, six VLGCs owned by AW Shipping Limited and vessels which are either committed or contracted and under construction for scheduled delivery between 2023 and 2026, of which 46 were on water. As part of our growth strategy, we seek to grow the fleet of our owned vessels in the future. As at 31 December 2022, the average age of our owned fleet was approximately 11 years (excluding the new-build ordered vessels, which will reduce the fleet's average age).

The following chart sets out an overview of our fleet of owned vessels as at 31 March 2023, including ordered vessels and vessels owned by AW Shipping Limited:

	Dry Bulk and Container	**Tankers**	**Gas**
Owned vessels (+ orderbook): (1)	9 dry bulk and 3 container	18 (+4)(2)	16 (+6)(3)
Average age:(4)	Dry bulk: 8 years Container: 13 years	6 years	17 years
Type of shipping services:	Vessels trade globally for both the ADNOC Group companies and other clients Bulkers typically transport sulphur, grain, fertilizers and coal Container vessels are engaged in a domestic UAE trade from Ruwais to Jebel Ali / Khalifa Port Vessels carry containerised polymers under a contract of affreightment with Borouge	VLCCs carry crude oil per voyage in long haul trades (all eco-friendly vessels, either scrubber fitted or LNG duel fuel) Five long range 2 vessels are scrubber fitted Product tankers transport refined petroleum products	Cryogenic containment systems for LNG and LPG transportation New-build LNG and LPG fleet built with advanced technology committing to greener shipping while maximising value from the energy value chain Including one molten sulphur vessel
Key contractual terms:	Dry bulk contracts mainly on a spot basis (excluding the Ghantout vessel) Container contracts on	Crude and clean vessels mainly on a spot basis 20-year time charter	Up to 15-year time charter

	approximately 3-year time charter	for chemical vessels	
Fleet capabilities:	Handysize, supramax, ultramax and container vessels	Long range 1, long range 2, VLCC, chemicals tanker	LNG, LPG and molten sulphur
DWT ('000)	Dry bulk: 507 Container: 67	2,439	872

(1) Including vessels which are either contractually committed or contracted and under construction for scheduled delivery in the medium term.

(2) Including four vessels which have been ordered and are scheduled to be delivered within 2023.

(3) Including (i) six VLGCs owned by AW Shipping Limited and (ii) six LNG carriers which have been ordered for scheduled delivery between 2025 and 2026.

(4) Age as at 31 December 2022, excluding the new vessels ordered for scheduled delivery date between 2023 and 2026.

Business lines

Our Shipping business unit is comprised of three business lines which are also our separate reportable segments: (i) dry bulk shipping (which includes containers), (ii) tankers, and (iii) gas carriers.

We have established long-standing relationships with a diverse client base. The ADNOC Group companies are our key clients of our Shipping business unit, in particular ADNOC Gas and Borouge. Further, we provide shipping services to leading international energy and bulk transport companies, including NOCs, commodity trading, energy, shipping, chemicals and refining sectors. With a diversified client base across the crude, products, LNG/LPG and dry bulk shipping segments we are able to foster a worldwide presence, with vessels capable of meeting a wide variety of client needs.

Dry bulk shipping

Our dry bulk shipping business line contributed 42% of our total revenue in the Shipping business unit for the year ended 31 December 2022 (pro forma for the ZMI Holdings Acquisition).

The dry bulk fleet consists of nine owned vessels and a significant number of chartered-in vessels designed to capture attractive opportunities as they arise in the market. Our dry bulk shipping business line transports all of ADNOC Gas sulphur export (4.2 million metric tonnes transported in 2022) and we expect to increase the sulphur export volumes to approximately 6.0 million metric tonnes as well as the freight for third party traders purchasing sulphur from the ADNOC Group companies. Additionally, the dry bulk shipping business line transports 0.75 million metric tonnes of petcoke exports throughout the UAE, with some green petcoke ad hoc sales also transported globally. Our container business is engaged in the domestic UAE trade transporting containerised polypropylene under a contract of affreightment with Borouge.

The residual contract length in respect of our owned containers was approximately two years as at 31 December 2022. As at 31 December 2022, more than 90% of our owned dry bulk and container fleet had an average age of less than 11 years.

Our dry bulk shipping services are provided though owned and chartered-in vessels. Third party vessels are chartered-in for different requirements, such as single voyage cargoes, single voyages trips and period charterers up to one year in duration. The growth of our dry bulk shipping business line benefits from a number of factors, including shipping of all of sulphur and petcoke exports of the ADNOC Group companies under cost and freight terms which we combine with a policy of seeking arbitrage opportunities for our owned fleet in light of market tonnage for cargo execution and volumes of transported products by clients outside of the ADNOC Group.

Between 2020 and 2022 we recorded an approximate 17% increase in transported dry bulk volumes from 6.8 million metric tonnes transported in 2020, to 8.5 million metric tonnes transported in 2021 and 8.0 million metric tonnes transported in 2022, with increasing volumes transported for clients outside of the ADNOC Group. Furthermore, we recorded an approximate 11% increase in the number of executed dry bulk voyages with owned and chartered tonnage for the ADNOC Group companies and other clients' cargoes from 154 in 2020, to 177 in 2021 and 193 executed in 2022.

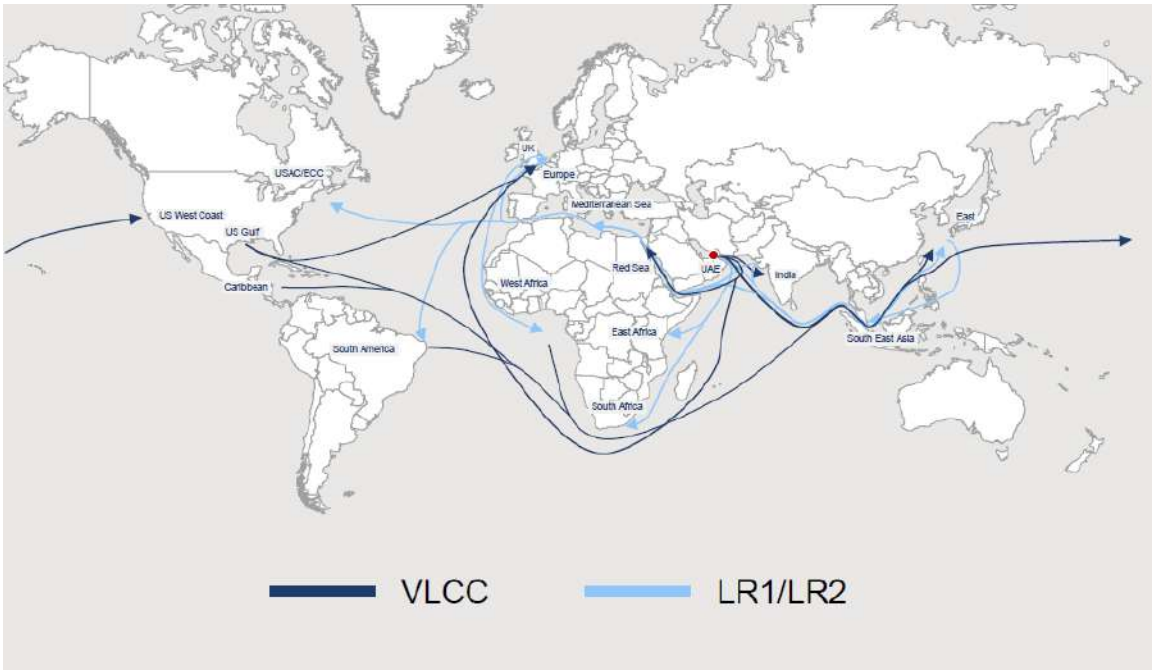
Tankers

Our fleet consists of VLCCs, long range 1 ("**LR1**") and long range 2 ("**LR2**") vessels as well as specialised chemical tankers and chartered-in vessels designed to capture attractive market opportunities although chartering-in of vessels has historically been limited. Since 2020 our trading footprint has expanded to a global scale including the USA, West Africa, Caribbean, South America and the Far East, having signed co-operation agreements with ADNOC Trading and ADNOC Global Trading which is among one of the largest traders of certain refined products to the east of Suez. With a growing shift from free on board ("**FOB**") to cost and freight ("**CFR**") model of our operations, we expect to see more volumes managed through our subsidiary Abu Dhabi Marine International Chartering Holdings, which provides services to ADNOC Trading and ADNOC Global Trading.

Contracted revenue in our tankers business line is generated by chemical tankers only while the majority of the tankers shipping is contracted on a spot basis.

Between 2020 and 2022 we recorded a significant increase in transported crude and other product cargoes volumes (excluding coastal movements by ADNOC Distribution) from 0.3 million metric tonnes of crude and 3.4 of other products transported in 2020, to 4.2 million metric tonnes of crude and 7.0 million metric tonnes of other products transported in 2021 and 6.2 million metric tonnes of crude and 8.4 million metric tonnes of other products transported in 2022 driven primarily by expansions of our fleet in 2021.

Our tanker fleet shipping routes are generally from the Arabian Gulf and West Africa to the Far East, Southeast Asia and Australia:



Gas carriers

Our gas carriers business line contributed 19% of our total revenue in the Shipping business unit for the year ended 31 December 2022.

Revenue from our gas carriers business line is predictable because the vessels, including vessels owned by AW Shipping Limited, operate mainly under long term time charters, including the LNG/LPG- carriers which operate on time charters. We are targeting an increase in revenue in the gas carriers business line going forward following delivery of six new LNG carriers that are scheduled for delivery between 2025 and 2026, five of which are already contracted on long-term charters from seven years (one vessel) to fifteen years (four vessels). Our investment in the new LNG carriers reflects the increasing demand for LNG, especially as related to energy security, shifting logistics and the scarcity of available LNG tonnage in the long-term.

As at 31 December 2022, the total residual contract length in the gas carriers business line was approximately seven years with a total contracted revenue of approximately 79% for the year ended 31 December 2022.

Our strong focus on profitability and cost discipline is aimed at creating additional value, extending the fleet life and taking advantage of subdued market conditions to add new vessels. Through our LNG fleet life extension programme, we invested in legacy LNG carriers to extend their usable life to over 35 years. For example, we charter certain of our legacy vessels, securing long term charters through floating storage unit ("**FSU**") and floating storage regasification units ("**FSRU**") arrangements which allows us to monetise such assets for further 11 to 15 years.

Our ongoing focus on maximising value enables us to continue our investment in new vessel technologies with a focus on reducing fuel consumption and emissions. Our new LNG carriers are built with a 40-year lifespan and advanced technological features including optimised hull form, high efficiency propellers, twin skeg propulsion and air lubrication system. The new

vessels are designed to improve fuel consumption in gas mode by approximately 8% and by 6% in diesel fuel mode.

We transported 4.7 million metric tonnes of gas-related cargo in each of 2020 and 2021 and 4.3 million metric tonnes of gas-related cargo in 2022 under Long-Term Agreements.

The total number of our owned vessels was 9 in 2020, 9 in 2021 and 10 in 2022. As at 31 March 2023, AW Shipping Limited owns additional six VLGCs (one delivered in 2021, four delivered in 2022 and one delivered in February 2023).

The following table sets out certain information about own gas fleet, including vessels owned by AW Shipping Limited and ordered vessels, as at 31 March 2023:

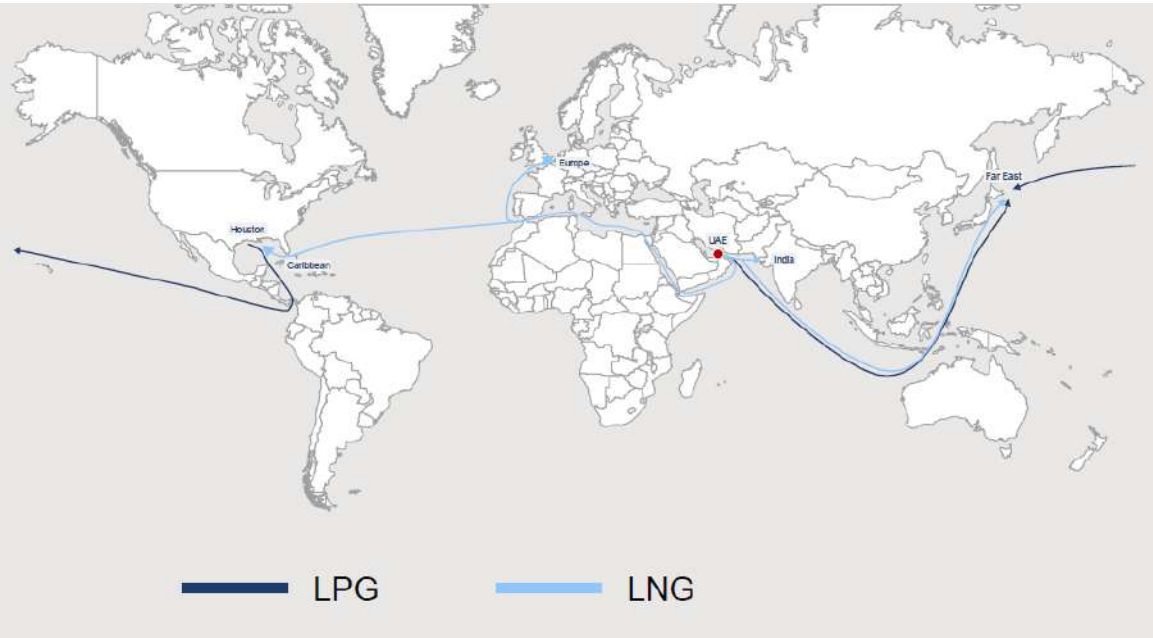
Vessel Name	**Type**	**Built**	**Holding**	**Capacity (DWT)**	**Pricing Methodology**
Existing Vessels	LNG	1997	100%	73,000	Contracted
Al Hamra					
Al Khaznah	LNG	1994	100%	71,500	Contracted
Ghasha	LNG	1995	100%	71,600	Contracted
Ish	LNG	1995	100%	71,600	Contracted
Mraweh	LNG	1996	100%	73,000	Contracted
Mubaraz	LNG	1996	100%	73,000	Contracted
Shahamah	LNG	1994	100%	71,900	Contracted
Umm Al Ashtan	LNG	1997	100%	73,100	Contracted
Yas	LPG	2011	100%	10,000	Spot
Janana	Molten Sulphur	2006	100%	9,400	Contracted

AWS Delma[1]	LPG-VLGC	2016	50%	54,000	Contracted
AWS Al Ain[1]	LPG-VLGC	2022	50%	55,000	Contracted
AWS Zakher[1]	LPG-VLGC	2022	50%	55,000	Contracted
AWS Rabdan[1]	LPG-VLGC	2022	50%	55,000	Contracted
AWS Al Salam[1]	LPG-VLGC	2022	50%	55,000	Contracted
AWS Baynounah[1]	LPG-VLGC	February 2023	50%	55,000	Contracted
Ordered Vessels					
H2700 Jiangnan	LNG	2025[2]	100%	95,000	Contracted
H2701 Jiangnan	LNG	2025[2]	100%	95,000	Contracted
H2702 Jiangnan	LNG	2025[2]	100%	95,000	Contracted
H2703 Jiangnan	LNG	2026[2]	100%	95,000	Contracted
H2704 Jiangnan	LNG	2026[2]	100%	95,000	Contracted
H2705 Jiangnan	LNG	2026[2]	100%	95,000	Spot

(1) Vessels owned by AW Shipping Limited.

(2) Scheduled delivery date

The primary shipping routes for LNG are from the Arabian Gulf to the Indian sub-continent, servicing India, Southeast Asia and the Far East while the primary LPG shipping routes are principally from the Arabian Gulf to the United States and from the United States to the Far East.



Marine Services

Our Marine Services business unit provides a comprehensive range of specialist marine terminal and port operations services covering the full range of petroleum ports operations, diving services and oil spill response.

Our Marine Services business unit is comprised of two key business lines: (i) marine terminal operations, including all petroleum ports in the Emirate of Abu Dhabi; and (ii) oil spill and hazardous and noxious substances response which is one of the largest responders of this type in the UAE.

We operate a marine service fleet of 65 owned vessels (which includes two mini dive support vessels and two ASD tugs under construction), including providing for port operations including pilot boats, mooring boats, tug boats and oil spill and maintenance. As at 31 December 2022, our fleet (excluding two mini dive support vessels and two ASD tugs under construction) had an average age of nine years.

All revenue from the Marine Services business unit for the year ended 31 December 2022 was generated under Long-Term Agreements. Approximately 95% of our revenue from the Marine Services business unit for the year ended 31 December 2022 was derived from services contracted to ADNOC Group companies.

The following chart sets out an overview of our fleet of owned vessels as at 31 March 2023:

	Marine terminal operations	**Oil spill and hazardous and noxious substances response**
Number:	39 vessels[(1)]	26 vessels
Overview:	Every vessel that arrives at and departs from Abu Dhabi petroleum	Purpose built vessels to protect marine environment

	ports is assisted by at least one tug boat	Specialised equipment for the containment and removal of marine oil spills
Key services:	Pilotage, towage, mooring and line handling, oil and gas cargo operations, single point mooring maintenance, diving services	Oil spill response, hazardous substances response, oil spill detection modelling, technical and contingency planning, drills and exercises planning, training courses
Fleet capabilities:	Maintenance, ASD escort tug, berthing tug, firefighting tug and pilot boat	OSRV, fast rescue, firefighting and safety standby

(1) Including two mini dive support vessels and two ASD tugs under construction. We also operate one chartered-in vessel (tug)

Marine Terminal Operations

The marine terminal operations business line operates export facilities of the ADNOC Group, including: onshore ports of Jebel Al Dhanna and Ruwais as well as the Fujairah hub as well as offshore ports of Das, Zirku and Mubarraz. We are the only operator with the licence to service all petroleum ports in the Emirate of Abu Dhabi.

Revenue from the marine terminal operations business line is derived from services contracted to ADNOC Group companies, primarily pursuant to a 25-year licensing agreement with ADNOC entered into in 2020, with other contracts in place with certain ADNOC Group companies covering specific services. See "*—Integrated Logistics—Petroleum Ports Operations Licencing Agreement*".

Oil Spill and Hazardous and Noxious Substances Response

We are one of the largest oil spill and hazardous and noxious substances responders in the UAE with detection, monitoring and forecast technology, over 22 km length booms, and dedicated wide base of specialised and trained manpower. Our fleet includes oil spill response, fire fighting and safety standby vessels that are built to protect the marine environment and also includes specialised equipment for the containment and removal of marine oil spills, with approximately 140 dedicated personnel.

We provide niche services with one of the largest oil spill and hazardous and noxious substances response capabilities in the UAE for Tier 1, 2 and 3 level incidents. Tier 1 involves a basic onsite response in which we have 5-year contracts with certain ADNOC Group companies and other third parties, Tier 2 a more regional response where multiple stakeholders are involved, while Tier 3 constitutes a major incident response in which we operate on a call-out basis only.

The majority of revenue from this business line is derived from a 20-year service contract with ADNOC Group companies that covers Tier 2 response services at all ADNOC Group's facilities in the UAE. Additional third-party revenue derives from agreements with TAQA and

NAWAH. See "—*Marine Services*".

The following table sets out certain information for our owned marine services fleet as at 31 December 2022, including vessels under construction:

Vessel	Type	Built	Number of vessels
Oil Response Vessel			
ADNOC SR 01-04	Oil Spill & HNS Response	2021-2022	4
ADNOC SR 20-24	Oil Spill & HNS Response	2022	5
ADNOC SR 50-54	Oil Spill & HNS Response	2022	5
ADNOC SER 03	Oil Spill & HNS Response	2008	1
Aroosa	Oil Spill & HNS Response	1995	1
Anfooz	Oil Spill & HNS Response	1991	1
ASD Escort Tug			
AlBuzam	Marine Terminal Operations	2011	1
Alaryam	Marine Terminal Operations	2011	1
Hanyurah	Marine Terminal Operations	2011	1
Ras Emshaireb	Marine Terminal Operations	2011	1
Al Qubah	Marine Terminal Operations	2010	1
Attaf	Marine Terminal Operations	2010	1

Vessel	Type	Built	Number of vessels
Khasifa	Marine Terminal Operations	2009	1
Meyzad	Marine Terminal Operations	2009	1
Egmais	Marine Terminal Operations	2009	1
Al Qafai	Marine Terminal Operations	2009	1
Al-Bateen	Marine Terminal Operations	2005	1
Mooring Boat			
ADNOC M01-06	Marine Terminal Operations	2021	6
Al Marfa 1 – Line Boat	Marine Terminal Operations	2015	1
Daughter Craft			
ADNOC SR 05-12	Oil Spill & HNS Response	2021-2022	7
Landing Craft			
Samnhan 15	Oil Spill & HNS Response	2014	1
Fa’res 15	Oil Spill & HNS Response	2014	1
Berthing, Fire Fighting and D.S.V			

Vessel	Type	Built	Number of vessels
Hamour	Marine Terminal Operations	1991	1
Gubab	Marine Terminal Operations	1991	1
Berthing and Fire Fighting Tug			
Nagroor	Marine Terminal Operations	1994	1
Pilot Boat			
ADNOC P-01	Marine Terminal Operations	2021	1
Jed	Marine Terminal Operations	2011	1
Khabat	Marine Terminal Operations	2011	1
Dhafeer	Marine Terminal Operations	2006	1
Ohaidah	Marine Terminal Operations	2007	1
Anchor Handling Tug			
El-Yah ASD TBB	Marine Terminal Operations	2007	1
Assad ASD TBB	Marine Terminal Operations	2007	1
Yas ASD TBB	Marine Terminal Operations	2007	1

Vessel	Type	Built	Number of vessels
Crew Boat			
Shah 1	Marine Terminal Operations	2015	1
Habshan ASD TBB	Marine Terminal Operations	2007	1
Line Boat			
Garnian3	Marine Terminal Operations	2016	1
Makasib	Marine Terminal Operations	2000	1
Sooly	Marine Terminal Operations	1995	1
Under Construction			
ASD	Marine Terminal Operations	—	2
DSV	Marine Terminal Operations	—	2
Multi-Purpose Maintenance			
Dive Maintenance & Support Vessel			
Remah-1	Marine Terminal Operations	2015	1

Our Medium Term Targets

As part of our business strategy aimed at positioning us for long term growth, we have set certain medium term targets. The medium term targets are not a profit forecast and no statement or projection in this Prospectus should be interpreted to mean that earnings for the current or future financial periods or years would necessarily match or exceed historical

earnings or meet the targets set out below. We have not defined the terms “medium term” or “long term” by reference to any specific period, and, unless otherwise specified, the targets below are not to be read as indicating that we are targeting or expecting such metrics in respect of any particular financial year. Our ability to meet the medium term targets depends on a variety of factors, including market conditions and industry knowledge, the accuracy of various assumptions involving factors that are beyond our control and are subject to known and unknown risks, uncertainties and other factors that may result in our being unable to implement the strategy and achieve such medium term targets.

Medium Term Capital Expenditure Targets

- We target growth capital expenditure between USD 4-5 billion in the medium term which will be subject to our highly disciplined investment policy targeting a minimum low double digit internal rate of return. Approximately one third of the targeted expenditure has been approved internally by our committees and is hence committed.

- The growth capital expenditure is targeted to be split among our business units as follows: Shipping business unit (LNG) – approximately 47%, the Integrated Logistics business unit – approximately 29%, Shipping business unit (others) – approximately 22% and the Marine Services business unit – approximately 2%.

- The majority of the revenue associated with the targeted growth capital expenditure is already contracted or anticipated to be contracted prior to commitment of the growth capital expenditure budget and relates to assets where there is either a memorandum of understanding, a framework agreement or management expectation that the asset to be acquired will be under contract upon delivery. Assets with non-contracted assets are typically acquired in respect of specific pipeline opportunities.

- We target maintenance capital expenditure between USD 150 and 200 million in 2023 due to dry docking and approximately USD 100 million per annum in the medium term.

Group Medium Term Targets

Consolidated Revenue: We target mid-to-high single digit growth year-on-year in the medium term. We aim to achieve this growth through near term new contracts awards, significant expansion of our ILSP services, optimised redeployment of jack-up barges to maximise utilisation rates, expansion of our fleet size by adding four VLCC carriers scheduled to be delivered within 2023 and six new-build LNG carriers scheduled to be delivered between 2025 and 2026.

Consolidated EBITDA: We target an EBITDA margin of approximately 30% in 2023. Over the medium term, we target average annual EBITDA growth in the low teens and to achieve an EBITDA margin of 35%, including income from joint ventures of between USD 10 to 15 million per annum in the medium term.

Capital Structure: We intend to follow a disciplined leverage policy with targeted leverage averaging 2.0-2.5x net debt / EBITDA in the medium term.

Dividends: See “*Dividend Policy*”.

Other:

- In 2023, we target net working capital as a percentage of revenue to increase to approximately 10% and to remain stable thereafter in the medium term.
- We target a minimum amount of cash on balance sheet of approximately USD 150 million in the medium term.
- In 2023, we target depreciation and amortisation as a percentage of revenue to decline to 7% and to increase to high single digits in the medium term.
- We expect our effective tax rate for the year ended 31 December 2024 to be 10-11% taking into account operations and revenue generated outside of the UAE.
- Funding is expected to be sourced on an arm's length basis, at market standard rates, commensurate with our credit profile.

Segmental Medium Term Targets

Integrated Logistics

Revenue: We target mid-teens year-on-year growth in 2023 and 2024 due to new contracts awards, further expansion of ILSP and optimised redeployment of jack-up barges. We target growth to continue in line with UAE inflation thereafter.

EBITDA: We target an EBITDA margin of approximately 30% in 2023, increasing to mid-30% levels afterwards in the medium term.

Shipping

Revenue:

- In our gas carriers business line, we target a minimum low single digit growth in the near term (mostly contracted cash flows), with an increase of approximately 50% year-on-year starting from 2025 attributed to the delivery of the new-build LNG carriers (with six vessels due to be delivered between 2025 and 2026).
- In our tankers business line, by applying a conservative approach, we target revenue normalisation in 2023 (with a mid-single digits decrease compared to 2022) and revenue increase above UAE inflation levels thereafter in the medium term.
- In our dry bulk shipping business line, by applying a conservative approach, we target revenue normalisation in the near term (with approximately 10% decrease compared to 2022) and revenue to remain in line with UAE inflation thereafter in the medium term.

EBITDA:

We target EBITDA margin normalisation in 2023 (with a mid-single digit decline) due to declining spot TCE rates. Thereafter, we target EBITDA margins to remain stable at the 2023 levels and to increase from 2025 onwards to above 35% in the medium term as the new-build

LNG carriers are delivered (profitability of LNG carriers in line with industry benchmarks and fully contracted starting from 2026).

Marine Services

Revenue: We target mid to high single digits year-on-year growth in 2023 as a result of newly awarded contracts awards. In the medium term, we target the growth rate in line with UAE inflation.

EBITDA: We target EBITDA margins above 20% in 2023 and in the medium term.

Environmental, Social and Governance (ESG)

Overview

We are committed to environmental, social and governance ("**ESG**") principles, which are integrated into our strategic objectives. ESG is at the core of our priorities and as a shipping and logistics service provider, we are cognisant of our responsibility to encourage sustainable practices in our policies, operations, supply chains, and communities. We have aligned our strategic priorities to create sustainable value for all our stakeholders — our clients, our employees, our communities and our shareholders.

Our vision is aligned with ADNOC's ESG strategy. We believe we are a sustainability leader for the UAE's maritime and logistics ecosystem and we seek to leverage our maritime heritage to enhance the UAE's status in the global maritime industry. As part of our ESG strategy we intend to (i) reduce our operational environmental footprint; (ii) maintain strong health and safety culture; (iii) promote local talent and in-country value; and (iv) secure responsible supply chain management. ADNOC introduced an in-country value program for its suppliers focusing on local supplier selection, development of UAE nationals and localisation of critical functionalities in the oil and gas industry.

Our ESG targets and approach are in alignment with the ambitions of the ADNOC Group. In particular, we are a major contributor to ADNOC's 2030 target of reducing emissions intensity by 25%. In addition, our greenhouse gas ("**GHG**") and new energy strategies encompass projects focusing on electrification, green power, energy optimisation, flaring reduction and development of carbon capture initiatives. Our GHG emissions estimation and reporting follow 'US-EPA AP42' and 'API Compendium of Greenhouse Gas Emissions Methodologies for Oil and Natural Gas Industry (2009)' standards, with verification and compliance via ADNOC Group's HSE function.

We are entrusted with the responsibility to protect the health and safety of our people, minimise the consumption of resources and control emissions to ensure a sustainable ecosystem for future generations. On the social aspect, we are passionate about developing our people through ADNOC centres of excellence and training programs, our health and safety management system focus on operational excellence and safety.

Environmental

We are, and will remain, committed to the protection and enhancement of the environment through monitoring, reporting and continual improvement of our environmental performance

across a range of areas, including: energy, material consumption, emissions efficiency schemes, real time optimisation, reduce, reuse and recycle initiative, use of hazardous waste as raw material for other industries, water management (through key systems and software, as well as recycling and reuse of wastewater), and waste management.

We are currently progressing on decarbonisation ambitions by investing in a technologically advanced fleet with low fuel consumption with approximately USD 2 billion invested or committed in environment-friendly vessels. In addition, we are supporting the gas carrier operations our ambition to strive for a greener future with the aim of achieving 36% improved energy efficiency, reduction of potential methane slip by 50% and saving 3,376 carbon dioxide tonnes per year.

Diversity and Inclusion

We recognise the importance of creating an engaged, diverse and capable organisation for the long-term success of our organisation. Embracing diversity enables us to attract and retain talented people. We are committed to fostering an inclusive culture, and to provide equal opportunities for career development and advancement, regardless of gender, ethnicity, age and culture. Our employees come from the UAE and other countries.

We have designed female-focused development programs that we believe have led to an increase in the share of female representation in senior and middle management positions and leadership positions from 10.1% in 2020 to 11.4% as at 31 December 2022. We support our employees' professional development through focused training and talent development programs. As part of our social-related efforts, we promote Emiratisation across our entire organisation. As at 31 December 2022, 2021 and 2020, UAE nationals constituted 35.9%, 32.0% and 29.7% respectively, of all our employees.

Governance

We embrace sustainability as a strategic path to increase integrity and accountability across the Company. We ensure an effective governance framework across our global operations and we are committed to the principles of good corporate governance and adhere to standards of corporate governance that are in line with international best practice. See "*Corporate Governance*".

Our board which oversees our management and business affairs consists of duly qualified and experienced directors appointed in line with SCA requirements. We comply and are aligned with the SCA rules concerning the corporate governance of listed companies and have strong independence criteria in place. Our board committees consist of an audit committee, a board executive committee and a nomination and remuneration committee.

We have a highly experienced and reputable senior management team with deep industry experience and significant professional experience in the industry. In addition, our management has a track record of delivering on key projects.

Our board of directors, composed of seven directors appointed in line with SCA requirements, is collectively responsible for our management and strategy. The board of directors supervises the interests of stakeholders, the creation of a culture aimed at long-term value creation, the

internal audit function, and the effectiveness of internal risk management and control systems. Our executive committee is responsible for matters relating to commercial, financial and operational performance, function and planning of the ADNOC Group, information and reports relating to the group, reserved matters and related party transactions. Our newly formed audit committee oversees ADNOC's group corporate governance, risk management, legal and compliance, financial and non-financial reporting, internal control and internal and statutory audits. Our nomination and remuneration committee is newly formed and oversees remuneration arrangements, senior appointments, succession planning and board evaluation. Our senior management team is charged with day-to-day management and is responsible for the continuity and optimisation of our business to create long-term value for our stakeholders. See "—*Corporate Governance*".

Ethics and compliance

In terms of ethics and compliance, we strive to conduct our business activities responsibly, efficiently, transparently, and with integrity and respect towards stakeholders. In doing so, we promote a culture of performance, collaboration and responsibility. These values underpin everything we do and defines the day-to-day attitudes and behaviours of our employees.

We are committed to operating our business to the highest ethical standards and practices. The ADNOC Group Supplier Code of Business Ethics outlines the minimum standards of compliance and ethical practices that we expect from each of our partners and suppliers, and our code of conduct guides our business, requiring ethical behaviour and integrity in everything we do, and is updated regularly to ensure it reflects the changing risk environment that the ADNOC Group operates in. To ensure that our employees are guided on their ethical conduct, we have mandatory ethics & compliance e-learning across all functions. Face-to-face workshops and awareness communications were also held across all regions covering topics like anti-bribery and corruption, data privacy, conflict of interest, whistleblowing, and gift and entertainment. We aim to continue our efforts to reinforce our ethical business standards and culture by enhancing our e-learning modules on the code of conduct, as well as ongoing ethics and compliance e-learning modules in emerging risk areas.

We encourage (and expect) employees to directly report suspected violations of our code of conduct through appropriate channels. From a governance perspective, we have an ethics and compliance committee to ensure management oversight, monitoring and adherence to our code of conduct.

Competition

As an integrated energy maritime logistics and shipping business, we compete with global, regional and local shipping and logistics service providers in each of our business units. We believe that our closest competitors are global and regional companies operating in the energy, shipping and logistics services industry and local companies operating in the infrastructure industry.

The competitive landscape is differentiated regionally by numerous factors, such as the number of competitors operating in a specific market, the national and regional infrastructure investment plans by governments, the pricing policies, the level of overhead expenses and the products and services of such competitors, their market penetration, scheduling, vessel

availability, size, age and condition of the vessel, quality, experience and reputation of ship operators, the pre-existing relationships with clients or clients' prior experience with specific contractors, the total capacity serving the market, up-to-date technology in terms of methods and equipment, properties, quality, logistics, availability, reliability and innovation, market barriers to entry, and the proximity of natural resources, as well as general economic conditions and demand within the market. We believe that our closest peers are (i) global and regional integrated logistics services companies including Nakilat, MISC, Bahri; and (ii) other UAE listed companies displaying similar features of growth, resilience, and profitability, such as ADNOC Drilling or Abu Dhabi Ports.

Health, Safety and Environment (HSE)

Health and Safety

We are committed to protecting the health and safety of our people and the communities in which we operate. On environment, we are responsible to minimize the consumption of resources and emissions to ensure a sustainable ecosystem for future generations. On social, we are passionate about developing our people through ADNOC training programs, while our Health Safety Environment ("**HSE**") Management System focus on operational excellence across our onshore and offshore marine operations. On governance, we have adopted ADNOC group's robust and well-developed policies and standards.

Our HSE management system aims to ensure that all of our assets and operations embed a 100% HSE culture and remain subject to continuous improvement. We are committed to providing a safe and healthy workplace by fostering a culture of zero harm across all of our functions and implementing international safety standards to minimise potential risks to people, communities, assets or the environment. We seek to regularly train our employees to implement the best sustainable maritime business practices. Our integrated management system is comprehensive and focuses on continuous improvement through the adoption of international best practice frameworks and industry learnings. We are certified for ISO 9001 QMS, ISO 14001 EMS, ISO 45001 OHSMS, ISO 50001 ENMS, ISO 55001 AMS, ISO 27001 ITMS, ISO 220001 BCMS, and independent and recertification audits are carried out every three years and surveillance every year. On a group level, ADNOC is committed to maintaining high levels of HSE performance. Our HSE department has rolled out and implemented the following strategic HSE strategic initiatives:

- an HSE culture transformation program, which includes new HSE standards, training programs and competence management initiatives, behavioural based safety (BBS), and a focus on automation and developing stringent work instructions;

- the development of a new asset integrity and risk management framework that contributes towards the development of elements and sub-elements as well as performance standards;

- a focus on people's health through the initiation of an ADNOC safety day themed "culture of care", the launching of health campaigns (e.g., beat the heat, mental health), fatigue and stress risk management program to improve performance;

- the ADNOC 2030 sustainability strategy which includes management of GHG

emissions and GHG abatement projects; and

- by developing HSE digital solutions for improved compliance, artificial intelligence projects and the integration of various HSE automation across our major business segments: integrated logistics, shipping and marine services.

We are committed to maintaining high standards of health and safety in delivering our services, and one of our key strategic pillars is to drive "100% HSE". We have established a central command and control centre for managing crisis and business continuity events and have made significant investments into digitalisation and automation of key HSE processes.

In addition, we have high health and safety standards and an outstanding track record. We recorded a 74% decline in lost time incident frequency since 2020 and a 70% decline in total recordable incident rate (the number of incidents per million manhours worked) ("**TRIR"**) since 2020. Our safety records for the years ended 31 December 2022, 2021 and 2020 are set out below.

	For the year ended 31 December		
	2022	**2021**	**2020**
TRIR – Employees.....	Nil	0.14	0.83
TRIR – Contractors.....	0.18	0.46	0.27
Total	**0.18**	**0.38**	**0.59**

We are committed to educate and train suppliers on HSE through systemic meetings and workshops by (i) conducting monthly HSE meetings on key focus areas as well as the action plan generated by the participants, and (ii) sharing internal and external incidents and lessons learned as part of the KPIs within the contractor HSE performance management mechanism.

We also attach significant importance to our operations and policies with respect to sustainability and environment preservation. We work continuously on integrating environmental aspects into our mainstream operations to maximise the efficiency and productivity of our resources and minimise practices that might adversely affect the environment, the local communities and society at large.

Some of our vessels are equipped with a proprietary AI-enabled smart vessel system which detects crew, slips and falls and overboard incidents, undertakes personnel safety checks and swell classification.

COVID-19

Since the onset of the pandemic, our business operations have continued without interruption due to strict crisis management implementation and close monitoring of ongoing developments. We have applied strict protective measures, including sanitisation, personal

protection equipment, social distancing and thermal testing prior to accessing any group locations. High frequent testing of both our direct hires as well as contractors enabled the crisis management team to implement additional measures whenever needed. This included remote working for a larger group of administrative and support staff.

Although the long-term effects of COVID-19 are still unclear, our current outlook is that our financial and operating performance remains positive. Developments in each jurisdiction in which we operate are being closely monitored and protocols are flexible to allow for rapid adjustments as needed. The impressive resilience of our staff throughout the period gives all local management teams confidence to revert to a work-from-home policy again if needed, without interruptions to our operations and supply chain.

Environmental Matters

We are subject to numerous environmental, health and safety laws and regulations in the countries in which we operate, including laws and regulations relating to the generation and handling of hazardous substances and wastes, the clean-up of hazardous substance releases and the discharge of regulated substances to air or water. Violations of environmental, health and safety laws can result in substantial penalties, court orders to install pollution control equipment, civil and criminal sanctions, permit revocations and facility shutdowns. In addition, environmental, health and safety laws and regulations may impose joint and several liability, without regard to fault, for clean-up costs on potentially responsible parties who have released or disposed of hazardous substances into the environment.

Information Technology and Innovation

Information technology and innovation are key enablers to support us in being a value-enabler organisation by revealing opportunity gains, enhancing efficiencies and reducing operating and unit costs, thereby creating competitive advantages. We invest in and maintain information technology systems at our headquarters, offices, and other facilities, in order to support our performance and growth strategy. Our information technology systems include both third party applications and in-house developments (including in certain instances in cooperation with ADNOC) tailored to improve cost and plant operating efficiency.

We are pursuing a digital transformation strategy, seeking to harness technology and innovation to unlock value, enhance efficiencies and boost performance. This strategy is driven by two main objectives: (i) artificial intelligence based maritime predictive maintenance solution for planning optimisation, operational efficiency, improving overall fleet performance and asset reliability, and (ii) real time data analytics for risk management and asset optimisation, maintenance and cost optimisation and increased equipment uptime.

We are seeking to develop what we believe is a state-of-the-art digital platform with unified digital features, including integrated planning, 360 business analytics and artificial intelligence-enabled unified data platform that is built on three pillars: (i) smart shipping – real time ship movement and altering, predictive maintenance, dynamic voyage performance and crewless shipping and autonomous vessels, (ii) integrated logistics services – service-oriented marketplace, integrated planning centre, field resources enablement, supply chain automation and warehouse and material management; and (iii) advanced marine services – port and jetty operations, pilotage request management, real time berth and automated yard planning,

advanced analytics (port charges and revenues) and duty roster management.

We believe that an artificial intelligence-based maritime maintenance solution provides for planning optimisation and operational efficiency going forward and will improve our overall fleet performance and asset reliability. In addition, we believe that real-time data analytics would provide for risk management and asset optimisation, maintenance and cost optimisation and increased equipment uptime.

Employees and Pensions

Employee numbers

As at 31 December 2022, we had a total of 2,150 employees, including 28 full time employees in our Shipping business unit (commercial departments), 1,009 in our Integrated Logistics business unit and 385 in our Marine Services business unit. In addition, as at 31 December 2022, we had a total of 184 employed UAE seafarers. We source further seafarers from outside the UAE as contractors through external agencies.

End of service benefits

We award long-term employee benefits to certain employees in accordance with the local employment requirements in the UAE. These obligations are a post-employment benefit plan. With respect to our UAE national employees, we make pension contributions to the Abu Dhabi Retirement Pensions and Benefits Funds in accordance with the Abu Dhabi Retirement Pensions and Benefit Fund's regulations. With respect to our GCC national employees, we make pension contributions to the pension funds or agencies of their respective countries. Such contributions are charged to operating costs during the employees' periods of service. As for non-UAE national employees who have completed one year of continuous service with an ADNOC Group company, they shall be eligible for end of service benefits as per ADNOC policies.

Intellectual Property

Under the terms of the Brand Usage Agreement, we expect to be granted a limited, revocable, non-transferable, non-sublicensable, non-exclusive licence to use certain of ADNOC's trademarks, logo and materials in Africa, Asia, Australia, Europe, North America, South America and any other countries or territories as may be agreed to in writing from time to time, in connection with all operations and any other activities that the Company is currently engaged in. The licence expected is royalty-free for the first five years, following which royalty may be charged. The Brand Usage Agreement is expected to continue in force unless terminated by ADNOC on twelve months' prior written notice to the Company.

Legal Proceedings

There are no outstanding material governmental, legal or arbitration proceedings pending against us, and we are not aware of any such proceedings which are threatened. We are party to various legal proceedings involving routine claims that are incidental to our business.

Insurance

We have taken out insurance policies in relation to a number of risks associated with our business activities, such as, among others, an all-risk industry insurance covering transportation and property related risks, policies covering our vehicles, real estate properties, liabilities, vessels, personnel and equipment. Under these policies (and related underlying policies) insured losses include those resulting from natural and human risks such as business interruptions due to fire, events relating the manipulation of services and losses relating to the handling of money, among others.

Our insurance coverage is subject to customary exclusions, limits and deductibles. At the same time, we have identified certain risks that cannot be insured on economically feasible terms and for which, therefore, we have chosen not to purchase insurance coverage. These risks include, for example, business interruptions caused by acts of terror. Our policies together provide an indemnity against sums for which we become legally liable to pay as compensation for injury, loss or damage to a third party arising out of and in the course of our business, an indemnity against material damage to our properties, in each case subject to deductibles and insured limits that we believe are reasonable. See "*Risk Factors—Risks Related to Our Business—We are not fully insured against all potential hazards and risks incident to our business and our insurance coverage may not adequately cover all losses*".

2. Statement of capital development

Company's current share capital structure before the commencement of the Offering

The capital of the Company has been fixed at USD 3,995,189,332.56 (three billion nine hundred ninety-five million one hundred eighty nine thousand three hundred thirty two and fifty six cents) being equivalent to AED 14,672,332,824, divided into 7,398,498,764 (seven billion three hundred ninety eight million four hundred ninety eight thousand seven hundred sixty four) Shares with a nominal value of USD 0.54 each being equivalent to AED 1.983 each. All Shares are equal in respect of all rights.

The following table illustrates the Company's ownership structure before and after completion of the Offering:

As at the date of this Prospectus

Before Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
ADNOC	United Arab Emirates	ordinary	7,398,498,764	USD 3,995,189,332.56 being equivalent to AED 14,672,332,824	100%

*Based on the nominal value.

After Offering

Name	Nationality / Country of Incorporation	Type of shares	Number of shares owned	Total value of shares owned*	Ownership proportion
ADNOC	United Arab Emirates	ordinary	6,288,723,947	USD 3,395,910,931.38 being equivalent to AED 12,471,482,895	85%
Successful Subscribers at Listing	Various	ordinary	1,109,774,817	USD 599,278,401.18 being equivalent to AED 2,200,849,928	15%

*Based on the nominal value.

Company's capital structure upon completion of the Offering

Upon the completion of the Offering and subject to no increase in the Offer Size, the Company's paid-up share capital shall be USD 3,995,189,332.56 (three billion nine hundred ninety five million one hundred eighty nine thousand three hundred thirty two and fifty six cents) being equivalent to AED 14,672,332,824**,** divided into 7,398,498,764 (seven billion three hundred ninety eight million four hundred ninety eight thousand seven hundred sixty four) Shares with a nominal value of USD 0.54 each being equivalent to AED 1.983 each. All Shares are equal in respect of all rights.

Assuming all of the Offer Shares are allocated, the Selling Shareholder will hold in aggregate 85% (eighty-five per-cent) of the total share capital of the Company, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to SCA for the Selling Shareholder to offer 15% (fifteen per cent) of the total share capital of the Company. The Selling Shareholder reserves the right to amend the size of the Offering and size of any Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the SCA's approval.

No. of Selling Shareholder's Shares:	6,288,723,947 Shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches	1,109,774,817 Shares

mentioned under the Prospectus):	
Total:	7,398,498,764 Shares

3. Statement of the status of litigation actions and disputes with the Company over the past three years

There are no outstanding material governmental, legal or arbitration proceedings pending against us, and we are not aware of any such proceedings which are threatened. We are party to various legal proceedings involving routine claims that are incidental to our business.

4. Statement of the number and type of employees of the Group and of its subsidiaries:

As at 31 December 2022, we had a total of 2,150 employees, including 28 full time employees in our Shipping business unit (commercial departments), 1,009 in our Integrated Logistics business unit and 385 in our Marine Services business unit. In addition, as at 31 December 2022, we had a total of 184 employed UAE seafarers. We source further seafarers from outside the UAE as contractors through external agencies.

5. Accounting policies adopted at the Company:

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of ADGM rules and regulations.

6. Statement of Company's financings, credit facilities and indebtedness and the most significant conditions thereof:

None.

7. Statement of current pledges and encumbrances on the Company's assets:

None.

8. Investment Risks:

Investing in and holding the Shares involves financial risk. Prospective investors in the Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in us and the Shares, that should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Shares could be materially and adversely affected, and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in us and the Shares. Additional risks and uncertainties not currently known to us or which we currently deem immaterial may arise or become material in the future and may have a material adverse effect on our business, results of operations, financial condition, cash flows, prospects

or the price of the Shares. This Prospectus contains "forward-looking" statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks discussed below and elsewhere in this Prospectus. See "Forward-Looking Statements".

Risks Related to Our Business

We may not be able to successfully achieve and implement our business and growth strategy or meet our medium term targets.

As part of our business and growth strategy, we are in the process of implementing numerous expansion plans, including expanding our integrated logistics infrastructure, acquiring additional vessels, expanding our onshore warehousing and logistics infrastructure while also focusing on enhancing our capabilities and improving operational efficiency across our entire organisation. Our strategy may also involve further acquisitions (such as the ZMI Holding Acquisition which was completed in November 2022) and joint ventures (such as AW Shipping Limited, a joint venture between Abu Dhabi Marine International Operations Holdings RSC Limited and Wanhua Chemical (Singapore) Pte Ltd (a company in the Wanhua Chemical Group)) in the future, including in new business areas which we may not have much experience. For example, we intend to expand our jack-up barges capabilities in the future to enter new businesses, such as the EPC sector, in addition to entering into and strengthening our relationship with existing and new clients as well as providing new services, such as our ILSP model solutions and hydrogen exports. See "*Business Description —Our Growth Strategy*". Consequently, our future growth and financial performance will depend in part on our ability to identify such new markets and gain new clients, effectively compete in new markets and identify and enter into suitable joint venture arrangements and acquisitions.

There can be no assurance that we will be successful in implementing our planned business and growth strategy or achieve intended targets. In particular, the implementation of our business and growth strategy may be costly and ineffective or delayed. Furthermore, our business strategy as described in this Prospectus (including our medium term targets set out in "*Business—Our Medium Term Targets*"), represents our objectives only and should not be relied upon to predict actual near term or medium term results or future events. Our medium term targets are unaudited and reflect a number of assumptions relating to our relationship with the ADNOC Group companies as well our clients, market growth, changing market conditions, the pace of technological change as well as the historical patterns observed by us in the past, any of which may not be borne out due to both known and unforeseen risks, uncertainties and other important factors beyond our control that could affect actual results. See also "*—Our business strategy and growth rely on Abu Dhabi's growth plans for the energy sector*." Our medium term targets and the assumptions and judgments underlying such targets carry an inherent degree of uncertainty and may not take into account all relevant considerations. If the assumptions upon which our targets are based prove to be inaccurate, or if our actual financial results and performance are less favourable than expected, there could be a material adverse effect on our business, results of operations, financial condition and prospects in the near- or medium-term.

Our business strategy and growth rely on Abu Dhabi's growth plans for the energy sector.

In November 2020, the former Supreme Petroleum Council (now the Supreme Council for Financial and Economic Affairs) approved a AED 448 billion (approximately USD 122 billion) budget for spending on oil and natural gas over a five-year period and reaching gas self-sufficiency by 2030. Our business strategy is underpinned by ADNOC's global growth strategy and plan to accelerate its targets relating to the production and processing capacity growth, international expansion and low carbon solutions. ADNOC is aiming to meet upstream growth ambitions through the expansion of oil production capacity (expected to increase from 4 million barrels per day to up to 5 million barrels per day by the end of 2027), the development of new (including unconventional) non-associated gas reservoirs (such as Hail and Ghasha) and the continuous exploration of new hydrocarbon prospects (which has so far resulted in ADNOC identifying an additional 2 billion barrels of oil and 1 trillion cubic feet of natural gas reserves in 2022 alone). In addition, ADNOC is targeting to increase its refining capacity to more than 1 million barrels per day, double its petrochemical capacity by 2030, further increase its LNG exports by up to 9.6 million tonnes by 2027 and its green hydrogen production of 1 million tonnes per year. Furthermore, ADNOC has earmarked USD 15 billion for landmark decarbonisation projects by 2030, including carbon capture, electrification, new CO2 absorption technology and enhanced investments in hydrogen and renewables. In preparing our strategy and the medium-term targets set out in "*Business—Our Medium Term Targets*", we have assumed that the successful implementation of ADNOC's strategy will result in benefits for our business and industry. Consequently, our growth strategy is based to a significant extent on the success of ADNOC's growth plans, our ability to capitalise thereon and to retain our positioning as a provider of choice to ADNOC across its entire value chain. However, there can be no assurance that ADNOC will pursue its stated growth plan or that it will be executed in full, either of which may lead to a reduction in the anticipated activity levels of the ADNOC Group companies, or that the anticipated benefits to us will be realised in full or at all. The occurrence of any of the foregoing may have a material adverse impact on our business, results of operations, financial condition and prospects.

We are dependent on our relationships with ADNOC and ADNOC Group companies which generate a significant portion of our total revenue.

The ADNOC Group companies constitute our largest clients and the parent of the ADNOC Group is our controlling shareholder. The ADNOC Group companies accounted for 72% of our revenue for the year ended 31 December 2022, including approximately 90% of our revenue in the Integrated Logistics business unit, approximately 60% of our revenue in the Shipping business unit and approximately 95% of our revenue in the Marine Services business unit. Although we have entered into various Long-Term Agreements with the ADNOC Group companies for the provision of services in the coming years, these agreements are typically subject to early termination under certain limited circumstances or may not be renewed. As a result, there can be no assurance that such contracts will not be terminated or that the ADNOC Group companies will renew such contracts with us in the future once their terms have expired. Further, even if renewed, there is no certainty that we will be able to secure contractual terms and conditions that are on similar terms to those of the agreements in place as of the date of this Prospectus. See "**Material events and contracts concluded by the Company (including related party agreements)**".

Moreover, due to the importance of the ADNOC Group companies to our overall revenue, we depend on the continued financial strength as well as the growth and expansion plans of

ADNOC and ADNOC Group companies. See also "*—Our business strategy and growth rely on Abu Dhabi's growth plans for the energy sector*." The ability of the ADNOC Group companies, as our counterparties, to perform their obligations under contracts with us depends on a number of factors that are beyond our control and include, among other things, ADNOC's strategy, general economic conditions and developments in the oil and natural gas industry. While in the past we have been, and expect to continue to be in the future, the service provider of choice to the ADNOC Group companies, any adverse change to our relationship with them, including any reduction in business or the loss of the ADNOC Group companies as our key clients in the future, or a decline in payments under the contracts with the ADNOC Group companies, could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our business performance depends on our ability to renew existing contracts and secure new contracts or charterparties.

As at 31 December 2022 and based on revenues for the year ended 31 December 2022, over 65% of our total revenue is derived from Long-Term Agreements with our clients, including approximately 99% in the Integrated Logistics business unit, approximately 22% in the Shipping business unit and 100% in the Marine Services business unit. See "**Material events and contracts concluded by the Company (including related party agreements)**". As a result, our business and financial performance is dependent on our ability to extend the terms of our existing contracts (in particular if such contracts contemplate an extension option), renew such Long-Term Agreements in the future when they expire and secure new contracts and/or charterparties. Our ability to renew such existing contracts and enter into new contracts and/or charterparties is affected by a number of factors, including the implementation of our business and growth strategy and ADNOC's growth strategy as well as our other clients, many of which are beyond our control, such as general market conditions and demand for our services, vessel specifications, local content requirements (such as the "in-country value" requirements in the UAE) and competition.

In the Shipping business unit, we are party to a number of long-term charter agreements and may enter into additional Long-Term Agreements based on our assessment of current and future market conditions and trends. In long-term charters, we have no or limited right to revise rates and therefore, if the market changes, we may be fixed at a lower rate. In short-term charters, however, such fixed period will be shorter and therefore, if market rates change, we will be fixed for a shorter period. There can be no assurance that we will replace short-term charters with long-term charters or that the terms of any such long-term charters will be favourable to us. In addition, if spot charter or short-term time charter rates decrease rates for longer-term charters, charterers on longer-term charters may default under the charter or attempt to re-negotiate it at a lower rate.

Any contract renewals and new contracts, including the rates and fees we are able to secure, are typically assessed by taking into account prevailing market conditions at the time of renewal or contracting. As a result, even if we were to be successful in retaining our contracts or entering into new contracts and/or charterparties, as applicable, the terms may be less favourable to us and could result in a lower contribution to our consolidated revenue and profits than under the existing contract or charterparty for the same service. If we are unable to enter into new contracts or extend existing contracts, or if new or renewed charters are entered into

at rates that are materially lower, our business, results of operations, financial condition and prospects could be materially adversely affected.

We are subject to risks relating to the implementation of new projects and expansion of our business activities.

Our business and growth strategy involves the expansion of our fleet, expansions of our services provided to the ADNOC Group companies and other clients and entry into new business verticals. See "*Business—Our Growth Strategy*" and "*Business—Our Medium Term Targets*". Prior to completion of any such projects, we are subject to a number of internal and external construction, financing, operating and other risks that may be beyond our control. In addition, such projects are expected to require substantial capital expenditures throughout the planning, development, implementation, construction and upgrading phases, increased costs, such as due to higher lease rates for expanded facilities, and may take months or years before such projects become operational and start generating revenue and cash flow for us. See "*—We rely on debt to finance our operations and capital expenditure and may seek external debt financing in the future which may contain certain restrictions limiting our flexibility to operating our business*". The occurrence of one or more of these events may negatively affect our ability to complete our current or future projects on schedule, if at all, or within the estimated budget and may prevent us from achieving the projected revenue, internal rates of return or capacity utilisation envisaged with such projects and could result in unforeseen costs or liabilities. There can be no assurance that any such projects will be successful or will generate sufficient revenue or profit to cover the associated construction, development and other costs.

We rely on debt to finance our operations and capital expenditure and may seek external debt in the future which may contain certain restrictions limiting our flexibility to operating our business.

Historically, we have financed our operations from cash flows from operating activities and shareholder loans from ADNOC. Prior to the Listing date, we will enter into a new revolving credit facility for a total of USD 350 million and a new term loan facility for a total amount of USD 1,500 million, in each case, to be provided by ADNOC as a lender.

We intend to finance a significant portion of our future capital expenditures with external debt financing. There can be no assurance that such debt financing will be available in such amounts as required to fund our operations in the future, at interest rates similar to our current shareholder loans or otherwise commercially acceptable terms, or at all. If cash generated by operations is not sufficient to meet any shortfall in our capital requirements due to the unavailability of debt financing, or if we are unable to secure loans from ADNOC, the failure to obtain additional financing could result in our being unable to pursue these future projects in a timely manner or at all or if it is not possible to cancel or stop a project, result in our being legally obliged to carry out a project contrary to our desire or with negative economic impact on the business.

While our current facilities with ADNOC do not contain any restrictive covenants, we may in the future enter into external debt arrangements to seek additional financing, or to refinance our existing facilities with ADNOC. Any such future debt agreements may contain restrictive covenants as well as cross default clauses whereby a default under one debt obligation may

constitute an event of default under other outstanding debt obligations. Any such covenants could prevent us from engaging in certain transactions that we may view as desirable without the consent of the lenders. Furthermore, a breach of any of such covenants may result in a default under our debt obligations in which the relevant covenant is included, which may result in all amounts outstanding thereunder becoming immediately due and payable and the termination of all commitments to extend further credit to us.

The occurrence of any of the foregoing may have a material adverse impact on our business, results of operations, financial condition and prospects.

We may not be successful in acquiring or integrating new businesses and may not be able to realise our projected returns from strategic transactions.

We have in the past completed, and will continue to consider in the future, strategic transactions, including acquisitions (such as the ZMI Holdings Acquisition), partnerships, joint ventures (such as AW Shipping Limited), business combination transactions, dispositions, spin-offs or other major transactions that require significant managerial resources, which may cause a diversion from our other activities and may impair the operation of our business. The risks of any transaction through investments, acquisitions, partnerships, joint ventures, business combination transactions, dispositions, or spin-offs are increased due to the significant capital and other resources that we may have to commit to any such transaction, which may not be recoverable if the transaction initiative to which they were devoted is ultimately not implemented. Even in cases where we acquire a majority interest, our joint venture or strategic partners may have significant influence over policies, including consent rights with respect to certain specified matters, and we may fail to gain the support of our partners for our business plans. We typically have a lesser degree of control over the internal management, business operations and strategic direction of the joint ventures and businesses in which we make minority investments. In addition, disagreements and/or disputes may arise between partners resulting in decisions which we view as favourable being blocked or decisions which we view as unfavourable being passed. In November 2022, we completed the ZMI Holdings Acquisition. ZMI Holdings will continue to exist as a wholly-owned subsidiary in our Group, is part of our Integrated Logistics business unit and has been fully consolidated financially into ADNOC L&S.

While we have not experienced any significant issues with the integration of ZMI Holdings, our current and future acquisitions, partnerships, joint ventures, business combination transactions, dispositions, spin-offs or other major transactions may be subject to certain risks, including:

- difficulties in integrating or separating the parties' operations, systems, technologies, products and personnel;
- incurrence of significant transaction-related expenses and other unanticipated costs associated with such transactions;
- potential integration or restructuring costs;
- our ability to obtain the desired financial or strategic benefits or operating and financial efficiencies, synergies and cost savings from any such transaction, and the potential

impairment charges related to the goodwill, intangible assets or other assets to which any such transaction relates, in the event that the financial benefits of such transaction prove to be less than anticipated;

- our ability to obtain sufficient financing for any such transaction;
- the parties' ability to retain key business relationships, including relationships with key personnel, other employees, clients, partners and suppliers;
- entry into markets or involvement with products with which we have limited current or prior experience or in which competitors may have stronger positions;
- assumption of contingent liabilities, including litigation;
- exposure to unanticipated liabilities;
- differences in the parties' internal control environments or applicable accounting standards, which may require significant time and resources to resolve in conformity with our legal and accounting standards;
- increased scope, geographic diversity and complexity of our operations;
- the tax effects of any such transaction;
- our ability to obtain regulatory and third-party approvals and consents (including anti-trust and competition approval); and
- the potential for costly and time-consuming litigation or arbitration, including shareholder court or arbitration proceedings.

As a result of these and other factors, including general economic risks, we may not be able to realise our projected returns from any current and future acquisitions, partnerships, joint ventures, business combination transactions, dispositions, spin-offs or other major transactions, or the results of any anticipated synergies and efficiencies (including in respect of the ZMI Holdings Acquisition), which could have a material adverse effect on our business, results of operations, financial condition and prospects.

The due diligence process that we undertake in connection with our projects, acquisitions and investments may not identify all relevant facts.

Before implementing any projects, making new investments or engaging in mergers or acquisitions, such as in respect of the ZMI Holdings Acquisition, we conduct due diligence to the extent we deem necessary in accordance with the ADNOC Group policies as adopted by ADNOC L&S and based on the relevant facts and circumstances. When conducting due diligence and making an assessment regarding a project or an investment, we can only rely on resources available to us, including information provided by the target or strategic partner where relevant and, in some circumstances, third party investigations. In some cases, information cannot be verified by reference to the underlying sources to the same extent as we could for information produced from our own internal sources. The due diligence process

may at times be subjective and we can offer no assurance that any due diligence investigation we carry out with respect to any project or investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such opportunity. Any failure by us to identify relevant facts through the due diligence process could expose us to liabilities and may mean that projected rates of return and other relevant factors considered by us in making investment decisions could prove to be significantly inaccurate over time, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to risks and potential liabilities from the use of various third-party contractors.

In addition to recruiting our own employees and buying and maintaining equipment, we rely on the provision of labour (including expert technicians and manpower to handle certain advanced equipment and equipment maintenance services), equipment and services by third parties for each of our business units, including manufacturers, service providers and contractors. As a result, our operations are subject to a number of risks, some of which are outside of our control, including failure of third parties to comply with the terms of an agreement (in particular, by original equipment or vessel manufacturers), interruption of a third party's operations due to various risks beyond our control or counterparty credit risks in the event that a third party ceases its business due to insolvency or otherwise and increased costs to find alternative providers. In addition, we may be exposed to additional risks or other unforeseen circumstances, such as a failure of a contractor to comply with applicable legal and regulatory requirements or our policies and difficulty in managing the contractors' workforce, labour unrest or other employment issues. In the past, we have had to pay certain contractors additional costs, such as COVID-related quarantine costs, and were not able to offset these higher costs by increasing our prices.

In particular, the ability and willingness of our ship manufacturers or parties to our charterparties to perform their obligations under a vessel purchase agreement or charterparties with us depend on a number of factors that may be beyond our control and include, among other things, general economic and political conditions, the condition of the shipping market and the overall financial condition of such counterparty. If such parties fail to meet their obligations, we could suffer financial losses and may have to enter into new contracts at possibly lower rates in respect of our charter-out arrangements, higher rates for our charter-in arrangements or incur higher prices for vessels to be acquired by us or services to be rendered to us by such parties. Any such instance may require management's time to be diverted from other pressing or strategic business matters. Furthermore, there can be no assurance that third parties with whom we have charters will not be impacted by the events in Russia and Ukraine or related sanctions, which, in turn could result in negative publicity and reputational damage to us.

In addition, the various facilities where we provide our logistics services and ports at which our vessels call may need spare parts to be provided in order to replace old or damaged parts in the normal course of their operations. Given the increased activity in the maritime industry and the industry that supplies it, the manufacturers of key equipment for our vessels and the ports (such as engine makers, propulsion systems makers, control system makers and others) may not have the spare parts needed available immediately, or off the shelf, and may have to

produce them when required. Delivery disruptions may also occur for reasons out of our control, such as poor handling, transportation bottlenecks, labour strikes, adverse climate conditions and other factors affecting changes in supply and distribution chains. If this were to occur, such facilities may be unable to operate at full capacity or at all while waiting for such spare parts to be produced, delivered, installed and tested, resulting in a loss of revenue for us. There can be no assurance that we would be able to negotiate or maintain terms commercially acceptable to us or locate replacement service providers on a timely basis. The occurrence of one or more of these risks could have a material adverse effect on our business, results of operations, financial condition and prospects.

We face competition from existing competitors and new entrants to the market.

As an integrated maritime logistics and shipping business, we compete with global, regional and local shipping and logistics service providers in each of our business units. We believe that our closest competitors are global and regional companies operating in the energy, shipping and logistics services industry and local companies operating in the infrastructure industry.

In the future, we may face competition from other service providers, including state-owned and government-subsidised entities, smaller competitors as well as new entrants. The competitive landscape is differentiated regionally by numerous factors, such as the number of competitors operating in a specific market, the national and regional infrastructure investment plans by governments, the pricing policies, the level of overhead expenses and the products and services of such competitors, their market penetration, scheduling, vessel availability, size, age and condition of the vessel, quality, experience and reputation of ship operators, the pre-existing relationships with clients or clients' prior experience with specific contractors, the total capacity serving the market, up-to-date technology in terms of methods and equipment, properties, quality, logistics, availability, reliability and innovation, market barriers to entry, and the proximity of natural resources, as well as general economic conditions and demand within the market. In addition, certain of our competitors may be better positioned and have greater financial resources than us and may therefore be able to offer more attractive schedules, services and rates.

Furthermore, the formation of larger alliances could disrupt the competitive landscape. Market participants may engage in vessel pooling activities to gain from cost efficiencies and optimise revenues. In addition, while we are currently not a party to any strategic alliance, our competitors may establish alliances aimed at gaining a competitive edge through cost synergies, joint procurement and joint operations. The occurrence of one or more of these risks could have a material adverse effect on our business, results of operations, financial condition and prospects.

We rely on our senior management and internal and outsourced qualified personnel.

Our ability to operate facilities and manage our business is dependent on our ability to attract and retain qualified personnel, including our experienced senior management, seafarers, specialist engineers and operators and technicians. Additionally, our business is managed by a number of key executive and operational officers who are of particular importance to running our business and operations and we are therefore dependent upon retaining such individuals in our organisation. An increase in the demand for qualified personnel may result in us being

unable to hire and retain a sufficient skilled labour force necessary to support our operating requirements and growth strategy. Our labour expenses may increase as a result of a shortage in the supply of skilled personnel and we may also be forced to incur significant training expenses if we are unable to hire employees with the requisite skills. Labour shortages, increased labour or training costs, or the loss of key personnel could materially adversely affect our business, results of operations, financial condition and prospects.

Furthermore, each of our vessels requires a crew which provides a wide-ranging set of expertise in both maritime and jacking operations. While we have historically not experienced any issues with sourcing of our vessel crew, there can be no assurance that we will continue to source sufficient crew members for our operations going forward. In particular, as the majority of the crew for certain positions come from Eastern Europe, Indonesia and the Philippines, finding of qualified crew members by our outsourcing agencies is impacted by a number of factors beyond our control, including political instability and other factors affecting availability of such workers. Any crew members provided by such crewing agencies remain subject to our security clearance, limits on nationalities, visa restrictions policies and procedures in the UAE, which could result in delays or otherwise impact our ability to source crew members.

Any inability to retain our senior management or retain or develop our internal personnel, replace departing personnel or source vessel crew or technical specialists may have an adverse effect on our ability to ensure our vessels are appropriately staffed and operated, and may also result in increased personnel costs.

We have relied and will continue to rely on ADNOC to use the ADNOC brand, infrastructure, personnel and to provide us with certain corporate services.

We believe that the success of our operations is dependent in part on the continuing favourable reputation, market value and name recognition associated with the ADNOC brand, as the ADNOC brand is used in a wide range of different economic sectors in the UAE and internationally. In addition to our operations, the ADNOC brand is associated with the operations of the ADNOC Group companies. Erosion of the value of the ADNOC brand for any reason, including due to the activities and operations of these other ADNOC-affiliated companies over which we have no visibility or control, could have a material adverse effect on our business, financial condition and results of operations.

Our operations are conducted under the ADNOC brand name. On or prior to the Listing, the Company intends to enter into a Brand Usage Agreement with ADNOC pursuant to which ADNOC intends to grant the Company a limited, revocable, non-transferable, non-sublicensable, non-exclusive licence to use certain of ADNOC's trademarks, logo and materials in Africa, Asia, Australia, Europe, North America, South America and any other countries or territories as may be agreed to in writing from time to time, in connection with all operations and any other activities that the Company is currently engaged in. The licence expected to be granted under the Brand Usage Agreement is royalty-free for the first five years. The Brand Usage Agreement is expected to continue in force unless terminated by ADNOC on twelve (12) months' prior written notice to the Company. There can be no assurance we will be successful in negotiating the continued use of the ADNOC brand name, or that the royalties we will be obligated to pay to ADNOC will not have a material adverse

effect on our results, operations or financial condition.

As a wholly-owned subsidiary of ADNOC, we have historically relied on ADNOC for the provision of support services, infrastructure and certain personnel. Following the Listing, we expect to enter into a corporate services agreement with ADNOC on an arm's-length basis. If executed, the agreement will set out the terms, conditions and pricing for ADNOC to provide certain corporate services to us, including an option for ADNOC to provide certain additional services to us upon our request. The corporate services are expected to include, among other things: corporate governance, treasury and accounting, human resources, business support services, procurement, communication services, health, safety and environmental (HSE) services, legal services, insurance services, and IT services. If ADNOC were to fail to provide us with the support services we currently rely upon, or if we fail to enter into the corporate services agreement after Listing, we would be required either to contract with another provider of these services, or to develop the capability to perform these services internally, either of which could take a considerable amount of time and increase our costs and in such circumstances, we may not be able to cover our needs at all, or at the same or commercially acceptable costs.

We may be unsuccessful in enhancing the integrity, reliability and efficiency of our internal controls over financial reporting.

Our business relies on internal controls and procedures that regulate client and management information, finance, credit exposure and other aspects of our business. In preparation for the Offering, we have implemented a number of new policies, processes, systems and controls intended to permit us to operate and provide reports and other information consistent with a company listed on the Abu Dhabi Securities Exchange. In addition, certain corporate services have been, and are expected to continue to be, provided to us by ADNOC. See "*—We have relied and will continue to rely on ADNOC to use the ADNOC brand, infrastructure, personnel and to provide us with certain corporate services*".

However, we have a limited or no operating history with certain of these policies, processes, systems and controls, and therefore can provide no assurance that we will be able to implement them successfully, and that we will be able to operate and provide reports and other information on a timely and accurate basis. Moreover, there can be no assurances that these policies, processes, systems and controls will be adequate for our requirements generally or our requirements as a publicly owned company. If material weaknesses in our internal control over financial reporting are identified in the future, these may result in our financial statements containing material misstatements, which would require us to restate our financial results, resulting in loss of investor confidence in our reported financial information. In addition, if we are unable to produce accurate and timely financial statements, the market price of our shares may be adversely affected.

We may be involved in disputes and legal proceedings that, if determined unfavourably to us, could have a material adverse effect on us.

In the ordinary course of business, we may be subject to risks relating to legal and regulatory proceedings. Although we are currently involved in ordinary course legal proceedings which we believe are not material, we may be involved in material disputes, in the future, including those initiated by regulatory, competition and tax authorities as well as proceedings with

competitors, suppliers, clients, employees and other parties. Our involvement in litigation, arbitration and/or regulatory proceedings may result in the imposition of fines or penalties or reputational damage. Certain of these disputes may relate to key operational matters, such as our permits, and if determined adversely, could have a material adverse effect on our business, results of operations, financial condition and prospects. Furthermore, CO2-emitting companies are increasingly the target of climate change litigation, whether initiated by organisations or individuals, which may have a material adverse effect on our business. Any such disputes or legal proceedings, whether with or without merit, could be expensive and time consuming, could divert the attention of our management and, if resolved adversely to us, could harm our reputation, result in the payment of monetary damages, injunctive relief and/or increase our costs, all of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to cybersecurity risks and risks associated with the use of information technology which could result in disruptions in business operations and adverse operating results.

We rely on information technology and computer systems to carry out our day-to-day operations, including internal and external communications, the management of our accounting systems and our operations, including the management of vessels and facilities at which we provide our services.

As a result of the increasing complexity of electronic information and communication technology, we are exposed to various risks, ranging from the loss or theft of data, cyber-attacks, stoppages and interruptions to the business, to systems failure and technical obsolescence of information technology systems. Increased global information security threats and more sophisticated cyber-crimes pose a risk to the confidentiality, availability and integrity of our data, operations and infrastructure of the information technology systems, networks, facilities, products and services. Cyber security risks include attacks on information technology and infrastructure by hackers, damage or loss of information due to viruses or ransomware, the unintended disclosure of confidential information, the misuse or loss of control over computer control systems, and breaches due to employee error. Our exposure to cyber security risks includes exposure through third parties on whose systems we place significant reliance for the conduct of our business and exposure through third party suppliers whose systems may be vulnerable to cyber-attacks. The non-availability, violation of confidentiality, or the manipulation of data in critical information technology systems and applications can lead to the uncontrolled outflow of data and expertise and have an adverse effect on our business and operations. Any such violation of confidentiality, manipulation of data or uncontrolled outflow of data could be in breach of the UAE's Federal Decree by Law No. 45 of 2021 Concerning the Protection of Personal Data which may in turn result in penalties being imposed on us.

While we maintain back-up systems and have implemented security procedures and measures to protect our systems and information from being vulnerable to cyber-attacks and other risks associated with the use of information technology, there can be no assurances that these backup systems and security procedures and measures will prove effective at preventing cyberattacks or other disruptions of our systems or will enable us to recover our systems and data in a timely manner or at all. Should such threats overcome the information

security measure implemented by us, they could potentially lead to the compromise of confidential information, improper use of systems and networks, manipulation and destruction of data and operations disruptions, which in turn could have a material and adverse effect on our business, results of operations, financial condition and prospects.

We must continue to invest in technical innovation and continuously improve our quality standards.

Our clients have a high and increasing focus on quality standards with their suppliers across the entire supply chain, including the shipping and transportation industries. Our continued compliance with these standards and quality requirements is vital for our operations.

Technological advancements and innovations in the logistics industry will require us to make substantial investments in digitalisation and automation, as clients seek new and more efficient ways to interact with their shipping and logistics providers. In particular, as part of our business and growth strategy, we are developing a new integrated logistics services digital platform for our operations which is built on three key pillars: (i) smart shipping, (ii) integrated logistics services, including a marketplace, integrated planning centre, field resources enablement, supply chain automation and warehouse and material management, and (iii) advanced marine services, including integrated planning, business analytics and artificial intelligence enabled unified data platform. However, there can be no assurance that our digital platform or any other similar measures which may be implemented by us, will not result in cost overruns relating the implementation of our digital platform or that they will achieve intended results or result in expected efficiencies, which could have a material and adverse effect on our business, results of operations, financial condition and prospects.

Our business involves numerous operating hazards.

Our operations are subject to the hazards typically inherent in marine and shipping operations and the offshore and logistics industry, such as personal injury or loss of life, severe damage to or destruction of property and equipment, pollution and environmental damage, mechanical failures capsizing, grounding, collision, sinking, loss or damage from severe weather, marine life infestations claims and cargo 'off-spec' claims by third parties or clients and suspension of operations, which may be damaging to our reputation and have an adverse effect on our business, financial condition, results of operations and prospects. While some of these claims may only affect the relevant vessel, other claims may affect the overall company operations. In addition, damage to our vessels caused by unsafe port/berth and collision could potentially force us to suspend operations for significant periods of time until the damage can be repaired.

Furthermore, breakdowns and incidents could result in our vessels and facilities being deemed a constructive total loss or an actual total loss, which could result in reputational damage or the termination of a contract by our client or charterer (as the case may be) and, consequently, financial losses to us. In addition, oil facilities, shipyards, vessels, pipelines and oil and natural gas fields could be the target of future terrorist attacks, and our vessels and/or our clients' installations could be the targets of pirates or hijackers. Any such attacks could lead to, among other things, bodily injury or loss of life, payment of ransom, delay in vessel arriving at destination with associated, potential cargo deterioration, vessel or other property damage and increased operational costs, including insurance costs, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are not fully insured against all potential hazards and risks incidental to our business and our insurance coverage may not adequately cover all losses.

We maintain property, casualty and liability insurance policies, however, we may not be fully insured against all potential hazards and risks incidental to our business, as is typical of insurance policies in our industry. If we were to incur significant liability for which we were not fully insured, it could have a material adverse effect on our business, results of operations, financial condition and prospects. We are subject to various self-retentions, deductibles and limits under our insurance policies. The policies also contain exclusions and conditions that could have a material adverse impact on our ability to receive indemnification thereunder. Our policies are generally subject to annual renewal. As a result of market conditions, our premiums, self-retentions and deductibles for certain insurance policies can increase substantially and, in some instances, certain insurance may become unavailable or available only for reduced amounts of coverage. In addition, significantly increased costs could lead us to decide to reduce, or possibly eliminate, coverage.

Our operations are dependent on maintaining permits and meeting certain requirements from governmental authorities.

We are required by various governmental and quasi-governmental agencies to obtain certain licenses, certificates, approvals, permits and financial assurances with respect to our operations. Our failure to maintain necessary licenses, certificates, approvals, permits or financial assurances could require us to incur substantial costs or temporarily suspend operation of one or more of the vessels in our fleet, or lead to the invalidation or reduction of our insurance coverage.

We hold permits and approvals authorising operations at our facilities in Ruwais and Mussafah in the Emirate of Abu Dhabi and in the Emirates of Fujairah and Sharjah, such as our commercial licences and branch professional licences which are renewed on an annual basis. A decision by a government agency to deny or delay issuing a new or renewed material permit or approval, or to revoke or substantially modify an existing permit or approval, could have a material adverse effect on our ability to continue operations and on its business, financial condition, results of operations and prospects. In certain cases, as a condition to procure such permits and approvals or as a condition to maintain existing approvals, we may be required to comply with regulatory financial assurance requirements. The purpose of these requirements is to assure local or national government agencies that we will have sufficient funds available for the ultimate closure, post-closure care and/or reclamation at our facilities. Additional financial assurance requirements or other increases in local regulations and taxes could have a material adverse effect on our business, results of operations, financial condition and prospects.

Negative publicity may harm our business and results of operations.

We may be exposed to the risk of negative publicity and press speculation concerning our business. The development of negative social perceptions for the energy industry in general, or our processes or the marine and logistics services in particular, or the incorrect use and handling of products by third parties could also have a negative impact and harm on our reputation. In addition, concerns about product and services safety and environmental protection involving the industry or the Group specifically (including as a result of incidents

involving the Group or another company in the industry) could influence public perceptions regarding our services and operations, the viability of certain services and products, our reputation, and the ability to attract and retain employees. Any significant damage to our reputation could cause existing clients to terminate their relationship with us or prevent us from winning new contracts. Such general concerns may also lead to the increased scrutiny of authorities and more restrictive legislation.

Furthermore, companies are increasingly being judged by their performance on a variety of environmental, social and governance matters ("**ESG**") which are considered to contribute to the long-term sustainability of companies' performance. In addition, investment in funds that specialise in companies that perform well in such assessments are increasingly popular, and major institutional investors have publicly emphasised the importance of such ESG measures to their investment decisions. Topics taken into account in such assessments include, among others, the company's efforts and impacts on climate change and human rights, ethics and compliance with law, and the role of the company's board of directors in supervising various sustainability issues. We have set a number of targets with respect to ESG matters, however, there can be no assurance that we will be able to achieve our targets within the set timeframe, or at all, or without incurring prohibitive costs. See "*Business—Environmental, Social and Governance (ESG)*". Furthermore, there can be no assurance that we will implement ESG measures fully, manage such matters successfully, or that we will successfully meet investors' or society's expectations as to our proper role. Any failure or perceived failure by us in this regard could have a material adverse effect on our reputation as well as business, results of operations, financial condition and prospects, including the sustainability of our business over time.

Our business could be impacted by acrimonious employee relations or activities and improper acts of our employees.

Our crew contracts are subject to the International Transport Workers' Federation ("**ITF**") regulations, which impose certain minimum standards (such as minimum pay). Any failure to comply with ITF regulations may result in potential limitations for trading in locations where the focus of such regulations is high, such as in Australia, the EU and Scandinavia, and could adversely impact our reputation. It is the responsibility of the crew manager to comply with all regulations, internationally and nationally, for all standards of training, certification and watchkeeping related matters. If the vessel is undertaking any specific activity apart from sailing from one port to another, then the vessel owner should advise the crew manager to check any ITF requirements in the country that the vessel will be stationed at. The terms and conditions of the contract may require amendments to cover any additional costs. Nevertheless, if any incident occurs, the vessel owner's business will be directly impacted. Furthermore, although we consider our employee relations to be good, there can be no assurance that disputes will not emerge with employees, or that union activity will not occur in the future. In addition, we are subject to the risk of improper acts by our employees, including fraud, asset misappropriation and money laundering activities. Such disputes or acts could impact employee performance and workplace relations, result in reputational damage and legal consequences, which, in turn, could adversely affect our business, results of operations, financial condition and prospects.

We could incur expenses related to our post-employment benefit plans.

We operate an un-funded post-employment benefit plan (employees' end of service benefits) for our expatriate employees in the UAE, in accordance with our internal policy and the applicable UAE labour laws. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. Payment for employees' end of service benefits is made when an employee leaves, resigns or completes his or her service. With respect to GCC national employees, the contributions are made to the pension funds or agencies of their respective countries. With respect to UAE national employees, contributions are made to the Abu Dhabi Retirement Pensions and Benefits Fund calculated in accordance with the fund's regulations. During the year ended 31 December 2021, we recorded a pension adjustment expense in the amount of USD 90.9 million which was charged to us by ADNOC towards UAE national employees' pension charges. The charge relates to the differential amount paid previously by ADNOC to Abu Dhabi Retirement Pensions and Benefits Fund for services of employees taken over by us for a period since our formation until 31 December 2019. Future changes in the UAE, GCC or international pensions regulation may in the future trigger the necessity for additional pension-related payments which could adversely affect our business, results of operations, financial condition and prospects.

We are subject to numerous environmental, health and safety laws, regulations and permitting requirements, as well as potential environmental liabilities (including pollution, major collisions, oil spills, and carbon emissions), which may require us to make substantial expenditures or impact our ability to conduct our activities.

We are subject to numerous environmental, health and safety laws and regulations in the UAE and in the countries in which our services are provided, including laws and regulations relating to pollutant emissions, carbon emissions, oil pollution, wastewater discharges, solid and hazardous waste management, the use, composition, handling and distribution and transportation of hazardous materials. Many of these laws and regulations are becoming increasingly stringent, and the cost of compliance with these requirements can be expected to increase over time. We may be subject to more stringent enforcement of existing or new environmental, health and safety laws in the future. Additionally, future environmental, health and safety laws and regulations or reinterpretation of current laws and regulations may require us to make substantial expenditures. Our costs to comply with, or any liabilities under, these laws and regulations could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are not able to predict the impact of new or changed laws or regulations or changes in the ways that such laws or regulations are administered, interpreted or enforced. The requirements to be met, as well as the technology and length of time available to meet those requirements, continue to develop and change. To the extent that the costs associated with meeting any of these requirements are substantial and not adequately provided for, our business, results of operations, financial condition and prospects could be adversely affected.

Furthermore, our ability to comply with health, safety and environmental conventions, laws and regulations could adversely affect our reputation and our ability to win new contracts. In the offshore marine services industry, there is a particular focus on health and safety, and clients evaluate the health and safety track record of a service provider in significant detail when deciding whether to engage a vessel operator. In addition, our clients require us to meet

certain quality and safety targets, and may impose service levels in their contracts that require us to maintain health, safety and environmental standards and certifications in addition to those required by applicable laws. Our failure to obtain and/or maintain these certifications or meet these standards may result in our failure to win a new contract, the early termination of an existing contract or the failure to be considered for future contracts, any of which could damage our reputation and have a material adverse effect on our business, results of operations, financial condition and prospects.

Violations of environmental, health and safety laws can result in substantial penalties, court orders to install pollution-control equipment, civil and criminal sanctions (including regarding management), permit revocations, blacklisting of fleet and/or negative discrimination against and facility shutdowns. Additionally, environmental laws often impose strict, joint and several liability for remediation of spills and releases of oil and hazardous substances, which could subject us to liability without regard to whether we were negligent or at fault. Environmental remediation obligations can result in significant costs associated with the investigation and clean-up of contaminated land, ecosystems or water bodies, as well as claims for damage to property. In addition, we could face claims of death or injury to persons resulting from exposure to hazardous materials or of adverse impacts on natural resources resulting from our operations. There can be no assurance that any such obligation will not result in reputational damage and have a material adverse effect on our business, results of operations, financial condition and prospects.

The operation of any company owning vessels is affected by the requirements set out in the IMO's International Management Code for the Safe Operation of Ships and Pollution Prevention, or the ISM Code, promulgated by the IMO under the International Convention for the Safety of Life at Sea of 1974, or SOLAS. The ISM Code requires the party with operational control of a vessel to develop and maintain an extensive "Safety Management System" that includes, among other things, the adoption of a safety and environmental protection policy setting forth instructions and procedures for safe operation and describing procedures for dealing with emergencies. As at the date of this Prospectus we comply with the ISM Code and IMO regulations. However, if we fail to comply with such regulations or if such regulations change in the future, we may be subject to increased liability, invalidation of our existing insurance or a reduction in available insurance coverage for our affected vessels. Non-compliance with the ISM Code and other IMO regulations may subject the shipowner or bareboat charterer to increased liability, may lead to decreases in, or invalidation of, available insurance coverage for affected vessels and may result in the denial of access to, or detention in, some ports.

Risks Related to Our Business Segments

Our new clients other than the ADNOC Group companies may stop outsourcing or begin in-sourcing their logistics activities thereby reducing demand for our services.

Our growth strategy is partially based on the assumption that outsourcing of logistics services provided by our Integrated Logistics business unit will continue in the future as we expand our services to clients other than the ADNOC Group companies. Such clients may see risks in relying on third party service providers or may begin to define these activities as within their own core competencies and, consequently, decide to perform supply chain operations

themselves. If such clients are able to improve the cost structure of their in-house supply chain activities, including in particular their labour-related costs, we may not be able to provide them with an attractive alternative for their logistics needs. If such clients in-source significant aspects of their logistics operations, or if such potential new clients decide to continue to perform their own logistics activities, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

Demand for our offshore logistics services is largely linked to the level of operating and maintenance and capital expenditure in the energy sector.

In the energy sector in which the ADNOC Group companies operate and, particularly in relation to our Integrated Logistics business unit, we depend on our clients' willingness and ability to fund their operating and maintenance expenditures, including inspecting, maintaining, repairing and decommissioning offshore production platforms and processing and storage facilities and providing additional offshore accommodation to support a workforce that cannot be accommodated on an installation's own facilities. Operations and maintenance may be impacted by a number of factors, including: (i) the demand for and consumption of energy, which is affected by worldwide population growth, general economic, political and business conditions and technological advances as well as energy diversification plans which may limit the demand for oil and gas and, consequently, our offshore logistics services; (ii) expectations regarding future oil and gas prices; (iii) the level of worldwide oil exploration and production activity and advances in related technology; (iv) the policies of various governments regarding exploration and development of their oil and gas reserves; (v) the cost of exploring for, producing and delivering oil and gas; (vi) the availability of pipeline, storage and refining capacity; and (vii) other factors that could decrease the demand for oil and gas, including taxes on oil and gas, pricing activities undertaken by OPEC and alternative fuels.

Sustained lower expenditure and significantly reduced investment or capital expenditure in the offshore energy industry may result in lower levels of maintenance being performed on existing platforms and facilities and lower levels of construction and capital expenditure in respect of new installations, which would adversely affect our offshore logistics business. In the past, this risk has been exacerbated in periods of low global and/or regional oil and gas prices, which resulted, in such periods, in a reduction of hire/freight rates and increased competition from and alternative offshore support vessel suppliers. Such periods of low global and/or regional oil and gas prices leading to a reduction in hire/freight rates and increased competition could occur again in future market cycles.

We are subject to certain risks associated with the performance of obligations by builders of vessels.

With respect to our Shipping business unit, we currently have (i) five new-build VLGC's which were delivered in 2022 and 2023; and (ii) four new-build VLCC's still to be delivered in 2023. Furthermore, we have six new-build LNG carriers currently being built with scheduled dates between 2025 and 2026. The delivery of these vessels to our Shipping business unit, other vessels on order or any other vessel type which can be deployed in the Shipping or the other business units, could be delayed, not completed or cancelled, result in cost overruns or changes in technical specifications which would delay or eliminate our expected receipt of revenues from the employment of these vessels. In addition, we plan to grow our shipping

fleet further in the coming years with vessels that have not yet been ordered or subject to definitive contractual agreements, and there can be no assurance that we will be able to receive such vessels within the timeframe we anticipate or on commercially acceptable terms.

The delivery of vessels that are on order and any future vessels could fail, be delayed or cancelled due to a number of factors:

- work stoppages or other labour disturbances or other events that disrupt the operations of the shipyard building the vessels;
- changes in governmental regulations or maritime self-regulatory organisation standards;
- lack of raw materials or supply chain issues for vessel parts and components;
- bankruptcy or other financial crisis of the shipyard building the vessels;
- our inability to obtain requisite financing or make timely payments;
- a backlog of orders at the shipyard building the vessels;
- hostilities, political, health or economic disturbances in the countries where the vessels are being built;
- weather interference or a catastrophic event, such as a major earthquake, typhoon or fire;
- inadequate quality not meeting our contractual specifications or otherwise;
- shortages or delays in the receipt of necessary construction materials, such as steel;
- our inability to obtain requisite corporate and other permits or approvals for the purchase of new-build vessels;
- a dispute with the shipyard building the vessels, non-performance of the purchase or construction agreement with respect to a vessel by the seller or the shipyard as applicable;
- non-performance of the vessel purchase agreement by the seller;
- our inability to obtain requisite permits, approvals or financings; or
- damage to or destruction of vessels while being operated by the seller prior to the delivery date.

We do not derive any revenue from a vessel until after its delivery and are required to pay substantial sums as progress payments during construction of a newbuilding or for the purchase of a second-hand vessel. In addition, if we enter into charterers related to a vessel to be delivered in the future and, if a shipbuilder or a seller fails to deliver the vessel in the agreed specifications or on time, we may breach our obligations under such charters with our charterers. If we are in breach of those contracts, our charterers may terminate them and, in addition to the resulting loss of revenues, we may be responsible for damages. In addition, while new vessels have warranties with a usual producer warranty period of twelve months

from becoming aware of any defect, there can be no assurance that structural, mechanical and electrical problems or defects will be discovered before the expiry of the warranty and as a result we may be required, in such circumstances, to expend significant resources to resolve such defects or procure a replacement.

Adverse changes in the oil, refined products, dry bulk, LPG and LNG industries may materially adversely affect our financial results.

Our Shipping business unit offers commercial and ship management as well as shipping services for transport of crude oil, refined products, dry bulk, LPG and LNG to the end clients of our clients. Consequently, our operating results depend in part on the levels of demand for such products in the geographic areas to which our vessels deliver cargo. As a result, we may be materially adversely affected by a number of factors relating to the energy industry, related products and derivative materials as well as dry bulk, including political instability, natural disasters, terrorist activity, military action, changes to regulatory regimes or other conditions disrupt the availability or supply of such products or otherwise the business operations of our clients. Furthermore, producers of such products may reduce or shut down production during times of lower product prices or higher production costs to the extent production becomes uneconomic, which would impact demand for, and rates of, our shipping services. Commodity prices and tax incentives may not remain at levels that encourage producers to explore for and develop additional reserves, produce existing marginal reserves or renew transportation contracts as they expire. Producers in areas served by us may not be successful in exploring for and developing additional reserves, decreasing the supply of oil and gas and related products, and as a result we may not be able to maintain existing volumes of throughput. Increasing growth of electric vehicles and renewable fuels could lead to a decrease in trading and the movement of crude oil and petroleum products worldwide. Any of the foregoing may have a material adverse effect on our business, results of operations, financial condition and prospects.

Shipping business, including freight rates, is cyclical and volatile in nature.

The shipping market has historically exhibited volatility and cyclicality in demand and supply and consequently, spot and charter rates have fluctuated significantly in recent years. Factors that influence the demand for vessels, contracting and scrapping activity in the shipping section, and, consequently, freight rates, include, but are not limited to the following, many of which are beyond our control:

- bunker prices;
- the particular dominant route on which the cargo is transported;
- average vessel size in specific trades;
- loading and discharge ports selected by the buyer/consignee;
- global and regional supply of and demand for oil and gas resources, commodities, related products and derivative materials;
- the location of consuming regions for oil and gas resources, commodities, related

products and derivative materials;

- waiting days in ports;
- domestic and foreign tax policies;
- currency exchange rates;
- energy prices;
- the distance over which products/goods are to be moved by sea;
- competition from alternative sources of energy;
- the globalisation of production and manufacturing;
- the price of refined petroleum products, including the effects of existing or contemplated local government subsidies;
- legal and regulatory changes and developments in the regions where we operate including regulations adopted by supranational authorities and/or industry bodies, such as safety and environmental regulations and requirements;
- global and regional economic and political conditions, including terrorist activities and armed conflicts (including the impact of conflict in Ukraine), international sanctions, embargoes, import and export restrictions, nationalisations, piracy, strikes, tariffs and "trade wars";
- weather, acts of God, natural disasters and other disruptions affecting the supply of commodities to be transported on our vessels;
- developments and disruptions in international trade;
- changes in transportation patterns and the supply of and rates for alternative means of transportation; and
- economic slowdowns caused by public health events such as the COVID-19 pandemic.

Factors that influence the supply of vessels, and, consequently freight rates, include, but are not limited to the following, many of which are beyond our control:

- the number and size of vessels being constructed;
- the scrapping rate of older vessels and vessel casualties;
- the number of vessels that are in dry dock at a given time;
- quality of technical specifications of vessels;

- vessel casualties;
- mergers and acquisitions, bankruptcies, restructurings and alliances;
- the conversion of tankers to other uses, including conversion of vessels from transporting oil and petroleum products to carrying dry bulk cargo and the reverse conversion;
- availability of financing for new or second-hand vessels;
- the price of steel;
- changes in licensing regulations and environmental and other regulations that may limit licenses, the useful life, carrying capacity or the operations of our fleet;
- port or canal traffic and congestion;
- trade and export controls; and
- sanctions.

Global tanker, LNG, and LPG fleet growth rates have varied considerably over the last two decades, reflecting the changing dynamics of the energy markets and the shipping industry. According to the Industry Report, the global fleet capacity is projected to increase in the future. The shipping industry may continue to face oversupply in the coming years. Excess capacity depresses freight rates and can lead to lower utilisation of vessels, which may adversely affect our revenues, profitability and asset values. Until such capacity is fully absorbed by the shipping market and, in particular, the shipping lines on which our operations are focused, the industry will continue to experience downward pressure on freight rates and such prolonged pressure could have a material adverse effect on our business, financial condition, results of operations and prospects.

As a result, we anticipate that the future demand for our vessels will be dependent upon the global economic growth, related cyclicality and regional changes in demand, changes in the capacity of the global commodities vessel fleet and the sources and supply of oil and gas and products transported by sea.

Chartered-in and chartered-out vessels make us sensitive to revenue and cost fluctuations in the charter market.

We charter in vessels from other owners and charter those and our own vessels out to other companies. As a result, we are exposed to fluctuations in the charter market which affect our revenue and cost.

Our Shipping business unit contributed 44% of our total revenue for the year ended 31 December 2022. The transportation of crude oil and other clean petroleum products for our clients and our dry bulk shipping services operate on a spot basis with prices determined predominantly at market rates (typically at the prevailing market charter rate) at the time of shipment while the transportation of LNG, LPG and molten sulphur operates predominantly

under long-term time charters. Furthermore, we charter on a spot basis for time charters (where a vessel is chartered for a period of time) and voyage charters (where a vessel is chartered for a specific destination rather than a period of time) across tankers, LNG and dry bulk.

Spot and index-linked charter rates, such as the shipping industry indices provided by the Baltic Exchange or Worldscale, have historically been volatile and cyclical as a result of prevailing demand and supply dynamics in the market and consequently, spot and charter rates have fluctuated significantly in recent years. In particular, the freight rates for tankers increased sharply in the first quarter of 2020 followed by a rate decrease in the second part of 2020 and in 2021. The charter market became more volatile in 2022 due to geopolitical challenges, including the war between Ukraine and Russia, current trade tension between the United States and China, the COVID-related policy of China which resulted in closure of ports and political instability in the South China Sea region. Since many spot charter rates are fixed to a single voyage, which can last several weeks, there can be delays in realising the benefits of increases in the spot charter rate market.

Vessels operating on period time charters provide more predictable cash flows but can yield lower profit margins than vessels operating in the spot charter market during periods characterised by favourable market conditions. Vessels operating in the spot charter market generate revenues that are less predictable and more volatile but may enable us to capture increased profit margins during periods of improvements in charter rates. Involvement in the spot charter market increases the relative volatility of our cash flows from operations and exposes us to the risk of declining charter rates.

There can be no assurance that the spot and/or charter rates will not continue to be volatile in the future or that we will be successful in keeping our vessels fully employed in these spot markets which may result in a reduction of revenue received from spot chartering. Any significant volatility in the spot and charter rates may adversely affect our business, results of operations, financial condition and prospects.

Bunker fuel prices and manpower cost increases may materially adversely affect our results of operations.

Bunker fuel and other consumption expenses as well as manpower costs (which are costs directly attributable to operations of crew and other operational management and staff) constitute significant components of our direct costs.

The cost of bunker fuel is a significant factor in negotiating charter rates for voyage charters. While increases in bunker prices are generally passed on to charterers on time charters, we are exposed to bunker prices increases in respect of voyage charters. As a result, an increase in the price of bunker fuel may adversely affect our profitability. The pricing and supply of bunker fuel is unpredictable and fluctuates based on events outside our control, including geopolitical developments and market conditions, developments in the international trade, supply and demand for oil and gas, laws or regulations, interruptions in production by suppliers, imposition of restrictions on energy supply by governments, actions by members of OPEC and other oil and gas producers, war and unrest in oil producing countries and regions, regional production patterns and environmental concerns and regulations, including as a result of the developments in Ukraine and the sanctions against Russia, the imposition of sulphur

oxide emissions limits in January 2020 and reductions of carbon emissions from January 2023 under new regulations adopted by the International Maritime Organization ("**IMO**"), which may reduce the profitability and competitiveness of our business versus other forms of transportation. Our costs of bunker fuel and other consumption has increased since 2020 and represented 36%, 15% and 11% of our direct costs for the years ended 31 December 2022, 2021 and 2020, respectively.

Manpower costs represented 24%, 31% and 34% of our direct costs for the years ended 31 December 2022, 2021 and 2020, respectively. Manpower remuneration is typically reviewed in light of prevailing market demand and manpower requirements for the asset base and utilisation outlook. Limited supply of and increased demand for suitably-qualified crew in the broader shipping sector has historically created upward pressure on manpower costs (in particular in 2021 and 2020), which we generally bear under our time and spot charters. Furthermore, our manpower costs are expected to increase as we grow our fleet in the future.

Any increases in such costs in the future could have an impact on our direct costs and, consequently, a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to risks and costs associated with the aging of our vessels and facilities.

Our business and operations depend upon the performance of our assets, including our vessels, and various facilities, including warehouses, logistics bases where we provide such services and handling equipment where we provide our services. As the assets age, their performance or effectiveness become impaired, which may lead to decreased productivity as well as delays and costly maintenance. In addition, we acquire, from time to time, assets as part of an acquisition and such equipment and assets may require significant maintenance or replacement which may exceed the costs anticipated at the time of acquisition. In the event that we are unable to replace, maintain or repair our assets and facilities in a timely manner, we may experience decreased performance and increased maintenance costs, delays and lost revenue due to unscheduled stoppages.

In particular, costs to maintain a vessel in good operating condition tend to increase with the age of the vessel. Older vessels are typically less fuel efficient than more recently constructed vessels due to improvements in engine technology. In addition, the age and utilisation of the current fleet are important factors to take into consideration when developing a vessel portfolio and replacement plan. The older the fleet, the higher the maintenance costs and the more likely the need for replacement, or reduced trading opportunities. Potential charterers may also choose not to charter older vessels, in part because older vessels typically have higher cargo insurance rates.

Furthermore, governmental regulations, safety, and other equipment standards related to the age of vessels may require expenditures for alterations or the addition of new equipment to some of our vessels and may restrict the type of activities in which these vessels may engage. There can be no assurance that, as our vessels age, market conditions will justify those expenditures or enable us to operate our vessels profitably during the remainder of their useful lives. As a result, any such regulations and standards could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to risks relating to the impairment of assets.

As at 31 December 2022, the carrying value of our vessels and marine equipment amounted to USD 2.9 billion. Depreciation is calculated using the straight-line method to allocate the assets' costs to their residual values over their estimated useful lives which is assessed at between 20-40 years for vessels (excluding the dry docking component). Asset impairments can occur due to damage or loss of value as a result of changes in market conditions driving down market prices of assets. In cases where the market value of an asset falls below its carrying value, we may be required to impair the value of that asset on the balance sheet according to external valuation. Maritime assets are typically revalued on at least an annual basis using professional external valuations.

While historically we have not recorded any significant impairments, if the value of our assets (including vessels) declines in the future, we may have to record an impairment adjustment in our financial statements, which could adversely affect our financial results. Furthermore, if we sell any of our vessels when vessel prices have fallen, the sale price may be less than the vessel's carrying value on our carve-out financial statements, resulting in a loss on sale or an impairment loss being recognised, leading to a reduction in earnings. As at the end of each of our reporting periods, we examine whether there have been any events or changes in circumstances which may indicate an impairment. When there are indications of an impairment, an examination is made as to whether the carrying amount of the operating assets or cash generating units exceeds the recoverable amount and, if necessary, an impairment loss is recognised in our financial statements.

We are subject to certain operating risks affecting facilities where we provide our services and ports where our vessels call.

Our operations are subject to a number of risks affecting the various facilities where we provide our services as well as the ports where our vessels call. These risks include, but are not limited to, mechanical and electrical failure, personal injury, loss, theft or damage of cargo, or damage, fires, explosions, business interruption, political conditions and hostilities, adverse weather conditions such as floods (including severe weather events), natural disasters, incidents at sea or in coastal routes or incidents in our loading or unloading terminals, including environmental incidents and collisions, each of which could potentially result in damages, penalties, fines, indemnities or costs payable to third parties and other claims against us. Further, public health or safety concerns and governmental restrictions, including those caused by outbreaks of pandemic disease such as the recent global outbreak of novel coronavirus disease (COVID-19), may cause us or our clients to suspend operations in affected areas. Our exposure to these operating risks in such facilities may adversely affect our capacity to duly perform our contractual obligations under our contracts. In addition, these operating risks may result in additional repair costs for terminal loading or discharge chutes/arms and equipment, including cranes, conveyor belts, stacker-reclaimer, shiploaders, or piers, which are unpredictable and can be substantial. The loss of earnings while these damages are being repaired, as well as the actual cost of these repairs, could decrease our revenues and earnings substantially, particularly if this leads to a default under our contracts, which could materially affect our business, results of operations, financial condition and prospects.

We are subject to certain operating risks relating to vessels.

We charter in vessels from other owners and charter those and our own vessels out to other companies. Most operating risks, including maintenance and related expenses, relating to vessels which are chartered in remain with their owners while we bear operating risks in respect of our vessels which are chartered out. Our vessels and their cargoes are at risk of being damaged or lost because of events such as marine disasters, bad weather, mechanical failures, human error, environmental incidents, war, terrorism, piracy and other circumstances or events. In addition, transporting cargoes across a wide variety of international jurisdictions creates a risk of business interruptions due to political circumstances in foreign countries, hostilities, labour strikes, port and canal closings and boycotts, the potential for changes in tax rates or policies, changes in international sanctions and the potential for government expropriation of our vessels. In addition, if our vessels are found with contraband, placed with or without the knowledge of any member of our crew, we may face reputational damage and governmental or other regulatory claims or penalties, such as forfeiture of the vessel in question.

Such vessels travel extensively on a daily basis to deliver products across our network. As a result, we are exposed to the risk of incidents involving our vessels as well as other risks inherent in sea transportation of potentially hazardous materials, including injuries or other damage. Risks include fuel spills, environmental incidents, equipment failure, work incidents, fires, explosions, collisions, vapour emissions that occur in the ordinary course of business. These hazards may cause personal injuries or the loss of life, business interruptions and/or property, equipment and environmental contamination and damage. Such incidents may expose us to potential costs that far exceed the value of the cargoes carried and the ships on which they are transported, give rise to statutory claims (including clean-up and remediation claims, and claims from third parties who are negatively affected by any such incident), damage our reputation and cause us to lose client certification status.

Furthermore, while we will typically inspect second-hand vessels before purchase, this does not provide us with the same knowledge about their condition that we would have had if these vessels had been built for and operated exclusively by us. Accordingly, we may not discover defects or other problems with such vessels before purchase. Any such hidden defects or problems, when detected, may be expensive to repair, and if not detected, may result in incidents for which we may become liable to third parties. In addition, when purchasing second-hand vessels, we do not receive the benefit of any builder warranties if the vessels we buy are older than one year.

If any of such vessels in our fleet suffers damage, it may need to be repaired at a drydocking facility. The costs of drydocking are unpredictable and can be substantial. The loss of earnings while such vessels are being repaired and repositioned, as well as the actual cost of these repairs, could decrease our revenues and earnings substantially, particularly if a number of vessels are damaged or drydocked at the same time. Breakdowns, incidents or drydocking costs involving our vessels and losses relating to chartered vessels that are not covered by insurance would result in a loss of revenue from the affected vessels, which may materially and adversely affect our business, results of operations, financial condition and prospects.

Our vessels could be subject to seizure through maritime arrest or government

requisition.

Crew members, suppliers of goods and services to a vessel, barge or other maritime asset, charterers, bill of lading holders, and other parties may be entitled to a maritime lien against a vessel for unsatisfied debts, claims or damages. In many jurisdictions, a maritime lien holder may enforce its lien by arresting the vessel or attaching a vessel through foreclosure proceedings that is subject to the claimant's maritime lien or any other vessels owned or controlled by the same owner. In addition, a government could seize one of our vessels or take control of a vessel and effectively become its charterer at charter rates dictated by the government. Generally, such requisitions occur during a period of war or emergency. The maritime arrest, government requisition or any other seizure of one or more of our vessels could interrupt our operations, reducing related revenue and earnings, and may require us to pay very large sums of money to have the arrest lifted.

Sulphur regulations to reduce air pollution from ships have required retrofitting of vessels and may cause us to incur significant costs.

Since 1 January 2020, IMO regulations have required vessels to comply with a global limit on the sulphur levels in fuel oil used on board vessels of 0.5%, down from the previous cap of 3.5%. The interpretation of "fuel oil used on board" includes use in main engine, auxiliary engines and boilers. Compliance with this regulation is achieved by (i) using 0.5% sulphur fuels on board, which are available at a higher cost; (ii) installing "scrubbers" for cleaning of the exhaust gas; or (iii) retrofitting vessels to be powered by LNG. As at the date of this Prospectus, those regulations apply to a relatively limited number of vessels in our fleet. More than 50% of our fleet of 245 owned vessels, including LNG tankers and LPG dual-fuel tankers, use very low sulphur fuel oil ("**VLSFO**") such as diesel and marine gas for propulsion which does not contain sulphur. Our existing very large crude carrier ("**VLCC**") vessels have fitted scrubbers while the new built VLCC vessels are designed to be dual fuelled (fuel/LNG). However, there can be no assurance that we will be able to pass increased costs associated with using VLSFO, installing "scrubbers" in the future to the extent required or retrofitting vessels to be powered by LNG on to clients, or that the regulations may not change further, which may have a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to changes in the broader regulatory regime applicable to our business and operations.

We are subject to various regulatory regimes in the UAE and certain other countries where we provide our services. In the UAE, our business is subject to federal laws and regulations governing all aspects of our shipping and logistics business, including protection of the marine environment, handling of hazardous substances and hazardous wastes, the import and export of products as well as certain specific laws and regulations governing and controlling the trading of petroleum products. The UAE law is not capable of conclusive interpretation, as there is no system of binding precedent in the UAE and a court is not required to follow decisions of another court (although previous judgments can be viewed as persuasive). Case reporting is also not comprehensive and judgments are not always publicly available. In addition, legislation may come into effect in the UAE without being made publicly available and local authorities have wide discretion to apply the law and may, in practice, develop

policies or rules that are similarly not made publicly available.

In addition to the federal laws and regulations in the UAE, our business is also subject to international industry standards, laws and regulations as well as guidance rules which have been implemented by certain countries in addition to certain jurisdictions-specific laws and regulations when trading in certain international waters, including in the United States, the European Union, Canada and Japan. The regulatory regime applicable to our business and operations is extensive and subject to change. While we seek to comply with all such applicable regulations, there can be no assurance that we will achieve full compliance in any period or that such regulations will not change in the future which could affect our compliance costs, overall liability scheme and insurance premium levels. Any changes to such laws and regulations may result in increased capital, operating and compliance costs, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

A failure to pass inspection by classification societies could result in one or more vessels being unemployable unless and until they pass inspection.

The hull and machinery of every commercial vessel with certain characteristics must be classed by a classification society that is authorised and is customarily a member of the International Association of Classification Societies Ltd. ("**IACS**"). The classification society must certify that a vessel has been built and maintained in accordance with the rules of such organisation and complies with the applicable rules and regulations of the country whose flag such vessel flies and the international conventions of which that country is a member. The classification society certifies that a vessel is safe and seaworthy in accordance with the applicable rules and regulations of the country of registry of the vessel and with international conventions such as the United Nations Safety of Life at Sea Convention ("**SOLAS**"). Most of our owned fleet is currently enrolled with our ship management register. Each registered owner has a ship management agreement with our operating company.

Vessels and jack-up barges must undergo an initial survey after construction, an annual survey, an intermediate survey and a special survey. For certain vessels, in lieu of a special survey, a vessel's machinery may be on a continuous survey cycle, under which the machinery and/or its hull would be surveyed periodically over a five-year period. Certain of our vessels are on continuous survey cycles for machinery inspection. The majority of fleet surveys are typically required every five years, with intermediate surveys every two and half years.

If any vessel fails any initial surveys, annual survey, intermediate survey or special survey, the vessel will not be allowed to carry cargo between ports and, therefore, would be unemployable until any issues are rectified, resulting in the loss of revenues from such vessel until it was able to trade again.

We are exposed to the risk of acts of piracy, which could result in increased costs of operations and vessel loss.

Piracy remains a threat along the Somali Coast of the Gulf of Aden, the Gulf of Guinea, the Indian Ocean and Southeast Asia. While we have not experienced any piracy incidents in the past, there may in the future be attempted attacks on our fleet. As a result, we may need to obtain additional war risk insurance (in addition to the kidnap and ransom cover for

international vessels that we currently have in place) when our vessels operate in high-risk areas, the costs of which depend on the frequency and severity of piracy attacks. While such extra costs (paid at a premium) are typically passed back to charterers or factored into freight payments for voyage charters, this might not be always the case and, consequently, could result in an increase in our manpower costs. Consequently, we may not be adequately insured to cover losses from these incidents, which could have a negative impact on us. The foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

Risks Relating to Geographical, Political and Economic Conditions

We are subject to risks associated with operating in numerous jurisdictions.

Our global business operations are subject to numerous risks and uncertainties, including: difficulties and costs associated with complying with a wide variety of complex laws, treaties and regulations; unexpected changes in regulatory environments; inflation levels; currency fluctuations; changes to tax treaties or tax rates; changes to domestic and international tax law; earnings that may be subject to withholding requirements; and the imposition of tariffs, exchange controls or other restrictions.

We, the Selling Shareholder, and our employees, are subject to applicable anti-corruption laws and regulations and economic and trade sanctions and export control programs in various jurisdictions, including the UAE Federal Penal Code No. 31 of 2021, U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010, and economic sanctions programs administered by the United Nations, the European Union, the United Kingdom and the United States, including the Office of Foreign Assets Control of the U.S. Department of the Treasury, and regulations set out under the Comprehensive Iran Sanctions, Accountability and Divestment Act of 2010 as well as the wide-ranging sanctions against Russia, Belarus, the Crimea region, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic introduced in 2022. As a result of doing business internationally, we are exposed to a risk of violating anti-corruption laws and sanctions regulations applicable in those countries where we, our partners or agents operate. Violations of anti-corruption and sanctions laws and regulations are punishable by civil penalties, including fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) and revocations or restrictions of licenses, as well as criminal fines and imprisonment. Any violation of applicable laws, including by our employees, consultants, agents or partners, could subject us to penalties and reputational damage and could have a material adverse effect on our business, results of operations, financial condition and prospects.

We and the Selling Shareholder are subject to antitrust and competition laws in various countries throughout the world. We cannot predict how these laws or their interpretation, administration and enforcement will change over time. Changes in antitrust laws globally, or in their interpretation, administration or enforcement, may limit our existing or future operations and growth. Violation of these laws and regulations could result in penalties, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to the tax laws of certain jurisdictions, including risks in connection

with challenges to our tax positions.

We provide services to clients in more than 50 countries across a number of jurisdictions and are subject to the tax laws and regulations in such countries. In addition, our future expansion into new jurisdictions could adversely affect our tax profile and increase our future cash tax payments. Given that tax laws and regulations are subject to change and may not provide clear-cut or definitive doctrines, the tax regime applied to us is sometimes based on our interpretations of such laws and regulations. There is a risk that our understanding and interpretation of tax laws, double tax treaties and other provisions is not correct in all respects. There is also a risk that tax authorities in the relevant jurisdictions may audit us and make assessments, including potentially interest, fines and penalties, and decisions that differ from our understanding and interpretation of the aforementioned laws, tax treaties and other provisions, which could have an adverse effect on our business, results of operations, financial condition and prospects. Further, there is a risk that new or amended laws, tax treaties or other provisions, which may apply retroactively, may have a material adverse effect on our business, results of operations, financial condition and prospects.

We face risks associated to the changes in the global economic and political environment and global trade.

The economic and political environment as well as other factors, such as the COVID-19 pandemic, unemployment, inflation, inclination to invest, economic growth, conflicts, military action, terrorist attacks and general instability throughout the world and in the UAE, as well as the development of the world economy have a fundamental influence on our business and operations.

New strains of the COVID-19 virus were discovered in late 2020 and early 2021, which are characterised by higher transmission rates. In response to the highly contagious and sometimes fatal COVID-19 virus, the United States, certain EU countries and countries in the Middle East, including the UAE, began imposing quarantine and travel restrictions, as well as other restrictions, which aim to reduce in-person interactions, some of which remain in place as at the date of this Prospectus.

Although the global recovery from the COVID-19 pandemic has been underway, the global economy has been suffering from elevated levels of inflation, which has triggered a cost-of-living crisis in many regions. Paired with an energy crisis triggered by the war in Ukraine and subsequent redirection of energy sources away from Russian producers, the prices of oil and gas have become more volatile. As described in recent events, including those related to the Russian invasion of Ukraine, have caused volatility in trade patterns, trade volumes and demand which could impact our business, financial condition, results of operations and prospects.

A slowdown of, or persistent weakness in, economic activity and global trade caused by a deterioration of global market and economic conditions could adversely affect our business in the following ways, among others: conditions in the credit markets could affect the ability of our clients and their clients to obtain sufficient credit to support their operations, and the failure of our clients to fulfil their obligations could result in increases in bad debts. We also may experience declining demand and falling rates for shipping services, in particular in the spot and time charter market. The overall impact of a global economic downturn or deterioration in

the global trade patterns on us is difficult to predict, and our business, results of operations, financial condition and prospects could be materially adversely impacted. In addition, declines in consumer confidence and/or consumer spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and our markets, including the market for our products and services, and lead to demand or cost pressures.

The overall global economic outlook remains uncertain and we cannot reliably predict it. Any downturn in regional or worldwide economies, global trade, market crisis or prolonged periods of instability could have a material and adverse effect on our business, results of operations, financial condition and prospects.

We are exposed to general economic, financial and political conditions, in the UAE and especially in Abu Dhabi.

General economic, financial, and political conditions, in the UAE and especially in Abu Dhabi, may have a material adverse effect on our business, results of operations, financial condition and prospects. The UAE's economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. In particular, a global shift in policies, including towards protectionism, with lower global growth due to reduced trade, migration and cross-border investment flows, could slow non-hydrocarbon growth in the UAE and Abu Dhabi and adversely impact trade and shipping volumes. Conditions which could adversely affect our business include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact our services and operations; and
- deflationary economic pressures, which could hinder our ability to operate profitably in view of the challenges inherent in making corresponding deflationary adjustments to our cost structure.

The nature of these types of risks makes them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact to our business, results of operations, financial condition and prospects. In particular, the UAE's economy is currently highly dependent on the oil industry. The UAE Federal Government has a long-term strategy of diversifying the UAE's economy away from its reliance on oil and gas and a long-term vision to turn the UAE into a knowledge-based economy and reduce its dependence on the oil sector. However, there can be no assurance that the UAE's efforts to diversify its economy and reduce its dependence on oil will be completely successful. If the UAE's efforts to transition its economy away from its reliance on oil are successful, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

Abu Dhabi's economy is significantly affected by volatility in international crude oil prices and its economy has in the past been, and may in the future to continue to be, materially adversely affected by lengthy periods of low crude oil prices.

Abu Dhabi's economy is highly dependent on crude oil revenue which is significantly impacted by international crude oil prices. The hydrocarbon sector accounted for 50.3% of Abu Dhabi's nominal GDP in 2021 compared to 51.3% in 2020 and 49.3% in 2019, with the growth generally reflecting increasing crude oil prices (source: Statistics Centre Abu Dhabi 2021). Abu Dhabi's economy has in the past been adversely affected by periods of low international crude oil prices, including being adversely affected by the sustained period of low international oil prices that commenced in mid-2014.

Crude oil prices have historically fluctuated in response to a variety of factors beyond our control, including (without limitation):

- economic and political developments both in oil-producing regions, particularly in the Middle East, and globally (see "—Risks Relating to Geographical, Political and Economic Conditions—We are exposed to general economic, financial and political conditions, in the UAE and especially in Abu Dhabi");

- global and regional supply and demand, and expectations regarding future supply and demand, for oil and gas products;

- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices; and

- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions (see "—Risks Related to Our Business—We are subject to numerous environmental, health and safety laws, regulations and permitting requirements, as well as potential environmental liabilities (including pollution, major collisions, oil spills, and carbon emissions), which may require us to make substantial expenditures or impact our ability to conduct our activities").

Many economic sectors within Abu Dhabi and the wider UAE, including Dubai, remain in part dependent, directly or indirectly, on crude oil prices, so extended periods of low crude oil prices may have a negative impact across the economic landscape of Abu Dhabi and other Emirates. For example, the government may decide to reduce government expenditures in light of the budgetary pressures caused by lower crude oil prices, which may, in turn reduce fiscal spending on infrastructure and other projects that create revenue streams for both public and private entities. Local financial institutions may experience lower liquidity (if significant government and government-owned company deposits are withdrawn to fund deficits) or higher loan losses or impairments. Furthermore, businesses that are dependent on household consumption, including consumer products, education, healthcare and housing, may be adversely affected by lower levels of economic activity created by extended periods of low crude oil prices.

Any of the factors described above, including further developments with respect to the COVID-19 pandemic (and the possibility of additional waves or resurgences thereof) and OPEC or OPEC+ agreements, could have a material adverse effect on the economic, political and fiscal position of Abu Dhabi (and the UAE generally, including Dubai), and may consequently have a material adverse effect on the trading prices of the Shares and our business, results of operations, financial condition and prospects.

Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the UAE economy.

Although Abu Dhabi and the UAE enjoy domestic political stability and generally healthy international relations, since early 2011 there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict, proxy wars and civil war, increased tensions and political uncertainty, in addition to the escalating threats of terrorism and extremism across the MENA region. It is not possible to predict the occurrence of events or circumstances such as war or other hostilities, or the impact that such events or occurrences might have on Abu Dhabi or the UAE. The MENA region currently is subject to a number of armed conflicts.

More recently, heightened tensions between the United States and Iran have resulted in increased provocations by Iran and acts of violence against the United States, friendly states and its and their interests in the MENA region. In particular, on 14 September 2019, the Abqaiq processing facility and the Khurais oil field in the Kingdom of Saudi Arabia were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of the Kingdom of Saudi Aramco, Saudi Arabia's national oil company. In January 2020, the United States carried out a military strike that killed a senior Iranian military commander. As a result of this military strike, Iran launched missiles at a United States base in Iraq. There have since been repeated attacks by militia groups on Iraqi military bases housing foreign soldiers and retaliatory strikes by the United States. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, as a result of an explosion which has been reported to be caused by an attack on the Natanz complex.

In 2015, the UAE participated in an intervention by an Arab coalition to restore Yemen's internationally recognised government to power. Although the UAE withdrew most of its forces from Yemen in 2019, tensions with Iran and the Yemeni Houthi militia have escalated in recent months. In August 2021, armed personnel backed by Iran were suspected of seizing an oil tanker off the coast of the UAE. Iran denied involvement. In January 2022, a UAE-flagged cargo vessel was seized by the Houthi militia in the Red Sea. This was then followed by missile and drone attacks on Abu Dhabi, including one on an ADNOC fuel depot in Mussafah, which claimed the lives of three people and resulted in the outbreak of a fire. Although the UAE continues to exercise de-escalation diplomacy and self-restraint, any continuation of, or increase in, international or regional tensions or any military action may have a destabilising impact on the MENA region. There can be no assurance that tensions will not continue to escalate in the region, or that further attacks will not happen, which could have a direct impact on our operations. Any further incidents, including cyber-terrorism, in or affecting the UAE and increased regional geopolitical instability (whether or not directly involving the UAE), or any heightened levels of military conflict in the region or globally, including the conflict in Ukraine, may have a material adverse effect on the UAE's (and, consequently, Abu Dhabi's) attractiveness for foreign investment and capital, its ability to engage in international trade, its tourism industry and, consequently, its economic, external and fiscal positions. Furthermore, there can be no assurance what impact future incidents will have on global oil prices.

Our business may be affected by the financial, political and general economic conditions prevailing from time to time in the UAE and the MENA region. The occurrence of any of these

events or circumstances may result in a general loss of business confidence, which could potentially lead to an economic recession and reduced demand for hydrocarbon products, including crude oil, and have a material adverse effect on our business, results of operations, financial condition and prospects. Prospective purchasers of the Shares should also note that our business and financial performance could be adversely affected by political, economic or related developments both within and outside the MENA region because of inter-relationships within the global financial markets. Although the UAE have enjoyed significant economic growth and stability, there can be no assurance that such growth or stability will continue.

We are exposed to geopolitical security threats and acts of terrorism or sabotage could negatively affect our business.

Similar to other logistics and shipping companies, we may be targets of terrorist activities or sabotage. For example, in January 2022, Abu Dhabi was the subject of missile and drone attacks, including one on an ADNOC fuel depot in Mussafah, which claimed the lives of three people and resulted in the outbreak of a fire (see "*—Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the UAE economy*")***.***

Facilities where we provide our services are distributed across different emirates in the UAE. Credible threats that have been evidenced internationally, and which may pose a degree of risk to our business include, but are not limited to: vehicle-borne improvised explosive devices; person-borne improvised explosive devices; unmanned aerial vehicle improvised explosive devices; delivered devices; active shooter(s); chemical, biological, radiological or nuclear attacks; security breaches (e.g., crime, including theft and criminal damage); and unauthorised access to controlled areas. Any damage to such facilities, or injury to employees, who could be direct targets or indirect casualties of an act of terrorism or sabotage, may affect our operations. Furthermore, due to concerns related to terrorism or sabotage or the potential use of certain chemical substances such as explosives or poisonous materials, Abu Dhabi or the UAE may implement new regulations impacting the security of our vessels and the facilities where we provide our services.

If shipping of products by our clients is delayed or prevented or if there are significant increases in the cost of our operations as a result of geopolitical issues, acts of war, trade blockades and piracy or equipment, our revenue and cost of operations could be adversely affected. For example, the closing of shipping routes and supply chain issues triggered by the war in Ukraine may cause disruptions and additional costs to our operations. Any disruption of our ability to produce or distribute our products could result in a significant decrease in revenue and significant additional costs to replace, repair or insure our assets, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Governments in the MENA region have exercised and continue to exercise significant influence over their respective economies, and legal and regulatory systems in the MENA region, which may create an uncertain environment for investment and business activities.

The governments in the MENA region, including the UAE, have frequently intervened in the economic policy of their respective countries. This intervention has included, but not been

limited to, regulation of market conditions, including foreign investment, foreign trade, financial services and oil and gas services. Any unexpected changes in the political, social, economic or other conditions in the MENA region or neighbouring countries could have a material adverse effect on our business, results of operations, financial condition and prospects. These changes include:

- an increase in inflation and government measures to curb such inflation, including through policies such as price controls;
- governments' actions or interventions, including tariffs, protectionism, foreign exchange and currency controls and subsidies;
- regulatory and legal structure changes, including foreign ownership restrictions, cancellation of contractual rights, expropriation of assets and potential lack of certainty as to title to real estate property;
- changes to the availability of, requirements for, and cost to secure, employment and residence visas for expatriate staff and their dependents;
- income and other taxation;
- policies of nationalisation of assets and requirements to employ local national employees;
- difficulties and delays in obtaining new permits and consents for new operations or renewing existing permits; and
- an inability to repatriate profits and/or dividends.

Unexpected changes in these policies or regulations could lead to increased operating or compliance expenses and could have the effect of decreasing our competitiveness. Any such changes could have a material adverse effect on our business, results of operations, financial condition and prospects.

A downgrade in the credit rating of Abu Dhabi could adversely affect us.

As at the date of this Prospectus, ADNOC holds 100% of our issued share capital, and immediately following the Offering, ADNOC will continue to hold at least 85% of our share capital. ADNOC is owned by the government of Abu Dhabi. Abu Dhabi has a long-term foreign currency debt rating of "AA" with a stable outlook from Standard & Poor's Financial Services, a long-term foreign currency issuer default rating of "AA" with a stable outlook from Fitch Ratings, and a long-term credit rating of "Aa2" from Moody's Investor Service. ADNOC's ratings are constrained by the government of Abu Dhabi due to the strong links between the company and the sovereign. Any downgrade or withdrawal at any time of a credit rating assigned to Abu Dhabi by any rating agency could have a material adverse effect on their cost of borrowing and could limit their access to debt capital markets, which could in turn adversely affect companies owned by the Abu Dhabi government, including ADNOC and us, or companies which have significant operations in the UAE. Should we seek to obtain a separate credit rating for us in the future, there can be no assurance that such credit rating will be the same as ADNOC's rating. There can be no assurance that the credit ratings of Abu Dhabi will

remain for any given period of time or that any such credit rating will not be downgraded or withdrawn entirely by any of the rating agencies in the future. Any such downgrade or withdrawal could have a material adverse effect on borrowing costs and access to debt capital markets for us, which could negatively impact our ability to grow and execute our strategy, and result in a material adverse effect on our business, results of operations, financial condition and prospects.

Additional security requirements, or the failure to pass security reviews, may increase our operating costs and restrict our ability to conduct our business.

In recent years, various international bodies and governmental agencies and authorities have implemented numerous security measures, such as the International Code for Security of Ships and of Port Facilities and amendments Chapter XI of SOLAS (ISPS Code), including in relation to inspection and customs procedures, that affect our transport operations and the costs associated with such operations. Any failure to comply with the security requirements applicable to us or to obtain relevant security-related certifications may, among other things, prevent certain clients from using our facilities or result in higher insurance premiums. New security measures or updated regulatory compliance requirements may be introduced at any time. Ensuring our compliance with such measures or requirements may involve considerable time, cost and resources on our part. The costs associated with existing and any additional or updated security measures may negatively affect our results of operations to the extent that we are unable to recover the full amount of such costs from our clients, who generally may have also faced increased security-related costs. Similarly, additional security measures that require us to increase the scope of our operating procedures may negatively impact our ability to transport oil and gas, related products and derivative materials. Continued or increased costs of compliance with transportation and other security requirements applicable to us could have a material adverse effect on our business, results of operations, financial condition and prospects.

Developing legal systems in emerging market economies, including in the UAE, and the introduction of new laws and regulations can create an uncertain or changed environment for investment and business activity.

Emerging market economies generally, including the UAE, are characterised by less comprehensive legal and regulatory environments than are found in more developed regions. Changes in laws and regulations of foreign jurisdictions, including with regards to tax matters, or changes in their implementation by local authorities could affect our vessels if chartered to foreign clients as well as our vessels calling to foreign ports and could have a material adverse impact on our business, financial condition, results of operations and prospects.

The following risk factors relating to these legal systems create uncertainty with respect to the legal and business decisions that we make and such uncertainties may not exist in countries with more developed market economies:

- inconsistencies between and among the constitution, federal law, presidential, governmental and ministerial decrees, and conflicts between federal, regional and local legislation;

- lack of fully developed corporate and securities laws;

- lack of judicial and administrative guidance on interpreting legislation;
- gaps in the regulatory structure due to delay or absence of implementing legislation;
- the relative inexperience of judges and courts in interpreting legislation;
- lack of an independent judiciary;
- difficulty in enforcing court orders;
- a high degree of discretion on the part of governmental authorities, which could result in arbitrary actions such as suspension or termination of our licenses; and
- under-developed bankruptcy or insolvency procedures that are subject to abuse.

The rapid evolution of these legal systems in ways that may not always coincide with market developments can result in ambiguities, inconsistencies and anomalies in the law and judicial practice. These weaknesses affect our ability to protect our rights under our licenses and contracts, or to defend ourselves against claims by others, including challenges by regulatory and governmental authorities in relation to our compliance with applicable laws and regulations and could have a material adverse effect on our business, results of operations, financial condition and prospects.

Further, as these economies mature, and in part due to the desire of certain countries in the MENA region, including in particular the UAE, to accede to the World Trade Organisation, the governments of these countries have begun, and we expect will continue, to implement new laws and regulations that could impact the way we conduct our business and have a material adverse effect on our business, results of operations, financial condition and prospects. Changes in investment policies or in the prevailing political climate could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

There can be no assurance that the introduction of any changes to current laws would not increase our costs or otherwise materially adversely affect our business, results of operations, financial condition and prospects.

The UAE's Emiratisation initiative may increase our costs and may reduce our ability to rationalise our workforce.

Emiratisation is an initiative by the UAE government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers. Under the initiative, companies are encouraged to employ Emiratis in management, administrative and technical positions. However, the cost of employing UAE nationals typically is significantly higher than the cost of employing foreign workers. In addition, meeting and maintaining our Emiratisation targets reduces our flexibility to rationalise our workforce, which limits our ability to reduce costs in many areas of our operations and may be made further difficult as a result of the COVID-19 pandemic (particularly if additional waves or resurgences thereof occur). As a result, there can be no assurance that meeting and maintaining our Emiratisation targets will not have a material adverse effect on our business, results of operations, financial condition and prospects.

Climate change concerns and impacts could cause us to incur significant costs or make significant investments.

As the international community has reached consensus on the importance and urgency of addressing climate change, various industries, including the logistics and shipping industry in which we operate and the energy industry where ADNOC, as our main client, operates, are drawing increasing scrutiny with respect to its contribution to global climate change in recent years. A number of international, national and regional measures to reduce greenhouse gas ("**GHG**") emissions have been enacted. For example, the Paris Agreement became effective in November 2016, and many of the countries that have ratified the Paris Agreement are adopting domestic measures to meet the Paris Agreement goals, which include reducing their use of fossil fuels and increasing their use of alternative energy sources. The Green Deal of December 2019 proposes new EU legislation, which includes a "carbon border tax" or "border carbon adjustment" implementation. In addition, the European Commission recently proposed a 2030 target to reduce GHG emissions by 55% compared to 1990 and a new Carbon Border Adjustment Mechanism, which will put a carbon price on imports of a targeted selection of products to prevent "carbon leakage" and to encourage industries outside the EU to take steps in the same direction. More recently, the Glasgow Climate Pact, which aims to accelerate action towards the goals of the Paris Agreement, was signed at COP26 in October-November 2021. The implementation of such measures in a number of countries and other potential legislation limiting emissions could negatively affect the global demand for oil and gas, and result in a shift away from fossil fuels towards alternative fuels. The energy transition away from carbon-based fuels could increase if the feasibility of alternative fuels, which continues to improve as new technologies emerge that could further disrupt the gas sector. Additionally, the UAE will host the COP 28 UN climate summit in 2023. If the UAE enacts new laws that focus on limiting GHG emissions, it could result in substantial additional capital expenditure to comply with these laws, thus increasing the cost of revenue generation and strategic growth opportunities.

Carbon dioxide ("**CO2**") is a by-product of the burning of fossil fuels and is considered a GHG. Our operations, and the use of our clients' products, result in the emission of CO2. In 2021 alone, the GHG emissions released as a result of our operations (without counting client use of our products) were approximately three million tonnes. The UAE is a signatory and ratifying party of the Paris Agreement and has agreed to the Glasgow Climate Pact. Furthermore, the UAE has announced its ambition to reach net zero emissions by 2050. Compliance with the Paris Agreement may require the reduction of CO2 emissions in the UAE, and the

environmental responsibilities of UAE companies under UAE law may change following the implementation of any resulting CO2 mitigation regulations. Such regulations could result in, for example, increased costs to install new emission controls and administer and manage GHG emissions, and/or an increased risk in litigation in the case of non-compliance with any government directives related to the reduction of greenhouse gas emissions.

In addition, there is increasing concern that a gradual increase in global average temperatures will cause significant changes in weather patterns around the globe, and an increase in the frequency and severity of natural disasters or other effects that are impossible to predict. Increased frequency or duration of extreme weather conditions could result in a disruption of shipping routes around the globe and have a negative effect on the ability to provide our services at the various facilities. To the extent that such unfavourable weather conditions are exacerbated by global climate change or otherwise, our shipping operations in particular may be adversely affected to a greater degree than we have previously experienced, including increased delays and higher costs. However, the uncertain nature of changes in and causes of extreme weather events (including in respect of their increased frequency, duration, and severity) and the long period of time over which any changes would take place limit our ability to make any specific estimations of future financial risk to our operations caused by these potential physical risks of climate change. Moreover, the regulation of GHG emissions and the physical impacts of climate change in the areas in which we, our clients and the end users of our clients' products operate could adversely impact our operations and the demand for our clients' products, which would, in turn, impact demand for our services. Any or all of these hazards, as well as possible legal liability to us or governmental or regulatory action against us arising therefrom, could have a material adverse effect on our business, results of operations, financial condition and prospects.

Risks Relating to the Offering and to the Shares

Following completion of the Offering, ADNOC will continue to be able to exercise control over us, our management and our operations.

As at the date of this Prospectus, ADNOC holds 100% of our issued share capital, and, immediately following the Offering, ADNOC will continue to hold at least 85% of our issued share capital. See "*Presentation of Financial Information—General*" and "*Principal and Selling Shareholder*". As a result, ADNOC will be able to exercise control over our management and operations, such as in relation to the payment of dividends and the election of the members of our Board of Directors and other matters. There can be no assurance that the interests of ADNOC will coincide with the interests of purchasers of the Shares.

Furthermore, ADNOC's significant ownership of the Shares may: (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company); (ii) deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company; and (iii) affect the liquidity of the Shares, any of which could have a material adverse effect on the market price of the Shares. In addition, there may be circumstances where our businesses compete directly or indirectly with ADNOC's businesses, and ADNOC may take decisions with respect to those businesses, or its own business, that are adverse to the interests of our other shareholders.

Substantial sales of Shares by ADNOC in the future could depress the price of the Shares.

Sales of a substantial number of Shares by ADNOC following the completion of the Offering may significantly reduce our share price. ADNOC have agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of 12 months from Listing, except in certain limited circumstances, unless otherwise consented to by the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed). See "*Details of the Offering—Lock-up Arrangements*". Nevertheless, we are unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

Future issuances of Shares may dilute the holdings of shareholders and may depress the price of the Shares.

We are subject to a 12-month lock-up period following Listing pursuant to the terms of the Underwriting Agreement. It is possible that we may decide to offer additional Shares or securities convertible into Shares in the future, including in the form of stock-based compensation. Future sales could dilute the holdings of shareholders, adversely affect the prevailing market price of the Shares and impair our ability to raise capital through future sales of equity securities.

Trading price of the Shares may be subject to volatility.

The trading price of the Shares may be volatile and fluctuate significantly due to a variety of factors, many of which are outside our control, which could result in significant losses to prospective investors. These include:

- changes affecting market valuations of companies in the energy industry, including changes in the price of oil and gas and their derivatives, or the willingness of investors to invest in such securities;
- variations in the Company's results of operations;
- announcements regarding the Company's earnings that are not consistent with market expectations;
- terrorist incidents in or affecting Abu Dhabi or the UAE and increased regional geopolitical instability (whether or not directly involving Abu Dhabi or the UAE), or any heightened levels of military conflict in the region or elsewhere;
- publication of industry data by third parties, including government statistical agencies, that differ from expectations of industry or financial analysts;
- downgrades or changes in research coverage by securities research analysts;
- changes in eligibility for the Shares to be included in certain financial indices;

- press reports, whether or not factual, about the Company and ADNOC L&S;
- changes in the regulatory environment;
- additions to or departures of key personnel;
- changes to the policy of pegging the exchange rate between the AED and the USD;
- release or expiry of lock up or other transfer restrictions on the Shares; and
- sales or perceived potential sales of additional Shares by the Selling Shareholder.

Any of the foregoing factors may result in large and sudden changes in the trading volume and market price of the Shares which in turn could lead to potential losses for investors.

The Offering may not result in an active or liquid market for the Shares, trading prices of the Shares may be volatile and may decline and the ADX is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.

Prior to the Offering, there has been no public trading market for the Shares. We cannot guarantee that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the offer price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of our actual performance or conditions in the UAE.

The Company has applied for the Shares to be listed on the ADX. The ADX was established in 2000, but its future success and liquidity in the market for the Shares cannot be guaranteed. The ADX is substantially smaller in size and trading volume than other established securities markets, such as those in the U.S. and the UK. As at 31 December 2022, there were 98 companies with securities traded on the ADX with a total market capitalisation of approximately AED 2,624.8 billion. The ADX had a total regular trading volume of 80.7 billion shares in 2022.Brokerage commissions and other transaction costs on the ADX are generally higher than those in Western European countries.

These factors could generally decrease the liquidity and increase the volatility of share prices on the ADX, which in turn could increase the price volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the ADX in the desired amount and at the price and time achievable in more liquid markets.

Because we are a holding company and substantially all of our operations are conducted through our subsidiaries and the AW Shipping Limited joint venture, our ability to pay dividends on the Shares depends on our ability to obtain cash dividends or other cash payments or obtain loans from such entities.

We currently conduct all of our operations through our subsidiaries and the AW Shipping Limited joint venture, and such entities generate substantially all of our operating income and

cash flow. Because we have no direct operations or significant assets other than the capital stock of these entities, we rely on those entities for cash dividends, investment income, financing proceeds and other cash flows to pay dividends, if any, on the Shares and, in the long term, to pay other obligations at the holding company level that may arise from time to time.

The ability of such entities to make payments to us depends largely on their financial condition and ability to generate profits. In addition, because our subsidiaries are separate and distinct legal entities, they will have no obligation to pay any dividends or to lend or advance us funds and may be restricted from doing so by contract, including other financing arrangements, other shareholders or applicable laws and regulations of the various countries in which they operate. Similarly, because of our holding company structure, claims of the creditors of our subsidiaries, including trade creditors, banks and other lenders, effectively have priority over any claims that we may have with respect to the assets of these entities. Further, we cannot be certain that, in the long term, our subsidiaries will generate sufficient profits and cash flows, or otherwise prove willing or able, to pay dividends or lend or advance to us sufficient funds to enable it to meet our obligations and pay interest, expenses and dividends, if any, on the Shares.

The inability of one or more of these entities to pay dividends or lend or advance us funds and currency control restrictions and restrictions on the repatriation of dividends imposed on us or our subsidiaries may adversely affect not only our ability as a holding company to pay dividends, but also our business, results of operations, financial condition and prospects.

We may not pay any cash dividends on the Shares and investors may not receive any return on investment unless they sell their Shares at a price higher than their purchase price.

While we intend to pay dividends in respect of the Shares, there can be no assurance that we will do so. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, applicable laws and regulations, our results of operations, financial condition, cash requirements, contractual restrictions, our future projects and plans and other factors that our Board of Directors may deem relevant. As a result, you may not receive any return on an investment in the Shares unless you sell your Shares for a price greater than that which you paid for them. See "*Dividend Policy*".

Holders of the Shares in certain jurisdictions outside of the UAE, including the U.S., may not be able to exercise their pre-emptive rights if we increase our share capital.

Under our Articles of Association to be adopted in connection with the Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of our ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. U.S. holders of the Shares may not be able to exercise their pre-emptive rights unless a registration statement under the Securities Act is effective with respect to such rights and the related ordinary shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions outside the UAE. We currently do not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given

that an exemption from such registration requirements will be available to enable U.S. or other holders of the Shares to exercise their pre-emptive rights or, if available, that we will utilise such exemption. To the extent that the U.S. or other holders of the Shares are not able to exercise their pre-emptive rights, the pre-emptive rights would lapse and the proportional interests of such U.S. or other holders would be reduced.

UAE Taxation

The following comments are general in character and are based on the current applicable tax regime in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.

Current Taxation of Corporates and Individuals

Corporate Tax has been announced in the UAE under the Federal CT Law and will be aligned with yearly corporate financial reporting periods commencing after 1 July 2023. The Federal Tax law has a headline rate of 9% but allows certain qualifying income of free zone persons to be taxed at 0% and provides for certain other exemptions.

In addition to the Federal CT Law, there is corporate tax imposed in some of the Emirates (including Abu Dhabi) through Tax Decrees issued at the local level. However, in practice Emirates based taxation only applies to a limited class of companies that have been issued separate Fiscal Terms and is not applied uniformly across all businesses. The Federal CT Law, allows for exemptions for certain business activities and income that is subject to tax at the Emirate level, providing specific criteria as to the nature of the business are satisfied.

There is currently no personal income tax levied on individuals in the UAE.

Taxation of Purchase of Shares

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of Shares by the shareholders. If a shareholder is a tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other jurisdiction.

There are currently no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

Under the Federal CT Law, the purchase of Shares should not be subject to federal corporate tax.

Taxation of dividends and capital gains on sale

In view of the current tax practice within the UAE outlined above, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE, provided they are not subject to tax in the UAE by virtue of them being a foreign oil company or branch of a foreign bank.

Based on the same principles outlined above, UAE resident shareholders who are not subject to tax in the UAE or jurisdictions outside the UAE (both corporate and individual), should not currently be taxed on the receipt of dividend income and gains on the future sale of Shares.

Shareholders who are subject to tax in the UAE by virtue of being a foreign oil company or branch of a foreign bank, or tax resident in jurisdictions outside the UAE, as well as shareholders tax resident in the UAE but also subject to tax in jurisdictions outside the UAE (both corporate and individual), should consult their own tax advisers as to the taxation of dividend income and gains on the future sale of the Shares under the relevant applicable local laws in those jurisdictions.

Under the Federal CT Law, dividend income received by shareholders in connection with the Shares should be exempt from UAE corporation tax. Gains arising on a future sale of the Shares may be subject to a participation exemption, provided that certain conditions are satisfied.

Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

There is currently no withholding tax in the UAE and as such, any dividend payments made by the Company should be made free of any UAE or Abu Dhabi withholding tax and 0% withholding tax should apply under the Federal CT Law.

UAE VAT

VAT was implemented in the UAE at the federal level on 1 January 2018. Unless the supply is specifically zero rated or exempt, VAT is imposed on the supply of goods and services in the UAE as well as imports of goods and services. The standard rate of VAT is 5%.

The export of goods and services outside the GCC, international transportation of goods and passengers, medicine and medical equipment, the first supply of residential real estate and certain healthcare and education services are subject to VAT at the zero rate. The supply of margin-based financial services, life insurance, local passenger transport and residential real estate other than the first supply are exempt from VAT.

A UAE business is required to register for VAT if the value of annual taxable supplies exceeds the mandatory registration threshold of AED 375,000. A UAE business may register for VAT if the value of annual taxable supplies exceeds the voluntary registration threshold of AED 187,500. Non-residents that are liable to account for VAT must register for VAT irrespective of the value of the supplies.

Businesses are entitled to claim a credit for VAT paid on their purchases if they relate to a supply that is standard rated or zero-rated. However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed.

Certain financial services are classified as exempt and, on this basis, no VAT would be applied on any transfer of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be standard rated at 5%.

Lock-Up Arrangements:

Pursuant to the terms of an underwriting agreement among the Company, the Selling Shareholder and the Joint Bookrunners (the "**Underwriting Agreement**"), we and the Selling Shareholder (in the case of the Selling Shareholder, subject to certain exceptions), which held 100% of the Shares immediately prior to the Offering, have contractually agreed, for a period of 12 months after Listing, subject to certain exceptions, not to: (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant, or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of, directly or indirectly, any Shares, or securities convertible or exchangeable into or exercisable for any Shares or warrants or other rights to purchase Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, or file any registration statement under the Securities Act or any similar document with any other securities regulator, stock exchange, or listing authority with respect to any of the foregoing; (ii) enter into any swap, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Shares, in each case, whether any such transaction is to be settled by delivery of Shares or other securities, in cash or otherwise; or (iii) publicly announce such an intention to effect any such transaction, in each case, without the prior written consent of the Joint Lead Mangers, such consent not to be unreasonably withheld or delayed.

Third Section: Financial Disclosures

The tables below present the selected historical financial data of ADNOC L&S derived from the ADNOC L&S Financial Statements (including the financial information as at and for the year ended 31 December 2020 derived from the unaudited comparative financial information as at and for the year ended 31 December 2020 included in the audited consolidated financial statements as at and for the year ended 31 December 2021) and of ZMI Holdings derived from the ZMI Holdings Financial Statements and certain key operating information.

The Company was incorporated in the ADGM on 19 April 2023 for the purpose of facilitating the Listing of the Company. At the time of this Prospectus, the Company has had limited corporate activity since its formation other than (i) the issuance of shares in connection with its capitalisation; and (ii) in preparation for this Offering. Consequently, no standalone audited financial information of the Company is presented in this Prospectus.

This section includes certain financial measures of the ADNOC L&S that are not defined, and thus not calculated, in accordance with IFRS, or any other generally accepted accounting principles to assess the financial performance of our business that are termed "non-IFRS measures" because they exclude amounts that are included in, or include amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, or are calculated using financial measures that are not calculated in accordance with IFRS. These non-IFRS measures include Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Net Income, Capital Expenditure, Capital Expenditure as a percentage of revenue, EBITDA, EBITDA Margin, Free Cash Flow, Levered Free Cashflow, Net Debt and Cash, Operating Free Cash Flow and Total Working Capital Adjustments. We present such non-IFRS measures because we believe that these and other similar measures are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Because these non-IFRS measures are not standardised, these may not be comparable to other similarly-titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. An explanation of the relevance of each of the non-IFRS measures, a reconciliation of the non-IFRS measures to the most directly comparable measures calculated and presented in accordance with IFRS and a discussion of their limitations is set out below. We do not regard these non-IFRS measures as a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are calculated in accordance with IFRS.

The information set out below should be read in conjunction with "Presentation of Financial and Other Information" and the ADNOC L&S Financial Statements and ZMI Holdings Financial Statements, including the related notes, included elsewhere in this Prospectus.

ADNOC L&S

Consolidated statement of comprehensive income data

	For the three-month period ended 31 March			
	2023		2022	
	USD '000	*AED '000*	*USD '000*	*AED '000*
Revenue	592,177	2,174,770	312,957	1,149,335

Direct costs	(426,409)	(1,565,987)	(272,013)	(998,968)
Gross profit	**165,768**	**608,783**	**40,944**	**150,367**
General and administrative expenses	(31,288)	(114,905)	(22,591)	(82,965)
Reversal of expected credit losses	3,895	14,304	242	889
Other income	2,834	10,408	579	2,126
Operating profit	**141,209**	**518,590**	**19,174**	**70,417**
Share of profit from joint venture	3,732	13,706	613	2,251
Finance income	1,386	5,090	388	1,425
Finance costs	(1,131)	(4,154)	(3,936)	(14,455)
Profit before tax for the period	**145,196**	**533,232**	**16,239**	**59,638**
Income tax	(267)	(981)	-	-
Profit for the period	**144,929**	**532,252**	**16,239**	**59,638**
Other comprehensive income / (loss)				
Items that will not be subsequently reclassified to profit or loss				
Re-measurement gain / (loss) on employee defined benefit obligation	-	-	-	-
Total comprehensive income for the period	**144,929**	**532,252**	**16,239**	**59,638**

	For the year ended 31 December					
	2022		2021		2020	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	1,952,173	7,169,354	1,190,803	4,373,223	1,015,892	3,730,863
Direct costs	(1,543,025)	(5,666,759)	(964,203)	(3,541,034)	(798,980)	(2,934,254)
Gross profit	**409,148**	**1,502,595**	**226,600**	**832,189**	**216,912**	**796,609**
General and administrative expenses	(105,604)	(387,830)	(83,474)	(306,558)	(78,353)	(287,751)
Pension adjustment	-	-	(90,916)	(333,888)	-	-
(Provision for) / reversal of expected credit losses, net	(5,880)	(21,595)	5,565	20,439	14,674	53,890
Other expense[1]	(3,792)	(13,926)	-	-	-	-
Other income[1]	1,003	3,685	-	-	-	-
Other income, net[1]	-	-	2,248	8,251	16,732	61,447
Operating profit	**294,875**	**1,082,929**	**60,023**	**220,433**	**169,965**	**624,195**
Share of profit/(loss) from joint venture	2,026	7,441	1,062	3,900	(20)	(75)
Finance income	3,717	13,650	1,639	6,020	4,441	16,308
Finance costs	(38,475)	(141,300)	(7,920)	(29,086)	(7,093)	(26,049)
Profit before tax for the year	**262,143**	**962,720**	**54,804**	**201,267**	**167,292**	**614,379**
Income tax	(1,350)	(4,959)	-	-	-	-
Profit for the year	**260,793**	**957,761**	**54,804**	**201,267**	**167,292**	**614,379**
Other comprehensive income / (loss)						
Items that will not be subsequently reclassified to profit or loss						
Re-measurement gain / (loss) on employee defined benefit obligation	10,418	38,261	(1,527)	(5,609)	(5,319)	(19,534)
Total comprehensive income for the year	**271,211**	**996,022**	**53,277**	**195,658**	**161,973**	**594,845**

(1) Other expenses and other income are expressed gross in the ADNOC L&S consolidated financial statements as at and for the year ended 31 December 2022 but are expressed net in the ADNOC L&S consolidated financial statements as at and for the year ended 31 December 2021.

Consolidated statement of financial position data

	As at 31 March		As at 31 December					
	2023		2022		2021		2020	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
ASSETS								
Non-current assets								
Property, plant and equipment	3,191,860	11,722,106	3,151,384	11,573,455	1,652,430	6,068,548	1,030,332	3,783,894
Right-of-use assets	65,153	239,274	67,208	246,821	36,582	134,348	31,943	117,310
Intangible assets	13,534	49,704	14,716	54,045	17,691	64,972	14,546	53,420
Investment properties	98,530	361,851	99,757	366,357	30,268	111,159	28,855	105,969
Investment in a joint venture	66,373	243,755	62,641	230,051	73,842	271,184	20,380	74,846
Goodwill	15,697	57,647	15,697	57,646	-	-	-	-
Trade and other receivables	124,299	456,488	124,252	456,316	2,556	9,386	-	-
Sub-lease receivables	14,622	53,699	15,474	56,829	19,933	73,204	21,434	78,716
Total non-current assets	**3,590,068**	**13,184,525**	**3,551,129**	**13,041,520**	**1,833,302**	**6,732,801**	**1,147,489**	**4,214,155**
Current assets								
Inventories	95,272	349,886	105,570	387,705	57,700	211,904	42,734	156,939
Trade and other receivables	224,601	824,847	216,963	796,798	82,833	304,204	78,439	288,067
Due from related parties	482,154	1,770,711	465,954	1,711,215	338,618	1,243,573	509,970	1,872,865
Sub-lease receivables	3,473	12,755	3,911	14,363	6,314	23,188	6,847	25,144

	As at 31 March		As at 31 December					
	2023		2022		2021		2020	
Cash and cash equivalents	333,333	1,224,165	164,933	605,717	368,447	1,353,121	97,103	356,610
Total current assets	**1,138,833**	**4,182,364**	**957,331**	**3,515,798**	**853,912**	**3,135,990**	**735,092**	**2,699,625**
TOTAL ASSETS	**4,728,901**	**17,366,889**	**4,508,460**	**16,557,318**	**2,687,214**	**9,868,791**	**1,882,581**	**6,913,780**
EQUITY AND LIABILITIES								
Equity								
Share capital	2,529,779	9,290,613	272,294	1,000,000	272,294	1,000,000	272,294	1,000,000
General reserve	103,226	379,097	103,226	379,097	77,147	283,321	71,666	263,194
Retained earnings	1,212,214	4,451,856	1,067,285	3,919,603	822,153	3,019,357	774,357	2,843,826
Shareholder contribution	149,920	550,581	357,485	1,312,865	357,485	1,312,865	357,485	1,312,865
Total equity	**3,995,139**	**14,672,148**	**1,800,290**	**6,611,565**	**1,529,079**	**5,615,543**	**1,475,803**	**5,419,885**
Non-current liabilities								
Shareholder loan	-	-	1,900,000	6,977,750	600,000	2,203,500	-	-
Lease liabilities	64,665	237,482	69,269	254,391	41,625	152,869	41,313	151,723
Dismantling liability	1,778	6,530	1,727	6,341	1,324	4,861	1,233	4,530
Due to related parties	35,743	131,266	35,743	131,266	53,176	195,288	-	-
Other payable	-	-	69,490	255,202	-	-	-	-
Employees' end of service benefits	31,193	114,556	31,464	115,551	40,695	149,453	36,695	134,763
Total non-current liabilities	**133,379**	**489,834**	**2,107,693**	**7,740,501**	**736,820**	**2,705,971**	**79,242**	**291,016**
Current liabilities								
Trade and other payables	458,957	1,685,520	462,899	1,699,997	229,975	844,585	237,564	872,455
Lease liabilities	9,239	33,930	9,768	35,874	9,451	34,710	7,416	27,236
Due to related parties	132,187	485,457	127,810	469,381	181,889	667,982	82,556	303,188
Total current liabilities	**600,383**	**2,204,907**	**600,477**	**2,205,252**	**421,315**	**1,547,277**	**327,537**	**1,202,879**
Total liabilities	**733,762**	**2,694,741**	**2,708,170**	**9,945,753**	**1,158,135**	**4,253,248**	**406,779**	**1,493,895**
Total Equity and Liabilities	**4,728,901**	**17,366,889**	**4,508,460**	**16,557,318**	**2,687,214**	**9,868,791**	**1,882,581**	**6,913,780**

Summary consolidated statement of cash flow data

	As at and for the three-month period ended 31 March			
	2023		2022	
	USD '000	*AED '000*	*USD '000*	*AED '000*
Profit for the period	144,929	532,252	16,239	59,638
Net cash generated from / (used in) operating activities	216,825	796,290	(38,707)	(142,151)
Net cash used in investing activities	(42,162)	(154,840)	(168,547)	(618,989)
Net cash used in financing activities	(6,263)	(23,001)	(6,776)	(24,885)
Net increase / (decrease) in cash and cash equivalents	168,400	618,449	(214,030)	(786,025)
Cash and cash equivalents at end of the period	333,333	1,224,165	154,417	567,096

	As at and for the year ended 31 December					
	2022		2021		2020	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Profit for the year	260,793	957,761	54,804	201,267	167,292	614,379
Net cash generated from operating activities	281,364	1,033,306	502,810	1,846,568	56,827	208,697
Net cash used in investing activities	(1,744,246)	(6,405,739)	(816,916)	(3,000,123)	(330,656)	(1,214,335)
Net cash generated from / (used in) financing activities	1,259,368	4,625,029	585,450	2,150,066	(367,467)	(1,349,521)
Net (decrease) / increase in cash and cash equivalents	(203,514)	(747,404)	271,344	996,511	(641,296)	(2,355,159)
Cash and cash equivalents at end of the year	164,933	605,717	368,447	1,353,121	97,103	356,610

ZMI Holdings

Consolidated statement of comprehensive income data

	For the ten-month period ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		USD		
Revenue	348,038,857	264,144,045	316,972,854	282,852,221
Direct costs	(192,616,239)	(145,610,502)	(174,841,680)	(171,616,211)
Loss on sale of vessels, plant and equipment	(23,201,128)	(231,145)	-	-
Gross profit	**132,221,490**	**118,302,398**	**142,131,174**	**111,236,010**
General and administrative expenses	(31,625,548)	(19,550,895)	(26,786,574)	(23,387,393)
Provision for impairment of trade receivables	(16,730,771)	(4,919,651)	(5,903,581)	(648,916)
Written off capital work in progress	-	-	-	(2,759,139)
Other income	-	3,652,193	4,382,632	3,130,364
Operating profit for the period/year	**83,865,171**	**97,484,045**	**113,823,651**	**87,570,926**
Finance cost	(35,303,709)	(21,632,571)	(22,801,881)	(26,093,600)

Profit before tax for the period/year	**48,561,462**	**75,851,474**	**91,021,770**	**61,477,326**
Income tax	(1,199,109)	(250,000)	(300,000)	(619,022)
Profit for the period/year	**47,362,353**	**75,601,474**	**90,721,770**	**60,858,304**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	**47,362,353**	**75,601,474**	**90,721,770**	**60,858,304**

Consolidated statement of financial position data

	As at 31 October	As at 31 December	
	2022	**2021**	**2020**
		USD	
Assets			
Non-current assets			
Vessels, plant and equipment	952,925,340	894,942,471	752,294,926
Right of use assets	1,957,884	-	127,366,898
Total non-current assets	**954,883,224**	**894,942,471**	**879,661,824**
Current assets			
Inventories	16,320,806	9,525,089	9,939,060
Trade receivables	107,614,384	80,648,166	69,000,457
Advances, prepayments and other receivables	3,488,654	15,951,948	15,895,196
Margin deposits	2,675,718	7,495,783	5,907,682
Cash and cash equivalents	47,819,985	47,987,297	19,154,491
Total current assets	**177,919,547**	**161,608,283**	**119,896,886**
TOTAL ASSETS	**1,132,802,771**	**1,056,550,754**	**999,558,710**
EQUITY AND LIABILITIES			
Equity			
Share capital	50,000	50,000	50,000
Merge reserve	2,110,000	2,110,000	2,030,000
Additional contribution	545,103,906	-	
Retained earnings	503,389,474	484,638,120	393,916,350
Total equity	**1,050,653,380**	**486,798,120**	**395,996,350**
Non-current liabilities			
Bank borrowings	-	447,578,134	301,264,786
Barge supplier obligations	-	-	24,870,000
Employees' end of service benefits	2,511,140	2,206,041	1,934,573
Lease liabilities	1,960,868	-	29,792,704
Total non-current liabilities	**4,472,008**	**449,784,175**	**357,862,063**
Current liabilities			
Bank borrowings	-	52,866,638	126,262,802
Barge supplier obligations	-	-	7,440,000
Trade and other payables	77,677,383	67,101,821	76,600,212
Lease liabilities	-	-	24,485,965
Due to shareholder	-	-	10,911,318
Total current liabilities	**77,677,383**	**119,968,459**	**245,700,297**
Total liabilities	**82,149,391**	**569,752,634**	**603,562,360**
Total Equity and Liabilities	**1,132,802,771**	**1,056,550,754**	**999,558,710**

Summary consolidated statement of cash flows data

	As at and for the ten-month period ended 31 October		As at and for the years ended 31 December	
	2022	**2021**	**2021**	**2020**
			USD	
Profit for the period/year	47,362,353	75,601,474	90,721,770	60,858,304
Net cash generated from operating activities	133,867,438	95,565,229	136,520,775	138,405,446
Net cash used in investing activities	(114,690,669)	(28,862,090)	(59,878,111)	(31,953,746)
Net cash used in financing activities	(19,344,081)	(72,801,442)	(47,809,859)	(99,500,762)
Net (decrease) / increase in cash and cash equivalents	(167,312)	(6,098,303)	28,832,805	6,950,938
Cash and cash equivalents at end of the period/year	47,819,985	13,056,188	47,987,297	19,154,491

Other Historical Financial Data

The following table sets out certain financial measures that are not defined, and thus not calculated, in accordance with IFRS, or any other generally accepted accounting principles, and where applicable, by business units, which are used by us as key indicators of ADNOC L&S's financial performance for three-month periods ended 31 March 2023 and 2022

and the years ended 31 December 2022, 2021 and 2020:

	For the three-month period ended 31 March		For the year ended 31 December		
	2023	2022	2022	2021	2020
	USD '000, except percentages and ratios				
EBITDA [1], [2]	**198,526**	**51,473**	**453,303**	**168,294**	**248,537**
Integrated Logistics	100,574	21,987	164,024	103,341	99,804
Shipping	83,091	29,205	275,441	125,700	86,472
Marine Services	8,132	3,129	27,089	35,923	40,311
Others	6,729	(2,848)	(13,251)	(96,670)	21,950
EBITDA Margin[1]	**34%**	**16%**	**23%**	**14%**	**24%**
Integrated Logistics	29%	17%	18%	24%	23%
Shipping	41%	19%	32%	21%	20%
Marine Services	20%	9%	16%	21%	26%
Adjusted EBITDA [1], [2]	**198,526**	**51,473**	**453,303**	**259,210**	**248,537**
Integrated Logistics	100,574	21,987	164,024	103,341	99,804
Shipping	83,091	29,205	275,441	125,700	86,472
Marine Services	8,132	3,129	27,089	35,923	40,311
Others	6,729	(2,848)	(13,251)	(5,754)	21,950
Adjusted EBITDA Margin[1]	**34%**	**16%**	**23%**	**22%**	**24%**
Integrated Logistics	29%	17%	18%	24%	23%
Shipping	41%	19%	32%	21%	20%
Marine Services	20%	9%	16%	21%	26%
Operating Free Cash Flow (OFCF) [1], [2]	225,824	(38,801)	264,325	501,817	58,571
Free Cash Flow (FCF) [1], [2]	179,884	(166,543)	(35,615)	(261,382)	(274,234)
Levered Free Cash Flow (LFCF) [1], [2]	179,884	(166,543)	(60,212)	(262,111)	(274,234)
Adjusted Net Income [1], [2]	144,929	16,239	260,793	145,720	167,292
Capital Expenditure [1]	(45,940)	(127,742)	(299,940)	(763,199)	(332,805)
Capital Expenditure as a percentage of revenue[1]	8%	41%	15%	64%	33%
Total Working Capital Adjustments [1], [3]	27,565	(90,274)	(187,628)	242,607	(189,966)
Net Debt and Cash [1], [4]	(259,429)	n.a.	1,814,104	282,629	(48,373)
Net Debt and Cash / EBITDA[1]	(1.3x)	n.a.	4.0x	1.7x	(0.2x)
Net Debt and Cash / Adjusted EBITDA[1]	(1.3x)	n.a.	4.0x	1.1x	(0.2x)

(1) For definitions of the Non-IFRS Measures presented in this table, see "*Presentation of Financial and Other Information—Non-IFRS Measures*".

(2) The following tables set out the reconciliation of EBITDA, Adjusted EBITDA, Adjusted Net Income, Operating Free Cash Flow, Free Cash Flow and Levered Free Cash Flow to profit for the period which is the most directly comparable measure calculated and presented in accordance with IFRS:

	For the three-month period ended 31 March		For the year ended 31 December		
	2023	2022	2022	2021	2020
			USD '000		
Profit for the period/year	144,929	16,239	260,793	54,804	167,292
Depreciation and amortisation	53,585	31,686	156,402	107,209	78,593
Finance income	(1,386)	(388)	(3,717)	(1,639)	(4,441)
Finance costs	1,131	3,936	38,475	7,920	7,093
Income tax	267	-	1,350	-	-
EBITDA	**198,526**	**51,473**	**453,303**	**168,294**	**248,537**
Pension adjustment(*)	-	-	-	90,916	-
Adjusted EBITDA	**198,526**	**51,473**	**453,303**	**259,210**	**248,537**
Total Working Capital Adjustments	27,565	(90,274)	(187,628)	242,607	(189,966)
Income tax	(267)	-	(1,350)	-	-
Operating Free Cash Flow	**225,824**	**(38,801)**	**264,325**	**501,817**	**58,571**
Capital Expenditure	(45,940)	(127,742)	(299,940)	(763,199)	(332,805)
Free Cash Flow	**179,884**	**(166,543)**	**(35,615)**	**(261,382)**	**(274,234)**
Interest paid on shareholder loan	-	-	(24,597)	(729)	-
Levered Free Cash Flow	**179,884**	**(166,543)**	**(60,212)**	**(262,111)**	**(274,234)**

	For the three-month period ended 31 March		For the year ended 31 December		
	2023	2022	2022	2021	2020
			USD '000		
Profit for the period/year	144,929	16,239	260,793	54,804	167,292
Pension adjustment(*)	-	-	-	90,916	-
Adjusted Net Income	**144,929**	**16,239**	**260,793**	**145,720**	**167,292**

(*) Reflects pension adjustments recharged by ADNOC towards UAE national employees' pension charges. See Note 24 to the ADNOC L&S consolidated financial statements as at and for the year ended 31 December 2022 included in this Prospectus.

(3) Total Working Capital Adjustments are calculated as set out in the following table.

	For the three-month period ended 31 March		For the year ended 31 December		
	2023	2022	2022	2021	2020
			USD '000		
Working capital adjustments - Inventories	10,298	(3,754)	(37,827)	(14,967)	(7,654)
Working capital adjustments - Trade and other receivables	48,228	(10,239)	(27,888)	(4,987)	(8,473)
Working capital adjustments - Due from related parties	(16,138)	(25,654)	(127,043)	178,817	(197,009)
Working capital adjustments - Trades and other payables	(19,200)	13,224	84,870	25,740	31,232
Working capital adjustments - Due to related parties	4,377	(63,851)	(60,788)	58,004	(8,062)
Working capital adjustments - Pension liability paid	-	-	(18,952)	-	-
Total Working Capital Adjustments	**27,565**	**(90,274)**	**(187,628)**	**242,607**	**(189,966)**

(4) Net Debt and Cash is calculated as follows:

		As at 31 December		
	As at 31 March 2023	2022	2021	2020
		USD '000		
Cash and cash equivalents	333,333	164,933	368,447	97,103
Debt and debt-like items	73,904	1,979,037	651,076	48,729
Shareholder loan	-	1,900,000	600,000	-
Current and non-current lease liabilities	73,904	79,037	51,076	48,729
Net Debt and Cash	**(259,429)**	**1,814,104**	**282,629**	**(48,373)**

Reportable Segments of ADNOC L&S

The following table sets out the income statement and reconciliation of EBITDA to profit for the three-month period ended 31 March 2023 for our four business units, which are mapped to our reportable segments by combining the tankers, gas carriers and dry-bulk shipping reportable segments to form one Shipping business unit (see "*Presentation of Financial and Other Information*"):

	For the three-month period ended 31 March 2023							
	Integrated Logistics		Shipping (Total)[1]		Marine Services		Others	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	350,956	1,288,886	200,567	736,582	40,654	149,302	-	-
Direct costs	(260,611)	(957,094)	(132,585)	(486,918)	(33,213)	(121,975)	-	-
COVID-19 costs	-	-	-	-	-	-	-	-
Gross profit	**90,345**	**331,792**	**67,982**	**249,664**	**7,441**	**27,327**	**-**	**-**
General and administrative expenses	(20,335)	(74,680)	(7,199)	(26,438)	(3,754)	(13,787)	-	-
Reversal of provision for expected credit losses, net	-	-	-	-	-	-	3,895	14,304
Other income	-	-	-	-	-	-	2,834	10,408
Operating profit	**70,010**	**257,112**	**60,783**	**223,226**	**3,687**	**13,541**	**6,729**	**24,712**
Share of profit from joint venture	-	-	3,732	13,706	-	-	-	-
Finance income	267	981	-	-	-	-	1,119	4,110
Finance costs	(1,130)	(4,150)	-	-	-	-	(1)	(4)
Profit before tax for the period	**69,147**	**253,942**	**64,515**	**236,931**	**3,687**	**13,541**	**7,847**	**28,818**
Income tax	(267)	(981)	-		-	-	-	-
Profit for the period	**68,880**	**252,962**	**64,515**	**236,931**	**3,687**	**13,541**	**7,847**	**28,818**
Depreciation and amortisation in direct costs	29,173	107,138	18,083	66,410	4,188	15,380	-	-
Depreciation and amortisation in general and administrative expenses	1,391	5,108	493	1,811	257	944	-	-
Income tax	267	981	-	-	-	-	-	-
Finance income	(267)	(981)	-	-	-	-	(1,119)	(4,110)
Finance costs	1,130	4,150	-	-	-	-	1	4
EBITDA	**100,574**	**369,358**	**83,091**	**305,152**	**8,132**	**29,865**	**6,729**	**24,712**

(1) Shipping is a business unit which comprises the tankers, gas carriers and dry-bulk shipping reportable segments as set out below:

The following table sets out the income statement and reconciliation of EBITDA to profit for the three-month period ended 31 March 2023 for the reportable segments which are included in our Shipping business unit:

For the three-month period ended 31 March 2023		
Shipping		
Tankers	Gas carriers	Dry-bulk shipping

	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	95,800	351,826	45,378	166,651	59,389	218,106
Direct costs	(59,117)	(217,107)	(25,212)	(92,591)	(48,256)	(177,220)
COVID-19 costs	-		-		-	
Gross profit	**36,683**	**134,718**	**20,166**	**74,060**	**11,133**	**40,886**
General and administrative expenses	(3,081)	(11,315)	(1,823)	(6,695)	(2,295)	(8,428)
Reversal of provision for expected credit losses, net	-	-	-	-	-	-
Other income	-	-	-	-	-	-
Operating profit	**33,602**	**123,403**	**18,343**	**67,365**	**8,838**	**32,458**
Share of profit from joint venture	-	-	3,732	13,706	-	-
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
Profit before tax for the period	**33,602**	**123,403**	**22,075**	**81,070**	**8,838**	**32,458**
Income tax	-	-	-	-	-	-
Profit for the period	**33,602**	**123,403**	**22,075**	**81,070**	**8,838**	**32,458**
Depreciation and amortisation in direct costs	8,720	32,024	6,758	24,819	2,605	9,567
Depreciation and amortisation in general and administrative expenses	211	775	125	459	157	577
Income tax	-	-	-	-	-	-
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
EBITDA	**42,533**	**156,202**	**28,958**	**106,348**	**11,600**	**42,601**

The following table sets out the income statement and reconciliation of EBITDA to profit for the three-month period ended 31 March 2022 for our four business units, which are mapped to our reportable segments by combining the tankers, gas carriers and dry-bulk shipping reportable segments to form one Shipping business unit (see "*Presentation of Financial and Other Information*"):

	For the three-month period ended 31 March 2022							
	Integrated Logistics		**Shipping (Total)[1]**		**Marine Services**		**Others**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	127,232	467,260	150,199	551,606	35,526	130,469	-	-
Direct costs	(105,023)	(385,697)	(131,766)	(483,911)	(32,219)	(118,324)	-	-
COVID-19 costs	-	-	-	-	-		(3,005)	(11,036)
Gross profit / (loss)	**22,209**	**81,563**	**18,433**	**67,695**	**3,307**	**12,145**	**(3,005)**	**(11,036)**
General and administrative expenses	(11,613)	(42,649)	(6,902)	(25,348)	(4,076)	(14,969)	-	-
Reversal of provision for expected credit losses, net	-	-	-	-	-	-	242	889
Other income	664	2,439	-	-	-	-	(85)	(312)
Operating profit / (loss)	**11,260**	**41,352**	**11,531**	**42,348**	**(769)**	**(2,824)**	**(2,848)**	**(10,459)**
Share of profit from joint venture	-	-	613	2,251	-	-	-	-
Finance income	353	1,296	-	-	-	-	35	129
Finance costs	(1,224)	(4,495)	-	-	-	-	(2,712)	(9,960)
Profit / (loss) before tax for the period	**10,389**	**38,154**	**12,144**	**44,599**	**(769)**	**(2,824)**	**(5,525)**	**(20,291)**
Income tax	-	-	-	-	-	-	-	-
Profit / (loss) for the period	**10,389**	**38,154**	**12,144**	**44,599**	**(769)**	**(2,824)**	**(5,525)**	**(20,291)**
Depreciation and amortisation in direct costs	9,965	36,596	16,608	60,993	3,631	13,335	-	-
Depreciation and amortisation in general and administrative expenses	762	2,798	453	1,664	267	981	-	-
Finance income	(353)	(1,296)	-	-	-		(35)	(129)
Finance costs	1,224	4,495	-	-	-		2,712	9,960
EBITDA	**21,987**	**80,747**	**29,205**	**107,255**	**3,129**	**11,491**	**(2,848)**	**(10,459)**

(1) Shipping is a business unit which comprises the tankers, gas carriers and dry-bulk shipping reportable segments as set out below:

The following table sets out the income statement and reconciliation of EBITDA to profit for the three-month period ended 31 March 2022 for the reportable segments which are included in our Shipping business unit:

	For the three-month period ended 31 March 2022					
	Shipping					
	Tankers		**Gas carriers**		**Dry-bulk shipping**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	42,304	155,361	36,869	135,401	71,026	260,843

Direct costs	(57,076)	(209,612)	(19,648)	(72,157)	(55,042)	(202,142)
COVID-19 costs	-	-	-	-	-	-
Gross (loss) / profit	**(14,772)**	**(54,250)**	**17,221**	**63,244**	**15,984**	**58,701**
General and administrative expenses	(2,527)	(9,280)	(1,913)	(7,025)	(2,462)	(9,042)
Reversal of provision for expected credit losses, net	-	-	-	-	-	-
Other income	-	-	-	-	-	-
Operating (loss) / profit	**(17,299)**	**(63,531)**	**15,308**	**56,219**	**13,522**	**49,660**
Share of profit from joint venture	-	-	613	2,251	-	-
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
(Loss) / profit before tax for the period	**(17,299)**	**(63,531)**	**15,921**	**58,470**	**13,522**	**49,660**
Income tax	-	-	-	-	-	-
(Loss) / profit for the period	**(17,299)**	**(63,531)**	**15,921**	**58,470**	**13,522**	**49,660**
Depreciation and amortisation in direct costs	8,894	32,663	5,243	19,255	2,471	9,075
Depreciation and amortisation in general and administrative expenses	166	610	125	459	162	595
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	-	-
EBITDA	**(8,239)**	**(30,258)**	**21,289**	**78,184**	**16,155**	**59,329**

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2022 for our four business units, which are mapped to our reportable segments by combining the tankers, gas carriers and dry-bulk shipping reportable segments to form one Shipping business unit (see "*Presentation of Financial and Other Information*"):

	For the year ended 31 December 2022							
	Integrated Logistics		**Shipping (Total)[1]**		**Marine Services**		**Others**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	923,015	3,389,771	861,815	3,165,017	167,343	614,566	-	-
Direct costs	(768,155)	(2,821,054)	(630,130)	(2,314,150)	(138,778)	(509,661)	-	-
COVID-19 costs	-	-	-	-	-	-	(5,962)	(21,894)
Gross profit / (loss)	**154,860**	**568,717**	**231,685**	**850,867**	**28,565**	**104,905**	**(5,962)**	**(21,894)**
General and administrative expenses	(57,838)	(212,405)	(29,534)	(108,467)	(18,232)	(66,958)	-	-
Provision for expected credit losses, net	-	-	-	-	-	-	(5,880)	(21,595)
Other expense	(2,380)	(8,742)	-	-	-	-	(1,412)	(5,184)
Other income	1,000	3,672	-	-	-	-	3	13
Operating profit / (loss)	**95,642**	**351,242**	**202,151**	**742,400**	**10,333**	**37,947**	**(13,251)**	**(48,660)**
Share of profit from joint venture	-	-	2,026	7,441	-	-	-	-
Finance income	1,241	4,556	-	-	-	-	2,476	9,094
Finance costs	(4,686)	(17,208)	(7)	(26)	-	-	(33,782)	(124,066)
Profit / (loss) before tax for the year	**92,196**	**338,590**	**204,170**	**749,815**	**10,333**	**37,947**	**(44,556)**	**(163,632)**
Income tax	(1,350)	(4,959)	0	-	-	-	-	-
Profit / (loss) for the year	**90,846**	**333,631**	**204,170**	**749,815**	**10,333**	**37,947**	**(44,556)**	**(163,632)**
Depreciation and amortisation in direct costs	63,804	234,318	68,832	252,785	15,255	56,025	-	-
Depreciation and amortisation in general and administrative expenses	4,578	16,810	2,432	8,932	1,501	5,514	-	-
Income tax	1,350	4,959	-	-	-	-	-	-
Finance income	(1,241)	(4,556)	-	-	-	-	(2,476)	(9,094)
Finance costs	4,686	17,208	7	26	-	-	33,782	124,066
EBITDA	**164,024**	**602,370**	**275,441**	**1,011,558**	**27,089**	**99,486**	**(13,250)**	**(48,660)**

(1) Shipping is a business unit which comprises the tankers, gas carriers and dry-bulk shipping reportable segments as set out below:

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2022 for the reportable segments which are included in our Shipping business unit:

	For the year ended 31 December 2022					
	Shipping					
	Tankers		**Gas carriers**		**Dry-bulk shipping**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	334,570	1,228,709	169,117	621,083	358,128	1,315,225
Direct costs	(265,373)	(974,581)	(100,898)	(370,548)	(263,859)	(969,021)
COVID-19 costs	-	-	-	-	-	-
Gross profit	**69,197**	**254,128**	**68,219**	**250,535**	**94,269**	**346,204**
General and administrative expenses	(11,972)	(43,968)	(7,517)	(27,607)	(10,045)	(36,892)
(Provision for) / Reversal of expected credit losses, net	-	-	-	-	-	-

Other expense	-	-	-	-	-	-
Other income	-	-	-	-	-	-
Operating profit	**57,225**	**210,160**	**60,702**	**222,928**	**84,224**	**309,312**
Share of profit from joint venture	-	-	2,026	7,441	-	-
Finance income	-	-	-	-	-	-
Finance costs	(7)	(26)	-	-	-	-
Profit before tax for the year	**57,218**	**210,134**	**62,728**	**230,369**	**84,224**	**309,312**
Income tax	-	-	-	-	-	-
Net profit for the year	**57,218**	**210,134**	**62,728**	**230,369**	**84,224**	**309,312**
Depreciation and amortisation in direct costs	35,269	129,524	23,563	86,535	10,000	36,726
Depreciation and amortisation in general and administrative expenses	986	3,621	619	2,273	827	3,038
Income tax	-	-	-	-	-	-
Finance income	-	-	-	-	-	-
Finance costs	7	26	-	-	-	-
EBITDA	**93,480**	**343,305**	**86,910**	**319,177**	**95,051**	**349,076**

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2021 for our four business units, which are mapped to our reportable segments by combining the tankers, gas carriers and dry-bulk shipping reportable segments to form one Shipping business unit (see "*Presentation of Financial and Other Information*"):

	For the year ended 31 December 2021							
	Integrated Logistics		**Shipping (Total)[1]**		**Marine Services**		**Others**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	428,616	1,574,090	589,731	2,165,787	172,456	633,346	-	-
Direct costs	(324,891)	(1,193,157)	(494,872)	(1,817,418)	(133,343)	(489,704)	-	-
COVID-19 costs	-	-	-	-	-	-	(11,097)	(40,755)
Gross profit / (loss)	**103,725**	**380,933**	**94,859**	**348,369**	**39,113**	**143,642**	**(11,097)**	**(40,755)**
General and administrative expenses	(37,927)	(139,287)	(28,318)	(103,996)	(17,229)	(63,275)	-	-
Pension adjustment	-	-	-	-	-	-	(90,916)	(333,888)
(Provision for) / Reversal of expected credit losses, net	-	-	-	-	-	-	5,565	20,439
Other expense	-	-	-	-	-	-	(1,196)	(4,396)
Other income	2,470	9,070	-	-	-	-	974	3,577
Operating profit / (loss)	**68,268**	**250,716**	**66,541**	**244,373**	**21,884**	**80,367**	**(96,670)**	**(355,023)**
Share of profit from joint venture	-	-	1,062	3,900	-	-	-	-
Finance income	1,373	5,043	-	-	-	-	266	977
Finance costs	(2,998)	(11,010)	(7)	(25)	-	-	(4,915)	(18,051)
Profit / (loss) for the year	**66,643**	**244,749**	**67,596**	**248,248**	**21,884**	**80,367**	**(101,319)**	**(372,097)**
Depreciation and amortisation in direct costs	32,732	120,207	56,349	206,939	12,976	47,656	-	-
Depreciation and amortisation in general and administrative expenses	2,341	8,596	1,748	6,417	1,063	3,905	-	-
Finance income	(1,373)	(5,043)	-	-	-	-	(266)	(977)
Finance costs	2,998	11,010	7	25	-	-	4,915	18,051
EBITDA	**103,341**	**379,519**	**125,700**	**461,629**	**35,923**	**131,928**	**(96,670)**	**(355,023)**

(1) Shipping is a business unit which comprises the tankers, gas carriers and dry-bulk shipping reportable segments as set out below:

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2021 for the reportable segments which are included in our Shipping business unit:

	For the year ended 31 December 2021					
	Shipping					
	Tankers		**Gas carriers**		**Dry-bulk shipping**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	158,100	580,622	136,770	502,289	294,861	1,082,876
Direct costs	(191,034)	(701,572)	(86,992)	(319,479)	(216,846)	(796,367)
COVID-19 costs	-	-	-	-	-	-
Gross (loss) / profit	**(32,934)**	**(120,950)**	**49,778**	**182,810**	**78,015**	**286,509**
General and administrative expenses	(9,815)	(36,044)	(8,301)	(30,485)	(10,202)	(37,467)
Pension adjustment	-	-	-	-	-	-
(Provision for) / Reversal of expected credit losses, net	-	-	-	-	-	-
Other expense	-	-	-	-	-	-
Other income	-	-	-	-	-	-

Operating (loss) / profit	**(42,749)**	**(156,994)**	**41,477**	**152,325**	**67,813**	**249,042**
Share of profit from joint venture	-	-	1,062	3,900	-	-
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	(7)	(25)
(Loss) / profit for the year	**(42,749)**	**(156,994)**	**42,539**	**156,225**	**67,806**	**249,017**
Depreciation and amortisation in direct costs	27,293	100,232	19,213	70,559	9,843	36,148
Depreciation and amortisation in general and administrative expenses	606	2,224	512	1,881	630	2,312
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	7	25
EBITDA	**(14,850)**	**(54,538)**	**62,264**	**228,665**	**78,286**	**287,502**

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2020 for our four business units, which are mapped to our reportable segments by combining the tankers, gas carriers and dry-bulk shipping reportable segments to form one Shipping business unit (see "*Presentation of Financial and Other Information*"):

	For the year ended 31 December 2020							
	Integrated Logistics		**Shipping (Total)[1]**		**Marine Services**		**Others**	
	USD '000	*AED'000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	428,314	1,572,985	432,724	1,589,178	154,854	568,700	-	-
Direct costs	(320,184)	(1,175,877)	(357,134)	(1,311,575)	(112,206)	(412,077)	-	-
COVID-19 costs	-	-	-	-	-	-	(9,455)	(34,725)
Gross profit / (loss)	**108,130**	**397,108**	**75,590**	**277,603**	**42,648**	**156,623**	**(9,455)**	**(34,725)**
General and administrative expenses	(36,836)	(135,282)	(28,977)	(106,418)	(12,540)	(46,051)	-	-
(Provision for) / Reversal of expected credit losses, net	-	-	-	-	-	-	14,674	53,890
Other income, net	-	-	-	-	-	-	16,732	61,447
Operating profit	**71,294**	**261,826**	**46,613**	**171,185**	**30,108**	**110,572**	**21,950**	**80,612**
Share of (loss) from joint venture	-	-	(20)	(75)	-	-	-	-
Finance income	2,509	9,215	-	-	-	-	1,931	7,093
Finance costs	(2,830)	(10,391)	(28)	(104)	-	-	(4,235)	(15,554)
Net profit for the year	**70,973**	**260,650**	**46,564**	**171,006**	**30,108**	**110,572**	**19,646**	**72,151**
Depreciation on property, plant and equipment in direct costs	23,934	87,902	38,167	140,169	9,753	35,818	-	-
Depreciation on right-of-use assets	1,850	6,795	673	2,470	-	-	-	-
Depreciation on investment properties	1,404	5,155	-	-	-	-	-	-
Amortisation of intangible assets	341	1,253	269	986	116	427	-	-
Depreciation on property, plant and equipment in general and administrative expenses	981	3,601	771	2,832	334	1,225	-	-
Finance income	(2,509)	(9,215)	-	-	-	-	(1,931)	(7,093)
Finance costs	2,830	10,391	28	104	-	-	4,235	15,554
EBITDA	**99,804**	**366,532**	**86,472**	**317,567**	**40,311**	**148,042**	**21,950**	**80,612**

[1] Shipping is a business unit which comprises the tankers, gas carriers and dry-bulk shipping reportable segments as set out below:

The following table sets out the income statement and reconciliation of EBITDA to profit for the year ended 31 December 2020 for the reportable segments which are included in our Shipping business unit:

	For the year ended 31 December 2020					
	Shipping					
	Tankers		**Gas carriers**		**Dry-bulk shipping**	
	USD '000	*AED '000*	*USD '000*	*AED '000*	*USD '000*	*AED '000*
Revenue	169,100	621,020	124,500	457,226	139,124	510,932
Direct costs	(154,079)	(565,855)	(76,979)	(282,706)	(126,076)	(463,014)
COVID-19 costs	-	-	-	-	-	-
Gross profit	**15,021**	**55,165**	**47,521**	**174,520**	**13,048**	**47,918**
General and administrative expenses	(12,600)	(46,274)	(8,900)	(32,685)	(7,477)	(27,459)
(Provision for) / Reversal of expected credit losses, net	-	-	-	-	-	-
Other income, net	-	-	-	-	-	-
Operating profit	**2,421**	**8,891**	**38,621**	**141,835**	**5,571**	**20,459**
Share of (loss) from joint venture	-	-	(21)	(75)	-	-
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	(28)	(104)
Profit for the year	**2,421**	**8,891**	**38,600**	**141,760**	**5,543**	**20,355**
Depreciation on property, plant and equipment in direct costs	12,640	46,420	17,127	62,900	8,400	30,849
Depreciation on right-of-use assets	-	-	-	-	673	2,470
Depreciation on investment properties	-	-	-	-	-	-
Amortisation of intangible assets	117	429	83	303	69	254

Depreciation on property, plant and equipment in general and administrative expenses ...	335	1,231	237	870	199	731
Finance income	-	-	-	-	-	-
Finance costs	-	-	-	-	28	104
EBITDA	**15,513**	**56,971**	**56,047**	**205,833**	**14,912**	**54,763**

Operating Segments of ZMI Holdings

The following tables set out the operating segments of ZMI Holdings for the ten-month periods ended 31 October 2022 and 2021:

	For the ten-month period ended 31 October					
	2022	2021	2022	2021	2022	2021
	United Arab Emirates and Other		Saudi Arabia		Qatar	
	USD					
Revenue	137,760,980	148,362,627	122,655,183	71,584,511	87,622,694	44,196,907
Direct costs (excluding depreciation)	(75,821,186)	(61,884,117)	(55,645,269)	(31,394,446)	(24,178,765)	(17,385,339)
Loss on sale of vessels, plant and equipment	(23,201,128)	(231,145)	-	-	-	-
General and administrative expenses (excluding depreciation)	(12,372,268)	(12,450,808)	(10,360,445)	(6,183,133)	(7,452,263)	(3,382,831)
Depreciation included in direct costs and general and administrative expenses	(19,883,793)	(16,852,001)	(12,440,585)	(9,667,109)	(6,087,213)	(5,961,613)
Provision for impairment loss on trade receivables	(7,268,308)	(2,771,563)	(5,952,620)	(732,694)	(3,509,843)	(1,415,394)
Other income, net	-	3,600,025	-	52,168	-	-
Income tax	-	-	(989,819)	(166,667)	(209,290)	(83,333)
Finance costs, net	(15,882,336)	(13,232,573)	(12,233,769)	(5,283,385)	(7,187,604)	(3,116,613)
(Loss) / profit for the period	**(16,668,039)**	**44,540,445**	**25,032,676**	**18,209,245**	**38,997,716**	**12,851,784**

The following tables set out the operating segments of ZMI Holdings for the years ended 31 December 2021 and 2020:

	For the year ended 31 December					
	2021	2020	2021	2020	2021	2020
	United Arab Emirates and Other		Saudi Arabia		Qatar	
	USD					
Revenue	178,035,152	211,785,408	85,901,413	45,429,733	53,036,289	25,637,080
Direct costs (excluding depreciation)	(75,576,642)	(93,307,182)	(36,777,221)	(21,572,409)	(20,366,165)	(14,947,983)
General and administrative expenses (excluding depreciation)	(13,026,502)	(16,051,201)	(8,499,567)	(4,858,887)	(4,650,168)	(1,967,419)
Depreciation included in direct costs and general and administrative expenses	(23,895,652)	(32,143,122)	(11,651,172)	(5,874,982)	(7,185,165)	(4,280,419)
Written off capital work in progress	-	(2,759,139)		-	-	-
Provision for impairment loss on trade receivables	(3,325,876)	(554,112)	(879,233)	-	(1,698,472)	(94,804)
Other income, net	4,320,030	2,721,825	62,602	44,229	-	364,310
Finance costs, net	(12,721,884)	(19,629,415)	(6,340,062)	(4,132,255)	(3,739,935)	(2,331,930)
Profit before tax for the year	**53,808,626**	**50,063,062**	**21,816,760**	**9,035,429**	**15,396,384**	**2,378,835**

Selected Fleet Size Data

The following table sets out details of our owned fleet as at 31 March 2023:

	As at 31 March 2023 [1]
Dry bulk	9
Container	3
Tanker	22[2]
Gas	22[3]
Offshore Logistics	101
Jack-up barges[4]	23
Marine Services	65[5]

(1) Including vessels which are either contractually committed or contracted and under construction for scheduled delivery between 2023 and 2026.
(2) Including four vessels which have been ordered and are scheduled to be delivered within 2023.
(3) Including (i) six VLGCs owned by AW Shipping Limited and (ii) six LNG carriers which have been ordered for scheduled delivery between 2025 and 2026.
(4) Jack-up barges acquired as part of the ZMI Holdings Acquisition.
(5) Including 39 vessels for marine terminal operations and 26 oil spill response vessels. Includes two mini dive support vessels and two ASD tugs under construction.

SELECTED UNAUDITED PRO FORMA FINANCIAL INFORMATION AND OTHER ADJUSTED UNAUDITED PRO FORMA FINANCIAL INFORMATION DATA

The tables below present the selected unaudited pro forma financial information derived from the Unaudited Pro Forma Financial Information. The tables should be read in conjunction with ADNOC L&S Financial Statements, ZMI Holdings Financial Statements and the unaudited pro forma statement of comprehensive income of ADNOC L&S for the year ended 31 December 2022 with the related explanatory notes thereto.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only. Due to its nature, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent ADNOC L&S's actual financial performance and may not give a true picture of its financial performance. In addition, the Unaudited Pro Forma Financial Information does not reflect forward-looking information and is not intended to present the expected future results of ADNOC L&S, given that it has been prepared solely for the purposes of illustrating the ZMI Holdings Acquisition applied to the historical financial information of ADNOC L&S for the year ended 31 December 2022 as if such acquisition had occurred on 1 January 2022. The Unaudited Pro forma Financial Information does not purport to project ADNOC L&S' results of operations for any future period and it also does not reflect the impact of any potential synergies deriving from the ZMI Holdings Acquisition. The Unaudited Pro forma Financial Information set out in this Prospectus is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts that would have been achieved had the ZMI Holdings Acquisition occurred on 1 January 2022. It is derived from, and should be read in conjunction with, the consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 prepared in accordance with IFRS, and the unaudited condensed consolidated financial information of ZMI Holdings as at and for the ten-month period 31 October 2022, prepared in accordance with IAS 34. The Unaudited Pro Forma Financial Information is prepared, unless otherwise specified, on a basis that is consistent with the accounting policies used in the preparation of ADNOC L&S Financial Statements.

Unaudited Pro Forma Statement of Comprehensive Income Data

The following table sets out a summary of Unaudited Pro Forma Financial Information which has been prepared to illustrate the impact of the ZMI Holdings Acquisition on the consolidated statement of comprehensive income of ADNOC L&S as if the ZMI Holdings Acquisition had taken place on 1 January 2022:

	Unaudited Pro Forma Financial Information for the year ended 31 December 2022
	USD '000
Revenue	2,287,234
Direct costs	(1,730,697)
Loss on sale of property, plant and equipment	(23,201)
Gross profit	**533,336**
General and administrative expenses	(137,214)
Provision for expected credit losses	(22,611)
Other expenses	(3,792)
Other income	1,003
Operating profit	**370,722**
Share of profit from joint venture	2,026
Finance income	3,717
Finance costs	(110,336)
Profit before tax for the year	**266,129**

Income tax	(2,549)
Profit for the year	**263,580**
Other comprehensive income	
Items that will not be subsequently reclassified to profit or loss	
Re-measurement loss on employee defined benefit obligation	**10,418**
Total comprehensive income for the year	**273,998**

Other Unaudited Pro Forma Financial Information Data

The following table sets out a summary of revenue for our business units and reportable segments on a pro forma basis to illustrate the impact of the ZMI Holdings Acquisition on ADNOC L&S as if the ZMI Holdings Acquisition had taken place on 1 January 2022:

	Unaudited Pro Forma Financial Information for the year ended 31 December 2022
	USD '000
Integrated Logistics	**1,258,076**
Shipping	**861,815**
Tankers	*334,570*
Gas carriers	*169,117*
Dry-bulk shipping	*358,128*
Marine Services	**167,343**
Total revenue	**2,287,234**

The following table sets out Pro forma EBITDA and Pro forma EBITDA Margin for the year ended 31 December 2022 on a pro forma basis to illustrate the impact of the ZMI Holdings Acquisition on ADNOC L&S as if the ZMI Holdings Acquisition had taken place on 1 January 2022. For further information, see "*Presentation of Financial and Other Information—Unaudited Pro Forma Financial Information*" and "*Unaudited Pro Forma Financial Information*".

	For the year ended 31 December 2022
	USD '000 except for percentages
Unaudited Pro forma EBITDA[(1), (2)]	**576,054**
Integrated Logistics	326,707
Shipping	275,441
Marine Services	27,089
Others	(53,183)
Unaudited Pro forma EBITDA Margin[(1)]	**25%**
Integrated Logistics	26%
Shipping	32%
Marine Services	16%

(1) For definitions of Pro forma EBITDA and Pro forma EBITDA Margin, see "*Presentation of Financial and Other Information—Non-IFR Measures —Unaudited Pro Forma Non-IFRS Measures*". For reconciliations of Pro forma EBITDA to pro forma profit for the year, see footnote (2) under —*Other Adjusted Unaudited Pro Forma Financial Information Data* below.

Other Adjusted Unaudited Pro Forma Financial Information Data

Unaudited Pro forma EBITDA is further adjusted to remove the impact of the loss on sale of a vessels, plant and equipment by ZMI Holdings which is included in the Others segment.

	For the year ended 31 December 2022
	USD '000 except for percentages
Adjusted unaudited pro forma EBITDA[(1)]	**599,255**
Integrated Logistics	326,707
Shipping	275,441
Marine Services	27,089
Others	(29,982)
Adjusted unaudited pro forma EBITDA Margin[(1)]	**26%**
Integrated Logistics	26%
Shipping	32%
Marine Services	16%

(1) For definitions of Adjusted pro forma EBITDA and Adjusted pro forma EBITDA Margin, see "*Presentation of Financial and Other Information—Non-IFRS Measures—Adjusted Unaudited Pro Forma Non-IFRS Measures*".

(2) The following table sets out the reconciliation of Adjusted pro forma EBITDA to pro forma profit for the year ended 31 December 2022 as set out in the Unaudited Pro Forma Financial Information included in the "*Unaudited Pro Forma Financial Information*" section of this Prospectus:

	For the year ended 31 December 2022
	USD '000
Unaudited Pro forma profit for the year	263,580
Unaudited Pro forma depreciation and amortisation	203,306
Unaudited Pro forma finance income	(3,717)
Unaudited Pro forma finance costs	110,336
Unaudited Pro forma income tax	2,549
Unaudited Pro forma EBITDA	**576,054**
Loss on sale of vessels, plant and equipment[(*)]	23,201
Adjusted unaudited pro forma EBITDA	**599,255**

(*) Reflects loss on sale of vessels, plant and equipment by ZMI Holdings reflected in the Others segment.

The following table sets out the pro forma profit for the year ended 31 December 2022 which is then further adjusted to remove the impact of the loss on sale of vessels, plant and equipment by ZMI Holdings.

	For the year ended 31 December 2022
	USD '000
Pro forma profit for the year	**263,580**
Loss on sale of vessels, plant and equipment[(1)]	23,201
Adjusted pro forma Net Income[(2)]	**286,781**

(1) Reflects loss on sale of vessels, plant and equipment by ZMI Holdings reflected in the Others segment.

(2) For a definition of Adjusted pro forma Net Income, see "*Presentation of Financial and Other Information—Non-IFRS Measures—Adjusted Unaudited Pro Forma Non-IFRS Measures*".

Net Debt and Cash / Adjusted pro forma EBITDA calculated as Net debt and Cash, as at 31 December 2022 of USD 1,814,104 thousand, divided by Adjusted pro forma EBITDA of USD 599,255 thousand for the year ended 31 December 2022 was 3.0x. Net Debt and Cash / Adjusted pro forma EBITDA calculated as Net Debt and Cash, as at 31 March 2023 of USD (259,429) thousand, divided by Adjusted pro forma EBITDA of USD 599,255 thousand for the year ended 31 December 2022 was (0.4x). For a definition of Net Debt and Cash / Adjusted pro forma EBITDA, see "*Presentation of Financial and Other Information—Non-IFRS Measures—Adjusted Unaudited Pro Forma Non-IFRS Measures*".

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Prospective investors should read this Unaudited Pro Forma Financial Information in conjunction with accompanying explanatory notes and the ADNOC L&S Financial Statements and the ZMI Holdings Financial Statements included elsewhere in this Prospectus.

Background

ADNOC L&S is a public joint stock company. ADNOC L&S was established in 2016 under Law No. 15 of 2016. ADNOC L&S is a wholly owned subsidiary of ADNOC (or the "**ultimate holding company**"). ADNOC L&S is exempt from the provisions of Federal Commercial Companies Law No. 2 of 2015. ADNOC L&S and its subsidiaries (collectively referred to in this section, as the "**Group**").

The Unaudited Pro Forma Financial Information is prepared in connection with the listing of shares of the Company on the Abu Dhabi Securities Exchange.

On 12 July 2022, shareholders of the Group approved to acquire 100% of the share capital of ZMI Holdings (also referred to as "**ZMI**") through a wholly owned subsidiary Zinc HoldCo RSC LTD, a restricted scope company duly incorporated under the laws of the Abu Dhabi Global Market with company number 7990 and whose registered office is at Floor 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box 764652, Abu Dhabi, United Arab Emirates (the "**Purchaser**"). ZMI is an Abu Dhabi-based owner and operator of offshore support vessels, with the world's largest fleet of self-propelled jack-up barges.

On 1 November 2022, Zinc HoldCo RSC Limited acquired 100% of the shares of ZMI. The acquisition of ZMI will enable further strengthening of the Groups' leading position as the region's largest shipping and integrated logistics company. The ZMI Holdings Acquisition has been accounted for using acquisition method. Further details are outlined within Note 29 of ADNOC L&S consolidated financial statements for the year ended 31 December 2022 (referred to in this section as the "**Group's Financial Statements**").

The Unaudited Pro Forma Financial Information has been prepared to illustrate the impact of the ZMI Holdings Acquisition, the increase in depreciation charge as a result of the fair value uplift of property, plant and equipment from the purchase price allocation and the increase in finance cost resulting from ADNOC L&S' shareholder loan used to finance the ZMI Holdings Acquisition on the statement of comprehensive income for the year ended 31 December 2022, as if the acquisition had taken place on 1 January 2022.

The ZMI Holdings Acquisition is already reflected in the Group's latest statement of financial position as at 31 December 2022, using the IFRS 3 – Business Combinations as per Note 29 of the consolidated financial statements of ADNOC L&S, that will be used for the purposes of this Prospectus, accordingly, no additional proforma statement of financial position is required.

This unaudited pro forma statement of comprehensive income has been compiled in a manner consistent with the accounting policies adopted by ADNOC L&S. The historical financial statements of ADNOC L&S and ZMI Holdings are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and there are no differences between the accounting policies applied in preparing the historical consolidated financial statements of ADNOC L&S for the year ended 31 December 2022 and ZMI Holdings condensed interim consolidated financial information

for the ten-month period ended 31 October 2022. Therefore, no adjustments have been made to the Unaudited Pro Forma Financial Information to reflect alignment of accounting policies.

The Unaudited Pro Forma Financial Information has been prepared in accordance with the accompanying notes to the Unaudited Pro Forma Financial Information as described below. The Unaudited Pro Forma Financial Information has not been prepared in accordance with Regulation S-X of the Securities Act or Annex 20 of the UK Prospectus Regulation. The pro forma adjustments are described in the accompanying notes, should be read in conjunction with this Unaudited Pro Forma Financial Information.

Neither the assumptions underlying the pro forma adjustments, nor the resulting Unaudited Pro Forma Financial Information have been audited or reviewed in accordance with any generally accepted auditing standards. Any reliance you place on this information should fully take this into consideration.

The Unaudited Pro Forma Financial Information has been prepared by, and is the responsibility of, the Company's management. The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and because of its nature, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial performance and may not give a true picture of its financial performance. The Unaudited Pro Forma Financial Information is based on available information and certain assumptions that management believes are reasonable under the circumstances. In addition, the Unaudited Pro Forma Financial Information does not reflect forward-looking information and is not intended to present the expected future results of the Group.

The Unaudited Pro Forma Financial Information has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the acquisition of ZMI Holdings, applied to historical financial information of ADNOC L&S and ZMI Holdings. The unaudited pro forma adjustments give effect to events that are directly attributable to the ZMI Holdings Acquisition, are factually supportable and are expected to have a continuing impact on the consolidated comprehensive income of the Company. Further, the Unaudited Pro Forma Financial Information does not take into account of the potential effects resulting from changes in management strategy and operational decisions resulting from acquisition of ZMI Holdings.

The Unaudited Pro Forma Financial Information is based on available information and certain assumptions and estimates that we believe to be reasonable and may differ materially from the actual amounts that would have been achieved had the ZMI Holdings Acquisition occurred on the respective dates mentioned above. The Unaudited Pro Forma Financial Information does not include all information required for financial statements under IFRS and should be read in conjunction with the Group's Financial Statements.

For the purposes of this illustration, it has been assumed that the fair value uplift of the acquired net assets determined as at 1 November 2022 is also applicable as at 1 January 2022. Similarly, the shareholder loan drawn by ADNOC L&S for the acquisition of ZMI Holdings has been assumed to be effective 1 January 2022 (the hypothetical date of acquisition) thereby resulting in additional finance cost. Furthermore, it is also assumed that this shareholder loan was used to repay the borrowings of ZMI Holdings as at 1 January 2022 thereby resulting in elimination of any finance costs recorded in ZMI Holdings during the ten-month period ended 31 October 2022.

These pro forma adjustments are described in the accompanying notes. The Unaudited Pro Forma Financial Information presented herein should be read in conjunction with the historical financial statements of ADNOC L&S as at and for the year ended 31 December 2022 and of ZMI Holdings as at and for the ten-month period ended 31 October 2022.

Unaudited pro forma statement of comprehensive income

For the year ended 31 December 2022

			Adjustments			
	ADNOC L&S *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Inter-Company Eliminations** *(Note 3)*	**Proforma Adjustments** *(Note 4)*	*Notes*	**Proforma**
	USD'000	*USD'000*	*USD'000*	*USD'000*		*USD'000*
Revenues	1,952,173	348,039	(12,978)	-		**2,287,234**
Direct costs	(1,543,025)	(192,616)	12,978	(8,034)	*4a*	**(1,730,697)**
Loss on sale of property, plant & equipment	-	(23,201)	-	-		**(23,201)**
Gross profit	409,148	132,222	-	(8,034)		**533,336**
General and administrative expenses	(105,604)	(31,626)	-	16	*4b*	**(137,214)**
Provision for expected credit losses	(5,880)	(16,731)	-	-		**(22,611)**
Other expenses	(3,792)	-	-	-		**(3,792)**
Other income	1,003	-	-	-		**1,003**
Operating profit	294,875	83,865	-	(8,018)		**370,722**
Share of profit from joint venture	2,026	-	-	-		**2,026**
Finance income	3,717	-	-	-		**3,717**
Finance costs	(38,475)	(35,304)	-	(36,557)	*4c*	**(110,336)**
Profit before tax for the year	262,143	48,561	-	(44,575)		**266,129**
Income tax	(1,350)	(1,199)	-	-		**(2,549)**
Profit for the year	260,793	47,362	-	(44,575)		**263,580**
Other comprehensive income / (loss)						
Items that will not be subsequently reclassified to profit or loss	-	-	-	-		-
Re-measurement loss on employee defined benefit obligation	10,418	-	-	-		10,418
Total comprehensive income for the year	271,211	47,362	-	(44,575)		**273,998**

Unaudited pro forma statement of comprehensive income

For the year ended 31 December 2022

			Adjustments			
	ADNOC L&S *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Inter-Company Eliminations** *(Note 3)*	**Proforma Adjustments** *(Note 4)*	*Notes*	**Proforma**
	AED'000	*AED'000*	*AED'000*	*AED'000*		*AED'000*
Revenues	7,169,354	1,278,173	(47,663)	-		**8,399,864**
Direct costs	(5,666,759)	(707,383)	47,663	(29,504)	*4a*	**(6,355,983)**
Loss on sale of property, plant & equipment	-	(85,206)	-	-		**(85,206)**
Gross profit	1,502,595	485,584	-	(29,504)		**1,958,675**
General and administrative expenses	(387,830)	(116,145)	-	59	*4b*	**(503,916)**
Provision for expected credit losses	(21,595)	(61,444)	-	-		**(83,039)**
Other expenses	(13,926)	-	-	-		**(13,926)**
Other income	3,685	-	-	-		**3,685**
Operating profit	1,082,929	307,995	-	(29,445)		**1,361,479**
Share of profit from joint venture	7,441	-	-	-		**7,441**
Finance income	13,650	-	-	-		**13,650**
Finance costs	(141,300)	(129,653)	-	(134,256)	*4c*	**(405,209)**
Profit before tax for the year	962,720	178,342	-	(163,701)		**977,361**
Income tax	(4,959)	(4,404)	-	-		**(9,363)**
Profit for the year	957,761	173,938	-	(163,701)		**967,998**
Other comprehensive income / (loss)						
Items that will not be subsequently reclassified to profit or loss	-	-	-	-		-
Re-measurement loss on employee defined benefit obligation	38,261	-	-	-		38,261
Total comprehensive income for the year	996,022	173,938	-	(163,701)		**1,006,259**

Notes to Unaudited Pro Forma Financial Information

1. Historical financial information of ADNOC L&S

ADNOC L&S's historical financial information has been extracted without any adjustment from the audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. This historical financial statements of ADNOC L&S reflects the accounting of ZMI Holdings Acquisition on 1 November 2022 using the acquisition method (as outlined in note 29 of ADNOC L&S consolidated financial statements for the year ended 31 December 2022) and

includes post acquisition financial performance for the two months period ended 31 December 2022.

2. Historical financial information of ZMI Holdings

ZMI Holdings historical financial information has been extracted without any adjustment from the unaudited interim condensed consolidated financial statements of ZMI Holdings for the ten-month period ended 31 October 2022 prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("**IAS 34**"), issued by the International Accounting Standard Board (IASB).

3. Intercompany eliminations

Elimination of intercompany revenue and direct costs for the ten-month period 1 January 2022 to 31 October 2022, as a portion of ZMI Holdings revenue is derived from its charter of vessels and barges to ADNOC L&S.

4. Proforma adjustments

a) Reflects additional depreciation charge for ten-month period 1 January 2022 to 31 October 2022 in relation to fair value uplift on Property, Plant and Equipment (Vessels and Barges) recorded during purchase price allocation of ZMI Holdings Acquisition carried out on 1 November 2022. The additional depreciation is calculated based on the assumption that the fair value uplift of acquired net assets as at 1 January 2022 is considered to be the same as determined at the date of acquisition (1 November 2022).

b) Reflects reduction in depreciation charge for the ten-month period 1 January 2022 to 31 October 2022 in relation to downward valuation of the ZMI Holdings office building during purchase price allocation of ZMI Holdings Acquisition carried out on 1 November 2022 as if this reduction in value was applied on 1 January 2022.

c) Reflects interest expense, including amortisation of transaction costs, related to debt financing, net of finance costs recorded in ZMI Holdings statement of comprehensive income for the year ended 31 December 2022.

   (i) USD 71,772 thousand (AED 263,583 thousand) additional finance cost in relation to an amount of USD 1,300,000 thousand shareholder loan drawn by ADNOC L&S under its existing loan facility agreement with ADNOC (Holding Company) for financing the acquisition of ZMI Holdings. This finance cost is determined using the interest rate of 6.69% per year which is based on the six (6) months LIBOR plus a margin of 1.2% per annum as per terms and conditions of the loan facility agreement with ADNOC (Holding Company).

   (ii) USD 35,215 thousand (AED 129,327 thousand) elimination of finance costs on the borrowings of ZMI Holdings reflected in its statement of comprehensive income for the year ended 31 December 2022 under the proforma assumption that ZMI Holdings borrowings were repaid as of 1 January 2022 (*i.e.*, the date on which ADNOC L&S has acquired ZMI Holdings for the purpose of this proforma statement of comprehensive income) from the shareholder loan taken by ADNOC L&S referred in 4 c) (i) above. The borrowings carried various interest rates.

5. Pro forma Non-IFRS Measures

When reviewing performance, the Group uses a combination of both IFRS and non-IFRS performance measures. The "non-IFRS measures" are calculated using financial

measures that are not calculated in accordance with IFRS. These exclude amounts that are included in the most directly comparable measure calculated and presented in accordance with IFRS. It does not include any amounts excluded from IFRS measure of profit.

We present below certain financial measures of ADNOC L&S as of and for the 12 months ended 31 December 2022, which gives pro forma effect to the ZMI Holdings Acquisition if it had occurred on 1 January 2022. These measures are not defined and thus, not calculated in accordance with IFRS, or generally accepted accounting principles in any other relevant jurisdiction. These include Pro Forma EBITDA as defined below. Because these measures are not standardised, they may not be comparable to other similarly-titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS.

ADNOC L&S uses EBITDA (a non-IFRS measure) which is defined as follows:

Earnings before interest, tax, depreciation and amortization " EBITDA" as profit before income tax, finance costs, finance income, depreciation and amortisation.

The EBITDA is also presented in this Unaudited Pro Forma Financial Information to illustrate the impact of the ZMI Holdings Acquisition.

A reconciliation of pro forma EBITDA to pro forma profit for the year determined in accordance with IFRS is provided below:

Pro forma EBITDA

For the year ended 31 December 2022

	Historical		*All amounts in USD'000*	
	ADNOC L&S	**ZMI Holdings**	**Proforma Adjustments**	**Proforma**
Profit for the year	**260,793**	**47,362**	**(44,575)**	**263,580**
Income tax expense	1,350	1,199	-	2,549
Finance income	(3,717)	-	-	(3,717)
Finance costs	38,475	35,304	36,557	110,336
Depreciation and amortization	156,402	38,886	8,018	203,306
EBITDA	**453,303**	**122,751**	**-**	**576,054**

	Historical		*All amounts in AED'000*	
	ADNOC L&S	**ZMI Holdings**	**Proforma Adjustments**	**Proforma**
Profit for the year	**957,761**	**173,938**	**(163,701)**	**967,998**
Income tax expense	4,959	4,404	-	9,363
Finance income	(13,650)	-	-	(13,650)
Finance costs	141,300	129,653	134,256	405,209
Depreciation and amortization	574,384	142,808	29,445	746,637
EBITDA	**1,664,754**	**450,803**	**-**	**2,115,557**

	ADNOC L&S	**ZMI Holdings**	**Proforma**

Segment EBITDA	*(Note 1)*	*(Note 2)*	
	USD'000	*USD'000*	*USD'000*
Tankers	93,480	-	93,480
Gas carriers	86,910	-	86,910
Dry-bulk shipping	95,051	-	95,051
Integrated Logistics	164,024	162,684	326,707
Marine Services	27,089	-	27,089
Others	(13,251)	(39,933)	(53,183)
Total	**453,303**	**122,751**	**576,054**

Segment EBITDA	**ADNOC L&S** *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Proforma**
	AED'000	**AED'000**	**AED'000**
Tankers	343,305	-	343,305
Gas carriers	319,177	-	319,177
Dry-bulk shipping	349,076	-	349,076
Integrated Logistics	602,370	597,453	1,199,823
Marine Services	99,486	-	99,486
Others	(48,660)	(146,650)	(195,310)
Total	**1,664,754**	**450,803**	**2,115,557**

6. Segment revenue information

Segment Revenue	**ADNOC L&S** *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Inter-Company Eliminations** *(Note 3)*	**Proforma**
	USD'000	*USD'000*	*USD'000*	*USD'000*
Tankers	334,570	-	-	**334,570**
Gas carriers	169,117	-	-	**169,117**
Dry-bulk shipping	358,128	-	-	**358,128**
Integrated Logistics	923,015	348,039	(12,978)	**1,258,076**
Marine Services	167,343	-	-	**167,343**
Total	**1,952,173**	**348,039**	**(12,978)**	**2,287,234**

Segment Revenue	**ADNOC L&S** *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Inter-Company Eliminations** *(Note 3)*	**Proforma**
	AED'000	*AED'000*	*AED'000*	*AED'000*
Tankers	1,228,709	-	-	**1,228,709**
Gas carriers	621,083	-	-	**621,083**
Dry-bulk shipping	1,315,225	-	-	**1,315,225**

Integrated Logistics	3,389,771	1,278,173	(47,663)	**4,620,281**
Marine Services	614,566	-	-	**614,566**
Total	**7,169,354**	**1,278,173**	**(47,663)**	**8,399,864**

7. ZMI Holdings is included under the Integrated Logistics segment with the exception of certain non-recurring adjustments which are included in the Others segment. This is consistent with the reportable segments presented in Note 28 of the ADNOC L&S consolidated financial statements for the year ended 31 December 2022

Dividend Policy

The Board has adopted a dividend policy for the Group which will look to maximise shareholder value and reflect its strong earnings potential and cash flow generation, while allowing it to retain sufficient capital to fund ongoing operating requirements and to invest in our long-term growth (including opportunistic capital expenditures and acquisitions).

The Company's ability to pay dividends is dependent on a number of factors, including:

- the availability of distributable reserves, the Company's capital expenditure plans, the Company's financial framework and other cash requirements in support of achieving our strategy in future periods,
- existing and future debt finance capacity, debt covenants, and other factors impacting continuing availability of credit and compliance with existing and anticipated financing terms,
- market conditions, the then-current operating environment in our markets and the outlook for our business,
- levels of expected future profits and our business plan (including our ability to perform in accordance with the expectations in our business plan),
- the discretion of our Board, based on the outlook for our business, and
- approval of any dividend payment at a general meeting of our shareholders.

See "*Risk Factors—Risks Relating to the Offering and to the Shares—Because we are a holding company and substantially all of our operations are conducted through our subsidiaries and the AW Shipping Limited joint venture, our ability to pay dividends on the Shares depends on our ability to obtain cash dividends or other cash payments or obtain loans from such entities" and "Risk Factors—Risks Relating to the Offering and to the Shares—We may not pay any cash dividends on the Shares and investors may not receive any return on investment unless they sell their Shares at a price higher than their purchase price*".

Subject to the foregoing, the Company intends to pay dividends twice each financial year, with an initial payment of the first-half results being paid in the fourth quarter of that year, and a second payment following second-half results being paid in the second quarter of the following calendar year.

Subject to the foregoing, the Company intends to pay a fixed dividend amount of USD 195 million for the second quarter and the second half of the year 2023 (equivalent to annualised dividends of USD 260 million relating to the performance for the year 2023), out of which USD 65 million for the second quarter of the year 2023 is expected to be paid in the fourth quarter of the year 2023 and the remaining USD 130 million for the second half of the year 2023 is expected to be paid in the second quarter of the year 2024. The Company intends to pay dividends in cash.

Thereafter, the Company expects to increase the 2023 annual dividend per share on a progressive basis by at least 5% annual growth over the medium term, while regularly reviewing the policy in light of value-accretive growth opportunities.

Material events and contracts concluded by the Company (including related party agreements)

Integrated Logistics

Shipping

Shipbuilding Agreements

Jiangnan

ADNOC L&S and China Shipbuilding Trading Co., LTD and Jiangnan Shipyard (Group) Co., LTD ("**Jiangnan**") entered into certain shipbuilding agreements for the construction of six 175,000 cubic meter capacity, liquified natural gas carriers with hull numbers H2702, H2703, H2704 (each dated 11 May 2022), H2700, H2701 (each dated 28 February 2022) and H2705 (dated 26 August 2022). The ships are to be delivered at different dates in 2025 and 2026. The agreements include certain early termination provisions allowing Jiangnan to terminate the agreement if ADNOC L&S is in continuing default (*i.e.*, fails to pay an instalment or fails to take delivery) for fifteen days, as well as provisions permitting Jiangnan to sell the vessel after cancellation. In case of a default of payment obligations, ADNOC L&S is required to pay interest on relevant instalment at 5% per annum until the date of payment and Jiangnan's reasonable costs. Further, in the event of delays in delivery or defects in construction, the buyer shall be entitled to reductions in the contract price as liquidated damages, based on the type and extent of the delay or defect in construction, as specified in the agreement. These vessels are intended to be chartered to ADNOC LNG pursuant to heads of terms dated January 2022, pursuant to which ADNOC LNG will pay ADNOC L&S for the use and charter of those six vessels at a daily rate.

AW Shipping Limited Vessels

Jiangnan and AW Shipping Limited entered into two shipbuilding agreements with Jiangnan dated 23 October 2020 for the construction of two 86,000 cubic meter gas carriers, with each vessel being owned by a separate Liberian special purpose vehicle, which have now been delivered to the nominated owner, and have been chartered on time charter to Wanhua Chemical (Singapore) Pte. Ltd ("**Wanhua**").

In addition, Jiangnan and AW Shipping Limited entered into separate agreements dated 29 July 2020 for the construction of three additional 86,000 cubic meter gas carriers, with each vessel being owned by a separate Liberian special purpose vehicle. All the vessels were delivered to the nominated owners within the stipulated timeframes and chartered to Wanhua.

Daewoo

ADNOC L&S and Daewoo Shipbuilding & Marine Engineering Co., LTD ("**Daewoo**") entered into four shipbuilding agreements dated November 2020 (three agreements) and 8 April 2021 for the construction of four 300,000 crude oil tankers with hull numbers 5507, 5485, 5486 and 5487. The ships are to be originally due to be delivered on or before various dates between 13 October 2022 and 30 September 2023. Due to permissible delays under the agreements delivery of these vessels has not yet taken place and the revised delivery schedule contemplates the delivery of the vessels by October 2023. Daewoo may terminate the

agreements if ADNOC L&S is in a default (*i.e.*, fails to pay an instalment, fails to take delivery) and such default continues for fifteen days. In case of a default of payment obligations, ADNOC L&S is required pay interest on relevant instalment at 5% per annum until the date of payment and Jiangnan's reasonable costs. Further, in the event of delays in delivery or defects in construction, ADNOC L&S shall be entitled to reductions in the contract price as liquidated damages, based on the type and extent of the delay or defect in construction, as specified in the agreement.

Second-hand Vessel Purchases

In 2020 and 2021, ADNOC L&S entered into memorandums of understanding with Hunter Tankers AS ("**Hunter Tankers**"), Geogas Maritime SAS ("**Geogas Maritime**"), Maersk Tankers Singapore Pte Ltd ("**Maersk Tankers**") and CSSC WKMT Tanker I Co Limited ("**CSSC WKMT Tanker**"), for the purchase of a total of 11 secondhand vessels.

Hunter Vessels

ADNOC L&S entered into two memorandums of understanding with Hunter Tankers dated 28 October 2020 and another dated 18 February 2021 for the purchase of three secondhand vessels. The vessels have been successfully delivered to the nominee buyers Hili Inc., Das Inc. and Zakum Inc., which are each Liberian special purpose vehicles which are 100% subsidiaries of Holdco 2 Inc., which is a 100% subsidiary of Abu Dhabi Marine Assets Company LLC ("**Assetco**"), which itself is an asset owning entity which is a 100% subsidiary of Abu Dhabi Marine Business and Services Company PSC, the immediate parent company of ADNOC L&S, and are chartered out as required

Maersk Vessels

ADNOC L&S entered into a memorandum of understanding with Maersk Tankers dated 11 April 2021 for the purchase of six secondhand vessels. The vessels have been successfully delivered to the nominee buyers Al Bateen Inc., Al Falah., Tarif Inc., Al Ruwais Inc., Al Khtam Inc., and Jarnain Inc, which are each 100% subsidiaries of Abu Dhabi National Shipping Company BVI, which is a 100% subsidiary of Assetco, and are chartered out as required.

CSSC Vessel

ADNOC L&S entered into a memorandum of understanding with CSSC WKMT Tanker dated 5 March 2021 for the purchase of the secondhand vessel T308K-5 (now renamed Murban) to the registered owner Murban Inc. The vessel has been successfully delivered and is chartered out as required.

LNG Vessels

NGSCO Transportation Charterparties

NGSCO and ADNOC LNG entered into six separate time charterparties for the charter of the vessels "Ghasha" "Shahamah", "Umm Al Ashtan", "Ish", "Mraweh" and "Mubaraz" from NGSCO to ADNOC LNG, all effective from 1 April 2022 with a term until 31 March 2025. Pricing for these charterparties is based on a (i) fixed rate of hire per month and pro rata for a part of the month, plus (ii) an additional charge of a fixed percentage of the cost of operations,

(together (i) and (ii) the "base charter rate", capped at a fixed annual average per day and pro rata for part of a day), plus (iii) a transportation fee of fixed percentage of the base charter rate, capped at a fixed annual average per day and pro rata. At the time of the agreement, the vessel "Ghasha" was agreed to be chartered to AG&P but was ultimately substituted by the vessel "Shahamah", with the latter now being on charter to AG&P together with "Ish". "Ghasha" is currently on charter to ADNOC LNG (now ADNOC GAS) together with the vessels "Seasto Knutsen", chartered in from Shell, and "Sohan LNG".

NGSCO and ADNOC LNG (now ADNOC GAS) entered into a time charterparty dated 21 November 1997 for the charter of the vessel "Janana", a molten sulphur carrier. While the original charterparty was due to expire on 31 March 2023, the parties are in the process of finalising a contractual extension of the charterparty until 2028. Pricing for this charterparty is based on a fixed rate of hire per day and pro rata for a part of a day and contemplates an additional fixed percentage fee per day and pro rata in the event NGSCO continues to be the owner of the vessel.

Borouge Ruwais Terminal and Borouge UAE Gateway (Khalifa Port & KEZAD) Feeder Container Ship Services Agreement

ADNOC L&S and Borouge entered into an agreement dated 20 September 2018 (which was renewed on 1 October 2021 for a term of three years) for the provision of feeder container ship services from Ruwais to Khalifa Port and Jebel Ali Port, with fees calculated based on an 'all-inclusive rate' per metric tonne of polymer, utilising a dynamic pricing mechanism which is intended to maintain broadly the same annual revenues and profit margins (the "**Borouge Ruwais Terminal and Borouge UAE Gateway Feeder Container Ship Services Agreement**"). It is expected that approximately 12 to 13 million metric tonnes of polymers and raw materials will be shipped from Ruwais to Khalifa Port of Jebel Ali Port for the term of the agreement, subject to production of the materials remaining at expected levels.

Chemical Tankers Time Charterparties with ADNOC Distribution

Umm Al Lulu Marine Services LLC and Al Samha Marine Services LLC entered into two-time charterparties with ADNOC Distribution for the charter of the vessels "Umm Al Lulu-1" and "Al Samha", commencing in January 2010 and 22 June 2010, respectively, both with a term of twenty years.

The charterparties contemplate a fixed rate of hire per day and pro rata for part of a day and the rates include extra war risk insurance and overtime. The fixed rate is to be reviewed every three years. Umm Al Lulu Marine Services LLC and Al Samha Marine Services LLC are to pay certain charges and expenses (such as maintenance and repairs for the vessel, expenses for crew, provisions, wages, insurance, fumigation expenses and customs and import duties and insurance), and ADNOC Distribution is to pay certain charges and expenses (such as fuel, towage and pilotage shipping, discharging fees, agency fees, port charges, commissions, expenses of loading and unloading cargoes and canal dues. The hire rates for both charterparties are due to be reviewed in April 2023.

ZMI Holdings Agreements

ZMI Holdings has, through its operating subsidiary entities, entered into a number of agreements with several companies in the GCC region for the hire of offshore marine assets

and equipment, namely offshore support vessels and jack-up barges and pumping equipment, for terms of differing duration. Rates for all agreements were agreed through a tendering process and finalised at the time of entering into the agreements and are not subject to revision nor adjustments insofar as the contracted services remain as set out in the agreements.

In addition, ZMI Holdings' subsidiary Zakher Marine International – Abu Dhabi regularly enters into agreements with ADNOC Offshore and ADNOC L&S pursuant to which it provides conventional size rigless propelled jack-up barges and offshore support vessels for long-term and short-term charters. The agreements cover the charter of 59 vessels, including 22 vessels with ADNOC Offshore and ADNOC L&S, for terms ranging from six months to one year for short-term agreements and one year to five years for long-term agreements, after which an extension may be negotiated and agreed between the parties. Fees under the agreements are subject to fee adjustment at date of extension.

Cleaning, catering, laundry, and other necessary personnel services for jack-up barges hire agreements have been outsourced in agreements for differing durations, ranging from one year to three years duration on average, after which time each of the agreements may be extended for the same or a renegotiated fee.

Other Relevant Charters

Bareboat Charter to Wison

Al Khaznah Inc and Wison Clean Energy (Singapore) Pte Ltd entered into a bareboat charterparty for the charter of the vessel "Al Khaznah", for the duration of eleven years. The vessel is not yet required by Wison and the parties entered into an amendment agreement in terms of which Wison have until March 2024 to confirm the delivery date of the vessel. During this period, it is agreed that the parties shall both seek other chartering opportunities for the vessel, with any hire received being deducted from the hire which Wison would otherwise be required to pay, while the owners continue to receive a management fee. Hire is agreed on a fixed rate of hire per day and pro rata for part of the day, and the charterer have the option to purchase the vessel either on the expiry of the charter period, any time after 30 June 2025, if the charter is terminated by the charterer due to the default of the owners or if there is an unresolved sanctions event following which the owners elect to terminate. Technical management and maintenance of the vessel, including repair of machinery as required by general commercial maintenance practice and licencing, insurance, and general certificate compliance, is conducted by, and financially attributable to, the owners on the terms of a ship management agreement for the duration of the chartering period. A termination fee is due if the charterer were to terminate the charter on or after 30 June 2025 but prior to the end of the charter period and if the charterer did not elect to purchase the vessel under the terms of the agreement.

AG&P Time Charterparty for the Storage of LNG

Ghasha / Shahama

Ghasha Inc. and Atlantic, Gulf and Pacific Company of Manila ("**AG&P**") entered into a time charterparty dated 9 September 2022 for the charter of the LNG carrier "LNGC Ghasha" managed by ADNOC L&S to be delivered by 1 March 2023. The vessel Shahamah was provided in substitution for Ghasha and is to be delivered to AG&P in April 2023. The

charterparty is set to have a duration of eleven years from the delivery date, after which AG&P can either exercise a purchase option or extend the period by four years on the terms set out in the original charterparty. Payment for the use and charter of the vessel is made at the daily rate agreed. Hire is a fixed rate of hire per day and pro rata for part of the day. AG&P has the right, subject to L&S board approval, to purchase the vessel at the end of the eleven-year charterparty period or earlier if the charterparty is terminated and on payment of an early termination fee.

ISH

Ish Inc. and AG&P entered into a time charterparty dated 4 February 2022 for the charter of LNGC "Ish", managed by ADNOC L&S, for the duration of eleven years commencing on date of delivery, with an option to extend the charterparty for four further years. Early termination is allowed under the charterparty as long as two weeks' notice is provided, but may carry specified termination fees agreed at the time of signing. Hire is agreed on a fixed rate of hire per day and pro rata for part of the day. AG&P has the right, subject to ADNOC L&S board approval, to purchase the vessel at the end of the eleven-year charterparty period, or earlier if the charterparty is terminated and on payment of an early termination fee.

Geogas Maritime

ADNOC L&S entered into a memorandum of understanding with Geogas Maritime dated 1 July 2021 for the purchase of the secondhand vessel Champlain (now renamed Delma). The vessel has been successfully delivered and is on time charter to Wanhua.

Marine Services

Framework Agreement for Technical Services relating to Tier 2 Oil Spill Response and HNS Services

ADNOC and ADNOC L&S entered into a framework agreement dated 21 March 2022 for the duration of twenty years from 1 January 2022 (the "**Framework Agreement for Technical Services**"). Under this agreement, ADNOC L&S provides response services to ADNOC for Tier 2 oil spills and hazardous and noxious substances, covering all spills occurring within ADNOC's concession areas and the UAE maritime region and within a specified timeframe after the incident is detected. Under the terms of this agreement, ADNOC has agreed to supply ADNOC L&S with all vessels, training programmes for staff, and other equipment or resources required to perform such services.

TAQA Oil Spill Agreement

ADNOC L&S and Abu Dhabi National Energy Company PJSC entered into a technical service agreement dated 2 February 2021 pursuant to which ADNOC L&S provides an analysis of satellite imagery received and identification of credible threats to the locations of Taweelah, Shuweihat, Umm al Nar, Mirfa, Fujairah 1 and 2, and Barakah for a total of three years from the effective date 2 February 2021.

ENEC Oil Spill Agreement

ADNOC L&S and Nawah Energy Company P.J.S.C. ("**Nawah**") entered into an agreement

dated 4 February 2021 pursuant to which ADNOC L&S provides services related to the organisation and operation of Nawah's nuclear reactors for a period of up to 3 February 2026.

Others

AW Shipping Limited Loan Agreements

Each of the vessel owners, being a 100% subsidiary of AW Shipping Limited, and Standard Chartered Bank (Singapore) Limited entered into loan agreements for the partial financing of each of the vessels constructed for AW Shipping Limited and on charter to Wanhua Chemical Group Co. Ltd., for a period from 2 August 2023 to 3 September 2031. The agreements contain certain restrictions on the borrower, including not (i) to dispose its assets; (ii) to enter into any transaction with any person except on arm's length terms and for full market value; (iii) to enter into corporate reconstruction without consent of the majority lenders; (iv) to substantially change the nature of its business; (v) to acquire a company or shares or incorporate a company; (vi) to enter into joint ventures; (vii) to incur any financial indebtedness; (viii) to act as a creditor in respect of any financial indebtedness; (ix) to incur any guarantee in respect of any obligation of any person; and (x) to make changes in its capital. The agreements also contain change of control provisions, which will be triggered if, among other things, AW Shipping Limited ceases to be directly or indirectly owned 50% by ADNOC L&S and 50% by Wanhua. The loans may be repaid in 39 consecutive equal quarterly instalments, and may be prepaid (whole or in any part) subject to conditions.

ZMI Holdings Share Sale and Purchase Agreement

On 12 July 2022 Zinc Holdco Zinc Holdco and Hassan El Ali, as Seller, entered into the ZMI SPA pursuant to which Zinc Holdco purchased the entire issued share capital of ZMI Holdings from HEA Investments, a nominee of the Seller.

The final consideration was determined following the preparation of a completion statement based on items including net debt and working capital adjustments, growth asset expenses, as well as an aggregate remaining consideration calculation. Under the terms of the ZMI SPA, a part of the remaining consideration was agreed to be determined based on expected revenue of ZMI Holdings through 31 December 2024. On 28 October 2022, the Seller, Zinc Holdco and ADNOC entered into a deed of novation pursuant to which the rights, obligations and liabilities of Zinc Holdco in respect of the remaining consideration under the ZMI SPA were novated to ADNOC. Zinc Holdco and ADNOC agreed that the novation should be effective from 1 January 2023. As such, any such amounts payable to the Seller pursuant to the ZMI SPA are the liability of, and to be paid by, ADNOC.

The Seller has undertaken to be responsible for all demands, costs, expenses and other liabilities incurred by Zakher Marine International Inc. – Abu Dhabi, a foreign branch of Zakher Marine International Inc. ("**ZMI Abu Dhabi**") in connection with an agreement for lease and development dated 13 December 2015, with respect to the Plot SB01, Al Maryah Island, Abu Dhabi, UAE entered into by Alsowah Square Properties LLC (as landlord), the Seller (as tenant), ZMI Abu Dhabi (as guarantor) and Forty Sixth Investment Company LLC (as community manager).

The Seller has provided indemnity to Zinc Holdco in respect of all liabilities, costs, expenses, damages and losses (including reasonable professional costs and expenses) suffered or

incurred by any group company from completion arising out of or in connection with one of the vessels.

At completion: (i) the Seller was appointed as a director on the board of directors of the Company on substantially the same terms as any other director(s) to be appointed by Zinc Holdco to the board of directors of the Company or on the standard terms of Zinc Holdco's group; and (ii) the Seller procured that Mr. Ali El Ali entered into an employment agreement appointing him as the Chief Executive Officer of ZMI Holdings. If at any time prior to 31 December 2024, Mr. Ali El Ali's employment agreement is terminated by Zinc Holdco's group without cause, Zinc Holdco shall procure that ZMI Abu Dhabi makes the Seller an offer of employment as Chief Executive Officer of ZMI Holdings and the group (on the same terms as the employment agreement) with a term that extends through 31 December 2024.

The Seller's warranties under the SPA are customary warranties on topics such as authority and capacity, ZMI Holdings, its group, material contracts, compliance with laws, ownership of the vessels, debts owned by group companies, litigation and investigations, insurance, insolvency, accounts and financial matters, real estate, employment, intellectual property, tax and environment. The Seller's warranties are subject to customary materiality, knowledge and time-based qualifiers, thresholds. Zinc Holdco has provided limited warranties on matters such as authority and cash resources.

The SPA sets out certain restrictions on the Seller including with respect to: (i) engaging in a competing business; (ii) soliciting any client or client of the group, in the UAE, the MENA region and the GGC countries; and (iii) soliciting or employing certain key employees. Such restrictions on the Seller are limited from three to five years from the date of completion.

Related Party Transactions

We are and have been a party to various agreements and other arrangements with related parties comprising ADNOC and certain of its other subsidiaries. The agreements are negotiated on an arms-length basis. The most significant of these transactions are described below.

For further details relating to related party transactions and the impact of the related party transactions on our financial position and financial results, please refer to Note 24 of the ADNOC L&S Annual Financial Statements, included elsewhere in this Prospectus. For further details and the impact of related party transactions on our financial position and financial results as at and for the three-month period ended 31 March 2023 and for the three-month period ended 31 March 2022, please refer to Note 15 of the ADNOC L&S Interim Financial Information, included elsewhere in this Prospectus.

Integrated Logistics

ILSP Agreement

ADNOC Offshore and ADNOC L&S entered into an agreement dated 1 May 2022 for the provision of integrated logistics services to ADNOC Offshore (the "**ILSP Agreement**"). The term of the ILSP Agreement is five years from 1 May 2022, with an option to extend for a further five years. Under the ILSP Agreement, ADNOC L&S provides various services to ADNOC Offshore, including receipt, storage, and dispatch of materials from warehouses

ordered by either ADNOC Offshore or its vendors; lifting and handling services for materials; waste management services within industrial and non-industrial areas; onshore and offshore port services; maintenance support services of ADNOC Offshore's owned assets/vehicles; integrated supply chain planning involving the fleet of supply vessels, jack-up rigs and barges; conducting inspection and surveys of marine vessels, barges and jack-up rigs. Fees for the performance of services under the ILSP Agreement remain fixed for its duration and, subject to the terms of the ILSP Agreement, amount to a total of USD 2.6 billion.

Material Joint Ventures

On 1 March 2020 Abu Dhabi Marine International Operations Holdings RSC Limited ("**ADMOH**") and Wanhua Chemical (Singapore) Pte. Ltd. ("**Wanhua**") entered into a shareholders' agreement in relation to the establishment and operation of AW Shipping Limited. The shareholders' agreement governs the management of AW Shipping Limited and the relationship between ADMOH and Wanhua.

AW Shipping Limited is incorporated in the ADGM and held 50% by ADMOH and 50% by Wanhua. The business of the joint venture is conducted through AW Shipping Limited, which operates vessels for the purposes of transporting LPG and/or petroleum products under time charter party agreements that are entered into between AW Shipping Limited and its relevant vessel-owning subsidiary (of which there are six in total, with each subsidiary being incorporated in the Republic of Liberia), which then charters the vessel to Wanhua on back-to-back terms.

The shareholders' agreement grants a right to AW Shipping Limited to require the shareholders to provide funds: (a) agreed to be provided by the shareholders in an approved business plan; or (b) where AW Shipping Limited reasonably determines it necessary to: (i) manage an emergency which poses imminent material risk to the environment, health and safety or integrity of the assets of the company or its subsidiaries; or (ii) to immediately discharge payment obligations that are unable to be discharged using free cash or third party debt. The mandatory shareholder funding obligations require unanimous approval at both the board of directors and shareholder decision-taking levels.

AW Shipping Limited is jointly controlled by the shareholders. Decisions at the board of directors and shareholder levels require unanimous consent. The shareholders' agreement contains an escalation mechanism to resolve deadlocks, however, if following the escalation procedure a deadlock that relates to: (a) the approval of an annual budget or a business plan for two consecutive years, or (b) an acquisition of a gas carrier vessel with a contractually agreed internal rate of return is left unresolved on more than one occasion, it triggers a right of a shareholder to require the board of directors to wind up the company.

The shareholders' agreement contains change of control provisions, however, the change of control is not triggered so long as ADNOC continues to indirectly control ADMOH. Under the shareholders' agreement 'change of control' means: (i) in the case of ADMOH, ADMOH ceasing to be directly or indirectly controlled by ADNOC; and (ii) in the case of Wanhua, Wanhua ceasing to be directly or indirectly controlled by its parent company, Wanhua Chemical Group Co. Ltd or a person acquiring direct or indirect control of the Wanhua parent company. A customary definition of 'control' is applied in the shareholders' agreement, whereby a person is considered to have control if they directly or indirectly hold 50% or more of the equity interests or voting stock, or have the ability to procure the direction of

management.

Transfers of shares are generally restricted subject to fulfilling certain conditions around transfers to affiliates and pre-emption rights in respect of disposals to third party purchasers. Transfers are also subject to a lock-in period which expires the earlier of the 10th anniversary of the initial vessel completion in respect of the final initial vessel or the termination of any initial time charter party agreement.

The business and affairs of AW Shipping Limited are managed by, and under the direction of, its board of directors. The directors are appointed by the shareholders in proportion to each shareholder's shareholding.

Certain matters require unanimous written approval of the shareholders, including among others: (a) a change in the scope of the business of AW Shipping Limited or carrying on any activity other than the business of AW Shipping Limited; (b) reducing or increasing the share capital of AW Shipping Limited; (c) liquidating AW Shipping Limited of any of its subsidiaries or undertakings or merging the into or consolidating them with any third party; (d) approving the annual financial statements in the case of a 'qualification' in AW Shipping Limited's auditor's opinion; (e) incurring indebtedness in the nature of borrowings or making an investment above any amount of threshold agreed in an approved budget or business plan of AW Shipping Limited; and (f) the entry into, extension or amendment to the terms of, or waiver of rights under, certain related party transactions.

In respect of each financial year of AW Shipping Limited the dividend policy is calculated as an amount equal to a contractually agreed percentage of net earnings before profit after tax, in line with the audited financial statements for the respective financial year and as approved by the chairperson. Dividends are to be distributed to the shareholders on a *pro rata* basis between the shareholders (subject to payment of sums due under, and compliance with other applicable restrictions upon the payment of distributions to shareholders contained in, any shareholder loans or finance documents, appropriation of reasonable provisions and reserves and maintenance of a prudent and optimal capital structure, and otherwise generally, in accordance with any capital commitments or expenditure adopted pursuant to an approved budget or business plan of AW Shipping Limited).

The shareholders' agreement terminates automatically if either of the shareholders no longer holds shares in AW Shipping Limited or if AW Shipping Limited is wound-up. In addition, the shareholders' agreement can be terminated at any date by agreement between the shareholders in writing.

Events of default consist of: (a) a material breach of the shareholders' agreement by either of the shareholders; (b) the occurrence of a change of control of a shareholder (other than a pre-approved change of control); or (c) a material breach of certain time charter party agreements by Wanhua or certain of its affiliates. Following the occurrence of an event of default the relevant defaulting shareholder is prohibited from attending and voting at shareholder meetings, any director appointed by the defaulting shareholder will automatically vacate office and voting thresholds in respect of board and shareholder matters will be adjusted to exclude the shareholding of the defaulting shareholder (and its appointed directors). Further, and subject to certain conditions depending on the nature of the default, including in respect of fair value calculations, a non-defaulting shareholder ultimately has the right to compulsorily acquire all of the defaulting shareholders' shares.

Hail and Ghasha Integrated Logistics Technical Services Agreement

ADNOC and ADNOC L&S entered into an agreement dated 20 October 2022 to support offshore oil and gas drilling operations through the provision of marine and logistics service to transport personnel and materials for the duration of eight years starting on the call-off commencement date specified in each call-off order, with the option to extend the agreement for additional two years from the end of the initial period (the "**Hail and Ghasha Integrated Logistics Technical Services Agreement**"). Under the terms of the Hail and Ghasha Integrated Logistics Technical Services Agreement, ADNOC L&S provides complete logistics services, including planning and execution of the works; receipt, storage, transportation and handling of all materials/equipment and waste; marine support, including provision of marine assets and port facilities services; onshore base supply services inclusive of warehousing and storage of goods; onshore island port management services; provision of intra island movements of cargo and personnel; hotel services offshore; provision of passenger transportation by vessel; mobilisation of land rigs to offshore islands; mobilisation of cement, fluid and bulks plants to offshore islands; and coordination of maritime operations offshore. Fees for the performance of services under the Hail and Ghasha Integrated Logistics Technical Services Agreement remain fixed for its duration.

Ruwais Terminal Port Operations Agreement

Borouge and ADNOC L&S entered into an agreement dated 12 November 2017 (effective 2 March 2018) pursuant to which ADNOC L&S provides services for the Ruwais port operations for a period of five years until 1 March 2023. The contracted services include the handling and movement of shipping containers between the container yards and the packaging lines / bulk-filling silos, including lifting shipping containers on and off the feeder container ships and associated supervisory and administrative services. As at the date of this Prospectus, the parties to this agreement are in discussions to extend it. Until execution of such extension, the existing arrangement will continue on the same terms with any excess fees from 1 March 2023 due to be paid as per the terms of the existing agreement.

KEZAD Gateway Operations at Khalifa Port and KEZAD Agreement

Borouge and ADNOC L&S entered into an agreement dated 22 November 2021 under which ADNOC L&S has agreed to perform gateway operations at Khalifa Port and KEZAD for a period of twenty-five years starting from 1 January 2022 (the "**KEZAD Gateway Operations at Khalifa Port and KEZAD Agreement**"). The contracted services include the trans-shipment / destination interchange terminal of shipping line containers to their destinations, unloading of inbound containers, transportation of outbound terminal containers, and general warehouse operations, encompassing the transportation of incoming material in the counterparty's or shipping line containers, the loading of material at KEZAD for distribution to clients within UAE and other GCC, and handling of materials produced at its Ruwais production facility in the storage operations.

Petroleum Ports Operations Licencing Agreement

Under Abu Dhabi law, ADNOC is vested with the overall responsibility for managing and operating the petroleum ports in the Emirate of Abu Dhabi. ADNOC granted ADNOC L&S a licensing agreement dated 26 July 2020 to provide pilotage services, towage services, line handling services and additional services for all petroleum ports in the Emirate of Abu Dhabi

on behalf of the Petroleum Ports Authority ("**PPA**"), which includes the onshore Jebel Dhanna Ruwais Petroleum Port and the offshore Das Island, Zirku Island and Mubarraz Petroleum Ports in the Emirate of Abu Dhabi (the "**Petroleum Ports Operations Licencing Agreement**"). The agreement is for an initial term of five years starting from 1 June 2020 with an option to cumulatively extend it in five-year terms for up to twenty-five years in total. The agreement contemplates certain additional services, such as diving services, waste disposal, emergency services, wreck removal, towage assistance outside of berthing and unberthing, transfer or personnel and equipment and general boat services.

Agreement for Jack-Up Barges Services

ADNOC L&S entered into agreements on a rolling basis with ZMI Holdings (agreements dated 4 August 2022, 16 August 2022, 26 August 2022, 16 September 2022, 26 September 2022 and 27 September 2022), NAVTECH Marine Services SA Abu Dhabi (agreement dated 1 August 2022), SEAFOX Contractors BV Abu Dhabi (agreement dated 19 August 2022), Control Contracting and Trading Co (Pvt.) LLC (agreement dated 4 August 2022), Gulf Marine Services Company (agreement dated 30 September 2022), all for the duration of four years with an option to extend for another year at ADNOC's discretion.

The services to be provided under the agreements are the charter of a total of 13 self-propelled jack-up barges for (i) rig-less operations, and (ii) wellhead tower maintenance and integrity restoration demobilisation, messing and accommodation services for the personnel. ADNOC L&S has an option to extend the agreements up to one year at ADNOC L&S' discretion.

ADNOC Onshore Services Agreement

ADNOC Onshore and ADNOC L&S entered into an agreement dated 17 November 2022 for a period of ten years for the provision of services by ADNOC L&S in relation to the maintenance of oil tankers berths and ADNOC Onshore's facilities, such as maintenance of berths, channel buoys and beacons, sea line marker buoys, and other services required for the operation of the Jebel Dhanna and Fujairah terminals (the "**ADNOC Onshore Services Agreement**"). Under the terms of this agreement, ADNOC L&S provides at its sole cost and expense all supervision, labour, equipment, materials and consumables (excluding duel and other non-routine spares required for performance of the agreed services), and is solely responsible for the safety, security, health, and welfare or personnel. ADNOC L&S has agreed to provide messing, accommodation and other services for the person.

Subscription and Transfer Agreement

The Company and ADNOC entered into the Subscription and Transfer Agreement whereby ADNOC became the sole shareholder of the Company which, in turn, holds 100% of the share capital of ADNOC L&S. In accordance with the ADGM Companies Regulations, including sections 555-559 thereof, various formalities (such as a valuation exercise and passing of a shareholder resolution) were completed before the Subscription and Transfer Agreement was entered into.

ADNOC Trading Chartering Cooperation Agreements

Abu Dhabi Marine Operations and Services Company LLC, Abu Dhabi Marine International Chartering Holdings RSC Limited and ADNOC Trading LTF ("**ADNOC Trading**") entered into

a chartering cooperation agreement (the "**Chartering Cooperation Agreement**") dated 15 December 2021 for the provision of chartering services for a total term of two years to be automatically extended for a further two years upon expiry of the initial term and up until the agreement has been renewed five times. The scope of the agreement shall cover non-exclusively voyage charters, time charters, trip-time charters, contracts of affreightment, through transport, and any other type of charter or related contract that may be required by ADNOC Trading throughout the validity of the agreement. The fees have been agreed ahead of the execution of the contract and shall not be amended for the term.

Abu Dhabi Marine International Chartering Holdings RSC Limited and ADNOC Trading subsequently entered into a second agreement dated 15 December 2021 which provides for a mechanism by which the parties may enter into charters of vessels by way of confirmation notice. The agreement is set to continuate until (i) it is terminated in accordance with the termination provisions; or (ii) the Chartering Cooperation Agreement is terminated or expires, whichever occurs first.

ADNOC Global Trading Chartering Cooperation Agreement

Abu Dhabi Marine Operations and Services Company LLC, Abu Dhabi Marine International Chartering Holdings RSC Limited, ADNOC Global Trading Ltd ("**AGT AD**") and ADNOC Global Trading Asia Pte. Ltd ("**AGT Asia**") entered into an agreement dated 29 April 2022 by which AGT Asia agreed to cooperate with Abu Dhabi Marine Operations and Services Company LLC to ensure fulfilment of chartering requirements. The agreement has an initial term of two years from the date of entering into the agreement and is subject to automatic renewable terms of two calendar years, with early termination permitted by any party in the event of change of control, provided that it is no later than three calendar months before the end of the initial term or the current renewal term. AGT AD may further terminate if: (i) Abu Dhabi Marine Operations and Services Company LLC makes any public offering or listing of its shares resulting in ADNOC no longer owning more than 50% of its shares; or (ii) any competitor or owner of a third party vessel obtains an ownership interest in Abu Dhabi Marine Operations and Services Company LLC or is the employer/is represented by a director on Abu Dhabi Marine Operations and Services Company LLC's board, whereas Abu Dhabi Marine Operations and Services Company LLC may terminate if any of its competitors obtains any new ownership interest in AGT AD. Abu Dhabi Marine Operations and Services Company LLC's fee is a fixed percentage of all commissions payable under all voyage charterparties of third party vessels (as applicable) up to a maximum annual limit. The time charter fee is a fixed percentage of all commissions payable under all charterparties of third party vessels not subject to an optimisation agreement.

NGSCO Management Agreement

Abu Dhabi Marine Operations and Services Company LLC entered into a management agreement with National Gas Shipping Company Ltd ("**NGSCO**"), which is majority owned by ADNOC on 8 March 2018 (effective 1 January 2018). The agreement is extendable on a year-to-year basis and may be terminated by either party providing a six months' written notice to the other.

Under the terms of this agreement, Abu Dhabi Marine Operations and Services Company LLC represents NGSCO in dealings with third parties and provide services in connection with the management and administration of its business. The fees are fixed and annual, payable in

monthly instalments and to be updated yearly following budget estimations for working capital requirements for management fees and chartered vessels.

Abu Dhabi Marine Operations and Services Company LLC shall not be liable to NGSCO for any loss unless the loss has resulted from: (i) the gross negligence or wilful default of Abu Dhabi Marine Operations and Services Company LLC, the submanager or their respective employees, agents or contractors; or (ii) a breach of the agreement by Abu Dhabi Marine Operations and Services Company LLC, in which case Abu Dhabi Marine Operations and Services Company LLC's liability is capped at ten times Abu Dhabi Marine Operations and Services Company LLC's fees. All decisions of a material nature relating to NGSCO or any vessel chartered by NGSCO are reserved to NGSCO.

Master Fixture Recap Agreement

Abu Dhabi Gas Liquefication Company Limited, Abu Dhabi Marine International Chartering Holdings RSC Limited ("**ADNOC Chartering**") and Abu Dhabi Marine Operations and Services Company LLC entered into a master fixture recap agreement dated 13 March 2023 which sets out general terms on which idle ADNOC LNG carriers can be chartered to third parties through ADNOC Chartering. No fees are payable under this agreement. The agreement may be terminated by either party providing a 20 days' written notice.

AW Shipping Limited Management Agreement

Abu Dhabi Marine Operations and Services Company LLC has entered into certain agreements with AW Shipping Limited: (i) a ship management agreement with AW Shipping Limited for the provision of services in relation to the Delma vessel, including technical, crew, and commercial management (the "**Ship Management Agreement**"); and (ii) a service level agreement with AW Shipping Limited whereby we represent AW Shipping Limited in its dealings with third parties and for the provision of certain commercial and administrative assistance (the "**Service Level Agreement**"). Fees for the services under the scope of the Ship Management Agreement are to be paid in equal monthly instalments, with certain expenses being changed at cost. Fees under the Service Level Agreement are of a fixed nominal amount per annum.

The Ship Management Agreement was signed on 27 July 2021 for a term of at least ten years and up until one of the parties gives timely notice or until the agreement is otherwise terminated. The Ship Management Agreement is deemed terminated if the vessel is sold, the vessel becomes a total loss, the vessel is declared as compromised or missing, or the bareboat charter comes to an end. The Service Level Agreement was signed 4 June 2020, effective 23 August 2021, for a minimum of ten years after which the term shall automatically extend yearly unless notice of intent to terminate is given by either party.

Under the Ship Management Agreement, Abu Dhabi Marine Operations and Services Company LLC is not liable to AW Shipping Limited for any loss, damage, delay etc. in the course of providing management services unless it is proved to have resulted solely from the negligence, gross negligence or wilful default of Abu Dhabi Marine Operations and Services Company LLC or its employees, agents or sub-contractors, in which case (save where the loss has resulted from an intentional or reckless personal act or omission). Abu Dhabi Marine Operations and Services Company LLC's liability for each incident shall not exceed a total of ten times the annual management fee. AW Shipping Limited indemnifies Abu Dhabi Marine

Operations and Services Company LLC against all liabilities and claims, except to the extent Abu Dhabi Marine Operations and Services Company LLC is liable under the terms of the agreement. Under the Service Level Agreement, Abu Dhabi Marine Operations and Services Company LLC's liability to AW Shipping Limited for loss arising from its gross negligence or wilful default or breach of the agreement shall not exceed USD 25,000 for each incident or series of incidents.

Corporate Services Agreement

Following the Listing, the Company intends to enter into a corporate services agreement with ADNOC which is expected to be in 2024. If executed, the agreement will set out the terms, conditions and pricing for ADNOC to provide certain corporate services to the Company, and if requested by the Company, certain additional services to the Company. The corporate services are expected to include (among other things): corporate governance, treasury and accounting, human resources, business support services, procurement, communication services, HSE services, legal services, insurance services, and IT services.

Brand Usage Agreement

On or prior to the Listing, the Company intends to enter into a brand usage agreement with ADNOC pursuant to which ADNOC intends to grant the Company a limited, revocable, non-transferable, non-sublicensable, non-exclusive licence to use certain of ADNOC's trademarks, logo and materials in Africa, Asia, Australia, Europe, North America, South America and any other countries or territories as may be agreed to in writing from time to time, in connection with all operations and any other activities that the Company is currently engaged in. The licence expected to be granted under the brand usage agreement is royalty-free for the first five years. The brand usage agreement is expected to continue in force unless terminated by ADNOC on twelve (12) months' prior written notice to the Company.

Information Sharing Agreement

Prior to or shortly after the Listing, the Company will enter into an information sharing agreement (the "**Information Sharing Agreement**") with ADNOC, which sets out guidelines on matters relating to the sharing of material non-public information and insider trading. Pursuant to the Information Sharing Agreement, the Company agrees to provide ADNOC with such information as regards the Group as ADNOC may require including, amongst other things, for the purposes of: (i) satisfying the requirements of law, regulations or the rules and regulations of any regulatory body or international exchange to which it is subject and any obligation relating thereto; (ii) financial and/or non-financial reporting obligations, including producing and verifying the consolidated group accounts of the ADNOC group and any related report or obligation; and (iii) providing information as required by governmental authorities. The Information Sharing Agreement will contain certain obligations on both parties to ensure that they are in compliance with ADX and SCA rules, in particular, regarding the protection of inside information. The Information Sharing Agreement will be governed by the laws of Abu Dhabi and the Federal Laws of the UAE as applied in Abu Dhabi. The Information Sharing Agreement may be terminated by ADNOC or upon the earlier of (i) the Company's Shares ceasing to be listed on the ADX; and (ii) ADNOC ceasing to control the Company.

Fourth Section: Other Details

1. Mechanism for adopting a governance system in the Company

The Board of Directors (the "**Board**") is committed to standards of corporate governance that are in line with international best practice.

In this respect, the ADX listing and disclosure rules provide that the ADX may apply the Corporate Governance Guide for Joint Stock Companies issued by the SCA pursuant to Decision No. 3/RM of 2020 (as amended) (the "**Governance Rules**") on all entities listed on the ADX.

2. The Company's proposed management structure

Company's Board structure

The Board consists of seven members, Directors Non-Executive Directors, and independent Directors as set out below:

Name	Year of birth	Position	Year appointed
H.E. Dr. Sultan Ahmed Sultan Essa Aljaber*	1973	Chairperson (Independent Member)	2023
Khaled Salmeen Anber Salmeen*	1973	Director (Independent Member)	2023
Khaled Mohamed Abdulla Alalkeem Alzaabi*	1985	Director (Independent Member)	2023
Dr. Abdulla Humaid Saif Aljarwan Alshamsi*	1985	Director (Independent Member)	2023
Tayba Abdulrahim Mohamed Alhashmi*	1977	Director (Independent Member)	2023
Khalid Abdulhaq Abdulla Barkat Abdulsamad*	1976	Director (Independent Member)	2023
Mashal Saoud Mohamed Alkindi Alseiari*	1984	Director (Independent Member)	2023

* Denotes that the Director is considered independent under the Governance Rules.

The business address of each of the Directors is West Corniche Street, PO Box 898, Abu Dhabi, United Arab Emirates.

The management expertise and experience of each of the Directors is set out below:

H.E. Dr. Sultan Ahmed Sultan Essa Aljaber − *Chairperson*

H.E. Dr Al Jaber has over twenty years' experience across the energy spectrum and has played a leading role in the country's energy diversification. H.E. Dr. Sultan Ahmed Al Jaber has served as Group Chief Executive Officer and Managing Director of ADNOC since February 2016. Through this transformation ADNOC has evolved into an advanced, progressive energy company. Dr Sultan has leveraged technology to maintain and build on ADNOC's position as one of the most carbon efficient oil and gas producers. Prior to taking on the leadership position at ADNOC, he served as Chief Executive Officer of the Energy platform, of Mubadala Development Company and founding CEO of Masdar, Abu Dhabi's leading renewable energy company of which he is currently Chairman. H.E. Dr. Sultan Ahmed Al Jaber is a member of the UAE Federal Cabinet and the UAE's special envoy for climate change. From 2013 until July 2020, he served as the UAE Minister of State and in July 2020, was named the Minister of Industry and Advanced Technology. In July 2020, he was appointed Chairman of Emirates Development Bank, a key partner in providing financial services for the sustainable economic and social development of the UAE. In November 2020, he was appointed as the UAE's special envoy for climate, a role he previously served from 2010 to 2016. In December 2020, H.E. Dr. Sultan Ahmed Al Jaber was appointed as a board member to the Abu Dhabi Supreme Council for Financial and Economic Affairs. He is an active member of the Anwar Gargash Diplomatic Academy Board of Trustees, and Chairman of the Board of Trustees of the Mohamed bin Zayed University of Artificial Intelligence and holds a Ph.D. in Business and Economics from Coventry University, UK, an MBA from California State University, USA, and a BSc in Chemical and Petroleum Engineering from the University of Southern California, USA. H.E. Dr. Sultan Ahmed Al Jaber holds a number of positions on the boards of directors of several public joint stock companies in the state.

Khaled Salmeen Anber Salmeen − *Director*

Mr. Salmeen is the Executive Director of Downstream Industry, Marketing and Trading ("DM&T") at ADNOC. In this role, he leads ADNOC's Trading and Supply functions, as well as its Downstream and Industry operations. This includes the growth of its existing refining and petrochemicals business, development of TA'ZIZ, a globally competitive industrial eco-system in Ruwais that aims to support Abu Dhabi and the UAE's industrial growth ambitions, and ADNOC's evaluation of new business opportunities within Hydrogen. Mr. Salmeen is also responsible for ADNOC's strategic overseas storage and enhancing the company's global presence through ADNOC Marketing International. Previously, he served as Chief Executive Officer of Khalifa Industrial Zone Abu Dhabi, Chairman of Abu Dhabi Terminals, and Chief Operating Officer of Tabreed (National Central Cooling Company). He also led ADNOC's transformation efforts in the capacity of Program Management Office Director from 2016 to 2017, during a period of significant transformation for the ADNOC group.

In addition to his role as Executive Director of Downstream Industry, Marketing and Trading at ADNOC, Mr. Salmeen is a member of the board of directors of several companies including ADNOC Gas plc, Borouge plc, Fertiglobe plc, Abu Dhabi Marine Business and Services Company PJSC, Abu Dhabi Gas.

Industries Limited (ADNOC Gas Processing), ALNG, ADNOC Global Trading and Abu Dhabi National Oil Company for Distribution PJSC. He is also the chairman of a number of companies including Borouge PTE, ADNOC Trading, Abu Dhabi Chemical Derivatives Company RSC LTD

(TA'ZIZ), Abu Dhabi Gas Distribution Company – Sole Proprietorship LLC (ADNOC City Gas), and National Gas Shipping Company Limited. He holds a Bachelor of Science Degree in Engineering from the Colorado School of Mines in the United States and an Executive MBA from INSEAD.

Khaled Mohamed Abdulla Alalkeem Alzaabi − *Director*

Mr. Khaled Mohamed Abdulla Alalkeem Alzaabi is currently appointed as Group Chief Financial Officer of ADNOC. Before this position, he served as Senior Vice President responsible for ADNOC Group financial planning, budgeting, management information reporting, and performance management for ADNOC Group. He led and ensured the execution of accounting and statutory reporting activities, acting as a centre of expertise, to provide sound financial forecasting, accounting and consolidated reporting that supports the realization of business objectives and ensures compliance.

Some of his significant achievements are as follows. Mr. Khaled Mohamed Abdulla Alalkeem Alzaabi (i) established integrated business planning, governance framework, and processes, (ii) implemented efficiency and optimization programs, which focuses on identifying and delivering operational and financial levers to maximize value to shareholders, (iii) developed profit-centric reporting structure, including transfer pricing to transform cost-focused culture into a profit and returns-oriented business model, (iv) managed the implementation of unified finance operating model across ADNOC Group, (v) established a new Shared Services model that is expected to sustainably transform ADNOC's productivity and performance, raise customer service delivery levels, and unlock talent and employee opportunities, (vi) implemented ADNOC's in-house bank, ADNOC Group Treasury Services (AGTS), which serves as one of the large-scale in house of banks in the Middle East and Africa regions, (vii) executed several mega transactions such as the IPO of Borouge as the largest chemicals IPO in MENA, the IPO of ADNOC Gas as the largest-ever IPO in Abu Dhabi and completed several mergers & acquisitions, including the acquisition by ADNOC of a 24% stake in Masdar, a 25% stake in Borealis and the 100% takeover of ZakherMarine. Additionally, he serves as a member of the board on numerous ADNOC Group companies, such as ADNOC Trading, ADNOC Refining and Borouge.

He holds a Bachelor Degree in Finance from Deakin University, Australia.

Dr. Abdulla Humaid Saif Aljarwan Alshamsi − *Director*

Dr. Abdulla Al Jarwan is the acting Director of The Executive Office (TEO) Directorate at ADNOC, where he leads on providing strategic guidance and decision nmaking support for the ADNOC Group CEO and Executive Leadership Team (ELT). In this role, Dr. Abdulla oversees business-critical, CEO-directed projects and enables long-lasting, mutually beneficial business outcomes for the Group's stakeholders. Dr. Abdulla is also responsible for ADNOC's Communications & Corporate Social Responsibility (CSR) function, working closely with the ADNOC Group CEO and ELT to navigate complexity and drive forward ADNOC's corporate stewardship agenda.

Dr. Abdulla previously served as Senior Vice President (SVP) for Strategy, Portfolio & Assurance in ADNOC's Upstream Directorate where he oversaw Business Development, Strategic Planning, Portfolio Management, Business Assurance, Concession and Asset Management. During his tenure as SVP for Strategy, Portfolio & Assurance in ADNOC

Upstream, Dr. Abdulla successfully led the Accelerate 100X program, which is considered the most complex transformation in the history of ADNOC. Prior to his appointment as SVP, Dr. Abdulla held several senior positions with ADNOC Offshore.

Dr. Abdulla holds Bachelor and Master's degrees in Petroleum Engineering from Khalifa University and his Doctorate in Mergers and Acquisitions from the UAE University. He also completed a Business Program for Senior Leaders from IMD Business School, Switzerland and London Business School, in the United Kingdom.

Tayba Abdulrahim Mohamed Alhashmi − *Director*

Ms. Alhashmi is the Chief Executive Officer of ADNOC Offshore, one of the largest offshore energy producers in the world. She brings more than 20 years of industry experience across a range of technical disciplines and leadership positions. In her current role, she leads a team of 8,000 people and works with eight international partners to safely deliver around half of Abu Dhabi's oil and gas production, and sustainably grow the business to help meet the world's growing energy demand.

Ms. Alhashmi previously served as CEO of ADNOC Sour Gas, one of the world's largest sour gas producers from 2020 until 2023, where she established ADNOC Sour Gas as a competitive and reliable gas supplier by achieving industry-leading sustained plant availability at 99% that grew production from 1.28 to 1.45 billion standard cubic feet. From 2018 – 2020, Ms. Alhashmi was CEO of Al Yasat Petroleum Operations Company where she was the first female CEO appointed to lead an ADNOC operating company. From 2013 to 2018, Ms. Alhashmi held a series of leadership position in ADNOC's Upstream Directorate. As Senior Vice President Undeveloped Reservoirs, she unlocked reserves to in support of ADNOC's growth strategy and delivered the world's largest offshore sour gas project. As Senior Vice President Exploration, Ms. Alhashmi restructured ADNOC's development and exploration strategies. As Vice President Development, she was responsible for managing ADNOC Onshore's oil and gas portfolio.

Ms. Alhashmi is a member of several professional bodies, including the ADNOC Gender Balance Committee, Society of Petroleum Engineers, United Arab Emirates University and Etihad Water and Electricity. She is also a Board Member and the Audit Committee Chairman of ADNOC Onshore. Ms. Alhashmi holds a Bachelor degree in Chemical Engineering from the UAE University, Al Ain.

Khalid Abdulhaq Abdulla Barkat Abdulsamad − *Director*

Mr. Khalid Abdul Samad serves on the Board of Directors of the Company and is also the Senior Vice President of the production function in the Upstream directorate of ADNOC. He is tasked with governing the production operations of the ADNOC Upstream directorate and has been responsible for overseeing an increase in ADNOC's production capacity from 3.0 million barrels of oil per day in 2017 to 4.0 million barrels of oil per day in 2020. Prior to this, Mr. Samad has held key leadership roles across ADNOC Onshore value chain with responsibility over Engineering, Projects, Operations and Technical support to all user divisions within Onshore. Mr. Samad has also held roles as a Process Engineer for Onshore Bechtel and Gensis. Mr. Samad holds a Bachelor's Degree in Chemical Engineering from the United Arab Emirates University.

Mashal Saoud Mohamed Alkindi Alseiari − *Director*

Mashal Al-Kindi has been a part of the ADNOC Group for over 14 years in varying senior management positions, spanning ADNOC's Executive Office, Upstream and Downstream Industry, Trading & Marketing (DM&T) Directorates. Through his ADNOC tenure, Mashal gained exceptional expertise relating to major capital projects and portfolio management, governance, and corporate planning. He was also instrumental in establishing joint ventures (JVs) in several ADNOC group companies.

From early 2021 to January 2023, as Senior Vice President, Business Transformation, Excellence and Performance in the DM&T Directorate, he spearheaded corporate performance management and business transformation within ADNOC's natural gas, LNG, polyolefin, petrochemicals, distribution, industry, marketing and trading businesses across various ADNOC entities. In February 2023, Mashal joined TA'ZIZ (an ADNOC & ADQ joint venture) as Acting Chief Executive Officer where he leads the development of an industrial chemicals portfolio with 16 local and international partners in Al Ruwais Industrial City, Abu Dhabi, UAE.

Mashal holds a Bachelor of Science in Mechanical Engineering and a Master's of Project Management.

Senior Management

In addition to the members of the Board of Directors, the day-to-day management of our operations is conducted by our senior management team. The management expertise and experience of each of the senior management team is set out below.

Name	Year of birth	Position	Year appointed
Captain Abdulkareem Mubarak Ahmed Abdulla Almessabi	1974	Chief Executive Officer	2023
Nicholas Murray Gleeson	1971	Chief Financial Officer	2023
Ahmad Saeed Obaid Bin Taresh Aldhaheri	1973	Senior Vice President, Shipping	2023
Captain Mohamed Ali Mousa Torki Al-Ali	1977	Senior Vice President, Integrated Logistics	2023
Vivek Kumar Seth	1965	Senior Vice President, Marine Services	2023
Justin Sawdon Stewart Murphy	1960	Senior Vice President, Strategy & Business Development	2023
Gordon Mackay Inkson	1974	General Counsel	2023

The management expertise and experience of each of the senior management team is set out

below:

Captain Abdulkareem Mubarak Ahmed Abdulla Almessabi – *Chief Executive Officer*

Captain Abdulkareem Al Masabi leads ADNOC L&S. Before assuming his current role in April 2018, Captain Abdulkareem Al Masabi was the Executive Vice President of the Ports Unit at Abu Dhabi Ports and the Chairman of Abu Dhabi Terminals. He was responsible for all of Abu Dhabi Ports' day-to-day operational activities and provided operational leadership for the ports' growth. His work there led to Khalifa Port being named Port of the Year in 2014 and 2015. Prior to this role, Captain Abdulkareem Al Masabi was Vice President at Khalifa Port and was directly responsible for operational readiness during the port construction phase. He joined Abu Dhabi Ports as Senior Operations Manager in 2009 with over 11 years' experience in the shipping and ports industry.

Before joining Abu Dhabi Ports, Captain Abdulkareem Al Masabi was fleet operations manager with the National Gas Shipping Company, an ADNOC Group company. Prior to that, he was a senior marine superintendent with Gulf Energy Maritime. Between 1995 and 2006, he served with NGSCO, where he rose through the ranks on board the company's LNG/Oil tankers, from his cadetship program to master/chief officer. Captain Abdulkareem Al Masabi was awarded for his achievements and leadership in 2018 with the Executive Council Chairman Medal as the best Executive Director in Abu Dhabi Government as part of the Abu Dhabi Government Excellence awards. He is also the Chairman of the Emirate Shipping Association, an organization with the objective of positioning the UAE as the maritime hub for the region.

Captain Abdulkareem Al Masabi graduated from South Tyneside College in the United Kingdom as a Master Mariner. He also holds an Executive Master's in Business Administration and Management.

Nicholas Murray Gleeson – *Chief Financial Officer*

Mr. Gleeson is currently serving as the Chief Financial Officer of the Company. Mr. Gleeson has a broad range of experience in energy logistics and strategic leadership along with experience in initial public offerings, mergers, acquisitions and disposals. Prior to his current role, he was the Group Chief Financial Officer of BW Group, one of the world's leading maritime groups in the tanker, gas and offshore segment, operating a fleet of over 100 owned, part-owned or controlled vessels, and the Chief Executive Officer of BW Groups' subsidiary, BW LPG, where he was responsible for overseeing the successful listing of BW LPG's shares on the Oslo Stock Exchange. Mr. Gleeson is an Australian Chartered Accountant, a graduate of the Australian Institute of Company Directors, holds an MBA from INSEAD and a Bachelor of Commerce degree from the Australian National University.

Ahmad Saeed Obaid Bin Taresh Aldhaheri – *Senior Vice President, Shipping*

Mr. Ahmed Al Dhaheri is the Senior Vice President of Commercial & Operations (Shipping) of the Company and has been working with the Company's subsidiaries for the last 25 years in various management positions. In his current role, Mr. Al Dhaheri looks after the Company's core business of oil, refined petroleum products, dry bulk Sulphur, Polyethylene and Liquefied gas transportation by owned tonnage, including, but not limited to, tankers, bulkers, containers, chemical tankers and gas carriers. Mr. Al Dhaheri holds an Executive MBA degree

in Strategy & Planning from Higher Colleges of Technologies (HCT), Abu Dhabi, United Arab Emirates and is also a board member of the UAE Shipping Association (UAESA).

Captain Mohamed Ali Mousa Torki Al-Ali – *Senior Vice President, Integrated Logistics*

Captain Mohamed Al Ali is the Senior Vice President Offshore Logistics at ADNOC L&S. In his current role at ADNOC L&S, he oversees the commercial logistics and operational activities of the ports, offshore supply and support fleet to provide end-to-end offshore logistics solution to the customers including warehousing, material handling, port and offshore supply operations. Captain Al Ali successfully led the implementation of offshore Integrated Logistics Service Platform, one of the largest in the world providing substantial efficiencies to UAE offshore industry.

Captain Mohamed Al Ali has over 27 years of successful experience in oil and gas and shipping. He started his career as a deck cadet with NGSCO, a wholly-owned subsidiary of ADNOC in 1996, and rose to become the first UAE National Master on an LNG carrier in 2008. While there, he also spearheaded a number of joint energy efficiency contributing to a 23% energy and carbon footprint reduction and the introduction of condition based maintenance and smart ship solutions, achieving Energy Management Standard ISO 50001 and Asset Management Standard 55001.

Captain Mohamed Al Ali was the Senior Vice President Ship Management at ADNOC L&S since 2013. In his previous role at ADNOC L&S, he was overseeing the operations of ADNOC L&S' shipping fleet, including LNG and LPG carriers and oil tankers as well as chemical, sulphur and dry bulk carriers and containers.

Captain Mohamed Al Ali dedicated his career to support the UAE National Marine workforce and ensuring building a remarkable National Marine Foundation for the country.

Captain Mohamed Al Ali holds an Executive Master Degree in Business Administration from Zayed University and a Bachelor's Degree in Maritime Business and Management from John Moores University in Liverpool, United Kingdom.

Vivek Kumar Seth – *Senior Vice President, Marine Services*

Mr. Seth is currently serving as the Senior Vice President of Marine Services of the Company and the Company's subsidiary Abu Dhabi Marine Business Services Company PJSC. He has more than 32 years of global management, commercial and operations experience in aligning corporate vision with strategic transformation. He has worked across deep sea shipping, offshore maritime segments globally. Prior to his current role, he was the Managing Director of Arga Energy Consulting focusing on marine logistics strategy and for over four years he was Chief Executive Officer at Milaha Offshore Services in Qatar delivering growth and business transformation.

Justin Sawdon Stewart Murphy – *Senior Vice President, Strategy & Business Development*

Mr. Murphy is the Senior Vice President of Strategy & Business Development of the Company. He has more than 30 years' experience in the maritime and logistics industry across the globe. His career includes various roles in the USA, Canada, Singapore, London

and Abu Dhabi serving in a range of roles including as a board director and also as CEO in different organisations. Mr. Murphy has an MBA from Hull University.

Gordon Mackay Inkson – *General Counsel*

Mr. Gordon Inkson is the General Counsel of the Company and ADNOC L&S. Prior to joining ADNOC L&S in 2019 as Associate General Counsel, Mr. Inkson was a senior associate at leading international law firm, Holman Fenwick Willan, where he focused his practice on the offshore and shipping sectors working on projects relating to the sale and purchase of vessels, newbuilding contracts, joint ventures and company mergers and acquisitions. Mr. Inkson holds a Bachelors of Law degree from the University of Aberdeen and is a member of the Law Society of Scotland.

Company's Organization Chart

Please refer to Annex 5.

Employment positions of members of the senior executive in the Company's subsidiaries and other public joint stock companies

Name	Position
Captain Mohamed Ali Mousa Torki Al-Ali – *Senior Vice President, Integrated Logistics*	• SVP Operations, Offshore Logistics- Abu Dhabi Marine Business and Services Company PJSC
Nicholas Murray Gleeson – *Chief Financial Officer*	• Chief Financial Officer- Abu Dhabi Marine Business and Services Company PJSC
Captain Abdulkareem Mubarak Ahmed Abdulla Almessabi – *Chief Executive Officer*	• Chief Executive Officer of Abu Dhabi Marine Business and Services Company PJSC
Ahmad Saeed Obaid Bin Taresh Aldhaheri – *Senior Vice President, Shipping*	• Senior Vice President, Commercial & Operations (Shipping) of Abu Dhabi Marine Business and Services Company PJSC
Gordon Mackay Inkson – *General Counsel*	• **General Counsel**, Abu Dhabi Marine Business and Services Company PJSC
Justin Sawdon Stewart Murphy – *Senior Vice President, Strategy & Business Development*	• Senior Vice President, Strategy & Business Development - Abu Dhabi Marine Business and Services Company PJSC.

Employment positions of members of the board of directors in the Company's subsidiaries and other public joint stock companies in UAE:

Name	Position
Khaled Mohamed Abdulla Alalkeem Alzaabi − *Director*	• Group Chief Financial Officer at Abu Dhabi National Oil Company (ADNOC) P.J.S.C
Dr. Abdulla Humaid Saif Aljarwan Alshamsi − Director	• Acting Director of the Executive Office (TEO) Directorate at Abu Dhabi National Oil Company (ADNOC) P.J.S.C.
Khaled Salmeen Anber Salmeen	• Executive Director of Downstream Industry, Marketing and Trading ("DM&T") at Abu Dhabi National Oil Company (ADNOC) P.J.S.C

Conditions of eligibility, election, removal and the Board of the Company

Board members will be elected by the shareholders in a general meeting. The Board of Directors was appointed by the Selling Shareholder for a period of 3 years commencing on the date of Listing.

If a position becomes vacant during the term of the Board, then a replacement may be appointed in accordance with the provisions of the Company's Articles of Association. Any such replacement shall serve the remaining term of the director who vacated her or his or her position.

Director's competencies and responsibilities:

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision-making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the general meeting of Shareholders by law or by the Company's Articles of Association.

The key responsibilities of the Board include:

- determining the Company's strategy, budget and structure;
- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;
- proposing the issuance of new ordinary shares and any restructuring of the Company;
- appointing executive management;
- determining the remuneration policies of the Company and ensuring the independence

of Directors and that potential conflicts of interest are managed; and

- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

3. Board Committees

The Board will establish three permanent committees – an Audit Committee, a Nomination and Remuneration Committee (each of which will be subject to the composition requirements of the Governance Rules), and an Executive Committee. If the need should arise, and subject to the Articles of Association, the Board may set up additional committees as appropriate. In accordance with the Governance Rules, the Chairperson is not permitted to be a member of either the Audit Committee or the Nomination and Remuneration Committee.

Our Articles of Association state that the composition of the Audit Committee, the Nomiantion and Remuneration Committee, and the Executive Committee will be specified in the relevant terms of reference adopted by the Board from time to time.

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

Audit Committee

The Audit Committee will assist the Board in discharging its responsibilities relating to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of our financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the relationship with our external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of our internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations of the UAE, the ADGM, the SCA and the ADX.

The Audit Committee terms of reference to be adopted prior to Listing requires that the Audit Committee must comprise at least five members. At least three members of the Audit Committee must be Non-Executive directors of whom at least two must be independent in each case within the meaning of those terms in the Governance Regulations. In addition, at least one member is required to have practical audit, finance and accounting experience. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board members from time to time. The members of the Audit Committee will be appointed in accordance with the relevant terms of reference. The Audit Committee will meet at least not less than four times per year. All members of the Audit Committee will be required to comply with the Group's information sharing protocol which sets out the guidelines on matters relating to the sharing of material non-public information and insider trading.

The Audit Committee will take appropriate steps to ensure that the Company's external auditors are independent of the Company as required by applicable law.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee will assist the Board in setting and overseeing the nomination and remuneration policies in respect of the Board, any committees of the Board and senior management. In such capacity, it is responsible for evaluating certain matters relating to the Company's executive management, evaluating the balance of skills, knowledge and experience of the Board and committees of the Board and, in particular, monitoring the independent status of the independent Directors. In addition, and subject to the Articles of Association, the Nomination and Remuneration Committee will assist the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration and decisions on certain of the Group's human capital policies, setting the over-arching principles, parameters and governance framework of our remuneration policy and overseeing remuneration and benefits packages.

The Board will delegate to the Nomination and Remuneration Committee decisions in relation to the appointment, removal and replacement of personnel reporting directly to the Company's chief executive officer, senior vice-presidents of the Group and management personnel reporting directly to the Group's senior vice-presidents.

The Nomination and Remuneration Committee Terms of Reference to be adopted prior to Listing will require that the Nomination and Remuneration Committee must comprise four members. At least three of the members of the Nomination and Remuneration Committee will need to be Non-Executive Directors, (of whom at least two will need to be independent), in each case within the meaning of those terms in the Governance Rules. The chairperson of the Nomination and Remuneration Committee must be chosen from amongst the independent committee members. The members of the Nomination and Remuneration Committee will be appointed in accordance with the Nomination and Remuneration Committee Terms of Reference. The Nomination and Remuneration Committee will meet at least two times per year, and otherwise from time to time based on the Company's requirements. All members of the Nomination and Remuneration Committee will be required to comply with the Group's information sharing protocol which sets out guidelines on matters relating to the sharing of material non-public information and insider trading.

Executive Committee

The Executive Committee will assist the Board in discharging its responsibilities, including in relation to the Company's commercial performance. Prior to Listing, the Board will delegate to the Executive Committee approval of related party transactions. The Executive Committee's role will also include the approval of any matters delegated to it under the Company's delegation of authority matrix, and the review and, if requested by the Board, the endorsement of matters relating to the Company's commercial, financial and operational performance, function and planning. The Executive Committee will also receive information and reporting relating to the business and operations of the Group. All members of the Executive Committee will be required to comply with the Company's insider trading policy which sets out guidelines on matters relating to the sharing of material non-public information and insider trading.

The Executive Committee Terms of Reference to be adopted prior to Listing will require that the Executive Committee must comprise six members. The Executive Committee will meet every four to six weeks.

Board Committees Composition

The table below sets out the members of each of the committees of the Board as at Listing:

Committee Member	Executive Committee
Khaled Salmeen Anber Salmeen (Chairperson)	✓
Khaled Mohamed Abdulla Alalkeem Alzaabi	✓
Khalid Abdulhaq Abdulla Barkat Abdulsamad	✓
Fatema Al Nuami	✓
Ayman Dabash	✓
Jasim M. Saeed	✓
Klaus Froehlich	✓

Committee Member	Audit Committee
Khaled Mohamed Abdulla Alalkeem Alzaabi (Chairperson)	✓
Tayba Abdulrahim Mohamed Alhashmi	✓
Mashal Saoud Mohamed Alkindi Alseiari	✓
Wafa Al-Ali	✓
Omar Al Farsi	✓
Ann Mazzucco	✓

Committee Member	Nomination and Remuneration Committee
Tayba Abdulrahim Mohamed Alhashmi (Chairperson)	✓
Mashal Saoud Mohamed Alkindi Alseiari	✓
Dr. Abdulla Humaid Saif Aljarwan Alshamsi	✓
Ayesha Mohamed Al Hammadi	✓
Nasser Omair Al Muhairi	✓

As at Listing, the chairperson of the Nomination and Remuneration Committee shall be Tayba Abdulrahim Mohamed Alhashmi the chairperson of the Executive Committee shall be Khaled Salmeen Anber Salmeen, and the chairperson of the Audit Committee shall be Khaled Mohamed Abdulla Alalkeem Alzaabi.

4. Legal matters

The following is a summary of the legal matters that will apply to the Company following its Listing. The legal matters listed below must be read in light of the provisions of the Company's Articles of Association (which are set out in Annex 2 of this Prospectus).

- **Articles of Association**

  The Company's Articles of Association and the Companies Regulations describe the rights and obligations associated with the ownership of the Shares in detail. The full text of the Articles of Association of the Company is annexed to the Prospectus.

- **Attending General Meeting and voting rights**

  Each Shareholder shall have the right to attend the General Meeting and shall have a number of votes equal to the number of their Shares - for more details please see the Articles of Association of the Company.

- **Share register**

  Upon listing on the ADX, the Shares will be dematerialized and the share register will be maintained by the ADX.

- **Financial information**

  A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

  The financial year of the Company will start on the 1st of January and end on 31st of December of each year.

- **Dividends and liquidation proceeds**

  The Company shall pay dividends on Shares in compliance with the relevant laws and regulations applicable to the Company. Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with the Company's Articles of Association and applicable laws and regulations in the ADGM.

- **General Meeting**

  An annual general meeting shall be held in accordance with the Companies Regulations, Articles of Association of the Company and the Governance Rules.

- **Liability of the Board**

  The members of the Board owe general duties to the Company in accordance with the Companies Regulations, Articles of Association of the Company and the Governance Rules (including exercising reasonable care, skill and diligence and acting to promote the

success of the Company).

- **Appointment of the Chairperson and the Powers of the Chairperson**

  H.E. Dr. Sultan Ahmed Sultan Essa Aljaber is the chairman of the Board. The chairman of the Board chairs the Board meetings, and in the absence of the chairman, the vice-chairman shall fill the role.

- **Corporate Governance**

  Pursuant to the ADX listing rules, ADX has the authority to apply the governance rules applicable to financial free zone companies such as the Company that list securities on ADX.

5. Supervision and Regulation

The Company is a public company limited by shares incorporated in the ADGM. The ADGM is a financial free zone within the meaning of UAE Federal Law No. 8 of 2004 (the "**Financial Free Zones Law**") and was established pursuant to UAE Federal Decree No. 15 of 2013. As a company incorporated in the ADGM, and in accordance with the Financial Free Zones Law, the Company is not subject to UAE federal civil and commercial laws. In particular, and without limitation, the Company is not subject to the provisions of the UAE Commercial Companies Law nor a variety of other legislation which applies to companies incorporated 'onshore' in the UAE. Instead, the Company is governed by applicable laws and regulations in the ADGM including the Companies Regulations.

In accordance with the ADGM legal framework applicable to public companies such as the Company, its primary constitutional document is its Articles of Association. Apart from various matters governed by the Companies Regulations and other ADGM legislation, the principal corporate governance and disclosure and transparency rules applicable to the Company are set out in the Governance Rules, the provisions of the Chairman of Authority's Board of Directors' Decision no. 3 of 2000 concerning the regulations as to disclosure and transparency and in the Articles of Association and related documents (such as charters, policies and procedures adopted by the Board of Directors from time to time). The ADGM Board of Directors and, in certain circumstances, the ADGM Registration Authority has the power and authority to investigate violations of the Companies Regulations, including if it appears to it that there are circumstances suggesting that an ADGM company's affairs are being or have been conducted in a manner which is unfairly prejudicial to some part of its members, and in certain cases to refer such violations to ADGM courts. Shareholders in ADGM companies may also directly seek injunctions from ADGM courts against acts in violation of the Companies Regulations or constitutional documents and can seek to recover damages for such violations from ADGM companies and their directors.

Pursuant to the ADX listing rules, ADX has the authority to apply the governance rules applicable to financial free zone companies such as the Company that list securities on ADX.

Investors should familiarise themselves with applicable ADGM laws and regulations, and the Company's Articles of Association annexed to the Prospectus.

6. ADGM No Objection

The ADGM Registration Authority has issued a certificate of no objection to the Listing and the Offering in accordance with Article 33 of SCA Decision No. 11 of 2016 concerning the Regulation of Offering and Issuing Shares in Public Joint Stock Companies (as amended by the SCA Decision No. 25/RM/2020).

7. Independent Auditors

PricewaterhouseCoopers (Abu Dhabi Branch) undertook the task of auditing the ADNOC L&S consolidated financial statements as at and for the years ended 31 December 2022 and 2021.

PricewaterhouseCoopers (Abu Dhabi Branch)
Al Khatem Tower, Level 25
Abu Dhabi Global Market
P.O. Box 45263
Abu Dhabi, UAE

8. Details of any employee ownership scheme

Not applicable.

Annex 1 – Financial Statements

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.

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

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

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2023 (Unaudited)

	Notes	*(Unaudited) 31 March 2023 USD'000*	*(Audited) 31 December 2022 USD'000*
ASSETS			
Non-current assets			
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	**14,622**	15,474
Total non-current assets		**3,590,068**	3,551,129
Current assets			
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		**333,333**	164,933
Total current assets		**1,138,833**	957,331
TOTAL ASSETS		**4,728,901**	4,508,460
EQUITY AND LIABILITIES			
Equity			
Share capital	13	**2,529,779**	272,294
General reserve		**103,226**	103,226
Retained earnings		**1,212,214**	1,067,285
Shareholder contribution		**149,920**	357,485
Total equity		**3,995,139**	1,800,290
Non-current liabilities			
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		**31,193**	31,464
Total non-current liabilities		**133,379**	2,107,693
Current liabilities			
Trade and other payables	14	**458,957**	462,899
Lease liabilities	7	**9,239**	9,768
Due to related parties	15	**132,187**	127,810
Total current liabilities		**600,383**	600,477
TOTAL LIABILITIES		**733,762**	2,708,170
TOTAL EQUITY AND LIABILITIES		**4,728,901**	4,508,460

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.

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

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

* 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 CHANGES IN EQUITY
For the three months ended 31 March 2023 (Unaudited)

	Share capital USD'000	*General reserve USD'000*	*Retained earnings USD'000*	*Shareholder contribution USD'000*	*Total 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)*	**272,294**	**77,147**	**838,392**	**357,485**	**1,545,318**
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	**2,529,779**	**103,226**	**1,212,214**	**149,920**	**3,995,139**

* 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)

	Notes	***Three months ended 31 March 2023*** ***USD'000***	*Three months ended 31 March 2022 USD'000 (Restated)**
OPERATING ACTIVITIES			
Profit for the period		**144,929**	16,239
Adjustments for:			
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
Working capital adjustments:			
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)
Cash flows from operating activities		**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)**	-
Net cash generated from operating activities		**216,825**	(38,707)
INVESTING ACTIVITIES			
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
Net cash used in investing activities		**(42,162)**	(168,547)
FINANCING ACTIVITIES			
Payments of lease liabilities	7	**(6,263)**	(6,776)
Net cash used in financing activities		**(6,263)**	(6,776)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		**168,400**	(214,030)
Cash and cash equivalents at beginning of the period		**164,933**	368,447
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD		**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.

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.

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*
Direct subsidiaries			
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%
Indirect subsidiaries			
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%

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*
Indirect subsidiaries (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%

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*
Indirect subsidiaries (continued)			
Premier Marine Services W.L.L	Qatar	**100%**	100%
Volo Travel and Tourism (Sole Proprietorship) L.L.C	UAE	**100%**	100%
Lextus 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%
Joint venture			
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.

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.*

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.

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.

	Segments	*(Unaudited) Three months ended 31 March 2023 USD'000*	*(Unaudited) Three months ended 31 March 2022 USD'000 (Restated)*
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
		592,177	312,957

4 FINANCE INCOME

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

5 FINANCE COSTS

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

6 PROPERTY, PLANT AND EQUIPMENT

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

7 RIGHT-OF-USE ASSETS & LEASE LIABILITIES

A. In respect of head-lease:

USD'000	*Land right -of-use asset*	*Vessels right -of-use asset*	*Total*
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)	**53,692**	**11,461**	**65,153**
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)	54,429	12,779	67,208

USD'000	*Land lease liability*	*Vessels lease liability*	*Total*
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)	**54,554**	**11,625**	**66,179**
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)	57,284	12,898	70,182

B. In respect of sub-lease:

USD'000	*Land sub-lease receivables*	*Vessels sub-lease receivables*	*Total*
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)	**12,289**	**5,806**	**18,095**
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)	12,623	6,762	19,385

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

B. In respect of sub-lease (continued)

USD'000	*Land sub -lease liability*	*Vessel sub- lease liability*	*Total*
As at 1 January 2023 /(Audited)	2,465	6,390	8,855
Interest expense	38	53	91
Payments	(277)	(944)	(1,221)
As at 31 March 2023 /(Unaudited)	**2,226**	**5,499**	**7,725**
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	(277)	(4,703)	(4,980)
As at 31 December 2022 /(Audited)	2,465	6,390	8,855

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

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

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

	(Unaudited) 31 March 2023 USD'000	*(Audited) 31 December 2022 USD'000*
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)	**7,725**	8,855
	73,904	79,037
Current portion	**9,239**	9,768
Non-current portion	**64,665**	69,269
	73,904	79,037

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

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

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

8 INTANGIBLE ASSETS

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
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	**28,029**	27,884
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	**14,495**	13,168
Net book value		
At 31 March / 31 December	**13,534**	14,716

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.

9 INVESTMENT PROPERTIES

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
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)	**34**	85,906
At 31 March / December	**155,382**	155,348
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	**56,852**	55,591
Net book value	**98,530**	99,757

10 INVESTMENT IN A JOINT VENTURE

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

	Percentage holding			
Name of joint venture	*2023*	*2022*	*Country of incorporation*	*Principal activity*
AW Shipping Limited	50%	50%	UAE	Shipping services

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

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
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	**3,732**	2,026
At 31 March / 31 December	**66,373**	62,641

10 INVESTMENT IN A JOINT VENTURE (continued)

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
Statement of financial position		
Total assets	**422,224**	410,923
Total liabilities	**(289,478)**	(285,640)
Net assets	**132,746**	125,283

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
Statement of comprehensive income		
Revenue	**18,652**	18,589
Expenses	**(11,188)**	(14,537)
Total comprehensive income	**7,464**	4,052

11 INVENTORIES

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
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	**405**	405
	105,237	115,535
Less: provision for slow-moving and obsolete inventories	**(9,965)**	(9,965)
	95,272	105,570

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

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

12 TRADE AND OTHER RECEIVABLES

	(Unaudited) 31-March-2023 USD'000	*(Audited) 31-Dec-2022 USD'000*
Trade receivables	**76,834**	125,715
Provision for expected credit losses	**(5,085)**	(8,918)
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	**5,732**	3,785
	224,601	216,963

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

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

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

	(Unaudited) 31-March-2023 USD'000	*(Audited) 31-Dec-2022 USD'000*
Advances to suppliers	**124,299**	124,252

13 SHARE CAPITAL

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

14 TRADE AND OTHER PAYABLES

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

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:

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

15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

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

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

* 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:

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

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.

15 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
Due to related parties (entities under common control):		
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)	**578**	-
	167,930	163,553

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

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

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:

	(Unaudited) 31-March-2023	*(Audited) 31-Dec-2022*
	USD'000	*USD'000*
Bank balances	**254,220**	115,965

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.

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 the 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 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.

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.

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 *	-	-	-	-	-	-	-
Gross profit	**36,683**	**20,166**	**11,133**	**90,345**	**7,441**	-	**165,768**
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**
Operating profit	**33,602**	**18,343**	**8,838**	**70,010**	**3,687**	**6,729**	**141,209**
Share of profit from joint venture *	-	3,732	-	-	-	-	**3,732**
Finance income	-	-	-	267	-	1,119	**1,386**
Finance costs	-	-	-	(1,130)	-	(1)	**(1,131)**
Profit before tax for the period *	**33,602**	**22,075**	**8,838**	**69,147**	**3,687**	**7,847**	**145,196**
Income tax *	-	-	-	(267)	-	-	**(267)**
Profit for the period *	**33,602**	**22,075**	**8,838**	**68,880**	**3,687**	**7,847**	**144,929**
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**
EBITDA	**42,533**	**28,958**	**11,600**	**100,574**	**8,132**	**6,729**	**198,526**

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)**
Gross profit / (loss)	**(14,772)**	**17,221**	**15,984**	**22,209**	**3,307**	**(3,005)**	**40,944**
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**
Operating profit / (loss)	**(17,299)**	**15,308**	**13,522**	**11,260**	**(769)**	**(2,848)**	**19,174**
Share of profit from joint venture *	-	613	-	-	-	-	**613**
Finance income	-	-	-	353	-	35	**388**
Finance costs	-	-	-	(1,224)	-	(2,712)	**(3,936)**
(Loss)/ Profit before tax for the period *	**(17,299)**	**15,921**	**13,522**	**10,389**	**(769)**	**(5,525)**	**16,239**
Income tax *	-	-	-	-	-	-	-
Profit / (loss) for the period *	**(17,299)**	**15,921**	**13,522**	**10,389**	**(769)**	**(5,525)**	**16,239**
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**
EBITDA	**(8,239)**	**21,289**	**16,155**	**21,987**	**3,129**	**(2,848)**	**51,473**

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.

18 OPERATING SEGMENTS (continued)

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

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

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

* 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.

Abu Dhabi Marine Business and Services Company PJSC (also referred to as "ADNOC L&S" or "Company")

UNAUDITED PRO FORMA FINANCIAL INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

Abu Dhabi Marine Business and Services Company PJSC

UNAUDITED PROFORMA FINANCIAL INFORMATION
for the year ended 31 December 2022

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UNAUDITED PROFORMA FINANCIAL INFORMATION

Prospective investors should read this unaudited pro forma financial information in conjunction with accompanying explanatory notes, the ADNOC L&S Consolidated Financial Statements and ZMI Holdings Financial Statements included elsewhere in this Offering Memorandum.

Background

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 is exempt from the provisions of Federal Commercial Companies Law No. 2 of 2015. The Company and its subsidiaries (collectively referred to as the "**Group**").

The unaudited pro forma financial information (the "**Unaudited Pro Forma Financial Information**") is prepared in connection with the listing of shares of the Company on the Abu Dhabi Securities Exchange.

On 12 July 2022, shareholders of the Group approved to acquire 100% of the Share Capital of ZMI Holdings (also referred to as "**ZMI**") through a wholly owned subsidiary Zinc HoldCo RSC LTD, a restricted scope company duly incorporated under the laws of the Abu Dhabi Global Market with company number 7990 and whose registered office is at Floor 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box 764652, Abu Dhabi, United Arab Emirates (the "**Purchaser**"). ZMI is an Abu Dhabi-based owner and operator of offshore support vessels, with the world's largest fleet of self-propelled jack-up barges.

On 1 November 2022, Zinc HoldCo RSC Limited acquired 100% of the shares of ZMI. The acquisition of ZMI will enable further strengthening of the Groups' leading position as the region's largest shipping and integrated logistics company. The acquisition has been accounted for using acquisition method (the "**ZMI Holdings Acquisition**"). Further details are outlined within note 29 of ADNOC L&S consolidated financial statements for the year ended 31 December 2022 ("**Group's Financial Statements**").

The unaudited pro forma financial information has been prepared to illustrate the impact of the ZMI Holdings Acquisition, the increase in depreciation charge as a result of the fair value uplift of property, plant and equipment from the purchase price allocation and the increase in finance cost resulting from the Company's shareholder loan used to finance the ZMI Acquisition on the statement of comprehensive income for the year ended 31 December 2022, as if the acquisition had taken place on 1 January 2022.

The ZMI acquisition is already reflected in the Group's latest statement of financial position as at 31 December 2022, using the IFRS 3 – Business Combinations as per Note 29 of the consolidated financial statements of the Company, that will be used for the purposes of prospectus filing, accordingly, no additional proforma statement of financial position is required.

This unaudited pro forma statement of comprehensive income has been compiled in a manner consistent with the accounting policies adopted by ADNOC L&S. The historical financial statements of ADNOC L&S and ZMI Holdings are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and there are no differences between the accounting policies applied in preparing the historical consolidated financial statements of ADNOC L&S for the year ended 31 December 2022 and ZMI Holdings condensed interim consolidated financial information for the ten-month period ended 31 October 2022. Therefore no adjustments have been made to the Unaudited Pro Forma Financial Information to reflect alignment of accounting policies.

The Unaudited Pro Forma Financial Information has been prepared in accordance with the accompanying notes to the Unaudited Pro Forma Financial Information as described below. *The Unaudited Pro Forma Financial Information has not been prepared in accordance with Regulation S-X of the U.S. Securities Act of 1933 or Annex 20 of the UK Prospectus Regulation.* The pro forma adjustments are described in the accompanying notes, should be read in conjunction with this Unaudited Pro Forma Financial Information.

Neither the assumptions underlying the pro forma adjustments, nor the resulting Unaudited Pro Forma Financial Information have been audited or reviewed in accordance with any generally accepted auditing standards. Any reliance you place on this information should fully take this into consideration.

The Unaudited Pro Forma Financial Information has been prepared by, and is the responsibility of, the Company's management. The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only and because of its nature, the

Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial performance and may not give a true picture of its financial performance. The Unaudited Pro Forma Financial Information is based on available information and certain assumptions that management believes are reasonable under the circumstances. In addition, the Unaudited Pro Forma Financial Information does not reflect forward-looking information and is not intended to present the expected future results of the Group.

The Unaudited Pro Forma Financial Information has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the acquisition of ZMI Holdings, applied to historical financial information of ADNOC L&S and ZMI Holdings. The unaudited pro forma adjustments give effect to events that are directly attributable to the ZMI Holdings Acquisition, are factually supportable, directly attributable to the ZMI Holdings Acquisition, and are expected to have a continuing impact on the consolidated comprehensive income of the Company. Further, the Unaudited Pro Forma Financial Information does not take account of the potential effects resulting from changes in management strategy and operational decisions resulting from acquisition of ZMI Holdings.

The Unaudited Pro Forma Financial Information is based on available information and certain assumptions and estimates that we believe to be reasonable and may differ materially from the actual amounts that would have been achieved had the ZMI Holdings Acquisition occurred on the respective dates mentioned above. The Unaudited Pro Forma Financial Information does not include all information required for financial statements under IFRS and should be read in conjunction with the Group's Financial Statements.

For the purposes of this illustration, it has been assumed that the fair value uplift of the acquired net assets determined as at 1 November 2022 is also applicable as at 1 January 2022. Similarly, the shareholder loan drawn by ADNOC L&S for the acquisition of ZMI Holdings has been assumed to be effective 1 January 2022 (the hypothetical date of acquisition) thereby resulting in additional finance cost. Furthermore, it is also assumed that this shareholder loan was used to repay the borrowings of ZMI Holdings as at 1 January 2022 thereby resulting in elimination of any finance costs recorded in ZMI Holdings during the ten-month period ended 31 October 2022.

These pro forma adjustments are described in the accompanying notes. The Unaudited Pro Forma Financial Information presented herein should be read in conjunction with the historical financial statements of ADNOC L&S as at and for the year ended 31 December 2022 and of ZMI Holdings as at and for the ten-month period ended 31 October 2022.

Unaudited pro forma statement of comprehensive income
For the year ended 31 December 2022

			Adjustments			
	ADNOC L&S *(Note 1)* **USD'000**	**ZMI Holdings** *(Note 2)* **USD'000**	**Inter-Company Eliminations** *(Note 3)* **USD'000**	**Proforma Adjustments** *(Note 4)* **USD'000**	*Notes*	**Proforma** **USD'000**
Revenues	1,952,173	348,039	(12,978)	-		**2,287,234**
Direct costs	(1,543,025)	(192,616)	12,978	(8,034)	*4a*	**(1,730,697)**
Gross profit	409,148	155,423	-	(8,034)		**556,537**
General and administrative expenses	(105,604)	(31,626)	-	16	*4b*	**(137,214)**
Provision for expected credit losses	(5,880)	(16,731)	-	-		**(22,611)**
Other expenses	(3,792)	(23,201)	-	-		**(26,993)**
Other income	1,003	-	-	-		**1,003**
Operating profit	294,875	83,865	-	(8,018)		**370,722**
Share of profit from joint venture	2,026	-	-	-		**2,026**
Finance income	3,717	-	-	-		**3,717**
Finance costs	(38,475)	(35,304)	-	(36,557)	*4c*	**(110,336)**
Profit before tax for the year	262,143	48,561	-	(44,575)		**266,129**
Income tax	(1,350)	(1,199)	-	-		**(2,549)**
Profit for the year	260,793	47,362	-	(44,575)		**263,580**
Other comprehensive income / (loss)						
Items that will not be subsequently reclassified to profit or loss	-	-	-	-		-
Re-measurement loss on employee defined benefit obligation	10,418	-	-	-		10,418
Total comprehensive income for the year	271,211	47,362	-	(44,575)		**273,998**

Unaudited pro forma statement of comprehensive income
For the year ended 31 December 2022

			Adjustments			
	ADNOC L&S *(Note 1)*	**ZMI Holdings** *(Note 2)*	**Inter-Company Eliminations** *(Note 3)*	**Proforma Adjustments** *(Note 4)*	*Notes*	**Proforma**
	AED'000	**AED'000**	**AED'000**	**AED'000**		**AED'000**
Revenues	7,169,354	1,278,173	(47,663)	-		**8,399,864**
Direct costs	(5,666,759)	(707,383)	47,663	(29,504)	*4a*	**(6,355,983)**
Gross profit	1,502,595	570,790	-	(29,504)		**2,043,881**
General and administrative expenses	(387,830)	(116,145)	-	59	*4b*	**(503,916)**
Provision for expected credit losses	(21,595)	(61,444)	-	-		**(83,039)**
Other expenses	(13,926)	(85,206)	-	-		**(99,132)**
Other income	3,685	-	-	-		**3,685**
Operating profit	1,082,929	307,995	-	(29,445)		**1,361,479**
Share of profit from joint venture	7,441	-	-	-		**7,441**
Finance income	13,650	-	-	-		**13,650**
Finance costs	(141,300)	(129,653)	-	(134,256)	*4c*	**(405,209)**
Profit before tax for the year	962,720	178,342	-	(163,701)		**977,361**
Income tax	(4,959)	(4,404)	-	-		**(9,363)**
Profit for the year	957,761	173,938	-	(163,701)		**967,998**
Other comprehensive income / (loss)						
Items that will not be subsequently reclassified to profit or loss	-	-	-	-		-
Re-measurement loss on employee defined benefit obligation	38,261	-	-	-		38,261
Total comprehensive income for the year	996,022	173,938	-	(163,701)		**1,006,259**

Notes to Unaudited Pro Forma Financial Information

1. Historical financial information of ADNOC L&S

ADNOC L&S's historical financial information has been extracted without any adjustment from the audited consolidated financial statements of ADNOC L&S as at and for the year ended 31 December 2022 prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. This historical financial statements of ADNOC L&S reflects the accounting of ZMI Holdings acquisition on 1 November 2022 using the acquisition method (as outlined in note 29 of ADNOC L&S consolidated financial statements for the year ended 31 December 2022) and includes post acquisition financial performance for the two months period ended 31 December 2022.

2. Historical financial information of ZMI Holdings

ZMI Holdings historical financial information has been extracted without any adjustment from the unaudited interim condensed consolidated financial statements of ZMI Holdings for the ten-month period ended 31 October 2022 prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"), issued by the International Accounting Standard Board (IASB).

3. Intercompany eliminations

Elimination of intercompany revenue and direct costs for the ten-month period 1 January 2022 to 31 October 2022, as a portion of ZMI Holdings revenue is derived from its charter of vessels and barges to ADNOC L&S.

4. Proforma adjustments

a) Reflects additional depreciation charge for ten-month period 1 January 2022 to 31 October 2022 in relation to fair value uplift on Property, Plant and Equipment (Vessels and Barges) recorded during purchase price allocation of ZMI Holdings acquisition carried out on 1 November 2022. The additional depreciation is calculated based on assumption that fair value uplift of acquired net assets as at 1 January 2022 is considered to be same as determined at the date of acquisition (1 November 2022).

b) Reflects reduction in depreciation charge for ten-month period 1 January 2022 to 31 October 2022 in relation to downward valuation of the ZMI Holdings office building during purchase price allocation of ZMI Holdings acquisition carried out on 1 November 2022 as if this reduction in value was applied on 1 January 2022.

c) Reflects interest expense, including amortisation of transaction costs, related to debt financing, net of finance costs recorded in ZMI Holdings statement of comprehensive income for the year ended 31 December 2022.

i) USD 71,772k (AED 263,583) additional finance cost in relation to an amount of USD 1,300,000 thousand shareholder loan drawn by ADNOC L&S under its existing loan facility agreement with ADNOC (Holding Company) for financing the acquisition of ZMI Holdings. This finance cost is determined using the interest rate of 6.69% p.a which is based on the six (6) months LIBOR plus a margin of 1.2% per annum as per terms and conditions of the loan facility agreement with ADNOC (Holding Company).

ii) USD 35,215k (AED 129,327) elimination of finance costs on the borrowings of ZMI Holdings reflected in its statement of comprehensive income for the year ended 31 December 2022 under the proforma assumption that ZMI Holdings borrowings were repaid as of 1 January 2022 (i.e., the date on which ADNOC L&S has acquired ZMI Holdings for the purpose of this proforma statement of comprehensive income) from the shareholder loan taken by ADNOC L&S referred in 4 c) (i) above. The loans carried varied interest rates.

5. Pro forma Non-IFRS Measures

When reviewing performance, the Group uses a combination of both IFRS and non-IFRS performance measures. The "non-IFRS measures" are calculated using financial measures that are not calculated in accordance with IFRS. These exclude amounts that are included in the most directly comparable measure calculated and presented in accordance with IFRS. It does not include any amounts excluded from IFRS measure of profit.

We present below certain financial measures of the Company as of and for the 12 months ended 31 December 2022, which gives pro forma effect to the ZMI Holdings Acquisition if it had occurred on 1 January 2022. These measures are not defined and thus, not calculated in accordance with IFRS, or generally accepted accounting principles in any other relevant jurisdiction. These include Pro Forma EBITDA as defined below. Because these measures are not standardized, they may not be comparable to other similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS.

ADNOC L&S uses EBITDA (a non-IFRS measure) which is defined as follows:

Earnings before interest, tax, depreciation and amortization " EBITDA" as profit before income tax, finance costs, finance income, depreciation and amortisation.

The EBITDA is also presented in this Unaudited Pro Forma Financial Information to illustrate the impact of the ZMI Holdings acquisition.

A reconciliation of pro forma EBITDA to pro forma profit for the year determined in accordance with IFRS is provided below

Pro forma EBITDA
For the year ended 31 December 2022

	Historical		*All amounts in USD'000*	
	ADNOC L&S	**ZMI Holdings**	**Proforma Adjustments**	**Proforma**
Profit for the year	**260,793**	**47,362**	**(44,575)**	**263,580**
Income tax expense	1,350	1,199	-	2,549
Finance income	(3,717)	-	-	(3,717)
Finance costs	38,475	35,304	36,557	110,336
Depreciation and amortization	156,402	38,886	8,018	203,306
EBITDA	**453,303**	**122,751**	**-**	**576,054**

	Historical		*All amounts in AED'000*	
	ADNOC L&S	**ZMI Holdings**	**Proforma Adjustments**	**Proforma**
Profit for the year	**957,761**	**173,938**	**(163,701)**	**967,998**
Income tax expense	4,959	4,404	-	9,363
Finance income	(13,650)	-	-	(13,650)
Finance costs	141,300	129,653	134,256	405,209
Depreciation and amortization	574,384	142,808	29,445	746,637
EBITDA	**1,664,754**	**450,803**	**-**	**2,115,557**

Segment EBITDA	ADNOC L&S *(Note 1)*	ZMI Holdings *(Note 2)*	Proforma
	USD'000	**USD'000**	**USD'000**
Tankers	93,480	-	93,480
Gas Carriers	86,910	-	86,910
Dry-bulk shipping	95,051	-	95,051
Integrated logistics	164,023	162,684	326,707
Marine services	27,089	-	27,089
Others	(13,250)	(39,933)	(53,183)
Total	**453,303**	**122,751**	**576,054**

Segment EBITDA	ADNOC L&S *(Note 1)*	ZMI Holdings *(Note 2)*	Proforma
	AED'000	**AED'000**	**AED'000**
Tankers	343,305	-	343,305
Gas Carriers	319,177	-	319,177
Dry-bulk shipping	349,076	-	349,076
Integrated logistics	602,370	597,453	1,199,823
Marine services	99,486	-	99,486
Others	(48,660)	(146,650)	(195,310)
Total	**1,664,754**	**450,803**	**2,115,557**

6. Segment revenue information

Segment Revenue	ADNOC L&S *(Note 1)* USD'000	ZMI Holdings *(Note 2)* USD'000	Inter-Company Eliminations *(Note 3)* USD'000	Proforma USD'000
Tankers	334,570	-	-	**334,570**
Gas Carriers	169,117	-	-	**169,117**
Dry-bulk shipping	358,128	-	-	**358,128**
Integrated logistics	923,015	348,039	(12,978)	**1,258,076**
Marine services	167,343	-	-	**167,343**
Others	-	-	-	-
Total	**1,952,173**	**348,039**	**(12,978)**	**2,287,234**

Segment Revenue	ADNOC L&S *(Note 1)* AED'000	ZMI Holdings *(Note 2)* AED'000	Inter-Company Eliminations *(Note 3)* AED'000	Proforma AED'000
Tankers	1,228,709	-	-	**1,228,709**
Gas Carriers	621,083	-	-	**621,083**
Dry-bulk shipping	1,315,225	-	-	**1,315,225**
Integrated logistics	3,389,771	1,278,173	(47,663)	**4,620,281**
Marine services	614,566	-	-	**614,566**
Others	-	-	-	-
Total	**7,169,354**	**1,278,173**	**(47,663)**	**8,399,864**

7. ZMI Holdings is included under the Integrated logistics segment. This is consistent with the reportable segments presented in note 28 of the ADNOC L&S consolidated financial statements for the year ended 31 December 2022.

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

CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

CONSOLIDATED FINANCIAL STATEMENTS
As at and for the year ended 31 December 2022

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Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated 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 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income for the year ended 31 December 2022;
- the consolidated statement of financial position as at 31 December 2022;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the applicable requirements of Abu Dhabi Accountability Authority ("ADAA") Chairman's Resolution No 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with applicable ethical and independence requirements of United Arab Emirates that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Our audit approach

Overview

Key Audit Matters	• Impairment assessment for property, plant and equipment • Acquisition of ZMI Holdings

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the Key audit matter
Impairment assessment for property, plant and equipment *Refer to notes 3, 3.1 and 11 to the consolidated financial statements for disclosures of related accounting policies and balances* The Group's consolidated statement of financial position as at 31 December 2022 includes a carrying value of USD$3.2 billion (AED11.6 billion) relating to property, plant and equipment, of which USD$2.9 billion (AED10.7 billion) relates to vessels and marine equipment. Management performs an annual impairment assessment of these assets by determining the recoverable amount of each cash generating unit (CGU) based on the higher of the value-in-use (VIU) and fair value less costs of disposal (FVLCOD). Where the VIU approach was used, this was derived based on a discounted expected cash flow approach. These cash flows included areas where management makes significant judgements on certain key inputs, including the expected useful lives of the assets and discount rates. Where the FVLCOD approach was used, management engaged with an external expert to obtain market valuations of the assets. The judgement involved relates to the valuation methodologies used and the assumptions used in the valuation models. We focused on this area because of the materiality to the financial statements and the significant level of judgement required in arriving at the key assumptions used in management's impairment assessment.	Our approach to addressing the matter, involved the following procedures, amongst others: For assessments based on VIU: • updated our understanding of the methods used by management to perform its annual impairment assessment of the assets and assessed whether the methods applied were consistent with the prior year; • assessed the reasonableness of the discount rate used to discount the expected cash flows and evaluated those rates against our knowledge of the economic environment and the risk premium associated with the industry; • compared management's future cash flow forecasts used in the impairment assessment to those presented and approved by the Board of Directors as part of the annual business plan; • evaluated the accuracy of the forecasts made by comparing historical results, where available, and by comparing to the current year results of the entity; and • tested the mathematical accuracy of management's calculations. For assessments based on FVLCOD: • obtained the valuation reports used by management to perform its annual impairment assessment; • evaluated the adequacy of the work of the valuers considering the appropriateness of the methodology, relevance and reasonableness of their conclusions and consistency with other audit evidence; • assessed the valuers qualifications, expertise and independence; • assessed the appropriateness of the valuation approach and reasonableness of the assumptions and held discussions with the Company's management.

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Key audit matters (continued)

Key audit matter	How our audit addressed the Key audit matter
Acquisition of ZMI Holdings *Refer to notes 2.2, 3.1 and 29 to the consolidated financial statements for disclosures of related accounting policies, estimates and balances* On 1 November 2022, the Group acquired 100% of the shares of ZMI Holdings. The fair value of the assets acquired and liabilities assumed as at the acquisition date was determined to be USD$1.5 billion (AED5.7 billion) and USD$81 million (AED299 million) respectively. Management performed procedures to assess the reasonableness of the fair values as at the acquisition date. Management also computed the purchase consideration, including contingent consideration, based on the provisions of the share purchase agreement. We focused on this area because of the materiality of these balances to the financial statements and the judgements used by management in performing the fair valuation assessments.	Our approach to addressing the matter, involved the following procedures, amongst others: • obtained and read the share purchase agreement for the acquisition of ZMI Holdings; • recomputed the purchase consideration determined based on the provisions of the share purchase agreement, including assessing the appropriateness of the contingent consideration; • obtained an understanding of the methods used by management to determine the fair value of the assets acquired and liabilities assumed as at the acquisition date; • assessed the reasonableness of management's fair valuation assessments based on the requirements of the accounting standards and information available; • evaluated management's conclusions and consistency with other audit evidence; • recomputed the mathematical accuracy of the goodwill amount determined based on the above factors.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of Law No. (1) of 2017 concerning the Financial System of the Government of Abu Dhabi and instructions issued by the Department of Finance pertaining to the preparation and implementation of the annual budget of Subject Entities, as amended, and applicable provisions of the relevant laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Responsibilities of management and those charged with governance for the consolidated financial statements (continued)

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of Law No. (1) of 2017 concerning the Financial System of the Government of Abu Dhabi and instructions issued by the Department of Finance pertaining to the preparation and implementation of the annual budget of Subject Entities, as amended, and applicable provisions of the relevant laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with ISAs and the applicable requirements of ADAA Chairman's Resolution No 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements,
- whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Independent auditor's report to the shareholder of Abu Dhabi Marine Business and Services Company P.J.S.C (continued)

Report on the audit of the consolidated financial statements (continued)

Report on other legal and regulatory requirements

Further, as required by the ADAA Chairman's Resolution no 88 of 2021 Regarding financial statements Audit Standards for the Subject Entities, we report, in connection with our audit of the financial statements for the year ended 31 December 2022, that nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2022:

(i) Law No. (1) of 2017 concerning the Financial System of the Government of Abu Dhabi and instructions issued by the Department of Finance pertaining to the preparation and implementation of the annual budget of Subject Entities, as amended;

(ii) its Law of Establishment which would materially affect its activities or its financial position as at 31 December 2022; and

(iii) applicable provisions of the relevant laws, resolutions and circulars that have an impact on the Subject Entity's consolidated financial statements.

PricewaterhouseCoopers

12 APR 2023

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022

	Notes	***2022 USD'000***	*2021 USD'000*	***2022 *AED'000***	*2021 *AED'000*
Revenues	4	**1,952,173**	1,190,803	**7,169,354**	4,373,223
Direct costs	5	**(1,543,025)**	(964,203)	**(5,666,759)**	(3,541,034)
Gross profit		**409,148**	226,600	**1,502,595**	832,189
General and administrative expenses	6	**(105,604)**	(83,474)	**(387,830)**	(306,558)
Pension adjustment	24	**-**	(90,916)	**-**	(333,888)
(Provision for) / reversal of expected credit losses, net	17 & 24	**(5,880)**	5,565	**(21,595)**	20,439
Other expenses	7A	**(3,792)**	(1,196)	**(13,926)**	(4,396)
Other income	7B	**1,003**	3,444	**3,685**	12,647
Operating profit		**294,875**	60,023	**1,082,929**	220,433
Share of profit from joint venture	15	**2,026**	1,062	**7,441**	3,900
Finance income	9	**3,717**	1,639	**13,650**	6,020
Finance costs	10	**(38,475)**	(7,920)	**(141,300)**	(29,086)
Profit before tax for the year		**262,143**	54,804	**962,720**	201,267
Income tax		**(1,350)**	-	**(4,959)**	-
Profit for the year		**260,793**	54,804	**957,761**	201,267
Other comprehensive income / (loss)					
Items that will not be subsequently reclassified to profit or loss					
Re-measurement gain/ (loss) on employee defined benefit obligation	22	**10,418**	(1,527)	**38,261**	(5,609)
Total comprehensive income for the year		**271,211**	53,277	**996,022**	195,658
Basic and diluted earnings per share in USD and AED	21	**0.26**	0.05	**0.96**	0.20

* AED presented as a convenience translation which was previously the presentation currency - See Note 2.1.

The attached notes on pages 13 to 68 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2022

	Notes	2022 USD'000	2021 USD'000	2022 *AED'000	2021 *AED'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	**3,151,384**	1,652,430	**11,573,455**	6,068,548
Right-of-use assets	12	**67,208**	36,582	**246,821**	134,348
Intangible assets	13	**14,716**	17,691	**54,045**	64,972
Investment properties	14	**99,757**	30,268	**366,357**	111,159
Investment in a joint venture	15	**62,641**	73,842	**230,051**	271,184
Goodwill	29	**15,697**	-	**57,646**	-
Trade and other receivables	17	**124,252**	2,556	**456,316**	9,386
Sub-lease receivables	12	**15,474**	19,933	**56,829**	73,204
Total non-current assets		**3,551,129**	1,833,302	**13,041,520**	6,732,801
Current assets					
Inventories	16	**105,570**	57,700	**387,705**	211,904
Trade and other receivables	17	**216,963**	82,833	**796,798**	304,204
Due from related parties	24	**465,954**	338,618	**1,711,215**	1,243,573
Sub-lease receivables	12	**3,911**	6,314	**14,363**	23,188
Cash and cash equivalents	18	**164,933**	368,447	**605,717**	1,353,121
Total current assets		**957,331**	853,912	**3,515,798**	3,135,990
TOTAL ASSETS		**4,508,460**	2,687,214	**16,557,318**	9,868,791
EQUITY AND LIABILITIES					
Equity					
Share capital	19	**272,294**	272,294	**1,000,000**	1,000,000
General reserve	20	**103,226**	77,147	**379,097**	283,321
Retained earnings		**1,067,285**	822,153	**3,919,603**	3,019,357
Shareholder contribution	24	**357,485**	357,485	**1,312,865**	1,312,865
Total equity		**1,800,290**	1,529,079	**6,611,565**	5,615,543
Non-current liabilities					
Shareholder loan	24	**1,900,000**	600,000	**6,977,750**	2,203,500
Lease liabilities	12	**69,269**	41,625	**254,391**	152,869
Dismantling liability	12	**1,727**	1,324	**6,341**	4,861
Due to related parties	24	**35,743**	53,176	**131,266**	195,288
Other payables	29	**69,490**	-	**255,202**	-
Employees' end of service benefits	22	**31,464**	40,695	**115,551**	149,453
Total non-current liabilities		**2,107,693**	736,820	**7,740,501**	2,705,971
Current liabilities					
Trade and other payables	23	**462,899**	229,975	**1,699,997**	844,585
Lease liabilities	12	**9,768**	9,451	**35,874**	34,710
Due to related parties	24	**127,810**	181,889	**469,381**	667,982
Total current liabilities		**600,477**	421,315	**2,205,252**	1,547,277
TOTAL LIABILITIES		**2,708,170**	1,158,135	**9,945,753**	4,253,248
TOTAL EQUITY AND LIABILITIES		**4,508,460**	2,687,214	**16,557,318**	9,868,791

H.E Dr. Sultan Ahmed Al Jaber
Chairman of the Board

Abdulkareem Almessabi
Chief Executive Officer

Nicholas Gleeson
Chief Financial Officer

* Presented as a convenience translation - See Note 2.1.

The attached notes on pages 13 to 68 form part of these consolidated financial statements.

All parties consent to this document being signed electronically -CG/INT/2023/489

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

	Share capital USD'000	*General reserve USD'000*	*Retained earnings USD'000*	*Shareholder contribution USD'000*	*Total USD'000*
Balance as at 1 January 2021	272,294	71,667	774,356	357,485	1,475,802
Profit for the year	-	-	54,804	-	54,804
Actuarial loss on defined benefit obligation (note 22)	-	-	(1,527)	-	(1,527)
Total comprehensive income for the year	-	-	53,277	-	53,277
Transfers to general reserve (note 20)	-	5,480	(5,480)	-	-
Balance as at 31 December 2021	**272,294**	**77,147**	**822,153**	**357,485**	**1,529,079**
Balance as at 1 January 2022	272,294	77,147	822,153	357,485	1,529,079
Profit for the year	-	-	260,793	-	260,793
Actuarial gain on defined benefit obligation (note 22)	-	-	10,418	-	10,418
Total comprehensive income for the year	-	-	271,211	-	271,211
Transfers to general reserve (note 20)	-	26,079	(26,079)	-	-
Balance as at 31 December 2022	**272,294**	**103,226**	**1,067,285**	**357,485**	**1,800,290**

	*Share capital *AED'000*	*General reserve *AED'000*	*Retained earnings *AED'000*	*Shareholder contribution *AED'000*	*Total *AED'000*
Balance as at 1 January 2021	1,000,000	263,194	2,843,826	1,312,865	5,419,885
Profit for the year	-	-	201,267	-	201,267
Actuarial loss on defined benefit obligation (note 22)	-	-	(5,609)	-	(5,609)
Total comprehensive income for the year	-	-	195,658	-	195,658
Transfers to general reserve (note 20)	-	20,127	(20,127)	-	-
Balance as at 31 December 2021	**1,000,000**	**283,321**	**3,019,357**	**1,312,865**	**5,615,543**
Balance as at 1 January 2022	1,000,000	283,321	3,019,357	1,312,865	5,615,543
Profit for the year	-	-	957,761	-	957,761
Actuarial gain on defined benefit obligation (note 22)	-	-	38,261	-	38,261
Total comprehensive income for the year	-	-	996,022	-	996,022
Transfers to general reserve (note 20)	-	95,776	(95,776)	-	-
Balance as at 31 December 2022	**1,000,000**	**379,097**	**3,919,603**	**1,312,865**	**6,611,565**

* AED presented as a convenience translation which was previously the presentation currency - See Note 2.1.

The attached notes on pages 13 to 68 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2022

	Notes	***2022*** ***USD'000***	*2021* *USD'000*	***2022*** ****AED'000***	*2021* **AED'000*
OPERATING ACTIVITIES					
Profit for the year		**260,793**	54,804	**957,761**	201,267
Adjustments for:					
Depreciation on property, plant and equipment	11	**132,875**	95,351	**487,982**	350,178
Impairment of property, plant and equipment	11	**-**	1,467	**-**	5,388
Write off of property, plant and equipment	11	**428**	-	**1,571**	-
Depreciation on investment properties	14	**5,105**	2,416	**18,748**	8,874
Depreciation on right-of-use assets	12	**8,416**	5,459	**30,909**	20,050
Profit on initial recognition of sub-lease receivables	12	**(872)**	(2,470)	**(3,203)**	(9,070)
Provision for dismantling expenses	12	**117**	90	**428**	331
Gain on disposal of right of use assets	12	**(128)**	-	**(469)**	-
Loss on disposal of subleases	12	**2,380**	-	**8,742**	-
Provision for slow moving and obsolete inventories	16	**6,278**	-	**23,057**	-
Amortisation of intangible assets	13	**10,005**	3,980	**36,745**	14,618
Gain on disposal of property, plant and equipment	7	**(3)**	(973)	**(13)**	(3,577)
Provision for expected credit losses on trade receivables, net	17	**6,174**	593	**22,673**	2,178
Reversal of provision for expected credit losses on due from related parties	24	**(294)**	(6,158)	**(1,078)**	(22,617)
Provision for employees' end of service benefits	22	**4,868**	4,724	**17,877**	17,349
Provision for pension expenses payable to related parties	24	**-**	90,916	-	333,888
Share of profit from joint venture	15	**(2,026)**	(1,062)	**(7,441)**	(3,900)
Finance income	9	**(3,717)**	(1,639)	**(13,650)**	(6,020)
Finance costs	10	**38,475**	7,920	**141,300**	29,086
		468,874	255,418	**1,721,939**	938,023
Working capital adjustments:					
Inventories		**(37,827)**	(14,967)	**(138,920)**	(54,965)
Trade and other receivables		**(27,888)**	(4,987)	**(102,419)**	(18,315)
Due from related parties		**(127,043)**	178,817	**(466,564)**	**656,704**
Trade and other payables		**84,870**	25,740	**311,684**	94,529
Pension liabilities paid		**(18,952)**	-	(69,602)	-
Due to related parties		**(60,788)**	58,004	**(223,245)**	213,019
		281,246	498,025	**1,032,873**	1,828,995
Employees' end of service benefits paid	22	**(7,148)**	(4,156)	**(26,250)**	(15,262)
Receipt against sub-leases (finance leases)	12	**7,273**	8,941	**26,709**	32,835
Interest paid	10	**(7)**	-	**(26)**	-
Net cash generated from operating activities		**281,364**	502,810	**1,033,306**	1,846,568

* AED presented as a convenience translation which was previously the presentation currency - See Note 2.1.

The attached notes on pages 13 to 68 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the year ended 31 December 2022

	Notes	***2022*** ***USD'000***	*2021* *USD'000*	***2022*** ****AED'000***	*2021* **AED'000*
INVESTING ACTIVITIES					
Purchase of property, plant and equipment	11	**(299,940)**	(763,199)	**(1,101,521)**	(2,802,853)
Proceeds from disposals of property, plant and equipment and intangible assets		**2,247**	973	**8,254**	3,577
Investment in joint venture	15	**(10,200)**	(52,400)	**(37,460)**	(192,438)
Investment in a subsidiary, net of cash acquired	29	**(1,278,414)**	-	**(4,694,977)**	-
Advance paid towards contingent consideration	29	**(62,146)**	-	**(228,233)**	-
Capital expenses advances paid		**(121,696)**	(2,556)	**(446,930)**	(9,386)
Receipts from joint venture	15	**22,385**	-	**82,209**	-
Dividend received from joint venture	15	**1,042**	-	**3,825**	-
Interest received	9	**2,476**	266	**9,094**	977
Net cash used in investing activities		**(1,744,246)**	(816,916)	**(6,405,739)**	(3,000,123)
FINANCING ACTIVITIES					
Proceeds from shareholder loan	24	**1,300,000**	600,000	**4,774,250**	2,203,500
Interest paid on shareholder loan		**(24,597)**	(729)	**(90,334)**	(2,677)
Payments of lease liabilities	12	**(16,035)**	(13,821)	**(58,887)**	(50,757)
Net cash generated from financing activities		**1,259,368**	585,450	**4,625,029**	2,150,066
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		**(203,514)**	271,344	**(747,404)**	996,511
Cash and cash equivalents at beginning of the year		**368,447**	97,103	**1,353,121**	356,610
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	18	**164,933**	368,447	**605,717**	1,353,121

Significant non-cash transactions excluded from the consolidated statement of cash flows are:

Additions to right-of-use assets	12	**45,014**	10,099	**165,313**	37,088
Additions to sub lease receivables	12	**7,487**	-	**27,499**	-
Additions to lease liabilities	12	**52,218**	10,099	**191,770**	37,088
Benefits of employees transferred-in from group companies	22	**-**	1,488	-	5,463
Benefits of employees transferred - out to group companies	22	**-**	(182)	-	(668)

* AED presented as a convenience translation which was previously the presentation currency - See Note 2.1.

The attached notes on pages 13 to 68 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at and for the year ended 31 December 2022

1 GENERAL 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 is exempt from the provisions of Federal Commercial Companies Law No. 2 of 2015. 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).

These consolidated financial statements include the financial performance and position of the Company and its subsidiaries (collectively referred to as the "Group") as detailed in note 2.2.

The consolidated financial statements of the Group were approved and authorized for issue by the Board of Directors and signed on their behalf on 12 APR 2023

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

Statement of compliance
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRSs as issued by the International Accounting Standard Board (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"). For 31 December 2022, the Group has presented the consolidated financial statements in both United States Dollars ("USD") and in United Arab Emirates Dirhams ("AED"). The Group's presentation currency has been changed to USD. 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. The presentation of the financial statements in AED in the current year is for convenience purposes only using a rate of AED 3.6725 to USD$1. Refer to Note 30 for the opening balance sheet as at 1 January 2021. All values are rounded to the nearest thousand ('000) except when otherwise indicated.

Basis of measurement
The consolidated financial statements have been prepared on the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
		2022	*2021*
Direct subsidiaries			
Abu Dhabi Marine Operations and Services Company – Sole Proprietorship LLC	UAE	**100%**	100%
Abu Dhabi Marine Assets Company – Sole Proprietorship LLC	UAE	**100%**	100%
Abu Dhabi Marine International Holdings RSC Limited	UAE	**100%**	100%
Zinc Holdco RSC Ltd	UAE	**100%**	-
Indirect subsidiaries			
Al Gafai Marine Services Company – Sole Proprietorship LLC	UAE	**100%**	100%
Sirdal National Marine Services Company – Sole Proprietorship LLC	UAE	**100%**	100%

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
		2022	*2021*
Indirect subsidiaries (continued)			
National Gas Carriers Company	Liberia	**100%**	100%
Abu Dhabi National Shipping Company Inc	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%
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%

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
Indirect subsidiaries (continued)		***2022***	*2021*
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%**	-
Zakher Marine International Inc	Panama	**100%**	-
Zakher Marine International Inc. – Abu Dhabi Branch	UAE	**100%**	-
QMS Holding Limited	British Virgin Islands	**100%**	-
QMS 2 Offshore Services Ltd	Saint Vincent & Grenadines	**100%**	-
QMS 2 Offshore Services Ltd. – Abu Dhabi Branch	UAE	**100%**	-
QMS Petroleum Services Inc	Panama	**100%**	-
QMS Petroleum Services Inc. – Abu Dhabi Branch	UAE	**100%**	-
MBBS Inc	Panama	**100%**	-
MBBS Inc. – Abu Dhabi Branch	UAE	**100%**	-
Al Shahama Inc	Panama	**100%**	-
Al Bahia Inc	Panama	**100%**	-
Al Maryah Inc	Panama	**100%**	-
QMS China Inc	Panama	**100%**	-
QMS Achiever Inc	Panama	**100%**	-
QMS Gladiator Inc	Panama	**100%**	-
Petrodrill Inc	Panama	**100%**	-
Subhiya Inc	Panama	**100%**	-
QMS Gloria Inc	Panama	**100%**	-
Bani Yas Inc	Panama	**100%**	-
Nadiya Inc	Panama	**100%**	-
Zakher Marine Saudi Company Limited	KSA	**100%**	-
Premier Marine Services W.L.L	Qatar	**100%**	-
Volo Travel and Tourism (Sole Proprietorship) L.L.C	UAE	**100%**	-
Lextus Inc	Panama	**100%**	-
QMS Offshore Industries L.L.C	UAE	**100%**	-
QMS Neptune Inc	Panama	**100%**	-
QMS Aquarius Inc	Panama	**100%**	-
QMS Leo Inc	Panama	**100%**	-
QMS Amora Inc	Panama	**100%**	-
QMS Sentinel Inc	Panama	**100%**	-

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

	Country of incorporation	*Percentage holding*	
		2022	*2021*
Joint venture			
AW Shipping Limited	UAE	**50%**	50%

The financial statements of the subsidiaries and these consolidated financial statements have the same calendar year and use consistent accounting policies for each year presented. All intra-group balances, transactions, income and expenses, and profits and losses resulting from intra-group transactions are eliminated. Companies linked to one another by consolidation are integrated through the aggregation of accounts, in accordance with rules identical to those for full consolidation.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements have been disclosed in Note 3.1.

Subsidiaries
Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on loss of control is recognised in the profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that the control is lost.

The Group applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the profit or loss.

Any contingent consideration to be transferred by the Group are recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

Subsidiaries (continued)

If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Inter-group transactions, balances, income and expenses on transactions between subsidiaries are eliminated. Profits and losses resulting from inter-group transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in the consolidated statements of comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the profit or loss.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.3.1 New and amended IFRS applied with no material effect on the consolidated financial statements

New and revised IFRSs

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in these consolidated financial statements.

Property, Plant and Equipment: Proceeds before intended use (Amendments to IAS 16)

This amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Reference to the Conceptual Framework (Amendments to IFRS 3)

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and to add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.3.1 New and amended IFRS applied with no material effect on the consolidated financial statements (continued)

Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)

New and revised IFRSs

The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

Annual Improvements to IFRS Standards 2018–2020

The following improvements were finalised in May 2020:

- IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 Leases – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives.
- IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption.
- IAS 41 Agriculture – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.

The application of the above revised IFRSs and amendments has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

New and revised IFRSs effective for annual periods beginning on or after 1 January 2023

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective.

Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4)
IFRS 17 requires insurance liabilities to be measured at a current fulfilment value and provides a more uniform measurement and presentation approach for all insurance contracts. These requirements are designed to achieve the goal of a consistent, principle-based accounting for insurance contracts. IFRS 17 supersedes IFRS 4 Insurance Contracts as at January 1, 2022.

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or noncurrent is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.3.1 New and amended IFRS applied with no material effect on the consolidated financial statements (continued)

New and revised IFRSs effective for annual periods beginning on or after 1 January 2023 (continued)

Deferred Tax related to Assets and Liabilities from a Single Transaction

The main change in Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) is an exemption from the initial recognition exemption provided in IAS 12.15(b) and IAS 12.24. Accordingly, the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. This is also explained in the newly inserted paragraph IAS 12.22A.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024.

Disclosure of Accounting Policies (Amendments to IAS 1 and Practice Statement 2)

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.

To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Definition of Accounting Estimates (Amendments to IAS 8)

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's consolidated financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the consolidated financial statements of the Group in the period of initial application.

Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28

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 their associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

IFRS 15 Revenue from Contracts with Customers

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from the following major sources:

Freight/ Voyage charters:
Revenue in relation to freight/ voyage charters is recognised over time since the customer simultaneously receives and consumes the benefits of the Group's performance in providing integrated transportation services.

Vessel time charters:
Time charters contain a lease component (i.e., hire of the vessel) and service components (i.e., operation of the vessel and maintenance service etc.). Revenue from hire of vessel is recognised over the lease term and revenue from services is recognised over time. The transaction price is allocated to each performance obligation using an expected cost-plus margin approach.

Vessel bareboat charters:
Bareboat charters contain only a lease component (i.e., hire of the vessel) and does not contain service components (i.e., operation of the vessel and maintenance service etc.). Revenue from hire of vessel is recognised over the lease term.

Sale of goods:
Revenue from the sale of goods is recognised when control of the goods has transferred, being when the goods have been delivered to the customers. Revenue from sale of goods is recognised at a point of time. Sale of goods primarily include sale of drilling chemicals, bunkers, petrol and water.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Rendering of services:
The Group provides port services, base operation services and oil field services to customers. Revenue is recognised over time since customers simultaneously receive and consume the benefits of the Group's performance in providing services under contractual terms.

Rental income:
The Group's policy for recognition of revenue from operating leases is described in the accounting policy on leasing below.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Depreciation is calculated using the straight-line method to allocate the assets' costs to their residual values over their estimated useful lives as follows:

	Useful life
Building, wharves and land improvements	7 - 25 years
Vessels (excluding dry docking component)	20 – 40 years
Dry docking components of vessel and marine equipment	2 - 5 years
Plant	20 years
Equipment and vehicles	4 - 10 years
Furniture, fixtures and office equipment	4 - 5 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss as other income/(loss) when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

Dry docking
Major dry docking is capitalised when incurred and is depreciated over the period until the next major dry dock which is normally 60 months.

Capital work in progress

Capital work in progress is included in property, plant and equipment at cost, on the basis of the percentage completed at the reporting date. The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the Group's policies when construction of the asset is completed and the asset is commissioned.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital work in progress (continued)

The costs of capital work in progress will be transferred to property, vessel and equipment when these assets reach their working condition for their intended use. The carrying amounts of capital work-in-progress are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying amounts exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Investment properties

Investment properties, which are properties held to earn rentals and/or for capital appreciation, are initially measured at cost, including transaction costs.

Depreciation on investment properties is calculated on a straight-line basis over the estimated useful life of 20 - 25 years.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of investment properties is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated income statement in the year.

Investment in a joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The profit or loss reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Group's joint ventures and associates is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss and non-controlling interests in the subsidiaries of the joint venture.

The consolidated financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in a joint venture (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, then recognises the loss as part of "Share of profit of a joint venture", and then recognises the loss in the profit or loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged on a straight-line basis over the assets' estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets mainly include computer systems, software and licenses with an estimated useful life of up to 4 years.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Group as a lessor
The Group subleases certain assets including land and vessels under head leases with lease terms exceeding 12 months at commencement. The Group has classified the subleases as finance leases or operating leases by reference to the right-of-use asset arising from the head lease. The lease value is capitalised using discounted cash flows and a corresponding lease liability is recognised.

i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are subject to impairment. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term which is as follows:

	Useful life
Land – Main Mussafah base	19 years
Land – ZMI Mussafah base	30 years
Land – KIZAD	25 years
Vessels	1.5-5 years

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Vessel lease contracts

For the vessel lease contracts fulfilling the capitalization criteria defined by IFRS 16, the lease term corresponds to the duration of the contracts signed except in cases where the Group is reasonably certain of exercising the renewal options contractually foreseen. Vessel lease contracts concluded by the Group do not include guaranteed value clauses for leased assets.

Real-estate lease contracts

Based on its analysis, the Group has identified lease contracts according to IFRS 16 concerning surface areas rented in its base in Mussafah and lease contracts on office and other buildings.

The lease term corresponds to the non-cancellable period which is estimated to be the term until the Group's sublease contracts are effective. The discount rate used to calculate the lease liabilities is determined, for each asset, according to the incremental borrowing rate at the commencement date. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment. This rate is achieved by the addition of the interest rate prevalent in the market (EIBOR) or interest rate on government bonds and the credit spread, as the case may be. The coupon on government bonds is specific to the location, currency, period and maturity. The definition of the spread curve is based upon reference points, each point consisting of asset financing on assets.

Types of non-capitalized lease contracts

The Group uses the two exemptions foreseen by the standard allowing for non-recognition in the statement of financial position: short-term lease contracts and lease contracts for which the underlying assets have a low value.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Within the Group, short term property leases mainly relate to leases of:

- Land at operation sites with a reciprocal notice-period equal to or less than 12 months. There are no penalties associated with non-renewal in these leases;
- Office and warehouse space lease with a notice-period equal to or less than 12 months. There are no renewal rights that extend the lease beyond 12 months;
- Accommodations for expatriates with a notice period equal to or less than 12 months. There are no renewal rights that extend the lease beyond 12 months.

It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short- term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value and are held for consumption in the vessels. Inventories consist of bunkers, lubes, raw materials, finished goods and spare parts. Cost of lubes, raw materials, finished goods and spare parts are determined using the weighted average method. Cost of fuel is determined based on the last purchase price. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

Financial assets

Classification and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

Debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The most relevant classification for the Group is the financial instruments carried at amortised cost.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Classification and measurement (continued)

The Group's financial assets at amortised cost primarily includes trade and other receivables, cash and cash equivalents, sublease receivables and due from related parties.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables and due from related parties. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group considers a financial asset in default when it is 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial instruments - recognition, de-recognition and offsetting

A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. All "regular way" purchases and sales of financial assets are recognised on the trade date (i.e. the date that the Group commits to purchase or sell the asset). Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

A financial asset (or where applicable a part of a financial asset or a part of group of financial assets) is de-recognised either when:

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments - recognition, de-recognition and offsetting (continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the profit or loss.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Financial liabilities

The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value and in the case of borrowings, at fair value of the consideration received less directly attributable transaction costs and subsequently carried at amortised cost using the effective interest method.

The Group's financial liabilities include shareholder loan, due to related parties, trade and other payables and lease liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at banks, current accounts and bank deposits with original maturities of three months or less.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Provisions for decommissioning and restoration costs, which arise principally in connection with lease of land and facilities, is estimated at current prices and in accordance with local conditions and requirements and an equivalent amount is included in the respective class of asset in property, plant and equipment and right-of-use asset. The present value is calculated using amounts discounted over the lease period. The liability is recognised (together with a corresponding amount as part of the related property, plant and equipment or right-of-use assets) once an obligation crystallizes in the period when a reasonable estimate can be made. The effects of changes resulting from revisions to the timing or the amount of the original estimate of the provision are reflected on a prospective basis, generally by adjustment to the carrying amount of the related property, plant and equipment and right-of-use asset. However, where there is no related asset, or the change reduces the carrying amount to nil, the effect, or the amount in excess of the reduction in the related asset to nil, is recognised in the profit or loss.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

The income tax expense or credit for the period is the tax payable on the current year's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Income tax charge for the year relates to profits made from operations in KSA and Qatar.

Employees' end of service benefits

The Group operates an un-funded post-employment benefit plan (employees' end of service benefits) for its expatriate employees in the UAE, in accordance with the Company policy and UAE Labour Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. Payment for employees' end of service benefits is made when an employee leaves, resigns or completes his service.

The cost of providing benefits under the post-employment benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to processing and marketing fees through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Interest is calculated by applying the discount rate to the defined benefit liability. The rate used to discount the end of service benefit obligation is determined by reference to market yields at the consolidated statement of financial position date on high quality corporate bonds. The current and non-current portions of the provision relating to employees' end of service benefits are separately disclosed in the consolidated statement of financial position.

The Group recognises the following changes in the employees' end of service benefits in the processing and marketing fees:

- Service costs comprising current service costs
- Interest expense

With respect to UAE national employees, contributions are made to Abu Dhabi Retirement Pensions and Benefits Fund, calculated in accordance with the Fund's regulations. With respect to GCC national employees, the contributions are made to the pension funds or agencies of their respective countries. Such contributions are charged to the processing and marketing fees during the employees' period of service. The provision relating to annual leave, leave passage and pension contribution is considered as a current liability, while that relating to end of service benefits is disclosed as a non-current liability.

Foreign currencies

Transactions in foreign currencies are recorded at the rate on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All differences are taken to the profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Value added tax ("VAT")

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Group's top Management (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. The CODM assesses the financial performance and position of the operating segments and makes strategic decisions based on a measure of revenue and costs. Refer to Note 28 for further details.

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

While applying the accounting policies as stated in note 3, management of the Group has made certain estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Measurement of ECL
The Group uses a provision matrix to calculate ECLs for trade receivables and to record IFRS 9 provisions thereon.

The provision matrix is initially based on the Group's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Measurement of ECL (continued)
The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For due from related parties' balances, probability of default (PD) is determined to be immaterial based on ADNOC's rating by Fitch as at 31 December 2022. Fitch Ratings has given ADNOC Group a standalone credit rating of AA+ and a long-term issuer default rating of AA with a stable outlook, in line with the sovereign rating of Abu Dhabi. However, on a conservative basis, the Group records provisions for expected credit losses on due from related parties based on ageing buckets.

The provision for expected credit losses on trade receivables has been calculated using a simplified approach, requiring the computation of lifetime expected credit losses. Refer to Note 17 for details.

Historical analysis of aging data
Aging data from January 2016 to December 2022 has been used for this analysis. For the purpose of the historical analysis, management has defined 180 days past due as default. Furthermore, and in accordance with IFRS 9, Management has chosen to segment the customer base into third party and intercompany debtors.

The probability of default (PD) for the various age buckets has been calculated by assessing the flow rate of debit balances into subsequent age buckets, and ultimately into the default age bucket (according to the definition of default discussed above).

The loss given default (LGD) has been calculated by analyzing the recovery / collections of defaulted balances.

Forward-looking macroeconomic factors
IFRS 9 requires a forward-looking macroeconomic adjustment, applied to the historical loss rate. To incorporate this element, a multiple regression analysis has been performed, considering the following factors: Independent variables: the sovereign CDS spread, a market indication of credit risk of the region of operations. Dependent variable(s): the two factors used in the regression analysis are Gross Debt/GDP and Net borrowing - lending/GDP of the region of operations.

The calculated impact of the regression analysis is a 2% incremental increase in historical loss rates, i.e., PD x LGD x 1.02.

At the consolidated statement of financial position date, gross trade receivables were USD 125,715 thousand or AED 461,686 thousand (2021: USD 27,080 thousand or AED 99,451 thousand), and the provision for expected credit losses was USD 8,918 thousand or AED 32,749 thousand (2021: USD 2,744 thousand or AED 10,076 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the profit or loss.

At the consolidated statement of financial position date, gross amount due from related parties were USD 466,154 thousand or AED 1,711,952 thousand (2021: USD 339,112 thousand or AED 1,245,388 thousand), and the provision for expected credit loss was USD 200 thousand or AED 737 thousand (2021: USD 494 thousand or AED 1,815 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the profit or loss.

Useful lives of property, plant and equipment and intangible assets
The Group's management determines the estimated useful lives of property, plant and equipment and intangible assets based on the intended use of the assets and the expected economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from the initial estimates.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Useful lives of property, plant and equipment and intangible assets (continued)
This estimate is determined after considering the current usage of the asset compared to full utilisation capabilities of the asset and physical wear and tear, technical or commercial obsolescence and other limits on the use of the asset Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous estimates.

Impairment of property, plant and equipment
The Group determines whether property, plant and equipment are impaired when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator of impairment exists, the Group determines the value in use of the cash generating units, where an indicator has been identified. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also choose a suitable discount rate in order to calculate the present value of those cash flows.

Management did not identify any impairment indicators in the current or prior year for property, plant and equipment. However, management identified certain capital work-in-progress for which future development is not expected and, accordingly, recorded impairment of USD nil or AED nil (2021: USD 1,467 thousand or AED 5,388 thousand).

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). On this basis the management has determined their best estimate of the lease term for each lease. The lease period determined will be reassessed at each reporting period.

Determining the lease classification – Group as lessor
The Group has entered into several lease arrangements in respect of land and vessels as a lessor. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term either constituting a major part of the economic life of the leased asset and the present value of the minimum lease payments either amounting to substantially all of the fair value of the leased asset, that either it retains substantially all the risks and rewards incidental to ownership of leased asset and accounts for the contracts as operating leases or finance leases accordingly.

Contingent consideration
In the event that certain pre-determined revenues are achieved by ZMI Holdings within the earn-out period, additional consideration may be payable. The estimated potential undiscounted amount is USD 152 million. The fair value of the contingent consideration of USD 150 million was estimated by calculating the present value of the future expected cash flows. The estimates are based on a discount rate of 2% and assumed probability-adjusted revenue of ZMI Holdings over the earn-out period.

4 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.

	Segments	***2022 USD'000***	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Shipping- freight / voyage charter income	Shipping, Integrated logistics & Marine services	**703,393**	435,585	**2,583,210**	1,599,685
Base operation services	Integrated logistics	**343,271**	122,344	**1,260,664**	449,308
Petroleum port operations	Integrated logistics & Marine services	**183,768**	167,681	**674,888**	615,810
Sales of bunkering fuel & water	Integrated logistics	**178,049**	20,942	**653,884**	76,908
Offshore vessels charter income	Integrated logistics & Marine services	**173,689**	148,217	**637,872**	544,327
Operating lease income	Shipping, Integrated logistics & Marine services	**158,883**	143,565	**583,499**	527,243
Onshore services income	Integrated logistics	**95,877**	28,894	**352,110**	106,112
Ship management income	Shipping	**69,562**	78,389	**255,468**	287,884
Drilling chemicals	Integrated logistics	**45,681**	45,186	**167,759**	165,946
		1,952,173	1,190,803	**7,169,354**	4,373,223
Timing of revenue					
Goods transferred at a point of time	Integrated logistics	**223,729**	66,128	**821,643**	242,854
Operating lease income	Shipping, Integrated logistics & Marine services	**158,883**	143,565	**583,499**	527,243
Services rendered over time	Shipping, Integrated logistics & Marine services	**1,569,561**	981,110	**5,764,212**	3,603,126
		1,952,173	1,190,803	**7,169,354**	4,373,223

5 DIRECT COSTS

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Bunker and other consumption	**560,507**	142,539	**2,058,463**	523,475
Manpower costs (note 8)	**372,228**	298,622	**1,367,007**	1,096,688
Freight and voyage charter costs	**289,429**	256,276	**1,062,927**	941,174
Port charges	**64,472**	47,696	**236,772**	175,165
Repairs and maintenance	**41,776**	44,856	**153,421**	164,735
Depreciation on property, plant and equipment (note 11)	**132,602**	94,181	**486,982**	345,878
Depreciation on right-of-use assets (note 12)	**8,398**	5,459	**30,843**	20,050
Amortization of intangibles	**1,785**	-	**6,555**	-
Depreciation on investment properties (note 14)	**5,105**	2,416	**18,748**	8,874
Other operating costs	**66,723**	72,158	**245,041**	264,995
	1,543,025	964,203	**5,666,759**	3,541,034

6 GENERAL AND ADMINISTRATIVE EXPENSES

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Staff costs (note 8)	**71,815**	59,387	**263,741**	218,099
Office rent	**2,160**	4,129	**7,931**	15,162
Amortisation of intangible assets	**8,221**	3,980	**30,190**	14,618
Consultancy fees	**2,380**	1,924	**8,739**	7,066
Depreciation on property, plant and equipment (note 11)	**272**	1,171	**1,000**	4,300
Depreciation on right-of-use assets (note 12)	**18**	-	**66**	-
Others	**20,738**	12,883	**76,163**	47,313
	105,604	83,474	**387,830**	306,558

7A OTHER EXPENSES

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Loss on reversal of sub leases	**2,380**	-	**8,742**	-
Demurrage and other	**1,412**	1,196	**5,184**	4,396
	3,792	1,196	**13,926**	4,396

7B OTHER INCOME

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Profit on initial recognition of sub-lease receivables	**872**	2,470	**3,203**	9,070
Gain on disposal of right of use assets	**128**	-	**469**	-
Gain on disposal of property, plant and equipment	**3**	974	**13**	3,577
	1,003	3,444	**3,685**	12,647

8 STAFF COSTS

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Salaries & benefits (direct hire and sub-contracted)	**439,175**	353,285	**1,612,871**	1,297,438
Pension adjustment (note 24)	**-**	90,916	**-**	333,888
Employees' end of service benefits (note 22)	**4,868**	4,724	**17,877**	17,349
	444,043	448,925	**1,630,748**	1,648,675
Analyzed as:				
Direct costs	**372,228**	298,622	**1,367,007**	1,096,688
Pension adjustment (note 24)	**-**	90,916	**-**	333,888
General and administrative expenses (note 6)	**71,815**	59,387	**263,741**	218,099
	444,043	448,925	**1,630,748**	1,648,675

9 FINANCE INCOME

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Interest income on sub-leases (finance leases) (note 12)	**1,241**	1,373	**4,556**	5,043
Interest income on deposits	**2,476**	266	**9,094**	977
	3,717	1,639	**13,650**	6,020

10 FINANCE COSTS

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Interest cost on shareholder loan (note 24)	**31,308**	4,316	**114,978**	15,852
Interest expense on lease liabilities (note 12)	**4,685**	3,005	**17,207**	11,035
Interest on pension cost	**1,520**	-	**5,580**	-
Interest cost as per IAS-19 (note 22)	**955**	599	**3,509**	2,199
Others	**7**	-	**26**	-
	38,475	7,920	**141,300**	29,086

11 PROPERTY, PLANT AND EQUIPMENT

	Buildings USD'000	*Vessels and marine equipment USD'000*	*Plant USD'000*	*Equipment and vehicles USD'000*	*Furniture, fixtures and office equipment USD'000*	*Capital work in progress USD'000*	*Total USD'000*
2022							
Cost:							
At 1 January 2022	67,279	1,790,824	5,391	51,950	19,738	99,569	2,034,751
Additions on business acquisition	5,730	1,354,715	-	568	4,256	-	1,365,269
Additions	-	54,017	-	-	-	296,837	350,854
Disposals	-	(926)	-	-	(164)	-	(1,090)
Transfer to investment properties	-	-	-	-	-	(85,906)	(85,906)
Transfer to intangible assets	-	-	-	-	-	(6,802)	(6,802)
Transfer from capital work in progress	5,076	119,925	-	666	3,743	(129,410)	-
Transfer from investment properties & intangible assets	29,191	-	-	-	1,964	-	31,155
Adjustments	-	1,047	-	-	-	(3,135)	(2,088)
Write offs	-	-	-	-	-	(428)	(428)
At 31 December 2022	**107,276**	**3,319,602**	**5,391**	**53,184**	**29,537**	**170,725**	**3,685,715**

11 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings *USD'000*	*Vessels and marine equipment* *USD'000*	*Plant* *USD'000*	*Equipment and vehicles* *USD'000*	*Furniture, fixtures and office equipment* *USD'000*	*Capital work in progress* *USD'000*	*Total* *USD'000*
Accumulated depreciation:							
At 1 January 2022	53,769	287,149	5,283	27,370	8,750	-	382,321
Charge for the year	3,722	119,974	19	5,649	3,511	-	132,875
Disposals	-	(776)	-	-	(164)	-	(940)
Transfers	(1)	-	-	(1)	-	-	(2)
Transfer from investment properties	17,879	-	-	-	-	-	17,879
Transfer from intangible assets	-	-	-	-	472	-	472
Adjustments	(113)	3,128	-	(974)	(315)	-	1,726
At 31 December 2022	**75,256**	**409,475**	**5,302**	**32,044**	**12,254**	**-**	**534,331**
Net book value							
At 31 December 2022	**32,020**	**2,910,127**	**89**	**21,140**	**17,283**	**170,725**	**3,151,384**

	Buildings *USD'000*	*Vessels and marine equipment* *USD'000*	*Plant* *USD'000*	*Equipment and vehicles* *USD'000*	*fixtures and office equipment* *USD'000*	*Capital work in progress* *USD'000*	*Total* *USD'000*
2021							
Cost:							
At 1 January 2021	64,330	1,294,132	5,254	43,452	14,954	51,443	1,473,565
Additions	-	513,918	-	-	-	215,954	729,872
Disposals	-	(25,376)	-	(533)	-	-	(25,909)
Transfer to intangible assets	-	-	-	-	-	(6,689)	(6,689)
Transfer to investment properties	-	-	-	-	-	(3,830)	(3,830)
Transfers	3,082	127,447	-	14,960	10,353	(155,842)	-
Impairment	-	-	-	-	-	(1,467)	(1,467)
Adjustments and write offs	(133)	(119,297)	137	(5,929)	(5,569)	-	(130,791)
At 31 December 2021	67,279	1,790,824	5,391	51,950	19,738	99,569	2,034,751
Accumulated depreciation:							
At 1 January 2021	53,067	350,297	5,254	23,474	11,141	-	443,233
Charge for the year	1,382	86,480	19	5,390	2,080	-	95,351
Disposals	-	(25,376)	-	(533)	-	-	(25,909)
Adjustments and write offs	(680)	(124,252)	10	(961)	(4,471)	-	(130,354)
At 31 December 2021	53,769	287,149	5,283	27,370	8,750	-	382,321
Net book value							
At 31 December 2021	13,510	1,503,675	108	24,580	10,988	99,569	1,652,430

11 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings	*Vessels and marine equipment*	*Plant*	*Equipment and vehicles*	*Furniture, fixtures and office equipment*	*Capital work in progress*	*Total*
	AED'000	*AED'000*	*AED'000*	*AED'000*	*AED'000*	*AED'000*	*AED'000*
2022							
Cost:							
At 1 January 2022	247,082	6,576,799	19,797	190,784	72,488	365,671	7,472,621
Additions on business acquisition	21,044	4,975,193	-	2,085	15,629	-	5,013,951
Additions	-	198,378	-	-	-	1,090,135	1,288,513
Disposals	-	(3,400)	-	-	(602)	-	(4,002)
Transfer to investment properties	-	-	-	-	-	(315,489)	(315,489)
Transfer to intangible assets	-	-	-	-	-	(24,980)	(24,980)
Transfer from capital work in progress	18,641	440,425	-	2,444	13,747	(475,257)	-
Transfer from investment properties & intangible assets	107,203	-	-	-	7,212	-	114,415
Adjustments	-	3,848	-	-	-	(11,514)	(7,666)
Write offs	-	-	-	-	-	(1,571)	(1,571)
At 31 December 2022	**393,970**	**12,191,243**	**19,797**	**195,313**	**108,474**	**626,995**	**13,535,792**
Accumulated depreciation:							
At 1 January 2022	197,464	1,054,556	19,402	100,517	32,134	-	1,404,073
Charge for the year	13,668	440,603	68	20,748	12,895	-	487,982
Disposals	-	(2,851)	-	-	(602)	-	(3,453)
Transfers	(2)	-	-	(4)	-	-	(6)
Transfer from investment properties	65,660	-	-	-	-	-	65,660
Transfer from intangible assets	-	-	-	-	1,732	-	1,732
Adjustments	(416)	11,501	-	(3,580)	(1,156)	-	6,349
At 31 December 2022	**276,374**	**1,503,809**	**19,470**	**117,681**	**45,003**	**-**	**1,962,337**
Net book value							
At 31 December 2022	**117,596**	**10,687,434**	**327**	**77,632**	**63,471**	**626,995**	**11,573,455**

11 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings	*Vessels and marine equipment*	*Plant*	*Equipment and vehicles*	*fixtures and office equipment*	*Capital work in progress*	*Total*
	AED'000	*AED'000*	*AED'000*	*AED'000*	*AED'000*	*AED'000*	*AED'000*
2021							
Cost:							
At 1 January 2021	236,251	4,752,700	19,297	159,578	54,920	188,925	5,411,671
Additions	-	1,887,363	-	-	-	793,091	2,680,454
Disposals	-	(93,193)	-	(1,958)	-	-	(95,151)
Transfer to intangible assets	-	-	-	-	-	(24,564)	(24,564)
Transfer to investment properties	-	-	-	-	-	(14,064)	(14,064)
Transfers	11,319	468,049	-	54,940	38,021	(572,329)	-
Impairment	-	-	-	-	-	(5,388)	(5,388)
Adjustments and write offs	(488)	(438,120)	500	(21,776)	(20,453)	-	(480,337)
At 31 December 2021	247,082	6,576,799	19,797	190,784	72,488	365,671	7,472,621
Accumulated depreciation:							
At 1 January 2021	194,889	1,286,465	19,297	86,209	40,917	-	1,627,777
Charge for the year	5,074	317,598	68	19,796	7,642	-	350,178
Disposals	-	(93,193)	-	(1,958)	-	-	(95,151)
Adjustments and write offs	(2,499)	(456,314)	37	(3,530)	(16,425)	-	(478,731)
At 31 December 2021	197,464	1,054,556	19,402	100,517	32,134	-	1,404,073
Net book value							
At 31 December 2021	**49,618**	**5,522,243**	**395**	**90,267**	**40,354**	**365,671**	**6,068,548**

As at 31 December 2022, capital work in progress includes both vessels and projects under construction. During construction, projects are recorded under capital work in progress and then transferred to respective asset classes including investment properties and intangible assets. During the year, transfers were done from investment properties to buildings on account of change in the intended use of the property.

Depreciation has been allocated in the consolidated statement of comprehensive income as follows:

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Direct costs (note 5)	**132,602**	94,181	**486,982**	345,878
General and administrative expenses (note 6)	**273**	1,170	**1,000**	4,300
	132,875	95,351	**487,982**	350,178

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES

Set out below, are the carrying amounts of the Group's right-of-use assets, sub-lease receivables and lease liabilities and the movements during the period:

A. In respect of head-lease:

USD'000	*Land right -of-use asset*	*Vessels right -of-use asset*	*Total*
As at 1 January 2022	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	**54,429**	**12,779**	**67,208**
As at 1 January 2021	31,384	558	31,942
Additions	-	10,099	10,099
Depreciation expense	(1,845)	(3,614)	(5,459)
As at 31 December 2021	29,539	7,043	36,582

USD'000	*Land lease liability*	*Vessels lease liability*	*Total*
As at 1 January 2022	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 (note 10)	3,833	404	**4,237**
Payments	**(5,274)**	**(5,781)**	**(11,055)**
As at 31 December 2022	**57,284**	**12,898**	**70,182**
As at 1 January 2021	32,219	570	32,789
Additions	-	10,099	10,099
Interest expense	2,179	262	2,441
Payments	(3,176)	(3,785)	(6,961)
As at 31 December 2021	31,222	7,146	38,368

AED'000	*Land right -of-use asset*	*Vessels right -of-use asset*	*Total*
As at 1 January 2022	**108,481**	**25,867**	**134,348**
Additions	**102,044**	**63,269**	**165,313**
Disposals	**-**	**(21,931)**	**(21,931)**
Depreciation expense	**(10,635)**	**(20,274)**	**(30,909)**
As at 31 December 2022	**199,890**	**46,931**	**246,821**
As at 1 January 2021	115,257	2,053	117,310
Additions	-	37,088	37,088
Depreciation expense	(6,776)	(13,274)	(20,050)
As at 31 December 2021	108,481	25,867	134,348

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES

A. In respect of head-lease (continued):

AED'000	*Land lease liability*	*Vessels lease liability*	*Total*
As at 1 January 2022	**114,662**	**26,245**	**140,907**
Additions	**101,002**	**63,269**	**164,271**
Gain on disposals	**-**	**(469)**	**(469)**
Disposals	**-**	**(21,928)**	**(21,928)**
Interest expense (note 10)	**14,075**	**1,487**	**15,562**
Payments	**(19,370)**	**(21,231)**	**(40,601)**
As at 31 December 2022	**210,369**	**47,373**	**257,742**
As at 1 January 2021	118,323	2,096	120,419
Additions	-	37,088	37,088
Interest expense	8,004	961	8,965
Payments	(11,665)	(13,900)	(25,565)
As at 31 December 2021	114,662	26,245	140,907

B. In respect of sub-lease:

USD'000	*Land sub-lease receivables*	*Vessels sub-lease receivables*	*Total*
As at 1 January 2022	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	**12,623**	**6,762**	**19,385**
As at 1 January 2021	13,703	14,578	28,281
Additions	-	3,064	3,064
Profit on initial recognition of sub-leases	-	2,470	2,470
Interest Income	922	451	1,373
Payments received	(1,443)	(7,498)	(8,941)
As at 31 December 2021	13,182	13,065	26,247

AED'000	*Land sub-lease receivables*	*Vessels sub-lease receivables*	*Total*
As at 1 January 2022	**48,410**	**47,982**	**96,392**
Additions	**-**	**27,499**	**27,499**
Disposals	**-**	**(25,007)**	**(25,007)**
Loss on reversals	**-**	**(8,742)**	**(8,742)**
Profit on initial recognition of sub-leases	**-**	**3,203**	**3,203**
Interest income	**3,245**	**1,311**	**4,556**
Payments received	**(5,300)**	**(21,409)**	**(26,709)**
As at 31 December 2022	**46,355**	**24,837**	**71,192**

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES (continued)

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

As at 1 January 2021	50,325	53,535	103,860
Additions	-	11,254	11,254
Profit on initial recognition of sub-leases	-	9,070	9,070
Interest Income	3,385	1,658	5,043
Payments received	(5,300)	(27,535)	(32,835)
As at 31 December 2021	48,410	47,982	96,392

USD'000	***Land sub -lease liability***	***Vessel sub- lease liability***	***Total***
As at 1 January 2022	2,575	10,133	**12,708**
Additions	-	7,487	**7,487**
Disposals	-	(6,808)	**(6,808)**
Interest expense (note 10)	167	281	**448**
Payments	(277)	(4,703)	**(4,980)**
As at 31 December 2022	**2,465**	**6,390**	**8,855**
As at 1 January 2021	2,677	13,263	15,940
Additions	-	3,064	3,064
Interest expense	175	389	564
Payments	(277)	(6,583)	(6,860)
As at 31 December 2021	2,575	10,133	12,708

AED'000	***Land sub -lease liability***	***Vessel sub- lease liability***	***Total***
As at 1 January 2022	**9,455**	**37,217**	**46,672**
Additions	**-**	**27,499**	**27,499**
Disposals	**-**	**(25,007)**	**(25,007)**
Interest expense (note 10)	**615**	**1,030**	**1,645**
Payments	**(1,017)**	**(17,269)**	**(18,286)**
As at 31 December 2022	**9,053**	**23,470**	**32,523**
As at 1 January 2021	9,830	48,710	58,540
Additions	-	11,254	11,254
Interest expense	642	1,428	2,070
Payments	(1,017)	(24,175)	(25,192)
As at 31 December 2021	9,455	37,217	46,672

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

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Current portion	**3,911**	6,314	**14,363**	23,188
Non-current portion	**15,474**	19,933	**56,829**	73,204
	19,385	26,247	**71,192**	96,392

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES (continued)

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

Sub-lease receivables as of 31 December can be further analysed as follows:

In USD'000

31 December 2022	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC Offshore	3,311	3,452	6,763	3,452	-
Total related party balances	3,311	3,452	6,763	3,452	-
Third parties	600	12,022	12,622	2,770	9,253
Total	**3,911**	**15,474**	**19,385**	**6,222**	**9,253**

31 December 2021	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC Offshore	3,871	4,708	8,579	4,708	-
ADNOC Onshore	1,713	2,603	4,316	2,603	-
Total related party balances	5,584	7,311	12,895	7,311	-
Third parties	730	12,622	13,352	2,674	9,948
Total	6,314	19,933	26,247	9,985	9,948

In AED'000

31 December 2022	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC Offshore	12,158	12,678	24,836	12,678	-
Total related party balances	12,158	12,678	24,836	12,678	-
Third parties	2,205	44,151	46,356	10,171	33,980
Total	**14,363**	**56,829**	**71,192**	**22,849**	**33,980**

31 December 2021	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC Offshore	14,216	17,290	31,506	17,290	-
ADNOC Onshore	6,292	9,559	15,851	9,559	-
Total related party balances	20,508	26,849	47,357	26,849	-
Third parties	2,680	46,355	49,035	9,822	36,533
Total	23,188	73,204	96,392	36,671	36,533

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES (continued)

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

Lease liabilities as of 31 December are analysed in the consolidated statement of financial position as follows:

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Relating to head-lease (in respect of right-of-use assets)	**70,182**	38,368	**257,742**	140,907
Relating to sub-lease receivables (in respect of liabilities for sub-leased assets)	**8,855**	12,708	**32,523**	46,672
	79,037	51,076	**290,265**	187,579
Current portion	**9,768**	9,451	**35,874**	34,710
Non-current portion	**69,269**	41,625	**254,391**	152,869
	79,037	51,076	**290,265**	187,579

Lease liabilities as of 31 December can be further analysed as follows:

In USD'000

31 December 2022	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC HQ	1,265	31,353	32,618	5,901	25,452
Total related party balances	1,265	31,353	32,618	5,901	25,452
Third parties	8,503	37,916	46,419	13,472	24,444
Total	**9,768**	**69,269**	**79,037**	**19,373**	**49,896**

31 December 2021	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC HQ	1,179	32,618	33,797	6,172	26,446
Total related party balances	1,179	32,618	33,797	6,172	26,446
Third parties	8,272	9,007	17,279	9,007	-
Total	9,451	41,625	51,076	15,179	26,446

12 RIGHT-OF-USE ASSETS, SUB-LEASE RECEIVABLES & LEASE LIABILITIES (continued)

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

In AED'000

31 December 2022	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC HQ	4,645	115,143	119,788	21,671	93,472
Total related party balances	4,645	115,143	119,788	21,671	93,472
Third parties	31,229	139,248	170,477	49,478	89,770
Total	**35,874**	**254,391**	**290,265**	**71,149**	**183,242**

31 December 2021	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 years*	*Non-current 5 years & above*
ADNOC HQ	4,329	119,788	124,117	22,666	97,122
Total related party balances	4,329	119,788	124,117	22,666	97,122
Third parties	30,381	33,081	63,462	33,081	-
Total	34,710	152,869	187,579	55,747	97,122

The table below indicates rental expenses resulting from lease and service contracts which are recognised in the consolidated statement of comprehensive income:

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Short term rents (included in note 5 & 6)	**6,583**	6,071	**24,175**	22,296

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

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
As at 1 January	**1,324**	1,234	**4,861**	4,530
Additions during the year	**286**	-	**1,052**	-
Accretion during the year	**117**	90	**428**	331
As at 31 December	**1,727**	1,324	**6,341**	4,861

13 INTANGIBLE ASSETS

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Cost:				
At 1 January	**22,390**	19,616	**82,229**	72,039
Transfer from property, plant and equipment (note 11)	**6,802**	6,689	**24,980**	24,564
Transfer to property, plant and equipment (note 11)	**(1,964)**	-	**(7,212)**	-
Adjustments	**656**	6,306	**2,406**	23,163
Disposals	**-**	(10,221)	**-**	(37,537)
At 31 December	**27,884**	22,390	**102,403**	82,229
Accumulated amortization:				
At 1 January	**4,699**	5,070	**17,257**	18,619
Charge for the year	**10,005**	3,980	**36,745**	14,618
Transfer to property, plant and equipment (note 11)	**(472)**	-	**(1,732)**	-
Adjustments	**(1,064)**	5,870	**(3,912)**	21,557
Disposals	**-**	(10,221)	**-**	(37,537)
At 31 December	**13,168**	4,699	**48,358**	17,257
Net book value				
At 31 December	**14,716**	17,691	**54,045**	64,972

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.

14 INVESTMENT PROPERTIES

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Cost:				
At 1 January	**98,633**	94,803	**362,229**	348,165
Transfer to property, plant and equipment (note 11)	**(29,191)**	-	**(107,203)**	-
Transfer from property, plant and equipment (note 11)	**85,906**	3,830	**315,489**	14,064
At 31 December	**155,348**	98,633	**570,515**	362,229
Accumulated depreciation:				
At 1 January	**68,365**	65,949	**251,070**	242,196
Transfer to property, plant and equipment (note 11)	**(17,879)**	-	**(65,660)**	-
Charge for the year	**5,105**	2,416	**18,748**	8,874
At 31 December	**55,591**	68,365	**204,158**	251,070
Net book value	**99,757**	30,268	**366,357**	111,159

14 INVESTMENT PROPERTIES (continued)

Investment properties comprise of buildings owned by the Group which are rented to tenants under operating lease arrangements. The fair valuation of the completed properties was carried out as at 31 December 2022 by management using the discounted cash flow method of valuation, using assumptions such as annual growth rate and discount rate. The fair value was assessed at USD 110 million or AED 403 million as at 31 December 2022 (2021: USD 263 million or AED 965 million).

In estimating the fair value of the properties, the highest and best use of the property is considered as their current use. The inputs used in the valuation are not based on observable market data and thus the valuation techniques were considered to be Level 3 valuation.

Land on which the buildings are constructed is leased by ADNOC to the Group for a period of 10 years until 31 December 2028 at an annual rent of USD 3,396 thousand or AED 12,470 thousand and is expected to be renewed till the Group's sub-lease contracts are effective (note 12).

On 1 Jan 2022, the Group acquired two warehouses from Abu Dhabi Ports for USD 84 million or AED 310 million. The land on which the warehouses are built is leased by Abu Dhabi Ports to the Group for a period of 25 years with effect from 1 January 2022.

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Rental income included under operating lease income	**21,330**	24,664	**78,333**	90,578
Direct costs excluding depreciation	**2,570**	2,502	**9,438**	9,188

15 INVESTMENT IN A JOINT VENTURE

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

	Percentage holding			
Name of joint venture	*2022*	*2021*	*Country of incorporation*	*Principal activity*
AW Shipping Limited	50%	50%	UAE	Shipping services

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

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
As at 1 January	**73,842**	20,380	**271,184**	74,846
Equity investment during the year	**10,200**	52,400	**37,460**	192,438
Receipts from joint venture	**(22,385)**	-	**(82,209)**	-
Dividend received	**(1,042)**	-	**(3,825)**	-
Share of profit for the year	**2,026**	1,062	**7,441**	3,900
As at 31 December	**62,641**	73,842	**230,051**	271,184

15 INVESTMENT IN A JOINT VENTURE (continued)

The assets, liabilities and results of the joint venture are summarised below:

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Statement of financial position				
Total assets	**410,923**	188,299	**1,509,115**	691,527
Total liabilities	**(285,640)**	(40,615)	**(1,049,013)**	(149,159)
Net assets	**125,283**	147,684	**460,102**	542,368

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Statement of comprehensive income				
Revenue	**18,589**	4,958	**68,269**	18,209
Expenses	**(14,537)**	(2,834)	**(53,387)**	(10,409)
Total comprehensive income	**4,052**	2,124	**14,882**	7,800

Included in expenses above depreciation of USD 4,224 thousand or AED 15,513 thousand (31 December 2021: USD 1,179 thousand or AED 4,330 thousand). Also included in expenses is finance cost of USD 4,068 thousand or AED 14,940 thousand (31 December 2021: USD nil or AED nil). There was no interest income earned by the joint venture in 2022 or 2021.

Included in total liabilities above is loan from banks amounting to USD 233,933 thousand or AED 859,119 thousand (31 December 2021: USD nil or AED nil). As at 31 December 2022, USD 209,998 thousand or AED 771,218 thousand was classified as non-current liability and USD 23,935 thousand or 87,901 thousand was classified as current liability.

16 INVENTORIES

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Bunkers	**41,571**	23,677	**152,670**	86,952
Lubes	**4,886**	2,620	**17,943**	9,621
Raw materials & finished goods	**8,376**	4,510	**30,761**	16,565
Spare parts, fuel and consumables	**60,297**	30,175	**221,441**	110,819
Firefighting foam and dispersant stock	**405**	405	**1,488**	1,488
	115,535	61,387	**424,303**	225,445
Less: provision for slow-moving and obsolete inventories	**(9,965)**	(3,687)	**(36,598)**	(13,541)
	105,570	57,700	**387,705**	211,904

16 INVENTORIES (continued)

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

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
At 1 January	**3,687**	3,687	**13,541**	13,541
Charge during the year	**6,278**	-	**23,057**	-
At 31 December	**9,965**	3,687	**36,598**	13,541

17 TRADE AND OTHER RECEIVABLES

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Trade receivables	**125,715**	27,080	**461,686**	99,451
Provision for expected credit losses	**(8,918)**	(2,744)	**(32,749)**	(10,076)
Trade receivables, net	**116,797**	24,336	**428,937**	89,375
Prepaid expenses and other receivables	**81,416**	37,930	**299,001**	139,299
Receivable from employees	**14,965**	10,205	**54,960**	37,479
Advances to suppliers	**3,785**	10,362	**13,900**	38,051
	216,963	82,833	**796,798**	304,204

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

At 1 January	**2,744**	2,151	**10,076**	7,898
Charge during the year	**6,174**	593	**22,673**	2,178
At 31 December	**8,918**	2,744	**32,749**	10,076

Below is the information about credit risk exposure on the Group's trade receivables:

			Past due				
	Total USD' 000	*Not past due USD' 000*	*< 30 days USD' 000*	*30 - 60 days USD' 000*	*61 - 90 days USD' 000*	*91 - 120 days USD' 000*	*> 120 days USD' 000*
Provision matrix 2022		5%	6%	2%	4%	13%	18%
Provision matrix 2021		4%	6%	10%	14%	17%	35%
Gross trade receivable							
31 December 2022	**125,715**	**26,789**	**29,711**	**25,639**	**16,228**	**6,132**	**21,216**
31 December 2021	27,080	11,406	6,486	1,727	3,666	475	3,320
Provision for expected credit losses							
31 December 2022	**8,918**	**1,334**	**1,921**	**457**	**693**	**767**	**3,746**
31 December 2021	2,744	419	419	171	504	82	1,149
Net trade receivable							
31 December 2022	**116,797**	**25,455**	**27,790**	**25,182**	**15,535**	**5,365**	**17,470**
31 December 2021	24,336	10,987	6,067	1,556	3,162	393	2,171

17 TRADE AND OTHER RECEIVABLES (continued)

Below is the information about credit risk exposure on the Group's trade receivables:

			Past due				
	Total *AED' 000*	*Not past due* *AED' 000*	*< 30 days* *AED' 000*	*30 - 60 days* *AED' 000*	*61 - 90 days* *AED' 000*	*91 - 120 days* *AED' 000*	*> 120 days* *AED' 000*
Provision matrix 2022		5%	6%	2%	4%	13%	18%
Provision matrix 2021		4%	6%	10%	14%	17%	35%
Gross trade receivable							
31 December 2022	**461,686**	**98,379**	**109,115**	**94,160**	**59,597**	**22,520**	**77,915**
31 December 2021	99,451	41,887	23,819	6,342	13,463	1,746	12,194
Provision for expected credit losses							
31 December 2022	**32,749**	**4,898**	**7,054**	**1,678**	**2,544**	**2,816**	**13,759**
31 December 2021	10,076	1,540	1,539	627	1,850	301	4,219
Net trade receivable							
31 December 2022	**428,937**	**93,481**	**102,061**	**92,482**	**57,053**	**19,704**	**64,156**
31 December 2021	89,375	40,347	22,280	5,715	11,613	1,445	7,975

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. It is not the practice of the Group to obtain a collateral over receivables balances.

Trade and other receivables (non-current) include advances paid to suppliers towards capex acquisitions. Balance as at 31 December were as follows:

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Advances to suppliers	**124,252**	2,556	**456,316**	9,386

18 CASH AND CASH EQUIVALENTS

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Cash in hand	**928**	1,110	**3,409**	4,076
Cash at banks	**164,005**	367,337	**602,308**	1,349,045
	164,933	368,447	**605,717**	1,353,121

The Group held cash and cash equivalent with financial institutions that are rated at least AA- to A based on rating agency ratings. Accordingly, the ECL provision amount calculated by applying the general approach is considered to be immaterial. Cash at banks include call deposit accounts that earn interest of 0.07% (2021: 0.07%).

19 SHARE CAPITAL

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Authorised, issued and fully paid				
1,000,000,000 ordinary shares of AED 1 each	**272,294**	272,294	**1,000,000**	1,000,000

20 GENERAL RESERVE

In accordance with the decision of management of the Group, 10% of the profit is transferred to a general reserve on an annual basis.

21 BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share (EPS) amounts are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the year.

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Profit attributable to shareholders of the Company	**260,793**	54,804	**957,761**	201,267
Weighted average number of shares	**1,000,000,000**	1,000,000,000	**1,000,000,000**	1,000,000,000
	USD	*USD*	***AED***	*AED*
Earnings per share	**0.26**	0.05	**0.96**	0.20

There are no dilutive securities, therefore diluted EPS is the same as basic EPS.

22 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the employees' end of service benefits provision are as follows:

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
At 1 January	**40,695**	36,695	**149,453**	134,763
Current service cost (note 8)	**4,868**	4,724	**17,877**	17,349
Acquired through business combination	**2,512**	-	**9,223**	-
Benefits paid	**(7,148)**	(4,156)	**(26,250)**	(15,262)
Benefits of employees transferred-in from group companies	**-**	1,488	**-**	5,463
Benefits of employees transferred -out to group companies	**-**	(182)	**-**	(668)
Interest cost (note 10)	**955**	599	**3,509**	2,199
Remeasurement losses:	**-**	-		
Actuarial (gains) / losses arising from experience	**(3,662)**	3,104	**(13,449)**	11,399
Actuarial gains arising from changes in financial assumptions	**(6,756)**	(1,598)	**(24,812)**	(5,868)
Actuarial losses arising from changes in demographic assumptions	**-**	21	**-**	78
At 31 December	**31,464**	40,695	**115,551**	149,453

Generally, upon fulfilment of certain employment conditions, the retirement benefits are payable in lump sum upon retirement, which is determined on the basis of the employee's one month salary for each of the first three years of service plus one and a half month's salary for each subsequent year of service.

The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit credit method.

22 EMPLOYEES' END OF SERVICE BENEFITS (continued)

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	2022	*2021*
Discount rate	5.00%	2.25%
Expected rate of salary increase	3.00%	3.00%
Average turnover	7.5%	7.5%
Mortality rate table	AM92/AF92	AM92/AF92
Retirement age	60 years	60 years

Amounts recognised in comprehensive income in respect of these benefit are as follows:

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Service cost:				
Current service cost (note 8)	**4,868**	4,724	**17,877**	17,349
Net interest expense (note 10)	**955**	599	**3,509**	2,199
Components of provision for employees' end of service benefit recognised in comprehensive income	**5,823**	5,323	**21,386**	19,548

Amounts recognised in other comprehensive income are as follows:

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Actuarial (gain) / loss arising from the experience adjustments	**(10,418)**	1,527	**(38,261)**	5,609

Significant actuarial assumptions for the determination of the provision for employees' end of service benefit are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

22 EMPLOYEES' END OF SERVICE BENEFITS (continued)

	Increase / decrease in percentage point	*Increase (decrease) in provision for employees' end of service benefit*	*Increase (decrease) in provision for employees' end of service benefit*
2022		***USD'000***	***AED'000***
Discount rate	**1%**	**(1,935)**	**(7,107)**
	-1%	**2,186**	**8,029**
Expected salary growth	**1%**	**2,280**	**8,374**
	-1%	**(2,046)**	**(7,515)**
2021		***USD'000***	***AED'000***
Discount rate	1%	(2,881)	(10,582)
	-1%	3,317	12,183
Expected salary growth	1%	3,363	12,352
	-1%	(2,970)	(10,909)

The sensitivity analysis presented above may not be representative of the actual change in the provision for employees' end of service benefit as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the provision for employees' end of service benefit has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the provision for employees' end of service benefit recognised in the consolidated statement of financial position.

The Group does not expect to make any contribution to defined benefit plans during the next financial year.

23 TRADE AND OTHER PAYABLES

	2022 ***USD'000***	*2021 USD'000*	***2022*** ***AED'000***	*2021 AED'000*
Trade accounts payable	**62,060**	19,152	**227,914**	70,341
Other payables and accrued expenses	**315,777**	179,168	**1,159,690**	657,993
Capital expenses accruals	**79,717**	28,801	**292,762**	105,770
Operating lease rent received in advance	**5,345**	2,854	**19,631**	10,481
	462,899	229,975	**1,699,997**	844,585

Trade accounts payable are interest free and are normally settled within 30 days from the date of receipt of the invoice.

24 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.

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 year-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. For the year ended 31 December 2022, the Group has provision for expected credit losses of USD 200 thousand or AED 737 thousand (2021: USD 494 thousand or AED 1,815 thousand) on amounts due from related parties. The Group's significant balances are with entities controlled, jointly controlled or significantly influenced by the ADNOC.

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

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Goods sold and services provided to entities under common control				
ADNOC Offshore	**676,928**	487,990	**2,486,024**	1,792,141
ADNOC (Holding Company)	**256,008**	171,647	**940,188**	630,374
National Gas Shipping Company Limited	**122,358**	92,294	**449,361**	338,949
ADNOC Onshore	**46,856**	56,967	**172,078**	209,213
Abu Dhabi Polymers Company Limited (Borouge ADP)	**146,322**	51,869	**537,368**	190,488
ADNOC Global Trading (AGT)	**105,440**	39,765	**387,229**	146,036
ADNOC Trading (AT)	**10,144**	11,445	**37,254**	42,032
ADNOC Distribution	**12,155**	18,488	**44,638**	67,897
ADNOC Drilling	**9,986**	10,218	**36,672**	37,524
ADNOC Refining	**3,385**	4,885	**12,430**	17,941
ADNOC Gas Processing	**10,334**	3,012	**37,952**	11,062
ADNOC LNG	**14,692**	2,300	**53,955**	8,448
AW Shipping Limited	**292**	321	**1,073**	1,179
Al Dhafra	**-**	318	**-**	1,168
	1,414,900	951,519	**5,196,222**	3,494,452

Good and services received from entities under common control

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
ADNOC (Holding Company)	**46,476**	21,617	**170,682**	79,388
ADNOC Distribution	**218,029**	3,396	**800,712**	12,472
ADNOC Refining	**-**	171	**-**	629
	264,505	25,184	**971,394**	92,489

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Interest on shareholder loan				
ADNOC (Holding Company)	**31,308**	4,316	**114,978**	15,852

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

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

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Due from related parties:				
ADNOC Offshore	**290,423**	184,411	**1,066,579**	677,251
ADNOC (Holding Company)	**77,016**	65,870	**282,843**	241,906
ADNOC (Holding Company) cash pooling balance*	**30,462**	31,830	**111,871**	116,896
Abu Dhabi Polymers Company Limited (Borouge ADP)	**27,209**	19,353	**99,926**	71,073
ADNOC Onshore	**12,926**	13,002	**47,471**	47,749
ADNOC Global Trading (AGT)	**13,152**	5,564	**48,302**	20,433
ADNOC Gas Processing	**5,938**	1,290	**21,809**	4,742
ADNOC Distribution	**3,366**	8,214	**12,362**	30,167
ADNOC LNG	**2,276**	908	**8,357**	3,333
ADNOC Drilling	**1,187**	5,244	**4,360**	19,259
AW Shipping Limited	**1,256**	1,042	**4,614**	3,827
ADNOC Refining	**582**	1,994	**2,136**	7,322
ADNOC Sour Gas	**-**	182	**-**	668
Al Dhafra	**-**	154	**-**	564
Borouge Pte	**54**	54	**198**	198
ADNOC Trading	**307**	-	**1,124**	-
	466,154	339,112	**1,711,952**	1,245,388
Less: provision for expected credit losses	**(200)**	(494)	**(737)**	(1,815)
	465,954	338,618	**1,711,215**	1,243,573

* 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:

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Balance at 1 January	**494**	9,133	**1,815**	33,545
Reversals during the year	**(294)**	(6,158)	**(1,078)**	(22,617)
Write off during the year	**-**	(2,481)	**-**	(9,113)
Balance at 31 December	**200**	494	**737**	1,815

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

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Below is the ageing of receivables from related parties:

			Past due						
	Total *USD'000*	*Not past due* *USD'000*	*< 30 days* *USD'000*	*30 - 60 days* *USD'000*	*61 - 90 days* *USD'000*	*91 - 120 days* *USD'000*	*121-365 days* *USD'000*	*366-730 days* *USD'000*	*>730 days* *USD'000*
Gross receivables from related parties									
31 December 2022	**466,154**	**407,645**	**29,274**	**4,958**	**20,135**	**1,033**	**2,507**	**602**	**-**
31 December 2021	339,112	239,920	60,775	15,948	6,465	3,111	11,784	917	192
Provision for expected credit losses									
31 December 2022	**200**	**-**	**-**	**-**	**-**	**-**	**-**	**200**	**-**
31 December 2021	494	-	-	-	-	-	-	302	192
Net receivable from related parties									
31 December 2022	**465,954**	**407,645**	**29,274**	**4,958**	**20,135**	**1,033**	**2,507**	**402**	**-**
31 December 2021	338,618	239,920	60,775	15,948	6,465	3,111	11,784	615	-

			Past due						
	Total *AED'000*	*Not past due* *AED'000*	*< 30 days* *AED'000*	*30 - 60 days* *AED'000*	*61 - 90 days* *AED'000*	*91 - 120 days* *AED'000*	*121-365 days* *AED'000*	*366-730 days* *AED'000*	*>730 days* *AED'000*
Gross receivables from related parties									
31 December 2022	**1,711,952**	**1,497,080**	**107,510**	**18,209**	**73,944**	**3,792**	**9,206**	**2,211**	**-**
31 December 2021	1,245,388	881,107	223,196	58,568	23,742	11,425	43,278	3,368	704
Provision for expected credit losses									
31 December 2022	**737**	**-**	**-**	**-**	**-**	**-**	**-**	**737**	**-**
31 December 2021	1,815	-	-	-	-	-	-	1,111	704
Net receivable from related parties									
31 December 2022	**1,711,215**	**1,497,080**	**107,510**	**18,209**	**73,944**	**3,792**	**9,206**	**1,474**	**-**
31 December 2021	1,243,573	881,107	223,196	58,568	23,742	11,425	43,278	2,257	-

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Due to related parties:				
ADNOC (Holding Company)	**120,531**	134,785	**442,646**	494,993
ADNOC Distribution	**33,347**	92,968	**122,468**	341,426
ADNOC LNG	**-**	5,006	**-**	18,384
ADNOC Offshore	**1,707**	1,090	**6,269**	4,002
National Gas Shipping Company	**7,175**	646	**26,350**	2,372
ADNOC Refining	**793**	563	**2,914**	2,068
ADNOC Onshore	**-**	7	**-**	25
	163,553	235,065	**600,647**	863,270

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

	2022 ***USD'000***	*2021* *USD'000*	***2022*** ***AED'000***	*2021* *AED'000*
Current portion	**127,810**	181,889	**469,381**	667,982
Non-current portion	**35,743**	53,176	**131,266**	195,288
	163,553	235,065	**600,647**	863,270

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Shareholder contribution from ADNOC (Holding Company) (forming part of shareholder's equity):
The Group's contribution from shareholder of USD 357,485 thousand or AED 1,312,865 thousand is interest free and repayable at the absolute discretion of the board of directors of the Group. Accordingly, the amount is classified under equity as shareholder contribution.

Shareholder loan from ADNOC (Holding Company) (forming part of non-current liabilities):
In 2021, the Group entered into 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.

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 (AED: 4,774,250 thousand) for a business acquisition.

As at 31 December 2022, the Group has drawn USD 1,900,000 thousand (AED: 6,977,750 thousand) from the facility (December 2021: USD 600,000 thousand i.e., AED 2,203,500 thousand).

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:

	2022 ***USD'000***	*2021 USD'000*	***2022*** ***AED'000***	*2021 AED'000*
Bank balances	**115,965**	367,337	**425,881**	1,349,045

During the previous year, the Group's ultimate Holding Company recharged AED 333,888 thousand towards UAE national employees' pension charges. These charges relate to the differential amount paid by the Holding Company to Abu Dhabi Retirement Pensions and Benefits Fund for services of employees taken over by the Group on its formation and till the period ending 31 December 2019. AED 131,266 thousand of this liability is payable from 2024 to 2025 and accordingly as at 31 December 2022 (AED 195,288 thousand as at 31 December 2021) is disclosed as a non-current liability.

Related parties sub-lease receivables and lease liabilities are disclosed in note 12.

	2022 ***USD'000***	*2021 USD'000*	***2022*** ***AED'000***	*2021 AED'000*
Key management compensation				
Short-term benefits	**1,348**	1,072	**4,949**	3,937

25 BANK GUARANTEES, CONTINGENCIES AND COMMITMENTS

(a) Bank guarantees:
At 31 December 2022, 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 2,999 thousand or AED 11,012 thousand (2021: USD 118 thousand or AED 434 thousand).

25 BANK GUARANTEES, CONTINGENCIES AND COMMITMENTS (continued)

(b) Capital commitments:
At 31 December 2022, the Group's capital commitments amount to USD 1,371,929 thousand or AED 5,038,409 thousand (2021: USD 521,869 thousand or AED 1,916,564 thousand).

(c) Purchases commitments:
At 31 December 2022, the Group's purchases commitments amount to USD 86,275 thousand or AED 316,845 thousand (2021: USD 11,889 thousand or AED 43,663 thousand).

(d) Contingencies:
The Group is involved in various legal proceedings and claims arising in the ordinary course of business. While the outcome of these matters cannot be predicted with certainty, management does not believe that these matters will have a material adverse effect on the Group's financial statements if concluded unfavorably.

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The activities of the Group expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The overall risk management programme of the Group seeks to minimise potential adverse effects of these risks on their financial performance.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group's principal financial liabilities consist of trade and other payables, amounts due to related parties, shareholder loan and lease liabilities. The main purpose of the financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade and other receivables, bank balances and amounts due from related parties, which arise directly from its operations.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and arises principally from the Group's trade and other receivables, related party and bank balances. The Group has adopted a policy of dealing only with creditworthy counterparties. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counterparties, and continually assessing the creditworthiness of such non-related counter-parties.

The average credit period on sale of goods or services is 30-60 days. No interest is charged on trade and other receivables. The bank balances are maintained with commercial banks. The credit risk on liquid funds is limited because the counterparties are reputable banks closely monitored by the regulatory bodies.

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVESM (continued)

Credit risk management (continued)

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations, generally approximates their carrying value. Advances to suppliers, other receivables and balances with banks are not secured by any collateral.

The Group's bank balances are currently held in banks rated minimum A by Fitch.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

Other financial assets do not have a material expected credit loss, and the loss allowance considered during the year was limited to 12 months expected losses. As such, no loss allowance was made for such financial assets as at 31 December 2022 and 2021.

Market risk management

Foreign currency risk

The Group has no significant currency risk exposure from its operations as the Group's majority of transactions are in UAE Dirham or US Dollars. The UAE Dirham is pegged to the US Dollar hence balances in US Dollars are not considered to represent a significant risk.

Price risk

The Group has no significant direct exposure to commodity price risk. Reduction in oil prices may lead to reduction in the level of future logistics services procured by customers who have significant exposure to oil and gas prices.

Cash flow and fair value interest rate risk

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all other variables held constant, of the Group's profit.

	2022	*2021*	***2022***	*2021*
	USD'000	*USD'000*	***AED'000***	*AED'000*
Effect of increase of 100 basis points on Group's profit	**(9,620)**	(3,150)	(35,330)	(11,560)
Effect of decrease of 100 basis points on Group's profit	**9,620**	3,150	**35,330**	11,560

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a short-term period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The Group limits its liquidity risk by ensuring adequate cash available from its operations and from support of the shareholders. The table below summarises the maturity profile of the Group's financial liabilities. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVES (continued)

Liquidity risk management (continued)

	On demand	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*> 5 years*	*Total*
	USD '000	*USD '000*	*USD '000*	*USD '000*	*USD '000*	*USD '000*
31 December 2022						
Trade payables	-	62,060	-	-	-	62,060
Due to related parties	-	108,858	18,952	37,903	-	165,713
Lease liabilities	-	4,618	16,260	36,052	76,937	133,867
Shareholder loan	-	-	123,500	2,023,500	-	2,147,000
Other payables (non-current)	-	-	-	71,254	-	71,254
Other payables, accrued and capital expenses	-	395,494	-	-	-	395,494
Total	-	**571,030**	**158,712**	**2,168,709**	**76,937**	**2,975,388**
31 December 2021						
Trade payables	-	19,152	-	-	-	19,152
Due to related parties	-	162,936	18,952	56,855	-	238,743
Lease liabilities	-	5,604	6,488	22,809	37,349	72,250
Shareholder loan	-	-	15,000	615,000	-	630,000
Other payables, accrued and capital expenses	-	207,969	-	-	-	207,969
Total	-	395,661	40,440	694,664	37,349	1,168,114

	On demand	*Less than 3 months*	*3 to 12 months*	*1 to 5 years*	*> 5 years*	*Total*
	AED '000	*AED '000*	*AED '000*	*AED '000*	*AED '000*	*AED '000*
31 December 2022						
Trade payables	-	227,914	-	-	-	227,914
Due to related parties	-	399,781	69,600	139,200	-	608,581
Lease liabilities	-	16,961	59,715	132,401	282,552	491,629
Shareholder loan	-	-	453,554	7,431,305	-	7,884,859
Other payables (non-current)	-	-	-	261,681	-	261,681
Other payables, accrued and capital expenses	-	1,452,452	-	-	-	1,452,452
Total	-	**2,097,108**	**582,869**	**7,964,587**	**282,552**	**10,927,116**
31 December 2021						
Trade payables	-	70,341	-	-	-	70,341
Due to related parties	-	598,382	69,600	208,801	-	876,783
Lease liabilities	-	20,580	23,826	83,765	137,166	265,337
Shareholder loan	-	-	55,088	2,258,588	-	2,313,676
Other payables, accrued and capital expenses	-	763,763	-	-	-	763,763
Total	-	1,453,066	148,514	2,551,154	137,166	4,289,900

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVES (continued)

Capital risk management

The primary objective of the Group's capital management is to maintain healthy capital ratios in order to support its business.

The Group manages its capital structure and makes adjustments to it to ensure that it will be able to continue as a going concern. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2022 and 31 December 2021. Equity comprises share capital, general reserve, retained earnings and shareholder contribution, and is measured at USD 1,800,290 thousand or AED 6,611,565 thousand as at 31 December 2022 (2021: USD 1,529,079 thousand or AED 5,615,543 thousand).

The Group monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position plus net debt.

The gearing ratio, determined as net debt to net debt plus equity, at the year-end was as follows:

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Debt	**1,900,000**	600,000	**6,977,750**	2,203,500
Cash and cash equivalents	**(164,933)**	(368,447)	**(605,717)**	(1,353,121)
Net debt	**1,735,067**	231,553	**6,372,033**	850,379

	2022 USD'000	*2021 USD'000*	***2022 AED'000***	*2021 AED'000*
Net debt	**1,735,067**	231,553	**6,372,033**	850,379
Equity	**1,800,290**	1,529,079	**6,611,565**	5,615,543
Net debt plus equity	**3,535,357**	1,760,632	**12,983,598**	6,465,922
Gearing ratio	**49.1%**	13.2%	**49.1%**	13.2%

27 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. As at 31 December 2022 and 2021, the Group considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

28 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, examines the group's performance both from a product/service perspective. 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.

In the current year, management has changed the manner in which the business is segmented and the level of reporting provided to the CODM. The CODM primarily uses EBITDA to monitor the performance of the business. Accordingly, the 2021 comparative segments have been restated to illustrate the revised structure in a consistent manner. 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.

Integrated Logistics:

Integrated logistics comprise 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 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.

28 OPERATING SEGMENTS (continued)

The following schedules illustrates the Group's activities according to the operating segments for the year ended 31 December 2022 in USD'000s:

2022	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Others	Total
Revenues	334,570	169,117	358,128	923,015	167,343	-	**1,952,173**
Direct costs	(265,373)	(100,898)	(263,859)	(768,155)	(138,778)	-	**(1,537,063)**
COVID - 19 costs *	-	-	-	-	-	(5,962)	**(5,962)**
Gross profit / (loss)	**69,197**	**68,219**	**94,269**	**154,860**	**28,565**	**(5,962)**	**409,148**
General and administrative expenses	(11,972)	(7,517)	(10,045)	(57,838)	(18,232)	-	**(105,604)**
Provision for expected credit losses, net *	-	-	-	-	-	(5,880)	**(5,880)**
Other expenses	-	-	-	(2,380)	-	(1,412)	**(3,792)**
Other income	-	-	-	1,000	-	3	**1,003**
Operating profit / (loss)	**57,225**	**60,702**	**84,224**	**95,642**	**10,333**	**(13,251)**	**294,875**
Share of profit from joint venture *	-	2,026	-	-	-	-	**2,026**
Finance income	-	-	-	1,241	-	2,476	**3,717**
Finance costs	(7)	-	-	(4,686)	-	(33,782)	**(38,475)**
Profit / (loss) before tax for the year *	**57,218**	**62,728**	**84,224**	**92,196**	**10,333**	**(44,556)**	**262,143**
Income tax *	-	-	-	(1,350)	-	-	**(1,350)**
Profit / (loss) for the year *	**57,218**	**62,728**	**84,224**	**90,846**	**10,333**	**(44,556)**	**260,793**
Depreciation and amortisation in direct costs	35,269	23,563	10,000	63,804	15,255	-	**147,891**
Depreciation and amortisation in general and administrative expenses	986	619	827	4,578	1,501	-	**8,511**
Income tax	-	-	-	1,350	-	-	**1,350**
Finance income	-	-	-	(1,241)	-	(2,476)	**(3,717)**
Finance costs	7	-	-	4,686	-	33,782	**38,475**
EBITDA	**93,480**	**86,910**	**95,051**	**164,024**	**27,089**	**(13,250)**	**453,303**

28 OPERATING SEGMENTS (continued)

The following schedules illustrates the Group's activities according to the operating segments for the year ended 31 December 2022 in AED'000s:

2022	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Others	Total
Revenues	1,228,709	621,083	1,315,225	3,389,771	614,566	-	**7,169,354**
Direct costs	(974,581)	(370,548)	(969,021)	(2,821,054)	(509,661)	-	**(5,644,865)**
COVID - 19 costs *	-	-	-	-	-	(21,894)	**(21,894)**
Gross profit / (loss)	**254,128**	**250,535**	**346,204**	**568,717**	**104,905**	**(21,894)**	**1,502,595**
General and administrative expenses	(43,968)	(27,607)	(36,892)	(212,405)	(66,958)	-	**(387,830)**
Provision for expected credit losses, net *	-	-	-	-	-	(21,595)	**(21,595)**
Other expenses	-	-	-	(8,742)	-	(5,184)	**(13,926)**
Other income	-	-	-	3,672	-	13	**3,685**
Operating profit / (loss)	**210,160**	**222,928**	**309,312**	**351,242**	**37,947**	**(48,660)**	**1,082,929**
Share of profit from joint venture *	-	7,441	-	-	-	-	**7,441**
Finance income	-	-	-	4,556	-	9,094	**13,650**
Finance costs	(26)	-	-	(17,208)	-	(124,066)	**(141,300)**
Profit / (loss) before tax for the year*	**210,134**	**230,369**	**309,312**	**338,590**	**37,947**	**(163,632)**	**962,720**
Income tax *	-	-	-	(4,959)	-	-	**(4,959)**
Profit / (loss) for the year *	**210,134**	**230,369**	**309,312**	**333,631**	**37,947**	**(163,632)**	**957,761**
Depreciation and amortisation in direct costs	129,524	86,535	36,726	234,318	56,025		**543,128**
Depreciation and amortization in general and administrative expenses	3,621	2,273	3,038	16,810	5,514		**31,256**
Income tax	-	-	-	4,959	-	-	**4,959**
Finance income	-	-	-	(4,556)	-	(9,094)	**(13,650)**
Finance costs	26	-	-	17,208	-	124,066	**141,300**
EBITDA	**343,305**	**319,177**	**349,076**	**602,370**	**99,486**	**(48,660)**	**1,664,754**

28 OPERATING SEGMENTS (continued)

The following schedules illustrates the Group's activities according to the operating segments for the year ended 31 December 2021 in USD'000s:

2021	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Others	Total
Revenues	158,100	136,770	294,861	428,616	172,456	-	**1,190,803**
Direct costs	(191,034)	(86,992)	(216,846)	(324,891)	(133,343)	-	**(953,106)**
COVID - 19 costs *	-	-	-	-	-	(11,097)	**(11,097)**
Gross profit / (loss)	**(32,934)**	**49,778**	**78,015**	**103,725**	**39,113**	**(11,097)**	**226,600**
General and administrative expenses	(9,815)	(8,301)	(10,202)	(37,927)	(17,229)	-	**(83,474)**
Pension adjustment	-	-	-	-	-	(90,916)	**(90,916)**
Reversal of provision for expected credit losses *	-	-	-	-	-	5,565	**5,565**
Other expenses	-	-	-	-	-	(1,196)	**(1,196)**
Other income	-	-	-	2,470	-	974	**3,444**
Operating (loss) / profit *	**(42,749)**	**41,477**	**67,813**	**68,268**	**21,884**	**(96,670)**	**60,023**
Share of profit from joint venture *	-	1,062	-	-	-	-	**1,062**
Finance income	-	-	-	1,373	-	266	**1,639**
Finance costs	-	-	(7)	(2,998)	-	(4,915)	**(7,920)**
(Loss) / profit for the year *	**(42,749)**	**42,539**	**67,806**	**66,643**	**21,884**	**(101,319)**	**54,804**
Depreciation and amortisation in direct costs	27,293	19,213	9,843	32,732	12,976	-	**102,057**
Depreciation and amortisation in general and administrative expenses	606	512	630	2,341	1,063	-	**5,152**
Finance income	-	-	-	(1,373)	-	(266)	**(1,639)**
Finance costs	-	-	7	2,998	-	4,915	**7,920**
EBITDA	**(14,850)**	**62,264**	**78,286**	**103,341**	**35,923**	**(96,670)**	**168,294**

28 OPERATING SEGMENTS (continued)

The following schedules illustrates the Group's activities according to the operating segments for the year ended 31 December 2021 in AED'000s:

2021	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Others	Total
Revenues	580,622	502,289	1,082,876	1,574,090	633,346	-	**4,373,223**
Direct costs	(701,572)	(319,479)	(796,367)	(1,193,157)	(489,704)	-	**(3,500,279)**
COVID - 19 costs *	-	-	-	-	-	(40,755)	**(40,755)**
Gross profit / (loss)	**(120,950)**	**182,810**	**286,509**	**380,933**	**143,642**	**(40,755)**	**832,189**
General and administrative expenses	(36,044)	(30,485)	(37,467)	(139,287)	(63,275)	-	**(306,558)**
Pension adjustment	-	-	-	-	-	(333,888)	**(333,888)**
Reversal of provision for expected credit losses *	-	-	-	-	-	20,439	**20,439**
Other expenses	-	-	-	-	-	(4,396)	**(4,396)**
Other income	-	-	-	9,070	-	3,577	**12,647**
Operating (loss) / profit *	**(156,994)**	**152,325**	**249,042**	**250,716**	**80,367**	**(355,023)**	**220,433**
Share of profit from joint venture *	-	3,900	-	-	-	-	**3,900**
Finance income	-	-	-	5,043	-	977	**6,020**
Finance costs	-	-	(25)	(11,010)	-	(18,051)	**(29,086)**
(Loss) / profit for the year *	**(156,994)**	**156,225**	**249,017**	**244,749**	**80,367**	**(372,097)**	**201,267**
Depreciation and amortisation in direct costs	100,232	70,559	36,148	120,207	47,656	-	**374,802**
Depreciation and amortisation in general and administrative expenses	2,224	1,881	2,312	8,596	3,905	-	**18,918**
Finance income	-	-	-	(5,043)	-	(977)	**(6,020)**
Finance costs	-	-	25	11,010	-	18,051	**29,086**
EBITDA	**(54,538)**	**228,665**	**287,502**	**379,519**	**131,928**	**(355,023)**	**618,053**

The Group's largest customers are related entities within the ADNOC Group (Refer to Note 24). The Group'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 segment results are reviewed regularly by the Group's management to make decisions about resources to be allocated to the segment and assess their performance.

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

2022	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Total
Property, plant & equipment *	1,052,148	125,168	167,505	1,667,172	139,391	**3,151,384**
Investment properties *	-	-	-	99,757	-	**99,757**

2021	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Total
Property, plant & equipment *	980,467	116,641	156,093	368,425	30,804	**1,652,430**
Investment properties *	-	-	-	30,268	-	**30,268**

28 OPERATING SEGMENTS (continued)

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

2022	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Total
Property, plant & equipment *	3,864,015	459,681	615,162	6,122,683	511,914	**11,573,455**
Investment properties *	-	-	-	366,357	-	**366,357**

2021	Tankers	Gas carriers	Dry-bulk shipping	Integrated logistics	Marine services	Total
Property, plant & equipment *	3,600,765	428,363	573,252	1,353,041	113,127	**6,068,548**
Investment properties *	-	-	-	111,159	-	**111,159**

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

29 BUSINESS COMBINATION

On 12 July 2022, shareholders of the Group approved to acquire 100% of the Share Capital of ZMI Holdings (here after referred to as ZMI) through a wholly owned subsidiary Zinc HoldCo RSC LTD, a restricted scope company duly incorporated under the laws of the Abu Dhabi Global Market with company number 7990 and whose registered office is at Floor 28, Al Sarab Tower, Abu Dhabi Global Market Square, Al Maryah Island, P.O. Box 764652, Abu Dhabi, United Arab Emirates (the "Purchaser"). ZMI is an Abu Dhabi-based owner and operator of offshore support vessels, with the world's largest fleet of self-propelled jack-up barges.

On 1 November 2022, Zinc HoldCo RSC Limited acquired 100% of the shares of ZMI. The acquisition of ZMI will enable further strengthening of the Groups' leading position as the region's largest shipping and integrated logistics company. The acquisition has been accounted for using the acquisition method. The consolidated financial statements include the amounts of ZMI for the period from the acquisition date. Fair values of the identifiable assets and liabilities of ZMI as at the date of acquisition are set out below:

	Fair Value on acquisition USD'000	*Fair Value on acquisition AED'000*
Assets		
Property, plant and equipment	1,365,269	5,013,952
Inventories	16,321	59,938
Trade and other receivables	112,416	412,848
Cash and cash equivalents	50,496	185,445
Total assets	**1,544,502**	**5,672,183**
Liabilities		
Employees' end of service benefits	(2,512)	(9,223)
Trade and other payables	(78,857)	(289,602)
Total liabilities	**(81,369)**	**(298,825)**
Total identifiable net assets at fair value	**1,463,133**	**5,373,358**
Goodwill arising on acquisition	**15,697**	**57,646**
Purchase consideration	**1,478,830**	**5,431,004**

29 BUSINESS COMBINATION (continued)

The fair value of acquired trade receivables is USD 112 million or AED 413 million. The gross contractual amount for trade receivables due is USD 135 million or AED 497 million, with a loss allowance of USD 23 million or AED 85 million recognised on acquisition.

As part of the SPA with the previous owners of ZMI, part of the consideration was determined to be contingent, based on the expected revenue of the acquired entity. As at 31 December 2022 and the date of acquisition, the fair value for the contingent consideration amounted to USD 149,920 thousand or AED 550,582 thousand given the revenue targets of ZMI. The purchase consideration can be analysed as follows:

	USD'000	*AED'000*
Initial consideration paid in cash	1,328,910	4,880,422
Fair value of contingent consideration	149,920	550,582
Purchase consideration	**1,478,830**	**5,431,004**

As at 31 December 2022, the Group has paid USD 62,146 thousand AED 228,233 thousand as advance towards contingent consideration. Further amounts included in the statement of financial position as at 31 December 2022 towards contingent consideration include the following:

	USD'000	*AED'000*
Included under trade and other payables (under current liabilities)	18,284	67,147
Other payables (under non-current liabilities)	69,490	255,202

ZMI Holdings contributed revenues of USD 82.4 million or AED 303 million and net profit after tax of USD 34.4 million or AED 126.2 million to the Group for the period from 1 November to 31 December 2022.

The goodwill is attributable to synergies expected to be achieved from the business combination and an increase in market share. For impairment testing, the goodwill is allocated to the Cash Generating Unit ("CGU") where the goodwill is monitored for internal management purposes. The recoverable amount of the CGU was based on its value in use determined by management. The carrying amount of this unit was determined to be lower than its recoverable amount.

Value in use was determined based on the five-year business plan approved by the management. The projected future cash flows from the continuing use of the unit are based on past experience and current rates of contractual arrangements for the initial five-year period. Beyond this period, the projected future cash flows were determined by reference to historical experience and based on market rates available for similar vessels. Both the cash inflows and outflows projected utilized a growth rate equivalent to the estimated inflation rate of 2%. These resulting cash flows were then discounted based on the Group's approved discount rate.

Key assumptions used for the CGU impairment testing are as below:

	2022
Discount rate (%)	9%

Anticipated annual revenue growth is based on latest available forecasts.

The values assigned to the key assumptions represent the management's assessment of future trends in the industry and are based on both external and internal sources.

Sensitivity analysis

The Group has conducted an analysis of the impairment test to changes in key assumptions used to determine the recoverable amount of the CGU to which goodwill is allocated. Management anticipates that no reasonably possible change in any of the key assumptions above would cause the carrying value of the CGU including goodwill to materially exceed its recoverable amount.

30 OPENING BALANCE SHEET

The opening balance sheet is represented below in USD. AED is presented as a convenience translation. This is in compliance with IAS 8, 'Accounting policies, changes in accounting estimates and errors' due to the change in the presentation currency to USD in the current year.

	1 JANUARY	
	2021	*2021*
ASSETS		
Non-current assets		
Property, plant and equipment	**1,030,332**	3,783,894
Right-of-use assets	**31,943**	117,310
Intangible assets	**14,546**	53,420
Investment properties	**28,855**	105,969
Investment in a joint venture	**20,380**	74,846
Sub-lease receivables	**21,433**	78,716
Total non-current assets	**1,147,489**	4,214,155
Current assets		
Inventories	**42,734**	156,939
Trade and other receivables	**78,439**	288,067
Due from related parties	**509,970**	1,872,865
Sub-lease receivables	**6,846**	25,144
Cash and cash equivalents	**97,103**	356,610
Total current assets	**735,092**	2,699,625
TOTAL ASSETS	**1,882,581**	6,913,780
EQUITY AND LIABILITIES		
Equity		
Share capital	**272,294**	1,000,000
General reserve	**71,667**	263,194
Retained earnings	**774,357**	2,843,826
Shareholder contribution	**357,485**	1,312,865
Total equity	**1,475,803**	5,419,885
Non-current liabilities		
Lease liabilities	**41,314**	151,723
Dismantling liability	**1,233**	4,530
Employees' end of service benefits	**36,695**	134,763
Total non-current liabilities	**79,242**	291,016
Current liabilities		
Trade and other payables	**237,564**	872,455
Lease liabilities	**7,416**	27,236
Due to related parties	**82,556**	303,188
Total current liabilities	**327,536**	1,202,879
TOTAL LIABILITIES	**406,778**	1,493,895
TOTAL EQUITY AND LIABILITIES	**1,882,581**	6,913,780

31 SUBSEQUENT EVENTS

On 24 February 2023 the Board of Directors passed a resolution for the conversion of the shareholder loan amount of USD$1,900 million (or AED 6,978 million) to equity, together with the capitalisation of the shareholder contribution of USD$357 million (or AED 1,313 million) into legal share capital. The shareholder approval for the issuance of these shares and extinguishment of the shareholder loan has not yet been obtained as at the date of approval of these financial statements, pending obtaining the necessary legal approvals.

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

CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

CONSOLIDATED FINANCIAL STATEMENTS
As at and for the year ended 31 December 2021

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Independent auditor's report to the shareholders of Abu Dhabi Marine Business and Services Company P.J.S.C.

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Abu Dhabi Marine Business and Services Company P.J.S.C. (the "Company") and its subsidiaries (together the "Group") as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of financial position as at December 31, 2021;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

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Independent auditor's report to the shareholders of Abu Dhabi Marine Business and Services Company P.J.S.C. (continued)

Report on the audit of the consolidated financial statements (continued)

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the Law of establishment No.15 of 2016 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

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

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

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

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

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

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Independent auditor's report to the shareholders of Abu Dhabi Marine Business and Services Company P.J.S.C. (continued)

Report on the audit of the consolidated financial statements (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

Report on other legal and regulatory requirements

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (1) of 2017 pertaining to Auditing the Financial Statements of Subject Entities, we report that based on the procedures performed and information provided to us, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2021:

(i) Law No. (1) of 2017 concerning the Financial System of the Government of Abu Dhabi and instructions issued by the Department of Finance pertaining to the preparation and implementation of the annual budget of Subject Entities;

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Independent auditor's report to the shareholders of Abu Dhabi Marine Business and Services Company P.J.S.C. (continued)

Report on the audit of the consolidated financial statements (continued)

Report on other legal and regulatory requirements (continued)

(ii) Law of establishment No.15 of 2016; and

(iii) relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

PricewaterhouseCoopers

28 JUN 2022

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Notes	2021 AED'000	2020 AED'000
Revenues	4	**4,373,223**	3,730,863
Direct costs	5	**(3,541,034)**	(2,934,254)
Gross profit		**832,189**	796,609
General and administrative expenses	6	**(306,558)**	(287,751)
Pension adjustment	24	**(333,888)**	-
Reversal of provision for expected credit losses, net	17 & 24	**20,439**	53,890
Other income, net	7	**8,251**	61,447
Operating profit		**220,433**	624,195
Share of profit/(loss) from joint venture	15	**3,900**	(75)
Finance income	9	**6,020**	16,308
Finance costs	10	**(29,086)**	(26,049)
Profit for the year		**201,267**	614,379
Other comprehensive loss			
Items that will not be subsequently reclassified to profit or loss			
Re-measurement loss on employee defined benefit obligation	22	**(5,609)**	(19,534)
Total comprehensive income for the year		**195,658**	594,845
Basic and diluted earnings per share	21	**0.20**	0.61

The attached notes on pages 10 to 50 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Notes	2021 AED'000	2020 AED'000
ASSETS			
Non-current assets			
Property, plant and equipment	11	**6,068,548**	3,783,894
Right-of-use assets	12	**134,348**	117,310
Intangible assets	13	**64,972**	53,420
Investment properties	14	**111,159**	105,969
Investment in a joint venture	15	**271,184**	74,846
Advances to suppliers		**9,386**	-
Sub-lease receivables	12	**73,204**	78,716
Total non-current assets		**6,732,801**	4,214,155
Current assets			
Inventories	16	**211,904**	156,939
Trade and other receivables	17	**304,204**	288,067
Due from related parties	24	**1,243,573**	1,872,865
Sub-lease receivables	12	**23,188**	25,144
Cash and cash equivalents	18	**1,353,121**	356,610
Total current assets		**3,135,990**	2,699,625
TOTAL ASSETS		**9,868,791**	6,913,780
EQUITY AND LIABILITIES			
Equity			
Share capital	19	**1,000,000**	1,000,000
General reserve	20	**283,321**	263,194
Retained earnings		**3,019,357**	2,843,826
Shareholder loan	24	**1,312,865**	1,312,865
Total equity		**5,615,543**	5,419,885
Non-current liabilities			
Shareholder loan	24	**2,203,500**	-
Lease liabilities	12	**152,869**	151,723
Dismantling liability	12	**4,861**	4,530
Due to related parties	24	**195,288**	-
Employees' end of service benefits	22	**149,453**	134,763
Total non-current liabilities		**2,705,971**	291,016
Current liabilities			
Trade and other payables	23	**844,585**	872,455
Lease liabilities	12	**34,710**	27,236
Due to related parties	24	**667,982**	303,188
Total current liabilities		**1,547,277**	1,202,879
TOTAL LIABILITIES		**4,253,248**	1,493,895
TOTAL EQUITY AND LIABILITIES		**9,868,791**	6,913,780

H.E Dr. Sultan Ahmed Al Jaber	Abdulkareem Almessabi	Rahoof Kaleel Rahman
Chairman of the Board	Chief Executive Officer	Chief Financial Officer -Acting

The attached notes on pages 10 to 50 form part of these consolidated financial statements.

All parties consent to this document being signed electronically -CG/INT/2022/877

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

	Share capital AED'000	*General reserve AED'000*	*Merger reserve AED'000*	*Other reserve AED'000*	*Retained earnings AED'000*	*Shareholder loan AED'000*	*Total AED'000*
Balance as at 1 January 2020	1,000,000	201,756	(2,296,022)	139,933	4,466,508	4,985,364	8,497,539
Profit for the year	-	-	-	-	614,379	-	614,379
Actuarial loss on defined benefit obligation (note 22)	-	-	-	-	(19,534)	-	(19,534)
Total comprehensive income for the year	-	-	-	-	594,845	-	594,845
Transfer to retained earnings (note 20)	-	-	2,296,022	(139,933)	(2,156,089)	-	-
Movement in shareholder loan account (note 24)	-	-	-	-		(3,672,499)	(3,672,499)
Transfers to general reserve	-	61,438	-	-	(61,438)	-	-
Balance as at 31 December 2020	1,000,000	263,194	-	-	2,843,826	1,312,865	5,419,885
Balance as at 1 January 2021	1,000,000	263,194	-	-	2,843,826	1,312,865	5,419,885
Profit for the year	-	-	-	-	201,267	-	201,267
Actuarial loss on defined benefit obligation (note 22)	-	-	-	-	(5,609)	-	(5,609)
Total comprehensive income for the year	-	-	-	-	195,658	-	195,658
Transfers to general reserve	-	20,127	-	-	(20,127)	-	-
Balance as at 31 December 2021	1,000,000	283,321	-	-	3,019,357	1,312,865	5,615,543

The attached notes on pages 10 to 50 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	Notes	2021 AED'000	2020 AED'000
OPERATING ACTIVITIES			
Profit for the year		**201,267**	614,379
Adjustments for:			
Depreciation on property, plant and equipment	11	**350,178**	271,547
Impairment of property, plant and equipment	11	**5,388**	22,089
Depreciation on investment properties	14	**8,874**	5,155
Depreciation on right-of-use assets	12	**20,050**	9,265
Profit on initial recognition of sub-lease receivables	12	**(9,070)**	-
Provision for dismantling expenses	12	**331**	308
Reversal of provision for slow moving and obsolete inventories, net	16	**-**	(1,083)
Amortisation of intangible assets	13	**14,618**	2,666
(Gain) / loss on disposal of property, plant and equipment	7	**(3,577)**	2,661
Provision made / (reversal of) provision for expected credit losses on trade receivables, net	17	**2,178**	(8,188)
Reversal of provision for expected credit losses on due from related parties	24	**(22,617)**	(45,702)
Provision for employees' end of service benefits	22	**17,349**	19,440
Provision for pension expenses payable to related parties	24	**333,888**	-
Share of profit (loss) from joint venture	15	**(3,900)**	75
Finance income	9	**(6,020)**	(16,308)
Finance costs	10	**29,086**	26,049
		938,023	902,353
Working capital adjustments:			
Inventories		**(54,965)**	(28,108)
Trade and other receivables		**(18,315)**	(31,117)
Due from related parties		**656,704**	(723,517)
Trades and other payables		**94,529**	114,701
Due to related parties		**213,019**	(29,609)
Cash generated from operating activities		**1,828,995**	204,703
Employees' end of service benefits paid	22	**(15,262)**	(29,321)
Receipt against sub-leases (finance leases)	12	**32,835**	33,525
Interest paid		**-**	(210)
Net cash generated from operating activities		**1,846,568**	208,697
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	11	**(2,802,853)**	(1,222,227)
Proceeds from disposals of property, plant and equipment and intangibles assets		**3,577**	75,720
Investment in joint venture, net	15	**(192,438)**	(74,921)
Capital expenses advances paid		**(9,386)**	-
Interest received	9	**977**	7,093
Net cash used in investing activities		**(3,000,123)**	(1,214,335)

The attached notes on pages 10 to 50 form part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the year ended 31 December 2021

	Notes	2021 AED'000	2020 AED'000
FINANCING ACTIVITIES			
Proceeds from (repayment of) shareholder loan	24	**2,203,500**	(1,309,195)
Interest paid on shareholder loan		**(2,677)**	-
Payments of lease liabilities	12	**(50,757)**	(40,326)
Net cash generated from (used in) financing activities		**2,150,066**	(1,349,521)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**996,511**	(2,355,159)
Cash and cash equivalents at beginning of the year		**356,610**	2,711,769
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	18	**1,353,121**	356,610

Significant non-cash transactions excluded from the consolidated statement of cash flows are:

Additions to right-of-use assets	12	**37,088**	-
Additions to sub lease receivables	12	**-**	41,686
Additions to lease liabilities	12	**37,088**	41,686
Repayment of shareholder loan against cash surplus with ADNOC	24	**-**	2,363,304
Benefits of employees transferred-in from group companies		**5,463**	-
Benefits of employees transferred -out to group companies		**(668)**	-

The attached notes on pages 10 to 50 form part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at and for the year ended 31 December 2021

1 GENERAL 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 wholly owned subsidiary of Abu Dhabi National Oil Company ("ADNOC" or the "ultimate holding company"). The Company is exempt from the provisions of Federal Commercial Companies Law No. 2 of 2015. 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).

These consolidated financial statements include the financial performance and position of the Company and its subsidiaries (collectively referred to as the "Group") as detailed in note 2.2.

The consolidated financial statements of the Group were approved and authorized for issue by the Board of Directors and signed on their behalf on .....

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

Statement of compliance
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRSs as issued by the International Accounting Standard Board (IASB).

Functional and presentation currency
The consolidated financial statements have been presented in United Arab Emirates Dirhams ("AED"), which is the functional currency of the Group. All values are rounded to the nearest thousand (AED '000) except when otherwise indicated.

Basis of measurement
The consolidated financial statements have been prepared on the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2.2 BASIS OF CONSOLIDATION

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
		2021	*2020*
Direct subsidiaries			
Abu Dhabi Marine Operations and Services Company – Sole Proprietorship LLC	UAE	**100%**	100%
Abu Dhabi Marine Assets Company – Sole Proprietorship LLC	UAE	**100%**	100%
Abu Dhabi Marine International Holdings RSC Limited	UAE	**100%**	100%
Indirect subsidiaries			
Al Gafai Marine Services Company – Sole Proprietorship LLC	UAE	**100%**	100%
Sirdal National Marine Services Company – Sole Proprietorship LLC	UAE	**100%**	100%
National Gas Carriers Company	Liberia	**100%**	100%
Abu Dhabi National Shipping Company Inc	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%

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
		2021	*2020*
Indirect subsidiaries (continued)			
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%
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%	-
Newco 15 Inc	Liberia	100%	-
Newco 16 Inc	Liberia	100%	-
Newco 17 Inc	Liberia	100%	-
Newco 18 Inc	Liberia	100%	-

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

The consolidated financial statements include the financial statements of the Company and its subsidiaries listed below:

	Country of incorporation	*Percentage holding*	
		2021	*2020*
Indirect subsidiaries (continued)			
Newco 19 Inc	Liberia	**100%**	-
Newco 20 Inc	Liberia	**100%**	-
Newco 21 Inc	Liberia	**100%**	-
Newco 22 Inc	Liberia	**100%**	-
Newco 23 Inc	Liberia	**100%**	-
Newco 24 Inc	Liberia	**100%**	-
Newco 25 Inc	Liberia	**100%**	-
Newco 26 Inc	Liberia	**100%**	-
Newco 27 Inc	Liberia	**100%**	-
Newco 28 Inc	Liberia	**100%**	-
Newco 29 Inc	Liberia	**100%**	-
Newco 30 Inc	Liberia	**100%**	-
Newco 31 Inc	Liberia	**100%**	-
Newco 32 Inc	Liberia	**100%**	-
Newco 33 Inc	Liberia	**100%**	-
Newco 34 Inc	Liberia	**100%**	-
Newco 35 Inc	Liberia	**100%**	-
Joint venture			
AW Shipping Limited	UAE	**50%**	50%

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. Existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.2 BASIS OF CONSOLIDATION (continued)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets, liabilities and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

2.3.1 New and revised IFRS applied on the consolidated financial statements

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in these consolidated financial statements:

- Interest rate benchmark (IBOR) reform – phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16). The amendments introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the Company manages those risks as well as the Company's progress in transitioning from IBORs to alternative benchmark rates, and how the Company is managing this transition.

- Covid-19-Related Rent Concessions (Amendments to IFRS 16). The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

2.3.2 New and revised IFRS issued but not yet effective and not early adopted

The Group has not yet applied the following new standards, amendments and interpretations that have been issued but are not yet effective:

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.

Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16 (effective 1 January 2022). The amendment to IAS 16 *Property, Plant and Equipment (PP&E)* prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.

Reference to the Conceptual Framework – Amendments to IFRS 3 (effective 1 January 2022). Minor amendments were made to IFRS 3 *Business Combinations* to update the references to the *Conceptual Framework for Financial Reporting* and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and Interpretation 21 *Levies*. The amendments also confirm that contingent assets should not be recognised at the acquisition date.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

2.3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

2.3.2 New and revised IFRS issued but not yet effective and not early adopted (continued)

Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37 (effective 1 January 2022). The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

Annual Improvements to IFRS Standards 2018–2020 (effective 1 January 2022). IFRS 9 Financial Instruments, IFRS 16 Leases, IFRS 1 First-time Adoption of International Financial Reporting Standards, IAS 41 Agriculture)

Classification of Liabilities as Current or Non-current – Amendments to IAS 1 (effective 1 January 2023). The narrow-scope amendments to IAS 1 *Presentation of Financial Statement* clarify 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 expectations of the entity or events after the reporting date (eg the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity.

They must be applied retrospectively in accordance with the normal requirements in IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors.*

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.

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.

Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28 (effective date not yet decided). 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*).

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 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

IFRS 15 Revenue from Contracts with Customers

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The Group's performance does not create an asset with an alternate use to the Group and the Group has as an enforceable right to payment for performance completed to date.
b) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
c) The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs.

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The Group recognises revenue from the following major sources:

Freight/ Voyage charters:
Revenue in relation to freight/ voyage charters is recognised over time since the customer simultaneously receives and consumes the benefits of the Group's performance in providing integrated transportation services.

Vessel charters:
The contracts of vessel chartering contain a lease component (i.e., hire of the vessel) and service components (i.e., operate the vessel and maintenance service etc.). Revenue from hire of vessel is recognised over the lease term and revenue from services is recognised over time. The transaction price is allocated to each performance obligation using an expected cost-plus margin approach.

Sale of goods:
Revenue from the sale of goods is recognised when control of the goods has transferred, being when the goods have been delivered to the customers.

Rendering of services:
The Group provides port services, base operation services and oil field services to customers. Revenue is recognised over time since customers simultaneously receive and consume the benefits of the Group's performance in providing services under contractual terms.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 15 Revenue from Contracts with Customers (continued)

Rental income:
The Group's policy for recognition of revenue from operating leases is described in the accounting policy on leasing below.

Interest income:
Interest income is recognised as the interest accrues using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instruments to the net carrying amount of the financial asset.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Depreciation is calculated using the straight-line method to allocate the assets' costs to their residual values over their estimated useful lives as follows:

	Useful life
Building, wharves and land improvements	7 - 25 years
Vessels (excluding dry docking component)	20 – 35 years
Dry docking components of vessel and marine equipment	2 - 5 years
Plant	20 years
Equipment and vehicles	4 - 10 years
Furniture, fixtures and office equipment	4 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the consolidated statement of comprehensive income as other income/(loss) when the asset is derecognised.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the depreciation period or method, as appropriate, and are treated as changes in accounting estimates.

Dry docking
Major dry docking is capitalised when incurred and is depreciated over the period until the next major dry dock which is normally 60 months.

Capital work in progress

Capital work in progress is included in property, plant and equipment at cost, on the basis of the percentage completed at the reporting date. The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the Group's policies when construction of the asset is completed and the asset is commissioned.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital work in progress (continued)

The costs of capital work in progress will be transferred to property, vessel and equipment when these assets reach their working condition for their intended use. The carrying amounts of capital work-in-progress are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying amounts exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

Investment properties

Investment properties, which are property held to earn rentals and/or for capital appreciation, are initially measured at cost, including transaction costs.

Depreciation on investment properties is calculated on a straight-line basis over the estimated useful life of 20 - 25 years.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of investment properties is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in consolidated income statement in the year.

Investment in joint venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's investments in its joint venture are accounted for using the equity method.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The consolidated statement of comprehensive income reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the joint venture.

The aggregate of the Groups joint ventures and associated is shown on the face of the consolidated statement of comprehensive income outside operating profit and represents profit or loss and non-controlling interests in the subsidiaries of the joint venture.

The consolidated financial statements of the joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment in joint venture (continued)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value, then recognises the loss as part of "Share of profit of a joint venture", and then recognises the loss in the consolidated statement of comprehensive income

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in consolidated statement of comprehensive income.

Intangible assets

Intangible assets acquired separately are reported at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged on a straight-line basis over the assets' estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets mainly include computer systems, software and licenses with an estimated useful life of 4 years.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee
The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Group as a lessor
The Group subleases certain assets including land and vessels under head leases with lease terms exceeding 12 months at commencement. The Group has classified the subleases as finance leases or operating leases by reference to the right-of-use asset arising from the head lease. The lease value is capitalised using discounted cash flows and a corresponding lease liability is recognised.

i) Right-of-use assets
The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Right-of-use assets are subject to impairment. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term which is as follows:

	Useful life
Land	19 years
Vessels	1.5-5 years

ii) Lease liabilities
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period in which the event or condition that triggers the payment occurs.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Vessel lease contracts
For the vessel lease contracts fulfilling the capitalization criteria defined by IFRS 16, the lease term corresponds to the duration of the contracts signed except in cases where the Group is reasonably certain of exercising the renewal options contractually foreseen. Vessel lease contracts concluded by the Group do not include guaranteed value clauses for leased assets.

Real-estate lease contracts
Based on its analysis, the Group has identified lease contracts according to IFRS 16 concerning surface areas rented in its base in Mussafah and lease contracts on office and other buildings.

The lease term corresponds to the non-cancellable period which is estimated to be the term until the Group's sublease contracts are effective. The discount rate used to calculate the lease liabilities is determined, for each asset, according to the incremental borrowing rate at the signature date. The incremental borrowing rate is the rate that the lessee would pay to borrow the required funds to purchase the asset over a similar term, with a similar security and in a similar economic environment. This rate is achieved by the addition of the interest rate prevalent in the market (EIBOR) or interest rate on government bonds and the credit spread, as the case may be. The coupon on government bonds is specific to the location, currency, period and maturity. The definition of the spread curve is based upon reference points, each point consisting of asset financing on assets.

Types of non-capitalized lease contracts
The Group uses the two exemptions foreseen by the standard allowing for non-recognition in the balance sheet: short-term lease contracts and lease contracts for which the underlying assets have a low value.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

iii) Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Within the Group, short term property leases mainly relate to leases of:

- Land at operation sites with a reciprocal notice-period equal to or less than 12 months;
- Office and warehouse space lease with a notice-period equal to or less than 12 months;
- Accommodations for expatriates with a notice period equal to or less than 12 months.

It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short- term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and net realisable value and are held for consumption in the vessels. Inventories consist of bunkers, lubes and victualling stock. Cost is determined using the weighted average method. Net realisable value is based on estimated selling price less any further costs expected to be incurred on disposal.

Impairment of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the consolidated statement of comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of comprehensive income.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets

Classification and measurement
The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under IFRS 15.

Debt financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortised cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion'). The most relevant classification for the Group is the financial instruments carried at amortised cost.

The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost primarily includes trade receivables, cash and bank balances, sublease receivables and due from related parties.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on trade receivables and due from related parties. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group considers a financial asset in default when contractual payments are past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments - recognition, de-recognition and offsetting

A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. All "regular way" purchases and sales of financial assets are recognised on the trade date (i.e. the date that the Group commits to purchase or sell the asset). Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

A financial asset (or where applicable a part of a financial asset or a part of group of financial assets) is de-recognised either when:

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

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Financial liabilities

The Group determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognised initially at fair value and in the case of borrowings, at fair value of the consideration received less directly attributable transaction costs and subsequently carried at amortised cost using the effective interest method.

The Group's financial liabilities include due to related parties, trade and other payables and lease liabilities.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, current accounts in banks and bank deposits with original maturities of three months or less.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation at the end of the reporting period, using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Provisions for decommissioning and restoration costs, which arise principally in connection with lease of land and facilities, is estimated at current prices and in accordance with local conditions and requirements and an equivalent amount is included in the respective class of asset in property, plant and equipment and right-of-use asset. The present value is calculated using amounts discounted over the lease period. The liability is recognised (together with a corresponding amount as part of the related property, plant and equipment or right-of-use assets) once an obligation crystallizes in the period when a reasonable estimate can be made. The effects of changes resulting from revisions to the timing or the amount of the original estimate of the provision are reflected on a prospective basis, generally by adjustment to the carrying amount of the related property, plant and equipment and right-of-use asset. However, where there is no related asset, or the change reduces the carrying amount to nil, the effect, or the amount in excess of the reduction in the related asset to nil, is recognised in the consolidated statement of comprehensive income.

Employees' end of service benefits

The Group operates an un-funded post-employment benefit plan (employees' end of service benefits) for its expatriate employees in the UAE, in accordance with the Company policy and UAE Labour Law. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period. Payment for employees' end of service benefits is made when an employee leaves, resigns or completes his service.

The cost of providing benefits under the post-employment benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to processing and marketing fees through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Interest is calculated by applying the discount rate to the defined benefit liability. The rate used to discount the end of service benefit obligation is determined by reference to market yields at the consolidated statement of financial position date on high quality corporate bonds. The current and non-current portions of the provision relating to employees' end of service benefits are separately disclosed in the consolidated statement of financial position.

The Group recognises the following changes in the employees' end of service benefits in the processing and marketing fees:

- Service costs comprising current service costs
- Interest expense

With respect to UAE national employees, contributions are made to Abu Dhabi Retirement Pensions and Benefits Fund, calculated in accordance to the Fund's regulations. With respect to GCC national employees, the contributions are made to the pension funds or agencies of their respective countries. Such contributions are charged to the processing and marketing fees during the employees' period of service.

The provision relating to annual leave, leave passage and pension contribution is considered as a current liability, while that relating to end of service benefits is disclosed as a non-current liability.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. All differences are taken to the consolidated statement of comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Value added tax ("VAT")

Expenses and assets are recognised net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of VAT included. The net amount of VAT recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the consolidated statement of financial position.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognised in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Current versus non-current classification

The Group presents assets and liabilities in the consolidated statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees, if any.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Group's top Management (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

While applying the accounting policies as stated in note 3, management of the Group has made certain estimates and assumptions that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on going basis. Revisions to accounting estimates are recognised in the period of the revision in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Impairment of inventories
Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices.

At the consolidated statement of financial position date, gross carrying amount of inventories on hand was AED 225,445 thousand (2020: AED 170,480 thousand) and provisions for slow moving and obsolete inventories was AED 13,541 thousand (2020: AED 13,541 thousand). Any difference between the amounts actually realised in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

Impairment of receivables
The Group uses a provision matrix to calculate ECLs for trade receivables and to record IFRS 9 provisions thereon.

The provision matrix is initially based on the Group's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

For due from related parties' balances, probability of default (PD) is determined to be nil based on ADNOC's rating by Fitch as at 31 December 2021. Fitch Ratings has given ADNOC Group a standalone credit rating of AA+ and a long-term issuer default rating of AA with a stable outlook, in line with the sovereign rating of Abu Dhabi. However, on a conservative basis, the Group records provisions for expected credit losses on due from related parties based on ageing buckets.

The provision for expected credit losses on trade receivables has been calculated using a simplified approach, requiring the computation of lifetime expected credit losses. The provision matrix has been calculated in the following manner:

Historical analysis of aging data
Aging data from January 2016 to December 2021 has been used for this analysis. For the purpose of the historical analysis, management has defined 180 days past due as default. Furthermore, and in accordance with IFRS 9, Management has chosen to segment the customer base into third party and intercompany debtors.

The probability of default (PD) for the various age buckets has been calculated by assessing the flow rate of debit balances into subsequent age buckets, and ultimately into the default age bucket (according to the definition of default discussed above).
The loss given default (LGD) has been calculated by analyzing the recovery / collections of defaulted balances.

Forward-looking macroeconomic factors
IFRS 9 requires a forward-looking macroeconomic adjustment, applied to the historical loss rate. To incorporate this element, a multiple regression analysis has been performed, considering the following factors: Independent variables: the sovereign CDS spread, a market indication of credit risk of the region of operations. Dependent variable(s): the two factors used in the regression analysis are Gross Debt/GDP and Net borrowing - lending/GDP of the region of operations.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Forward-looking macroeconomic factors (continued)
The calculated impact of the regression analysis is a 2% incremental increase in historical loss rates, i.e., PD x LGD x 1.02.

At the consolidated statement of financial position date, gross trade receivables were AED 99,451 thousand (2020: AED 38,879 thousand), and the provision for expected credit losses was AED 10,076 thousand (2020: AED 7,898 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

At the consolidated statement of financial position date, gross amount due from related parties were AED 1,245,388 thousand (2020: AED 1,906,410 thousand), and the provision for expected credit loss was AED 1,815 thousand (2020: AED 33,545 thousand). Any difference between the amounts actually collected in future periods and the amounts expected will be recognised in the consolidated statement of comprehensive income.

Useful lives of property, plant and equipment and intangible assets
The Group's management determines the estimated useful lives of property, plant and equipment and intangible assets based on the intended use of the assets and the expected economic lives of those assets. Subsequent changes in circumstances such as technological advances or prospective utilisation of the assets concerned could result in the actual useful lives or residual values differing from the initial estimates.

This estimate is determined after considering the current usage of the asset compared to full utilisation capabilities of the asset and physical wear and tear, technical or commercial obsolescence and other limits on the use of the asset Management reviews the residual value and useful lives annually and the future depreciation charge would be adjusted where management believes that the useful lives differ from previous estimates.

Impairment of property, plant and equipment
The Group determines whether property, plant and equipment are impaired when events or changes in circumstances indicate that the carrying amount may not be recoverable. If an indicator of impairment exists, the Group determines the value in use of the cash generating units, where an indicator has been identified. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash generating units and also choose a suitable discount rate in order to calculate the present value of those cash flows.

Management did not identify any impairment indicators in the current or prior year for property, plant and equipment. However, management identified certain capital work-in-progress for which future development is not expected and, accordingly, recorded an impairment of AED 5,388 thousand (2020:AED Nil).

Fair value of investment properties
The Group applies the Discounted Cash Flow (DCF) method for determination of fair value of investment properties. The fair value derived under DCF is sensitive to the discount rate used in the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Fair value of investment properties as of 31 December 2021 is AED 965 million (2020: AED 818 million).

Determining the lease term of contracts with renewal and termination options – Group as lessee
The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset). On this basis the management has determined their best estimate of the lease term for each lease. The lease period determined will be reassessed at each reporting period.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES (continued)

Determining the lease classification – Group as lessor
The Group has entered into several lease arrangements in respect of land and vessels as a lessor. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term either constituting a major part of the economic life of the leased asset and the present value of the minimum lease payments either amounting to substantially all of the fair value of the leased asset, that either it retains substantially all the risks and rewards incidental to ownership of leased asset and accounts for the contracts as operating leases or finance leases accordingly.

Extension options for leases
The Group uses its judgement to determine whether or not an option would be reasonably certain to be exercised. The Group considers all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

COVID-19 pandemic

In March 2020, the World Health Organisation declared the outbreak of COVID-19 a global pandemic. In response to the pandemic, the UAE authorities implemented numerous measures attempting to contain the spreading and impact of COVID-19, such as travel bans and restrictions, quarantines, shelter-in-place orders and limitations on business activity, including closures. Some of the above measures were subsequently relaxed, however, as of 31 December 2021, the global infection levels remain high, vaccination rate is relatively low, and there is a risk that the UAE authorities would impose additional restrictions in subsequent periods, including due to emerging new variants of the virus. The Group is monitoring the evolution of the COVID 19 pandemic and will continue to assess further impacts going forward, though most countries have relaxed norms.

The Group has also introduced proactive comprehensive measures to address and mitigate key operational and financial issues arising from the current situation and has reasonably managed several areas of operational risks identified and implemented various measures that ensured continuity of the operations

COVID-19 related costs:
The company incurred additional costs of AED 40,755 thousand (2020: AED 34,725 thousands) as COVID-19 prevention costs. This includes medical costs, supplies and quarantine costs. This is expected to continue in 2022.

Property, plant & equipment and investment properties:
The Group's vessels' valuations have not been impacted significantly by the COVID-19 pandemic. This was primarily due to takeover of the assets from ADNOC HQ in 2017 at the market rates, rather than at their original built prices.

Investment property rented out to clients in Industrial City of Abu Dhabi Zone (ICAD) (continued) to be valued appropriately. Investment properties remain occupied, with no discounts given to customers, except ADNOC Offshore. However, the discount has not resulted in any impairment.

Inventories and other assets:
The Group has reviewed its inventories such as bunkers on vessels and in jetty tanks, spares and consumables as well as other assets such as accounts receivables. As a result of this work, no significant impairment has been recorded as of 31 December 2021.

As the situation is fluid and rapidly evolving, management does not consider it practical to provide a quantitative estimate of the potential impact of this outbreak on the Group's consolidated financial statements at this stage.

4 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.

	2021 AED'000	*2020 AED'000*
Shipping- freight / voyage charter income	**1,599,685**	1,038,370
Petroleum port operations	**615,810**	537,724
Offshore vessels charter income	**544,327**	517,892
Operating lease income	**527,243**	513,367
Base operation services	**449,308**	465,053
Ship management income	**287,884**	311,839
Drilling chemicals	**165,946**	170,301
Onshore services income	**106,112**	114,053
Sales of bunkering fuel & water	**76,908**	62,264
	4,373,223	3,730,863
Timing of revenue		
Goods transferred at a point of time	**242,854**	232,565
Services rendered over time	**4,130,369**	3,498,298
	4,373,223	3,730,863

5 DIRECT COSTS

	2021 AED'000	*2020 AED'000*
Staff costs (note 8)	**1,096,688**	998,873
Freight and voyage charter costs	**941,174**	973,807
Bunker and other consumption	**523,475**	329,614
Depreciation on property, plant and equipment (note 11)	**345,878**	263,889
Port charges	**175,165**	67,481
Repairs and maintenance	**164,735**	104,341
Depreciation on right-of-use assets (note 12)	**20,050**	9,265
Depreciation on investment properties (note 14)	**8,874**	5,155
Other operating costs	**264,995**	181,829
	3,541,034	2,934,254

6 GENERAL AND ADMINISTRATIVE EXPENSES

	2021 AED'000	*2020 AED'000*
Staff costs (note 8)	**218,099**	202,150
Office rent	**15,162**	15,165
Amortisation of intangible assets (note 13)	**14,618**	2,666
Consultancy fees	**7,066**	14,164
Depreciation on property, plant and equipment (note 11)	**4,300**	7,658
Others	**47,313**	45,948
	306,558	287,751

7 OTHER INCOME, NET

	2021 AED'000	*2020 AED'000*
Gain on reversal of liabilities and others	-	64,108
Profit on initial recognition of sub-lease receivables	**4,674**	-
Gain \ (loss) on disposal of property, plant and equipment	**3,577**	(2,661)
	8,251	61,447

8 STAFF COSTS

	2021 AED'000	*2020 AED'000*
Salaries & benefits (direct hire and sub-contracted)	**1,297,438**	1,181,583
Pension adjustment (note 24)	**333,888**	-
Employees' end of service benefits (note 22)	**17,349**	19,440
	1,648,675	1,201,023
Analyzed as:		
Direct costs	**1,096,688**	998,873
Pension adjustment (note 24)	**333,888**	-
General and administrative expenses	**218,099**	202,150
	1,648,675	1,201,023

9 FINANCE INCOME

	2021 AED'000	*2020 AED'000*
Interest income on sub-leases (finance leases) (note 12)	**5,043**	9,215
Interest income from banks	**977**	7,093
	6,020	16,308

10 FINANCE COSTS

	2021 AED'000	*2020 AED'000*
Interest cost on shareholder loan (note 24)	**15,852**	-
Interest expense on lease liabilities (note 12)	**11,035**	10,285
Interest cost as per IAS-19 (note 22)	**2,199**	15,554
Others	**-**	210
	29,086	26,049

11 PROPERTY, PLANT AND EQUIPMENT

	Buildings AED'000	*Vessels and marine equipment AED'000*	*Plant AED'000*	*Equipment and vehicles AED'000*	*Furniture, fixtures and office equipment AED'000*	*Capital work in progress AED'000*	*Total AED'000*
2021							
Cost:							
At 1 January 2021	236,251	4,752,700	19,297	159,578	54,920	188,925	5,411,671
Additions	-	1,887,363	-	-	-	793,091	2,680,454
Disposals	-	(93,193)	-	(1,958)	-	-	(95,151)
Transfer to intangible assets (note 13)	-	-	-	-	-	(24,564)	(24,564)
Transfer to investment properties (note 14)	-	-	-	-	-	(14,064)	(14,064)
Transfers	11,319	468,049	-	54,940	38,021	(572,329)	-
Impairment	-	-	-	-	-	(5,388)	(5,388)
Adjustments and write offs	(488)	(438,120)	500	(21,776)	(20,453)	-	(480,337)
At 31 December 2021	**247,082**	**6,576,799**	**19,797**	**190,784**	**72,488**	**365,671**	**7,472,621**
Accumulated depreciation:							
At 1 January 2021	194,889	1,286,465	19,297	86,209	40,917	-	1,627,777
Charge for the year	5,074	317,598	68	19,796	7,642	-	350,178
Disposals	-	(93,193)	-	(1,958)	-	-	(95,151)
Adjustments and write offs	(2,499)	(456,314)	37	(3,530)	(16,425)	-	(478,731)
At 31 December 2021	**197,464**	**1,054,556**	**19,402**	**100,517**	**32,134**	**-**	**1,404,073**
Net book value							
At 31 December 2021	**49,618**	**5,522,243**	**395**	**90,267**	**40,354**	**365,671**	**6,068,548**
2020							
Cost:							
At 1 January 2020	213,488	3,835,766	19,357	154,828	68,152	90,632	4,382,223
Additions	-	975,967	-	-	-	474,429	1,450,396
Disposals	(6,592)	(265,231)	(60)	(48,680)	(13,424)	-	(333,987)
Transfer to intangible assets (note 13)	-	-	-	-	-	(55,016)	(55,016)
Transfer to investment properties (note 14)		-	-	-	-	(9,856)	(9,856)
Transfers	29,355	206,198	-	53,430	192	(289,175)	-
Write off	-	-	-	-	-	(22,089)	(22,089)
At 31 December 2020	236,251	4,752,700	19,297	159,578	54,920	188,925	5,411,671

11 PROPERTY, PLANT AND EQUIPMENT (continued)

	Buildings AED'000	*Vessels and marine equipment AED'000*	*Plant AED'000*	*Equipment and vehicles AED'000*	*Furniture, fixtures and office equipment AED'000*	*Capital work in progress AED'000*	*Total AED'000*
2020							
Accumulated depreciation:							
At 1 January 2020	192,733	1,228,992	19,342	119,830	53,660	-	1,614,557
Charge for the year	8,047	253,125	15	9,683	677	-	271,547
Disposals	(5,891)	(195,652)	(60)	(43,304)	(13,420)	-	(258,327)
At 31 December 2020	194,889	1,286,465	19,297	86,209	40,917	-	1,627,777
Net book value							
At 31 December 2020	41,362	3,466,235	-	73,369	14,003	188,925	3,783,894

Depreciation has been allocated in the consolidated statement of comprehensive income are as follows:

	2021 AED'000	*2020 AED'000*
Direct costs (note 5)	345,878	263,889
General and administrative expenses (note 6)	4,300	7,658
	350,178	271,547

12 RIGHT-OF-USE ASSETS & LEASE LIABILITIES

Set out below, are the carrying amounts of the Group's right-of-use assets, sub-lease receivables and lease liabilities and the movements during the period:

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

AED'000	*Land right -of-use asset*	*Vessels right -of-use asset*	*Total*
As at 1 January 2021	115,257	2,053	117,310
Additions	-	37,088	37,088
Depreciation expense	(6,776)	(13,274)	(20,050)
As at 31 December 2021	108,481	25,867	134,348
As at 1 January 2020	122,052	4,523	126,575
Depreciation expense	(6,795)	(2,470)	(9,265)
As at 31 December 2020	115,257	2,053	117,310

AED'000	*Land lease liability*	*Vessels lease liability*	*Total*
As at 1 January 2021	118,323	2,096	120,419
Additions	-	37,088	37,088
Interest expense (note 10)	8,004	961	8,965
Payments	(11,665)	(13,900)	(25,565)
As at 31 December 2021	114,662	26,245	140,907

12 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (continued)

A. In respect of head-lease: (continued)

AED'000	*Land lease liability*	*Vessels lease liability*	*Total*
As at 1 January 2020	121,713	4,546	126,259
Interest expense	8,062	104	8,166
Payments	(11,452)	(2,554)	(14,006)
As at 31 December 2020	118,323	2,096	120,419

B. In respect of sub-lease:

AED'000	*Land sub-lease receivables*	*Vessels sub-lease receivables*	*Total*
As at 1 January 2021	**50,325**	**53,535**	**103,860**
Additions	**-**	**11,254**	**11,254**
Profit on initial recognition of sub-leases	-	**9,070**	**9,070**
Interest income	**3,385**	**1,658**	**5,043**
Payments received	**(5,300)**	(27,535)	**(32,835)**
As at 31 December 2021	**48,410**	**47,982**	**96,392**
As at 1 January 2020	52,101	34,383	86,484
Additions	-	41,686	41,686
Interest Income	3,524	5,691	9,215
Payments received	(5,300)	(28,225)	(33,525)
As at 31 December 2020	50,325	53,535	103,860

AED'000	*Land sub -lease liability*	*Vessel sub- lease liability*	*Total*
As at 1 January 2021	**9,830**	**48,710**	**58,540**
Additions	**-**	**11,254**	**11,254**
Interest expense (note 10)	**642**	**1,428**	**2,070**
Payments	**(1,017)**	(24,175)	**(25,192)**
As at 31 December 2021	**9,455**	**37,217**	**46,672**
As at 1 January 2020	10,178	30,877	41,055
Additions	-	41,686	41,686
Interest expense	670	1,449	2,119
Payments	(1,018)	(25,302)	(26,320)
As at 31 December 2020	9,830	48,710	58,540

12 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (continued)

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

	2021 AED '000	*2020 AED '000*
Current portion	**23,188**	25,144
Non-current portion	**73,204**	78,716
	96,392	103,860

Sub-lease receivables as of 31 December 2021 can be further analysed as follows:

AED'000	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 year*	*Non-current 5 year & above*
ADNOC Offshore	14,216	17,290	31,506	17,290	-
ADNOC Onshore	6,292	9,559	15,851	9,559	-
Total related party balances	20,508	26,849	47,357	26,849	-
Third parties	2,680	46,355	49,035	9,822	36,533
Total	23,188	73,204	96,392	36,671	36,533

Sub-lease receivables as of 31 December 2020 can be further analysed as follows:

AED'000	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 year*	*Non-current 5 year & above*
ADNOC Offshore	19,124	28,851	47,975	28,851	-
ADNOC Onshore	966	830	1,796	830	-
Total related party balances	20,090	29,681	49,771	29,681	-
Third parties	5,054	49,035	54,089	9,779	39,256
Total	25,144	78,716	103,860	39,460	39,256

12 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (continued)

Lease liabilities as of 31 December are analysed in the consolidated statement of financial position as follows:

	2021 AED '000	*2020 AED '000*
Relating to head-lease	**140,907**	120,419
Relating to sub-lease receivables	**46,672**	58,540
	187,579	178,959
Current portion	**34,710**	27,236
Non-current portion	**152,869**	151,723
	187,579	178,959

Lease liabilities as of 31 December can be further analysed as follows:

31 December 2021	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 year*	*Non-current 5 year & above*
ADNOC HQ	4,329	119,788	124,117	22,666	97,122
Total related party balances	4,329	119,788	124,117	22,666	97,122
Third parties	30,381	33,081	63,462	33,081	-
Total	34,710	152,869	187,579	55,747	97,122

31 December 2020	*Current portion*	*Non-current portion*	*Total*	*Non-current 1-5 year*	*Non-current 5 year & above*
ADNOC HQ	4,035	124,117	128,152	19,506	104,611
Total related party balances	4,035	124,117	128,152	19,506	104,611
Third parties	23,201	27,606	50,807	27,606	-
Total	27,236	151,723	178,959	47,112	104,611

The table below indicates rental expenses resulting from lease and service contracts which are recognised in the consolidated statement of comprehensive income:

	2021 AED'000	*2020 AED'000*
Short term rents (included in note 5 & 6)	**22,296**	22,296

12 RIGHT-OF-USE ASSETS & LEASE LIABILITIES (continued)

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

	2021 AED '000	*2020 AED '000*
As at 1 January	**4,530**	4,222
Accretion during the year	**331**	308
As at 31 December	**4,861**	4,530

13 INTANGIBLE ASSETS

	2021 AED'000	*2020 AED'000*
Computer software		
Cost:		
At 1 January	**72,039**	24,978
Transfer from property, plant and equipment (note 11)	**24,564**	55,016
Adjustments and Write -offs	**23,163**	-
Disposals	**(37,537)**	(7,955)
At 31 December	**82,229**	72,039
Accumulated amortization:		
At 1 January	**18,619**	21,184
Charge for the year	**14,618**	2,666
Adjustments and Write -offs	**21,557**	-
Disposals	**(37,537)**	(5,231)
At 31 December	**17,257**	18,619
Net book value		
At 31 December	**64,972**	53,420

Intangible assets comprise the cost of acquired enterprise computer systems, software and licenses.

14 INVESTMENT PROPERTIES

	2021 AED'000	*2020 AED'000*
Cost:		
At 1 January	**348,165**	338,309
Transfer from property, plant and equipment (note 11)	**14,064**	9,856
At 31 December	**362,229**	348,165
Accumulated depreciation:		
At 1 January	**242,196**	237,041
Charge for the year	**8,874**	5,155
At 31 December	**251,070**	242,196
Net book value	**111,159**	105,969

14 INVESTMENT PROPERTIES (continued)

Investment properties comprise of buildings owned by the Group which are rented to tenants under operating lease arrangements. The fair valuation of the completed properties was carried out as at 31 December 2021 by management using the discounted cash flow method of valuation, using assumptions such as annual growth rate and discount rate. The fair value was assessed at AED 965 million as at 31 December 2021 (2020: AED 818 million).

In estimating the fair value of the properties, the highest and best use of the property is considered as their current use. The inputs used in the valuation are not based on observable market data and thus the valuation techniques were considered to be Level 3 valuation.

Land on which the building is constructed is leased by ADNOC to the Group for a period of 10 years until 31 December 2028 at an annual rent of AED 12,469 thousand and is expected to be renewed till the Group's sub-lease contracts are effective (note 12).

	2021 *AED'000*	*2020* *AED'000*
Rental income included under operating lease income	**90,578**	101,999
Direct costs excluding depreciation	**9,188**	12,875

15 INVESTMENT IN A JOINT VENTURE

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

Name of joint venture	*Percentage holding* *2021*	*2020*	*Country of incorporation*	*Principal activity*
AW Shipping Limited	50%	50%	UAE	Shipping services

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

	2021 *AED'000*	*2020* *AED'000*
As at 1 January	74,846	-
Investment during the year	**192,438**	74,921
Share of profit/(loss) for the year	**3,900**	(75)
As at 31 December	**271,184**	74,846

The assets, liabilities and results of the joint venture are summarised below:

	2021 *AED'000*	*2020* *AED'000*
Statement of financial position		
Total assets	**691,527**	174,518
Total liabilities	**(149,159)**	(24,826)
Net assets	**542,368**	149,692

15 INVESTMENT IN A JOINT VENTURE (continued)

	2021 AED'000	*2020 AED'000*
Statement of comprehensive income		
Revenue	**18,209**	-
Expenses	**(10,409)**	(150)
Total comprehensive income/ (loss)	**7,800**	(150)

16 INVENTORIES

	2021 AED'000	*2020 AED'000*
Bunkers	**86,952**	25,126
Lubes	**9,621**	9,469
Raw materials & finished goods	**16,565**	25,948
Spare parts, fuel and consumables	**110,819**	108,449
Firefighting foam and dispersant stock	**1,488**	1,488
	225,445	170,480
Less: provision for slow-moving and obsolete inventories	**(13,541)**	(13,541)
	211,904	156,939

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

	2021 AED'000	*2020 AED'000*
At 1 January	**13,541**	14,624
Reversal during the year	**-**	(1,083)
At 31 December	**13,541**	13,541

17 TRADE AND OTHER RECEIVABLES

	2021 AED'000	*2020 AED'000*
Trade receivables	**99,451**	38,879
Provision for expected credit losses	**(10,076)**	(7,898)
Trade receivables, net	**89,375**	30,981
Prepaid expenses and other receivables	**139,299**	110,553
Receivable from employees	**37,479**	25,820
Advances to suppliers	**38,051**	120,713
	304,204	288,067

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

At 1 January	**7,898**	18,647
Write off during the year	**-**	(2,561)
Charge / (write back) during the year	**2,178**	(8,188)
At 31 December	**10,076**	7,898

17 TRADE AND OTHER RECEIVABLES (continued)

Below is the information about credit risk exposure on the Group's trade receivables:

			Past due				
	Total *AED' 000*	*Not past due* *AED' 000*	*< 30 days* *AED' 000*	*30 - 60 days* *AED' 000*	*61 - 90 days* *AED' 000*	*91 - 120 days* *AED' 000*	*> 120 days* *AED' 000*
Provision matrix		4%	6%	10%	14%	17%	35%
Gross trade receivable							
31 December 2021	**99,451**	**41,887**	**23,819**	**6,342**	**13,463**	**1,746**	**12,194**
31 December 2020	38,879	12,416	4,469	2,414	1,022	1,492	17,066
Provision for expected credit losses							
31 December 2021	**10,076**	**1,540**	**1,539**	**627**	**1,850**	**301**	**4,219**
31 December 2020	7,898	402	818	288	504	176	5,710
Net trade receivable							
31 December 2021	**89,375**	**40,347**	**22,280**	**5,715**	**11,613**	**1,445**	**7,975**
31 December 2020	30,981	12,014	3,651	2,126	518	1,316	11,356

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. It is not the practice of the Group to obtain a collateral over receivables balances.

18 CASH AND CASH EQUIVALENTS

	2021 *AED'000*	*2020* *AED'000*
Cash in hand	**4,076**	5,547
Cash at banks	**1,349,045**	351,063
	1,353,121	356,610

The Group held cash and cash equivalent with financial institutions that are rated at least AA- to A+ based on rating agency ratings. Accordingly, the ECL provision amount calculated by applying the general approach is considered to be immaterial. Cash at banks include call deposit accounts that earn interest of 0.07% (2020: 0.85%).

19 SHARE CAPITAL

	2021 *AED'000*	*2020* *AED'000*
Authorised, issued and fully paid		
1,000,000,000 ordinary shares of AED 1 each	**1,000,000**	1,000,000

20 RESERVES

General reserve
In accordance with the decision of management of the Group, 10% of the profit is transferred to a general reserve on an annual basis.

21 BASIC AND DILUTED EARNINGS PER SHARE

Earnings per share (EPS) amounts are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of shares outstanding during the year.

	2021	*2020*
Profit attributable to shareholders of the Company (AED'000)	**201,267**	614,379
Weighted average number of shares	**1,000,000,000**	1,000,000,000
Earnings per share (AED)	**0.20**	0.61

There are no dilutive securities, therefore diluted EPS is the same as basic EPS.

22 EMPLOYEES' END OF SERVICE BENEFITS

Movements in the employees' end of service benefits provision are as follows:

	2021 *AED'000*	*2020* *AED'000*
At 1 January	**134,763**	109,556
Current service cost	**17,349**	19,440
Benefits paid	**(15,262)**	(29,321)
Benefits of employees transferred-in from group companies	**5,463**	-
Benefits of employees transferred -out to group companies	**(668)**	-
Interest cost	**2,199**	15,554
Remeasurement losses:		
Actuarial losses arising from experience	**5,609**	19,534
At 31 December	**149,453**	134,763

Generally, upon fulfilment of certain employment conditions, the retirement benefits are payable in lump sum upon retirement, which is determined on the basis of the employee's one month salary for each of the first three years of service plus one and a half month's salary for each subsequent year of service.

The present value of the defined benefit obligation and the related current service cost and past service cost were measured using the projected unit credit method.

22 EMPLOYEES' END OF SERVICE BENEFITS (continued)

The principal assumptions used for the purpose of the actuarial valuations were as follows:

	2021	*2020*
Discount rate	2.25%	1.75%
Expected rate of salary increase	4.00%	3.00%
Average turnover	7.5%	7.5%
Mortality rate table	AM92/AF92	AM92/AF92
Retirement age	60 years	60 years

Amounts recognised in profit or loss in respect of these benefit are as follows:

	2021 *AED'000*	*2020* *AED'000*
Service cost:		
Current service cost (note 8)	17,349	19,440
Net interest expense (note 10)	2,199	15,554
Components of provision for employees' end of service benefit recognised in profit or loss	19,548	34,994

The service and net interest expenses have been included in the operating expenditures of the Group.

Amounts recognised in other comprehensive income are as follows:

	2021 *AED'000*	*2020* *AED'000*
Actuarial loss arising from the experience adjustments	5,609	19,534

Significant actuarial assumptions for the determination of the provision for employees' end of service benefit are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

22 EMPLOYEES' END OF SERVICE BENEFITS (continued)

	Increase / decrease in percentage point	*Increase (decrease) in provision for employees' end of service benefit*
2021		*AED'000*
Discount rate	+1%	(10,582)
	-1%	12,183
Expected salary growth	+1%	12,352
	-1%	(10,909)
2020		
Discount rate	+1%	(9,613)
	-1%	11,151
Expected salary growth	+1%	11,198
	-1%	(9,859)

The sensitivity analysis presented above may not be representative of the actual change in the provision for employees' end of service benefit as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the provision for employees' end of service benefit has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the provision for employees' end of service benefit recognised in the consolidated statement of financial position.

The Group does not expect to make any contribution to defined benefit plans during the next financial year.

23 TRADE AND OTHER PAYABLES

	2021 AED'000	*2020 AED'000*
Trade accounts payable	70,341	73,902
Other payables and accrued expenses	657,993	563,361
Capital expenses accruals	105,770	228,169
Operating lease rent received in advance	10,481	7,023
	844,585	872,455

Trade accounts payable are interest free and are normally settled within 30 days from the date of receipt of the invoice.

24 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.

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 year-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. For the year ended 31 December 2021, the Group has provision for expected credit losses of AED 1,815 thousand (2020: AED 33,545 thousand) on amounts due from related parties. The Group's significant balances are with entities controlled, jointly controlled or significantly influenced by the ADNOC.
Transactions with related parties included in the consolidated statement of comprehensive income are as follows:

	2021 AED'000	*2020 AED'000*
Goods sold and services provided to associated companies		
ADNOC Offshore	**1,792,141**	1,338,034
ADNOC (Holding Company)	**52,588**	102,292
National Gas Shipping Company Limited	**338,949**	355,310
ADNOC Onshore	**209,213**	184,635
Abu Dhabi Polymers Company Limited (Borouge ADP)	**190,488**	179,825
ADNOC Global Trading (AGT)	**146,036**	-
ADNOC Trading (AT)	**42,032**	-
ADNOC Distribution	**67,897**	68,433
ADNOC Drilling	**37,524**	38,660
ADNOC Refining	**17,941**	8,702
ADNOC Gas Processing	**11,062**	8,231
ADNOC LNG	**8,448**	4,719
AW Shipping Limited	**1,179**	-
Al Dhafra	**1,168**	958
Total ABK	-	23,857
ADNOC Sour Gas	-	340
	2,916,666	2,313,996
Good and services received from associated companies		
ADNOC (Holding Company)	**79,388**	24,327
ADNOC Distribution	**12,472**	14,372
ADNOC Refining	**629**	2,194
	92,489	40,893

	2021 AED'000	*2020 AED'000*
Interest on shareholder loan		
ADNOC (Holding Company)	**15,852**	-

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

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

	2021 AED'000	*2020 AED'000*
Due from related parties:		
ADNOC Offshore	**677,251**	513,704
ADNOC (Holding Company)	**241,906**	246,997
ADNOC (Holding Company) cash pooling balance*	**116,896**	951,742
Abu Dhabi Polymers Company Limited (Borouge ADP)	**71,073**	45,162
ADNOC Onshore	**47,749**	55,348
ADNOC Distribution	**30,167**	14,746
ADNOC Global Trading (AGT)	**20,433**	-
ADNOC Drilling	**19,259**	29,226
ADNOC Refining	**7,322**	8,893
ADNOC Gas Processing	**4,742**	5,134
AW Shipping Limited	**3,827**	-
ADNOC LNG	**3,333**	7,861
ADNOC Sour Gas	**668**	2,890
Al Dhafra	**564**	1,612
Borouge PTE	**198**	-
Total ABK	-	14,539
National Gas Shipping Company Limited	-	8,556
	1,245,388	1,906,410
Less: provision for expected credit losses	**(1,815)**	(33,545)
	1,243,573	1,872,865

* 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:

	2021 AED'000	*2020 AED'000*
Balance at 1 January	**33,545**	115,837
Reversals during the year	**(22,617)**	(45,702)
Write off during the year	**(9,113)**	(36,590)
Balance at 31 December	**1,815**	33,545

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

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

As at 31 December 2021, the ageing of unimpaired receivables from related parties is as follows:

			Past due						
	Total *AED'000*	*Not past due* *AED'000*	*< 30 days* *AED'000*	*30 - 60 days* *AED'000*	*61 - 90 days* *AED'000*	*91 - 120 days* *AED'000*	*121-365 days* *AED'000*	*366-730 days* *AED'000*	*> 730 days* *AED'000*
Gross receivables from related parties									
31 December 2021	**1,245,388**	**881,107**	**223,196**	**58,568**	**23,742**	**11,425**	**43,278**	**3,368**	**704**
31 December 2020	1,906,410	1,619,976	151,712	27,338	4,124	14,254	47,824	11,456	29,726
Provision for expected credit losses									
31 December 2021	**1,815**	-	-	-	-	-	-	**1,111**	**704**
31 December 2020	33,545	-	-	-	-	-	-	3,819	29,726
Net receivable from related parties									
31 December 2021	**1,243,573**	**881,107**	**223,196**	**58,568**	**23,742**	**11,425**	**43,278**	**2,257**	-
31 December 2020	1,872,865	1,619,976	151,712	27,338	4,124	14,254	47,824	7,637	-

	2021 *AED'000*	*2020* *AED'000*
Due to related parties:		
ADNOC (Holding Company)	**494,993**	128,656
ADNOC Distribution	**341,426**	134,092
ADNOC LNG	**18,384**	-
ADNOC Offshore	**4,002**	(71)
National Gas Shipping Company	**2,372**	38,808
ADNOC Refining	**2,068**	1,856
ADNOC Onshore	**25**	-
ADNOC Sour Gas	-	53
Abu Dhabi Polymers Company Limited (Borouge ADP)	-	(206)
	863,270	303,188

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

Current portion	**667,982**	303,188
Non-current portion	**195,288**	-
	863,270	303,188

Shareholder loan from ADNOC (Holding Company) (forming part of shareholder's equity):
The Group's loan from shareholder of AED 1,312,865 thousand is interest free and repayable at the absolute discretion of the board of directors of the Group. Accordingly, the loan is classified under equity. During the previous year, the Group repaid an amount of AED 3,672,499 thousand of the shareholder loan using the cash surplus account held with ADNOC of AED 2,363,304 thousand (included under due from related parties) and through a cash payment of AED 1,309,195 thousand. The remaining outstanding shareholder loan amounted to AED 1,312,865 thousand as of 31 December 2021 and 31 December 2020.

Shareholder loan from ADNOC (Holding Company) (forming part of non-current liabilities):
During the year, the Group entered into 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 was fully repayable by 31 December 2022, however, subsequent to the reporting date, in accordance with the terms of the agreement, the loan was extended for another 1 year (until December 31, 2023), and the facility size was increased by USD 400,000 thousand, reaching the amount of USD 1,250,000 thousand.

24 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Shareholder loan from ADNOC (Holding Company) (forming part of non-current liabilities) (continued):
As at 31 December 2021, the Group has drawn USD 600,000 thousand (AED: 2,203,500 thousand) from the facility (December 2020: AED nil) and loan is classified as non-current.

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:

	2021 AED'000	*2020 AED'000*
Bank balances	1,349,049	351,063

During the year, the Group's ultimate Holding Company recharged AED 333,888 thousand towards UAE national employees pension charges. These charges relate to the differential amount paid by to Abu Dhabi Retirement Pensions and Benefits Fund for services of employees taken over by the Group on its formation and till the period ending 31 December 2019. AED 195,288 thousand of this liability is payable from 2023 to 2025 and accordingly as at 31 December 2021 is disclosed as a non-current liability.

Related parties sub-lease receivables and lease liabilities are disclosed in note 12.

	2021 AED'000	*2020 AED'000*
Key management compensation		
Short-term benefits	3,937	3,301

25 CONTINGENCIES AND COMMITMENTS

(a) Bank guarantees:
At 31 December 2021, the Group had contingent liabilities in respect of bank and other guarantees and other matters arising in the ordinary course of business from which it is anticipated that no material liabilities will arise, amounting to AED 434 thousand (2020: AED 434 thousand).

(b) Capital commitments:
At 31 December 2021, the Group's capital commitments amount to AED 1,916,564 thousand (2020: AED 1,522,529 thousand).

(c) Purchases commitments:
At 31 December 2021, the Group's purchases commitments amount to AED 43,663 thousand (2020: AED 122,329 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.

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVES

The Group's principal financial liabilities consist of trade and other payables, amounts due to related parties and lease liabilities. The main purpose of the financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade and other receivables, bank balances and amounts due from related parties, which arise directly from its operations.

The main risks arising from the Group's financial instruments are credit risk, foreign currency risk, price risk, cash flow and fair value interest rate risk and liquidity risk. The members of management of the Group review and agree policies for managing each of these risks which are summarized below.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group, and arises principally from the Group's trade, related party and other receivables and bank balances. The Group has adopted a policy of dealing only with creditworthy counterparties. The Group attempts to control credit risk by monitoring credit exposures, limiting transactions with specific non-related counter-parties, and continually assessing the creditworthiness of such non-related counter-parties.

The average credit period on sale of goods or services is 30-60 days. No interest is charged on trade and other receivables. The bank balances are maintained with commercial banks. The credit risk on liquid funds is limited because the counterparties are reputable banks closely monitored by the regulatory bodies.

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counter parties fail to perform their obligations, generally approximates their carrying value. Advances to suppliers, other receivables and balances with banks are not secured by any collaterals.

Market risk management

Foreign currency risk
The Group has no significant currency risk exposure from its operations as the Group's majority of transactions are in UAE Dirham or US Dollars. The UAE Dirham is pegged to the US Dollar hence balances in US Dollars are not considered to represent a significant risk.

Price risk
The Group has no significant direct exposure to commodity price risk. Reduction in oil prices may lead to reduction in the level of future logistics services procured by customers who have significant exposure to oil and gas prices.

Cash flow and fair value interest rate risk
The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all other variables held constant, of the Group's profit.

	2021	*2020*
	AED'000	*AED'000*
Effect of increase of 10 basis points on Group's profit	**(1,156)**	-
Effect of decrease of 10 basis points on Group's profit	**1,156**	-

Liquidity risk management

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group ensures that it has sufficient cash on demand to meet expected operational expenses for a short term period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

26 FINANCIAL RISK MANAGEMENT AND OBJECTIVES (continued)

Liquidity risk management (continued)

The Group limits its liquidity risk by ensuring adequate cash available from its operations and from support of the shareholders.

The table below summarises the maturity profile of the Group's financial liabilities. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

	On demand AED '000	*Less than 3 months AED '000*	*3 to 12 months AED '000*	*1 to 5 years AED '000*	*> 5 years AED '000*	*Total AED '000*
31 December 2021						
Trade payables	-	70,341	-	-	-	70,341
Due to related parties	-	598,382	69,600	208,801	-	876,783
Lease liabilities	-	20,580	23,826	83,765	137,166	265,337
Other payables, accrued and capital expenses	-	763,763	-	-	-	763,763
Total	-	1,453,066	93,426	292,566	137,166	1,976,224
31 December 2020						
Trade payables	-	73,902	-	-	-	73,902
Due to related parties	-	303,188	-	-	-	303,188
Lease liabilities	-	19,760	16,963	91,078	149,636	277,437
Other payables, accrued and capital expenses	-	791,530	-	-	-	791,530
Total	-	1,188,380	16,963	91,078	149,636	1,446,057

Capital risk management

The primary objective of the Group's capital management is to maintain healthy capital ratios in order to support its business.

The Group manages its capital structure and makes adjustments to it to ensure that it will be able to continue as a going concern. No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 31 December 2020. Equity comprises share capital, general reserve, retained earnings and shareholder loan, and is measured at AED 5,615,543 thousand as at 31 December 2021 (2020: AED 5,419,885 thousand).

The Group monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position plus net debt.

27 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments comprise of financial assets and financial liabilities. As at 31 December 2021 and 2020, the Group considers that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

28 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.

28 OPERATING SEGMENTS (continued)

The Group's strategic steering committee, consisting of the chief executive officer, the chief financial officer and the Senior Vice President of Strategy, examines the group's performance both from a product/service perspective. The Group has the following two strategic divisions, which are its reportable segments. These divisions offer different services 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.

For management purpose the Group is organised into two operating segments, all of which are referred to as "business units":

Shipping Shipping comprises dry bulk, tankers, gas carriers business and ship management services.

Services Services comprise offshore logistics services, charter hire of offshore support vessels, petroleum port operations, diving services, container terminal operations and onshore logistics 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. These items are not expected to recur.

The following schedules illustrates the Group's activities according to the operating segments for the year ended 31 December in AED'000s:

2021	*Shipping*	*Services*	*Others*	*Total*
Revenues	2,165,788	2,207,435	-	**4,373,223**
Direct costs	(1,817,417)	(1,682,862)	-	**(3,500,279)**
COVID-19 costs	-	-	(40,755)	**(40,755)**
Gross profit (loss)	**348,371**	**524,573**	**(40,755)**	**832,189**
General and administrative expenses	(103,996)	(202,562)	-	**(306,558)**
Pension adjustment	-	-	(333,888)	**(333,888)**
Reversal of provision for expected credit losses, net	-	-	20,439	**20,439**
Other income, net	-	9,070	(819)	**8,251**
Operating profit (loss)	**244,375**	**331,081**	**(355,023)**	**220,433**
Share of profit from joint venture	3,900	-	-	**3,900**
Finance income	-	5,043	977	**6,020**
Finance costs	(25)	(11,010)	(18,051)	**(29,086)**
Net profit (loss)	**248,250**	**325,114**	**(372,097)**	**201,267**

Year ended 31 December 2020 in AED'000s:

2020	*Shipping*	*Services*	*Others*	*Total*
Revenues	1,589,178	2,141,685	-	**3,730,863**
Direct costs	(1,311,575)	(1,587,954)	-	**(2,899,529)**
COVID-19 costs	-	-	(34,725)	**(34,725)**
Gross profit (loss)	**277,603**	**553,731**	**(34,725)**	**796,609**
General and administrative expenses	(106,418)	(181,333)	-	**(287,751)**
Reversal of provision for expected credit losses, net	-	-	53,890	**53,890**
Other income	-	-	61,447	**61,447**
Operating profit	**171,185**	**372,398**	**80,612**	**624,195**
Share of loss from joint venture	(75)			**(75)**
Finance income	-	9,215	7,093	**16,308**
Finance costs	(104)	(10,391)	(15,554)	**(26,049)**
Net profit	**171,006**	**371,222**	**72,151**	**614,379**

28 OPERATING SEGMENTS (continued)

The Group'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 segment's 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.

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

	Shipping	*Services*	*Total*
31-Dec-21			
Property, plant & equipment	4,602,380	1,466,168	**6,068,548**
Investment properties	-	111,159	**111,159**
31-Dec-20			
Property, plant & equipment	2,626,280	1,157,614	**3,783,894**
Investment properties	-	105,969	**105,969**

29 EVENTS AFTER REPORTING PERIOD

In January 2022, the Group signed an agreement with Abu Dhabi Ports Company PJSC to lease a plot of land in Khalifa Industrial Zone Abu Dhabi (KIZAD) for 25 years and to purchase a warehouse for AED 310,000 thousand. This warehouse will be used to provide services to Abu Dhabi Polymers Company Limited (Borouge ADP) for storing their products which get transshipped to and from KIZAD Port. An agreement to this effect was signed with Abu Dhabi Polymers Company Limited (Borouge ADP) in November 2021.

ZMI Holdings

Interim condensed consolidated financial information for the ten-month period ended 31 October 2022

Report on review of the interim condensed special purpose consolidated financial information to the board of directors of ZMI Holdings

Introduction

We have reviewed the accompanying interim condensed special purpose consolidated statement of financial position of ZMI Holdings (the "Company") and its subsidiaries (together the "Group") as at 31 October 2022 and the related interim condensed special purpose consolidated statements of comprehensive income, changes in equity and cash flows for the ten-month period then ended and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and presentation of the interim condensed special purpose consolidated financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed special purpose 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.

Emphasis of Matter - Basis of accounting and restriction and distribution and use

As set out in Note 2, the interim condensed special purpose consolidated financial information has been prepared by the management of the Group in connection with the proposed initial public offering of the shares of Abu Dhabi Marine Business and Services Company P.J.S.C. on the Abu Dhabi Stock Exchange in the United Arab Emirates. As a result, the interim condensed special purpose consolidated financial information may not be suitable for another purpose.

Conclusion

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

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

Other matter

The comparative information for the condensed interim statements of comprehensive income, changes in equity and cash flows for the ten-month period ended 31 October 2021 has not been audited or reviewed.

PricewaterhouseCoopers

22 April 2023



……

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

ZMI Holdings

Interim condensed consolidated statement of financial position

	Note	(Unaudited) As at 31 October 2022 USD	(Audited) As at 31 December 2021 USD
ASSETS			
Non-current assets			
Vessels, plant and equipment	5	**952,925,340**	894,942,471
Right of use assets		**1,957,884**	-
		954,883,224	894,942,471
Current assets			
Inventories	15	**16,320,806**	9,525,089
Trade receivables	6	**107,614,384**	80,648,166
Advances, prepayments and other receivables	7	**3,488,654**	15,951,948
Margin deposits	8	**2,675,718**	7,495,783
Cash and cash equivalents	8	**47,819,985**	47,987,297
		177,919,547	161,608,283
Total assets		**1,132,802,771**	1,056,550,754
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**50,000**	50,000
Merger reserve	14a	**2,110,000**	2,110,000
Additional contribution	14b	**545,103,906**	-
Retained earnings		**503,389,474**	484,638,120
Total equity		**1,050,653,380**	486,798,120
LIABILITIES			
Non-current liabilities			
Bank borrowings	9	**-**	447,578,134
Lease liabilities		**1,960,868**	-
Employees' end of service benefits		**2,511,140**	2,206,041
		4,472,008	449,784,175
Current liabilities			
Bank borrowings	9	**-**	52,866,638
Trade and other payables	10	**77,677,383**	67,101,821
		77,677,383	119,968,459
Total liabilities		**82,149,391**	569,752,634
Total equity and liabilities		**1,132,802,771**	1,056,550,754

This interim condensed consolidated financial information was authorized and approved for issue on 22 April 2023 and signed by:



.....

Chief Executive Officer



.....

Financial controller

ZMI Holdings

Interim condensed consolidated statement of comprehensive income

	Note	(Unaudited) Ten-month period ended 31 October 2022 USD	2021 USD
Revenues	12	**348,038,857**	264,144,045
Direct costs		**(192,616,239)**	(145,610,502)
Loss on sale of vessels, plant and equipment	5	**(23,201,128)**	(231,145)
Gross profit		**132,221,490**	118,302,398
General and administrative expenses		**(31,625,548)**	(19,550,895)
Provision for impairment of trade receivables		**(16,730,771)**	(4,919,651)
Other income		**-**	3,652,193
Operating profit for the period		**83,865,171**	97,484,045
Finance cost	13	**(35,303,709)**	(21,632,571)
Profit before tax for the period		**48,561,462**	75,851,474
Income tax		**(1,199,109)**	(250,000)
Profit for the period		**47,362,353**	75,601,474
Other comprehensive income		**-**	-
Total comprehensive income		**47,362,353**	75,601,474

ZMI Holdings

Interim condensed consolidated statement of changes in equity

	Share capital	Merger reserve	Additional contribution	Retained earnings	Total
	USD	USD	USD	USD	USD
At 1 January 2021	50,000	2,030,000	-	393,916,350	395,996,350
Total comprehensive income for the period	-	-	-	75,601,474	75,601,474
Merger reserve associated with group restructuring	-	80,000	-	-	80,000
At 31 October 2021 (Unaudited)	50,000	2,110,000	-	469,517,824	471,677,824
At 1 January 2022	50,000	2,110,000	-	484,638,120	486,798,120
Total comprehensive income for the period	-	-	-	47,362,353	47,362,353
Dividend paid *	-	-	-	(28,610,999)	(28,610,999)
Additional contributions	-	-	545,103,906	-	545,103,906
At 31 October 2022 (Unaudited)	50,000	2,110,000	545,103,906	503,389,474	1,050,653,380

***** Dividend paid represents payments made to the ordinary shareholder.

ZMI Holdings

Interim condensed consolidated statement of cash flows

	Note	**(Unaudited) For the ten-month period ended 31 October 2022**	(Unaudited) For the ten-month period ended 31 October 2021
		USD	USD
Cash flows from operating activities			
Profit for the period		**47,362,353**	75,601,474
Adjustments for:			
Depreciation of vessels, plant and equipment	5	**38,326,737**	29,722,375
Depreciation of right-of-use assets		**84,854**	2,758,348
Provision for impairment of trade receivables		**16,730,771**	4,919,651
Provision for employees' end of service benefits		**2,332,642**	327,254
Loss on sale of vessels, plant and equipment		**23,201,128**	231,145
Finance cost	13	**35,303,709**	21,632,571
Operating cash flows before payment of employees' end of service benefits and changes in working capital		**163,342,194**	135,192,818
Employees' end of service benefits paid		**(2,027,543)**	(76,530)
Changes in working capital:			
Inventories		**(6,795,717)**	1,057,782
Trade receivables		**(43,696,989)**	(19,001,448)
Advances, prepayments and other receivables		**12,463,294**	(3,874,647)
Trade and other payables		**10,582,199**	(17,732,746)
Net cash generated from operating activities		**133,867,438**	95,565,229
Cash flows from investing activities			
Purchase of vessels, plant and equipment	5	**(124,710,740)**	(27,144,049)
Proceeds from disposal of vessels, plant and equipment		**5,200,006**	631,060
Transfer from margin deposit		**4,820,065**	(2,349,101)
Net cash used in investing activities		**(114,690,669)**	(28,862,090)
Cash flows from financing activities			
Bank borrowings proceeds	9	**70,000,000**	-
Repayment of bank borrowings		**(42,119,613)**	(28,320,142)
Finance cost paid		**(18,448,662)**	(17,634,238)
Finance cost paid on lease liabilities		**(76,300)**	(1,367,330)
Principal elements of lease payments		**(88,507)**	(21,615,438)
Dividends paid		**(28,610,999)**	-
Repayment of amounts due to shareholder		**-**	(3,864,294)
Net cash used in financing activities		**(19,344,081)**	(72,801,442)
Net decrease in cash and cash equivalents		**(167,312)**	(6,098,303)
Cash and cash equivalents at the beginning of the period		**47,987,297**	19,154,491
Cash and cash equivalents at the end of the period	8	**47,819,985**	13,056,188

Significant non-cash transactions excluded from the consolidated statement of cash flows are in respect of the repayment of borrowings and additional contribution from the shareholder of $545,103,906 for the 10-month period to 31 October 2022 (31 October 2021: nil).

ZMI Holdings

Notes to the interim condensed consolidated financial information for the ten-month period ended 31 October 2022

1 General information

ZMI Holdings (the "Company") was incorporated on 27 November 2020 in the Cayman Islands with Mr. Hassan El Ali (the "Owner") as its 100% shareholder. The Company was incorporated to transfer the legal ownership of the entities, set out below, which were under the common control of the Owner to ZMI Holdings, in accordance with the refinancing arrangement agreed with the lenders in the year 2020.

In July 2022, the owner of the Group signed a sale and purchase agreement with ZINC Holdco RSC Ltd (a 100% owned subsidiary of Abu Dhabi Marine Business and Services Company P.J.S.C – trading as ADNOC Logistics & Services), whereby 100% of the shareholding of the Group was to be transferred to ZINC Holdco RSC Ltd. The sale process was completed on 1 November 2022. ZMI retains its brand and continues operating as a separate Group.

The principal activities of the Group provided through the various operating subsidiaries include:

- Charter of vessels and barges
- Provision of meals and accommodation

The interim condensed consolidated financial information is composed of the Company and its twenty-six subsidiaries (the "Group") as detailed in the table below:

Entity	Activities	Place of incorporation	Effective shareholding held
Subhiya Inc.	Barge chartering	Republic of Panama	100%
Petrodrill Inc.	Vessel chartering	Republic of Panama	100%
Zakher Marine International Inc. and its branches.	Vessel and barge chartering, other related operations	Republic of Panama	100%
Zakher Marine Saudi Company Ltd.	Vessel and barge chartering, other related operations	Kingdom of Saudi Arabia	100%
Premier Marine Services W.L.L.	vessel and barge chartering, other related operations	State of Qatar	100%
QMS Holding Limited.	Vessel and barge chartering	British Virgin Islands	100%
QMS 2 Offshore Services Ltd and its branches.	Vessel and barge chartering	Saint Vincent and the Grenadines	100%
QMS Petroleum Services Inc and its branches.	Vessel chartering	Republic of Panama	100%
MBBS Inc. and its branches	Barge chartering	Republic of Panama	100%
Nadiya Inc.	Barge chartering	Republic of Panama	100%
Al Shahama Inc.	Barge chartering	Republic of Panama	100%
Al Bahia Inc.	Barge chartering	Republic of Panama	100%
Al Maryah Inc.	Barge chartering	Republic of Panama	100%
QMS China Inc.	Barge chartering	Republic of Panama	100%
QMS Achiever Inc.	Barge chartering	Republic of Panama	100%
QMS Gladiator Inc.	Barge chartering	Republic of Panama	100%
QMS Sentinel Inc.	Barge chartering	Republic of Panama	100%
Bani Yas Inc.	Barge chartering	Republic of Panama	100%
QMS Gloria Inc.	Barge chartering	Republic of Panama	100%
QMS Amora Inc.	Barge chartering	Republic of Panama	100%
Lextus Inc.	Vessel chartering	Republic of Panama	100%
QMS Offshore Industries LLC.	Vessel chartering	United Arab Emirates	100%
Volo Travel and Tourism LLC.	Other related operations	United Arab Emirates	100%
QMS Leo Inc.	Barge chartering	Republic of Panama	100%
QMS Aquarius Inc.	Barge chartering	Republic of Panama	100%
QMS Neptune Inc.	Barge chartering	Republic of Panama	100%

2 Summary of significant accounting policies

2.1 Basis of preparation

This interim condensed consolidated financial information is prepared by management of the Company solely for the purpose of inclusion in the offering memorandum for Abu Dhabi Marine Business and Services Company P.J.S.C. in connection with the proposed initial public offering of its shares on the Abu Dhabi Stock Exchange and therefore special purpose in nature.

This interim condensed consolidated financial information of the Group is prepared under a historical cost basis. This interim condensed consolidated financial information is presented in US Dollars (USD), which is the functional currency of the Group's entities.

This interim condensed consolidated financial information does not include all the information and disclosures required in full financial statements and should be read in conjunction with the Group's special purpose consolidated financial statements for the year ended 31 December 2021. In addition, results for the period from 1 January 2022 to 31 October 2022 are not necessarily indicative of the results that may be expected for the consolidated financial statements for the financial year ending 31 December 2022.

This interim condensed consolidated financial information is prepared in accordance with International Accounting Standard 34: Interim Financial Reporting ("IAS 34"), issued by the International Accounting Standard Board (IASB).

Except for the adoption of new and amended standards as set out below, the accounting policies used in the preparation of this interim condensed consolidated financial information are consistent with those followed in the preparation of the Group's special purpose consolidated financial statements for the year ended 31 December 2021.

a) New and amended standards adopted by the Group:

The following new and revised IFRS, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in this interim condensed consolidated financial information. The application of these revised IFRS, except where stated, have not had any material impact on the amounts reported for the current and prior periods:

- amendment to IFRS 3 (effective 1 January 2022);
- amendment to IAS 37 (effective 1 January 2022);
- amendment to IAS 16 (effective 1 January 2022); and
- annual improvements to IFRS 9 and IFRS 16 (effective 1 January 2022).

New and revised IFRS issued but not yet effective and not early adopted

(a) IFRS 17, 'Insurance contracts' (deferred until accounting periods starting on 1 January 2023);
(b) amendments to IAS 12 (effective 1 January 2023);
(c) amendments to IAS 1 (effective 1 January 2024);
(d) amendments to IAS 8 (effective 1 January 2023);
(e) Amendments to IFRS 10 and IAS 28 (not finalized effective date); and
(f) Amendments to IAS 12 (effective 1 January 2023)

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

3 Critical accounting judgments and key sources of estimation uncertainty

The preparation of interim condensed consolidated financial information requires management to make judgments, 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 this interim condensed consolidated financial information, the significant judgments 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 special purpose consolidated financial statements for the year ended 31 December 2021.

4 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. The CODM assesses the financial performance and position of the geographical segments and makes strategic decisions based on a measure of revenue and costs. The Board of Directors has been identified as being the CODM in accordance with the requirements of IFRS 8 'operating segments'. Segment results reported to the Group's CODM represent revenue and cost of revenue and include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organized into three operating segments based on the geographical location, all of which are referred to as "business units':

- United Arab Emirates and Others
- Saudi Arabia
- Qatar

All these operating segments earn revenue from charter of vessels and barges, sale of oil products to customers and from other operating revenue such as provision of meals and accommodation and mobilization of vessels and barges. The accounting policies of the operating segments are the same as the Group's accounting policies.

4 Segment reporting (continued)

(Unaudited) 31 October 2022	**United Arab Emirates and Others**	**Saudi Arabia**	**Qatar**	**Total**
	USD	**USD**	**USD**	**USD**
Revenue	137,760,980	122,655,183	87,622,694	348,038,857
Direct costs (excluding depreciation)	(75,821,186)	(55,645,269)	(24,178,765)	(155,645,220)
General and administrative expenses (excluding depreciation)	(12,372,268)	(10,360,445)	(7,452,263)	(30,184,976)
Depreciation included in direct costs and general and administrative expenses	(19,883,793)	(12,440,585)	(6,087,213)	(38,411,591)
Provision for impairment loss on trade receivables	(7,268,308)	(5,952,620)	(3,509,843)	(16,730,771)
Loss on sale of vessels, plant and equipment	(23,201,128)	-	-	(23,201,128)
Income tax	-	(989,819)	(209,290)	(1,199,109)
Finance cost, net	(15,882,336)	(12,233,769)	(7,187,604)	(35,303,709)
Profit for the period	**(16,668,039)**	**25,032,676**	**38,997,716**	**47,362,353**

(Unaudited) 31 October 2021	**United Arab Emirates and Others**	**Saudi Arabia**	**Qatar**	**Total**
	USD	**USD**	**USD**	**USD**
Revenue	148,362,627	71,584,511	44,196,907	264,144,045
Direct costs (excluding depreciation)	(61,884,117)	(31,394,446)	(17,385,339)	(110,663,902)
General and administrative expenses (excluding depreciation)	(12,450,808)	(6,183,133)	(3,382,831)	(22,016,772)
Depreciation included in direct costs and general and administrative expenses	(16,852,001)	(9,667,109)	(5,961,613)	(32,480,723)
Provision for impairment loss on trade receivables	(2,771,563)	(732,694)	(1,415,394)	(4,919,651)
Other income, net	3,600,025	52,168	-	3,652,193
Loss on sale of vessels, plant and equipment	(231,145)	-	-	(231,145)
Income tax	-	(166,667)	(83,333)	(250,000)
Finance cost, net	(13,232,573)	(5,283,385)	(3,116,613)	(21,632,571)
Profit for the period	**44,540,445**	**18,209,245**	**12,851,784**	**75,601,474**

5 Vessels, plant and equipment

	Vessels and rigs	Building	Motor vehicles	Office equipment	Furniture & Fixtures	Capital work in progress	Total
Cost	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
At 1 January 2021	971,180,455	7,998,468	1,378,949	32,566	272,934	-	980,863,372
Additions	3,540,703	-	-	-	525,009	23,078,337	27,144,049
Disposal	(5,692,550)	-	-	-	-	-	(5,692,550)
At 31 October 2021	**969,028,608**	**7,998,468**	**1,378,949**	**32,566**	**797,943**	**23,078,337**	**1,002,314,871**
Additions	1,321,655	-	61,261	385,343	4,705,430	25,257,103	31,730,792
Transfer *	124,047,751	-	-	-	-	-	124,047,751
At 31 December 2021	**1,094,398,014**	**7,998,468**	**1,440,210**	**417,909**	**5,503,373**	**48,335,440**	**1,158,093,414**
Additions	23,460,913	-	134,444	-	-	101,115,383	124,710,740
Transfer	149,450,823	-	-	-	-	(149,450,823)	-
Disposal **	(34,257,411)	-	-	-	-	-	(34,257,411)
At 31 October 2022	**1,233,052,339**	**7,998,468**	**1,574,654**	**417,909**	**5,503,373**	**-**	**1,248,546,743**
Accumulated Depreciation							
At 1 January 2021	225,593,785	1,535,935	1,138,404	27,388	272,934	-	228,568,446
Charge for the period	29,300,154	299,080	68,485	2,587	52,069	-	29,722,375
Disposals	(4,830,345)	-	-	-	-	-	(4,830,345)
At 31 October 2021	**250,063,594**	**1,835,015**	**1,206,889**	**29,975**	**325,003**	**-**	**253,460,476**
Charge for the period	9,502,351	100,789	23,205	11,191	52,931	-	9,690,467
At 31 December 2021	**259,565,945**	**1,935,804**	**1,230,094**	**41,166**	**377,934**	**-**	**263,150,943**
Charge for the period	36,971,020	332,407	87,069	66,652	869,589	-	38,326,737
Disposal **	(5,856,277)	-	-	-	-	-	(5,856,277)
At 31 October 2022	**290,680,688**	**2,268,211**	**1,317,163**	**107,818**	**1,247,523**	**-**	**295,621,403**
Net Book Amount							
At 31 October 2022	**942,371,651**	**5,730,257**	**257,491**	**310,091**	**4,255,850**	**-**	**952,925,340**
At 31 December 2021	834,832,069	6,062,664	210,116	376,743	5,125,439	48,335,440	894,942,471

***** During the year 2021, the lease liabilities have been repaid in full as part of the refinance arrangement and the corresponding right of use assets have been transferred to vessels, plant and equipment as disclosed in the Group's special purpose consolidated financial statements for the year ended 31 December 2021.

** This relates to the disposal of the Realm 1 vessel during 2022. A loss was realized on disposal of $23,201,128. The asset was not impaired on a value-in-use basis as at 31 December 2021.

6 Trade receivables

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Trade receivables	**128,546,437**	90,648,166
Less: expected credit losses	**(20,932,053)**	(10,000,000)
	107,614,384	80,648,166

The average credit period is 45 days. Trade receivables are unsecured and interest-free and the increase in the balance during the period pertains mainly to part of revenue generated from certain customers during the period which are due for collection subsequent to the reporting date.

The increase in the expected credit loss is due to provisions for delay in collections of customer balances. The movement in the provision for expected credit losses is as follows:

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
At 1 January	**10,000,000**	5,357,639
Charge during the year	**16,730,771**	4,919,651
Write-offs	**(5,798,718)**	(277,290)
	20,932,053	10,000,000

7 Advances, prepayments and other receivables

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Advances	**830,725**	8,453,949
Prepayments	**2,296,156**	2,486,658
Deposits	**361,773**	2,509,074
Due from related party	**-**	2,502,267
	3,488,654	15,951,948

The other classes within advances, deposits and prepayments do not contain impaired assets.

8 Cash and bank balances

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Cash on hand	**354,749**	641,721
Cash at banks	**47,465,236**	47,345,576
	47,819,985	47,987,297

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Margin deposits	**2,675,718**	7,495,783

9 Bank borrowings

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Non-current liabilities		
Bank borrowings	-	447,578,134
Current liabilities		
Bank borrowings	-	52,866,638
	-	500,444,772

During the period, bank borrowings and outstanding interest thereon amounting to USD 545,103,906 was fully repaid including the closure fees, of which USD 538,138,740 related to the principle outstanding as of the transaction date.

9 Bank borrowings (continued)

The details of the movement are as follows:

	New Syndicate facility	Old Syndicate facility	ECA facility	National Bank of Fujairah	Total
	USD	USD	USD	USD	USD
At 1 January 2021	-	280,418,926	91,628,487	26,209,898	398,257,311
Accrued interest	-	14,070,768	2,363,935	1,199,535	17,634,238
Repayments during the period	-	(25,758,450)	(14,791,454)	(5,404,476)	(45,954,380)
Transaction costs	-	2,424,145	206,858	-	2,631,003
At 31 October 2021	**-**	**271,155,389**	**79,407,826**	**22,004,957**	**372,568,172**
Accrued interest	-	2,407,192	121,367	415,467	2,944,026
Repayment of old syndicate facility	-	(273,617,594)	-	(22,420,424)	(296,038,018)
Drawn	430,000,000	-	-	-	430,000,000
Transaction costs	(9,125,792)	55,013	41,371	-	(9,029,408)
At 31 December 2021	**420,874,208**	**-**	**79,570,564**	**-**	**500,444,772**
Drawn	70,000,000	-	-	-	70,000,000
Repayments during the period	(50,277,400)	-	(10,290,875)	-	(60,568,275)
Transaction costs	9,125,792	-	687,789	-	9,813,581
Accrued interest	20,382,753	-	696,398	-	21,079,151
Closure fees	4,334,677	-	-	-	4,334,677
Re-payment by shareholder	(474,440,030)	-	(70,663,876)		(545,103,906)
At 31 October 2022	**-**	**-**	**-**	**-**	**-**

Repayments during the period as shown in the table above is comprised of the following which are separately shown in the cash flow statement:

	(Unaudited) 31 October 2022	(Unaudited) 31 October 2021
	USD	USD
Payment	**(42,119,613)**	(28,320,142)
Interest paid	**(18,448,662)**	(17,634,238)
	(60,568,275)	(45,954,380)

10 Trade and other payables

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Trade payables	**36,804,083**	44,354,633
VAT payable	**3,204,462**	1,556,054
Accruals and other payables	**37,668,838**	21,191,134
	77,677,383	67,101,821

The average credit period for trade payables is 60 days. No interest is charged on the trade payables.

11 Related party transactions and balances

Related parties comprise shareholders and directors of the Group, key management personnel and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions. The Group maintains no significant balance with these related parties except for balances with the shareholder set out below.

Key management personnel include the previous owner, managing director and chief operating officer. The compensation to key management personnel for the period is shown below:

	(Unaudited) For the ten-month period ended 31 October	
	2022	2021
	USD	USD
Salaries	**2,053,424**	1,726,140
Employees' end of service benefits	**1,320,668**	14,800

Details of the related parties with whom the Group has significant transactions are as follows:

Name of related party	Nature of balance / transaction	(Unaudited) 31 October 2022 USD	(Audited) 31 December 2021 USD
Awal Marine Services EST. W.L.L	Due from balances	-	2,502,267

Name of related party	Nature of balance / transaction	(Unaudited) 31 October 2022 USD	(Unaudited) 31 October 2021 USD
Awal Marine Services EST. W.L.L	Revenue	4,109,069	6,110,548

The joint operation with Awal Marine Services ended during the year and the assets (vessels and barges) were acquired by ZMI Holdings. The results of this operation were previously proportionately consolidated.

12 Revenues

	(Unaudited) For the ten-month period ended 31 October	
	2022 USD	2021 USD
Operating lease income		
From owned barges	**250,713,378**	174,610,023
From owned vessels	**65,494,504**	60,929,509
From chartered barges	**10,445,104**	14,211,314
From chartered vessels	**1,818,368**	1,047,259
Total operating lease income	**328,471,354**	250,798,105
Other operating revenue	**19,567,503**	13,345,940
Total revenue	**348,038,857**	264,144,045

13 Finance cost

	(Unaudited) For the ten-month period ended 31 October	
	2022 USD	2021 USD
Interest on loan	**21,079,151**	17,634,238
Transaction costs	**9,813,581**	2,631,003
Loan closure fees	**4,334,677**	-
Other finance costs	**76,300**	1,367,330
	35,303,709	21,632,571

14 Merger reserve and Additional contribution

14a Merger reserve

The Merger reserve comprises balances which have arisen out of capital reorganisations and common control transactions. Within the Merger reserve there are amounts which represent a non-cash reserve arising from the capital reorganisation carried out during the year 2021. As at 31 October 2022 the total merger reserve amounted to USD 2,110,000 (2021: USD 2,110,000)

14b Additional contribution

Amounts for the repayment of the borrowings of USD 545,103,906 was injected into the entity by the shareholder in advance of the business combination. This is reflected as an additional contribution in this interim condensed consolidated financial information.

15 Inventories

	(Unaudited) 31 October 2022	(Audited) 31 December 2021
	USD	USD
Spare parts, fuels and consumables	**16,320,806**	9,525,089
	16,320,806	9,525,089

The increase in inventories is due to additional inventory held on the five new barges acquired in the current period.

ZMI Holdings

Special purpose consolidated financial statements for the years ended 31 December 2021 and 2020

ZMI Holdings

Special purpose consolidated financial statements for the years ended 31 December 2021 and 2020

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Independent auditor's report to the Board of Directors of ZMI Holdings

Report on the audit of the special purpose consolidated financial statements

Our opinion

In our opinion, the special purpose consolidated financial statements present fairly, in all material respects, the consolidated financial position of ZMI Holdings (the “Company”) and its subsidiaries (the “Group") as at 31 December 2021 and 2020 and its consolidated statement of financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

What we have audited

The Group’s special purpose consolidated financial statements comprise:

- the special purpose consolidated statement of financial position as at 31 December 2021 and 2020;
- the special purpose consolidated statement of comprehensive income for the years then ended;
- the special purpose consolidated statement of changes in equity for the years then ended;
- the special purpose consolidated statement of cash flows for the years then ended; and
- the notes to the special purpose consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the special purpose consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the special purpose consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Independent auditor's report to the Board of Directors of ZMI Holdings (continued)

Report on the audit of the special purpose consolidated financial statements (continued)

Emphasis of matter – basis of accounting and restriction on distribution and use

As set out in Note 1, these special purpose consolidated financial statements have been prepared for the shareholder of the Company solely for the purpose of inclusion in the offering memorandum of Abu Dhabi Marine Business and Services Company P.J.S.C. in connection with the proposed initial public offering of its shares on the Abu Dhabi Stock Exchange. As a result, the special purpose consolidated financial statements may not be suitable for another purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the special purpose consolidated financial statements

Management of the Company is responsible for the preparation and fair presentation of the special purpose consolidated financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of the special purpose consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the special purpose consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the special purpose consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the Board of Directors of ZMI Holdings (continued)

Report on the audit of the special purpose consolidated financial statements (continued)

Auditor's responsibilities for the audit of the special purpose consolidated financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose consolidated financial statements, including the disclosures, and whether the special purpose consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

PricewaterhouseCoopers

11 APR 2023

Abu Dhabi, United Arab Emirates

ZMI Holdings

Special purpose consolidated statement of financial position
As at 31 December

	Note	2021 USD	2020 USD
ASSETS			
Non-current assets			
Vessels, plant and equipment	5	894,942,471	752,294,926
Right of use assets	15	-	127,366,898
		894,942,471	879,661,824
Current assets			
Inventories	9	9,525,089	9,939,060
Trade receivables	6	80,648,166	69,000,457
Other receivables	7	15,951,948	15,895,196
Margin deposits	8b	7,495,783	5,907,682
Cash and cash equivalents	8a	47,987,297	19,154,491
		161,608,283	119,896,886
Total assets		1,056,550,754	999,558,710
EQUITY AND LIABILITIES			
EQUITY			
Share capital	16a	50,000	50,000
Merger reserve	16b	2,110,000	2,030,000
Retained earnings		484,638,120	393,916,350
Total equity		486,798,120	395,996,350
LIABILITIES			
Non-current liabilities			
Bank borrowings	10	447,578,134	301,264,786
Barge supplier obligations	11	-	24,870,000
Employees' end of service benefits	12	2,206,041	1,934,573
Lease liabilities	15	-	29,792,704
		449,784,175	357,862,063
Current liabilities			
Bank borrowings	10	52,866,638	126,262,802
Barge supplier obligation	11	-	7,440,000
Trade and other payables	13	67,101,821	76,600,212
Lease liabilities	15	-	24,485,965
Due to shareholder	14	-	10,911,318
		119,968,459	245,700,297
Total liabilities		569,752,634	603,562,360
Total equity and liabilities		1,056,550,754	999,558,710

These consolidated financial statements were authorized and approved for issuance on ..... and signed on its behalf by:

11 APR 2023

Ali El Ali
Managing Director

Tareq Ghanim
Financial Controller

The notes on pages 8 to 59 are an integral part of these special purpose consolidated financial statements

ZMI Holdings

Special purpose consolidated statement of comprehensive income
For the years ended 31 December

	Note	2021 USD	2020 USD
Revenue	17	316,972,854	282,852,221
Direct costs	18	(174,841,680)	(171,616,211)
Gross profit		142,131,174	111,236,010
General and administrative expenses	19	(26,786,574)	(23,387,393)
Provision for impairment of trade receivables	3.1b.i	(5,903,581)	(648,916)
Written off capital work in progress		-	(2,759,139)
Other income		4,382,632	3,130,364
Operating profit for the year		113,823,651	87,570,926
Finance cost	21	(22,801,881)	(26,093,600)
Profit before tax for the year		91,021,770	61,477,326
Income tax		(300,000)	(619,022)
Profit for the year		90,721,770	60,858,304
Other comprehensive income		-	-
Total comprehensive income		90,721,770	60,858,304

ZMI Holdings

Special purpose consolidated statement of changes in equity
For the years ended 31 December

	Share capital USD	Additional contribution USD	Retained earnings USD	Total USD
At 1 January 2020	50,000	2,030,000	333,058,046	335,138,046
Total comprehensive income for the year	-	-	60,858,304	60,858,304
At 31 December 2020	50,000	2,030,000	393,916,350	395,996,350
Merger reserve	-	80,000	-	80,000
Total comprehensive income for the year	-	-	90,721,770	90,721,770
At 31 December 2021	**50,000**	**2,110,000**	**484,638,120**	**486,798,120**

ZMI Holdings

Special purpose consolidated statement of cash flows
For the years ended 31 December

	Note	2021 USD	2020 USD
Cash flows from operating activities			
Profit for the year		90,721,770	60,858,304
Adjustments for:			
Depreciation of vessels, plant and equipment	5	39,412,842	38,979,411
Depreciation of right of use of assets	15	3,319,147	3,319,112
Provision for impairment of trade receivables	3.1b.i	5,903,581	648,916
Capital work in progress write off	5	-	2,924,218
Provision for employees' end of service benefits	12	361,292	366,970
Loss on sale of assets		277,374	-
Finance cost	21	22,801,881	26,093,600
Operating cash flows before payment of employees' end of service benefits and changes in working capital		162,797,887	133,190,531
Payment of employees' end of service benefits	12	(89,824)	(205,896)
Changes in working capital:			
Inventories		413,971	(5,024,994)
Trade receivables		(17,046,117)	(4,014,664)
Other receivables		(56,752)	1,128,493
Trade and other payables		(9,498,390)	13,331,976
Net cash generated from operating activities		136,520,775	138,405,446
Cash flows from investing activities			
Purchase of vessels, plant and equipment	5	(58,874,841)	(27,621,664)
Proceeds from disposal of vessels, plant and equipment		584,831	-
Additions of right of use assets	15	-	(2,051,410)
Additions to margin deposit		(1,588,101)	(2,280,672)
Net cash used in investing activities		(59,878,111)	(31,953,746)
Cash flows from financing activities			
Bank borrowings proceeds	10, 11	430,000,000	-
Repayment of bank borrowings		(357,507,990)	(41,996,635)
Proceeds from barge supplier obligations		-	-
Repayments of barge supplier obligations		(32,310,000)	(7,440,000)
Finance cost paid	21	(21,161,087)	(23,200,872)
Finance cost paid on lease liabilities	15	(1,640,795)	(2,892,728)
Principal elements of lease payments	15	(54,278,669)	(23,556,463)
Net movement in due to shareholder	14	(10,911,318)	(414,064)
Net cash used in financing activities		(47,809,859)	(99,500,762)
Net increase in cash and cash equivalents		28,832,805	6,950,938
Cash and cash equivalents at beginning of the year		19,154,491	12,203,553
Cash and cash equivalents at end of the year	8a	47,987,297	19,154,491

The notes on pages 8 to 59 are an integral part of these special purpose consolidated financial statements

ZMI Holdings

Notes to the special purpose consolidated financial statements for the years ended 31 December 2021 and 2020

1 General information

ZMI Holdings (the "Company") was incorporated on 27 November 2020 in the Cayman Islands with Mr. Hassan El Ali (the "Owner") as its 100% shareholder. The Company was incorporated to transfer the legal ownership of the entities, set out in the next page, which were under the common control of the Owner to ZMI Holdings, in accordance with the refinancing arrangement agreed with the lenders in the prior year.

In the prior year, Zakher Marine International Combined Group (the "Combined Group") had prepared combined financial statements which included 15 subsidiaries to satisfy the lenders requirements. In accordance with the requirements of the refinancing arrangement, the lenders had required the Combined Group to present the combined financial statements for certain of the entities under the common control of the Owner. For details and disclosures on the refinancing arrangements, refer to Note 3.1(c) and 10.

In the current financial year, the Combined Group was restructured to enable the Combined Group to prepare consolidated financial statements. The new Group was established as ZMI Holdings Group (the "Group") and the parent entity is ZMI Holdings (the "Parent"). During the year 31 December 2021, eight new wholly owned entities were created and merged which contained no assets or liabilities and accordingly, the Group has twenty three entities (referred to as the "Subsidiaries") as listed on the next page (collectively referred to as the "Group"). The restructure of the Group was accounted for as a capital re-organisation of entities. These special purpose consolidated financial statements reflect the Group's results for the full year for both the acquisition period and the comparative periods, as if these entities transferred were always consolidated by the Group and the Group structure always existed, even though the transfer only occurred in December 2021. Refer to the accounting policy for 2.20 - Reorganisation and common control transactions and 16b - Merger reserve for the accounting for the re-organisation.

As a result of the restructure, the difference between the net asset value transferred, consideration and other equity items was included in Merger reserve. The Merger reserve of 2021: USD 2,110,000 (USD 2020: 2,030,000) consists of the previous share capital of the underlying subsidiaries which were merged. The change was a result of subsequent establishment of new entities with a capital of USD 80,000.

The principal activities of the Group provided through the various operating subsidiaries include:

- Charter of vessels and barges
- Provision of meals and accommodation

The legal ownership of the Subsidiaries, which were under the common control of the Owner, were transferred to ZMI Holdings on 27 December 2021.

1 General information (continued)

These special purpose consolidated financial statements are prepared by management of the Company solely for the purpose of inclusion in the offering memorandum for Abu Dhabi Marine Business and Services Company P.J.S.C. in connection with the proposed initial pubic offering of its shares on the Abu Dhabi Stock Exchange and therefore special purpose in nature.

The special purpose consolidated financial statements are composed of twenty-three subsidiaries as detailed in the table below:

Entity	Place of incorporation	Effective shareholding held
Subhiya Inc. - barge chartering	Republic of Panama	100%
Petrodrill Inc. - vessel chartering	Republic of Panama	100%
Zakher Marine International Inc.and its branches - vessel and barge chartering, other related operations	Republic of Panama	100%
Zakher Marine Saudi Company Ltd. - vessel and barge chartering, other related operations	Kingdom of Saudi Arabia	100%
Premier Marine Services W.L.L. - vessel and barge chartering, other related operations	State of Qatar	100%
QMS Holding Limited- vessel and barge chartering	British Virgin Islands	100%
QMS 2 Offshore Services Ltd and its branches - vessel and barge chartering	Saint Vincent and the Grenadines	100%

1 General information (continued)

Entity	Place of incorporation	Effective shareholding held
QMS Petroleum Services Inc and its branches.- vessel chartering	Republic of Panama	100%
MBBS Inc. and its branches - barge chartering	Republic of Panama	100%
Nadiya Inc. - barge chartering	Republic of Panama	100%
Al Shahama Inc.- barge chartering	Republic of Panama	100%
Al Bahia Inc.- barge chartering	Republic of Panama	100%
Al Maryah Inc. - barge chartering	Republic of Panama	100%
QMS China Inc. - barge chartering	Republic of Panama	100%
QMS Achiever Inc. - barge chartering	Republic of Panama	100%
QMS Gladiator Inc. - barge chartering	Republic of Panama	100%
QMS Sentinel Inc.- barge chartering	Republic of Panama	100%
Bani Yas Inc - barge chartering	Republic of Panama	100%
QMS Gloria Inc. - barge chartering	Republic of Panama	100%
QMS Amora Inc. - barge chartering	Republic of Panama	100%
Lextus Inc. - vessel chartering	Republic of Panama	
QMS Offshore Industries LLC - vessel chartering	United Arab Emirates	100%
Volo Travel and Tourism LLC - other related operations	United Arab Emirates	100%

2 Significant accounting policies

The principal accounting policies adopted by the Group in the preparation of these special purpose consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

Unreserved statement of compliance

These special purpose consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), under the historical cost convention except for the redefined benefit obligation which is recognized at the present value of future obligations using the projected unit credit method.

These are the first set of special purpose consolidated financial statements for this restructured Group under International Financial Reporting Standards ("IFRS"). As described in note 1, this is accounted for a capital reorganisation under IFRS and as such even though this may be the first set of financial statements the requirements of IFRS 1 - First Time Adoption of IFRS (IFRS 1") do not apply as the group had prepared combined IFRS financial statements. If the requirements of IFRS 1, applied there would be no material impact.

These special purpose consolidated financial statements include financial statements:

- As at and for the years ended 31 December 2021 and 2020.

Consolidation

The Subsidiaries and the special purpose consolidated financial statements have the same calendar year and use consistent accounting policies for each year presented. All intra-group balances, transactions, income and expenses, and profits and losses resulting from intra-group transactions are eliminated. Companies linked to one another by consolidation are integrated through the aggregation of accounts, in accordance with rules identical to those for full consolidation.

The preparation of the special purpose consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the special purpose consolidated financial statements have been disclosed in Note 4.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

a) New and amended standards adopted by the Group:

The following standards and amendments have been applied by the Group for the first time for the financial year beginning on 1 January 2021:

- *Definition of Materiality – amendments to IAS 1 and IAS 8 (issued on October 31, 2018 and effective for annual periods beginning on or after January 1, 2021).*
- *Definition of a Business – amendments to IFRS 3 (issued on October 22, 2018 and effective for acquisitions from the beginning of annual reporting period that starts on or after January 1, 2021).*
- *Interest Rate Benchmark Reform – amendments to IFRS 9, IAS 39 and IFRS 7 (issued on September 26 2019 and effective for annual periods beginning on or after January 1, 2021).*
- Revised *Conceptual Framework* for *Financial Reporting* (issued on 29 March 2018 and effective for annual periods beginning on or after January 1, 2021).

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

In August 2020, the IASB issued Interest Rate Benchmark Reform - Phase 2, which amends IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. The amendments complement those issued in September 2019 (endorsed in January 2020) and focus on the effects on financial statements when a company replaces a previous interest rate benchmark with an alternative benchmark rate as a result of Interbank Offered Rates (IBOR) reform. The Phase 2 amendments are effective for the Group's fiscal year commencing 1 January 2021, and were adopted as of that date. Comparative amounts have not been restated, and there was no impact on the current period opening reserves amounts on adoption. As of 31 December 2021, applicable interest rate benchmarks in the Group’s agreements have not been replaced. As a result, the adoption of the Phase 2 amendments had no impact on the special purpose consolidated financial statements for the year ended 31 December 2021. Management will continue to monitor relevant developments and will evaluate the impact of the Phase 2 amendments on the special purpose consolidated financial statements as IBOR reform progresses.

b) New standards and interpretations not yet adopted by the Group:

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2021 reporting period and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

b) New standards and interpretations not yet adopted by the Group: (continued)

Title	Key requirements	Effective date	Impact
IFRS 17 *Insurance Contracts*	There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model. The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features. Targeted amendments made in July 2020 aimed to ease the implementation of the standard by reducing implementation costs and making it easier for entities to explain the results from applying IFRS 17 to investors and others. The amendments also deferred the application date of IFRS 17 to 1 January 2023.	1 January 2023 (deferred from 1 January 2021)	The amendment does not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

b) New standards and interpretations not yet adopted by the Group: (continued)

Title	Key requirements	Effective date	Impact
Property, Plant and Equipment: Proceeds before intended use - Amendments to IAS 16	The amendment to IAS 16 *Property, Plant and Equipment* (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities.	1 January 2022	The Group does not have any proceeds from properties before their intended use. Therefore, the amendment does not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.
Reference to the Conceptual Framework – Amendments to IFRS 3	Minor amendments were made to IFRS 3 *Business Combinations* to update the references to the *Conceptual Framework for Financial Reporting* and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and Interpretation 21 *Levies.* The amendments also confirm that contingent assets should not be recognized at the acquisition date.	1 January 2022	The Group did not acquire any businesses during the year, therefore, the amendment does not have any impact on the amounts recognised in the current and prior periods. The Group will consider the guidance in future if such case occurs.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

b) New standards and interpretations not yet adopted by the Group: (continued)

Title	Key requirements	Effective date	Impact
Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37	The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognizes a separate provision for an onerous contract, the entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract.	1 January 2022	The Group does not have any onerous contracts, therefore, the amendment does not have any impact on the amounts recognised in the current or prior periods. The Group will consider the guidance in future if such case occurs.

2 Significant accounting policies (continued)

2.1 Basis of preparation (continued)

b) New standards and interpretations not yet adopted by the Group: (continued)

Title	Key requirements	Effective date	Impact
Annual Improvements to IFRS Standards 2018-2020	The following improvements were finalised in May 2020: • IFRS 9 *Financial Instruments* – clarifies which fees should be included in the 10% test for derecognition of financial liabilities. • IFRS 16 *Leases* – amendment of illustrative example 13 to remove the illustration of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. • IFRS 1 *First-time Adoption of International Financial Reporting Standards* – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent's books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption. • IAS 41 *Agriculture* – removal of the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41. This amendment is intended to align with the requirement in the standard to discount cash flows on a post-tax basis.	1 January 2022	The amendment does not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 Significant accounting policies (continued)

2.2 Basis of consolidation

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases. Losses applicable to the non-controlling interests in a subsidiary are attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and other components of equity related to the subsidiary. Any surplus or deficit arising on loss of control is recognised in the special purpose consolidated statement of comprehensive income. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that the control is lost.

The Group applies the acquisition method to account for business combinations.

The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through the special purpose consolidated statement of comprehensive income.

Any contingent consideration to be transferred by the Group are recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 either in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the special purpose consolidated statement of comprehensive income.

2 Significant accounting policies (continued)

2.2 Basis of consolidation (continued)

(a) Subsidiaries (continued)

Inter-group transactions, balances, income and expenses on transactions between Subsidiaries are eliminated. Profits and losses resulting from inter-group transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Subsidiaries.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the special purpose consolidated statement of comprehensive income. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in the special purpose consolidated statements of comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to the special purpose consolidated statement of comprehensive income.

2.3 Vessels, plant and equipment

Vessels, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses (if any). The cost of vessels, plant and equipment includes acquisition cost together with any incidental expenses of acquisition. Subsequent expenditure incurred on vessels is capitalised where the expenditure gives rise to future economic benefits in excess of the originally assessed standard of performance of the existing assets.

Depreciation is recognized less estimated residual values in the special purpose consolidated statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of property and equipment.

2 Significant accounting policies (continued)

2.3 Vessels, plant and equipment (continued)

The estimates of useful lives for the current and comparative years are as follows:

Barges	40 years
Vessels	20 years
Buildings	20 years
Motor vehicles	5 years
Office equipment	5 years
Furniture and fixtures	5 years

Major dry docking is capitalised when incurred and is depreciated over the period until the next dry docking, which is normally 5 years. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the special purpose consolidated statement of comprehensive income.

The depreciation charge for the year is allocated between direct operating costs and other operating expenses, depending on the usage of the respective assets.

2.4 Capital work in progress

Assets in the course of construction are capitalised and carried at cost as capital work-in-progress. The asset under construction is transferred to the appropriate category in vessels, plant and equipment when available for use. All costs directly attributable to bringing the asset to the location and condition necessary for it to be used in the manner intended by management are included in the construction cost. No depreciation is charged on such assets until available for use.

2.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2 Significant accounting policies (continued)

2.5 Impairment of non-financial assets (continued)

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Leases under IFRS 16 'leases'

The Group as a lessee

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments, less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

2 Significant accounting policies (continued)

2.6 Leases under IFRS 16 'leases' (continued)

Right of use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right of use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. If the Group is reasonably certain to exercise a purchase option, the right of use asset is depreciated over the underlying asset's useful life. Depreciation is considered for 40 years as per the vessels and barges leasing contract.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in the special purpose consolidated statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less.

The existing current and non-current lease liabilities of the Group have been fully repaid in accordance with the terms of the refinance arrangement.

Short-term leases and leases of low-value assets

The Group elects not to recognise right of use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Extension and termination options

Extension and termination options are included in vessels, property and equipment leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Leases - where the Group is the lessor

Rental income from operating leases is recognised based on daily rates over the term of the relevant lease, except where another systematic basis is more representative of the time pattern in which the economic benefits from the leased assets are derived.

2 Significant accounting policies (continued)

2.7 Inventories

Inventory comprise of consumables and small value spare parts used for routine maintenance. Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and includes purchase price, freight and other expenses incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Inventories contain spare parts which are used on vessels and barges.

2.8 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for ECL.

2.9 Cash and cash equivalents

For the purpose of the special purpose consolidated statement of cash flows, cash and cash equivalents include cash in hand and at banks with original maturities of three months or less, net of margin deposits and outstanding bank overdrafts, if any.

2.10 Value added tax

Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognised in the special purpose consolidated statement of financial position on a net basis. Where provision has been made for the ECL of receivables, the impairment loss is recorded for the gross amount of the debtor, including VAT.

2.11 Financial instruments

Financial assets and liabilities are recognised in the special purpose consolidated statement of financial position when the Group becomes a part of the contractual provision of the instruments.

2 Significant accounting policies (continued)

2.11 Financial instruments (continued)

2.11.1 Financial assets

(i) Classification

The Group classifies its financial assets as those measured at amortised cost. The classification depends on the business model of the Group for managing the financial assets and the contractual terms of the cash flows. Management determines the classification of its financial assets at initial recognition.

(ii) Recognition and subsequent measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Subsequent measurement of financial assets depends on the business model of the Group for managing the asset and the cash flow characteristics of the assets. Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other operating expenses. Impairment losses are presented as separate line item in the special purpose consolidated statement of comprehensive income.

For impairment of financial assets refer 2.11.4.

(iii) Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

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

2 Significant accounting policies (continued)

2.11 Financial instruments (continued)

2.11.2 Financial liabilities

The Group determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value and in the case of loans and borrowings, at fair value of the consideration received less directly attributable transaction costs and subsequently carried at amortised cost using the effective interest method.

The Group's financial liabilities include amounts for interest bearing bank borrowings, trade payables, lease liabilities, barge supplier obligations and due to shareholder.

(i) Subsequent measurement

The measurement of financial liabilities depends on their classification as bank borrowings:
After initial recognition, bank borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in the special purpose consolidated statement of comprehensive income when the financial liabilities are derecognised as well as through the amortisation process.

(ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the special purpose consolidated statement of comprehensive income.

2.11.3 Offsetting financial instrument

Financial assets and financial liabilities are offset and the net amount reported in the special purpose consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.11.4 Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its financial assets carried at amortized cost.

The Group applies the simplified approach for trade receivables as permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the related financial assets. The amount of loss is charged to the special purpose consolidated statement of comprehensive income.

2 Significant accounting policies (continued)

2.11 Financial instruments (continued)

2.11.4 Impairment of financial assets (continued)

For accounts receivable, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3.1 for further details.

2.12 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payments' due date is within one year or less. If not, they will be classified as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.13 Employee benefits

The Group has liabilities for end of service benefits that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period, using the projected unit credit method. Consideration is given to expected future wage and salary levels.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the special purpose consolidated statement of comprehensive income.

Pension contributions are made in respect of UAE national employees to the Abu Dhabi Retirement Pensions and Benefits Fund in accordance with Law No. (2) of 2000 for Civil Retirement Pensions and Benefits.

2.14 Provisions

Provisions are recognised when the Group has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 Significant accounting policies (continued)

2.15 Taxation

Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income, based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

2.16 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding discounts, rebates, customer returns and other sales taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

The Group recognises revenue from contracts with customers based on a five-step model as set out in IFRS 15:

1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

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

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

5. Recognise revenue when (or as) the entity satisfies a performance obligation at a point in time or over time.

2 Significant accounting policies (continued)

2.16 Revenue (continued)

Revenue is measured based on the consideration to which the Group expects to be entitled in contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

Operating lease revenue

Operating lease revenue from owned and chartered barges and vessels which is charged on a daily rate and recognised based on the number of days barges and vessels are used over the lease term. When the Group provides incentives to its customers, the cost of the incentives is recognised over the lease term, on a straight-line basis, as a reduction of rental income. See note 2.6 for further information.

Revenue from charter of vessels and barges represents charter fees billed to the customers on a time basis and the invoice value of supplies delivered to the customers during the year. These are stated net of rebates and allowances.

Other operating revenue

Other operating revenue derived provision of meals, visa and medical sales recognised at a point in time.

Mobilization of vessels and barges

The Group provides mobilization services of vessels and barges. These activities do not constitute delivery of a separate service to the customers but are necessary to fulfill the previous services mentioned. Accordingly, mobilization revenue and mobilization cost are recognized as contract liabilities and contract assets, respectively, and are amortized over the term of the respective contracts with customers for drilling services.

2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost using the effective interest rate method.

Difference between the proceeds (net of transaction costs) and the redemption value is recognised in the special purpose consolidated statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right prior to the reporting date to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs (including finance costs on lease liabilities) that are directly attributable to the acquisition or construction of a qualifying asset are capitalised (net of interest income on temporary investment of borrowings) as part of the cost of the asset until the asset is commissioned for use. Borrowing costs in respect of completed and suspended projects or not attributable to qualifying assets are expensed in the period in which they are incurred.

2 Significant accounting policies (continued)

2.17 Borrowings

Borrowing costs are recognised in the special purpose consolidated statement of comprehensive income in the period in which they are incurred. Fees paid on the establishment of borrowing facilities are recognised as transaction costs of the borrowing to the extent that it is probable that some or all of the facility will be drawn down.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate ("EIR") applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

2.18 Withholding tax

The Group has to withhold Withholding Tax ("WHT") at a rate of 5% on cash transfers done from source in the Kingdom of Saudi Arabia and State of Qatar. Accordingly, as the WHT is not a tax based on the accounting profit, accordingly, it is not considered as an income tax.

2.19 Foreign currency translation

(a) Functional and presentation currency

For the purpose of these special purpose consolidated financial statements, United States Dollars ("USD") is the functional and presentation currency of the Group.

Transactions in currencies other than USD (foreign currencies) are recorded at the exchange rate prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the special purpose consolidated statement of comprehensive income.

2 Significant accounting policies (continued)

2.20 Reorganization and common control transactions - Merger Reserve

Reorganization and common control transactions are transactions in which all of the combining entities are controlled by the same party or parties before and after the transaction and that control is not transitory.

Reorganisation are transactions whereby the group is restructured and there are no changes in shareholders or shareholding other than changing the structure to facilitate a transaction. Such transactions are accounted for in the financial statements as if the entity was always structured in this manner and merged together using the predecessor values. Any difference between the net asset values transferred and any consideration should be accounted for in the merger reserve.

Transactions where the current structure purchases new entities not part of the reorganization are using the predecessor values.

The predecessor values method requires the special purpose consolidated financial statements to be prepared using predecessor book values without any step up to fair value.

2.21 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available. The CODM assesses the financial performance and position of the geographical segments and makes strategic decisions based on a measure of revenue and costs. The Board of Directors has been identified as being the CODM in accordance with the requirements of IFRS 8 'operating segments'.

Segment results reported to the Group's CODM represent revenue and cost of revenue and include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organized into three operating segments based on the geographical location, all of which are referred to as "business units':

- United Arab Emirates
- Saudi Arabia
- Qatar

All these operating segments earn revenue from charter of vessels and barges, sale of oil products to customers and from other operating revenue such as provision of meals and accommodation and mobilization of vessels and barges. The accounting policies of the operating segments are the same as the Group's accounting policies.

2 Significant accounting policies (continued)

2.21 Segment reporting (continued)

	United Arab Emirates USD	Saudi Arabia USD	Qatar USD	Total USD
31 December 2021				
Revenue	178,035,152	85,901,413	53,036,289	316,972,854
Direct costs (excluding depreciation)	(75,576,642)	(36,777,221)	(20,366,165)	(132,720,028)
General and administrative expenses (excluding depreciation)	(13,026,502)	(8,499,567)	(4,650,168)	(26,176,237)
Depreciation included in direct costs and general and administrative expenses	(23,895,652)	(11,651,172)	(7,185,165)	(42,731,989)
Provision for impairment loss on trade receivables	(3,325,876)	(879,233)	(1,698,472)	(5,903,581)
Other income, net	4,320,030	62,602	-	4,382,632
Finance cost, net	(12,721,884)	(6,340,062)	(3,739,935)	(22,801,881)
Profit before tax for the year	**53,808,626**	**21,816,760**	**15,396,384**	**91,021,770**
31 December 2020				
Revenue	211,785,408	45,429,733	25,637,080	282,852,221
Direct costs (excluding depreciation)	(93,307,182)	(21,572,409)	(14,947,983)	(129,827,574)
General and administrative expenses (excluding depreciation)	(16,051,201)	(4,858,887)	(1,967,419)	(22,877,507)
Depreciation included in direct costs and general and administrative expenses	(32,143,122)	(5,874,982)	(4,280,419)	(42,298,523)
Written off capital work in progress	(2,759,139)	-	-	(2,759,139)
Provision for impairment loss on trade receivables	(554,112)	-	(94,804)	(648,916)
Other income, net	2,721,825	44,229	364,310	3,130,364
Finance cost, net	(19,629,415)	(4,132,255)	(2,331,930)	(26,093,600)
Profit before tax for the year	**50,063,062**	**9,035,429**	**2,378,835**	**61,477,326**

3 Financial risk management

3.1 Financial risk factors

The activities of the Group exposes it to a variety of financial risks: market risk (including foreign exchange risk, price risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The overall risk management programme of the Group seeks to minimise potential adverse effects of these risks on their financial performance.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these special purpose consolidated financial statements.

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors are responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Board of Directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk is limited as the transactions of the Group are principally in United States Dollars (USD). All other currencies in which the Group operates are pegged to the US Dollar and therefore no significant currency risk exists.

(ii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market.

The Group has no significant exposure to commodity price risk or equity securities price risk.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk

(iii) Cash flow and fair value interest rate risks

Interest rate risk arises from the possibility that changes in interest rates will affect the finance income or finance cost of the Group. The Group is exposed to interest rate risk on its deposits, loan from/to related parties that carry fixed interest rate.

The sensitivity analyses below have been determined based on the exposure to variable interest rates mainly arising from bank loans and overdrafts and financing obligations (excluding barge supplier obligation that carries a fixed rate), assuming the amount of liability/asset outstanding at the end of the reporting period was outstanding for the whole year.

	Effect on Income USD
2021	
+100 increase in basis point	5,004,448
-100 decrease in basis point	(5,004,448)
2020	
+100 increase in basis point	4,275,276
-100 decrease in basis point	(4,275,276)

IBOR transition (Interest rate benchmark reforms)

The Group is primarily exposed to US LIBOR which is subject to the interest rate benchmark reform.

The Group is actively preparing for the LIBOR transition to the new Risk Free Rate (RFR) rates, which includes representatives from Finance, Legal, Treasury and other relevant business units, where effective 31 December 2021, LIBOR will no longer be used to price new loans. Since the 3-months US LIBOR cessation date is June 2023, and the LIBOR applicable interest rate benchmarks in the Group agreements have not been replaced, the resulting change in the LIBOR reform as at 31 December 2021 did not have an impact on the special purpose consolidated financial statements.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Cash flow and fair value interest rate risks (continued)

Management will continue to monitor the relevant developments and will evaluate the impact on the IBOR amendments on the special purpose consolidated financial statements.

	Carrying value		Of which Have yet to transition to an alternative benchmark interest rate as at 31 December 2021	
	At 31 December 2021			
	Assets USD	Liabilities USD	Assets USD	Liabilities USD
Non-derivative assets and liabilities exposed to USD LIBOR measured at amortised cost				
Cash and cash equivalents	47,987,297	-	-	-
Trade receivables	80,648,166	-	-	-
Other receivables	2,509,074	-	-	-
Bank borrowings	-	500,444,772	-	500,444,772
Trade and other payables	-	67,101,821	-	-

(b) Credit risk

The Group is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

The Group is exposed to credit risk on the following financial instruments:

Category	**Class**	**Amount USD**	**Impairment model**
Financial assets at amortised cost	Trade receivables	90,648,166	Simplified
	Cash and cash equivalents	47,987,297	General model
	Other financial assets	2,509,074	General model

Risk management
Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables

The board receives regular reporting from the credit department who manage the performance of the trade receivables.

The credit department has set out policies and procedures for managing credit risk on the trade receivables.

- The Group structures the levels of credit risk it undertakes by placing limits on the amount of credit risk accepted in relation to a customer. Limits on the level of credit risk are approved regularly by management. Such limits are monitored on a revolving basis and are subject to an annual, or more frequent, review.
- On granting of credit, an assessment is performed of the credit worthiness of the debtor and the ability to pay.
- Where appropriate, guarantees and collateral is held against such receivables.
- After granting the credit, the credit department, on a monthly basis, reviews the aging analysis and follows up on all outstanding payments.
- Management of the credit department determines the appropriate receivables that should be handed over for collection, the amount of provision that should be recorded in these receivables and amounts that should be written off. The board approves the procedures for managing credit risk, the amount of provision to be recognized and amounts to be written off.
- Constant evaluation of days outstanding and following up on the balances over due.
- Write offs are monitored and approved by the Managing Director.

As at 31 December 2021, USD 56,169,649 (2020: USD 59,836,148) which represents 83% (2020: 80%) of the total trade receivables, is due from the ten major customers of the Group (2020: ten major customers). Management believes that this concentration of credit risk is mitigated as the customers have an established track record of regular and timely payments. Management constantly monitors the payments to be able to take action early if the credit risk increases.

The expected loss rates are based on the roll rates of receivables over a period of 36 months before 31 December 2021, 31 December 2020 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the United Arab Emirates, which represents the main market in which the Group sells its goods and services, and accordingly adjusts the historical loss rates based on expected changes in this factor.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

On that basis, the impairment loss as at 31 December 2021 and 2020 was determined as follows for trade receivables:

31 December 2021	Current	46–90 days	90–365 days	Over 365 days	Total
	USD	USD	USD	USD	USD
Gross carrying amount - trade receivables	64,783,677	6,446,680	10,722,530	8,695,279	90,648,166
Expected loss rate	2%	10%	35%	50%	-
Less: Loss allowance	1,295,674	644,668	3,752,886	4,306,772	10,000,000
Net trade receivables	63,488,003	5,802,012	6,969,644	4,388,507	80,648,166
31 December 2020					
Gross carrying amount - trade receivables	46,577,785	7,895,146	7,694,756	12,190,409	74,358,096
Expected loss rate	1%	1%	18%	30%	
Less: Loss allowance	232,889	78,951	1,385,056	3,660,743	5,357,639
Net trade receivables	46,344,896	7,816,195	6,309,700	8,529,666	69,000,457

	2021 USD	2020 USD
Trade receivables from governmental customers	29,297,747	35,190,233
Trade receivables from non-governmental customers	51,350,419	33,810,224

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(i) Trade receivables (continued)

Sensitivity analysis

The most significant forward looking macroeconomic assumption affecting the ECL allowance. Set out below are the changes to the ECL as at 31 December that would result from reasonably possible changes in the GDP parameters from the actual assumptions used in the Group's economic variable assumption:

	Change	2021 USD	2020 USD
GDP	+1%	906,482	743,581
	No change	10,000,000	5,357,639
	-1%	(906,482)	(743,581)

The movement on the provision for expected credit losses during the year is as follows:

	2021 USD	2020 USD
At 1 January	5,357,639	4,708,723
Charge for the year*	5,903,581	648,916
Write off	(1,261,220)	-
At 31 December	10,000,000	5,357,639

* The provision increased significantly due to the change in receivable profile between government and non-government. This change in customer profile resulted in an impact on the assumptions used in the model and increased the ECL.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the special purpose consolidated statement of comprehensive income.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Cash and cash equivalents and margin deposits

Cash and cash equivalents represent low credit risk as the policy of the Group is to place cash and cash equivalents with reputable banks and financial institution where the treasury department has the following policies and procedures:

- All bank accounts, deposits are held with reputable financial institutions with an appropriate credit rating acceptable to the group.
- Loans are evaluated by the board and approved based on the business purpose and risk acceptable. These are monitored by the board and assessed for impairment as required. Any impairments and write offs are also approved by the board.
- Where appropriate the board sets limits on exposures to credit risk.

For measuring credit risk and grading financial instruments by the amount of credit risk, the Group applies an approach based on risk grades estimated by an external international rating agency (Moody's) as disclosed in the table below:

	2021 USD	2020 USD
Bank rating		
A+	9,036,311	13,094,966
A	41,380,708	5,979,677
B+	4,424,340	5,106,423
	54,841,359	24,181,066

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(iii) Other financial assets

Other financial assets include and deposits, do not have a material expected credit loss, and the loss allowance considered during the year was limited to 12 months expected losses, As such, no loss allowance was made for such financial assets at 31 December 2021 and 2020.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses risking damage to the Group's reputation.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

In 2021 and 2020, the Group had significant financial obligations in the form of a syndicate loan, lease liabilities and barge supplier obligations with various lenders. Please refer to note 10 which sets out the detailed terms, conditions and amounts owing on the various facilities.

During December 2021, the Group signed and successfully executed a refinancing agreement with lead arrangers Mashreq Bank and Goldman Sachs for a new consolidated syndicated facility. Under the terms of this agreement, the syndicate loan, lease liabilities and barge supplier obligations of an amount of USD 385,883,130 were fully repaid, with a new syndicate facility to the value of USD 430,000,000. The new syndicate loan consists of several banks such as Abu Dhabi Islamic Bank (ADIB), Abu Dhabi Commercial Bank (ADCB), National Bank of Fujairah (NBF), Ajman Bank, Arab Bank, Dubai Islamic Bank (DIB), Mashreq Bank, First Arab Bank (FAB), Commercial Bank of Dubai (CBD), and Arab Banking Corporation (ABC). The refinancing resulted in an extinguishment of the previous facilities and the new facility was recognised to the new syndicate of Banks. Details of the facility are set out in Note 10.

By consolidating the debt this resulted in an extension to repayment terms, lower cost of funds and higher credit limit.

In managing liquidity risk, the Group maintains cash and cash equivalents and ensures there is an adequate amount of committed credit facilities.

Management aims to maintain flexibility in funding by keeping committed credit lines available, including through related parties. The maturity profile of the Group’s financial instruments is monitored by management to ensure adequate liquidity is maintained.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2021 and 2020 based on contractual undiscounted payments:

	Less than one year USD	1-3 years USD	3-5 years USD	More than 5 years USD	Total USD
31 December 2021					
Bank borrowings	63,849,323	237,766,581	239,565,512	-	541,181,686
Trade and other payables	67,101,821	-	-	-	67,101,821
Total	**130,951,144**	**237,766,581**	**239,565,512**	**-**	**608,283,507**
31 December 2020					
Bank borrowings	149,463,674	260,080,406	39,181,600	29,225,060	477,950,740
Barge supplier obligations	7,440,000	7,440,000	17,430,000	-	32,310,000
Trade and other payables	76,600,212	-	-	-	76,600,212
Lease liabilities	24,485,965	27,413,972	2,378,732	-	54,278,669
Due to shareholder	10,911,318	-	-	-	10,911,318
Total	**268,901,169**	**294,934,377**	**58,990,332**	**29,225,060**	**652,050,939**

3 Financial risk management (continued)

3.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, issue new shares or sell assets to reduce debts.

The Group has complied with the financial covenants required during each of the reporting periods (Note 10).

No changes were made in the objectives, policies or processes during the years ended 31 December 2021 and 2020.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt.

The gearing ratio as at 31 December is as follows:

	2021 USD	2020 USD
Total borrowings and financing obligations	500,444,772	459,837,588
Lease liability	-	54,278,669
Less: cash and bank balances	(47,987,297)	(19,154,491)
Net debt	452,457,475	494,961,766
Total equity	486,798,120	395,996,350
Total capital	939,255,595	890,958,116
Gearing ratio	48%	56%

3.3 Fair value estimation

The Group measures financial instruments such as financial assets at fair value through other comprehensive income at fair value at each consolidated statement of financial position date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

3 Financial risk management (continued)

3.3 Fair value estimation (continued)

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The initial fair value of the liability portion of the financial obligation was determined using a market interest rate for an equivalent non-convertible loan at the issue date. The liability is subsequently recognised on an amortised cost basis until extinguished on conversion or maturity of the financial obligation.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers among the levels during the year.

The fair values of the Group’s financial assets and financial liabilities carried at amortised cost at the end of reporting period approximate their carrying values.

4 Critical accounting estimates and judgment

The Group makes estimates and assumptions that affect the amounts recognised in the special purpose consolidated financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results. The major estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(a) Useful lives and residual value of vessels, property and equipment

The estimation of the useful lives and residual value of items of vessels, property and equipment is a matter of judgment based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use. However, other factors, such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets. Management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Group. The following primary factors are considered: (a) the expected usage of the assets; (b) the expected physical wear and tear, which depends on operational factors and maintenance programme; and (c) the technical or commercial obsolescence arising from changes in market conditions. Management determines the residual value of vessels and barges to be immaterial considering the useful life of these assets is between 20 and 40 years. Accordingly, at the end of their useful life, any residual value will be immaterial.

A 10% increase or decrease in the estimated useful lives from management's estimates would result in an increase or decrease in depreciation for the year ended 31 December 2021 of USD 3,941,284 (2020: USD 3,897,941).

(b) Provision for impairment of trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables.

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns (e.g., by geography, product type, customer type and rating etc.).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

4 Critical accounting estimates and judgment (continued)

(b) Provision for impairment of trade receivables (continued)

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

At the reporting date, gross trade receivables were USD 90,648,166 (2020: USD 74,358,096) and the provision for expected credit losses was USD 10,000,000 (2020: USD 5,357,639). Any difference between the amounts actually collected in future periods and the amounts expected to be received will be recognised in the special purpose consolidated statement of comprehensive income.

The loss allowance for trade receivables is based on assumptions about risk of default and expected loss rates. Management uses judgment in making these assumptions and selecting the inputs to the impairment calculation which are applied to the exposure at default to arrive at the expected credit losses at the reporting date. Management base their assumptions on the historical data of the Group, existing market conditions as well as forward looking estimates.

A 1% increase or decrease in PD estimates at 31 December 2021 would result in an increase or decrease in total expected credit loss allowance of USD 1,905,423 (31 December 2020: USD 1,279,345). A 1% increase or decrease in LGD estimates at 31 December 2021 would result in an increase or decrease in total expected credit loss allowance of USD 900,000 (31 December 2020: USD 1,279,345).

(c) Impairment of property and equipment

Management, in accordance with the accounting policy stated in 2.5, tests assets or CGUs for impairment whenever impairment indicators exist. Among others, the events or changes in circumstances which could indicate that an asset or CGU may be impaired mainly include the following:

- A significant decrease in the market prices of services rendered by the Group;
- A significant change in the extent or manner in which an asset is being used or in its physical condition including a significant decrease in current and projected future cash inflows; and
- A current-period operating loss combined with a history and forecast of operating or cash flow losses.

Management determines the recoverable amount of the assets based on value-in-use calculations. These calculations require the use of estimates in relation to the future cash flows and use of an appropriate discount rate applicable to the circumstances of the Group.

Future events could cause the estimates used in these value-in-use calculations to change adversely with a consequent effect on the future results of the Group. Management has performed a sensitivity analysis around the estimates. There are no estimates to which a reasonably possible change may cause the carrying value to exceed the recoverable value of the assets resulting in an impairment loss in future periods.

5 Vessels, plant and equipment

	Barges * USD	Vessels USD	Buildings USD	Motor vehicles USD	Furniture & fixtures and office equipment USD	Capital work in progress ** USD	Total USD
Cost:							
At 1 January 2020	572,055,092	370,164,605	7,998,468	1,378,949	305,500	4,263,312	956,165,926
Additions	27,621,664	-	-	-	-	-	27,621,664
Transfers	1,339,094	-	-	-	-	(1,339,094)	-
Write off	-	-	-	-	-	(2,924,218)	(2,924,218)
At 31 December 2020	601,015,850	370,164,605	7,998,468	1,378,949	305,500	-	980,863,372
Additions	-	4,862,358	-	61,261	5,615,782	48,335,440	58,874,841
Transfers ***	124,047,751	-	-	-	-	-	124,047,751
Disposals	-	(5,692,550)	-	-	-	-	(5,692,550)
At 31 December 2021	725,063,601	369,334,413	7,998,468	1,440,210	5,921,282	48,335,440	1,158,093,414
Accumulated depreciation:							
At 1 January 2020	40,416,615	146,707,645	1,135,125	1,031,912	297,738	-	189,589,035
Charge for the year	15,025,396	23,444,129	400,810	106,492	2,584	-	38,979,411
At 31 December 2020	55,442,012	170,151,773	1,535,935	1,138,404	300,322	-	228,568,446
Charge for the year	15,025,396	23,777,109	399,869	91,690	118,778	-	39,412,842
Disposals	-	(4,830,345)	-	-	-	-	(4,830,345)
At 31 December 2021	70,467,4085	189,098,537	1,935,804	1,230,094	419,100	-	263,150,943
Net book value:							
At 31 December 2021	**654,596,193**	**180,235,876**	**6,062,664**	**210,116**	**5,502,182**	**48,335,440**	**894,942,471**
At 31 December 2020	**545,573,838**	**200,012,832**	**6,462,533**	**240,545**	**5,178**	**-**	**752,294,926**

5 Vessels, plant and equipment (continued)

* Some of the assets in this category are being used as collateral against credit facilities obtained from banks (Note 10).

** During the year, ZMI has purchased 4 barges: QMS Subhiya, QMS Gloria, Conquest and Al Oula for a total of USD 48.3 million. The assets are still under mobilization as at 31 December 2021.

*** During the year, as part of the refinancing activity, ZMI has settled lease liabilities of USD 30.7 million relating to 4 barges: QMS Al Shahama II, QMS Al Bahia, QMS Al Maryah and QMS Omar. The assets have therefore been transferred from right of use assets to fixed assets at a total cost of USD 133 million and total accumulated depreciation of USD 8.7 million at the date of transfer.

The allocation of depreciation during the year was as follows:

	2021 USD	2020 USD
Direct costs (Note 18)	38,802,505	38,469,525
General and administrative expenses (Note 19)	610,337	509,886
	39,412,842	38,979,411

6 Trade receivables

	2021 USD	2020 USD
Trade receivables	90,648,166	74,358,096
Less: expected credit losses (Note 3.1b.i)	(10,000,000)	(5,357,639)
	80,648,166	69,000,457

The average credit period is 45 days. Trade receivables are unsecured and interest-free.

7 Other receivables

	2021 USD	2020 USD
Advances	8,453,949	8,310,584
Prepayments	2,486,658	1,783,790
Deposits	2,509,074	2,595,437
Other receivables	2,502,267	3,205,385
	15,951,948	15,895,196

The other classes within advances, deposits and prepayments do not contain impaired assets.

8a Cash and cash equivalents

	2021 USD	2020 USD
Cash on hand	641,721	881,107
Cash at banks	47,345,576	18,273,384
	47,987,297	19,154,491

In the special purpose combined financial statements referred to in Note 1, the cash and cash equivalents was presented net of bank overdrafts in Note 8 and included margin deposits mentioned below in Note 8b. In the special purpose consolidated financial statements these have been presented separately.

8b Margin deposits

	2021 USD	2020 USD
Margin deposits *	7,495,783	5,907,682

* Margin deposits represent cash margins paid against performance bank guarantees. The Group has a bank guarantee to operate with customers. Banks are liable to pay cash amounts to customers in case ZMI Holdings does not meet contract requirements. In 2021, there were no cases where ZMI Holdings did not meet requirements and the cash margin was subsequently transferred back to the bank account.

9 Inventories

	2021 USD	2020 USD
Spare parts	9,525,089	9,939,060
Less: provision for slow-moving inventories	-	-
	9,525,089	9,939,060
Movement in inventories is as follows:		
Opening balance	9,939,060	4,914,065
Purchases	7,257,386	8,238,130
Consumptions	(7,671,357)	(3,213,135)
Stock in hand	9,525,089	9,939,060

10 Bank borrowings

	2021 USD	2020 USD
Non-current liabilities		
Bank loans	447,578,134	301,264,786
Current liabilities		
Bank loans	52,866,638	96,992,525
Bank overdraft *	-	29,270,277
	52,866,638	126,262,802
	500,444,772	427,527,588

* During the year 2021, the bank overdraft amounting to USD 29,270,277 was fully repaid as part of the refinancing arrangement. The bank overdraft had a 1 year revolving facility amounting to USD 30,000,000 renewable at the bank's sole discretion on similar terms and conditions to the Syndicate Facility and shares the same security pool with the Syndicate Facility.

The details of the bank loans are as follows:

	Old syndicate facility * USD	**ECA facility ** USD**	**National Bank of Fujairah *** USD**	**Total USD**
For the year 2020				
Non-current portion				
Non-current portion of term loans	200,531,591	79,575,263	21,157,933	301,264,787
Current portion				
Current portion of term loans	79,887,335	12,053,224	5,051,965	96,992,524
	280,418,926	91,628,487	26,209,898	398,257,311

10 Bank borrowings (continued)

* The syndicate facility had a seven-year maturity period and interest rate of 3.4% + 3 months LIBOR including a balloon payment. The syndicate facility is secured by a charge over 40 vessels and barges in favor of the bank and the net book value of secured assets as at 31 December 2020 amounted to USD 457,464,965. The leading bank of the syndicate facility is Abu Dhabi Islamic Bank (ADIB). During the year 2021, the facility has been fully repaid as part of the refinancing arrangement (2020: USD 22,406,209), resulting in a balance of USD Nil as at 31 December 2021 (2020: USD 280,418,926).

Under the terms of the borrowings, the Group is required to maintain debt service coverage (the Group's aggregate interest/profit charges for the last twelve months and the Group's principal repayments for the last twelve months) not lower than 1.25x, interest coverage (the Group's aggregate interest/profit charges for the last twelve months) shall not be lower than 5x, and net debt to LTM EBITDA shall not exceed 5.0x during the first 2 years from the effective date, 3.5x during the 3rd year, 3.0x during the 4th year and 2.5x in the 5th year and onwards. The Group has complied with the financial covenants required during the reporting period as applicable.

** In the year 2017, an ECA backed term loan facility (“ECA Facility 1”) amounting to USD 40,232,500 was obtained for the acquisition of a barge with an interest rate of 2.7% + 3 months LIBOR. This term loan facility has a ten-year maturity period and is secured by a charge over the barge. 95% of the face value of the facility is guaranteed by the Chinese Export Credit Agency (Sinosure). During the year, the Group has made repayments of USD 4,026,902 (2020: USD 3,700,467), resulting in a balance of USD 22,123,265 (2020: USD 26,139,765).

In the year 2018, the Group obtained an ECA backed term loan facility (“ECA Facility 2”) amounting to USD 41,230,000 for the acquisition of a barge with interest 2.7% + 3 months LIBOR. This facility has the same credit terms as ECA Facility 1. This term loan facility has a ten-year maturity period and is secured by a charge over the barge. This facility was also cross collateralized with both ECA Facility 1 and 3. During the current year, the Group has made repayments of 4,123,000 (2020: USD 2,843,348), resulting in a balance of USD 28,359,066 (2020 USD 32,983,349).

In the year 2018, the Group obtained an ECA backed term loan facility (“ECA Facility 3”) amounting to USD 41,562,500 for the acquisition of a barge. This facility has the same credit terms as ECA Facility 1 and 2. This term loan facility has a ten-year maturity period and is secured by a charge over the barge. This facility was also cross collateralized with both ECA Facility 1 and 2. During the current year, the Group has made repayments of USD 4,156,250 (2020: USD 3,117,188), resulting in a balance of USD 29,088,233 (2020 USD 32,505,373).

10 Bank borrowings (continued)

*** In the year 2019, another term loan facility was obtained from a local bank amounting to USD 30,000,000 for the acquisition of a barge with interest 2.7% + 3 months LIBOR. This term loan facility has a five-year maturity period and is secured by a charge over the barge. During 2021, the Group has made repayments of USD 3,789,474 and USD 22,240,424 was repaid as part of the refinancing arrangement (2020: USD 2,526,944), resulting in a balance of USD Nil (2020: USD 26,209,898).

	New syndicate facility*	Old syndicate facility	ECA facility	National Bank of Fujairah	Total
1 January 2020	-	302,825,135	101,289,490	-	404,114,625
Drawn	-	-	-	30,000,000	30,000,000
Interest accrued	-	13,887,142	4,537,703	1,297,989	19,722,834
Repayment	-	(36,293,351)	(14,198,706)	(5,088,091)	(55,580,148)
31 December 2020	-	280,418,926	91,628,487	26,209,898	398,257,311
Interest accrued	-	10,787,058	2,485,302	1,615,002	14,887,362
Payment	-	(17,918,465)	(14,791,454)	(5,404,476)	(38,114,395)
Repayment of old syndicate loan	-	(273,617,594)	-	(22,420,424)	(296,038,018)
Drawn	430,000,000	-	-	-	430,000,000
Transaction cost	(9,125,792)	330,075	248,229	-	(8,547,488)
31 December 2021	**420,874,208**	**-**	**79,570,564**	**-**	**500,444,772**

* In 2021, the Group signed a refinancing agreement with Mashreq Bank and Goldman Sachs. Under the terms of this agreement, the syndicate loan, lease liabilities and barge supplier obligations were fully repaid, with a new syndicate facility from Mashreq Bank and Goldman Sachs with new requirements. The new syndicate loan consists of several banks such as Abu Dhabi Islamic Bank (ADIB), Abu Dhabi Commercial Bank (ADCB), National Bank of Fujairah (NBF), Ajman Bank, Arab Bank, Dubai Islamic Bank (DIB), Mashreq Bank, First Arab Bank (FAB), Commercial Bank of Dubai (CBD), and Arab Banking Corporation (ABC). Interest rate is 2.9% + 3 months LIBOR. In accordance with the terms of the syndicate facility, the Group must repay USD 254 million in quarterly installments starting from 31 March 2022 maturing on 31 December 2027. The remaining amount of USD 176 million must be fully repaid with interest in January 2023.

10 Bank borrowings (continued)

Under the terms of the borrowing agreement, the Group is required to maintain finance service cover of not less than 1.2:1.0, interest cover ratio of not less than 5.0:1.0, senior net leverage not greater than 4.5:1.0 for the period from 1 January 2022 to 31 December 2022, and security cover covenants starting in the first quarter of the year 2022 shall not be greater than 65% for the period from 1 January 2022 to 31 December 2022.

The syndicate facility is secured by a charge over 45 vessels and barges in favor of the bank, and the net book value of secured assets as at 31 December 2021 amounted to USD 614,251,639.

For the year 2021

	Syndicate facility	**ECA facility**	**Total**
	USD	USD	USD
Non-current portion			
Non-current portion of term loans	378,540,874	69,037,260	447,578,134
Current portion			
Current portion of term loans	42,333,334	10,533,304	52,866,638
	420,874,208	**79,570,564**	**500,444,772**

11 Barge supplier obligations

	2021	2020
	USD	USD
Non-current portion of the barge supplier obligations	-	24,870,000
Current portion of the barge supplier obligations	-	7,440,000
	-	32,310,000

In 2018, the Group entered into agreements with a ship-building company in China for the purchase of 2 barges for a total of USD 52.6 million at a 5% annual interest rate and repayments over 48 months. During 2021, these obligations have been repaid in full as part of the refinance arrangement.

12 Employees' end of service benefits

The movement in the provision for employees' end of service benefit is as follows:

	2021	2020
	USD	USD
At 1 January	1,934,573	1,773,499
Charge for the year (Note 20)	361,292	366,970
Payments made during the year	(89,824)	(205,896)
At 31 December	2,206,041	1,934,573

13 Trade and other payables

	2021 USD	2020 USD
Trade payables	44,354,633	70,673,055
VAT payable	1,556,054	724,853
Accruals and other payables	21,191,134	5,202,304
	67,101,821	76,600,212

The average credit period for trade payables is 60 days. No interest is charged on the trade payables.

14 Related party transactions and balances

Related parties comprise shareholders and directors of the Group, key management personnel and business entities in which they have the ability to control or exercise significant influence in financial and operating decisions. The Group maintains no significant balance with these related parties except for balances with the shareholder set out below.

Key management personnel include the Owner, managing director and chief operating officer. The compensation to key management personnel for the year is shown below:

	2021 USD	2020 USD
Salaries	2,071,368	2,050,946
Bonus and other benefits	-	81,688
Employees' end of service benefits	659,526	641,765

Details of the related parties with whom the Group has significant transactions and balances are as follows:

Name of related party	**Nature of balance / transaction**	**2021 USD**	**2020 USD**
Awal Marine services EST. W.L.L (joint ventures)	Trade and other receivables	2,502,267	2,522,967
	Revenue	7,332,657	4,019,056

Due to shareholder

Name of related party	**Nature of relationship**
Mr. Hassan El Ali	Ultimate controlling party

14 Related party transactions and balances (continued)

Movement on the balance due to shareholder is as follows:

	2021 USD	2020 USD
Payable to ultimate shareholder *		
Opening balance	10,991,318	11,325,382
Received	-	-
Repaid	(10,991,318)	(414,064)
Closing balance	-	10,911,318

* The Group had an interest free loan, payable on demand from the ultimate shareholder for the purpose of funding operations. During the year ended 31 December 2021, this amount has been fully repaid and the outstanding balance is USD Nil.

15 Leases

(i) Amounts recognised in the special purpose consolidated statement of financial position

Right of use of assets	2021 USD	2020 USD
At 1 January	127,366,898	128,634,600
Adoption of new IFRS 16	-	-
Addition during the year	-	2,051,410
Depreciation charge for the year (Note 18)	(3,319,147)	(3,319,112)
Transfers to vessels, plant and equipment (Note 5) *	(124,047,751)	-
At 31 December	-	127,366,898

Lease liabilities	USD
At 1 January 2020	77,835,132
Finance cost	2,892,728
Repayments	(26,449,191)
At 31 December 2020	54,278,669
Finance cost	1,640,795
Repayments	(25,180,271)
Repayments against the new syndicate facility *	(30,739,193)
At 31 December 2021	-

* During the year 2021, the lease liabilities have been repaid in full as part of the refinance arrangement and the corresponding right of use assets have been transferred to vessels, plant and equipment.

15 Leases (continued)

(i) Amounts recognised in the special purpose consolidated statement of financial position (continued)

Lease liabilities are allocated in the special purpose consolidated statement of financial position as follows:

	2021 USD	2020 USD
Non-current	-	29,792,704
Current	-	24,485,965
	-	54,278,669

(ii) Amounts recognised in the special purpose consolidated statement of comprehensive income

The special purpose consolidated statement of special purpose comprehensive income shows the following amounts relating to leases:

	2021 USD	2020 USD
Depreciation charge of right of use assets (Note 18)	3,319,147	3,319,112
Finance cost - lease liabilities (Note 21)	1,640,795	2,892,728
*Short-term leases (Note 18)	20,617,580	28,288,911

*Short-term leases are related to the operating leases recognised in the direct costs.

The special purpose consolidated statement of cash flows shows the following movement relating to leases:

	2021 USD	2020 USD
Principal elements of lease payments	23,539,476	23,556,463
Finance cost on lease liabilities (Note 21)	1,640,795	2,892,728

Note 17 discloses the operating lease revenue from the Group's activities as the lessor.

16 Capital and reserves

16a Share Capital

Share capital comprises 50,000 (2020: 50,000) authorized and issued shares of USD 1 each (2020: USD 1).

16b Merger reserve

The Merger reserve comprises of balances which have arisen out of capital reorganizations and common control transactions. Within the merger reserve there are amounts which represents a non-cash reserve arising from the capital reorganisation carried out during the year, as set out in Note 1 to these special purpose consolidated financial statements. During the year ended 31 December 2021, new entities have been merged with a capital value of 80,000. As at 31 December, the total merger reserve amounted to USD 2,110,000 (2020: USD 2,030,000).

17 Revenue

	2021 USD	2020 USD
Operating lease income		
From owned barges	209,532,027	171,928,909
From owned vessels	73,115,411	64,709,407
From chartered barges	17,053,577	19,412,465
From chartered vessels	1,256,711	5,395,958
Total operating lease income	**300,957,726**	**261,446,739**
Other operating revenue	16,015,128	21,405,482
Total revenue recognised at a point in time	**16,015,128**	**21,405,482**
	316,972,854	**282,852,221**

18 Direct costs

	2021 USD	2020 USD
Staff costs	49,056,837	48,520,051
Depreciation of vessels, plant and equipment (Note 5)	38,802,505	38,469,525
Maintenance	17,878,042	14,535,086
Catering and food provision costs	13,265,557	9,032,025
Rent expense for chartered barges and vessels	10,686,750	15,420,699
Rental equipment	9,930,830	12,868,212
Outsource manpower cost	7,607,386	7,954,958
Telecommunications	3,769,951	4,183,320
Depreciation of right of use assets (Note 15)	3,319,147	3,319,112
Insurance	2,901,593	3,292,617
Inspection and certification costs	2,682,947	2,358,379
Covid related expenses	1,986,217	868,469
Oil products	1,439,207	1,141,782
Other cost	11,514,711	9,651,976
	174,841,680	171,616,211

19 General and administrative expenses

	2021 USD	2020 USD
Staff costs	17,520,805	15,736,274
Withholding tax	3,048,126	1,372,556
Legal and professional expenses	1,265,285	1,566,244
Depreciation of vessels, plant and equipment (Note 5)	610,337	509,886
Short term rent	523,486	705,218
Other expenses	3,818,535	3,497,215
	26,786,574	23,387,393

20 Staff costs

	2021 USD	2020 USD
Salaries and wages	66,216,350	63,889,355
Provision for employees' end of service benefits (Note 12)	361,292	366,970
	66,577,642	64,256,325

The allocation of staff costs during the year was as follows:

	2021 USD	2020 USD
Direct costs (Note 18)	49,056,837	48,520,051
General and administrative expenses (Note 19)	17,520,805	15,736,274
	66,577,642	64,256,325

21 Finance cost

	2021 USD	2020 USD
Finance cost	21,161,086	23,200,872
Interest on lease liabilities (Note 15)	1,640,795	2,892,728
	22,801,881	26,093,600

22 Financial instruments

The accounting policies for financial instruments have been applied to the line items below:

	2021 USD	2020 USD
Financial assets at amortised cost		
Trade receivables	80,648,166	69,000,457
Other receivables (excluding prepayments)	13,465,290	14,111,406
Cash in hand and at banks	55,483,080	25,062,173
	149,596,536	108,174,036
Financial liabilities at amortised cost		
Bank borrowings	500,444,772	427,527,588
Barge supplier obligations	-	32,310,000
Trade and other payables	67,101,821	76,600,212
Lease liabilities	-	54,278,669
Due to shareholder	-	10,911,318
	567,546,593	601,627,787

Prepayments amounting to USD 2,486,658 (2020: USD 1,783,790) have been excluded from other receivables.

23 Commitments and contingent liabilities

	2021 USD	2020 USD
Letters of guarantee	28,035,056	26,858,329

As at 31 December 2021, the Group has contingent liabilities in respect of bank guarantees issued by the bank on behalf of the Group arising in the ordinary course of business from which it is anticipated that no material liabilities will arise.

24 Reconciliation of liabilities arising from financing activities

	2021 USD	2020 USD
Cash and cash equivalents	47,987,297	16,154,491
Borrowings – repayable within one year (including overdraft)	(52,866,638)	(126,262,802)
Borrowings – repayable after one year (including overdraft)	(447,578,134)	(301,264,786)
Lease liabilities – current	-	(24,485,965)
Lease liabilities – non-current	-	(29,792,704)
Barge supplier obligations – current	-	(7,440,000)
Barge supplier obligations – non-current	-	(24,870,000)
Net debt	(452,457,475)	(497,961,766)
Cash and cash equivalents	47,987,297	16,154,491
Gross debt – variable interest rates	(500,444,772)	(427,527,588)
Lease liabilities	-	(54,278,669)
Barge supplier obligations	-	(32,310,000)
Net debt	(452,457,475)	(497,961,766)

24 Reconciliation of liabilities arising from financing activities (continued)

	Liabilities from financing activities							
	Cash and cash equivalents/ bank overdraft USD	**Borrowings – repayable within one year** USD	**Lease liabilities (Current)** USD	**Financing obligations (Current)** USD	**Borrowings – repayable after one year** USD	**Lease liabilities (Non-current)** USD	**Financing obligations (Non-current)** USD	**Total** USD
Net debt								
As at 1 January 2020	12,203,553	(99,209,631)	(23,565,607)	(7,440,000)	(370,314,592)	(54,269,525)	(32,310,000)	(574,905,802)
Interest payable	-	(23,200,872)	2,892,728	-	-	-	-	(20,308,144)
Cash flows	6,950,938	(3,852,299)	(3,813,086)	-	69,049,806	24,476,821	7,440,000	100,252,180
As at 31 December 2020	16,154,491	(126,262,802)	(24,485,965)	(7,440,000)	(301,264,786)	(29,792,704)	(24,870,000)	(494,961,766)
Interest payable	-	(21,161,086)	1,640,795	-	-	-	-	(19,520,291)
Cash flows	28,832,805	94,557,250	24,485,965	7,440,000	(146,313,348)	29,792,704	24,870,000	71,774,568
As at 31 December 2021	47,987,297	(52,866,638)	-	-	(447,578,134)	-	-	(452,457,475)

25 Impact assessment of COVID-19

The economic fallout of COVID-19 crisis is expected to be significant and is rapidly evolving at the present time. Regulators and governments across the globe have introduced fiscal and economic stimulus measures to mitigate its impact.

COVID-19 impact on measurement of ECL:

IFRS 9 framework requires the estimation of Expected Credit Loss ("ECL") based on current and forecast economic conditions. In order to assess ECL under forecast economic conditions, the Group utilise a range of economic scenarios of varying severity, and with appropriate weightings, to ensure that ECL estimates are representative of a range of possible economic outcomes.

The Group has reviewed the potential impact of COVID-19 outbreak on the inputs and assumptions for IFRS 9 ECL measurement in light of available information. Overall, the COVID-19 situation remains fluid and is rapidly evolving at this point, which makes it challenging to reliably reflect impacts on the ECL estimates. Notwithstanding this, recognising that the outbreak is expected to have an impact on the macro-economic environment beyond reasonable doubt. Sufficient provisions have been provided based on the most recent available information.

As the situation is fluid and rapidly evolving, the management is still assessing the potential impact of this outbreak on the Group, and continues to monitor the situation closely, including the potential impacts on results, supply continuity, and employees. Management has assessed that the COVID-19 outbreak will not have a material adverse impact on the future results of the Group and accordingly no impairment indicators on the non-financial assets of the Group exist as at 31 December 2021.

Liquidity management:

Global stress in the markets brought on by the COVID-19 crisis is being felt globally through lack of liquidity in foreign funding markets. In this environment, the Group has already taken measures to manage their liquidity carefully until the crisis is over. The management of the Group has been closely monitoring the cash flows and forecasts in a timely manner to maintain a reasonably healthy special purpose consolidated statement of financial position during this time and beyond.

26 Subsequent events

On 12 July 2022, the Group signed a share purchase agreement for Zinc Holdco RSC Ltd to acquire 100% of the share capital. The acquisition of ZMI Holdings was completed on 1 November 2022.

Annex 2 – Articles of Association

ARTICLES OF ASSOCIATION

of

ADNOC Logistics & Services plc

ADNOC Logistics & Services plc (the "Company") is a public company limited by shares incorporated in the Abu Dhabi Global Market ("ADGM"). It is not subject to United Arab Emirates ("UAE") Federal Law No. 32 of 2021 on commercial companies (as may be amended from time to time). The Securities and Commodities Authority in the UAE is not responsible for the content of these Articles of Association or the information contained herein. The Company is subject to the ADGM Companies Regulations 2020 (as may be amended from time to time) ("Companies Regulations") and other Applicable Law and regulation in the ADGM. The ADGM Registration Authority is responsible for the supervision and regulation of all public companies incorporated in the ADGM, including the Company, in relation to compliance with the Companies Regulations.

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PART 1INTERPRETATION AND LIMITATION OF LIABILITY

1. Defined terms

(1) In these Articles, unless the context requires otherwise:

"**Adoption Date**" means the date upon which the Shares are first admitted to trading on the Abu Dhabi Securities Exchange;

"**Abu Dhabi**" means the Emirate of Abu Dhabi in the UAE;

"**Affiliate**" means, in relation to a person, any other person that, as of the relevant time, directly or indirectly, Controls, is Controlled by, or is under common Control with, such person; provided that:

(a) in relation to any person that is directly or indirectly Controlled by a Governmental Authority of Abu Dhabi or the UAE, only:

(i) the Relevant Topco; and

(ii) those persons that are subsidiaries of the Relevant Topco,

shall be considered Affiliates; and

(b) no member of the Group shall be regarded as being an Affiliate of any Major Shareholder;

"**Applicable Law**" means all applicable national and international laws, including any applicable export control or sanctions laws, treaties, statutes, decrees, edicts, codes, orders, judgments, rules, ordinances, decisions and regulations of any local, municipal, territorial, provincial, federal, national or any other duly constituted Governmental Authority or agency of any Governmental Authority;

"**Articles**" means the Company's articles of association;

"**Associated Company**" has the meaning given to it in Article 79(3)(a);

"**Audit Committee**" means the audit committee of the Company;

"**Board**" means the board of directors of the Company;

"**Board Appointment Period**" has the meaning given to it in Article 19(1);

"**Board Committee**" has the meaning given to it in Article 7(1)(a);

"**Board Secretary**" has the meaning given to it in Article 15(1);

"**Board Vacancy Number**" has the meaning given to it in Article 19(4)(g);

"**Business Day**" means each day which is not a Saturday, Sunday or a public sector holiday in the UAE;

"**Call**" has the meaning given to it in Article 48(1);

"**Call Notice**" has the meaning given to it in Article 48(1);

"**Call Payment Date**" has the meaning given to it in Article 51(2)(a);

"**Capitalised Sum**" has the meaning given to it in Article 72(1)(b);

"**Certificate**" means a paper certificate evidencing a person's title to specified shares or other securities;

"**Certificated**" in relation to a Share, means that it is not an Uncertificated Share;

"**Chairperson**" has the meaning given to it in Article 14(1);

"**Chairperson of the Meeting**" has the meaning given to it in Article 26(4);

"**Committee Members**" has the meaning given to it in Article 8(2);

"**Companies Regulations**" means the Companies Regulations 2020 (as may be amended from time to time);

"**Company**" means ADNOC Logistics & Services plc;

"**Company's Lien**" has the meaning given to it in Article 46(1);

"**Conflicted Director**" means, in respect of a particular matter, a Director who is prohibited from voting in a Board meeting, or the relevant part of a Board meeting, in relation to that matter, pursuant to Article 16;

"**Control**" means, in respect of a person:

(a) the possession, directly or indirectly, of the power to vote fifty per cent (50%) or more of the voting stock (other than directors' qualifying shares or other *de minimis* holdings required by Applicable Law to be held by other person(s)) of such person; or

(b) ownership, directly or indirectly, of fifty per cent (50%) or more of the equity interests (other than directors' qualifying shares or other *de minimis* holdings required by Applicable Law to be held by other person(s)) in such person; or

(c) the ability, directly or indirectly, to direct or procure the direction of the management and policies of such person, whether through the ownership of shares, by contract or otherwise,

and the terms "**Controlled by**", "**Controlling**" and "**under common Control with**" shall be construed accordingly;

"**Director**" means a director of the Company, and includes any person occupying the position of a director of the Company, by whatever name called;

"**Director Group**" has the meaning given to it in Article 19(8);

"**Director Election Resolution**" has the meaning given to it in Article 19(4)(a);

"**Dividend Policy**" means the Group's policy regarding dividends, as adopted by the Board (as the same may be amended from time to time in accordance with these Articles);

"**Distribution Recipient**" has the meaning given to it in Article 66(2);

"**Executive Committee**" means the executive committee of the Company;

"**Executive Management Team**" means the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer of the Company;

"**Financial Year**" means, in relation to the Group, the financial year of the Company, as may be determined by the Board from time to time;

"**Governmental Authority**" means:

(a) any governmental authority of Abu Dhabi or the UAE (including the Supreme Council for Financial and Economic Affairs of Abu Dhabi, and any successor thereto); and

(b) in respect of a person, a governmental authority that has jurisdiction over such person or its Ultimate Controlling Person,

including, in each case, any political subdivision of any of the foregoing, any multinational organisation or body comprised of one of the foregoing, any agency, department, commission, board, bureau, court or other authority thereof, or any quasi-governmental or private body exercising, or purporting to exercise, any executive, legislative, judicial, administrative, police, regulatory or taxing authority or power of any nature, or any company or instrumentality owned or Controlled by any such governmental authority, and any recognised stock exchange;

"**Group**" means the Company and its subsidiaries, and the expressions "**Group Company**" and "**member of the Group**" mean any of them;

"**Group Management & Governance Policy**" means a policy of the Company regarding certain group management and corporate governance matters, as may be adopted and amended by the Board from time to time;

"**Large Director Group**" means each Director Group comprising three (3) or more Directors (including any Conflicted Directors) but excluding any Director Group formed solely of Standalone Directors in accordance with Article 19(8)(d);

"**Lien Enforcement Notice**" has the meaning given to it in Article 47;

"**Major Shareholder**" means a Shareholder that holds Shares representing more than twenty-five per cent. (25%) of the entire issued share capital of the Company;

"**Nomination & Remuneration Committee**" means the nomination & remuneration committee of the Company;

"**Non-Conflicted Director**" means, in respect of a particular matter, a Director who is not a Conflicted Director in relation to that matter;

"**Persons Entitled**" has the meaning given to it in Article 72(1)(b);

"**Primary Shareholder**" has the meaning given to it in Article 19(8)(a);

"**Proxy Notice**" has the meaning given to it in Article 33(1);

"**Proxy Notification Address**" has the meaning given to it in Article 34(1);

"**Related Party**" means:

(a) any Director;

(b) any member of the Executive Management Team;

(c) any person that holds Shares representing not less than fifteen per cent (15%) of the total Shares issued and outstanding; and

(d) any Related Person of any person referred to in paragraphs (a), (b) and/or (c) above;

"**Related Party Transaction**" means any contract, transaction or dealing (including (i) decisions relating to enforcement of rights, (ii) amendment, termination, renewal or extension (including automatic renewal or extension) of an agreement or arrangement, and (iii) a waiver of rights under an agreement or arrangement) between any Group Company, on the one hand, and a Related Party, on the other hand; provided that the following shall not be deemed to be Related Party Transactions:

(a) any transaction or dealing to the extent consummated pursuant to, and in accordance with the terms of, any agreement in effect on or prior to the Adoption Date (it being specified that, for the avoidance of doubt, any (x) decisions relating to enforcement of rights, (y) amendment, renewal, termination or extension (including automatic renewal or extension) of, or (z) waiver of rights under, any agreement or arrangement referred to in this paragraph (a) shall, in each case, be deemed to be a Related Party Transaction); and

(b) any issuance of Shares where all Shareholders are entitled to exercise their right of pre-emption on the same terms;

"**Related Person**" with respect to any person, means:

(a) any Affiliate of such person; and

(b) where such person or any Affiliate thereof is an individual:

(i) any father, mother, brother, sister, children, spouse, father-in-law, mother-in-law, cousin, niece, nephew and children of the spouse of such individual;

(ii) any trust, corporation, partnership or other estate planning vehicle for the benefit of such individual or any of the persons described in paragraph (b)(i) of this definition;

(iii) the estate, executor, administrator or committee of such individual or any of the persons named in paragraphs (b)(i) or (b)(ii) of this definition (acting in such capacity); or

(iv) any Affiliates of any of the persons set forth in paragraphs (b)(i) or (ii) of this definition;

"**Relevant Rate**" has the meaning given to it in Article 51(2)(b);

"**Relevant Rules**" has the meaning given to it in Article 45(1);

"**Relevant System**" means a computer-based system and procedures, which enable title to a security to be evidenced and transferred without a certificate of title or any written instrument of transfer pursuant to the Uncertificated Securities Rules;

"**Relevant Topco**" means a holding company which:

(a) is Controlled by a Governmental Authority of Abu Dhabi or the UAE; and

(b) is not itself a subsidiary of another holding company;

"**Replacement Director**" has the meaning given to it in Article 19(6);

"**Shares**" means shares in the Company;

"**Shareholder**" means a person who is the holder of a Share;

"**Shareholder Votes**" has the meaning given to it in Article 19(4)(b);

"**Standalone Director**" has the meaning given to it in Article 19(8)(d);

"**Terms of Reference**" has the meaning given to it in Article 8(2);

"**Transmittee**" means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law;

"**UAE**" means the United Arab Emirates;

"**Ultimate Controlling Person**" means, in relation to a specified person, the person that Controls such specified person and is not itself Controlled by any person; provided that where such specified person is directly or indirectly Controlled by a Governmental Authority of Abu Dhabi or the UAE, the Ultimate Controlling Person of such specified person and its Affiliates shall be the Relevant Topco;

"**Uncertificated**" in relation to a Share means that, by virtue of the Uncertificated Securities Rules and any other legislation (other than section 715 of the Companies Regulations) permitting title to Shares to be evidenced and transferred without a Certificate, title to that Share is evidenced and may be transferred without a Certificate;

"**Uncertificated Securities Rules**" means the Uncertificated Securities Rules 2021 (as may be amended from time to time);

"**US Dollars**" or "**US$**" means the then lawful currency of the United States; and

"**Vice-Chairperson**" has the meaning given to it in Article 14(2).

(2) Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Regulations as in force on the Adoption Date.

(3) In these Articles:

(a) the words "include" or "including" or similar expressions shall be deemed to be followed by "without limitation" or "but not limited to", whether or not they are followed by such phrases or words of like import;

(b) references to the Executive Management Team include, in each case, similar officeholders regardless of the title used to describe such position;

(c) reference to a "senior manager" of the Company or the Group includes each member of the Executive Management Team;

(d) "bankruptcy" or "bankrupt" include individual insolvency proceedings in any jurisdiction;

(e) a "holder" of Shares means the person whose name is entered in the Company's register of members as the holder of such Shares;

(f) "ordinary resolution" and "special resolution" have the meanings given in sections 298 and 299, respectively, of the Companies Regulations;

(g) "paid" means paid or credited as paid;

(h) "fully paid" in relation to a Share, means that the issue price to be paid to the Company in respect of that Share has been paid to the Company;

(i) "partly paid" in relation to a Share means that part of that Share's issue price has not been paid to the Company;

(j) reference to a "person" means an individual, partnership, corporation (including a business trust), company, trust, unincorporated association, joint venture or other entity, whether a body corporate or an unincorporated association of persons, or a Governmental Authority, and "persons" shall be construed accordingly;

(k) the terms "holding company" and "subsidiary" shall each be construed in accordance with section 1015 of the Companies Regulations;

(l) "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise (and references to "written" shall be construed accordingly);

(m) a reference to:

(i) a "document" includes, unless otherwise specified, any document sent or supplied in electronic form;

(ii) an "instrument" means a document in hard copy form; and

(iii) "electronic form" and "hard copy form" shall each be construed in accordance with section 1023 of the Companies Regulations; and

(n) unless expressly stated otherwise, a reference to the size of a Director Group or the number of Directors comprising a Director Group (or any similar expression) is to be construed as a reference to the number of Directors forming part of such Director Group pursuant to Article 19(8) and, in circumstances where there is any vacancy on the Board, shall include the number of additional Director(s) which would form part of that Director Group pursuant to Article 19(8)(g) upon Replacement Director(s) being appointed to fill the relevant vacancy/ies (and references to the "largest Director Group" or "second largest Director Group" or any similar expression shall be construed accordingly).

2. Liability of Shareholders

(1) The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

3. Exclusion of model articles

(1) The relevant model articles (as defined in section 18 of the Companies Regulations) do not apply to the Company.

PART 2 BOARD'S POWERS AND RESPONSIBILITIES

4. Board's general authority

(1) Subject to the Articles, the Board is responsible for the overall management of the Company's business, for which purpose it may exercise all the powers of the Company.

(2) The Board shall, no later than forty-five (45) calendar days prior to the end of each Financial Year, prepare, and shall (subject to the Articles) decide whether or not to approve:

(a) an annual update to the Group's business plan, which shall set out the Company's strategy and plan for developing, financing and operating the Group for a rolling period of five (5) Financial Years; and

(b) a new annual budget for the Group for the following Financial Year, consistent with the proposed annual update to the business plan,

provided that if such updated business plan or such new budget (as the case may be) is not approved by the Board in accordance with these Articles as of the first (1st) day of the relevant Financial Year then the last approved business plan or the last approved annual budget (as the case may be) shall continue to apply and remain in effect on an interim basis (subject to such adjustments as may be required pursuant to the Group Management & Governance Policy (if any)) until the earlier of (i) approval of an annual update to the business plan or the approval of a new budget (as the case may be) by the Board in accordance with these Articles and (ii) expiration of the relevant Financial Year).

(3) In accordance with these Articles, the Board may adopt the Group Management & Governance Policy from time to time, and the Company shall comply with the terms of, and its affairs shall be conducted in accordance with, such policy.

5. Shareholders' reserve power

(1) The Shareholders may by special resolution direct the Board to take, or refrain from taking, specified action. No special resolution shall invalidate anything which the Board has done before the passing of the resolution.

6. Related Party Transactions

(1) Without prejudice to any requirement of Applicable Law, all Related Party Transactions shall, subject to Article 6(3), require the prior approval of the Board.

(2) Without prejudice to any requirement of Applicable Law:

(a) in relation to the consideration of any Related Party Transaction, any Director who is a Related Party (or in respect of whom the Related Party is a Related Person), or any Director whose Primary Shareholder is the relevant Related Party (or in respect of whose Primary Shareholder the Related Party is a Related Person) shall be deemed to be interested in the Related Party Transaction unless an exception applies pursuant to Article 16(4); and

(b) Articles 16(4)(g)(ii), 16(4)(h)(ii) and 16(4)(i)(ii) shall not apply in relation to any Related Party Transaction.

(3) The Board may, notwithstanding any provision to the contrary contained in these Articles, exclusively delegate its power to approve and reject all Related Party Transactions pursuant to Article 6(1) to the Executive Committee, and such power may not be delegated to any other person or body. Any such delegation to the Executive Committee shall be recorded in the Terms of Reference of the Executive Committee and for these purposes:

(a) such exclusive delegation shall apply for so long as such delegation is included in the Terms of Reference of the Executive Committee;

(b) whilst such delegation is in force, all Related Party Transactions shall be considered and subject to the approval (or rejection) of the Executive Committee in accordance with its Terms of Reference and to the exclusion of the Board (subject to Article 6(3)(f) below);

(c) the Terms of Reference of the Executive Committee containing such delegation may also contain exceptions to the requirement for any particular Related Party Transaction to be approved (and such exceptions may be specific or general in nature);

(d) any decision of the Executive Committee in relation to the approval (or otherwise) of a Related Party Transaction shall, in the absence of fraud, be final. An approval of a Related Party Transaction by the Executive Committee may be specific or general in nature (and, in the event of a general approval, such approval shall be subject to the scope, parameters and any limitations set out in the relevant approval));

(e) the Terms of Reference of the Executive Committee:

(i) shall specify the circumstances in which members of such committee shall be excluded from the decision-taking process; and

(ii) may provide for circumstances in which conflicted Committee Members may still participate in the decision-taking process (including the application or disapplication of Articles 16(4)(g)(ii), 16(4)(h)(ii) and/or 16(4)(i)(ii)),

in each case in relation to any particular transaction considered by the Executive Committee; and

(f) in the event that all members of the Executive Committee are conflicted in relation to a Related Party Transaction, and unless the Executive Committee Terms of Reference provide otherwise, the approval or rejection of the Related Party Transaction shall be decided by a vote of a simple majority of the Non-Conflicted Directors on the Board and, in such case, Articles 16(4)(g)(ii), 16(4)(h)(ii) and 16(4)(i)(ii) shall not apply in relation to such Related Party Transaction.

7. Board may delegate

(1) Subject to the Articles (including Article 6(3)), the Board may delegate any of the powers which are conferred on it under the Articles:

(a) to such person or committee (a "**Board Committee**");

(b) by such means (including by power of attorney);

(c) to such an extent;

(d) in relation to such matters or territories; and

(e) on such terms and conditions;

as it may decide.

(2) If the Board so specifies, any such delegation may authorise further delegation of the Board's powers by any person to whom they are delegated.

(3) Subject to Article 6(3), the Board may revoke any delegation in whole or part, or alter its terms and conditions.

8. Committees

(1) Subject to the relevant Terms of Reference (as defined below), the Board Committees to which the Board delegates any of its powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by the Board.

(2) Subject to the Articles, the Board may make rules of procedure for all or any Board Committees, which shall prevail over rules derived from the Articles if such rules are not consistent with the Articles (all of such procedures, authorities, roles, responsibilities and other rules relating to a Board Committee being that committee's "**Terms of Reference**"). The number of members of a Board Committee (the "**Committee Members**") shall be specified in that Board Committee's Terms of Reference. Subject to the Articles and Applicable Law, the Terms of Reference of any particular Board Committee may provide for certain matters to be reserved for decision by that Board Committee.

(3) In relation to each Board Committee, the membership of such committee (and the manner of appointment, removal and replacement of such members) shall be specified in the relevant Terms of Reference.

9. Management

(1) Subject to the Articles, the Board shall appoint and may remove such management personnel of the Company as the Board shall determine.

(2) The Company shall have a Chief Executive Officer. Subject to Article 9(3) below:

(a) only the largest Director Group shall be entitled to propose candidates for appointment as Chief Executive Officer of the Company, and the Board shall appoint the Chief Executive Officer from among one (1) or more candidates proposed by such largest Director Group;

(b) such largest Director Group shall also be entitled to require the Board to remove and replace the Chief Executive Officer from time to time;

(c) the Board shall promptly implement any such instructions; and

(d) the Chief Executive Officer may not be removed from office by the Board and/or the Company unless such removal is first approved by such largest Director Group.

(3) The Group Management & Governance Policy (if any) may specify how the appointment of the Chief Executive Officer of the Company shall be implemented in the event that more than one (1) Director Group would be entitled to nominate, remove and replace the Chief Executive Officer of the Company pursuant to the preceding provisions of this Article 9.

(4) The other members of the Executive Management Team (excluding the Chief Executive Officer of the Company) and other personnel shall be appointed, removed and replaced as approved by the Board.

DECISION-MAKING BY THE BOARD

10. Board Resolutions

(1) Subject to the Articles, the Board shall make decisions by the following means:

(a) by resolution of such Directors present at a duly convened and quorate meeting of the Board, if approved by a simple majority of the Directors attending that Board meeting (where each Director attending a Board meeting shall have one (1) vote). Minutes of Board meetings shall be taken and shall be circulated to the Directors for approval by a simple majority of Directors in attendance at that meeting following the meeting (and such approval may be given in writing or by email, failing which approval of the minutes may be an agenda item for the next following Board meeting). Following approval by the Directors, minutes shall be signed by (i) the Chairperson or the Vice-Chairperson and (ii) the Board Secretary, and once signed in this manner such minutes shall evidence the meeting and the resolutions of the Directors at such meeting; or

(b) by written resolution without a meeting, and any such written resolution shall be as valid and effective for all purposes as a resolution passed by the Directors at a Board meeting duly convened, held and constituted, provided that:

(i) Directors may sign written resolutions in more than one counterpart and need not all sign the same copy of the resolution;

(ii) all proposed written resolutions shall: (A) be circulated simultaneously to each Director; (B) be accompanied by any relevant documentation; and (C) include a date not less than five (5) Business Days following circulation (or less than five (5) Business Days if a shorter notice period has been notified to the Directors and has been approved by at least the same majority of Directors as would have been required to agree to the holding of a Board meeting on short notice pursuant to Article 11(2)) by which each Director shall be required to deliver to the Chairperson a signed copy of the written resolution if they approve such written resolution;

(iii) any Director who fails to respond to a proposed written resolution by the deadline specified in the written resolution pursuant to Article 10(1)(b)(ii)(C) shall be deemed to have rejected all proposed resolutions set out therein;

(iv) the Chairperson shall notify each Director whether the proposed resolutions set out in the written resolution have been approved promptly following the earlier of:

(A) the Chairperson having received the requisite number of approvals required pursuant to these Articles to pass the relevant resolution(s) of the Board; and

(B) the deadline set out in Article 10(1)(b)(ii)(C).

(2) Subject to the Articles, if a Director has an interest in an actual or proposed transaction or arrangement with the Company:

(a) that Director and that Director's alternate may not vote on any proposal relating to it, but

(b) this does not preclude the Director's alternate from voting in relation to that transaction or arrangement on behalf of another Director who does not have such an interest.

11. Calling a Board Meeting

(1) The Chairperson, or in his or her absence, the Vice-Chairperson, may call, set the agenda for and chair each Board meeting.

(2) Subject to Article 13(3), each Director, and his or her alternate (if any), must be notified in writing of the relevant Board meeting no later than ten (10) Business Days prior to the proposed date of such meeting (or less than ten (10) Business Days if (x) a simple majority in number of the Directors and (y) a simple majority of the Directors in each Large Director Group consent to a shorter notice period). The notice of any Board meeting must indicate:

(a) its proposed date and time;

(b) where it is to take place; and

(c) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

(3) Board meetings must be convened no less frequently than four (4) times per year (and at such other times following written request from any Director to the Chairperson).

(4) The Directors may propose to the Chairperson items to be included on the agenda. The agenda shall be sent to each of the Directors at least five (5) Business Days prior to the applicable Board meeting and shall: (i) include any items submitted by any Director at least six (6) Business Days prior to the Board meeting and (ii) be accompanied by any relevant documentation.

(5) Any Director may at any time waive the requirement that due notice of a Board meeting be given to him or her. The presence of a Director at a Board meeting will constitute automatic waiver by him or her of such requirement in respect of such Board meeting.

(6) Breach of any of the provisions of this Article 11 shall not affect the validity of any meeting of the Board at which all Directors are present nor shall it affect the validity of any written resolutions duly passed by the Directors without a meeting.

12. Participation in Board meetings

(1) Subject to the Articles, Directors participate in a Board meeting, or part of a Board meeting, when:

(a) the meeting has been called and takes place in accordance with the Articles; and

(b) it is held either:

(i) subject to Article 12(2) below, by telephone, video conferencing or other similar methods by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other (provided that if any Directors participate in a Board meeting by telephone, video conference or other similar method, the meeting shall be initiated in Abu Dhabi, and as such shall be deemed to be held in Abu Dhabi); or

(ii) in person.

(2) At least half the Directors participating in Board meetings shall be present in person in Abu Dhabi for at least half of the Board meetings in each year, provided that any failure to comply with the requirement in this Article 12(2) shall not invalidate the proceedings of any Board meeting nor shall it invalidate any decisions taken or resolutions passed by the Board.

(3) The Directors may invite consultants or other persons to attend (as non-voting participants) a Board meeting at which input from any such consultants or other persons is required or desirable.

(4) Each member of the Executive Management Team shall be entitled to attend board meetings as non-voting participants, provided that they shall not attend and participate in meetings (or the relevant part of meetings) at which matters concerning their employment will be discussed.

13. Quorum for Board meetings

(1) At a Board meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

(2) Subject to Articles 13(3) and 16, a quorum shall exist at any Board meeting (or part of a meeting) if a simple majority of the total number of Directors are present or are represented by an alternate Director.

(3) If a quorum is not present at a meeting of the Board within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda. The Directors will be given at least forty-eight (48) hours' notice of the reconvened meeting unless the Directors unanimously agree otherwise. At that reconvened meeting, the same quorum requirement shall apply. If, however, a quorum is not present at that reconvened meeting within one (1) hour of the scheduled commencement time, the meeting shall be adjourned once again and reconvened to discuss the same agenda and the

Directors will be given at least forty-eight (48) hours' notice of that second reconvened meeting unless the Directors unanimously agree otherwise. At that second reconvened meeting, then, to the extent that such second reconvened meeting considers the same agenda, a quorum shall exist if a simple majority of Directors are present (whether in person or in any other manner permitted by these Articles) or represented by alternate Directors. Any such reduction in the quorum requirement shall not affect the threshold required in order to pass any resolution of the Board.

14. Chairing Board meetings

(1) Subject to the Articles, the Board may have a chairperson of the Board (the "**Chairperson**). The Chairperson shall be one of the Directors and shall chair Board meetings.

(2) Subject to the Articles, the Board may have a vice-chairperson of the Board (the "**Vice-Chairperson**"). The Vice-Chairperson shall be one of the Directors (other than the Chairperson) and shall chair Board meetings in the Chairperson's absence.

(3) The Chairperson shall be nominated and appointed (and removed and replaced from time to time) by the largest Director Group.

(4) The Vice-Chairperson shall be nominated and appointed (and removed and replaced from time to time) by a simple majority decision of the Board.

(5) In order to serve as Chairperson the relevant person must be a Director and in order to serve as Vice-Chairperson the relevant person must be a Director (and must not also be the Chairperson).

(6) In the event of an equality of votes at a meeting of the Board, neither the Chairperson nor the Vice-Chairperson shall have a second or casting vote.

(7) Whenever a Director holding the position of Chairperson or Vice-Chairperson is subject to re-election by the Shareholders at the end of the Board Appointment Period, such Director shall immediately resume holding office as Chairperson or Vice-Chairperson (as applicable) if he or she is immediately re-elected at the relevant annual general meeting, unless the identity of the Chairperson or Vice-Chairperson (as the case may be) is changed by: (i) in the case of the Chairperson, by the largest Director Group; or (ii) in the case of the Vice-Chairperson, a simple majority decision of the Board.

(8) Where a Director appointed as Chairperson or Vice-Chairperson ceases to hold office as a Director (other than where he or she is immediately re-elected as referred to in Article 14(7)), such person shall automatically vacate his or her appointment as Chairperson or Vice-Chairperson (as applicable).

(9) If neither the Chairperson nor the Vice-Chairperson is participating in a Board meeting within ten (10) minutes following the time at which it was to start, the participating Directors must appoint one of themselves to chair the meeting.

(10) In the event that more than one (1) Director Group is entitled to nominate, remove and replace the Chairperson pursuant to the preceding provisions of this Article 14, the Board may specify how the appointment of the Chairperson shall be implemented in any policy to be adopted by the Board (including the Group Management & Governance Policy (if any)).

15. Board Secretary

(1) The Board shall appoint a secretary (the "**Board Secretary**") (or two (2) or more persons as joint Board Secretaries) for such term and upon such conditions as the Board may think fit, and the Board Secretary (or joint Board Secretaries) so appointed may be removed by the Board.

(2) The Board Secretary shall be the company secretary and shall be responsible, under the guidance of the Chairperson, for giving notice, and administering and documenting the business of Board and general meetings and such other things set out in the Articles or as the Board may determine from time to time.

(3) The Board Secretary shall prepare minutes of each meeting of the Board, including any matters resolved in such meeting, and circulate a draft of such minutes to each of the Directors promptly following the meeting. Once approved by the Board, such minutes (reflecting any approved changes) shall be signed by (i) the Chairperson or the Vice-Chairperson and (ii) the Board Secretary. This is without prejudice to the provisions of Article 10(1)(a).

(4) Any Board Secretary shall be a secretary of the Company within the meaning of Chapter 1 of Part 12 of the Companies Regulations.

16. Conflicts of interest

(1) Without prejudice to Chapter 3 of Part 10 of the Companies Regulations, each Director shall declare the nature and extent of his or her interest in a proposed transaction or arrangement involving any Group Company to the Board.

(2) Subject to Article 16(3), if a Board meeting, or part of a Board meeting, is concerned with an actual or proposed transaction or arrangement with the Company in which a Director has an interest, that Director shall be prohibited from participating in that meeting, or part of that meeting, at which the relevant proposed transaction or arrangement is considered and shall be prohibited from participating in any decision-making process or vote related thereto. Without prejudice to the preceding sentence, any such Director is not to be counted as participating in that meeting, or part of that meeting, for quorum or voting purposes.

(3) But if Article 16(4) applies, a Director who is interested in an actual or proposed transaction or arrangement with the Company may participate in a Board meeting, or part of a Board meeting, at which the relevant proposed transaction or arrangement is considered and may participate in any decision-making process and vote related thereto. Any such Director shall be entitled to be counted as participating in that meeting, or part of that meeting, for quorum and voting purposes.

(4) Subject to Article 6(2), this Article 16(4) applies when:

(a) the Directors (excluding any Director(s) who are potentially conflicted), having considered the facts and circumstances of any such interest, have, by unanimous vote, determined that a Director with any such interest may vote upon the relevant transaction or arrangement, provided that the Directors (excluding any Director(s) who are potentially conflicted):

(i) may, by unanimous vote, extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised; and

(ii) shall also be entitled, by simple majority decision, to:

(A) make any such authorisation subject to any limits or conditions they expressly impose (whether at the time of the giving of the authorisation or subsequently); and

(B) terminate such authorisation at any time;

(b) the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prohibit a Director from participating in, or voting at, a Board meeting;

(c) the Director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest;

(d) the Director is not aware of the conflict of interest;

(e) the Director's conflict of interest arises from a permitted cause as referred to in Article 16(5);

(f) any conflicts expressly authorised pursuant to the Group Management and Governance Policy (if any);

(g) the conflict of interest is limited to such Director holding office as Director of, or any other office or employment with:

(i) any Group Company; or

(ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate);

(h) if such interest or duty is limited to such Director being a participant in any scheme, transaction or arrangement for the benefit of the employees or former employees of:

(i) any Group Company; or

(ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate);

(i) if such interest or duty is limited to such Director being interested in any shares or other securities of:

(i) any Group Company; or

(ii) that Director's Primary Shareholder (or such Primary Shareholder's Affiliate);

(j) the conflict of interest is limited to such Director's Primary Shareholder (or an Affiliate of the Director's Primary Shareholder) being a shareholder in another Group Company; or

(k) the Director's conflict of interest arises from the fact that the Related Party is a shareholder (but not an Affiliate) of (i) such Director's Primary Shareholder or (ii) an Affiliate of such Director's Primary Shareholder.

(5) Subject to Article 6(2), for the purposes of this Article, the following are permitted causes:

(a) a guarantee given, or to be given, by or to a Director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries; and

(b) arrangements pursuant to which benefits are made available to employees and Directors or former employees and Directors of the Company or any of its subsidiaries which do not provide special benefits for Directors or former Directors.

17. Records of decisions to be kept

(1) The Board must ensure that the Company keeps a record, in writing, for at least ten (10) years from the date of the decision recorded, of every unanimous or majority decision taken by the Board.

18. Board discretion to make further rules

(1) The Board may make any rules which they think fit about how they take decisions (including, pursuant to any Group Management and Governance Policy), and about how such rules are to be recorded or communicated to Directors, including the adoption of approval thresholds higher than that of a simple majority, provided that such rules do not create lower approval thresholds as may already be set out in these Articles.

APPOINTMENT OF DIRECTORS

19. Appointment and termination of Directors

(1) The Board shall comprise seven (7) Directors. The number of Directors comprising the Board may be increased or decreased pursuant to a vote of a simple majority of the Board. Subject to this Article 19, the entire Board shall be elected at every third annual general meeting of the Company (each period between an annual general meeting at which the Board is elected to the third annual general meeting thereafter being the "**Board Appointment Period**"). Notwithstanding the preceding sentence, in relation to the Board holding office as at the Adoption Date, the first Board Appointment Period shall expire on the date of the third annual general meeting following the Adoption Date.

(2) There shall not be any limit on the number of times any particular Director may be re-appointed (and in these Articles, references to the appointment of a Director include his or her re-appointment).

(3) Any Shareholder holding at least five per cent (5%) of the total number of issued Shares (or Shareholders together holding at least such number of Shares) shall be entitled to nominate one (1) or more candidates for election as Directors. Such nomination(s) shall be made by notice to the Company (by written notice addressed to the Board and containing a signed statement from the candidate in question confirming they are willing to stand for election) delivered to the Company at least four (4) weeks prior to the date of the relevant annual general meeting to elect the Board at the end of the Board Appointment Period. Any existing Director may also nominate any one (1) or more candidates (including themselves) for election. Existing Directors shall be automatically included in the list of candidates for election unless the Director in question notifies the Board in writing that such

Director does not intend to stand for re-election. The relevant Shareholder(s) or Directors proposing any candidate(s) for election must also provide details of the experience and brief biographical details of such candidate(s), provided that such details shall not be required in relation to existing Directors. Each candidate nominated in accordance with this Article 19(3) shall be included in the Director election process referred to in Article 19(4) other than to the extent that any such candidate is not entitled to serve as a Director by virtue of any express restriction contained in Applicable Law.

(4) In circumstances where the general meeting is to consider the appointment of any Directors, the following procedures shall apply:

(a) Each candidate nominated or proposed for election shall be subject to a separate appointment resolution (each a "**Director Election Resolution**"). Director Election Resolutions shall only be approved in accordance with the procedures set out in this Article 19 and not in any other manner.

(b) In relation to the Director Election Resolutions (taken together), every Shareholder shall be entitled to an aggregate number of votes equal to the Board Vacancy Number multiplied by the number of votes to which the Shareholder's Shares are entitled (the "**Shareholder Votes**").

(c) Every Shareholder shall be entitled to: (i) vote all of his or her Shareholder Votes in favour of only one Director Election Resolution; or (ii) distribute his or her Shareholder Votes among more than one Director Election Resolution in such manner as that Shareholder considers appropriate.

(d) The Board shall ensure that the procedures adopted at the general meeting in relation to the consideration of the Director Election Resolutions (i) enable Shareholders to clearly allocate their Shareholder Votes among the Director Election Resolutions in any manner permitted by these Articles, (ii) provide for the number of Shareholder Votes cast by each Shareholder to be verified to ensure that Shareholders do not cast more votes than their respective entitlements pursuant to these Articles and (iii) enable the Company to identify the Director Groups and the Directors comprising each such Director Group in accordance with these Articles. Such procedures may include separate polling cards issued to each Shareholder present at the meeting which list all candidates for election as separate Director Election Resolutions and enable the Shareholder to indicate the number of votes (if any) allocated to each separate Director Election Resolution.

(e) In the event that a Shareholder allocates more Shareholder Votes across the Director Election Resolutions than they are entitled to cast, the number of votes allocated to each Director Election Resolution by that Shareholder shall be reduced proportionately and any remaining fractions shall be rounded down to the nearest integer.

(f) The person(s) that shall be appointed Director(s) shall first be the person who, as compared to the rest of the Director Election Resolutions, receives the greatest number of "for" votes, and then shall second be the person who, as compared to the rest of the Director Election Resolutions, receives the second greatest number of "for" votes and so on until the number of Directors appointed equals (but in no circumstance exceeds) the Board Vacancy Number (and any remaining candidates for appointment shall not be appointed). The relevant Director Election Resolutions shall be deemed

to have been passed or rejected accordingly. Votes cast against a Director Election Resolution and votes withheld shall have no legal effect. No show of hands shall be taken on a Director Election Resolution.

(g) For the purpose of this Article 19, "**Board Vacancy Number**" means the number of Directors which constitutes the entire Board under Article 19(1).

(5) A person ceases to be a Director as soon as:

(a) that person ceases to be a Director by virtue of any provision of the Companies Regulations or is prohibited from being a Director by law;

(b) that person becomes bankrupt;

(c) a composition is made with that person's creditors generally in satisfaction of that person's debts;

(d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

(e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; or

(f) notification is received by the Company from the Director that the Director is resigning from office as Director, and such resignation has taken effect in accordance with its terms.

(6) In the event that a vacancy arises on the Board during the Board Appointment Period and:

(a) the Director vacating his or her position was, immediately prior to vacating such position, a member of a Director Group where the relevant Primary Shareholder was a Major Shareholder, such Shareholder (if still a Major Shareholder at the time the vacancy occurs) shall have the right to appoint a replacement Director by written notice to the Company; or

(b) in circumstances other than those set out in Article 19(6)(a) above, the Board shall appoint a replacement Director pursuant to a vote of a simple majority of the Board,

in each case, any such replacement Director appointed pursuant to this Article 19 is referred to in these Articles as a "**Replacement Director**".

(7) A Replacement Director appointed pursuant to this Article 19 shall hold office for the remainder of the Board Appointment Period. Accordingly, any such Replacement Director shall hold office until the next annual general meeting at which the entire Board shall be elected pursuant to Article 19(1), whereupon all positions on the Board shall be vacant and subject to election at that time.

(8) For the purposes of these Articles, Directors shall be allocated into separate groups (each a "**Director Group**") determined in accordance with the following provisions:

(a) upon the election of the Board, the number of votes cast for each Director shall be assessed in order to determine the specific Shareholder which cast the largest number of votes for that Director (in relation to that Director, such Shareholder being the "**Primary Shareholder**");

(b) Directors shall then, on a preliminary basis, be grouped according to the identity of their respective Primary Shareholders;

(c) subject to Article 19(8)(d):

(i) all of the Directors which have the same Primary Shareholder shall form a Director Group; and

(ii) where a Shareholder is the Primary Shareholder for only one (1) Director, such Director may form a Director Group on his or her own;

(d) in the event that a Shareholder is the Primary Shareholder for only one (1) Director, and such Primary Shareholder holds, in aggregate, less than five per cent (5%) of the total number of issued Shares, that Director shall be designated a "**Standalone Director**" and shall be grouped together with any other Standalone Directors into a separate Director Group. For the avoidance of doubt, if there is a single Standalone Director then that Standalone Director shall form a Director Group on his or her own;

(e) the Board shall retain a record of the Directors in each Director Group and may also, for administrative purposes, refer to each Director Group by such designation as may be appropriate (for example and without limitation, designations may include 'Director Group A', 'Director Group B', 'Director Group C', and so on);

(f) by way of illustrative example:

(i) assume Shareholder A casts the largest number of votes received by each of Directors 1, 2 and 3, Shareholder B casts the largest number of votes received by each of Directors 4 and 5, Shareholder C (who holds more than five per cent (5%) of the total number of issued Shares) casts the largest number of votes received by Director 6 and Shareholder D (who holds less than five per cent (5%) of the total number of issued Shares) casts the largest number of votes received by Director 7;

(ii) Shareholder A is the Primary Shareholder for Directors 1, 2 and 3, and those Directors will form one Director Group. The Board chooses to designate this as 'Director Group A';

(iii) Shareholder B is the Primary Shareholder for Directors 4 and 5, and those Directors will form a separate Director Group. The Board chooses to designate this as 'Director Group B';

(iv) Shareholder C is the Primary Shareholder for Director 6. Because Shareholder C holds more than five per cent (5%) of the total number of issued Shares, this Director forms a Director Group on their own. The Board chooses to designate this as 'Director Group C';

(v) Shareholder D is the Primary Shareholder for Director 7. Because Shareholder D holds less than five per cent (5%) of the total number of issued Shares and is the Primary Shareholder for only one (1) Director, this Director is designated as a Standalone Director. The Board chooses to designate the Standalone Director as 'Director Group D';

(g) any Replacement Director appointed pursuant to this Article 19 shall be deemed to form part of the same Director Group as the relevant Director who vacated his or her position and is being replaced;

(h) the Director Groups shall be reconstituted after each election of the Board; and

(i) the Director Groups as at the Adoption Date shall be as specified by resolution of the Board passed on or prior to such date.

20. Alternate Directors

(1) Any Director (other than an alternate Director) may appoint any other Director or any other natural person approved by the Chairperson at any one time, to be his or her alternate Director and may remove from office any alternate Director so appointed by him or her. Appointment or removal of an alternate Director shall be made by written notice to the Board and shall be effective upon receipt by the Chairperson of such notice. Any appointment or removal of an alternate Director by the Chairperson shall be effective upon receipt by the Company. For the avoidance of doubt, a person may act as an alternate Director for more than one Director simultaneously.

(2) An alternate Director shall, subject to giving to the Company an address (and an e-mail address) to which notices may be sent to him or her, be entitled to receive notice of all meetings of the Board in respect of which he or she has been appointed as alternate Director. An alternate Director shall not, in his or her capacity as such, be entitled to appoint his or her own alternate Director (but if he or she is also a Director he or she shall be entitled to appoint an alternate Director in that capacity).

(3) In the absence of any Director who has appointed him or her, an alternate Director: (i) shall be entitled to the same voting rights, and to perform all the functions, of such Director, in addition to his or her own (if any); and (ii) shall be counted in the quorum for meetings of the Board as each Director for whom he or she acts as alternate Director (and him or herself if he or she also acts as a Director) and shall have one (1) vote for every Director represented by him or her who is absent in addition to his or her own vote (if any).

(4) If a Director ceases to hold the office of Director for any reason, the appointment of his or her alternate Director, and his or her appointment as alternate Director by any other Director, shall thereupon automatically cease.

21. Directors' remuneration

(1) Directors may undertake any services for the Company that the Board decides.

(2) Directors are entitled to such remuneration as the Board determines:

(a) for their services to the Company as Directors; and

(b) for any other service which they undertake for the Company.

(3) Subject to the Articles, a Director's remuneration may:

(a) take any form; and

(b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.

(4) Unless the Board decides otherwise, Directors' remuneration accrues from day to day.

(5) Unless the Board decides otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

(6) Directors shall not be accountable to the Company for any remuneration which they receive as Directors or other officers or employees of any Major Shareholder (or Affiliate of any Major Shareholder).

22. Directors' expenses

(1) The Company may pay any reasonable expenses which the Directors and the alternate Directors properly incur in connection with their attendance at:

(a) meetings of Directors or committees;

(b) general meetings; or

(c) separate meetings of the holders of any class of Shares or of debentures of the Company, or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

PART 3 DECISION-MAKING BY SHAREHOLDERS

ORGANISATION OF GENERAL MEETINGS

23. Shareholders can call general meeting if not enough Directors

(1) If:

(a) the Company has fewer than two (2) Directors; and

(b) the Director (if any) is unable or unwilling to appoint sufficient Directors to make up a quorum or to call a general meeting to do so,

then one or more Shareholders holding together in aggregate Shares representing more than twenty-five per cent. (25%) of the entire issued share capital of the Company may call a general meeting (or instruct the Board Secretary to do so) for the purpose of appointing one or more Directors.

24. Attendance and speaking at general meetings

(1) Following resolution by the Board to call a general meeting, the Chairperson or, in his or her absence, the Vice-Chairperson, shall call, set the agenda for and chair each general meeting, which shall be convened:

(a) except as provided in Article 25(3), by notifying each Shareholder no later than (i) fourteen (14) calendar days prior to the proposed date of the relevant general meeting; or (ii) twenty-one (21) calendar days prior to the proposed date of the annual general meeting; provided that, in each case, the meeting may be called on less than the relevant period of notice specified in (i) or (ii) if approved by the Shareholders in accordance with sections 324 or 356(2) of the Companies Regulations (as the case may be);

(b) on a Business Day; and

(c) at least once a year.

(2) The Board Secretary, or in their absence, a proxy nominated by the Chairperson from time to time, shall be responsible for, among other things, administering and documenting the business of a general meeting.

(3) General meetings shall be held:

(a) by telephone, video conferencing or other similar methods, by means of which all persons participating in the meeting can at all times during such meeting hear and speak to each other, and such participation shall constitute presence in person at such meeting; or

(b) in person.

(4) A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

(5) Without prejudice to Article 19, a person is able to exercise the right to vote at a general meeting when:

(a) that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

(b) that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

(6) The Board may make whatever arrangements it considers appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

25. Quorum for general meetings

(1) Subject to Article 25(3) and due notice of a general meeting being given, a quorum shall exist at any general meeting of the Company if Shareholders holding at least a simple majority of the aggregate number of voting rights attaching to the entire issued share capital of the Company are present (in person or by proxy).

(2) No business other than the appointment of the Chairperson of the Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

(3) If a quorum is not present at a general meeting of the Company within one (1) hour following the commencement time specified in the notice, the meeting shall be adjourned and reconvened to discuss the same agenda. At least forty-eight (48) hours' notice of the reconvened meeting will be given unless the Shareholders unanimously agree otherwise. At that reconvened meeting, the same quorum requirement shall apply. If, however, a quorum is not present at that reconvened meeting within one (1) hour of the scheduled commencement time, the meeting shall be adjourned once again and reconvened to discuss the same agenda and at least forty-eight (48) hours' notice of the second reconvened meeting will be given unless the Shareholders unanimously agree otherwise. At that second reconvened meeting, then, to the extent that the second reconvened meeting considers the same agenda, a quorum shall exist provided that Shareholders holding at least a simple majority of the aggregate number of voting rights attaching to the entire issued share capital of the Company are present (in person or by proxy).

26. Chairing general meetings

(1) If the Board has appointed a Chairperson, the Chairperson shall chair general meetings if present and willing to do so.

(2) If the Board has appointed a Vice-Chairperson, and the Chairperson is unwilling to chair the meeting or is not present within ten (10) minutes of the time at which a meeting was due to start, the Vice-Chairperson shall chair the general meeting if present and willing to do so.

(3) If the Board has not appointed a Chairperson and a Vice-Chairperson, or if each of the Chairperson and Vice-Chairperson is unwilling to chair the meeting or if both are not present within ten (10) minutes of the time at which a meeting was due to start:

(a) the Directors present; or

(b) if no Directors are present, the meeting,

must appoint a Director or Shareholder to chair the meeting, and the appointment of the Chairperson of the Meeting must be the first business of the meeting.

(4) The person chairing a general meeting in accordance with this Article is referred to as the "**Chairperson of the Meeting**".

27. Attendance and speaking by Directors and non-Shareholders

(1) Directors may attend and speak at general meetings, whether or not they are Shareholders.

(2) The Chairperson of the Meeting may permit other persons who are not:

(a) Shareholders of the Company; or

(b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at a general meeting.

28. Adjournment

(1) The Chairperson of the Meeting must adjourn a general meeting if:

(a) such adjournment is required pursuant to Article 25; or

(b) directed to do so by the meeting.

(2) The Chairperson of the Meeting may adjourn a general meeting at which a quorum is present if:

(a) the meeting consents to an adjournment; or

(b) it appears to the Chairperson of the Meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.

(3) When adjourning a general meeting, the Chairperson of the Meeting must:

(a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Board; and

(b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.

(4) If the continuation of an adjourned meeting is to take place more than fourteen (14) calendar days after it was adjourned, the Company must give at least seven (7) clear calendar days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

(a) to the same persons to whom notice of the Company's general meetings is required to be given; and

(b) containing the same information which such notice is required to contain.

(5) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

29. Voting: general

(1) Subject to Article 19, a resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

(2) If a matter is reserved by Applicable Law or these Articles to the Company's Shareholders, any such matter shall, unless a higher majority is required by Applicable Law, require the approval of:

(a) subject to Article 29(2)(b), a simple majority vote of the Shareholders attending (in person or by proxy) a duly convened and quorate general meeting, and each Shareholder shall have such number of votes as is equal to the Shares held by such Shareholder; or

(b) in relation to the appointment of Directors, the Shareholders in accordance with Article 19.

(3) In the event of an equality of votes in relation to a resolution of the Shareholders, no person shall have a second or casting vote.

30. Errors and disputes

(1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.

(2) Any such objection must be referred to the Chairperson of the Meeting whose decision is final.

31. Demanding a poll

(1) A poll on a resolution may be demanded:

(a) in advance of the general meeting where it is to be put to the vote; or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

(2) A poll may be demanded by:

(a) the Chairperson of the Meeting;

(b) two (2) or more Directors;

(c) two (2) or more persons having the right to vote on the resolution; or

(d) a person or persons representing not less than one-tenth (⅒) of the total voting rights of all the Shareholders having the right to vote on the resolution.

(3) A demand for a poll may be withdrawn if:

(a) the poll has not yet been taken; and

(b) the Chairperson of the Meeting consents to the withdrawal.

(4) This Article 31 is without prejudice to the provisions of Article 19.

32. Procedure on a poll

(1) Subject to the Articles, polls at general meetings must be taken when, where and in such manner as the Chairperson of the Meeting directs.

(2) The Chairperson of the Meeting may appoint scrutineers (who need not be Shareholders) and decide how and when the result of the poll is to be declared.

(3) Subject to the Articles, the result of a poll shall be the decision of the meeting in respect of the resolution on which the poll was demanded.

(4) A poll on:

(a) the election of the Chairperson of the Meeting; or

(b) a question of adjournment,

must be taken immediately.

(5) Other polls must be taken within thirty (30) days of their being demanded.

(6) A demand for a poll does not prevent a general meeting from continuing, except as regards the question on which the poll was demanded.

(7) No notice need be given of a poll not taken immediately if the time and place at which it is to be taken are announced at the meeting at which it is demanded.

(8) In any other case, at least seven (7) days' notice must be given specifying the time and place at which the poll is to be taken.

(9) This Article 32 is without prejudice to the provisions of Article 19.

33. Content of Proxy Notices

(1) Proxies may only validly be appointed by a notice in writing (a "**Proxy Notice**") which:

(a) states the name and address of the Shareholder appointing the proxy;

(b) identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

(c) specifies the mandate for the Shareholder's proxy and the term for which the Proxy Notice may be used;

(d) is signed by or on behalf of the Shareholder appointing the proxy, or is otherwise authenticated in such manner as the Board may determine; and

(e) is delivered to the Company in accordance with the Articles and any instructions contained in the notice of the general meeting to which they relate.

(2) The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.

(3) Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

(4) Unless a Proxy Notice indicates otherwise, it must be treated as:

(a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

(b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

34. Delivery of Proxy Notices

(1) Any notice of a general meeting must specify the address or addresses ("**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in hard copy or electronic form.

(2) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll or otherwise) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

(3) Subject to Articles 34(4) and 34(5), a Proxy Notice must be delivered to a Proxy Notification Address not less than forty-eight (48) hours before the general meeting or adjourned meeting to which it relates.

(4) In the case of a poll taken more than forty-eight (48) hours after it is demanded, the notice must be delivered to a Proxy Notification Address not less than twenty-four (24) hours before the time appointed for the taking of the poll.

(5) In the case of a poll not taken during the meeting but taken not more than forty-eight (48) hours after it was demanded, the Proxy Notice must be delivered:

(a) in accordance with Article 34(3); or

(b) at the meeting at which the poll was demanded to the Chairperson, secretary or any Director.

(6) An appointment under a Proxy Notice may be revoked by delivering a notice in writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given to a Proxy Notification Address.

(7) A notice revoking a proxy appointment only takes effect if it is delivered before:

(a) the start of the meeting or adjourned meeting to which it relates; or

(b) (in the case of a poll not taken on the same day as the meeting or adjourned meeting) the time appointed for taking the poll to which it relates.

(8) If a Proxy Notice is not signed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

35. Amendments to resolutions

(1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

(a) notice of the proposed amendment is given to the Board Secretary in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than forty-eight (48) hours before the meeting is to take place (or such later time as the Chairperson of the Meeting may determine); and

(b) the proposed amendment does not, in the reasonable opinion of the Chairperson of the Meeting, materially alter the scope of the resolution.

(2) A special resolution or Director Election Resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

(a) the Chairperson of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

(3) If the Chairperson of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairperson's error does not invalidate the vote on that resolution.

36. Corporate representatives

(1) In accordance with section 341 of the Companies Regulations, a corporation which is a Shareholder may by resolution of its Directors or other governing body authorise a person or persons to act as its representative or representatives at any general meeting of the Company.

(2) Section 349 of the Companies Regulations shall be deemed to also apply to a representative of a corporation (within the meaning of section 341 of those regulations) as if references in that section to a proxy were to both a proxy and such representative of a corporation.

37. No voting of Shares on which money owed to Company

(1) No voting rights attached to a partly paid Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, if a Call has been made in respect of that Share, such Call has not been paid in full when due and such Call remains outstanding at the relevant time.

38. Application to class meetings

(1) The provisions of the Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

PART 4 SHARES AND DISTRIBUTIONS

SHARES

39. Powers to issue different classes of share

(1) Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution or, if no such resolution has been passed, or so far as the resolution does not make special provision, as the Board may decide subject to the Articles.

(2) Subject to the Articles, the Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Board may determine the terms, conditions and manner of redemption of any such Shares.

40. Payment of commissions on subscription for Shares

(1) Subject to the Articles, the Company may pay any person a commission in consideration for that person:

(a) subscribing, or agreeing to subscribe, for Shares; or

(b) procuring, or agreeing to procure, subscriptions for Shares.

(2) Any such commission may be paid:

(a) in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and

(b) in respect of a conditional or an absolute subscription.

41. Company not bound by less than absolute interests

(1) Except as required by law, no person is to be recognised by the Company as holding any Share upon any trust, and except as otherwise required by law or the Articles, the Company is not in any way to be bound by or recognise any interest in a Share other than the holder's absolute ownership of it and all the rights attaching to it.

42. Share Certificates

(1) Subject to the Articles, the Company must issue each Shareholder with one (1) or more Certificates in respect of the Shares which that Shareholder holds.

(2) This Article does not apply to:

(a) Uncertificated Shares; or

(b) Shares in respect of which the Companies Regulations permit the Company not to issue a Certificate.

(3) Except as otherwise specified in the Articles, all Certificates must be issued free of charge.

(4) No Certificate may be issued in respect of Shares of more than one (1) class.

(5) If more than one (1) person holds a Share, only one (1) Certificate may be issued in respect of it.

(6) Every Certificate must specify:

(a) in respect of how many Shares, of what class, it is issued;

(b) the issue price of those Shares;

(c) the amount paid up on them; and

(d) any distinguishing numbers assigned to them.

(7) Certificates must:

(a) have affixed to them the Company's common seal; or

(b) be otherwise executed in accordance with the Companies Regulations.

43. Consolidated Share certificates

(1) When a Shareholder's holding of Shares of a particular class increases, the Company may issue that Shareholder with:

(a) a single, consolidated Certificate in respect of all the Shares of a particular class which that Shareholder holds; or

(b) a separate Certificate in respect of only those Shares by which that Shareholder's holding has increased.

(2) When a Shareholder's holding of Shares of a particular class is reduced, the Company must ensure that the Shareholder is issued with one (1) or more Certificates in respect of the number of Shares held by the Shareholder after that reduction. But the Company need not (in the absence of a request from the Shareholder) issue any new Certificate if:

(a) all the Shares which the Shareholder no longer holds as a result of the reduction; and

(b) none of the Shares which the Shareholder retains following the reduction,

were, immediately before the reduction, represented by the same Certificate.

(3) A Shareholder may request the Company, in writing, to replace:

(a) the Shareholder's separate Certificates with a consolidated Certificate; or

(b) the Shareholder's consolidated Certificate with two (2) or more separate Certificates representing such proportion of the Shares as the Shareholder may specify.

(4) When the Company complies with such a request it may charge such reasonable fee as the Board may decide for doing so.

(5) Subject to Article 44, a consolidated Certificate must not be issued unless any Certificates which it is to replace have first been returned to the Company for cancellation.

44. Replacement Share certificates

(1) If a Certificate issued in respect of a Shareholder's Shares is:

(a) damaged or defaced; or

(b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement Certificate in respect of the same Shares.

(2) A Shareholder exercising the right to be issued with such a replacement Certificate:

(a) may at the same time exercise the right to be issued with a single Certificate or separate Certificate;

(b) must return the Certificate which is to be replaced to the Company if it is damaged or defaced; and

(c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Board decides.

SHARES NOT HELD IN CERTIFICATED FORM

45. Uncertificated Shares

(1) In this Article, the "**Relevant Rules**" means:

(a) any applicable provision of the Companies Regulations and the Uncertificated Securities Rules about the holding, evidencing of title to, or transfer of Shares other than in Certificated form; and

(b) any applicable legislation, rules or other arrangements made under or by virtue of such provision.

(2) The provisions of this Article have effect subject to the Relevant Rules.

(3) Any provision of the Articles which is inconsistent with the Relevant Rules must be disregarded, to the extent that it is inconsistent, whenever the Relevant Rules apply.

(4) Any Share or class of Shares may be issued or held on such terms, or in such a way, that:

(a) title to it or them is not, or must not be, evidenced by a Certificate; or

(b) it or they may or must be transferred wholly or partly without a Certificate.

(5) Subject to the Articles, the Directors have power to take such steps as they think fit in relation to:

(a) the evidencing of and transfer of title to Uncertificated Shares (including in connection with the issue of such Shares);

(b) any records relating to the holding of Uncertificated Shares;

(c) the conversion of Certificated Shares into Uncertificated Shares; or

(d) the conversion of Uncertificated Shares into Certificated Shares.

(6) Subject to the Articles, the Company may by notice to the holder of a Share require that Share:

(a) if it is Uncertificated, to be converted into Certificated form; and

(b) if it is Certificated, to be converted into Uncertificated form, to enable it to be dealt with in accordance with the Articles.

(7) If:

(a) the Articles give the Directors power to take action, or require other persons to take action, in order to sell, transfer or otherwise dispose of Shares; and

(b) Uncertificated Shares are subject to that power, but the power is expressed in terms which assume the use of a Certificate or other written instrument,

the Directors may take such action as is necessary or expedient to achieve the same results when exercising that power in relation to Uncertificated Shares. In particular, the Directors may take such action as they consider appropriate to achieve the sale, transfer, disposal, forfeiture, re-allotment or surrender of an Uncertificated Share or otherwise to enforce a lien in respect of it.

(8) Unless the Directors otherwise determine, Shares which a Shareholder holds in Uncertificated form must be treated as separate holdings from any Shares which that Shareholder holds in Certificated form.

(9) A class of Shares must not be treated as two (2) classes simply because some Shares of that class are held in Certificated form and others are held in Uncertificated form.

PARTLY PAID SHARES

46. Company's Lien over partly paid Shares

(1) The Company has a lien (the "**Company's Lien**") over every Share which is partly paid for any part of that Share's issue price which has not been paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it.

(2) The Company's Lien over a Share:

(a) takes priority over any third party's interest in that Share; and

(b) extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

(3) The Board may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

47. Enforcement of the Company's Lien

(1) Subject to the provisions of this Article, if:

(a) a Lien Enforcement Notice has been given in respect of a Share; and

(b) the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Board may decide.

(2) A Lien Enforcement Notice:

(a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

(b) must specify the Share concerned;

(c) must require payment of the sum payable within fourteen (14) days of the notice;

(d) must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise; and

(e) must state the Company's intention to sell the Share if the notice is not complied with.

(3) Where Shares are sold under this Article:

(a) the Board may authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

(b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

(4) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

(a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

(b) second, to the person entitled to the Shares at the date of the sale, but only after the Certificate for the Shares sold has been surrendered to the Company for cancellation or a suitable indemnity has been given for any lost Certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable in respect of the Shares after the date of the Lien Enforcement Notice.

(5) A statutory declaration by a Director or the Board Secretary that the declarant is a Director or the Board Secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

48. Call Notices

(1) Subject to the Articles and the terms on which Shares are allotted, the Board may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable in respect of Shares which that Shareholder holds at the date when the Board decide to send the Call Notice.

(2) A Call Notice:

(a) may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares;

(b) must state when and how any Call to which it relates it is to be paid; and

(c) may permit or require the Call to be paid by instalments.

(3) A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before fourteen (14) days have passed since the notice was sent.

(4) Before the Company has received any Call due under a Call Notice the Board may:

(a) revoke it wholly or in part, or

(b) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.

49. Liability to pay Calls

(1) Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid.

(2) Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.

(3) Subject to the terms on which Shares are allotted, the Board may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:

(a) to pay Calls which are not the same, or

(b) to pay Calls at different times.

50. When Call Notice need not be issued

(1) A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:

(a) on allotment;

(b) on the occurrence of a particular event; or

(c) on a date fixed by or in accordance with the terms of issue.

(2) But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

51. Failure to comply with Call Notice: automatic consequences

(1) If a person is liable to pay a Call and fails to do so by the Call Payment Date:

(a) the Board may issue a notice of intended forfeiture to that person; and

(b) until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate.

(2) For the purposes of this Article:

(a) the "**Call Payment Date**" is the time when the Call Notice states that a Call is payable, unless the Board gives a notice specifying a later date, in which case the "Call Payment Date" is that later date;

(b) the "**Relevant Rate**" is:

(i) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted;

(ii) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the Board;

(iii) if no rate is fixed in either of these ways, five per cent (5%) per annum.

(3) The Board may waive any obligation to pay interest on a Call wholly or in part.

52. Notice of intended forfeiture

(1) A notice of intended forfeiture:

(a) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;

(b) must be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise;

(c) must require payment of the Call and any accrued interest by a date which is not less than fourteen (14) days after the date of the notice;

(d) must state how the payment is to be made; and

(e) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited.

53. Board power to forfeit Shares

(1) If a notice of intended forfeiture is not complied with on or before the date by which payment of the Call is required in the notice of intended forfeiture, the Board may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

54. Effect of forfeiture

(1) Subject to the Articles, the forfeiture of a Share extinguishes:

(a) all interests in that Share, and all claims and demands against the Company in respect of it; and

(b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.

(2) Any Share which is forfeited in accordance with the Articles:

(a) is deemed to have been forfeited when the Board decides that it is forfeited;

(b) is deemed to be the property of the Company; and

(c) may be sold, re-allotted or otherwise disposed of as the Board thinks fit.

(3) If a person's Shares have been forfeited:

(a) the Company must send that person notice that forfeiture has occurred and record it in the register of members;

(b) that person ceases to be a Shareholder in respect of those Shares;

(c) that person must surrender the Certificate for the Shares forfeited to the Company for cancellation;

(d) that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and

(e) the Board may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.

(4) At any time before the Company disposes of a forfeited Share, the Board may decide to cancel the forfeiture on payment of all Calls and interest due in respect of it and on such other terms as they think fit.

55. Procedure following forfeiture

(1) If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Board may authorise any person to execute the instrument of transfer.

(2) A statutory declaration by a Director or the Board Secretary that the declarant is a Director or the Board Secretary and that a Share has been forfeited on a specified date:

(a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

(b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

(3) A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.

(4) If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:

(a) was, or would have become, payable; and

(b) had not, when that Share was forfeited, been paid by that person in respect of that Share,

but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.

56. Surrender of Shares

(1) A Shareholder may surrender any Share:

(a) in respect of which the Board may issue a notice of intended forfeiture;

(b) which the Board may forfeit; or

(c) which has been forfeited.

(2) The Board may accept the surrender of any such Share.

(3) The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

(4) A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

TRANSFER OF SHARES

57. Transfers: general

(1) Certificated Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Board, which is executed by or on behalf of:

(a) the transferor; and

(b) if any of the Shares is partly paid, the transferee.

(2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any Share.

(3) The Company may retain any instrument of transfer which is registered.

(4) The transferor remains the holder of a Certificated Share until the transferee's name is entered in the register of members as holder of it.

(5) The Directors may refuse to register the transfer of a Certificated Share if:

(a) the Share is not fully paid;

(b) the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed;

(c) the transfer is not accompanied by the Certificate for the Shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;

(d) the transfer is in respect of more than one (1) class of Share; or

(e) the transfer is in favour of more than four (4) transferees.

(6) The Board may refuse to register the transfer of a Share if it is in breach of these Articles and, if it does so, the instrument of transfer must be returned to the transferee with the notice of refusal unless the Board suspects that the proposed transfer may be fraudulent.

58. Transfer of Uncertificated Shares

(1) All transfers of Shares which are in Uncertificated form shall be effected by means of a Relevant System unless the Uncertificated Securities Rules provide otherwise.

(2) A transfer of an Uncertificated Share must not be registered if it is in favour of more than four (4) transferees.

TRANSMISSION

59. Transmission of Shares

(1) If title to a Share passes to a Transmittee, the Company may only recognise the Transmittee as having any title to that Share.

(2) Nothing in these Articles releases the estate of a deceased Shareholder from any liability in respect of a Share solely or jointly held by that Shareholder.

(3) A Transmittee who produces such evidence of entitlement to Shares as the Board may properly require:

(a) may, subject to the Articles, choose either to become the holder of those Shares or to have them transferred to another person; and

(b) subject to the Articles, and pending any transfer of the Shares to another person, has the same rights as the holder had.

(4) But Transmittees do not have the right to attend or vote at a general meeting in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares.

60. Exercise of Transmittees' rights

(1) Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

(2) If the Share is a Certificated Share and a Transmittee wishes to have it transferred to another person, the Transmittee must execute an instrument of transfer in respect of it.

(3) If the Share is an Uncertificated Share and the Transmittee wishes to have it transferred to another person, the Transmittee must:

(a) procure that all appropriate instructions are given to effect the transfer; or

(b) procure that the Uncertificated Share is changed into Certificated form and then execute an instrument of transfer in respect of it.

(4) Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the Transmittee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

61. Transmittees bound by prior notices

(1) If a notice is given to a Shareholder in respect of Shares and a Transmittee is entitled to those Shares, the Transmittee is bound by the notice if it was given to the Shareholder before the Transmittee's name has been entered in the register of members.

CONSOLIDATION OF SHARES

62. Procedure for disposing of fractions of Shares

(1) This Article applies where:

(a) there has been a consolidation or division of Shares; and

(b) as a result, Shareholders are entitled to fractions of Shares.

(2) The Board may:

(a) sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;

(b) in the case of a Certificated Share, authorise any person to execute an instrument of transfer of the Shares to the purchaser or a person nominated by the purchaser; and

(c) distribute the net proceeds of sale in due proportion among the holders of the Shares.

(3) Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Board, that Shareholder's portion may be distributed to an organisation which is a charity for the purposes of the laws of Abu Dhabi and/or the Abu Dhabi Global Market.

(4) The person to whom the Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.

(5) The transferee's title to the Shares is not affected by any irregularity in or invalidity of the process leading to their sale.

NEW SHARE ISSUANCES

63. Pre-emption rights in the Companies Regulations

(1) Subject to the Articles, without prejudice to the provisions of these Articles, the provisions in the Companies Regulations shall apply in relation to the issuance and allotment of equity securities (including an allotment by operation of sections 519(2) and 519(3) of the Companies Regulations and including the sale, re-allotment or other disposal of Shares pursuant to Articles 54(2)(c) or 56(4)).

(2) Subject to the Articles, for the purposes of section 510 of the Companies Regulations, the Directors may seek from the Shareholders a specific or a general authorisation to issue and allot equity securities (within the meaning of Article 63(1)). In no circumstances shall the Directors be empowered to issue and allot any equity securities absent a valid authorisation.

DIVIDENDS AND OTHER DISTRIBUTIONS

64. Procedure for declaring dividends

(1) Subject to the Articles, the Company may by ordinary resolution declare dividends, and the Board may decide to pay interim dividends.

(2) A dividend must not be declared unless the Board has made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Board.

(3) No dividend may be declared or paid unless it is in accordance with the Shareholders' respective rights and the provisions of these Articles.

(4) Unless the Shareholders' resolution to declare or Board decision to pay a dividend, or the terms on which Shares are issued, specify otherwise, it must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it.

(5) If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

(6) The Board may pay at intervals any dividend payable at a fixed rate if it appears to it that the profits available for distribution justify the payment.

(7) If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

65. Calculation of dividends

(1) Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be:

(a) declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

(b) apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

(2) If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.

(3) For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

66. Payment of dividends and other distributions

(1) Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

(a) transfer to a bank account specified by the Distribution Recipient either in writing or as the Board may otherwise decide;

(b) sending a cheque made payable to the Distribution Recipient by post to the Distribution Recipient at the Distribution Recipient's registered address (if the Distribution Recipient is a holder of the Share), or (in any other case) to an address specified by the Distribution Recipient either in writing or as the Board may otherwise decide;

(c) sending a cheque made payable to such person by post to such person at such address as the Distribution Recipient has specified either in writing or as the Board may otherwise decide; or

(d) any other means of payment as the Board agrees with the Distribution Recipient either in writing or by such other means as the Board decides.

(2) In the Articles, the "**Distribution Recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

(a) the holder of the Share; or

(b) if the Share has two or more joint holders, whichever of them is named first in the register of members; or

(c) if the holder is no longer entitled to the Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittee.

(3) No Shareholder shall have any right to demand any non-cash distribution.

67. Deductions from distributions in respect of sums owed to the Company

(1) If:

(a) a Share is subject to the Company's Lien; and

(b) the Board is entitled to issue a Lien Enforcement Notice in respect of it,

the Board may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that the Board is entitled to require payment under a Lien Enforcement Notice.

(2) Money so deducted must be used to pay any of the sums payable in respect of that Share.

(3) The Company must notify the Distribution Recipient in writing of:

(a) the fact and amount of any such deduction;

(b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

(c) how the money deducted has been applied.

68. No interest on distributions

(1) The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

(a) the terms on which the Share was issued; or

(b) the provisions of another agreement between the holder of that Share and the Company.

69. Unclaimed distributions

(1) All dividends or other sums which are:

(a) payable in respect of Shares; and

(b) unclaimed after having been declared or become payable, may be invested or otherwise made use of by the Board for the benefit of the Company until claimed.

(2) The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.

(3) If:

(a) twelve (12) years have passed from the date on which a dividend or other sum became due for payment; and

(b) the Distribution Recipient has not claimed it,

the Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

70. Non-cash distributions

(1) Subject to the terms of issue of the Share in question and these Articles, the Company may, by ordinary resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of a Share by transferring non-cash assets of equivalent value (including, without limitation, Shares or other securities in any Company).

(2) If the Shares in respect of which such a non-cash distribution is paid are Uncertificated, any Shares in the Company which are issued as a non-cash distribution in respect of them must be Uncertificated.

(3) Subject to the Articles, for the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

(a) fixing the value of any assets;

(b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

(c) vesting any assets in trustees.

71. Waiver of distributions

(1) Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in writing to that effect, but if:

(a) the Share has more than one holder; or

(b) more than one person is entitled to the Share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the Share.

CAPITALISATION OF PROFITS

72. Authority to capitalise and appropriation of Capitalised Sums

(1) Subject to the Articles, the Board may, if it is so authorised by an ordinary resolution:

(a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential

dividend, or any sum standing to the credit of any of the Company's reserves or funds, including but not limited to, the merger reserve, revaluation reserve or the Company's capital redemption reserve; and

(b) appropriate any sum which they so decide to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

(2) Capitalised Sums must be applied:

(a) on behalf of the Persons Entitled; and

(b) in the same proportions as a dividend would have been distributed to them.

(3) Any Capitalised Sum may be applied in paying up new Shares of an issue price equal to the Capitalised Sum which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

(4) A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the Persons Entitled or as they may direct.

(5) Subject to the Articles the Board may:

(a) apply Capitalised Sums in accordance with Article 72(3) and 72(4) partly in one way and partly in another;

(b) make such arrangements as it may decide to deal with Shares or debentures becoming distributable in fractions under this Article (including the issuing of fractional Certificates or the making of cash payments); and

(c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article.

PART 5 ADMINISTRATIVE ARRANGEMENTS

73. Means of communication to be used

(1) Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Regulations provides for documents or information which are authorised or required by any provision of the Companies Regulations to be sent or supplied by or to the Company. In particular, but without limitation, the Company may send or supply documents or information to Shareholders:

(a) in electronic form, subject to compliance with part 3 of schedule 5 of the Companies Regulations; and/or

(b) by making them available on a website, subject to compliance with part 4 of schedule 5 of the Companies Regulations (and for the purposes of paragraph 10 thereof, this Article 73(1)(b) constitutes a provision that the Company may send or supply documents or information to members by making them available on a website).

(2) Subject to the Articles, any notice or document to be sent or supplied to a Director in connection with the taking of decisions by the Board may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.

(3) A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than forty-eight (48) hours.

74. Failure to notify contact details

(1) If:

(a) the Company sends two consecutive documents to a Shareholder over a period of at least twelve (12) months; and

(b) each of those documents is returned undelivered, or the Company receives notification that it has not been delivered,

that Shareholder ceases to be entitled to receive notices from the Company.

(2) A Shareholder who has ceased to be entitled to receive notices from the Company becomes entitled to receive such notices again by sending the Company:

(a) a new address to be recorded in the register of members; or

(b) if the Shareholder has agreed that the Company should use a means of communication other than sending things to such an address, the information that the Company needs to use that means of communication effectively.

75. Company seals

(1) Any common seal may only be used by the authority of the Board.

(2) The Board may decide by what means and in what form any common seal is to be used.

(3) Unless otherwise decided by the Board, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.

(4) For the purposes of this Article, an authorised person is:

(a) any Director of the Company;

(b) the Board Secretary; or

(c) any person authorised by the Board for the purpose of signing documents to which the common seal is applied.

(5) If the Company has an official seal for use abroad, it may only be affixed to a document if its use on that document, or documents of a class to which it belongs, has been authorised by a decision of the Directors.

76. Destruction of documents

(1) The Company is entitled to destroy:

(a) all instruments of transfer of Shares which have been registered, and all other documents on the basis of which any entries are made in the register of members, from six (6) years after the date of registration;

(b) all dividend mandates, variations or cancellations of dividend mandates, and notifications of change of address, from two (2) years after they have been recorded;

(c) all Share Certificates which have been cancelled from one (1) year after the date of the cancellation;

(d) all paid dividend warrants and cheques from one (1) year after the date of actual payment; and

(e) all Proxy Notices from one (1) year after the end of the meeting to which the Proxy Notice relates.

(2) If the Company destroys a document in good faith, in accordance with the Articles, and without notice of any claim to which that document may be relevant, it is conclusively presumed in favour of the Company that:

(a) entries in the register purporting to have been made on the basis of an instrument of transfer or other document so destroyed were duly and properly made;

(b) any instrument of transfer so destroyed was a valid and effective instrument duly and properly registered;

(c) any Share Certificate so destroyed was a valid and effective Certificate duly and properly cancelled; and

(d) any other document so destroyed was a valid and effective document in accordance with its recorded particulars in the books or records of the Company.

(3) This Article does not impose on the Company any liability which it would not otherwise have if it destroys any document before the time at which this Article permits it to do so.

(4) In this Article, references to the destruction of any document include a reference to it being disposed of in any manner.

77. No right to inspect accounts and other records

(1) Except as provided by law or authorised by the Board or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

78. Provision for employees on cessation of business

(1) The Board may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

DIRECTORS' INDEMNITY AND INSURANCE

79. Indemnity

(1) Subject to Article 79(2), a relevant Director, officer, senior manager or alternate Director of the Company or an Associated Company may be indemnified out of the Company's assets against:

(a) any liability incurred by that person in connection with any negligence, default, breach of duty or breach of trust by him or her or any other liability incurred by him or her in the execution of his or her duties, the exercise of his or her powers or otherwise in connection with his or her duties, powers or offices;

(b) any liability incurred by that person in connection with the activities of the Company or an Associated Company in its capacity as a trustee of an occupational pension scheme (as defined in section 222(6) of the Companies Regulations); or

(c) any other liability incurred by that person as an officer of the Company or an Associated Company.

(2) This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Regulations or by any other provision of Applicable Law, and Article 79(1) shall be construed accordingly.

(3) In this Article:

(a) references to an "**Associated Company**" mean a member of the Group from time to time other than the Company; and

(b) a "**relevant Director, officer, senior manager or alternate Director**" means any Director, officer, senior manager or alternate Director or any former Director, officer, senior manager or alternate Director of the Company or an Associated Company.

80. Insurance

(1) The Board may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director, officer, senior manager or alternate Director in respect of any relevant loss.

(2) In this Article:

(a) "**Associated Company**" has the same meaning as given in Article 79(3)(a);

(b) a "**relevant Director, officer, senior manager or alternate Director**" has the same meaning as given in Article 79(3)(b); and

a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant Director, officer, senior manager or alternate Director in connection with that person's duties or powers in relation to the Company, any Associated Company or any pension fund or employees' share scheme of the Company or Associated Company.

Annex 3 – Receiving Banks' Branches

First Abu Dhabi Bank - Participating Branches

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Business Park, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Khalifa Park Al Qurm, PO BOX:6316
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
2	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street,PO BOX:2993
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
3	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Spinneys Khalidya Street Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
4	Ruwais	Ruwais - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Central Market, ADNOC Housung complex, Ruwaise
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
5	Al Batin	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Street No. 9 Next to Bateen Bus Terminal and Al Bateen Mall;PO BOX:7644
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
6	Sheikh Rashid Road Branch	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Airport Street – Ramy Hotel Building – Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
7	Salam Street	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Salam Street, Abu Dhabi
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturda)	
8	ADNOC HO	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ADNOC HQ - ABUDHABI Corniche Street
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
9	ZADCO - Khalifa Energy Complex	Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ZADCO CASH OFFICE - Corniche Street -Abu Dhabi
10	Al Ain New	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Ain New PO BOX: 17822
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
11	Oud Al Touba	Al Ain - Abu Dhabi	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Oud Al Touba Area, National housing loans bulding, Ali Bin Abi Talieb street, Al Ain.
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
12	Bur Dubai	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abdulla Al Rostamani Building, Khalid Bin Walid Road, Bur Dubai; PO BOX:115689
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
13	Sheikh Zayed Rd.	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
14	Deira Branch (ABS)	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Abu Baker Al Siddique Rd, Deira
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
15	Jabal Ali Branch	Dubai	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Near Gate No.5, Adjacent to Dubai Chamber Office
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
16	Sharjah	Sharjah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
			08:00 am to 12:30 pm (Friday)		
			08: am to 02:00 pm (Saturday)		
17	Ajman	Ajman	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Lulu Center, Al Ittihad street, Downtown, Ajman
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
18	Fujairah	Fujairah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street;PO BOX:79
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
19	RAK (LNBAD)	Ras Al Khaimah	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
20	Umm Al Quwain	Umm Al Quwain	08: am to 02:00 pm (Monday- Thursday);	8 am to 1 pm - Mon - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain;Po BOX:733
			08:00 am to 12:30 pm (Friday)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	

Abu Dhabi Commercial Bank - Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday -Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Mushrif Branch	Normal Branch	00173	Abu Dhabi		08:00 AM - 07:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Mushrif, Al Khaleej Al Arabi Road, Mushrif Cooperative Society, Ground floor, P.O.Box. 63824 Abu Dhabi
2	Shahama Branch	Normal Branch	00153	Abu Dhabi		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Dubai Abu Dhabi Road, Near Bani Yas Coop , P.O.Box: 76122
3	Hazza Bin Zayed Stadium Branch	Normal Branch	00207	Abu Dhabi, Al Ain		08:00 AM - 07:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Hazza Bin Zayed Stadium, Al Ain
4	Zayed Town Branch	Normal Branch	00152	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Zayed Town Main Street, Near Zayed Town Court, P.O.Box: 50013 Zayed Town
5	Al Riggah Branch	Normal Branch	00251	Dubai		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Riggah Road, Near Al Riggah Metro-Station, P.O.Box: 5550
6	Business Bay Branch	Normal Branch	00265	Dubai		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark-Business bay metro station
7	Ajman Branch	Normal Branch	00321	Ajman		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Ittihad Street, Near Lulu centre, P.O.Box: 1843
8	Ras Al Khaimah Branch	Normal Branch	00331	Ras Al Khaimah		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Naeem Mall, New central business district, P.O.Box: 1633
9	Fujairah Branch	Normal Branch	00051	Fujairah		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Hamed Bin Abdulla Street, Near ADNOC, P.O.Box: 770

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday -Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
10	Ruwais Branch	Normal Branch	00158	Abu Dhabi, Al Dhafra Region		08:00 AM - 03:00 PM Monday to Thursday	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	08:00 AM - 12:00 PM	Al Ruwais City, Sheikh Zayed Road, Central Market, ADCB Building, Abu Dhabi, P.O.Box 11851
11	Dalma Mall Branch	Mall Branch	00302	Abu Dhabi		10:00 AM - 09:00 PM Monday to Thursday	03:00 PM - 10:00 PM	10:00 AM - 02:00 PM Saturday to Thursday	03:00 PM - 07:00 PM	Dalma Mall- 1st floor - Mussafah
12	Al Zahiya City Centre Branch	Mall Branch	00154	Sharjah		10:00 AM - 09:00 PM Monday to Thursday	03:00 PM - 10:00 PM	10:00 AM - 02:00 PM Saturday to Thursday	03:00 PM - 07:00 PM	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657

Abu Dhabi Islamic Bank - Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Al Bateen Branch	Normal Branch	33	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Abu Dhabi - Al Bateen king Abdulla bin AbdulAziz Al Sauod Street - near UAE Central Bank
2	Sheikh Zayed Main Branch	Normal Branch	403	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Rashid Bin Saeed St(Old Airport Road) opposite to Hilton Capital Grand Hotel
3	Nation Towers Branch	Mall Branch	71	Abu Dhabi	1	10:00 AM to 10:00 pm	04:00 PM to 10:00 PM	10:00 AM to 2:00 PM 04:00 PM to 09:00 PM	04:00 PM to 09:00 PM	Nation Towers Galleria – Corniche Road, First Floor
4	Baniyas Branch	Normal Branch	13	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas
5	Khalifa A City Branch	Normal Branch	94	Abu Dhabi	1	8:00 AM to 2:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Khalifa A city, street # 16/21 south west.
6	Madinat Zayed Branch	Normal Branch	7	Abu Dhabi West (Gharbiya)	5	08:00 am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Madinat Zayed City - Western Region
7	Oud Al Toba Branch	Normal Branch	54	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	Oud Al Toba St., No.133
8	Al Tawaam Branch	Normal Branch	365	Al Ain	2	08:00 am to 08:00 pm	8:00 AM to 12:00 PM	08:00 am to 07:00 pm	08:00 AM to 11:00 AM	Sheik Khalifa Bin Zayed St, 135th St, Opposite UAE university
9	Al Qusais Branch	Normal Branch	51	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Qusais Area -Al Wasl Building
10	Second of December Branch	Normal Branch	86	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Jumeirah beach street, Dubai
11	Sheikh Zayed Road Branch	Normal Branch	14	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Emarat Atrium Building, Sheikh Zayed Road
12	Nad Al Sheba Branch	Normal Branch	15	Dubai	3	10:00am to 05:00pm	04:00 PM to 10:00 PM	11:00 AM to 04:00 PM	05:00 PM to 09:00 PM	Avenue Mall - Nad Al Sheba - Nad Al Sheba 2 - Dubai

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
13	Dubai Internet City - Arenco Branch	Normal Branch	53	Dubai	3	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Arenco Tower, Dubai Internet City
14	Fujairah Branch	Normal Branch	6	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Shaikh Hamad Bin Abdulla Street
15	Ras Al Khaimah Branch	Normal Branch	11	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Opposite Al Manar Mall, Al Muntasir Road
16	Dibba Branch	Normal Branch	17	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
17	Kalba Branch	Normal Branch	49	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
18	Al Dhaid Branch	Normal Branch	38	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Dhaid Expo Center
19	Khorfakkan Branch	Normal Branch	22	East Coast	6	08: 00am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Corniche Road, Banks Area
20	Umm Al Quwain Branch	Normal Branch	29	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	King Faisal Street opposite Umm Al Quwain Mall
21	Sharjah Main Branch	Normal Branch	5	Sharjah North East Area	4	08: am to 02:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Al Mussala Area opposite Etisalat building

AlMaryah Bank - Participating Branches

#	Branch name	Branch Type	Branch Code	Branch Location-Area	Area Code	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Al Maryah Community Bank, Innovation Hub			Abu Dhabi		Mon-Sat: 8AM to 10PM	Fri: 8AM to 10PM	Mon-Sat: 8AM to 10PM	Fri: 8AM to 10PM	Al Maryah Community Bank, Innovation Hub, 454 Shakbout Bin Sultan Street, Abu Dhabi, UAE
2	Al Maryah Community Bank, Mall of the Emirates			Dubai		Mon-Sat: 10AM to 10PM	Fri: 10AM to 10PM	Mon-Sat: 10AM to 10PM	Fri: 10AM to 10PM	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE
3	Al Maryah Community Bank, ADNOC HQ			Abu Dhabi		Mon-Fri: 8AM to 4PM	Fri: 8AM to 4PM	Mon-Fri: 8AM to 4PM	Fri: 8AM to 4PM	Al Maryah Community Bank, ADNOC HQ, Corniche, Abu Dhabi, UAE

Annex 4 – Company's Investments in the Subsidiaries[1] of the Company

	Name	Ownership percentage	Country of Incorporation
1.	Abu Dhabi Marine Operations and Services Company – Sole Proprietorship LLC	100%	UAE
2.	Abu Dhabi Marine Assets Company – Sole Proprietorship LLC	100%	UAE
3.	Abu Dhabi Marine Internatinoal Holdings RSC Limited	100%	UAE
4.	Zinc HoldCo RSC Ltd	100%	UAE
5.	Al Gafai Marine Services Company – Sole Proprietorship LLC	100%	UAE
6.	Sirdal National Marine Services Company – Sole Proprietorship LLC	100%	UAE
7.	National Gas Carriers Company	100%	Liberia
8.	Abu Dhabi National Shipping Company Inc	100%	British Virgin Islands
9.	Abu Dhabi Marine International Chartering Holdings RSC Limited	100%	UAE
10.	Abu Dhabi Marine International Operations Holdings RSC Limited	100%	UAE
11.	Um Al Lulu Marine Services – Sole Proprietorship LLC	100%	UAE
12.	Janana Marine Services – Sole Proprietorship LLC	100%	UAE
13.	Al Bazem Marine Services – Sole Proprietorship LLC	100%	UAE
14.	Al Samha Marine Services – Sole Proprietorship LLC	100%	UAE
15.	Al Sader Marine Services – Sole Proprietorship LLC	100%	UAE
16.	Al Reem Marine Services – Sole Proprietorship LLC	100%	UAE
17.	Ghantout Marine Services – Sole Proprietorship LLC	100%	UAE
18.	Abu Dhabi III Shipping Company Inc	100%	Liberia
19.	Bani Yas Shipping Company Inc	100%	Liberia
20.	Mezaira's Shipping Company Inc	100%	Liberia
21.	Arrilah I Shipping Company Inc	100%	Liberia

[1] Subsidiaries are entities in which the Company holds at least 50% of its share capital.

22.	Abu Al Abdyad Shipping Company Inc	100%	Liberia
23.	Al Yasat II Shipping Company Inc	100%	Liberia
24.	Liwa V Shipping Company Inc	100%	Liberia
25.	Diyyinah Shipping Company Inc	100%	Liberia
26.	Yamilah III Shippung Company Inc	100%	Liberia
27.	Butinah Shipping Company Inc	100%	Liberia
28.	Ras Ghumays I Shipping Company Inc	100%	Liberia
29.	Yas Shipping Company Inc	100%	Liberia
30.	Al Karama Shipping Company Inc	100%	Liberia
31.	HoldCo 1 Inc	100%	Liberia
32.	HoldCo 2 Inc	100%	Liberia
33.	Al Khtam Inc	100%	Liberia
34.	Al Ruwais Inc	100%	Liberia
35.	Tarif Inc	100%	Liberia
36.	Al Bateen Inc	100%	Liberia
37.	Al Falah Inc	100%	Liberia
38.	Al Khaznah Inc	100%	Liberia
39.	Shahamah Inc	100%	Liberia
40.	Ghasha Inc	100%	Liberia
41.	Ish Inc	100%	Liberia
42.	Um Al Ashtan Limited	100%	Liberia
43.	Al Hamra Limited	100%	Liberia
44.	Mraweh Limited	100%	Liberia
45.	Mubaraz Limited	100%	Liberia
46.	Al Wathba Inc	100%	Liberia
47.	Al Dhafra Inc	100%	Liberia
48.	Das Inc	100%	Liberia
49.	Zakum Inc	100%	Liberia
50.	Hili Inc	100%	Liberia
51.	Arzanah Inc	100%	Liberia
52.	Al Jimi Inc	100%	Liberia
53.	Murban Inc	100%	Liberia
54.	Jarnain Inc	100%	Liberia
55.	Newco 1 Inc	100%	Liberia
56.	Newco 2 Inc	100%	Liberia
57.	Newco 3 Inc	100%	Liberia
58.	Newco 4 Inc	100%	Liberia
59.	Newco 14 Inc	100%	Liberia
60.	Newco 15 Inc		
61.	Newco 16 Inc		
62.	Newco 17 Inc	100%	Liberia
63.	Newco 18 Inc	100%	Liberia
64.	Newco 19 Inc	100%	Liberia
65.	Newco 20 Inc	100%	Liberia

66.	Newco 21 Inc	100%	Liberia
67.	Newco 22 Inc	100%	Liberia
68.	Newco 23 Inc	100%	Liberia
69.	Newco 24 Inc	100%	Liberia
70.	Newco 25 Inc	100%	Liberia
71.	Newco 26 Inc	100%	Liberia
72.	Newco 27 Inc	100%	Liberia
73.	Newco 28 Inc	100%	Liberia
74.	Newco 29 Inc	100%	Liberia
75.	Newco 30 Inc	100%	Liberia
76.	Newco 31 Inc	100%	Liberia
77.	Newco 32 Inc	100%	Liberia
78.	Newco 33 Inc	100%	Liberia
79.	Newco 34 Inc	100%	Liberia
80.	Newco 35 Inc	100%	Liberia
81.	ZMI Holdings	100%	Cayman Islands
82.	Zakher Marine International Inc	100%	Panama
83.	Zakher Marine International Inc. – Abu Dhabi Branch	100%	UAE
84.	QMS Holding Limited	100%	British Virgin Islands
85.	QMS 2 Offshore Services Ltd	100%	Saint Vincent & Grenadines
86.	QMS 2 Offshore Services Ltd. – Abu Dhabi Branch	100%	UAE
87.	QMS Petroleum Services Inc	100%	Panama
88.	QMS Petroleum Services Inc – Abu Dhabi Branch	100%	UAE
89.	MBBS Inc	100%	Panama
90.	MBBS Inc – Abu Dhabi Branch	100%	UAE
91.	Al Shahama Inc	100%	Panama
92.	Al Bahia Inc	100%	Panama
93.	Al Maryah Inc	100%	Panama
94.	QMS China Inc	100%	Panama
95.	QMS Achiever Inc	100%	Panama
96.	QMS Gladiator Inc	100%	Panama
97.	Petrodrill Inc	100%	Panama
98.	Subhiya Inc	100%	Panama
99.	QMS Gloria Inc	100%	Panama
100	Bani Yas Inc	100%	Panama
101	Nadiya Inc	100%	Panama
102	Zakher Marine Saudi Company Limited	100%	KSA
103	Premier Marine Services L.L.C	100%	Qatar

104	Volo Travel and Tourism (Sole Proprietorship) L.L.C	100%	UAE
105	Lextus Inc	100%	Panama
106	QMS Offshore Industries L.L.C	100%	UAE
107	QMS Neptune Inc	100%	Panama
108	QMS Aquarius Inc	100%	Panama
109	QMS Leo Inc	100%	Panama
110	QMS Amora Inc	100%	Panama
111	QMS Sentinel Inc	100%	Panama
112	AW Shipping Limited	50%	UAE

Annex 5 – Company's Organization Chart of Key Subsidaries

